

**DRAFT MINUTES
PUBLIC UTILITIES BOARD**

Monday, January 23, 2017	9:00 a.m.	Service Center Training 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, January 23, 2017 at 9:00 a.m. in the Service Center Training Room at the City of Service Center, 901 A Texas Street, Denton, Texas.

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

Ex Officio

Members: Howard Martin, ACM Utilities

Absent: Lilia Bynum

CLOSED MEETING

A. PUB16-258- 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 pertaining to plans, strategies, opportunities, and developments for generation improvements to the City's electric system; discuss and deliberate strategies regarding same; discuss fuel related matters and deliberate opportunities and strategies for the City to enter into an agreement for interconnection services in order to obtain fuel, lateral extension, and metering equipment installation for the Denton Energy Center. Take final action on an interconnection agreement with Enterprise Texas Pipeline, LLC. 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.

Pulled

B. PUB17-014- 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 pertaining to plans, strategies, opportunities, and developments for generation improvements to the City's electric system; discuss and deliberate strategies regarding same; discuss and deliberate opportunities and strategies for the City to enter into an agreement for owner's engineer services in order to provide project oversight services for the Denton Energy Center. 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

1 the City's legal position in any administrative proceeding or potential litigation. Take final
2 action on an owner's engineer services agreement with Black and Veatch Corporation.

3
4 **Board Member Parker motioned to move forward with Black and Veatch.**

5 **Board Member Jackson seconded the motion, 6-0 approved**

6
7 **C. PUB17-020-** Consultation with Attorneys - Under Texas Government Code Section 551.071;
8 Deliberations Regarding Real Property - Under Texas Government Code Section 551.072.

9
10 Consultation with the City's attorneys regarding legal issues associated with the potential
11 relocation of a Texas Municipal Power Agency transmission line ("Brinker TMPA
12 transmission line") currently located on the east of E. Loop 288 and south of Brinker Road in
13 the City of Denton, Denton County, Texas and the abandonment of certain transmission line
14 easements related to the same and owned by the City; discussion of these legal matters in an
15 open meeting would conflict with the duty of the City's attorneys to the City of Denton and
16 the Denton Public Utility Board under the Texas Disciplinary Rules of Professional Conduct
17 of the State Bar of Texas, or would jeopardize the City's legal position in any administrative
18 proceeding or potential litigation. Receive information from staff and discuss, deliberate, and
19 provide staff with direction regarding the potential relocation of the Brinker TMPA
20 transmission line and the abandonment of certain City-owned transmission line easements
21 related to the same; discussion had, deliberation, and direction given, by the Denton Public
22 Utility Board in an open meeting would have a detrimental effect on the position of the
23 governmental body in negotiations with a third party. [Relocation of TMPA Transmission
24 Line - Brinker Road and E. Loop 288]

25
26 **D. PUB17-021-** Deliberations regarding Real Property - Under Texas Government Code Section
27 551.072; Consultation with Attorneys - Under Texas Government Code Section 551.071.

28
29 Receive information from staff and discuss, deliberate, and provide staff with direction
30 regarding the potential acquisition of real property interests generally located northwest of N.
31 Loop 288 and west of N. Locust St. in the City of Denton, Denton County, Texas;
32 discussions had, deliberation, and direction given, by the Denton Public Utility Board in an
33 open meeting would have a detrimental effect on the position of the governmental body in
34 negotiations with a third party. Consultation with the City's attorneys regarding legal issues
35 associated with the acquisition of the real property interests described above; discussion of
36 these legal matters in an open meeting would conflict with the duty of the City's attorneys to
37 the City of Denton and the Denton Public Utility Board under the Texas Disciplinary Rules
38 of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal
39 position in any administrative proceeding or potential litigation. [Long Road Substation]

40
41 **E. PUB17-024-** Deliberations regarding Real Property - Under Texas Government Code Section
42 551.072; Consultation with Attorneys - Under Texas Government Code Section 551.071.

43
44 Receive information from staff and discuss, deliberate, and provide staff with direction
45 regarding the potential acquisition of real property interests related to the location and siting
46 of electric transmission lines in an area bounded by Bernard Street (western boundary), Eagle
47 Drive (northern boundary), S Locust Street and W Collins St. (eastern boundary), and W
48 Collins Street (southern boundary) lying within the City of Denton, Denton County, Texas.
49 Consultation with the City's attorneys regarding legal issues associated with the acquisition
50 of the real property interests described above where a discussion of these legal matters in an
51 open meeting would conflict with the duty of the City's attorneys to the City of Denton and

1 the Denton Public Utility Board under the Texas Disciplinary Rules of Professional Conduct
2 of the State Bar of Texas, or would jeopardize the City's legal position in any administrative
3 proceeding or potential litigation, or where discussions had, deliberation, and direction given,
4 by the Denton Public Utility Board in an open meeting would have a detrimental effect on
5 the position of the governmental body in negotiations with a third party. [Eagle to Locust TM
6 Line]
7

8 **OPEN MEETING**

9 10 **CONSENT AGENDA**

- 11
12 **A. PUB17-016-** Consider recommending approval of a second Amendment to a Professional
13 Services Agreement by and between the City of Denton, Texas and GL PWR Solutions, Inc.,
14 with its corporate office at 2777 Stemmons Freeway, Suite 1520, Dallas, Texas, to continue
15 to provide compliance, study, modeling, and other technical/professional services for Denton
16 Municipal Electric in an additional amount not to exceed \$1,012,440.08 (File #5148 -
17 Amendment to Professional Services Agreement in the previous not-to-exceed amount of
18 \$956,959.06; with the not-to-exceed amount now totaling \$1,969,399.14.)
19

20 **Board Member Russell asked what the difference is in scope of work from the original**
21 **contract to the second amendment other than the cost.** Chuck Sears answered there is not
22 much difference. The money that was set aside has been expended. Over the first initial
23 contract staff has added enough money and statements in the scope to do facility
24 interconnection studies. There are some changes since the original contract and a
25 geomagnetic study has to be done and may also have to do an electromagnetic pulse analysis
26 as well. In reality it is just a continuation of the compliance and study efforts that has to take
27 place.

28 **Board Member Bishop asked if it is year by year or annual contract.** Sears answered
29 this is based on a three year time frame.

30 Martin stated there are some minor changes to the dollar figures. The not to exceed amount
31 in the caption has \$1,969,399.14, should be \$1,969,409.14. Also the \$956,959.06, should be
32 \$956,969.06.
33

34 **Chair Robinson pointed out that there is not a minimum contractual obligation. Also**
35 **the expenses are eligible for TCOS reimbursement.** Sears stated normally the costs are
36 100% reimbursement from TCOS.
37

38 **Carroll asked if staff revisits who we contract with every now and then.** Sears answered
39 staff is always open to the possibility. At this point there are not but about three or four
40 agencies within the state that do these studies and do them credibly.
41

42 **A motion was made by Board Member Russell to approve, a second by Board Member**
43 **Bishop. Vote was 6-0 approved.**
44

- 45 **B. PUB17-019-** Consider recommending approval of an amendment to the Hickory Creek
46 Basin Peak Flow Detention Facility design contract (Contract #5768) with Hazen and Sawyer
47 engineers to add \$172,719 for the design of the Hickory Creek Lift Station, and additional
48 services for the Hickory Creek Detention Facility project in the amount of \$19,520 for an
49 amended contract amount of \$732,365.

1 **Board Member Russell asked when the initial design was complete, part of the rational**
2 **is the other is old and not up to date. Wasn't that taken into consideration when the bid**
3 **was first sent out.**

4
5 Howard Martin answered part of the issue is staff was focused on Hickory Creek detention
6 facility which is a separate location and serves a different function than the Hickory Creek
7 lift station. The existing Hickory Creek lift station has been in the system for a long time and
8 experiencing problems with the increase of flow as it related to wet well levels. The initial
9 bid was for the detention facility project and staff has figured out that there is a problem on
10 Hickory Creek. The Hickory Creek detention facility group is capable of handling this and
11 there are some economies of scale that would be received by using the same design group.
12

13 **Russell stated that it sounds like there are some hazards to the workers.** Martin stated
14 there are a number of lift stations that are older and staff is going through and upgrading as
15 problems are found.
16

17 **Russel asked if this includes any demolition, is the existing going to be destroyed.**
18 Martin answered this will not be demolition, the new facility will be adjacent to the old
19 facility. There has to be one in service at all times, it cannot be shut down.
20

21 **Robinson asked if this will be tied to the new lift station facility. If repairs are needed**
22 **to be made maybe we should do them now. Safety is critical.** Martin answered staff will
23 take all aspects into consideration.
24

25 **Board Member Russell motioned to approve this item. Second by Board Member**
26 **Jackson, vote 6-0 approved.**
27

- 28 **C. PUB17-029 -** Consider recommending adoption of an ordinance of the City of Denton
29 authorizing the City Manager or his designee to execute a contract through the Buy Board
30 Cooperative Purchasing Network for the acquisition of one (1) boom mower attachment for
31 the Drainage Department; and providing an effective date (File 6337-awarded to Tiger
32 Corporation in the amount of \$62,658).
33

34 **Board Member Parker motioned to approve item C. There was a second by Board**
35 **Member Jackson. Vote 6-0 approved.**
36

37 **ITEMS FOR INDIVIDUAL CONSIDERATION**

38

- 39 **A. PUB17-031-** Consider recommending approval of the Public Utilities Board Meeting
40 minutes of January 9, 2017.
41

42 **Approved as circulated**
43

- 44 **B. PUB17-032-** ACM Update:

- 45 1. City's sale of Utility System Revenue Bonds, Series 2017
46 2. Matrix
47

48 **CONCLUDING ITEMS**

49 Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Public
50 Utilities Board or the public with specific factual information or recitation of policy, or accept a

1 proposal to place the matter on the agenda for an upcoming meeting AND Under Section
2 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest
3 regarding which no action will be taken, to include: expressions of thanks, congratulations, or
4 condolence; information regarding holiday schedules; an honorary or salutary recognition of a
5 public official, public employee, or other citizen; a reminder about an upcoming event organized
6 or sponsored by the governing body; information regarding a social, ceremonial, or community
7 event organized or sponsored by an entity other than the governing body that was attended or is
8 scheduled to be attended by a member of the governing body or an official or employee of the
9 municipality; or an announcement involving an imminent threat to the public health and safety of
10 people in the municipality that has arisen after the posting of the agenda.

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12
13 **Adjournment 10:25 a.m.**
14
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