City of Denton

Meeting Agenda

Public Utilities Board

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

Monday, May 7, 2018 | **8:30 AM** | **Council Chambers**

After determining that a quorum is present, the Public Utilities Board of the City of Denton, Texas will convene in a meeting on Monday, May 7, 2018 at 8:30 a.m. in the Council Chambers at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

WORK SESSION

A. PUB18-076 Receive a report from staff regarding the 2017 Reliability Indices for the electric distribution system and DME's actions taken to improve reliability.

Attachments: Exhibit 1 - Agenda Information Sheet
Exhibit 2 - DME Classifications (IEEE 1782) for Cause and Equipment
Exhibit 3 - Presentation

B. PUB18-085 Receive a report, hold a discussion, and give staff direction regarding the Customer Service Fiscal Year 2018-19 Operating Budget.

Attachments: Exhibit 1 - Agenda Information Sheet
Exhibit 2 - Presentation

C. PUB18-086 Receive a report, hold a discussion, and give staff direction regarding the Water Fiscal Year 2018-19 Operating and Capital Budget.

Attachments: Exhibit 1 - Agenda Information Sheet
Exhibit 2 - FY 2018-19 Budget Book
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. PUB18-088 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 solar energy and enter into agreements regarding the same including a Power Purchase Agreement with Bluebell Solar II, LLC.; receive a presentation from staff regarding public power

competitive and financial matters pertaining to the purchase of solar energy; consultation with the City's attorneys regarding legal issues associated with the agreement 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.

B. PUB18-092 Consultation with Attorneys - Under Texas Government Code, Section 551.071.

Receive information from, consult with, deliberate, and provide recommendations to the City Council for direction to the City's attorneys regarding monies paid by the City to the University of Texas at Arlington ("UTA") related to (i) UTA's Solid Waste Institute for Sustainability; and (ii) UTA's research related to and/or at the City's ECO-W.E.R.C.S. Resource Recovery Park. A public discussion of these legal matters 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, or would jeopardize the City's legal position in any administrative proceeding or potential litigation.

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. ITEMS FOR INDIVIDUAL CONSIDERATION

A. PUB18-078 Consider approval of the Public Utilities Board Meeting minutes of April 23, 2018.

Attachments: 1. PUB Draft Minutes 4-23-18

B. PUB18-089 Consider recommending adoption of an ordinance of the City Council of the City of Denton, a Texas home-rule municipal corporation, providing for, authorizing, and approving the execution by the Mayor of a Power Purchase Agreement ("PPA") between the City of Denton, a Texas home-rule municipal corporation ("Denton"), and Bluebell Solar II, LLC, a Delaware limited liability company ("Bluebell Solar II"); approving and authorizing the acceptance and approval by the City Manager, or his respective designee, of guaranties and letters of credit issued by Bluebell Solar II and NextEra Energy Capital Holdings, Inc., a Delaware corporation ("NextEra Holdings"), further securing the

obligations of Bluebell Solar II to the City for the benefit of the City; approving the execution of such other and further related documents deemed necessary to effectuate this transaction by the City Manager, or his designee, which are incident or related to the PPA; finding that the PPA, as redacted, pertains to a "competitive electric matter" as set forth under the provisions of §§551.086 and 552.133 of the Texas Government Code, as amended; finding and determining that the Texas Government Code §252.022(a)(15) applies to said Purchase Power Agreement, exempting the procurement of electricity from the requirements of competitive bidding; finding that the purchase of capacity and energy made by Denton under the terms of the PPA are in the public welfare; authorizing the expenditure of funds; providing an effective date.

Attachments: Exhibit 1 - Agenda Information Sheet
Exhibit 2 - Ordinance rev.

C. PUB18-087 ACM Update:

1. Employee Ethics Policy
2. Water Leak Adjustment Memo
3. Future Agenda Items
4. Matrix

Attachments: 1. Employee Ethics Policy
2. Water Leak Adjustment Memo
3. Future Agenda Item List
4. New Business Matrix - PUB

2. 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.