ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER TO AUTHORIZE THE SPEND FOR AN INSURANCE BINDER TO ARCHER CONTINGENT ENERGY RISK, LLC, FOR FORCED OUTAGE INSURANCE FOR THE DENTON ENERGY CENTER FOR THE SUMMER OF 2023; PROVIDING FOR THE EXPENDITURE OF FUNDS THEREFOR; AND PROVIDING AN EFFECTIVE DATE (RFP 8254 – AUTHORIZING THE SPEND FOR POWER PLANT FORCED OUTAGE INSURANCE COVERAGE FOR THE SUMMER OF 2023, AND AWARDING SUCH INSURANCE BINDER TO ARCHER CONTINGENT ENERGY RISK, LLC, IN THE NOT-TO-EXCEED AMOUNT OF $1,050,000.00).

WHEREAS, the Energy Risk Management Policy, approved by Ordinance No. 20-420, requires Denton Municipal Electric to purchase outage insurance to hedge the forced outage risk and to limit potential losses for the Denton Energy Center; and

WHEREAS, the City has solicited, received, and evaluated competitive proposals for an insurance binder for forced outage insurance for the Denton Energy Center for the Summer of 2023; and

WHEREAS, because the premium for forced outage insurance uses live market prices on the date that the insurance binder agreement is executed, the City Manager, or a designated employee, is authorized by this ordinance to select from the proposals the most advantageous proposal to the City considering the relative importance of price and the other evaluation factors included in the request for proposals, and to execute an insurance binder agreement with such provider; and

WHEREAS, this procurement was undertaken as part of the City's governmental function; and

WHEREAS, the City Council has provided in the City Budget for the appropriation of funds to be used for the purchase of the materials, equipment, supplies, or services approved and accepted herein; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The following numbered request for proposal for materials, equipment, supplies, or services shown in the "Request Proposals" on file in the office of the Purchasing Agent, is hereby accepted and approved and the City Manager, or a designated employee, is authorized to select from the following bidders the most advantageous proposal to the City considering the relative importance of price and the other evaluation factors included in the request for proposals.

RFP NUMBER	CONTRACTOR	AMOUNT
8254	Archer Contingent Energy Risk, LLC	$1,050,000.00

SECTION 2. That by the acceptance and approval of a submitted proposal from a bidder listed above by the City Manager, or a designated employee, the City accepts the offer of the bidder submitting the proposal for such item and agrees to purchase the materials, equipment, supplies, or services in accordance with the terms, specifications, standards, quantities, and for the specified sums contained in the Proposal Invitations, Proposals, outage insurance binder agreement, and related documents.

SECTION 3. That should the City and the selected bidder wish to enter into a formal written agreement as a result of the acceptance, approval, and awarding of the proposal, the City Manager, or their designated representative, is hereby authorized to execute the written contract referenced herein; provided that the written contract is in accordance with the terms, conditions, specifications, standards, quantities, and specified sums contained in the Proposal and related documents herein approved and accepted. Any agreement is limited to a not-to-exceed amount of $1,050,000.00.

SECTION 4. 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, or their designee.

SECTION 5. The City Council hereby authorizes, accepts, and approves the bidder selected by the City Manager, or their designated representative, from the above enumerated bidder list and authorizes the expenditure of funds therefor in the amount and in accordance with the approved bid.

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

The motion to approve this ordinance was made by _____ and seconded by _____. This ordinance was passed and approved by the following vote [___ - ___]:

	Aye	**Nay**	**Abstain**	**Absent**
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Paul Meltzer, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Chris Watts, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2023.

_____
GERARD HUDSPETH, MAYOR

ATTEST:
JESUS SALAZAR, INTERIM CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: _____

Digitally signed by Marcella Lunn
DN: cn=Marcella Lunn, o, ou=City of Denton, email=marcella.lunn@cityofdenton.com, c=US
Date: 2023.05.22 11:07:15 -05'00'