



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Meeting Agenda Public Utilities Board

Monday, April 23, 2018

6:00 PM

Work Session Room

After determining that a quorum is present, the Public Utilities Board of the City of Denton, Texas will convene in a meeting on Monday, April 23, 2018 at 6:00 p.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

WORK SESSION

- A. [PUB18-068](#) Receive a report and hold a discussion regarding the FY 2017 water audit.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Glossary of Terms](#)
 [Exhibit 3 - Presentation](#)

The Public Utilities Board (PUB) will convene in a Closed Meeting to consider specific items when these items are listed below under the Closed Meeting section of this agenda. When items for consideration are not listed under the Closed Meeting section of the agenda, the PUB will not conduct a Closed Meeting and will immediately convene its open meeting. The PUB reserves the right to adjourn into a Closed Meeting on any item on its open meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

CLOSED MEETING

- A. [PUB18-075](#) Deliberations Regarding Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Discuss and deliberate strategies and opportunities for the City to acquire natural gas for the DEC and enter into agreements regarding the same; receive a presentation from staff regarding public power competitive and financial matters for the purchase of natural gas under an existing Base Contract for the Purchase and Sale of Natural Gas with Enterprise Products, LLC, ("Enterprise Base Contract") for the operation of the Denton Energy Center ("DEC"); and, provide recommendations to City Council on the acquisition for natural gas for the DEC and the purchase of natural gas under the Enterprise Base Contract. Consultation with the City's attorneys regarding legal issues associated with the agreements described above where discussion of these legal matters in an open meeting would conflict with the duty of the City's attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.

ANY FINAL ACTION, DECISION, OR VOTE ON A MATTER DELIBERATED IN A CLOSED MEETING WILL ONLY BE TAKEN IN AN OPEN MEETING THAT IS HELD IN COMPLIANCE WITH TEXAS GOVERNMENT CODE, CHAPTER 551, EXCEPT TO THE EXTENT SUCH FINAL ACTION, DECISION, OR VOTE IS TAKEN IN THE CLOSED MEETING IN ACCORDANCE WITH THE PROVISIONS OF §551.086 OF THE TEXAS GOVERNMENT CODE (THE 'PUBLIC POWER EXCEPTION'). THE PUBLIC UTILITIES BOARD RESERVES THE RIGHT TO ADJOURN INTO A CLOSED MEETING OR EXECUTIVE SESSION AS AUTHORIZED BY TEX. GOV'T. CODE, §551.001, ET SEQ. (THE TEXAS OPEN MEETINGS ACT) ON ANY ITEM ON ITS OPEN MEETING AGENDA OR TO RECONVENE IN A CONTINUATION OF THE CLOSED MEETING ON THE CLOSED MEETING ITEMS NOTED ABOVE, IN ACCORDANCE WITH THE TEXAS OPEN MEETINGS ACT, INCLUDING, WITHOUT LIMITATION §551.071-551.086 OF THE TEXAS OPEN MEETINGS ACT.

Following the completion of the Closed Meeting, the Public Utilities Board will convene in a Regular Meeting at which the following items will be considered:

REGULAR MEETING

1. CONSENT AGENDA

Each of the items on the Consent Agenda is recommended by the Staff and approval thereof will be strictly on the basis of the Staff recommendations. Approval of the Consent Agenda authorizes the Assistant City Manager of Utilities, or his designee, to implement each item in accordance with the Staff recommendations. The Public Utilities Board has received background information and has had an opportunity to raise questions regarding these items prior to consideration.

Listed below are bids, purchase orders, contracts, and other items to be approved for payment or other action under the Consent Agenda (Agenda Items A – D). This listing is provided on the Consent Agenda to allow Public Utilities Board Members to discuss or withdraw an item prior to approval of the Consent Agenda. If no items are pulled, Consent Agenda Items A – D below will be approved with one motion. If items are pulled for separate discussion, they may be considered as the first items following approval of the Consent Agenda.

- A. [PUB18-023](#) Consider recommending adoption of an ordinance of the City Council of the City of Denton, Texas adopting revisions to the Denton Municipal Electric - Energy Risk Management Policy; and providing an effective date.

Attachments:

[Exhibit 1 - Agenda Information Sheet](#)

[Exhibit 2 - Proposed Ordinance adopting Updated Risk Policy](#)

[Exhibit 3 - Updated Energy Risk Management Policy](#)

[Exhibit 4 - Schedule for incorporating Deloitte recommendations into Energy Ris](#)

- B. [PUB18-042](#) Consider recommending approval of an ordinance approving a pipeline crossing contract by and between the City of Denton, Texas and the Kansas City Southern Railway Company relating to the location of a City water pipeline within the railroad right-of-way, located at the railroad's intersection with South Bonnie Brae at Mile Post D103.24 Alliance Subdivision, within the County and City of Denton, Texas; authorizing the City Manager to execute the Agreement; authorizing the expenditure of funds therefore; and providing an effective date. (North-South 42-inch Water Transmission Main project - Phase 2)

Attachments: [Exhibit 1 - Agenda Information Sheet](#)

[Exhibit 2 - Site Map](#)

[Exhibit 3 - Location Map](#)

[Exhibit 4 - Ordinance and Agreement](#)

- C. [PUB18-071](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract for Odor Neutralizer Chemicals with Probe America, Inc.; providing for the expenditure of funds therefor; and providing an effective date (RFP 6651- awarded to Probe America, Inc., in the three (3) year not-to-exceed amount of \$130,000).

Attachments: [Exhibit 1 - PUB Agenda Information Sheet](#)

[Exhibit 2 - Pricing Evaluation](#)

[Exhibit 3 - Contract](#)

[Exhibit 4 - Ordinance](#)

- D. [PUB18-073](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, rejecting any and all competitive bids under IFB 6755 for the physical natural gas supply to provide fuel for the Denton Energy Center; and providing an effective date (IFB 6755).

Attachments: [Exhibit 1 - PUB Agenda Information Sheet](#)

[Exhibit 2 - Ordinance](#)

2. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. [PUB18-066](#) Consider approval of the Public Utilities Board Meeting minutes of April 9, 2018.

Attachments: [1. PUB Draft Minutes 4-9-18](#)

- B. [PUB18-072](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract for the supply of emission system reducing agent (ammonia) for the Denton Energy Center with Southern Ionics, Inc.; providing for the expenditure of funds therefor; and providing an effective date (IFB 6701- awarded to Southern Ionics, Inc., in the three (3) year not-to-exceed amount of \$1,287,772.50).

Attachments: [Exhibit 1- PUB Agenda Information Sheet](#)

[Exhibit 2 - Bid Tabulation](#)

[Exhibit 3 - Contract](#)

[Exhibit 4 - Presentation](#)

[Exhibit 5 - Ordinance](#)

- C. [PUB18-074](#) Consider recommending approval of an ordinance affirming the authority of the City Manager, or his designee, to enter into a purchase of natural gas for operation of the Denton Energy Center after completion of the project's test phase.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Natural Gas Confirmation Agreement](#)
 [Exhibit 3 - Ordinance](#)

- D. [PUB18-069](#) ACM Update:
1. Future Agenda Items
 2. Matrix

Attachments: [1. Future Agenda Item List](#)
 [2. New Business Matrix - PUB](#)

3. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Public Utilities Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

CERTIFICATE

I certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of Denton, Texas, on the _____ day of _____, 2018 at _____ o'clock (a.m.) (p.m.)

CITY SECRETARY

NOTE: THE CITY OF DENTON CITY COUNCIL WORK SESSION ROOM IS HANDICAP-ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT A SIGN LANGUAGE INTERPRETER CAN BE SCHEDULED THROUGH THE CITY SECRETARY'S OFFICE.