

**DRAFT MINUTES
PUBLIC UTILITIES BOARD**

Monday, April 24, 2017	9:00a.m.	City Council Work Session Room
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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, April 24, 2017 at 9:00a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas.

Present: Chair Randy Robinson, Vice Chair Susan Parker, Barbara Russell, Charles Jackson, Brendan Carroll and Lilia Bynum

Ex Officio

Members: Todd Hileman, CM and Jon Fortune, ACM

Absent: Allen Bishop

OPEN MEETING

1. PUBLIC HEARING

A. **PUB17-092** - Hold a public hearing and consider recommending that the City Council adopt a resolution regarding the proposed site for construction, expansion, and use of the electric power transmission line located in an area bounded by Bernard Street (western boundary), Eagle Drive (northern boundary), S. Locust Street and W. Collins Street (eastern boundary), and W. Collins Street (southern boundary), lying within the City of Denton, Denton County, Texas; as part of Denton Municipal Electric's service territory. [Eagle to Locust TM Line].

Brian Daskam gave the overview presentation for the Eagle to Locust transmission line. As residents and businesses move to Denton, the demand on our electric system continues to grow. As Denton's electric provider, DME is responsible for anticipating and meeting that growth. One important way that DME prepares for growing electrical demand is by building electrical infrastructure such as transmission lines and electric substations.

The blue route and the yellow route were introduced. The blue route is original and is the route where the 69kV line currently stands. The yellow would be an alternate route.

Robinson asked on the blue route if there is an expanded easement that would acquire additional easements. Daskam agreed there would be additional easements needed. This will be a gas insulated substation located on Eagle.

Daskam stated the advantages for the blue route will be less distress for new residents and landowners, fewer landowners from which to acquire easements, fewer trees to be removed and lower equipment cost (~\$200,000).

The next step would to be present to City Council Public Hearing on May 23.

Chair Robinson opened the meeting for public comments. There was one speaker.

Public Speaker:

Steve Stone, Krum Texas - Represents a landowner and prefers the yellow line.

1 With no other speakers, the Public Hearing was closed at 9:09am.

2
3 Robinson asked for further comments from the Board Members.

4
5 **Board Member Parker motioned to recommend the blue route. There was a second by**
6 **Board Member Russell. Vote 6-0 approved.**

7
8 **CONSENT AGENDA**
9

10 **A. PUB17-090** - Consider recommending to the City Council the adoption of an ordinance
11 awarding a contract with Atmos Pipeline - Texas, a division of Atmos Energy Corporation, to
12 provide alternative fuel transportation services, to transport natural gas, to the Alternate Fuels
13 Station located at 1251 S. Mayhill Road, Denton, Texas, in the not-to-exceed amount of
14 \$2,285,450. (File # 6444)

15
16 **B. PUB17-098** - Consider recommending adoption of an ordinance authorizing the City
17 Manager to execute a water main cost participation agreement between the City of Denton,
18 Texas and Love's Travel Stops & Country Stores, Inc. for the City's participation in the
19 oversizing of water mains and in accordance with the terms and conditions of this ordinance;
20 authorizing the expenditure of funds therefore; and providing an effective date. (In the not-to-
21 exceed amount of \$80,322.16)

22
23 **C. PUB17-100** – Consider recommending that the City Council approve an ordinance of the
24 City of Denton, Texas, authorizing a waiver for the Texas Municipal Power Agency's
25 (TMPA) decommissioning plan deadline for the Gibbons Creek power plant, and authorizing
26 TMPA to develop a decommissioning plan within a reasonable time if its efforts to sell the
27 plant are abandoned; and providing an effective date.

28
29 **D. PUB17-103** - Consider recommending approval of a resolution reappointing Timothy S.
30 Fisher as the City's representative to serve as a member of the Board of Directors of the
31 Upper Trinity Regional Water District.

32
33 **E. PUB17-105** - Consider recommending adoption of an ordinance accepting competitive
34 proposals and awarding a contract for the purchase of refuse and recycling containers for the
35 City of Denton Solid Waste & Recycling Department to be stocked in the City of Denton
36 Distribution Center; providing for the expenditure of funds therefor; and providing an
37 effective date (RFP 6379 - awarded to Roll-Offs USA, Inc. in the three (3) year not-to-
38 exceed amount of \$1,950,000).

39
40 **Board Member Russell motioned to approve items A-E. There was a second by Board**
41 **Member Parker. Vote 6-0 approved.**
42

43 **CLOSED MEETING**
44

45 **A. PUB17-034** - Deliberations Regarding Certain Public Power Utilities: Competitive Matters -
46 Under Texas Government Code Section 551.086; Consultation with Attorneys - Under Texas
47 Government Code, Section 551.071.

48
49 Receive a report involving public power competitive and financial matters, hold a discussion,
50 and give staff direction regarding (i) the Energy Trading Risk Management (ETRM) software
51 and support contract with ABB/Ventrix and an amendment to the same, (ii) the evaluation

1 and selection of a new ETRM vendor in accordance with the City's competitive bidding
2 process, and (iii) the execution of a contract with the new ETRM vendor. Consultation with
3 the City's attorneys regarding legal issues associated with the above matters where a public
4 discussion of these legal matters would conflict with the duty of the City's attorneys to the
5 City of Denton and the Denton City Council under the Texas Disciplinary Rules of
6 Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position
7 in any administrative proceeding or potential litigation.
8

9 **ITEMS FOR INDIVIDUAL CONSIDERATION**

10
11 **A. PUB17-088-** Consider recommending approval of the Public Utilities Board Meeting
12 minutes of April 10, 2017.
13

14 **Approved as circulated.**
15

16 **B. PUB17-082 -** Consider recommending to the City Council the adoption of an ordinance
17 authorizing the City Manager, or his designee, to execute an amendment to the Energy
18 Trading Risk Management (ETRM) Contract with ABB/Ventrix.
19

20 Lance Cunningham talked about this item with a presentation. In June 2014 the software was
21 procured utilizing the competitive bidding process. On January 6, 2015 Council provided
22 direction for the RDP at 70 percent. The existing system is neither flexible nor robust enough for
23 address the City's RDP focus. The software is the System of Record for EMO transactions,
24 similar to JD Edwards for City accounting functions.

25 -The contract price of system was - \$1,619,155

26 -Paid to date - \$ 971,616.01

27 -Cost to amend contract (terminate) - \$ 204,282.79

28 -Savings due to contract amendment - \$443,256.20
29

30 Staff recommends that the Public Utilities Board consider a recommendation authorizing the
31 City Manager to execute a contract amendment between the City of Denton and ABB/Ventrix,
32 Inc.
33

34 **Board Member Parker motioned to approve item B (PUB17-082). There was a second by**
35 **Board Member Jackson. Vote 6-0 approved.**
36

37 **C. PUB17-099 - ACM Update**

38 1. Comparison of employment metrics for Water and Wastewater Departments

39 2. Comparison of employment metrics for DME

40 3. Matrix
41

42 **Matrix no changes**
43

44 **CONCLUDING ITEMS**

45 Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Public
46 Utilities Board or the public with specific factual information or recitation of policy, or accept a
47 proposal to place the matter on the agenda for an upcoming meeting AND Under Section
48 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest
49 regarding which no action will be taken, to include: expressions of thanks, congratulations, or
50 condolence; information regarding holiday schedules; an honorary or salutary recognition of a

1 public official, public employee, or other citizen; a reminder about an upcoming event organized
2 or sponsored by the governing body; information regarding a social, ceremonial, or community
3 event organized or sponsored by an entity other than the governing body that was attended or is
4 scheduled to be attended by a member of the governing body or an official or employee of the
5 municipality; or an announcement involving an imminent threat to the public health and safety of
6 people in the municipality that has arisen after the posting of the agenda.

7
8 **Adjournment 9:43 a.m.**