

CITY OF DENTON PUBLIC UTILITIES BOARD MINUTES
May 23, 2022

After determining that a quorum was present of the Public Utilities Board of the City of Denton, convened 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.

PRESENT: Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck

Also present: DME General Manager Antonio Puente and Deputy City Attorney Marcella Lunn

REGULAR MEETING

1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

There were no public comments.

2. CONSENT AGENDA

The Consent Agenda consisted of Items 2.A-E.

Board Member Riback moved to recommend adoption of agenda items 2B-E. Motion seconded by Board Member Jumper; motion carried.

YES (7): Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck

NO (0):

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 EMRP"); 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.

Board Member Beck asked a question that Smith Day answered. There were other questions by Board Members that staff answered.

Board Member Beck moved to recommend adoption of agenda items 2A. Motion seconded by Board Member Riback; motion carried.

YES (7): Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck

NO (0):

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).

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).

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).

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).

3. ITEMS FOR INDIVIDUAL CONSIDERATION

A. PUB22-070 Consider approval of the May 9, 2022 minutes.

Board Member Russell moved to recommend approval of agenda item 3A. Motion seconded by Board Member Riback; motion carried.

YES (7): Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck
NO (0):

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.

Randee Klingele gave one presentation for both 22-056 and 22-074. Board Members asked questions and staff answered. They were voted on separately.

Board Member Jumper moved to recommend approval of agenda item 3B. Motion seconded by Board Member Beck; motion carried.

YES (7): Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck
NO (0):

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.

Board Member Taylor moved to recommend approval of agenda item 3C. Motion seconded by Board Member Jumper; motion carried.

YES (7): Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck
NO (0):

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).

David Brown gave the presentation. Board Members asked questions that staff answered.

Board Member Russell moved to recommend approval of agenda item 3D. Motion seconded by Board Member Riback; motion carried.

YES (7): Chair Susan Parker, Vice Chair Billy Cheek, Barbara Russell, Devin Taylor, Ben Jumper, Lee Riback and Larry Beck
NO (0):

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

4. CONCLUDING ITEMS

Chair Parker stated at the June 13th PUB Meeting she and Vice Chair Cheek will not be at the meeting she asked if there will be a quorum. All other Board Members stated they would be in attendance.

WORK SESSION

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

Danielle Stanford gave the presentation. Board Members asked questions that staff answered.

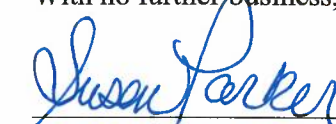
CLOSED MEETING

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.

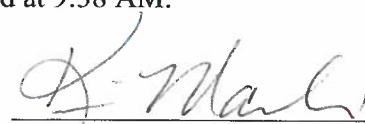
Receive a presentation from staff regarding public power competitive and financial matters about the risks of wholesale energy supply and risk management plans, hedge plans, and strategies as each relates to the DME electric power and gas portfolio; discuss, deliberate, and provide direction to staff 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.

There was no Closed Session.

With no further business, the meeting was adjourned at 9:38 AM.



SUSAN PARKER
CHAIR
CITY OF DENTON, TEXAS



KIM MANKIN
UTILITIES ADMIN MANAGER
CITY OF DENTON, TEXAS

Minutes approved on: June 13, 2022.