

## EXHIBIT 4

### DRAFT MINUTES PUBLIC UTILITIES BOARD

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Monday, February 27, 2017	9:00a.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, February 27, 2017 at 9:00a.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, Lilia Bynum, Charles Jackson, Brendan Carroll, and Allen Bishop

Ex Officio

Members: Howard Martin, ACM Utilities

#### OPEN MEETING

#### INDIVIDUAL CONSIDERATION

**C. PUB17-049** –Consider recommending adoption of an ordinance awarding a contract to install Supervisory Control and Data Acquisition (SCADA) hardware and software system for Denton Municipal Electric (DME) Denton Energy Center (DEC); providing for the expenditure of funds therefor; and providing an effective date (File 4074 SCADA System installation for Denton Municipal Electric awarded to Open Systems International (OSI)).

Melissa Kraft gave this presentation beginning with the definition of SCADA. SCADA is used to monitor and control a plant or equipment in industries such as energy, water and waste control, oil and gas refining, and transportation, has been used since 1960. It is a computer system that gathers data in real-time from remote locations in order to control equipment and conditions.

It is required for the operation of the Denton Energy Center (DEC). The requested amount is already included in the total DEC budget. It gathers and sends information and plant status to ERCOT. It is necessary for the Energy Management Organization (EMO) to participate in the ERCOT market. It will also help the EMO make fiscal decisions by using integrated forecasting software and in-depth reporting. This is an add-on module to what is currently being used.

Kraft then went over the vendor information which is Open Systems International. DME has used this vendor since 2008. There is a significant discount because it is the current vendor that is used for transportation, distribution, and generation.

Next steps include consideration from Council on March 7. Upon Council approval, award contract and begin build-out of Denton Energy Center SCADA system. This project will be completed and operational by May 2018.

Staff is recommending approval of a contract to Open System International.

**Parker asked what kind of integration issues would DME have if they did go with another vendor.** Kraft answered it would require quite a bit of funding. SCADA systems are proprietary in nature. This vendor has been used for transportation and distribution as a result the current vendor gave \$169,000 credit to the project since some of the licensing is in place. It also gives

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1 the opportunity to consolidate some of the equipment and hardware. If a completely different  
2 SCADA vendor was used completely separate hardware, equipment, integrations, and circuits  
3 would have to be used.

4  
5 **Parker then asked about cyber security around it.** Kraft answered the cyber security is built  
6 in as part of the project. There will also be a test environment so patches can be tested to  
7 minimize risks. SCADA requires no later than 30 day from when a patch is released, it has to be  
8 installed.

9  
10 **Robinson asked if there are any open issues with both systems.** Kraft answered they have  
11 been excellent to work with, very responsive and a leading manufacturer.

12  
13 **Board Member Bynum motioned to approve item D. There was a second by Board**  
14 **Member Russell. Vote 7-0 approved.**

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16 **Adjournment 10:32 a.m.**