



# City of Denton

City Hall  
215 E. McKinney St.  
Denton, Texas 76201  
[www.cityofdenton.com](http://www.cityofdenton.com)

## Meeting Agenda Public Utilities Board

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Monday, May 23, 2022

9:00 AM

Council Work Session Room

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### **REGISTRATION GUIDELINES FOR ADDRESSING THE PUBLIC UTILITIES BOARD**

Citizens will also be able to participate in one of the following ways (NOTE: Other than public hearings, citizens are only able to comment one time per agenda item; citizens cannot use both methods to comment on a single agenda item. Public comments are not held for work session reports.):

- eComment – On May 20, the agenda was posted online at <https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>. Once the agenda is posted, a link to make virtual comments using the eComment module will be made available next to the meeting listing on the Upcoming Events Calendar. Within eComment, citizens may indicate support or opposition and submit a brief comment about a specific agenda item. Comments may be submitted up until the start of the meeting at which time the ability to make an eComment will be closed. Similar to when a citizen submits a white card to indicate their position on an item, the eComments will be sent directly to members of the Public Utilities Board and recorded by the Secretary.

Members review comments received in advance of the meeting and take that public input into consideration prior to voting on an agenda item. The Chair will announce the number of Comment Cards submitted in support or opposition to an item during the public comment period. Comments will not be read during the meeting. The Secretary will reflect the number of comments submitted in favor/opposition to an item, the registrant's name, address, and (summary of) comments within the Minutes of the Meeting, as applicable.

After determining that a quorum is present, the Public Utilities Board of the City of Denton, Texas will convene in a Regular Meeting on Monday, May 23, 2022, at 9:00 a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

### **REGULAR MEETING**

#### **1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC**

This section of the agenda permits a person to make comments regarding public business on items as listed on the agenda. Each speaker will be allowed a maximum of four (4) minutes. Such person(s) shall have registered under the REGISTRATION GUIDELINES FOR ADDRESSING THE PUBLIC UTILITIES BOARD detailed at the beginning of this agenda. Registration is required prior to the time this agenda item is read into the record.

#### **2. 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 – E). 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 – E 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. [PUB22-064](#) Consider recommending adoption of an ordinance of the City of Denton repealing Ordinance No. 21-765; approving the 2022 Denton Municipal Electric - Energy Risk Management Policy (the “2022 ERMP”); delegating authority as provided in the 2022 ERMP; authorizing and approving the subsequent execution of such other ancillary and related documents, including, without limitation, contracts, nominations, certificates, assignments, licenses, directions, instruments, confirmations, orders, and statements as are authorized by the 2022 ERMP, which are incident to or related thereto; confirming that the City of Denton, its Mayor, its City Council members, its City Manager, its City Attorney, and its City Secretary, are authorized to perform such acts and obligations as are reasonably required to consummate those future transactions which are provided for and authorized by the 2022 ERMP; finding that the purchase of electricity, natural gas, and related commodities and instruments are exempt from the requirements of competitive bidding; finding that the purchase of electric energy, natural gas, and related commodities and instruments made by the city under the terms of the 2022 ERMP are in the public welfare of the citizens and electric ratepayers of the city; authorizing the expenditure of funds therefor; and, providing an effective date.

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)  
                             [Exhibit 2- Ordinance](#)

- B. [PUB22-066](#) Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of Change Order No. 5 to the contract between the City of Denton and Quality Excavation, LTD, for the construction of the McKinney Street sidewalk segment for the Downtown Storm Sewer Trunk Line PH I Project; providing for the expenditure of funds therefor; and providing an effective date (IFB 7086 - Change Order No. 5, in the not-to-exceed amount of \$65,757.40 for a total contract award aggregated to \$1,289,375.65).

Attachments:      [Exhibit 1 - Agenda Information Sheet - PUB](#)  
                             [Exhibit 2 - Original Ordinance and Contract](#)  
                             [Exhibit 3 - Change Order 1](#)  
                             [Exhibit 4 - Change Order 2](#)  
                             [Exhibit 5 - Change Order 3](#)  
                             [Exhibit 6 - Ordinance and Change Order 4](#)  
                             [Exhibit 7 - Ordinance and Change Order 5](#)

- C. [PUB22-067](#) Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional

Services Agreement with Biggs and Mathews Environmental, Inc., for the scale facility and roadway improvements at the City of Denton Landfill for the Solid Waste and Recycling Department; providing for the expenditure of funds therefor; and providing an effective date (RFQ 7109-025 - Professional Services Agreement for design services awarded to Biggs and Mathews Environmental, Inc., in the not-to-exceed amount of \$160,000.00).

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)  
                              [Exhibit 2 - Ordinance and Contract](#)

- D.    [PUB22-068](#)    Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Allegro Development Corporation, for the Energy Trading and Risk Management Application for Denton Municipal Electric, which is the sole provider of this software, in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services that are available from one source are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body; providing for the expenditure of funds therefor; and providing an effective date (File 7916 - awarded to Allegro Development Corporation, in the eight (8) year not-to-exceed amount of \$1,658,561.00).

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)  
                              [Exhibit 2 - Original Contract](#)  
                              [Exhibit 3 - Ordinance and Contract](#)

- E.    [PUB22-073](#)    Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with Freese and Nichols, Inc., for the development of a Storm Water Master Plan assessment for the Drainage Department as set forth in the contract; providing for the expenditure of funds therefor; and providing an effective date (RFQ 7599-006 - Professional Services Agreement for assessment services awarded to Freese and Nichols, Inc., in the not-to-exceed amount of \$500,000.00).

Attachments:      [Exhibit 1 - Agenda Information Sheet - PUB](#)  
                              [Exhibit 2 - Ordinance and Contract](#)

### 3. ITEMS FOR INDIVIDUAL CONSIDERATION

- A.    [PUB22-070](#)    Consider approval of the May 9, 2022 minutes.

Attachments:      [5.09.22 PUB Minutes](#)

- B.    [PUB22-056](#)    Consider recommending adoption of an ordinance considering all matters incident and related to the issuance, sale and delivery of up to \$121,000,000 in principal amount of "City of Denton Certificates of Obligation, Series 2022"; authorizing the issuance of the certificates; delegating the authority to certain city officials to execute certain documents relating to the sale of the certificates; approving and authorizing instruments and procedures relating to said certificates; enacting other provisions relating to the subject; and providing an effective date.

Attachments:      [Exhibit 1 Agenda Information Sheet](#)  
                              [Exhibit 2 Preliminary Official Statement](#)  
                              [Exhibit 3 CO Ordinance](#)  
                              [Exhibit 4 Presentation](#)

- C.    [PUB22-074](#)    Consider recommending adoption of an ordinance considering all matters incident and related to the issuance, sale and delivery of up to \$89,000,000 in principal amount of "City of Denton General Obligation refunding and improvement bonds, Series 2022" authorizing the issuance of the bonds; delegating the authority to certain city officials to execute certain documents relating to the sale of the bonds; approving and authorizing instruments and procedures relating to said bonds; enacting other provisions relating to the subject; and providing an effective date.

Attachments:      [Exhibit 1 Agenda Information Sheet](#)  
                              [Exhibit 2 Preliminary Official Statement](#)  
                              [Exhibit 3 GO Ordinance](#)

- D.    [PUB22-069](#)    Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with Kimley-Horn and Associates, Inc., to provide regulatory permitting/approval support, process evaluation, design services, bidding assistance, and construction phase services for the Pecan Creek Water Reclamation Plant (PCWRP) Headworks Project for the Water Utilities Department; providing for the expenditure of funds therefor; and providing an effective date (RFQ 7574-013 - Professional Services Agreement for design services awarded to Kimley-Horn and Associates, Inc., in the not-to-exceed amount of \$3,828,700.00).

Attachments:      [Exhibit 1 - Agenda Information Sheet](#)  
                              [Exhibit 2 - Presentation](#)  
                              [Exhibit 3 - Ordinance and Contract](#)

- E.    [PUB22-071](#)    Management reports  
                          1. Pilot Residential Composting Program - Response to New Business Action Item  
                          2. Future Agenda Items  
                          3. New Business Action Items

Attachments:      [1. Pilot Residential Composting Program - Response to New Business Action It](#)  
                              [2. Future Agenda Items](#)  
                              [3. New Business Action Items](#)

#### 4. 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.

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

### **WORK SESSION**

- A. [PUB22-072](#) Receive a report, hold a discussion, and give staff direction regarding FY 2022-23 Utility Budget Forecasts.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)  
[Exhibit 2 - Presentation](#)

Following the completion of the Work Session, 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. The Public Utilities Board (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. [PUB22-065](#) 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.

Receive a presentation from staff regarding public power competitive and financial matters about the risks of wholesale energy supply and risk management plans, hedge plans, and strategies as each relates to the DME electric power and gas portfolio; discuss, deliberate, and provide direction to staff regarding the same. Consultation with the City's attorneys regarding legal issues associated with the above matters where 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 Section 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 Texas Government Code, Section 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 Section 551.071-551.086 of the Texas Open Meetings Act.

CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on May 20, 2022, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

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CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS 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 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.