



City of Denton MINUTES PUBLIC UTILITIES BOARD

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

Monday, July 27, 2020

9:00 am

Work Session Room

After determining that a quorum of the Public Utilities Board of the City of Denton, Texas is present, the Chair of the Public Utilities Board will thereafter convene into an open meeting on Monday, July 27, 2020 at 9:00 a.m. in the Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas.

PRESENT: Chair Susan Parker, Vice Chair Billy Cheek and Members Barbara Russell, Russell Bafford, Ed Soph, Karen DeVinney and Charles Parker

Also present were Deputy City Manager Mario Canizares and First Assistant City Attorney Larry Collister

Note: Chair Susan Parker, Vice Chair Billy Cheek and Members Barbara Russell, Russell Bafford, Ed Soph, Charles Parker will be participating in the work session and regular meeting via video/teleconference under the provisions allowed by the Texas Government Code Section 551.127.

REGULAR MEETING

1. CONSENT AGENDA

A. PUB20-121 – 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 & Mathews Environmental, Inc., for design services of the drop off area located within the Public Disposal Facility at the City of Denton Landfill; providing for the expenditure of funds therefor; and providing an effective date (RFP 7109-010 - Professional Services Agreement for design services awarded to Biggs & Mathews Environmental, Inc., in the not-to-exceed amount of \$124,500).

Board Member DeVinney clarified that if a vendor is on the pre-qualified list then the project doesn't go out for bids (items A and B). Lori Hewell answered the questions agreeing that is correct.

Board Member C. Parker asked the total amount for the project. Tina Ek stated that the design is normally eight to ten percent of the project. **Parker is concerned about the amount,** Mario Canizares further explained the concrete work as well as re-routing and separating the commercial and residential traffic for the landfill.

Board Member DeVinney motioned to approve item A with a second by Board Member Cheek. Vote 6-1. C. Parker voted in opposition.

B. PUB20-122 – 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 Parkhill, Smith & Cooper, Inc., for the design of Landfill Cell Four (4) at the City of Denton Landfill; providing for the expenditure of funds therefor; and providing an effective date (RFP 7109-012 - Professional Services Agreement for design services awarded to Parkhill, Smith & Cooper, Inc., in the not-to-exceed amount of \$221,100).

Board Member DeVinney motioned to approve item B with a second by Board Member C. Parker. Vote 7-0.

C. PUB20-123 – Consider recommending adoption of an ordinance ratifying the expenditure of funds by the City Manager and the Purchasing agent for the Hickory Creek Lift Station pump failure and sanitary sewer overflow in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services made to preserve or protect the public health or safety of the municipality's residents is exempt from competitive bidding, and if over \$50,000 shall be awarded by the governing body; and providing an effective date (File 7253 - Hickory Creek Lift Station pump failure and sanitary sewer overflow expenditure of \$179,606.34).

Board Member Bafford asked if there was an analysis or report on how and why this failure happened. Kenneth Banks answered staff went back to look and sometimes it is difficult to tell. Staff believes the failure in the pump house was due to a 'water hammer' event due to a brief power outage. Banks described the new system and lift station that should be complete this fall.

Bafford believes there should be a written formal root cause analysis or a failure analysis including a policy when there is a permit violation or large event. Banks agreed and staff will put that together. With the new lift station, a similar event is very unlikely, but staff has documented this event. Banks also stated there is a standard operating procedure for these events, he will review to make sure they are complete.

Board Member Russell asked about the new construction and any fines from TCEQ, Banks answered a few options were added which delayed the completion of the project which will now be in the fall timeframe. Staff has not received any information regarding a fine at this point.

Board Member C. Parker motioned to approve item C with a second by Board Member Russell. Vote 7-0. C. Parker also wanted to thank all of staff that worked to get this emergency taken care of.

D. PUB20-124 – Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager, or his designee, to execute a contract with Texan Waste Equipment Inc. dba Heil of Texas, through the Buy Board Cooperative Purchasing Network Contract # 599-19, for the purchase of repair services for Heil refuse bodies for the Solid Waste refuse fleet; providing for the expenditure of funds therefor; and providing an effective date (File 7421 - awarded to Texan Waste Equipment Inc. dba Heil of Texas, in the five (5) year not-to-exceed amount of \$450,000).

Board Member Bafford motioned to approve item D with a second by Board Member C. Parker. Vote 7-0.

E. PUB20-125 - Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of Change Order No. 2 to the contract between the City of Denton and Jagoe-Public Company, for the PEC 4 Phases 1 & 2 project; providing for the expenditure of funds therefor; and providing an effective date (IFB 6900-001 - Change Order No. 2 in the not-to-exceed amount of \$216,418.09, for a total contract award aggregated to \$11,212,945.51).

Board Member Cheek left the meeting for this agenda items discussion and did not vote.

Bafford would like the units of measures shown on the spreadsheet.

Board Member C. Parker motioned to approve item E with a second by Board Member Soph. Vote 6-0. Cheek recused himself.

F. PUB20-134 - Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the approval of a first amendment to a Sole Source Agreement between the City of Denton and Genscape, Inc., amending the contract approved by City Council on August 2, 2016, in the not-to-exceed amount of \$106,354.27; said first amendment to provide the continuation of access to and use of the Genscape platform; 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; providing for the expenditure of funds therefor; and providing an effective date (File 6190 - providing for an additional two (2) year with the option for two (2) additional one (1) year terms and first amendment expenditure amount not-to-exceed \$286,000, with the total contract amount not-to-exceed \$392,354.27). **Board Member DeVinney asked of tech support or software was part of this item.** Terry Naulty answered this is a data feed and a renewal of the software that DME has had for many years. Software upgrades are just pushed out to DME by the vendor.

Board Member Bafford asked about the sole source. Naulty answered and explained further.

Board Member C. Parker motioned to approve item F with a second by Board Member Soph. Vote 7-0.

2. ITEMS FOR INDIVIDUAL CONSIDERATION

A. PUB20-129 - Consider approval of the minutes of July 13, 2020.

The wrong minutes were attached to the item, tabled until the next meeting.

Board Member C. Parker motioned to table with a second by Board Member Russell. Vote 7-0.

B. PUB20-120 - 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 Jagoe-Public Company, for the construction of the McKinney Street/Mayhill Intersection project for the City of Denton; providing for the expenditure of funds therefor; and providing an effective date (IFB 7381 - awarded to Jagoe-Public Company in the not-to-exceed amount of \$4,391,631.04).

Trevor Crain gave the presentation remotely. The project overview was talked about. There were three bids received, with Jagoe-Public as the low bidder. Construction should be complete August 2021. The recommendation was to approve the bid with Jagoe-Public.

Board Member Cheek left the meeting for this agenda items discussion and did not vote.

Board Member Russell asked about the contingency. Board Member Bafford clarified that this project is 600 feet east and west of the intersection, Crain agreed.

Board Member Bafford motioned approve with a second by Board Member Russell. Vote 6-0. Board Member Cheek recused himself from this item.

C. PUB20-128 - Management Update:

1. DEC Informal Staff Report and Dashboard
2. Identity Theft Prevention Program during Emergency Declaration
3. Environmental Preferred Procurement Request
4. Future Agenda Items
5. New Business Action Items

Board Member Soph asked about an initiative to offset the Greenhouse Gas emissions for the DEC. Terry Naulty commented on this item.

Board Member Bafford asked about insurance on the DEC.

Board Member Soph would like an emissions report on the DEC since the plant was started.

Board Member Soph asked more about Preferred Procurement. Katherine Barnett and Mario Canizares answered and explained further on this item.

3. CONCLUDING ITEMS

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

Susan Parker and the Board congratulated Mario Canizares on his new position, he will be missed.

WORK SESSION

A. PUB20-132 - Receive a report, hold a discussion, and give direction regarding the Electric FY 2020-21 Proposed Budget, Capital Improvement Program, and Five-Year Financial Forecast.

Nick Vincent started by letting the Board Members know how the presentation would go. Antonio Puente began the presentation letting the Board Members know with some of the organizational changes he would be providing oversight to the utilities and liaison to this Board.

Puente started by thanking staff for their work over the past year including the pandemic and with an F1 tornado that went through Bowie.

The accomplishments and future goals were listed and talked about first.

Philosophical changes was next on the presentation.

Strategic Metrics was talked about including renewable energy supply and the renewable resource plan progress. DME's reliability and competitive rates was shown on graphs.

The FTE summary was shared with the Board Members and discussed. The organization chart was then shown and talked about.

Board Member Cheek left the meeting during this item.

Nick Vincent went over the financial assumptions for DME and stated that staff would come back in the November December timeframe to give an update.

Vincent started with the revenue and expense and then went over the proformas.

Next Vincent stated they are not looking at any substantial rate changes for DME.

Next steps include Council presentation on July 30 and a Special called PUB Meeting on Aug 3.

Board Member Bafford asked about the budget risk assumptions. Vincent answered on the financials, and then Naulty answered on load assumptions.

After no further questions, Mario Canizares stated Larry Collister had a comment.

Collister added that the lawsuit that is between DME and former staff members is an employee matter at this point. The judgement has not been reached. This Board can request from Council the details. Chair Parker asked if they would like to make that request, the vote was split. This will be revisited on August 3, where Board Member Cheek can weigh in.

Adjourned at 10:41 am.

DocuSigned by:

Susan Parker

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Susan Parker
Chair

DocuSigned by:

Kim Mankin

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Kim Mankin
Utilities Administration Manager

Minutes approved on: 8/10/2020