

ORDINANCE NO. 19-1652

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR THE PURCHASE OF NATURAL GAS FOR USE IN THE SOLID WASTE DEPARTMENT'S CNG FUEL PUMPS; IN ACCORDANCE WITH TEXAS LOCAL GOVERNMENT CODE 252.022, WHICH PROVIDES AN EXEMPTION FROM COMPETITIVE BIDDING FOR THIS PURCHASE; AND PROVIDING AN EFFECTIVE DATE (FILE 6795 - AWARDED TO LUMINANT ENERGY COMPANY, LLC, IN THE NOT-TO-EXCEED AMOUNT OF \$75,000).

WHEREAS, Section 252.022 of the Local Government Code provides that procurement of items necessary to preserve or protect the public health or safety of the municipality's residents need not be submitted to competitive bids and this Section has been construed to cover solid waste collection, hauling and disposal; and

WHEREAS, the City Council wishes to procure natural gas for use in the Solid Waste Department's CNG fuel pumps; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The following purchase of materials, equipment or supplies, as described in the "File" listed hereon, and on file in the office of the Purchasing Agent, are hereby approved:

<u>FILE</u> <u>NUMBER</u>	<u>VENDOR</u>	<u>AMOUNT</u>
6795	Luminant Energy Company, LLC	\$75,000

SECTION 2. The City Council hereby finds that this purchase, and the award thereof, constitutes a procurement of items that are necessary to preserve or protect the public health or safety of the municipality's residents; and need not be submitted to competitive bids.

SECTION 3. The acceptance and approval of the above items shall not constitute a contract between the City and the person submitting the quotation for such items until such person shall comply with all requirements specified by the Purchasing Department.

SECTION 4. The City Manager is hereby authorized to execute any contracts relating to the items specified in Section 1 and the expenditure of funds pursuant to said contracts is hereby authorized.

SECTION 5. The City Council of the City of Denton, hereby expressly delegates the authority to take any actions that may be required or permitted to be performed by the City of Denton under this ordinance to the City Manager of the City of Denton, or his designee.

SECTION 6. This ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by John Ryan and seconded by Keely Briggs, the ordinance was passed and approved by the following vote [6 - 0]:

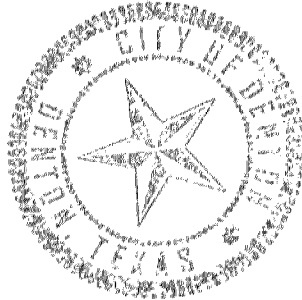
	Aye	Nay	Abstain	Absent
Mayor Chris Watts:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gerard Hudspeth, District 1:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Keely G. Briggs, District 2:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jesse Davis, District 3:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Ryan, District 4:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deb Armintor, At Large Place 5:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paul Meltzer, At Large Place 6:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PASSED AND APPROVED this the 23rd day of July, 2019.

Chris Watts
CHRIS WATTS, MAYOR

ATTEST:
ROSA RIOS, CITY SECRETARY

BY: Rosa Rios



APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

BY: MacK Remmond



Luminant

**CONFIRMATION TO
Master Agreement #M2313
Confirmation Number: 401716 -07/02/19**

Date: Wednesday, July 03, 2019

Buyer: City of Denton 1527 S. Mayhill Rd DENTON, TX 76208	Seller: Luminant Energy Company LLC 6555 Sierra Drive Irving, TX 75039
Name: Brian Boerner, CPM, CHMM Director of Solid Waste	Marketer: Bill Rankin
Phone: (940)349-8001	Phone: 2148758132
Email: brian.boerner@cityofdenton.com	Fax: 2148759050

Monthly Quantities (1251 South Mayhill Rd DENTON, TX - Meter #8000231371):

	MMBtu/Month		MMBtu/Month
Aug-2019	1,612	Sep-2019	1,590
Oct-2019	1,612	Nov-2019	1,590
Dec-2019	1,612	Jan-2020	1,612

Quantity/Contract Quantity: 9,628 MMBTU	Nomination Point: Atmos Texas Pool
Period of Delivery: 8/1/2019-1/31/2020	Receipt Point: Atmos Texas Pool
Initial Performance Assurance: \$0	Delivery Point: N/A
	Transporter: Atmos Pipeline - Texas

Price/Contract Price: \$2.44 per MMBtu.

Special Provisions:

Buyer is designated as Shipper as provided in Section 3 of the Agreement.

In accordance with Section 4.1 of the Agreement, title to, possession of, liability and risk of loss of Gas will pass from Seller to Buyer at the Nomination Point.

If a Transporter restates a delivery quantity for a previous Day or Month (a "prior period adjustment" or "PPA"), an equivalent increase or decrease in quantities shall be transacted between Buyer and Seller in the time period (e.g., the current Month and/or future Months) as allowed by the Transporter. With regard to an under-delivery PPA imbalance, Seller shall sell and Buyer shall purchase the necessary additional PPA quantities at a price equal to the retail market value for the period during which such quantities are nominated to satisfy Transporter's PPA balancing requirements. With regard to an over-delivery PPA imbalance, Seller shall credit Buyer for any excess Gas quantities at the resale price for the period during which those quantities are liquidated in order to satisfy Transporter's PPA balancing requirements.

Notwithstanding anything to the contrary in the Agreement, in the event that Buyer does not pay its invoices when due, in addition to any other remedies under the Agreement, Buyer may be charged an Administrative Fee.

Billing Address:
City of Denton Municipal Utilities
1527 S. Mayhill Rd.
DENTON, TX 76208

Billing and Payment Address:
Luminant Energy Company LLC
Dept 1036
PO Box 121036
Dallas, TX 75312-1036
Email: RetailGas@Luminant.com
Fax: (214)875-9050

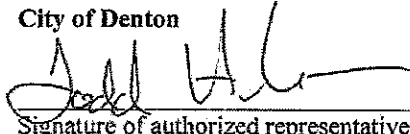


Luminant

**CONFIRMATION TO
Master Agreement #M2313
Confirmation Number: 40176 -07/02/19**

Notwithstanding anything in the Agreement which could be construed to the contrary, this Confirmation is provided prior to the consummation of a Transaction in order for Buyer to review its terms. This paragraph and the procedures set forth herein supersede and replace all language and procedures regarding confirmation of a Transaction that are set forth in the Agreement. If the price and other terms herein are acceptable to Buyer, Buyer shall execute this Confirmation and then send it to Seller either by facsimile to the fax number for Luminant Energy on page one of this Confirmation or by other mutually agreeable electronic means. Buyer's executed Confirmation shall not become a binding Transaction until accepted by Seller, which shall be confirmed by subsequent execution of this Confirmation by Seller, a copy of which will be provided to Buyer. This Confirmation shall constitute a part of and be subject to all of the other terms and provisions of the Agreement. All capitalized terms used herein, but not defined, shall have the meanings as set forth in the Agreement.

City of Denton



Signature of authorized representative

Todd Hileman

Name of authorized representative

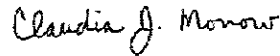
City Manager

Title of authorized representative

7-24-2019

Date

Luminant Energy Company LLC



Claudia Morrow

Vice President – Commercial Sales