



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Meeting Agenda Public Utilities Board

Monday, September 9, 2024

9:00 AM

Council Work Session Room

REGISTRATION GUIDELINES FOR ADDRESSING THE PUBLIC UTILITIES BOARD

Citizens will be able to participate in the following way:

- eComment – The agenda was posted online at <https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>. Once the agenda is posted, a link to make virtual comments using the eComment module will be made available next to the meeting listing on the Upcoming Events Calendar. Using eComment, Individuals may indicate support or opposition and submit a brief comment about a specific agenda item. eComments may be submitted up until the start of the meeting at which time the ability to make an eComment will be closed. eComments will be sent directly to members of the Public Utilities Board immediately upon submission and recorded by the Secretary into the Minutes of the Meeting.

After determining that a quorum is present, the Public Utilities Board of the City of Denton, Texas will convene in a Regular Meeting on Monday, September 9, 2024 at 9:00 a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

REGULAR MEETING

1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

This section of the agenda permits a person to make comments regarding public business on items as listed on the agenda. Each speaker will be allowed a maximum of four (4) minutes. Such person(s) shall have registered under the REGISTRATION GUIDELINES FOR ADDRESSING THE PUBLIC UTILITIES BOARD detailed at the beginning of this agenda. Registration is required prior to the time this agenda item is read into the record.

2. CONSENT AGENDA

Each of the items on the Consent Agenda is recommended by the Staff and approval thereof will be strictly on the basis of the Staff recommendations. Approval of the Consent Agenda authorizes the City Manager or designee to implement each item in accordance with the Staff recommendations. The Public Utilities Board has received background information and has had an opportunity to raise questions regarding these items prior to consideration.

Listed below are bids, purchase orders, contracts, and other items to be approved for payment or other action under the Consent Agenda (Agenda Items A – F). This listing is provided on the Consent Agenda to allow Public Utilities Board Members to discuss or withdraw an item prior to approval of the Consent Agenda. If no items are pulled, the Consent Agenda Items will be approved with one motion. If items are pulled for separate discussion, they may be considered as the first items following approval of the Consent Agenda.

- A. [PUB24-182](#) Consider recommending adoption of an ordinance of the City of Denton, a Texas

home-rule municipal corporation, authorizing the City Manager to execute a contract with Texas Materials Group, Inc., for the construction of the Robinwood Reconstruction Project with the geographical limits as follows: Robinwood Lane, Clover Lane, Live Oak Street, Shadywood Street, and Mistywood Lane for the Capital Projects Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 8586 - awarded to Texas Materials Group, Inc., in the not-to-exceed amount of \$2,796,025.38).

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Pricing Evaluation](#)
 [Exhibit 3 - Ordinance and Contract](#)

- B. [PUB24-183](#) Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, ratifying the expenditure of funds by the City Manager for the emergency repair services of filter #16 underdrain system, including the removal and replacement of the filter media at the Lake Lewisville Water Treatment Plant for the Water Production Department; and providing an effective date (File 8639 - awarded to C&C Environmental Services, Inc., in the not-to-exceed amount of \$151,800.00).

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Declaration of Emergency](#)
 [Exhibit 3 - Contract](#)
 [Exhibit 4 - Ordinance](#)

- C. [PUB24-184](#) Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Community Waste Disposal, L.P (“contractor”); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Ordinance and Contract](#)

- D. [PUB24-185](#) Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Frontier Texas Ventures I, LLC a Delaware limited liability company doing business in Texas as "Frontier Waste Solutions" (“contractor”); providing for delivery of guaranteed tonnage at the landfill; providing an effective date

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Ordinance and Contract](#)

- E. [PUB24-186](#) Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Parker Waste Services, LLC (“contractor”); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Draft Ordinance and Contract](#)

- F. [PUB24-187](#) Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Waste Connections Lone Star, Inc. (“contractor”); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.

Attachments: [Exhibit 1 - Agenda Information Sheet](#)
 [Exhibit 2 - Draft Ordinance and Contract](#)

3. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. [PUB24-189](#) Consider approval of the August 26, 2024 minutes.

Attachments: [8.26.24 PUB Minutes](#)

- B. [PUB24-016](#) Consider recommending approval of the Solid Waste Fiscal Year 2024-25 Operating and Capital Budget.

Attachments: [Exhibit 1. Agenda Information Sheet](#)
 [Exhibit 2. Presentation](#)

- C. [PUB24-017](#) Consider recommending approval of the Water Fiscal Year 2024-25 Operating and Capital Budget.

Attachments: [Exhibit 1. Agenda Information Sheet](#)
 [Exhibit 2. Presentation](#)

- D. [PUB24-030](#) Consider recommending approval of the Wastewater Fiscal Year 2024-25 Operating and Capital Budget.

Attachments: [Exhibit 1. Agenda Information Sheet](#)
 [Exhibit 2. Presentation](#)

- E. [PUB24-031](#) Consider recommending approval of the Electric Fiscal Year 2024-25 Operating and Capital Budget.

Attachments: [Exhibit 1. Agenda Information Sheet](#)
 [Exhibit 2. Presentation](#)

- F. [PUB24-032](#) Consider recommending approval of the Customer Service Fiscal Year 2024-25 Operating Budget.

Attachments: [Exhibit 1. Agenda Information Sheet](#)
 [Exhibit 2. Customer Service Budget Presentation](#)

- G. [PUB24-033](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Water service; providing for a repealer; providing for a severability clause; and, providing an effective date.

Attachments: [Exhibit 1. Agenda Information Sheet.pdf](#)
 [Exhibit 2. 2024-25 Water Rate Ordinance Redline.pdf](#)
 [Exhibit 3. 2024-25 Water Rate Ordinance.pdf](#)

- H. [PUB24-034](#) Consider adoption of an ordinance of the City of Denton, Texas, establishing the rates and fees for wastewater service; repealing ordinance no. 22-1857; providing for a repealer; providing for a severability clause; and providing an effective date.

Attachments: [Exhibit 1. Agenda Information Sheet.pdf](#)
 [Exhibit 2. Wastewater Redline Rate Ordinance.pdf](#)
 [Exhibit 3. Wastewater Rate Ordinance.pdf](#)

- I. [PUB24-035](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Electric service; providing for a repealer; providing for a severability clause; and, providing an effective date.

Attachments: [Exhibit 1. Agenda Information Sheet.pdf](#)
 [Exhibit 2. Electric Redline Rate Ordinance.pdf](#)
 [Exhibit 3. Electric Rate Ordinance.pdf](#)

- J. [PUB24-036](#) Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Solid Waste and Recycling collection service; repealing ordinance no. 23-1736; providing for a repealer; providing for a severability clause; and, providing an effective date.

Attachments: [Exhibit 1. Agenda Information Sheet.pdf](#)
 [Exhibit 2. 2024-25 Solid Waste Rate Ordinance Redline.pdf](#)
 [Exhibit 3. 2024-25 Solid Waste Rate Ordinance.pdf](#)

- K. [PUB24-188](#) Management Reports
 1. LLWTP Filter Update Memo
 2. Future Agenda Items
 3. New Business Action Items

Attachments: [1. LLWTP Filter Update Memo](#)
 [2. Future Agenda Items](#)
 [3. New Business Action Items](#)

4. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the Public Utilities Board or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on September 6, 2024, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



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Legislation Text

File #: PUB24-182, Version: 1

AGENDA CAPTION

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Texas Materials Group, Inc., for the construction of the Robinwood Reconstruction Project with the geographical limits as follows: Robinwood Lane, Clover Lane, Live Oak Street, Shadywood Street, and Mistywood Lane for the Capital Projects Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 8586 - awarded to Texas Materials Group, Inc., in the not-to-exceed amount of \$2,796,025.38).



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AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: September 9, 2024

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Texas Materials Group, Inc., for the construction of the Robinwood Reconstruction Project with the geographical limits as follows: Robinwood Lane, Clover Lane, Live Oak Street, Shadywood Street, and Mistywood Lane for the Capital Projects Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 8586 – awarded to Texas Materials Group, Inc., in the not-to-exceed amount of \$2,796,025.38).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

The Robinwood Reconstruction project includes the following street segments—Robinwood Lane, Clover Lane, Live Oak Street, Shadywood Street, and Mistywood Lane. The project will encompass subgrade stabilization to ensure a solid foundation, followed by asphalt paving for a smooth driving surface. The inclusion of concrete curb and gutter will address water runoff and enhance the longevity of the roadway. Driveway replacements will be considered on a case-by-case basis, ensuring individual access points are up to standard, along with the storm sewer inlets and lines being updated to meet current standards.

The Robinwood Reconstruction project was proposed based on the extensive utility work Atmos Energy and the City of Denton Utilities performed updating their existing infrastructure in this area. After a review from the Streets Department, it was determined the extent of temporary patches warranted a complete reconstruction of the project limits. The restoration of the Robinwood Reconstruction Project limits bringing the former average of all 11 (eleven) road segments OCI scores of 42.82 to an acceptable score range.

The Robinwood Reconstruction Project's total construction cost is \$2,796,025.38. This estimate includes a \$2,662,881.31 base proposal amount and a 5% contingency of \$133,144.07. The five (5) percent contingency allowance is for the city's sole use and will be subject to written authorization by the City's Project and Program Managers.

Competitive Sealed Proposals were sent to 955 prospective suppliers, including 65 Denton firms, for this item. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Three (3) proposals were received, references were

checked, and proposals were evaluated based upon published criteria including key personnel, quality, reputation, and ability to complete similar projects on schedule and within budget, detailed schedule and written plan, safety record, and price. Best and Final Offers (BAFO) were requested from the top firm. Based upon this evaluation, Texas Materials Group, Inc., was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	911, 912, 913
Notifications sent for Solicitation sent in IonWave:	955
Number of Suppliers that viewed Solicitation in IonWave:	63
HUB-Historically Underutilized Business Invitations sent out:	113
SBE-Small Business Enterprise Invitations sent out:	311
Responses from Solicitation:	3

RECOMMENDATION

Award a contract with Texas Materials Group, Inc., for the construction of the Robinwood Reconstruction Project with the geographical limits as follows: Robinwood Lane, Clover Lane, Live Oak Street, Shadywood Street, and Mistywood Lane for the Capital Projects Department, not-to-exceed amount of \$2,796,025.38.

PRINCIPAL PLACE OF BUSINESS

Texas Materials Group, Inc.
Irving, TX

ESTIMATED SCHEDULE OF PROJECT

This project will be started upon approval with a completion date of June 9, 2025.

FISCAL INFORMATION

These services will be funded from Water, Wastewater, and Drainage Certificates of Obligation project accounts.

WASTEWATER PROJECT – C.O. 545	645249545.1360.40100	\$1,507,916.31
WATER PROJECT – C.O. 523	635176523.1360.40100	879,965.00
DRAINAGE PROJECT – C.O. 455	650154455.1360.40100	275,000.00

Requisition #165932 has been entered into the Purchasing software system in the amount of \$2,662,881.31. The budgeted amount for this item is \$2,796,025.38.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Pricing Evaluation
Exhibit 3: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Sheldon Gatewood, 940-349-7423.

Legal point of contact: Marcella Lunn at 940-349-8333.

Exhibit 2**CSP 8586 - Pricing Evaluation for Robinwood Reconstruction**

Respondent's Business Name:		Texas Materials Group, dba Texas Bit	Jagoe-Public Company	Eurovia Atlantic Coast LLC, dba Sunmount Paving
Principal Place of Business (City and State):		Irving, TX	Denton, TX	Justin, TX
Line	Description	Bid	Bid	Bid
1	TOTAL PROPOSAL AMOUNT			
2	Base Proposal Amount	\$2,662,881.31	\$2,799,232.00	\$3,290,821.00

5% Contingency:	\$133,144.07
Total Contract NTE Amount:	\$2,796,025.38

Evaluation				
Item #	Scoring Criteria	Texas Materials Group, dba Texas Bit	Jagoe-Public Company	Eurovia Atlantic Coast LLC, dba Sunmount Paving
1	Offeror's Key Personnel - 10%	8.67	6.67	6.00
2	Quality, Reputation, and Ability to Complete Similar Projects on Schedule and Within Budget - 10%	8.67	8.33	4.67
3	Detailed Schedule and Written Plan - 25%	16.67	21.67	15.00
4	Offeror's Safety Record - 5%	4.00	2.67	3.83
5	Price, Total Cost of Ownership - 50%	50.00	47.56	40.46
Total Score:		88.01	86.90	69.96

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH TEXAS MATERIALS GROUP, INC., FOR THE CONSTRUCTION OF THE ROBINWOOD RECONSTRUCTION PROJECT WITH THE GEOGRAPHICAL LIMITS AS FOLLOWS: ROBINWOOD LANE, CLOVER LANE, LIVE OAK STREET, SHADYWOOD STREET, AND MISTYWOOD LANE FOR THE CAPITAL PROJECTS DEPARTMENT; PROVIDING FOR THE EXPENDITURE OF FUNDS THEREFOR; AND PROVIDING AN EFFECTIVE DATE (CSP 8586 – AWARDED TO TEXAS MATERIALS GROUP, INC., IN THE NOT-TO-EXCEED AMOUNT OF \$2,796,025.38).

WHEREAS, the City has solicited, received, and evaluated competitive proposals for the construction of the Robinwood Reconstruction Project with the geographical limits as follows: Robinwood Lane, Clover Lane, Live Oak Street, Shadywood Street, and Mistywood Lane for the Capital Projects Department; and

WHEREAS, the City Manager, or a designated employee, has received, reviewed, and recommended that the herein described proposals are the most advantageous to the City considering the relative importance of price and the other evaluation factors included in the competitive sealed proposals; and

WHEREAS, this procurement was undertaken as part of the City’s governmental function [Street construction and design]; 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 items in the following numbered competitive sealed proposal for materials, equipment, supplies, or services shown in the “Competitive Sealed Proposals” on file in the office of the Purchasing Agent, are hereby accepted and approved as being the most advantageous to the City considering the relative importance of price and the other evaluation factors included in the competitive sealed proposal.

<u>CSP NUMBER</u>	<u>CONTRACTOR</u>	<u>AMOUNT</u>
8586	Texas Materials Group, Inc.	\$2,796,025.38

SECTION 2. That by the acceptance and approval of the above numbered items of the submitted proposals, the City accepts the offer of the persons submitting the proposals for such items 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, and related documents.

SECTION 3. That should the City and person submitting approved and accepted items wish to enter into a formal written agreement as a result of the acceptance, approval, and awarding of the proposals, the City Manager, or their designated representative, is hereby authorized to execute the written contract which shall be attached hereto; 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.

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 of the City of Denton, or their designee.

SECTION 5. By the acceptance and approval of the above enumerated bids, the City Council hereby authorizes the expenditure of funds therefor in the amount and in accordance with the approved bids.

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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

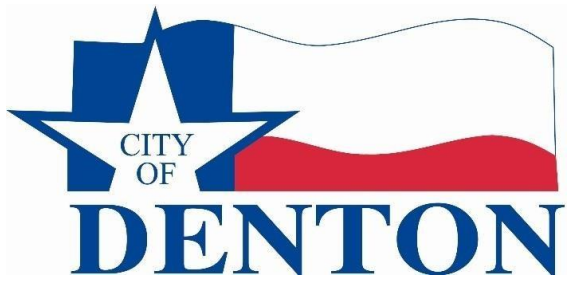
GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Marcella Lunn



Docusign City Council Transmittal Coversheet

RFP	8586
File Name	Robinwood Reconstruction
Purchasing Contact	Cori Power
City Council Target Date	
Piggy Back Option	Not Applicable
Contract Expiration	
Ordinance	

SECTION 00 52 44

AGREEMENT - CSP

THIS AGREEMENT, authorized on _____ is made by and between the City of Denton, a Texas home rule municipal corporation, acting by and through its duly authorized City Manager, ("City"), and Texas Materials Group, Inc., authorized to do business in Delaware, acting by and through its duly authorized representative, ("Contractor").

City and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK

Contractor shall complete all Work as specified or indicated in the Contract Documents for the Project identified herein.

Article 2. PROJECT

The project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

Robinwood Reconstruction

8586 / 230016

Article 3. CONTRACT PRICE

City agrees to pay Contractor for performance of the Work in accordance with the Contract Documents an amount, in current funds, of Two Million Six Hundred Sixty-Two Thousand Eight Hundred Eighty-One Dollars and Thirty-One Cents (\$2,662,881.31). At the sole option of the City, five (5) percent contingency in the amount of One Hundred Thirty-Three Thousand One Hundred Forty-Four Dollars and Seven Cents (\$133,144.07) may be used for a total not-to-exceed amount of Two Million Seven Hundred Ninety-Six Thousand Twenty-Five Dollars and Thirty-Eight Cents (\$2,796,025.38).

Article 4. CONTRACT TIME

4.1 Time is of the essence.

All time limits for Milestones, if any, Substantial Completion and Final Acceptance as stated in the Contract Documents are of the essence to this Contract.

4.2 Substantial Completion.

The Work will be Substantially Complete, as defined in the Supplementary Conditions, within {150} Days the date when the Contract Time commences to run, which is the day indicated in the Notice to Proceed, plus any extension thereof allowed in accordance with Article 11 of the General Conditions.

4.3 Final Acceptance.

The Work will be complete for Final Acceptance within {180} Days after the date when the Contract Time commences to run, which is the day indicated in the Notice to Proceed, plus any extension thereof allowed in accordance with Article 11 of the General Conditions.

4.4 Omitted

4.5 Liquidated Damages:

A. Contractor recognizes that *time is of the essence* to achieve Milestones, Substantial Completion, and Final Acceptance of the Work, and City will suffer financial and other losses if the Work is not completed within the times specified in the Contract Documents. The Contractor also recognizes the delays, expense and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by the City if the Work related to the Milestones, Substantial Completion, or Final Acceptance is not completed on time. Accordingly, instead of requiring any such proof, Contractor agrees that liquidated damages for delay (but not as a penalty):

1. *Substantial Completion*: If the Contractor neglects, refuses, or fails to achieve Substantial Completion, as defined in the Supplementary Conditions, within the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.2, Contractor shall pay City Six Hundred Twenty-Five Dollars and 00/100 Cents (\$625.00) for each day that expires after such time, until Substantial Completion is achieved.
2. *Final Acceptance*: If Contractor neglects, refuse, or fails to complete the Work within the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.3, for completion and readiness for Final Payment, Contractor shall pay City Six Hundred Twenty-Five Dollars and 00/100 Cents (\$625.00) for each day that expires after such time, until the date determined by City as stated in the City-issued Letter of Final Acceptance.

Article 5. CONTRACT DOCUMENTS

5.1 CONTENTS:

A. The Contract comprises the entire agreement between City and Contractor concerning the Work and consists of this Agreement and the items set forth below. The Contract Documents consist of all items below other than this Agreement:

1. Attachments to this Agreement:
 - a. Proposal Form
 - 1) Proposal Form
 - 2) Unit Price Proposal Form
 - 3) Vendor Compliance to State Law Non-Resident Offeror
 - 4) State and Federal documents (*project specific*)
 - b. Current Prevailing Wage Rate Table
 - c. Worker's Compensation Affidavit
 - d. General Conditions.
 - e. Supplementary Conditions.
2. The following located in File 8586 at:

<https://lfpubweb.cityofdenton.com/MaterialsManagement/Browse.aspx?id=19&dbid=0&repo=MaterialsManagement&cr=1>

 - a. Specifications described in the Table of Contents (Section 00 00 00) of the Project's Contract Documents.
 - b. Drawings.
 - c. Addenda.
 - d. Documentation submitted by Contractor prior to Notice of Award.

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3. The following which shall be issued after the Effective Date of this Agreement and delivered to the City within ten (10) days of the Effective Date and before beginning Work:
 - a. Payment Bond
 - b. Performance Bond
 - c. Maintenance Bond
 - d. Power of Attorney for the Bonds
 - e. Form 1295 – Certificate of Interested Parties (email to City’s Materials Management department)
 - f. Insurance Certificate
 4. Specifications specifically made a part of the Contract Documents by attachment or, if not attached, as incorporated by reference and described in the Table of Contents of the Project’s Contract Documents.
 5. The following which may be delivered or issued after the Effective Date of the Agreement and, if issued, become an incorporated part of the Contract Documents:
 - a. Notice to Proceed.
 - b. Field Orders.
 - c. Change Orders.
 - d. Letter of Final Acceptance.

1 **Article 6. INDEMNIFICATION**

2 **6.1 Contractor covenants and agrees to indemnify, hold harmless and defend, at its own**
3 **EXPENSE, THE CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS,**
4 **AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS FOR**
5 **PERSONAL INJURY OR DEATH, ARISING OUT OF, OR ALLEGED TO ARISE**
6 **OUT OF, RELATED TO OR IN CONNECTION WITH THE WORK AND**
7 **SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS,**
8 **AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES**
9 **UNDER THIS CONTRACT. THIS INDEMNIFICATION PROVISION IS**
10 **SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS**
11 **ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING**
12 **SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION**
13 **OR NEGLIGENCE OF THE CITY. THIS INDEMNITY PROVISION IS INTENDED**
14 **TO INCLUDE, WITHOUT LIMITATION, INDEMNITY FOR ANY AND ALL**
15 **COSTS, EXPENSES AND LEGAL FEES INCURRED BY THE CITY IN**
16 **DEFENDING AGAINST SUCH CLAIMS AND CAUSES OF ACTIONS.**

17
18 **6.2 CONTRACTOR COVENANTS AND AGREES TO INDEMNIFY, HOLD**
19 **HARMLESS AND DEFEND, AT ITS OWN EXPENSE, THE CITY, ITS OFFICERS,**
20 **SERVANTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS**
21 **FOR, LOSS OF, DAMAGE TO, OR DESTRUCTION OF, PROPERTY OF THE CITY**
22 **OR OF A THIRD PARTY, ARISING OUT OF, OR ALLEGED TO ARISE OUT OF,**
23 **RELATED TO OR IN CONNECTION WITH THE WORK AND SERVICES TO BE**
24 **PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES,**
25 **SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THIS CONTRACT.**
26 **THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO**
27 **OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT**
28 **ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN**
29 **WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE**
30 **CITY. THIS INDEMNITY PROVISION IS INTENDED TO INCLUDE, WITHOUT**
31 **LIMITATION, INDEMNITY FOR ANY AND ALL COSTS, EXPENSES AND**
32 **LEGAL FEES INCURRED BY THE CITY IN DEFENDING AGAINST SUCH**
33 **CLAIMS AND CAUSES OF ACTIONS.**

34
35 **Article 7. MISCELLANEOUS**

36 **7.1 Capitalized Terms.**

37 Unless otherwise stated herein, capitalized terms used in this Agreement which are defined
38 in Article 1 of the General Conditions will have the meanings indicated in the General
39 Conditions.

40 **7.2 Assignment of Contract.**

41 This Agreement, including all of the Contract Documents may not be assigned by the
42 Contractor without the advance express written consent of the City.

1 7.3 Successors and Assigns.

2 City and Contractor each binds itself, its partners, successors, assigns and legal
3 representatives to the other party hereto, in respect to all covenants, agreements and
4 obligations contained in the Contract Documents.

5 7.4 Severability.

6 Any provision or part of the Contract Documents held to be unconstitutional, void or
7 unenforceable by a court of competent jurisdiction shall be deemed stricken, and all
8 remaining provisions shall continue to be valid and binding upon City and Contractor.

9 7.5 Venue and Waiver of Sovereign Immunity.

10 This Agreement, including all of the Contract Documents is performable in the State of
11 Texas. Venue shall be in the state district courts of Denton County, Texas. The City's
12 sovereign immunity is waived only to the extent set forth and in accordance with the
13 provisions of Subchapter I, Chapter 271 of the Texas Local Government Code or as otherwise
14 specifically waived by law. The City does not waive its sovereign immunity to suit in federal
15 court.

16 7.6 Authority to Sign.

17 Contractor hereby certifies that the person signing the Agreement on its behalf is the duly
18 authorized signatory of the Contractor.

19 7.7 Prohibition on Contracts with Companies Boycotting Israel.

20 Contractor acknowledges that in accordance with Chapter 2270 of the Texas Government
21 Code, the City is prohibited from entering into a contract with a company for goods or
22 services unless the contract contains a written verification from the company that it: (1) does
23 not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms
24 "boycott Israel" and "company" shall have the meanings ascribed to those terms in Section
25 808.001 of the Texas Government Code. By signing this contract, Contractor certifies that
26 Contractor's signature provides written verification to the City that Contractor: (1) does not
27 boycott Israel; and (2) will not boycott Israel during the term of the contract.

28 7.8 Prohibition on Contracts with Companies Boycotting Certain Energy Companies

29 Contractor acknowledges that in accordance with Chapter 2274 of the Texas Government
30 Code, City is prohibited from entering into a contract with a company for goods or services
31 unless the contract contains written verification from the company that it (1) does not boycott
32 energy companies; and (2) will not boycott energy companies during the term of the contract.
33 The terms "boycott energy company" and "company" shall have the meanings ascribed to
34 those terms in Section 809.001 of the Texas Government Code. By signing this agreement,
35 Contractor certifies that Contractor's signature provides written verification to the City that
36 Contractor: (1) does not boycott energy companies; and (2) will not boycott energy
37 companies during the term of the agreement. Failure to meet or maintain the requirements
38 under this provision will be considered a material breach.

39 7.9 Prohibition on Contracts with Companies Boycotting Certain Firearm Entities and Firearm
40 Trade Associations.

41 Contractor acknowledges that in accordance with Chapter 2274 of the Texas Government
42 Code, City is prohibited from entering into a contract with a company for goods or services

1 unless the contract contains written verification from the company that it (1) does not have a
2 practice, policy, guidance, or directive that discriminates against a firearm entity or firearm
3 trade association; and (2) will not discriminate during the term of the contract against a
4 firearm entity or firearm trade association. The terms “discriminate against a firearm entity
5 or firearm trade association,” “firearm entity” and “firearm trade association” shall have the
6 meanings ascribed to those terms in Chapter 2274 of the Texas Government Code. **By**
7 **signing this agreement, Contractor certifies that Contractor’s signature provides written**
8 **verification to the City that Contractor: (1) does not have a practice, policy, guidance, or**
9 **directive that discriminates against a firearm entity or firearm trade association; and (2)**
10 **will not discriminate during the term of the contract against a firearm entity or firearm**
11 **trade association.** Failure to meet or maintain the requirements under this provision will be
12 considered a material breach.

13 7.10 Prohibition on Contracts with Companies Doing Business with Iran, Sudan, or a Foreign
14 Terrorist Organization

15 Sections 2252 and 2270 of the Texas Government Code restricts CITY from contracting with
16 companies that do business with Iran, Sudan, or a foreign terrorist organization. **By signing**
17 **this agreement, Contractor certifies that Contractor’s signature provides written**
18 **verification to the City that Contractor, pursuant to Chapters 2252 and 2270, is not**
19 **ineligible to enter into this agreement and will not become ineligible to receive payments**
20 **under this agreement by doing business with Iran, Sudan, or a foreign terrorist**
21 **organization.** Failure to meet or maintain the requirements under this provision will be
22 considered a material breach.

23 7.11 Termination Right for Contracts with Companies Doing Business with Certain Foreign-
24 Owned Companies

25 The City of Denton may terminate this Contract immediately without any further liability if
26 the City of Denton determines, in its sole judgment, that this Contract meets the requirements
27 under Chapter 2274, and Contractor is, or will be in the future, (i) owned by or the majority
28 of stock or other ownership interest of the company is held or controlled by individuals who
29 are citizens of China, Iran, North Korea, Russia, or other designated country (ii) directly
30 controlled by the Government of China, Iran, North Korea, Russia, or other designated
31 country, or (iii) is headquartered in China, Iran, North Korea, Russia, or other designated
32 country.

33 7.12 Immigration Nationality Act.

34 Contractor shall verify the identity and employment eligibility of its employees who perform
35 work under this Agreement, including completing the Employment Eligibility Verification
36 Form (I-9). Upon request by City, Contractor shall provide City with copies of all I-9 forms
37 and supporting eligibility documentation for each employee who performs work under this
38 Agreement. Contractor shall adhere to all Federal and State laws as well as establish
39 appropriate procedures and controls so that no services will be performed by any Contractor
40 employee who is not legally eligible to perform such services. **CONTRACTOR SHALL**
41 **INDEMNIFY CITY AND HOLD CITY HARMLESS FROM ANY PENALTIES,**
42 **LIABILITIES, OR LOSSES DUE TO VIOLATIONS OF THIS PARAGRAPH BY**
43 **CONTRACTOR, CONTRACTOR’S EMPLOYEES, SUBCONTRACTORS,**
44 **AGENTS, OR LICENSEES.** City, upon written notice to Contractor, shall have the right
45 to immediately terminate this Agreement for violations of this provision by Contractor.
46

47 7.13 No Third-Party Beneficiaries.

1 This Agreement gives no rights or benefits to anyone other than the City and the Contractor
2 and there are no third-party beneficiaries.
3

4 7.14 No Cause of Action Against Engineer.

5 Contractor, its subcontractors and equipment and materials suppliers on the Project or their
6 sureties, shall maintain no direct action against the Engineer, its officers, employees, and
7 subcontractors, for any claim arising out of, in connection with, or resulting from the engineering
8 services performed. Only the City will be the beneficiary of any undertaking by the Engineer.
9 The presence or duties of the Engineer's personnel at a construction site, whether as on-site
10 representatives or otherwise, do not make the Engineer or its personnel in any way
11 responsible to Contractor or any other entity for those duties that belong to the City, and do
12 not relieve Contractor or any other entity of its obligations, duties, and responsibilities,
13 including, but not limited to, all construction methods, means, techniques, sequences, and
14 procedures necessary for performing, coordinating and completing all portions of the Work
15 in accordance with the Contract Documents and any health or safety precautions required by
16 such Work. The Engineer and its personnel have no authority to exercise any control over
17 any construction contractor or other entity or their employees in connection with their work
18 or any health or safety precautions.
19

20 SIGNATURE PAGE TO FOLLOW
21

IN WITNESS WHEREOF, City and Contractor have each executed this Agreement to be effective as of the date subscribed by the City’s City Manager or his designee (“Effective Date”).

CITY OF DENTON

BY: _____

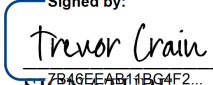
TITLE: _____

DATE: _____

CONTRACTOR
TEXAS MATERIALS GROUP, INC.

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational obligations and
business terms.

BY:  Signed by:
AUTHORIZED AGENT
87E70BDF56894AA...

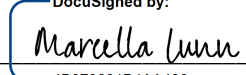
 Signed by:
Trevor Crain
7B46EEAB11B94F2...
SIGNATURE PRINTED NAME
Director of Capital Projects
TITLE
Capital Projects
DEPARTMENT

Ron Stinson NAME
Estimating Manager
817-538-1635 PHONE NUMBER
ronald.stinson@texasmaterials.com EMAIL ADDRESS

ATTEST:
LAUREN THODEN, CITY SECRETARY

50
51
52 N/A
53 TEXAS ETHICS COMMISSION
54 1295 CERTIFICATE NUMBER

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

 DocuSigned by:
Marcella Lunn
4B070831B4AA438...

SECTION 00 41 01
PROPOSAL FORM - CSP

TO: City of Denton
c/o: Purchasing Division
901-B Texas Street
Denton, Texas 76209

FOR: <CSP 8586 ROBINWOOD RECONSTRUCTION>

1 Enter into Agreement

The undersigned Offeror proposes and agrees, if this Proposal is accepted, to enter into an Agreement with City in the form included in the Proposal Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Unit Price Proposal and within the Contract Time indicated in this Proposal and in accordance with the other terms and conditions of the Contract Documents.

2 OFFEROR Acknowledgements and Certification

- 2.1 In submitting this Proposal, Offeror accepts all of the terms and conditions of the INVITATION TO OFFERORS and INSTRUCTIONS TO OFFERORS, including without limitation those dealing with the disposition of Offeror's Bond.
- 2.2 Offeror is aware of all costs to provide the required insurance, will do so pending contract award, and will provide a valid insurance certificate meeting all requirements within 14 days of notification of award.
- 2.3 Offeror certifies that this Proposal is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
- 2.4 Offeror has not directly or indirectly induced or solicited any other Offeror to submit a false or sham Proposal.
- 2.5 Offeror has not solicited or induced any individual or entity to refrain from proposing.
- 2.6 Offeror has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph:
- a. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the proposal process.
 - b. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the proposal process to the detriment of City (b) to establish proposal prices at artificial non-competitive levels, or (c) to deprive City of the benefits of free and open competition.
 - c. "collusive practice" means a scheme or arrangement between two or more Offerors, with or without the knowledge of City, a purpose of which is to establish proposal prices at artificial, non-competitive levels.

d. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the proposal process or affect the execution of the Contract.

2.7 The Offeror acknowledges and agrees to comply with the requirements of City Ethics Ordinance No. 23-1165.

3 Time of Completion

- 3.1 The Work will be Substantially Complete as defined in the Supplementary Conditions within [150] Days after the date when the Contract Time commences to run, which is the day indicated in the Notice to Proceed, plus any extension thereof allowed in accordance with Article 11 of the General Conditions.
- 3.2 The Work will be complete for Final Acceptance within [180] Days after the date when the Contract Time commences to run, which is the day indicated in the Notice to Proceed, plus any extension thereof allowed in accordance with Article 11 of the General Conditions.
- 3.3 Offeror accepts the provisions of the Agreement as to Liquidated Damages in the event of failure to obtain Milestones (if applicable), Substantial Completion, and Final Acceptance within the times specified in the Agreement.

4 Attached to this Proposal

- 4.1 The following documents are attached to and made a part of this Proposal:
- a. Section 00 35 14 – Conflict of Interest Affidavit – CSP
 - b. Section 00 41 01 – This Proposal Form – CSP
 - c. **Section 00 42 44 – Unit Price Proposal Form – CSP – Excel Electronic Copy (either included in the hard copy Proposal, or submitted via Ionwave)**
 - d. Section 00 43 14 – Required Offeror's Bond – CSP, issued by a surety meeting the requirements of Paragraph 6.01 of the General Conditions.
 - e. Section 00 43 38 – Proposed Subcontractors Form – CSP
 - f. Section 00 43 39 – Vendor Compliance to State Law Non-Resident Offeror – CSP
 - g. Section 00 45 14 – Safety Record Questionnaire – CSP
 - h. Section 00 45 27 – Contractor Compliance with Workers Compensation Law – CSP
 - i. Section 00 45 44 – Corporate Resolution of Authorized Signatories – CSP
 - j. Any additional documents required by Paragraph 12 of Section 00 21 16 – Instructions to Offerors

5 Total Proposal Amount

- 5.1 Offeror will complete the Work in accordance with the Contract Documents for the following proposal amount. In the space provided below, please enter the total proposed amount for this project. This figure will be read publicly by the City at the proposal opening.
- 5.2 It is understood and agreed by the Offeror in signing this proposal that the total proposed amount entered below is subject to verification and/or modification by multiplying the unit prices for each pay item by the respective estimated quantities shown in this proposal and then totaling all of the extended amounts.

Total Proposal Amount: \$ 2,662,881.31

6 Proposal Submittal

6.1 It is understood by Offeror that submission of the total proposal amount is only one of the factors for the City's evaluation process, and that any award of contract will be based on the complete evaluation of the Proposal and Offeror by City under the terms provided in the Instructions to Offerors or any validly issued amendments or addenda.

6.2 This Proposal is submitted on July, 17, 2024 by the entity named below.

Respectfully submitted,

By: 

(Signature)

Ronald D. Stinson, Jr.

(Printed Name)

Title: Estimating Manager

Company: Texas Materials Group, Inc.

Address: 420 Decker Dr, Suite 200
Irving, Texas 75062

State of Incorporation: Deleware

Email: ronald.stinson@texasmaterials.com

Phone: 817-538-1635

Receipt is acknowledged of the following Addenda:	Initial
Addenda No. 1:	<u>RSB</u>
Addenda No. 2:	<u>RSB</u>
Addenda No. 3:	
Addenda No. 4:	
Addenda No. 5:	

END OF SECTION



SECTION 00 42 44 - UNIT PRICE PROPOSAL FORM - CSP

To:

City of Denton

901-B Texas Street

Denton, TX 76209

Cori Power/Purchasing Dept.

From:

Texas Materials Group, Inc.

420 Decker Dr, Ste 200

Irving, Texas 75062

Ron Stinson

817-538-1635

ronald.stinson@texasmaterials.com

PROJ.:

Robinwood Reconstruction

CSP: 8586

ENG: 230016

PMO:

OFFEROR'S APPLICATION - UNIT PRICE PROPOSAL

Item No.	Spec. Section No.	Description	UOM	BID QTY	Unit Price	Extended Price
1	01 57 13	SWPPP > 1 acre	LS	1	\$ 1,731.85	\$ 1,731.85
2	01 58 13	Project Signs	EA	2	\$ 577.30	\$ 1,154.60
3	01 70 00	Mobilization	LS	1	\$ 117,391.00	\$ 117,391.00
4	02 41 14	Remove Yard Grate Inlet	EA	1	\$ 3,348.30	\$ 3,348.30
5	02 41 14	Remove Curb Inlet	EA	10	\$ 3,348.30	\$ 33,483.00
6	02 41 14	Remove Curb Inlet (Top Only)	EA	2	\$ 3,117.35	\$ 6,234.70
7	02 41 14	Remove Junction Box (Top Only)	EA	3	\$ 3,117.35	\$ 9,352.05
8	02 41 14	Remove Concrete Drainage Flume	SY	17	\$ 178.95	\$ 3,042.15
9	02 41 15	Surface Milling (2")	SY	340	\$ 6.55	\$ 2,227.00
10	02 41 15	Remove Asphalt Pavement	SY	12,440	\$ 6.55	\$ 81,482.00
11	02 41 15	Remove Concrete Valley Gutter	SY	107	\$ 25.40	\$ 2,717.80
12	02 41 15	Remove Concrete Curb & Gutter	LF	5,771	\$ 5.20	\$ 30,009.20
13	02 41 15	Remove Concrete Driveway	SY	967	\$ 25.40	\$ 24,561.80
14	02 41 15	Remove Curb Ramp	EA	4	\$ 288.65	\$ 1,154.60
15	02 41 15	Remove Concrete Sidewalk	SY	43	\$ 25.40	\$ 1,092.20
16	31 23 16	Unclassified Excavation	CY	1,305	\$ 47.75	\$ 62,313.75
17	31 24 00	Compacted Fill	CY	18	\$ 32.30	\$ 581.40
18	31 25 14	SWPPP Device Installation	LS	1	\$ 2,084.00	\$ 2,084.00
19	31 25 14	SWPPP Device Removal	LS	1	\$ 265.00	\$ 265.00
20	32 01 17	Asphalt Pavement Repair	SY	19	\$ 75.05	\$ 1,425.95
21	32 11 29	Lime Treated Subgrade	SY	14,949	\$ 12.75	\$ 190,599.75
22	32 11 29	Hydrated Lime	TN	565	\$ 352.15	\$ 198,964.75
23	32 12 16	Asphalt Pavement Type B (2")	SY	14,437	\$ 20.23	\$ 292,060.51
24	32 12 16	Asphalt Pavement Type B (4")	SY	12,393	\$ 43.18	\$ 535,129.74
25	32 12 16	Asphalt Pavement Type D (2")	SY	12,393	\$ 21.10	\$ 261,492.30
26	32 12 16	Asphalt Pavement Type D (2" Overlay)	SY	340	\$ 21.96	\$ 7,466.40
27	32 16 00	Concrete Valley Gutter	SY	241	\$ 99.85	\$ 24,063.85
28	32 16 00	Concrete Curb & Gutter	LF	5,771	\$ 52.70	\$ 304,131.70
29	32 16 00	Concrete Driveway	SY	967	\$ 102.40	\$ 99,020.80
30	32 16 00	Curb Ramp (1A - 6')	EA	2	\$ 2,135.95	\$ 4,271.90
31	32 16 00	Curb Ramp (1A - 4')	EA	4	\$ 1,916.60	\$ 7,666.40
32	32 16 00	Concrete Sidewalk (4')	SY	43	\$ 98.90	\$ 4,252.70
33	32 93 00	Sod	SY	1,761	\$ 8.65	\$ 15,232.65
34	33 01 50	Adjust Manhole	EA	12	\$ 1,799.65	\$ 21,595.80
35	33 01 50	Adjust Valve Box	EA	18	\$ 936.60	\$ 16,858.80
36	33 05 05	Excavation Protection	LF	177	\$ 11.55	\$ 2,044.35
37	33 42 11	RCP Storm Box (2' x 3')	LF	168	\$ 450.30	\$ 75,650.40
38	33 42 23	Concrete Headwall	EA	1	\$ 19,223.75	\$ 19,223.75
39	33 42 30	Concrete Junction Box (5')	EA	2	\$ 15,125.00	\$ 30,250.00
40	33 42 30	Concrete Junction Box (Top Only)	EA	3	\$ 8,082.05	\$ 24,246.15
41	33 42 33	Concrete Curb Inlet (10')	EA	10	\$ 11,545.80	\$ 115,458.00
42	33 42 33	Concrete Curb Inlet (Top Only)	EA	2	\$ 9,583.00	\$ 19,166.00
43	34 71 13	Traffic Control Plan	LS	1	\$ 1,731.86	\$ 1,731.86
44	34 71 13	Traffic Control Devices	MO	6	\$ 1,108.40	\$ 6,650.40
TOTAL BASE PROPOSAL:					\$2,662,881.31	

Robinwood Reconstruction
TOTAL PROPOSAL:
\$2,662,881.31

SECTION 00 43 39**VENDOR COMPLIANCE TO STATE LAW NON-RESIDENT OFFEROR - CSP**

Texas Government Code Chapter 2252 was adopted for the award of contracts to nonresident offerors. This law provides that, in order to be awarded a best value contract where the offeror also offered the lowest proposal price, nonresident offerors (out-of-state contractors whose corporate offices or principal place of business are outside the State of Texas) propose on projects for construction, improvements, supplies or services in Texas at an amount lower than the lowest Texas resident offeror by the same amount that a Texas resident offeror would be required to underbid a nonresident offeror in order to obtain a comparable contract in the State which the nonresident's principal place of business is located.

The appropriate blanks in Section A must be filled out by all nonresident offerors in order for your proposal to meet specifications. The failure of nonresident offerors to do so will automatically disqualify that offeror. Resident offerors must check the box in Section B.

A. Nonresident offerors in the State of _____, our principal place of business, are required to be _____ percent lower than resident offerors by State Law. A copy of the statute is attached.

Nonresident offerors in the State of _____, our principal place of business, are not required to underbid resident Offerors.

B. The principal place of business of our company or our parent company or majority owner is in the State of Texas. ☒

OFFEROR:

Texas Materials Group, Inc.

Company

420 Decker Dr, Suite 200

Address

Irving, Texas 75062

City/State/Zip

By: Ronald D. Stinson, Jr.

(Please Print)

Signature:

Title:

Estimating Manager

(Please Print)

Date: 07/17/2024

END OF SECTION

"General Decision Number: TX20240025 01/05/2024

Superseded General Decision Number: TX20230025

State: Texas

Construction Type: Highway

Counties: Archer, Callahan, Clay, Collin, Dallas, Delta, Denton, Ellis, Grayson, Hunt, Johnson, Jones, Kaufman, Parker, Rockwall, Tarrant and Wise Counties in Texas.

HIGHWAY CONSTRUCTION PROJECTS (excluding tunnels, building structures in rest area projects & railroad construction; bascule, suspension & spandrel arch bridges designed for commercial navigation, bridges involving marine construction; and other major bridges).

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(1).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	<ul style="list-style-type: none">. Executive Order 14026 generally applies to the contract.. The contractor must pay all covered workers at least \$17.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2024.
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	<ul style="list-style-type: none">. Executive Order 13658 generally applies to the contract.. The contractor must pay all covered workers at least \$12.90 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2024.

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at

<http://www.dol.gov/whd/govcontracts>.

Modification Number	Publication Date
0	01/05/2024

SUTX2011-007 08/03/2011

	Rates	Fringes
CONCRETE FINISHER (Paving and Structures).....	\$ 14.12	**
ELECTRICIAN.....	\$ 19.80	
FORM BUILDER/FORM SETTER		
Paving & Curb.....	\$ 13.16	**
Structures.....	\$ 13.84	**
LABORER		
Asphalt Raker.....	\$ 12.69	**
Flagger.....	\$ 10.06	**
Laborer, Common.....	\$ 10.72	**
Laborer, Utility.....	\$ 12.32	**
Pipelayer.....	\$ 13.24	**
Work Zone Barricade		
Servicer.....	\$ 11.68	**
POWER EQUIPMENT OPERATOR:		
Asphalt Distributor.....	\$ 15.32	**
Asphalt Paving Machine.....	\$ 13.99	**
Broom or Sweeper.....	\$ 11.74	**
Concrete Pavement		
Finishing Machine.....	\$ 16.05	**
Concrete Saw.....	\$ 14.48	**
Crane Operator, Lattice		
Boom 80 Tons or Less.....	\$ 17.27	
Crane Operator, Lattice		
Boom over 80 Tons.....	\$ 20.52	
Crane, Hydraulic 80 Tons		
or Less.....	\$ 18.12	
Crawler Tractor.....	\$ 14.07	**
Excavator, 50,000 pounds		
or less.....	\$ 17.19	**
Excavator, over 50,000		
pounds.....	\$ 16.99	**
Foundation Drill , Truck		
Mounted.....	\$ 21.07	
Foundation Drill, Crawler		
Mounted.....	\$ 17.99	
Front End Loader 3 CY or		
Less.....	\$ 13.69	**
Front End Loader, over 3 CY.	\$ 14.72	**
Loader/Backhoe.....	\$ 15.18	**
Mechanic.....	\$ 17.68	
Milling Machine.....	\$ 14.32	**
Motor Grader, Fine Grade....	\$ 17.19	**
Motor Grader, Rough.....	\$ 16.02	**
Pavement Marking Machine....	\$ 13.63	**
Reclaimer/Pulverizer.....	\$ 11.01	**
Roller, Asphalt.....	\$ 13.08	**
Roller, Other.....	\$ 11.51	**
Scraper.....	\$ 12.96	**
Small Slipform Machine.....	\$ 15.96	**
Spreader Box.....	\$ 14.73	**

Servicer.....\$ 14.58 **

Steel Worker (Reinforcing).....\$ 16.18 **

TRUCK DRIVER

Lowboy-Float.....\$ 16.24 **

Off Road Hauler.....\$ 12.25 **

Single Axle.....\$ 12.31 **

Single or Tandem Axle Dump

Truck.....\$ 12.62 **

Tandem Axle Tractor with

Semi Trailer.....\$ 12.86 **

Transit-Mix.....\$ 14.14 **

WELDER.....\$ 14.84 **

WELDERS - Receive rate prescribed for craft performing
operation to which welding is incidental.

=====

** Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$17.20) or 13658 (\$12.90). Please see the Note at the top of the wage determination for more information. Please also note that the minimum wage requirements of Executive Order 14026 are not currently being enforced as to any contract or subcontract to which the states of Texas, Louisiana, or Mississippi, including their agencies, are a party.

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular

rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour National Office because National Office has responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====

END OF GENERAL DECISION"

SECTION 00 45 27

CONTRACTOR COMPLIANCE WITH WORKER'S COMPENSATION LAW - CSP

Pursuant to Texas Labor Code Section 406.096(a), as amended, Contractor certifies that it provides worker's compensation insurance coverage for all of its employees employed on CSP 8586 ROBINWOOD RECONSTRUCTION. Contractor further certifies that, pursuant to Texas Labor Code, Section 406.096(b), as amended, it will provide to City its subcontractor's certificates of compliance with worker's compensation coverage.

CONTRACTOR:

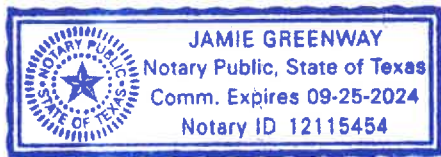
Texas Materials Group, Inc. By: Ronald D. Stinson, Jr.
Company (Please Print)
420 Decker Dr, Suite 200 Signature: [Signature]
Address
Irving, Texas 75062 Title: Estimating Manager
City/State/Zip (Please Print)

THE STATE OF TEXAS §

COUNTY OF DENTON §

BEFORE ME, the undersigned authority, on this day personally appeared Ronald D. Stinson, Jr., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of Texas Materials Group, Inc. for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 10th day of July, 2024



[Signature]
Notary Public in and for the State of Texas

END OF SECTION

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

**STANDARD GENERAL CONDITIONS
OF THE CONSTRUCTION CONTRACT**

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ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Contract or in other Contract Documents, the terms listed below have the meanings indicated which are applicable to both the singular and plural thereof, and words denoting gender shall include the masculine, feminine and neuter. When used in a context consistent with the definition of a listed-defined term, the term shall have a meaning as defined below whether capitalized or italicized or otherwise. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument titled “Agreement”, “Agreement – CSP”, or “Agreement – Unit Price Bid” executed by the City and Contractor for the Work, setting forth the name of the Project, Contract Price, Contract Time and the items included in the Contract.
 3. *Application for Payment*—The form acceptable to City which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract.
 4. *Asbestos*—Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
 5. *Award*—Authorization by the City Council for the City to enter into an Agreement.
 6. *Bid*—The offer or proposal of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed. The term “Bid” shall be defined to include the term “Proposal” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid.
 7. *Bidder*—The individual or entity that submits a Bid directly to City. The term “Bidder” shall be defined to include the terms “Proposer” or “Offeror” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid.
 8. *Bidding Documents*—The Bidding Requirements and the proposed Contract Documents (including all Addenda). The term “Bidding Documents” shall be defined to include the terms “Proposal Documents” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid.
 9. *Bidding Requirements*—The Advertisement or Invitation to Bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments. The term “Bidding Requirements” shall be defined to include the terms “Proposal Requirements” in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid and will include the Request for Proposal or Invitation to Offerors, Instructions to Offerors, Offerors Bond or other Proposal security, if any, the Proposal Form, and the Proposal with any attachments.

10. *Business Day*—A day that the City conducts normal business, generally Monday through Friday, except for federal or state holidays observed by the City.
11. *Calendar Day*—A day consisting of 24 hours measured from midnight to the next midnight.
12. *Change Order*—A document which is prepared by the Contractor or City, approved by the City, and signed by Contractor and City, authorizing an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Time, issued on or after the Effective Date of the Agreement.
13. *City*—The City of Denton is, a Texas home-rule municipal corporation acting by its City Council through its City Manager or his or her designee.
14. *City Attorney*—The officially appointed City Attorney of the City of Denton or his or her designee.
15. *City Council*—The duly elected and qualified governing body of the City of Denton.
16. *City Manager*—The officially appointed authorized City Manager of the City of Denton.
17. *Contract*—The entire and integrated set of written instruments between the City and Contractor concerning the Work comprised of the Agreement and all Contract Documents, which written instruments supersede all prior negotiations, representations, or agreements, whether written or oral, concerning the Work.
18. *Contract Claim*—A demand or assertion by City or Contractor seeking an adjustment of Contract Price or Contract Time, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Contract Claim.
19. *Contract Documents*—Those items so designated as “Contract Documents.” in the Agreement at Paragraph 5.1.A. Approved Submittals, other Contractor submittals, and the reports and drawings of subsurface and physical conditions are not Contract Documents.
20. *Contract Price*—The moneys payable by City to Contractor for completion of the Work in accordance with the Contract Documents as stated in the Agreement (subject to the provisions of Paragraph 12.03 in the case of Unit Price Work). The Contract Price does not include any “Incentive”, if applicable.
21. *Contract Time*—The number of days or the dates stated in the Agreement to: (a) achieve Milestones, if any and (bb) complete the Work so that it is ready for Final Acceptance.
22. *Contractor*—The individual or entity with whom City has entered into the Agreement.
23. *Cost of the Work*—See Paragraph 12.01 of these General Conditions for definition.
24. *Damage Claims*—A demand for money or services arising from the Project or Site from a third party, City or Contractor exclusive of a Contract Claim.
25. *Day or day*—A day, unless otherwise defined, shall mean a Calendar Day.
26. *Drawings*—The part of the Contract Documents prepared or approved by an Engineer that graphically shows the scope, extent, and character of the Work to be performed by Contractor. Submittals, as defined, are not considered Drawings as so defined here.

27. *Effective Date of the Agreement*—The date, indicated in the Agreement, on which it becomes effective,, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the City.
28. *Electronic Document*—Any Project-related correspondence, attachments to correspondence, text, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
29. *Electronic Means*—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by the Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.
30. *Engineer*—The licensed professional engineer or engineering firm registered in the State of Texas performing professional services for the City.
31. *Extra Work*—Additional work made necessary by City-approved changes or alterations to the Contract Documents. Extra Work shall be part of the Work.
32. *Field Order*—A written directive issued by City that requires changes in the Work but does not involve a change to the Contract Price, Contract Time, or Drawings, Plan, or Shop Drawings.
33. *Final Acceptance*—The written notice given by the City to the Contractor that the Work specified in the Contract Documents has been completed to the satisfaction of the City.
34. *Final Inspection*—The inspection performed by the City to determine whether the Contractor has completed each and every part or appurtenance of the Work fully, entirely, and in conformance with the Contract Documents.
35. *General Requirements*—Sections of The information set forth in “Division 101 – General Requirements” of the Standard Construction Specification Documents.
36. *Hazardous Environmental Condition*—The presence at the Site of Asbestos, P C B s , Petroleum, Hazardous Waste, Radioactive Material, or any other substance, product, waste or materials, in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto.
37. *Hazardous Waste*—Any solid waste listed as hazardous or which possesses one or more hazardous characteristics as defined in applicable Laws and Regulations.
38. *Incidental or incidental*—Work items that the Contractor is not paid for directly, but costs for which are included under the various bid items of the Project.
39. *Laws and Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all

governmental bodies, agencies, authorities, and courts having jurisdiction over the Site or any portion or part of the Work to be performed.

40. *Liens*—Charges, security interests, or encumbrances upon Project funds, real property, or personal property.
41. *Major Item*—An item of work included in the Contract Documents that has a total cost equal to or greater than 5% of the original Contract Price.
42. *Milestone*—A principal event specified in the Contract Documents relating to the performance of an identified portion of the Work by an intermediate Contract Time prior to Final Acceptance of the Work.
43. *Notice of Award*—The written notice by City to the Successful Bidder stating that upon timely compliance by the Successful Bidder with the conditions precedent listed in such notice, City will sign and deliver the Agreement.
44. *Notice to Proceed*—A written notice given by City to Contractor fixing the date on which the Contract Time will commence to run and on which Contractor shall start to perform the Work specified in Contract Documents.
45. *PCBs*—Polychlorinated biphenyls.
46. *Petroleum*—Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), and including but not limited to oil, fuel oil, oil sludge, oil refuse, gasoline, diesel fuel, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.
47. *Plans*—This term will have the same definition of as “Drawings”.
48. *Project* —The Work to be performed under the Contract.
49. *Project Manager*—The authorized representative of the City who will be assigned to the Project.
50. *Project Manual*—The documentary information prepared for bidding or proposing and furnishing the Work.
51. *Project Schedule*—A schedule, prepared and maintained by Contractor, in accordance with the General Requirements, describing the sequence and duration of the activities comprising Contractor’s plan to achieve each Milestone and accomplish the Work within the Contract Time.
52. *Public Meeting*—An announced meeting conducted by the City to facilitate public participation and to assist the public in gaining an informed view of the Project.
53. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
54. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements to support scheduled performance of related construction activities.

55. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.
56. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.
57. *Site*—Lands or areas indicated in the Contract Documents as being furnished by City upon which the Work is to be performed, including rights-of-way, permits, and easements for access thereto, and such other lands furnished by City which are designated for the use of Contractor.
58. *Specifications or Technical Specifications* —The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work. Specifications may be specifically made a part of the Contract Documents by attachment or, if not attached, may be incorporated by reference as indicated in the Table of Contents (Section 00 00 00) of the Project.
59. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work at the Site.
60. *Submittal*—All drawings, diagrams, illustrations, schedules and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to the City to illustrate some portion of the Work.
61. *Subsidiary or subsidiary*—*These terms will have the same* definition as "Incidental. or incidental".
62. *Successful Bidder*—The Bidder to whom City issues a Notice of Award. The term "Bidder" shall be defined to include the terms "Proposer" or "Offeror" in those instances where the City utilizes a Request for Proposal rather than an Invitation for Bid and is the Proposer or Offeror submitting the proposal or offer that provides the best value to the City and to whom the City issues a Notice of Award.
63. *Superintendent*—The representative of the Contractor who is available at all times and able to receive instructions from the City and to act for the Contractor.
64. *Supplementary Conditions*—The part of the Contract set forth at Division 00 73 00 that amends or supplements these General Conditions.
65. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
66. *Underground Facilities*—All underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid

petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.

67. *Unit Price Work*—Work for which the Contract Price is determined by multiplying the unit price for the item by the estimated quantity of the item.
68. *Weekend Working Hours*—Those hours between 8:00 a.m. and 8:30 p.m. on Saturday, and between 1:00 p.m. and 8:30 p.m. on Sunday or on a federal or state holiday observed by the City, as approved in advance by the City for performing Work.
69. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction including any Change Order or Field Order, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.
70. *Working Day*—Defined as a Business Day but excluding any days that weather or other conditions beyond the reasonable control of the Contractor prevents the performance of the principal unit of work underway for a continuous period of not less than 7 hours between 7:00 a.m. and 8:00 p.m.

1.02 *Terminology*

- A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Bidding Requirements or Contract, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives*: The Contract includes the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of judgment by CityCity. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of City as to the Work. It is intended that such exercise of judgment, action, or determination will be to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise).
- C. *Defective*: The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
 1. does not conform to the Contract Documents; or
 2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 3. has been damaged prior to City’s written notice of Final Acceptance.
- D. *Furnish, Install, Perform, Provide*
 1. The word “furnish,” when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.

2. The word “install,” when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
 3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, means to execute, carry out, furnish and install said services, materials, or equipment complete and ready for intended use.
 4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.
- E. Unless stated otherwise in the Contract, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract in accordance with such recognized meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 *Delivery of Performance and Payment Bonds; Evidence of Insurance*

- A. Performance and Payment Bonds: When Contractor delivers the signed counterparts of the Agreement to City, Contractor shall also deliver to City the performance bond, payment bond and maintenance bond that comply with the provisions of Chapter 2253 of the Texas Government Code. Work will not be allowed to begin until the performance and payment bonds have been provided by the Contractor to the City.
- B. Evidence of Contractor’s Insurance: When Contractor delivers the signed counterparts of the Agreement to City, Contractor shall also deliver to City, with copies to each additional insured (as identified in the Contract), the certificates, endorsements, and other evidence of insurance required to be provided by Contractor in accordance with Article 6. Work will not be allowed to begin until the evidence of insurance has been provided by the Contractor to the City.

2.02 *Copies of Documents*

- A. City shall furnish to Contractor one (1) original executed copy and one (1) electronic copy of the Contract, and three (3) additional copies of the Drawings. Additional printed copies will be furnished upon request at the cost of reproduction.

2.03 *Before Starting Construction*

Baseline starting Work, Contractor shall submit for review by City the following in accordance with the Contract Documents:

- A. Baseline Schedules in accordance with General Requirements, Section 01 32 16.
- B. Preliminary Schedule of Submittals.
- C. Preliminary Schedule of Values: For lump sum contracts, a Schedule of Values for all of the Work that includes quantities and prices of items that when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Meeting*

- A. Before any Work at the Site is started, the Contractor shall attend a Preconstruction Meeting as specified in Section 01 31 19.

2.05 *Public Meeting*

- A. Contractor may not mobilize any equipment, materials, or resources to the Site prior to Contractor attending the Public Meeting as scheduled by the City.

2.06 *Initial Acceptance of Schedules*

- A. No progress payment shall be made to Contractor until acceptable Project Schedules are submitted to City in accordance with the Contract Documents.

2.07 *Electronic Submittals and Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the City and Contractor may send, and shall accept, Electronic Documents transmitted by Electronic Means.
- B. If the Contract does not establish protocols for Electronic Means, then City and Contractor shall jointly develop such protocols.
- C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.
- B. It is the intent of the Contract to describe a functionally complete Project to be constructed in accordance with the Contract Documents. Any labor, documentation, services, materials, or equipment that reasonably may be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the indicated result will be provided whether or not specifically called for, at no additional cost to City.
- C. City will issue clarifications and interpretations of the Contract Documents as provided herein.
- D. The Specifications may vary in form, forma and style. Some Specification sections may be written in varying degrees of streamlined or declarative style, and some sections may be relatively narrative by comparison. Omission of such words and phrases as “the Contractor shall,” “in conformity with,” “as shown,” or “as specified” are intentional in streamlined sections. Omitted words and phrases shall be supplied by inference. Similar types of provisions may appear in various parts of a section or articles within a part depending on the format of the section. The Contractor shall not take advantage of any variation of form, format or style in making Contract Claims or Damage Claims.

- E. The cross-referencing of Specification sections under the subparagraph heading “Related Sections include but are not necessarily limited to:” and elsewhere within each Specification section is provided as an aid and convenience to the Contractor. The Contractor shall not rely on the cross-referencing provided and shall be responsible to coordinate the entire Work under the Contract Documents and provide a complete Project whether or not cross-referencing is provided in each section or whether the cross-referencing is complete or accurate.

3.02 *Reference Standards*

A. Standards Specifications, Codes, Laws and Regulations

1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Agreement if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of City, Contractor, or any of their subcontractors, consultants, agents, or employees from those set forth in the Contract Documents. No such provision or instruction shall be effective to assign to City or any of its officers, elected or appointed officials, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 *Reporting and Resolving Discrepancies*

A. Reporting Discrepancies

1. *Contractor’s Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements, and conditions. Contractor shall promptly report in writing to City any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall obtain a written interpretation or clarification from City before proceeding with any Work affected thereby.
2. *Contractor’s Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to City in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.1717) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by City, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to City for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. Resolving Discrepancies

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
 - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier; or
 - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).
2. In case of discrepancies, figured dimensions shall govern over scaled dimensions, Drawings shall govern over Specifications, and Supplementary Conditions shall govern over General Conditions and Specifications.

3.04 Requirements of the Contract Documents

- A. During the performance of the Work and until final payment, Contractor shall submit to the City in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. City will be the interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work.
- B. City will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. City's written clarification, interpretation, or decision will be final and binding on Contractor, unless Contractor appeals by filing a Contract Claim.

3.05 Reuse of Documents

- A. Contractor and its Subcontractors and Suppliers shall not:
 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of CityCity and specific written verification or adaptation by Engineer; or
 2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without City's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 05 will survive final payment, or termination of the Contract. Nothing herein precludes Contractor from retaining copies of the Contract Documents for record purposes.

ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK**4.01** *Commencement of Contract Time; Notice to Proceed*

- A. The Contract Time will commence to run on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract.

4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Time commences to run. No Work may be done at the Site prior to the date on which the Contract Time commences to run.

4.03 *Delays in Contractor's Progress*

- A. If Contractor is delayed, City shall not be liable to Contractor for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Contractor on or in connection with any other project or anticipated project. The City shall be liable only to the extent allowed by the provisions of the Contract and as allowed by Subchapter I, Chapter 271 of the Texas Local Government Code.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Time for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. The Contractor shall receive no compensation for delays or hindrances to the Work, except when direct and unavoidable extra cost to the Contractor is caused by the failure of the City to provide information or material, if any, that the Contract specifies is to be furnished by the City.
- D. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of City, Contractor, and those for whom they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Time. Such an adjustment will be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this Paragraph 4.03. D. The Contractor is responsible for the prompt submission of a request for an adjustment to the Contract Time under this Paragraph to the City. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Time under this Paragraph include but are not limited to the following:
 - 1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
 - 2. Abnormal weather conditions;
 - 3. Acts or failures to act of third-party utility owners or other third-party entities (other than those third-party utility owners or other third-party entities performing other work at or adjacent to the Site as arranged by or under contract with City, as contemplated in Article 8); and

4. Acts of war or terrorism.
- E. Contractor's entitlement to an adjustment of Contract Time or Contract Price is limited as follows:
 1. Contractor's entitlement to an adjustment of the Contract Time is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.
 2. Contractor shall not be entitled to an adjustment in Contract Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor. Such a concurrent delay by Contractor shall not preclude an adjustment of Contract Time to which Contractor is otherwise entitled.
 3. Adjustments of Contract Time or Contract Price are subject to the provisions of Article 11.
- F. Each Contractor request or Change Order seeking an increase in Contract Time or Contract Price must be supplemented by supporting data that sets forth in detail the following:
 1. The circumstances that form the basis for the requested adjustment;
 2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;
 3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;
 4. The number of days' increase in Contract Time claimed as a consequence of each such cause of delay, disruption, or interference; and
 5. The impact on Contract Price, in accordance with the provisions of Paragraph 11.08.
 6. Contractor shall also furnish such additional supporting documentation as City may require including, where appropriate, a revised Project Schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.
- G. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from undisclosed Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.03.F and 4.03.G.

ARTICLE 5 – SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

- A. City shall furnish the Site. City shall notify Contractor in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which

Contractor must comply in performing the Work. City will be responsible for obtaining any necessary easements for permanent structures or permanent changes in existing facilities.

1. The City has obtained or anticipates acquisition of and/or access to right-of-way, and/or easements. Any outstanding right-of-way and/or easements are anticipated to be acquired in accordance with the schedule set forth in the Supplementary Conditions. The Project Schedule submitted by the Contractor in accordance with the Contract Documents must consider any outstanding right-of-way, and/or easements.
 2. Unless otherwise specified in the Contract Documents, the City has or anticipates moving and/or relocating utilities, and obstructions to the Site. Any outstanding movement or relocation of utilities or obstructions is anticipated in accordance with the schedule set forth in the Supplementary Conditions. The Project Schedule submitted by the Contractor in accordance with the Contract Documents must consider any outstanding utilities or obstructions to be moved and/or relocated by others.
- B. Upon reasonable written request of Contractor, City shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which the Work is to be performed.
- C. Contractor shall provide for any additional lands and access thereto not included in the Site that may be required for construction facilities or storage of materials and equipment. The cost of such shall be part of the Contract Price.

5.02 *Use of Site and Other Areas*

A. Limitation on Use of Site and Other Areas

1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, worker car parking and the operations of workers to the Site, to adjacent areas that Contractor has arranged to use through construction easements or otherwise, and to other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with worker car parking, construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries, including death, and damage to or losses of property sustained by the owners or occupants of any such land or areas; provided that such damage, losses, injuries or deaths arose out of or result from the performance of the Work or arose out of or resulted from any other actions or conduct of the Contractor or those for whom Contractor is responsible.
2. At any time when, in the judgment of the City, the Contractor has obstructed, closed, or is carrying on operations in a portion of a street, right-of-way, or easement greater than is necessary for proper execution of the Work, the City may require the Contractor to reduce the area impacted to only that necessary for proper execution of the Work and/or to finish the section on which operations are in progress before work is commenced on any additional area of the Site.

3. Construction equipment, spoil materials, supplies, forms, buildings, labs, or equipment and supply storage buildings, or any other item that may be transported by flood flows, shall not be stored within existing federal floodways during the course of the Work.
 4. Should any Damage Claim be made by any such owner or occupant adversely impacted because of the performance of the Work, Contractor shall promptly attempt to resolve the Damage Claim.
 5. ***PURSUANT TO PARAGRAPH 7.21, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES, AND DAMAGES ARISING OUT OF OR RELATING TO ANY CLAIM OR ACTION, LEGAL OR EQUITABLE, BROUGHT BY ANY SUCH ADVERSELY IMPACTED OWNER OR OCCUPANT AGAINST CITY.***
- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.
- C. *Site Maintenance Cleaning:* If 24 hours after written notice is given to the Contractor that the clean-up at the Site is insufficient or occurring in a manner unsatisfactory to the City, the Contractor fails to correct the unsatisfactory condition and/or procedures, the City may take such direct action as the City deems appropriate to correct the clean-up deficiencies cited to the Contractor in the written notice, and the costs of such direct corrective action, plus 25 % of such costs, shall be deducted from the monies due or to become due to the Contractor under the Contract.
- D. *Final Site Cleaning:* Prior to Final Acceptance of the Work, Contractor shall clean the Site and the Work and make it ready for utilization by City and any adjacent property owners, if applicable. At the completion of the Work, Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, surplus materials, waste materials, rubbish and other debris and shall restore to original condition or better all areas impacted or disturbed by the Work.
- E. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
1. Those reports known to City of explorations and tests of subsurface conditions at or contiguous to the Site; and
 2. Those drawings known to City of existing physical conditions at or contiguous to the Site, including those drawings known to City depicting existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities.).
- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A.

Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as technical data.

- C. *Reliance by Contractor on Technical Data:* Contractor is provided certain technical data identified in the Supplementary Conditions with respect to such reports and drawings for its use, but the City does not warrant or guarantee the accuracy of the information, and such information including reports and drawings are not Contract Documents. Contractor may not make any Contract Claim against City, or any of their officers, elected or appointed officials, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness or accuracy of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or City's archival documents concerning the Site; or
 4. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any "technical data" is materially inaccurate; or
 2. is of such a nature as to require a change in the Contract Documents; or
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.17), notify City in writing about such condition.

- B. *Possible Price and Time Adjustments*
1. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Time if:
 - a. Contractor knew of the existence of such condition at the time Contractor made a final commitment to City with respect to Contract Price and Contract Time by the submission of a Bid or becoming bound under the Contract; or

- b. The existence of such condition reasonably could have been discovered or revealed as a result of the examination of the Contract Documents or the Site; or
 - c. Contractor failed to give the written notice required by Paragraph 5.04.A.
- C. *Underground Facilities; Hazardous Environmental Conditions:* Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

5.05 *Underground Facilities*

- A. *Shown or Indicated:* The information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the Site is based on information and data furnished to City or Engineer by the owners of such Underground Facilities, including City, or by others, unless it is otherwise expressly provided in the Supplementary Conditions::
- 1. City and Engineer shall not be responsible for the accuracy or completeness of any such information or data provided by others; and
 - 2. the cost of all of the following are included in the Contract Price, and Contractor shall have full responsibility for:
 - a. reviewing and checking all information and data;
 - b. verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities during the course of construction;
 - c. coordination and adjustment of the Work with the owners (including City) of such Underground Facilities, during construction; and
 - d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Not Shown or Indicated:*
- 1. If an Underground Facility that is uncovered or revealed at the Site was not shown or indicated on the Drawings or otherwise indicated in the Contract Documents, or was not shown or indicated on the Drawings or in the Contract Documents with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.17), identify the owner of such Underground Facility and give notice to that owner and to City. Contractor shall be responsible for the safety and protection of such discovered Underground Facility.
 - 2. If City concludes that a change in the Contract Documents is required, a Change Order may be issued to reflect and document such consequences, subject to the provisions of Article 11.
 - 3. Verification of existing utilities, structures, and service lines shall include notification of all utility companies a minimum of 48 hours in advance of construction including exploratory excavation if necessary.

5.06 *Hazardous Environmental Conditions at Site*

- A. *Reports and Drawings*: The Supplementary Conditions identify:
1. those reports known to City relating to Hazardous Environmental Conditions that have been identified at the Site; or
 2. drawings known to City relating to Hazardous Environmental Conditions that have been identified at the Site.
- B. *Reliance by Contractor on Technical Data*: Contractor is provided certain technical data identified in the Supplementary Conditions with respect to such reports and drawings for its use, but the City does not warrant or guarantee the accuracy of the information, and such information including reports and drawings are not Contract Documents. Contractor may not make any Contract Claim against City, or any of its officers, elected or appointed officials, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness or accuracy of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 3. the contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or City's archival documents concerning the Site; or
 4. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.
- C. Contractor shall not be responsible for a Hazardous Environmental Condition uncovered or revealed at the Site if such Hazardous Environmental Condition was not shown or indicated in Drawings or Specifications or identified if the removal or remediation of such Hazardous Environmental Condition was not identified in the Contract Documents to be within the scope of the Work. Contractor shall be responsible for a Hazardous Environmental Condition created by the actions of or with any materials brought to the Site by Contractor, Subcontractors, Suppliers or anyone else for whom Contractor is responsible and the costs associated with the same.
- D. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.17); and (3) notify City (and promptly thereafter confirm such notice in writing). City may consider the necessity to retain a qualified expert to evaluate such condition or take corrective action, if any.

- E. Contractor shall not be required to resume Work in connection with a Hazardous Environmental Condition identified pursuant to Paragraph 5.06.D or in any affected area until after City has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed.
- F. If, after receipt of such written notice, Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then City may order the portion of the Work that is in the area affected by such condition to be deleted from the Work and the Contract Price. City may have such deleted portion of the Work performed by City's own forces or others.
- G. ***TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY, AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, DIRECTORS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, CONSULTANTS, AND SUBCONTRACTORS OF EACH AND ANY OF THEM, FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES, AND DAMAGES (INCLUDING BUT NOT LIMITED TO ALL FEES AND CHARGES OF ENGINEERS, ARCHITECTS, ATTORNEYS, AND OTHER PROFESSIONALS AND ALL COURT ARBITRATION OR OTHER DISPUTE RESOLUTION COSTS) FOR PERSONAL INJURY, DEATH OR PROPERTY DAMAGE ARISING OUT OF OR RELATING TO A HAZARDOUS ENVIRONMENTAL CONDITION CREATED BY CONTRACTOR OR BY ANYONE FOR WHOM CONTRACTOR IS RESPONSIBLE. NOTHING IN THIS PARAGRAPH 5.06.CityG OBLIGATES CONTRACTOR TO INDEMNIFY ANY INDIVIDUAL OR ENTITY FROM AND AGAINST THE CONSEQUENCES OF THAT INDIVIDUAL'S OR ENTITY'S OWN NEGLIGENCE.***
- H. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6 – BONDS AND INSURANCE

6.01 *Licensed Sureties and Insurers*

- A. All bonds and insurance required by the Contract Documents to be purchased and maintained by Contractor shall be obtained from surety or insurance companies that are duly licensed or authorized in the State of Texas to issue bonds or insurance policies for the limits and coverages required. Such surety and insurance companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary Conditions.

6.02 *Performance, Payment, and Maintenance Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, in accordance with the provisions of the Texas Government Code Chapter 2253 or successor statute and as required by the City, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all of Contractor's obligations under the Contract. The performance and payment bonds must be provided by the Contractor to the City prior to the Contractor beginning any Work.

- B. Contractor shall furnish maintenance bonds in an amount equal to the Contract Price as security to protect the City against any defects in any portion of the Work described in the Contract Documents. Maintenance bonds shall remain in effect for two (2) years after the date of Final Acceptance by the City. The maintenance bond(s) shall be provided as directed by the City as part of the close-out of the Contract and shall be provided prior to the final payment being made.
- C. All bonds shall be in the form prescribed by the Contract Documents, except as provided otherwise by Laws and Regulations, and must be issued and signed by a surety named in “Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies” as published in Department Circular 570 (as amended and supplemented) by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual’s authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- D. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, or its right to do business is terminated in the State of Texas, then Contractor shall promptly notify City in writing and shall, within 30 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.
- E. If Contractor has failed to obtain a required bond, City may refuse to allow the Contractor to begin Work, exclude the Contractor from the Site and exercise City’s termination rights under Article 15.
- F. Upon request to Contractor from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Contractor shall provide a copy of the payment bond to such person or entity.

6.03 *Certificates of Insurance*

- A. Contractor shall deliver to City, with copies to each additional insured and loss payee identified in the Supplementary Conditions, certificates of insurance and endorsements (and other evidence of insurance requested by City or any other additional insured) establishing that Contractor has obtained and is maintaining the policies and coverages required by these General Conditions and the Supplementary Conditions prior to beginning any Work.
 - 1. The certificate of insurance shall document the City, and all identified entities named in the Supplementary Conditions as “additional insureds” on all liability policies.
 - 2. The Contractor’s general liability insurance shall include a “per project” or “per location” endorsement, that shall be identified in the certificate of insurance provided to the City.
 - 3. The certificate shall be signed by an agent authorized to bind coverage on behalf of the insured, be complete in its entirety, and show complete insurance carrier names as listed in the current A.M. Best Property & Casualty Guide.
 - 4. The insurers for all policies must be licensed and/or approved to do business in the State of Texas. Except for workers’ compensation, all insurers must have a minimum rating of A-: VII in the current A. M. Best Key Rating Guide or have reasonably equivalent

financial strength and solvency to the satisfaction City. If the rating is below that required, written approval of City is required.

5. All applicable policies shall include a Waiver of Subrogation (Rights of Recovery) in favor of the City. In addition, the Contractor agrees to waive all rights of subrogation against the Engineer (if applicable), and each additional insured identified in the Supplementary Conditions
6. Failure of the City to demand such certificates or other evidence of full compliance with the insurance requirements or failure of the City to identify a deficiency from evidence that is provided shall not be construed as a waiver of Contractor's obligation to maintain such lines of insurance coverage or to provide such certificates or other evidence of full compliance with the insurance requirements.
7. If insurance policies are not written for specified coverage limits, an Umbrella or Excess Liability insurance for any differences is required. Excess Liability shall follow form of the primary coverage.
8. Unless otherwise stated, all required insurance shall be written on the "occurrence basis". If If City agrees in writing that coverage is underwritten may be written on a claims-made basis, the retroactive date shall be coincident with or prior to the date of the effective date of the Agreement and the certificate of insurance shall state that the coverage is claims-made and the retroactive date. The insurance coverage shall be maintained for the duration of the Contract and for three (3) years following Final Acceptance or for the warranty period provided for under the Contract Documents or for the warranty period, whichever is longer. An annual certificate of insurance submitted to the City shall evidence such insurance coverage.
9. Policies shall have no exclusions by endorsements that either nullify or amend the required lines of coverage, nor or decrease the limits of said coverage unless such endorsements are approved in writing by the City. In the event a Notice of an Award has been issued or the Agreement executed, and the policy exclusions are determined to be unacceptable or the City desires that the Contractor obtain additional insurance coverage the contract price shall be adjusted by the cost of the premium for such additional coverage plus 10%.
10. For any proposed self-insured retention (SIR,) in excess of \$25,000.00, affecting insurance coverage, Contractor must obtain the written approval of the City in regard to asset value and stockholders' equity. In lieu of traditional insurance, proposed alternative coverage maintained through insurance pools or, risk retention groups, or self-funding will also require the written approval of the City.
11. Any deductible in excess of \$5,000.00, for any policy that does not provide coverage on a first-dollar basis must be acceptable to and approved in writing by the City.
12. City, at its sole discretion, reserves the right to review the insurance requirements and to make reasonable adjustments to insurance coverages and limits when deemed necessary and prudent by the City based upon the scope of the Work, changes in statutory law, court decision or the claims history of the industry as well as of the contracting party to the City. The City will provide prior notice of 90 days and the insurance adjustments shall be incorporated into the Work by Change Order.

13. City shall be entitled, upon written request to Contractor and without expense to City, to receive copies of policies and endorsements thereto and. City may make any reasonable requests for deletion or revision or modifications of particular policy terms, conditions, limitations, or exclusions necessary to conform the policy and endorsements to the requirements of the Contract. Deletions, revisions, or modifications shall not be required where policy provisions are established by law or regulations binding upon either party or the underwriter on any such policies.
14. City shall not be responsible for the direct payment of insurance premium costs for Contractor's insurance.

6.04 *Contractor's Insurance*

- A. *Workers Compensation and Employers' Liability:* Contractor shall purchase and maintain such insurance coverage with limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Texas Labor Code, Ch. 406, as amended), and minimum limits for Employers' Liability as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:
 1. claims under workers' compensation, disability benefits, and other similar employee benefit acts;
 2. claims for damages because of bodily injury, occupational sickness or disease, or death of employees.
- B. *Commercial General Liability.* Coverage shall include but not be limited to covering liability (bodily injury, including death, or property damage) arising from: premises/operations, independent contractors, products/completed operations, personal injury including death, liability under an insured contract, and explosion/collapse/underground (where those exposures exist). Insurance shall be provided on an occurrence basis, and as comprehensive as the current Insurance Services Office (ISO) policy. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the City. The Commercial General Liability policy shall have no exclusions by endorsements that would alter or nullify premises/operations, products/completed operations, contractual, personal injury, or advertising injury, that are normally contained with the policy, unless the City approves such exclusions in writing.

For construction projects that present a substantial completed operation exposure, the City may require the Contractor to maintain completed operations coverage for a minimum of no less than three (3) years following the completion of the project (if identified in the Supplementary Conditions)).
- C. *Automobile Liability.* A commercial business auto policy shall provide coverage on "any auto", defined as autos owned, hired and non-owned and provide indemnity for claims for damages because of bodily injury or death of any person and/or property damage arising out of or related to the work, maintenance or use of any motor vehicle by the Contractor, any

Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable.

- D. *Railroad Protective Liability.* If any of the Work or any warranty work is within the limits of railroad right-of-way, the Contractor shall comply with the requirements identified in the Supplementary Conditions.
- E. *Notification of Policy Cancellation:* Contractor shall immediately notify City upon cancellation or other loss of insurance coverage. Contractor shall stop Work until replacement insurance has been procured. There shall be no time credit for delays or days not worked pursuant to this section.

6.05 *Acceptance of Bonds and Insurance; Option to Replace*

- A. If City has any objection to the coverage afforded by or other provisions of the bonds or insurance required to be purchased and maintained by the Contractor in accordance with Article 6 or the Supplementary Conditions on the basis of non-conformance with the Contract Documents, the City shall so notify the Contractor in writing within 10 Business Days after receipt of the certificates (or other evidence requested). Contractor shall provide to the City such additional information in respect of insurance provided as the City may reasonably request. If Contractor does not purchase or maintain all of the bonds and insurance required by the Contract Documents, the City shall notify the Contractor in writing of such failure prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage. Such failure to provide bonds or insurance as required by the Contract Documents is a breach of the terms of the Contract and the City may terminate the Contractor in accordance with the provisions of the Contract Documents.

ARTICLE 7 – CONTRACTOR’S RESPONSIBILITIES

7.01 *Contractor’s Means and Methods of Construction*

- A. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. If the Contract Documents note, or Contractor determines, that professional engineering or other design services are needed to carry out Contractor’s responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then Contractor shall cause such services to be provided by a properly licensed design professional, at Contractor’s expense. Such services are not City-delegated professional design services under this Contract, and neither City nor Engineer has any responsibility with respect to (1) Contractor’s determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by Contractor, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

7.02 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.
- B. At all times during the progress of the Work, Contractor shall identify and assign a competent superintendent, who is proficient in English, and who shall not be replaced without written

notice to City of the name of the replacement superintendent. If at any time the superintendent is not satisfactory to the City, Contractor shall, if requested by City, replace the superintendent with another satisfactory to City.

- C. Contractor shall notify the City 24 hours prior to moving areas during the sequence of construction.

7.03 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Contractor shall be fully responsible to City for all acts and omissions of Contractor's employees; of Suppliers and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the Work, just as Contractor is responsible for Contractor's own acts and omissions.
- C. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours on Business Days. Contractor will not permit the performance of Work outside of regular working hours on Business Days without City's prior written consent (which will not be unreasonably withheld)). Contractor's written request (by letter or electronic communication) for City's written consent must be made as follows:
 - 1. for Work beyond regular working hours on Business Days, request must be made by noon at least two (2) Business Days prior;
 - 2. for Work during Weekend Working Hours, request must be made by noon of the preceding Wednesday; and
 - 3. for Work on state or federal holidays observed by the City, request must be made sufficiently in advance of the holiday, to satisfy requirements for City Council approval.

7.04 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, Contractor required testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work shall be as specified or, if not specified, shall be of sufficient quality to complete the Work, and must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of City. If required by City, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment to be incorporated into the Work shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with

instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

- D. All items of standard equipment to be incorporated into the Work shall be the latest model at the time of bid, unless otherwise specified.

7.05 *Project Schedule*

- A. Contractor shall adhere to the Project Schedule established in accordance with Paragraph 2.06 and the General Requirements as it may be adjusted from time to time as provided below.
 - 1. Contractor shall submit to the City for acceptance (to the extent indicated in Paragraph 2.06 and the General Requirements) proposed adjustments in the Project Schedule that will not result in changing the Contract Time. Such adjustments must comply with any provisions of the General Requirements applicable thereto.
 - 2. Contractor shall submit to City a monthly Project Schedule with a monthly progress payment request for the duration of the Contract in accordance with the Construction Progress Schedule, General Requirements 01 32 16.
 - 3. Proposed adjustments in the Project Schedule that will change the Contract Time shall be submitted in accordance with the requirements of Article 11. Adjustments in Contract Time may only be made by a Change Order.

7.06 *“Or Equals”*

- A. *Contractor’s Request; Governing Criteria:* Whenever an item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or “or equal” item is permitted, Contractor may request that City permit the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.
 - 1. If City in its sole discretion determines that an item of equipment or material proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, it may be considered by City as an “or equal” item. For the purposes of this Paragraph, a proposed item of equipment or material will be considered functionally equal to an item so named if:
 - a. the City determines that:
 - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
 - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
 - 3) it has a proven record of performance and availability of responsive service; and
 - 4) it is not objectionable to City.

- b. Contractor certifies that, if the proposed item is approved and incorporated into the Work:
 - 1) there will be no increase in cost to the City or increase in Contract Time; and
 - 2) the item will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense*: Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.
- C. *City's Evaluation and Determination*: City will be allowed a reasonable time to evaluate each "or-equal" request. City may require Contractor to furnish additional data about the proposed "or-equal" item. City will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until City's review is complete and City determines that the proposed item is an "or-equal." City." City will advise Contractor in writing of its determination.
- D. *Effect of City's Determination*: Neither approval nor denial of an "or-equal" request will result in any change in Contract Price. The City's denial of an "or-equal" request will be final and binding, and may not be reversed through an appeal under any provision of the Contract.
- E. *Treatment as a Substitution Request*: If City determines that an item of equipment or material proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that City consider the item a proposed substitution pursuant to Paragraph 7.07.

7.07 Substitutions

- A. *Contractor's Request; Governing Criteria*: Unless the specification or description of an item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that City permit the use of other items of equipment or material under the circumstances described below. To the extent possible such requests must be made before commencement of related Work at the Site.
 - 1. Contractor shall submit sufficient information as provided below to allow City to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitution therefor. City will not accept requests for review of proposed substitute items of equipment or material from anyone other than Contractor.
 - 2. The requirements for review by City will be as set forth in Paragraph 7.07.B, as supplemented by the Specifications, and as City may decide is appropriate under the circumstances.
 - 3. Contractor shall make written application to City for review of a proposed substitute item of equipment or material that Contractor seeks to furnish or use. The application shall comply with Section 01 25 00 and:
 - a. will certify that the proposed substitute item will:
 - 1) perform adequately the functions and achieve the results called for by the general design;
 - 2) be substantially similar in substance to the item specified; and

- 3) be well-suited to the same use as the item specified.
 - b. will state:
 - 1) the extent, if any, to which the use of the proposed substitute item will adversely impact Contractor's achievement of Final Acceptance on or before the Contract Time;
 - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with City for other work on the Project) to adapt the design to the proposed substitute item; and
 - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
 - c. will identify:
 - 1) all variations of the proposed substitute item from the item specified; and
 - 2) available engineering, sales, maintenance, repair, and replacement services.
 - d. will contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and Damage Claims of other contractors affected by any resulting change.
- B. *City's Evaluation and Determination:* City will be allowed a reasonable time to evaluate each substitution request. City may require Contractor to furnish additional data about the proposed substitute item. City will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until City's review is complete and City determines that the proposed item is an acceptable substitution. City's approval determination will be evidenced by a Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Time. City will advise Contractor in writing of any denial determination.
- C. *Special Guarantee:* City may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitution. ***Contractor shall indemnify and hold harmless City and its officers, elected and appointed officials, employees, agents, consultants and subcontractors and anyone directly or indirectly employed by them from and against any and all claims, damages, losses and expenses (including attorney's fees) arising out of or relateds to the use of substituted materials or equipment.***
- D. *Reimbursement of City's Cost:* City will record City's costs in evaluating a substitution proposed or submitted by Contractor. Whether or not City approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse City for evaluating each such proposed substitute. Contractor shall also reimburse City for the charges for making changes in the Contract Documents (or in the provisions of any other direct contract with City) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.

- F. *City Substitution Reimbursement:* Cost savings attributable to acceptance of a substitution shall be paid to City by Contractor by an appropriate Change Order decreasing the Contract Price.
- G. *Effect of City's Determination:* If City approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The City's denial of a substitution request will be final and binding, and may not be reversed through an appeal under any provision of the Contract. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.07.D, by timely submittal of a Change Order.

7.08 *Concerning Subcontractors and Suppliers*

- A. Contractor shall perform with its own organization, and with the assistance of workmen under its immediate superintendence, work of the kind and value specified in the Contract, and shall not employ any Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, against whom City may have reasonable objection. Contractor shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Contractor has reasonable objection, except as provided in Paragraph 7.08.C. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve Contractor's obligation to City to perform and complete the Work in accordance with the Contract.
- B. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Contractor shall not employ any Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, against whom City may have reasonable objection. Contractor shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Contractor has reasonable objection, except as provided in Paragraph 7.08.C. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve Contractor's obligation to City to perform and complete the Work in accordance with the Contract.
- C. The City may require the use of specific Subcontractors, Suppliers, or other individuals or entities for the performance of designated parts of the Work, and will provide such requirements in the Supplementary Conditions.
- D. Contractor shall provide to City as part of the Bid, the identity of all proposed Subcontractors and Suppliers. Such proposed Subcontractor or Supplier shall be deemed acceptable to City unless City raises a substantive, reasonable objection prior to execution of the Agreement.
- E. Contractor shall be fully responsible to City for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor just as Contractor is responsible for Contractor's own acts and omissions. Nothing in the Contract:
 - 1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between City and any such Subcontractor, Supplier or other individual or entity; nor
 - 2. shall create any obligation on the part of City to pay or to see to the payment of any moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.
- F. No acceptance by City of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of City to the completion of the Work in accordance with the Contract Documents, Contract Price and Contract Time.
- G. Contractor shall be solely responsible for scheduling and coordinating the tasks of Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor.

- H. All Work performed for Contractor by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of City. Contractor must comply with all applicable federal, state, and local laws, statutes, ordinances or regulations, including but not limited to immigration laws, workers compensation laws and wage laws, in the hiring of any Subcontractor or Supplier and shall ensure that each Subcontractor or Supplier has the same obligations.
- I. Contractor shall restrict all Subcontractors and Suppliers from communicating with City, except through Contractor or in case of an emergency, or as otherwise expressly allowed in this Contract.

7.09 *Wage Rates*

- A. *Duty to pay Prevailing Wage Rates:* The Contractor shall comply with all requirements of Chapter 2258, Texas Government Code (as amended), including the payment of not less than the rates determined by the City Council of the City of Denton to be the prevailing wage rates in accordance with Chapter 2258. The then current prevailing wage rates at the time of execution of the Agreement are included in these Contract Documents.
- B. *Penalty for Violation:* A Contractor or any Subcontractor who does not pay the prevailing wage shall, upon demand made by the City, pay to the City \$60 for each worker employed for each calendar day or part of the day that the worker is paid less than the prevailing wage rates stipulated in these contract documents. This penalty shall be retained by the City to offset its administrative costs, pursuant to Texas Government Code Section 2258.023.
- C. *Complaints of Violations and City Determination of Good Cause:* On receipt of information, including a complaint by a worker, concerning an alleged violation of Section 2258.023, Texas Government Code, by a Contractor or Subcontractor, the City shall make an initial determination, before the 31st day after the date the City receives the information, as to whether good cause exists to believe that the violation occurred. The City shall notify in writing the Contractor or Subcontractor and any affected worker of its initial determination. Upon the City's determination that there is good cause to believe the Contractor or Subcontractor has violated Chapter 2258, the City shall retain the full amounts claimed by the claimant or claimants as the difference between wages paid and wages due under the prevailing wage rates, such amounts being retained from successive progress payments pending a final determination of the violation.
- D. *Arbitration Required if Violation Not Resolved:* An issue relating to an alleged violation of Section 2258.023, Texas Government Code, including a penalty owed to the City or an affected worker, shall be submitted to binding arbitration in accordance with the Texas General Arbitration Act (Article 224 et seq., Revised Statutes) if the Contractor or Subcontractor and any affected worker does not resolve the issue by agreement before the 15th day after the date the City makes its initial determination pursuant to Paragraph 7.09.C. If the persons required to arbitrate under this section do not agree on an arbitrator before the 11th day after the date that arbitration is required, a district court shall appoint an arbitrator on the petition of any of the persons. The City is not a party in the arbitration. The decision and award of the arbitrator is final and binding on all parties and may be enforced in any court of competent jurisdiction.

- E. *Records to be Maintained:* The Contractor and each Subcontractor shall, for a period of three (3) years following the date of Final Acceptance, maintain records that show (i) the name and occupation of each worker employed by the Contractor in the construction of the Work provided for in this Contract; and (ii) the actual per diem wages paid to each worker. The records shall be available in Denton County, Texas at all reasonable hours for inspection by the City. The provisions of Paragraph 7.23, Right to Audit, shall pertain to this inspection.
- F. *Progress Payments:* With each progress payment request or payroll period, whichever is less, the Contractor shall submit an affidavit stating that the Contractor has complied with the requirements of Chapter 2258, Texas Government Code.
- G. *Posting of Wage Rates:* The Contractor shall post prevailing wage rates in a conspicuous place at the Site at all times.
- H. *Subcontractor Compliance:* The Contractor shall include in its subcontracts and/or shall otherwise require all of its Subcontractors to comply with Paragraphs 7.09.A through 7.09.G.

7.10 *Patent Fees and Royalties*

- A. Contractor shall pay all patent or license fees and royalties and pay all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of City, its use is subject to patent rights or copyrights calling for the payment of any patent or license fee or royalty to others, the existence of such rights will be disclosed in the Contract Documents. Failure of the City to disclose such information does not relieve the Contractor from its obligations to pay said fees or, royalties or costs to others.
- B. ***TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS CITY, AND ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, DIRECTORS, MEMBERS, PARTNERS, EMPLOYEES, AGENTS, CONSULTANTS AND SUBCONTRACTORS OF EACH AND ANY OF THEM, FROM AND AGAINST ALL CLAIMS, COSTS, LOSSES, AND DAMAGES (INCLUDING BUT NOT LIMITED TO ALL FEES AND CHARGES OF ENGINEERS, ARCHITECTS, ATTORNEYS, AND OTHER PROFESSIONALS AND ALL COURT OR ARBITRATION OR OTHER DISPUTE RESOLUTION COSTS) ARISING OUT OF OR RELATING TO ANY INFRINGEMENT OF PATENT RIGHTS OR COPYRIGHTS INCIDENT TO THE USE IN THE PERFORMANCE OF THE WORK OR RESULTING FROM THE INCORPORATION IN THE WORK OF ANY INVENTION, DESIGN, PROCESS, PRODUCT, OR DEVICE.***

7.11 *Permits and Utilities*

- A. *Contractor obtained permits and licenses.* Unless otherwise expressly provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. City shall provide reasonable assistance to Contractor, if necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work applicable at the time the Notice of Award is issued, except for permits provided by the City as specified in Paragraph 7.11.B. City shall pay the charges of utility service providers for connections for providing permanent service to the Work.

- B. *City obtained permits and licenses.* City will obtain and pay for those permits and licenses identified as City's responsibility in the Supplementary Conditions or Contract Documents. It will be the Contractor's responsibility to comply with and carry out the provisions of the permit. If the Contractor initiates changes to the Contract and the City approves the changes, the Contractor is responsible for obtaining clearances and coordinating with the appropriate regulatory agency, relating to the changes. The City will not reimburse the Contractor for any cost associated with the requirements of any City acquired permit. The following are permits the City will obtain if required:
1. Texas Department of Transportation Permits
 2. U.S. Army Corps of Engineers Permits
 3. Texas Commission on Environmental Quality Permits
 4. Railroad Company Permits
 5. Texas Department of Licensing and Regulation (TDLR) Permits
- C. *Outstanding permits and licenses.* Any outstanding permits and licenses are anticipated to be acquired in accordance with the schedule set forth in the Supplementary Conditions. The Project Schedule submitted by the Contractor in accordance with the Contract Documents must consider any outstanding permits and licenses.

7.12 *Taxes*

- A. On issuance of a Notice of Award by the City, an organization which qualifying for exemption pursuant to Texas Tax Code, Subchapter H (as amended), the Contractor may purchase, rent or lease all materials, supplies and equipment used or consumed in the performance of this contract by issuing to hisits Supplier an exemption certificate in lieu of the tax, said exemption certificate to comply with State Comptroller's Rulings applicable to Texas Tax Code, Subchapter H. Any such exemption certificate issued to the Contractor in lieu of the tax shall be subject to and shall comply with all applicable rulings pertaining to the Texas Tax Code, Subchapter H.
- B. Texas tax permits and information may be obtained from:
1. Comptroller of Public Accounts
Sales Tax Division
Capitol Station
Austin, TX 78711; or
 2. <http://www.window.state.tx.us/taxinfo/taxforms/93-forms.html>

7.13 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, City shall not be responsible for monitoring Contractor's compliance with any Laws and Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws and Regulations, Contractor shall be liable for all resulting claims, costs losses, and damages, and shall indemnify and hold harmless City, and its officers, elected

and appointed officials, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action.

- C. Changes in Laws and Regulations not known at the time of the City's issuance of a Notice of Award having an effect on the cost or time of performance of the Work may be the subject of an adjustment in Contract Price or Contract Time.

7.14 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. Contractor shall include accurate locations for buried and imbedded items. These record documents, together with all approved Samples, will be available to City for reference. Upon completion of the Work, Contractor shall deliver these record documents to City prior to Final Inspection.

7.15 *Safety and Protection*

- A. As between City and Contractor, Contractor shall be responsible for the safety of persons and property in the performance of the Work, for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work and for compliance with applicable safety Laws and Regulations.
- B. Contractor shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs. Contractor shall inform the City in writing of Contractor's designated safety representative at the Site.
- C. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
 - 1. all persons on the Site or who may be affected by the Work;
 - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- D. All damage, injury, or loss to any property referred to in Paragraph 7.1515.C.2 or 7.1515.C.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be the responsibility of and remedied by Contractor at its expense.
- E. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss;

and shall implement, erect and maintain all necessary safeguards for such safety and protection.

- F. Contractor shall notify City; the owners of adjacent property; the owners of Underground Facilities and other utilities (if the identity of such owners is known to Contractor); and other contractors and utility owners performing work at or adjacent to the Site, in writing, when Contractor knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- G. Contractor shall comply with the applicable requirements of City's safety programs, if any.
- H. Contractor shall inform City in advance in writing of the specific requirements of Contractor's safety program with which City's and Engineer's employees and representatives must comply while at the Site.
- I. Contractor's duties and responsibilities for safety and protection will continue until all the Work is completed and City has issued a Letter of Final Acceptance.
- J. Contractor's duties and responsibilities for safety and protection will resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.16 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of safety data sheets (formerly known as material safety data sheets) or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws and Regulations.

7.17 *Emergencies and/or Rectification*

- A. In the event of threatened or actual emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to immediately act to prevent damage, injury, or loss. Contractor shall give City prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency or are required as a result of Contractor's response to an emergency. If City determines that a change in the Contract Documents is required because of an emergency or Contractor's response, a Change Order may be issued.
- B. Should the Contractor fail to respond to a request from the City to rectify any discrepancies, omissions, or correction necessary to conform with the requirements of the Contract Documents, the City shall give the Contractor written notice that such work or changes are to be performed. The written notice shall direct attention to the discrepant condition and request the Contractor to take remedial action to correct the condition. In the event the Contractor does not take proper action within 24 hours to fulfill this written request or fails to show just cause for not taking the proper action, within 24 hours, the City may take such remedial action with City resources or by contract. The City shall deduct an amount equal to the entire cost for such remedial action, plus 25% from any funds due or to become due the Contractor on the Project.

7.18 Submittals

- A. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall submit required Submittals to City for review and acceptance in accordance with the accepted Schedule of Submittals (as required by Paragraph 2.03).
1. Contractor shall submit the Submittals in accordance with Section 01 33 00 of the General Requirements.
 2. Data shown on the Submittals must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to demonstrate to City the services, materials, and equipment Contractor proposes to provide, and to enable City to review the information for the limited purposes required by Paragraph 7.18.C.
 3. Submittals reviewed and accepted by City for conformance with the design concept shall be executed in conformity with the Contract Documents unless otherwise required by City.
 4. When Submittals are submitted for the purpose of showing the installation in greater detail, their review shall not excuse Contractor from requirements shown on the Drawings and Specifications.
 5. For-Information-Only submittals upon which the City is not expected to conduct a review or take responsive action may be so identified in the Contract Documents.
 6. Contractor shall submit the required number of Samples specified in the Specifications.
 7. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which it is intended and other data as City may require to enable City to review the Submittal for the limited purposes set forth in Paragraph 7.18.C.
- B. Where a Submittal is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to City's review and acceptance of the pertinent submittal will be at the sole risk, expense and responsibility of Contractor.
- C. City's Review
1. City will provide timely review of Submittals in accordance with the accepted Schedule of Submittals. City's review and acceptance will be to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
 2. City's review and acceptance will not extend to means, methods, techniques, sequences, or procedures of construction (except where a particular means, method, technique, sequence or procedure of construction is specifically and expressly called for by the Contract Documents), or to safety precautions or programs incident thereto.
 3. City's review and acceptance of a separate item as such will not indicate approval of the assembly in which the item functions.
 4. City's review and acceptance of a Submittal will not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Section 01 33 00 of the General

Requirements, and City has given written acceptance of each such variation by specific written notation thereof incorporated in or accompanying the Submittal.

5. City's review and acceptance of a Submittal will not relieve Contractor from responsibility for complying with the requirements of the Contract Documents.
6. City's review and acceptance of a Submittal, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Time or Contract Price, unless such changes are included in a Change Order.
7. Neither City's receipt, review, or acceptance of a Submittal will result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in accepted Submittals, subject to the provisions of Section 01 33 00 of the General Requirements.

7.19 *Continuing the Work*

- A. Except as otherwise provided, Contractor shall carry on the Work and adhere to the Project Schedule during all disputes or disagreements with City. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as City and Contractor may otherwise agree in writing.

7.20 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to City that all Work will be in accordance with the Contract Documents and will not be defective. City and its officers, elected and appointed officials, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 1. abuse, or improper modification, maintenance, or operation, by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents, a release of Contractor's obligation to perform the Work in accordance with the Contract Documents, or a release of Contractor's warranty and guarantee under this Paragraph 7.20:
 1. Observations by Engineer or City;
 2. Recommendation by Engineer or payment by City of any progress or final payment;
 3. The issuance of a letter or certificate of Final Acceptance by City or any payment related thereto by City;
 4. Use or occupancy of the Work or any part thereof by City;
 5. Any review and acceptance of a Submittal by City;

- 6. Any inspection, test, or acceptance by others; or
 - 7. Any correction of defective Work by City.
- D. The Contractor shall remedy any defects or damages in the Work and pay for any damage to other work or property resulting therefrom which shall appear within a period of two (2) years from the date of Final Acceptance of the Work unless a longer period is specified. Contractor shall furnish a good and sufficient maintenance bond, complying with the requirements of Paragraph 6.02.B. The City will give notice of observed defects with reasonable promptness.

7.21 Indemnification

- A. **CONTRACTOR COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS, AND DEFEND, AT ITS OWN EXPENSE, THE CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS AND SUBCONTRACTORS AND ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM , FROM AND AGAINST ANY AND ALL CLAIMS FOR PERSONAL OR BODILY INJURY OR DEATH, ARISING OUT OF OR RELATED TO, OR ALLEGED TO ARISE OUT OF OR BE RELATED TO, THE WORK AND SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THESE CONTRACT DOCUMENTS. THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE CITY, OR ITS OFFICERS, ELECTED OR APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS OR SUBCONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM. THIS INDEMNITY PROVISION IS INTENDED TO INCLUDE, WITHOUT LIMITATION, INDEMNITY FOR COSTS, EXPENSES AND LEGAL FEES INCURRED IN DEFENDING AGAINST SUCH CLAIMS AND CAUSES OF ACTIONS.**
- B. **CONTRACTOR COVENANTS AND AGREES TO INDEMNIFY AND HOLD HARMLESS, AT ITS OWN EXPENSE, THE CITY, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS AND SUBCONTRACTORS AND ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM FROM AND AGAINST ANY AND ALL LOSS, DAMAGE OR DESTRUCTION OF PROPERTY OF THE CITY, ARISING OUT OF OR RELATED TO, OR ALLEGED TO ARISE OUT OF OR BE RELATED TO, THE WORK AND SERVICES TO BE PERFORMED BY THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, LICENSEES OR INVITEES UNDER THIS CONTRACT. THIS INDEMNIFICATION PROVISION IS SPECIFICALLY INTENDED TO OPERATE AND BE EFFECTIVE EVEN IF IT IS ALLEGED OR PROVEN THAT ALL OR SOME OF THE DAMAGES BEING SOUGHT WERE CAUSED, IN WHOLE OR IN PART, BY ANY ACT, OMISSION OR NEGLIGENCE OF THE CITY OR ITS OFFICERS, ELECTED OR APPOINTED OFFICIALS, EMPLOYEES, AGENTS, CONSULTANTS OR SUBCONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM.**

7.22 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures.
- B. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Contract Documents, City will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications, certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.
- C. If a Submittal related to the requirements indicated in Paragraph 7.22.B is prepared by Contractor, a Subcontractor, or others for submittal to City, then such Submittal must bear the written approval of Contractor's design professional when submitted by Contractor to City.
- D. City shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by Contractor under the conditions indicated in Paragraph 7.22.B, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.
- E. Pursuant to this Paragraph 7.22, City's review, acceptance, and other determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by Contractor pursuant to the conditions indicated in Paragraph 7.22.B, will be only for the following limited purposes:
 - 1. Checking for conformance with the requirements of this Paragraph 7.22;
 - 2. Confirming that Contractor (through its design professionals) has used the performance and design criteria specified in the Contract Documents; and
 - 3. Establishing that the design furnished by Contractor is consistent with the design concept expressed in the Contract Documents.

7.23 *Right to Audit*

- A. The City shall have the right to audit and make copies of the books, records and computations pertaining to the Contract. The Contractor shall retain such books, records, documents and other evidence pertaining to the Contract during the term of the Contract and for five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be made available, in Denton County, Texas within ten (10) Business Days of City's written request. Further, the Contractor shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to the Contract, and to allow the City similar access to those documents. All books and records will be made available within Denton County, Texas. Except as otherwise provided herein, the cost of the audit will be borne by the City

unless the audit reveals an overpayment of 1% or greater. If the City is undertaking an audit or inspection pursuant to Paragraph 7.09 or if an overpayment of 1% or greater occurs, the City's reasonable cost of the audit, including any travel costs, must be paid by the Contractor within five (5) Business Days of receipt of City's invoice for such costs.

- B. Failure to comply with the provisions of this section shall be a material breach of the Contract and shall constitute, in the City's sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

7.24 *Nondiscrimination*

- A. The City is responsible for operating Public Transportation Programs and implementing transit-related projects, funded in part with Federal financial assistance awarded by the U.S. Department of Transportation and the Federal Transit Administration (FTA), without discriminating against any person in the United States on the basis of race, color, or national origin.
- B. Contractor shall comply with the requirements of *Title VI, Civil Rights Act of 1964 as amended* and the regulations promulgated thereunder, as may be further defined in the Supplementary Conditions, for any project receiving Federal assistance.

ARTICLE 8 – OTHER WORK AT THE SITE

8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the City may perform other work at or adjacent to the Site. Such other work may be performed by City's employees, or through contracts between the City and third parties. City may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If City performs other work at or adjacent to the Site with City's employees, or through contracts for such other work, then City shall give Contractor written notice thereof prior to starting any such other work, if such other work is not noted in the Contract Documents.
- C. Contractor shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and City, if City is performing other work with City's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.
- D. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of City and the others whose work will be affected.
- E. If the proper execution or results of any part of Contractor's Work depends upon work performed by others, Contractor shall inspect such other work and promptly report to City in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with

Contractor's Work except for latent defects and deficiencies in such other work that could not have been discovered through a proper inspection.

- F. The provisions of this Article 8 are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with City, or that is performed without having been arranged by City. If such work occurs, then any related delay, disruption, or interference incurred by Contractor is governed by the provisions of Paragraph 4.03.D.3.

8.02 *Coordination*

- A. If City intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with City's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
 - 1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
 - 2. An itemization of the specific matters to be covered by such authority and responsibility; and
 - 3. The extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, City shall have authority for such coordination.

8.03 *Legal Relationships*

- A. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of City, any other contractor, or any utility owner performing other work at or adjacent to the Site.
 - 1. When City is performing other work at or adjacent to the Site with City's employees, Contractor shall be liable to City for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by City as a result of Contractor's failure to take reasonable and customary measures with respect to City's other work.
- B. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any Damage Claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, City, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify, defend and hold harmless City and Engineer, and the officers, elected and appointed officials, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

ARTICLE 9 – CITY’S RESPONSIBILITIES**9.01 *Communications to Contractor***

- A. Except as otherwise provided in the Supplementary Conditions, City shall issue all communications to Contractor.

9.02 *Furnish Data*

- A. City shall promptly furnish the data required of City under the Contract Documents.

9.03 *Pay When Due*

- A. City shall make payments to Contractor when they are due in accordance with and subject to the provisions of Article 14.

9.04 *Lands and Easements; Reports, Tests, and Drawings*

- A. City’s duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Article 5 refers to City’s identifying and making available to Contractor copies of reports of explorations and tests of subsurface conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at or contiguous to the Site that have been utilized by City in preparing the Contract Documents.

9.05 *Change Orders*

- A. City’s responsibilities with respect to Change Orders are set forth in Article 11.

9.06 *Inspections, Tests, and Approvals*

- A. City’s responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 13.02.DD.

9.07 *Limitations on City’s Responsibilities*

- A. The City shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor’s means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. City will not be responsible for Contractor’s failure to perform the Work in accordance with the Contract Documents.

9.08 *Undisclosed Hazardous Environmental Condition*

- A. City’s responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.09 *Compliance with Safety Program*

- A. While at the Site, City’s employees and representatives shall comply with the specific applicable requirements of Contractor’s safety programs of which City has been informed in advance in writing pursuant to Paragraph 7.15.

ARTICLE 10 – CITY’S OBSERVATION DURING CONSTRUCTION**10.01** *City’s Project Manager or Duly Authorized Representative*

- A. City will provide a Project Manager or duly authorized representative during the construction period. The duties and responsibilities and the limitations of authority of City’s Project Manager or duly appointed representative during construction are set forth in the Contract Documents.
- B. City’s Project Manager for these Contract Documents is as set forth in the Supplementary Conditions. City will establish a duly authorized representative at the Preconstruction Meeting in accordance with Section 01 31 19 of the General Requirements.

10.02 *Visits to Site*

- A. City will make visits to the Site at intervals appropriate to the various stages of construction as City deems necessary in order to observe the progress that has been made and the quality of the various aspects of Contractor’s executed Work. Based on information obtained during such visits and observations, City will determine, in general, if the Work is proceeding in accordance with the Contract Documents. City will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. City’s efforts will be directed toward providing City a greater degree of confidence that the completed Work will conform generally to the Contract Documents.
- B. City’s visits and observations are subject to all the limitations on City’s responsibility set forth in Paragraph 9.07. Particularly, but without limitation, during or as a result of City’s visits or observations of Contractor’s Work, City will not supervise, direct, control, or have authority over or be responsible for Contractor’s means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Determinations for Work Performed*

- A. As applicable, Contractor will determine the actual quantities and classifications of Work performed.. City’s Project Manager or duly authorized representative will review with Contractor the preliminary determinations on such matters before rendering a written recommendation. City’s written decision will be final (except as modified to reflect changed factual conditions or more accurate data).

10.04 *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. City will be the interpreter of the requirements of the Contract Documents and judge the acceptability of the Work thereunder.
- B. City will render a written decision on any issue referred.
- C. City’s written decision on the issue referred will be final and binding on the Contractor, subject to the provisions of Paragraph 11.07.

ARTICLE 11 – CHANGES IN THE WORK; CLAIMS; EXTRA WORK**11.01 *Amending and Supplementing the Contract***

- A. The Contract may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof, including in the Contract Price or Contract Time, but such amendment will be made by Change Order only.
- B. The requirements of the Contract Documents may be supplemented, and minor variations and deviations in the Work not involving a change in Contract Price or Contract Time, may be authorized, by one of the following ways:
 - 1. A Field Order; or
 - 2. City's review of a Submittal (subject to the provisions of Paragraph 7.18.C); or
 - 3. City's written interpretation or clarification.

11.02 *Execution of Change Orders*

- A. City and Contractor shall execute appropriate Change Orders covering:
 - 1. Changes in the Contract Price or Contract Time which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed..
 - 2. Changes in the Work which are: (a) ordered by City pursuant to Paragraph 11.04, (b) required because of City's acceptance of defective Work under Paragraph 13.05 or City's correction of defective Work under Paragraph 13.08, or (c) as otherwise agreed to by the parties.

11.03 *Field Orders*

- A. City may authorize minor variations and deviations in changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Time and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on both the City and Contractor, which shall perform the Work involved promptly.

11.04 *Authorized Changes in the Work – Extra Work*

- A. Without invalidating the Contract and without notice to any surety, City may, at any time or from time to time, order Extra Work. Upon notice of such Extra Work, Contractor shall proceed with the Work involved only upon receiving written notice from City. Extra Work will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided). Extra Work shall be memorialized by a Change Order which may or may not precede an order of Extra Work.
- B. For minor changes of Work not requiring changes to Contract Time or Contract Price, a Field Order may be issued by City.

11.05 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Time with respect to any work performed that is not required by the Contract

Documents, as amended, modified, or supplemented as allowed herein, except in certain cases of an emergency as provided in Paragraph 7.17.A.

11.06 *Dispute of Extra Work*

- A. Should a difference arise as to what does or does not constitute Extra Work, or as to the payment for such Extra Work, and the City requires its performance, the Contractor shall proceed with the Extra Work after making written request for a Change Order and shall keep accurate account of the actual reasonable cost thereof. Contract Claims regarding Extra Work shall be made pursuant to Paragraph 11.07.
- B. The Contractor shall furnish the City such records of all deviations from the original Contract Documents as may be necessary to enable the City to prepare for permanent record a corrected set of plans showing the actual work performed.
- C. The compensation agreed upon for Extra Work whether or not initiated by a Change Order shall be the full, complete and final payment for all charges, fees and costs Contractor incurs as a result of or relating to the Extra Work, whether said charges, fees or costs are known, unknown, foreseen or unforeseen at that time, including without limitation, any charges, fees or costs for delay, extended overhead, ripple or impact cost, or any other effect on changed or unchanged work as a result of the Extra Work.

11.07 *Contract Claims Process*

- A. *City's Decision Required:* All Contract Claims, except those waived pursuant to Paragraph 14.08, shall be referred to the City for decision. A decision by City shall be required as a condition precedent to any exercise by Contractor of any rights or remedies he may otherwise have under the Contract Documents or by Laws and Regulations in respect of such Contract Claims.
- B. *Notice:*
 - 1. Written notice stating the general nature of each Contract Claim shall be delivered by the Contractor to City no later than 15 days after the start of the event giving rise thereto. The responsibility to substantiate a Contract Claim shall rest with the party making the Contract Claim.
 - 2. Notice of the amount or extent of the Contract Claim, with supporting data shall be delivered to the City no later than 45 days after the start of the event giving rise thereto (unless the City notifies Contractor in writing that City will allow additional time for Contractor to submit additional or more accurate data in support of such Contract Claim).
 - 3. A Contract Claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of Paragraph 11.08.
 - 4. A Contract Claim for an adjustment in Contract Time shall be prepared in accordance with the provisions of Paragraph 11.09.
 - 5. Each Contract Claim shall be accompanied by Contractor's written statement that the adjustment claimed is the entire adjustment to which the Contractor believes it is entitled as a result of said event.

6. The City shall submit any response to the Contractor within 30 days after receipt of the Contractor's last submittal (unless in connection with the Contract Claim (unless Contractor allows the City additional time to submit a response).
- C. *City's Action:* City will review each Contract Claim and, within 30 days after receipt of the last submittal of the Contractor unless action by City's Council is required, take one of the following actions in writing:
 1. deny the Contract Claim in whole or in part;
 2. approve the Contract Claim; or
 3. notify the Contractor that the City is unable to resolve the Contract Claim if, in the City's sole discretion, it would be inappropriate for the City to do so. For purposes of further resolution of the Contract Claim, such notice shall be deemed a denial.
- D. City's written action under this Paragraph 11.07 will be final and binding, unless City or Contractor invoke the dispute resolution procedure set forth in Article 16 within 30 days of such action or denial.
- E. No Contract Claim for an adjustment in Contract Price or Contract Time will be valid if not submitted in accordance with this Paragraph 11.07.
- F. If the City fails to take any action pursuant to this Paragraph 11.07, the Contract Claim is considered to have been denied by the City.

11.08 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order.
- B. TheThe value of any Work covered by a Change Order will be determined as follows:
 1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 12.03);
 2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum or unit price (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.08.C.2), and shall include the cost of any secondary impacts that are foreseeable at the time of pricing the cost of Extra Work; or
 3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum or unit price, then on the basis of the Cost of the Work (determined as provided in Paragraph 12.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.08.C).
- C. *Contractor's Fee:* The Contractor's fee for overhead and profit will be determined as follows:
 1. A mutually acceptable fixed fee; or
 2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:

- a. For costs incurred under Paragraphs 12.01.B.1, 12.01.B.2, and 12.01.B.3, the Contractor's fee will be 15 percent except for:
 - 1) rental fees for Contractor's own equipment; and
 - 2) bonds and insurance;
- b. For costs incurred under Paragraph 12.01.B.4, the Contractor's fee will be 5 percent;
 - 1) Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.08.C.2.a and 11.08.C.2.b is that the Contractor's fee will be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 12.01.B.1, 12.01.B.2, and 12.01.B.3 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of 5 percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, in no case shall the cumulative total of fees paid be in excess of 25% of the Cost of the Work;
- c. No fee will be payable on the basis of costs itemized under Paragraphs 12.01.B.5, 12.01.B.6, and 12.01.C;
- d. The amount of credit to be allowed by Contractor to City for any change which results in a net decrease in Cost of the Work will be the amount of the actual net decrease in Cost of the Work and a deduction of an additional amount equal to 5 percent of such actual net decrease in Cost of the Work; and

11.09 *Change of Contract Time*

- A. The Contract Time may only be changed by a Change Order.
- B. No extension of the Contract Time will be allowed under a Change Order for Extra Work or for claimed delay unless the Extra Work contemplated or claimed delay is shown to be on the critical path of the Project Schedule or Contractor can show by critical path method analysis how the Extra Work or claimed delay adversely affects the critical path.
- C. Delay, disruption, and interference in the Work, and any related changes in Contract Time, are addressed in and governed by Paragraph 4.03.

11.10 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Time), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted by the Contractor to reflect the effect of any such change.

ARTICLE 12 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK; PLANS QUANTITY MEASUREMENT**12.01 *Cost of the Work***

- A. *Purposes for Determination of Cost of the Work:* The term “Cost of the Work” means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 12.01 are used for two distinct purposes:
1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
 2. When needed to determine the value of a Change Order. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* The term, “Cost of the Work” means the sum of all costs, except those excluded in Paragraph 12.01.C, necessarily incurred and paid by Contractor in the proper performance of the Work. When the value of any Work is covered by a Change Order, the costs reimbursed to Contractor will be only those additional or incremental costs required because of the change in the Work. Such costs shall be in amounts no higher than those calculated based on the prevailing wage rates contained in the Contract Documents, shall not include any of the costs itemized in Paragraph 12.01.C, and may include as applicable, but not be limited to the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by City and Contractor. Such employees shall include, without limitation, superintendents, foremen, safety managers, safety representatives, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work will be apportioned on the basis of their time spent on the Work. Payroll costs shall include, salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers’ compensation, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours on Business Days, during Weekend Working Hours, or on a state or federal holiday observed by the City, shall be included in the above to the extent authorized by City.
 2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers’ field services required in connection therewith.
 3. Rentals of all construction equipment and machinery and the parts thereof, whether rented from Contractor or others, in accordance with rental agreements approved in writing by City, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. and the Contract Documents. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.

4. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by City, Contractor shall obtain competitive bids from subcontractors acceptable to City. Contractor shall deliver such bids to City, which will then determine, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 12.01 and Paragraph 11.08.C.
5. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed or retained for services specifically related to the Work and specifically included in the agreed upon schedule of job classifications referred to in Paragraph 12.01.B.1 or otherwise specifically included in the Contract.
6. Supplemental costs consisting of the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, and temporary office or facilities at the Site, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
 - c. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations, excluding those taxes for which an exemption is available as described in Paragraph 7.12.
 - d. Deposits lost for causes other than the negligence or willful misconduct of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
 - e. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work, provided such losses and damages have resulted from causes other than the negligence or willful misconduct of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses include settlements made with the written consent and approval of CityCity. No such losses, damages, and expenses will be included in the Cost of the Work for the purpose of determining Contractor's fee.
 - f. The cost of utilities, fuel, and sanitary facilities at the Site.
 - g. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
 - h. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.

C. *Costs Excluded:* The term Cost of the Work does not include any of the following items:

1. Payroll costs and other compensation of Contractor's officers, executives, principals, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 12.01.B.1 or otherwise specifically covered in the Contract. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
4. Costs due to the acts, omissions, negligence or willful misconduct of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
5. Other overhead or general expense costs of any kind.

D. *Contractor's Fee*

1. When the Work as a whole is performed on the basis of cost-plus-a-fee, then:
 - a. Contractor's fee for the Work set forth in the Contract Documents as of the Effective Date of the Agreement will be determined as set forth in the Contract.
 - b. for any Work covered by a Change Order for an adjustment in Contract Price on the basis of Cost of the Work, Contractor's fee will be determined as set forth in Paragraph 11.08.C.
2. When the Work as a whole is performed on the basis of a stipulated sum, or any other basis other than cost-plus-a-fee, then Contractor's fee for any Work covered by a Change Order for an adjustment in Contract Price on the basis of Cost of the Work will be determined in accordance with Paragraph 11.08.C.2.

- E. *Documentation and Audit:* Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 12, Contractor and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices, and submit in a form acceptable to City an itemized cost breakdown together with supporting data. Subject to prior written notice, City will be afforded reasonable access, during normal business hours, to all Contractor's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and Contractor's fee. Contractor shall preserve all such documents for a period of three years after the final payment by City. Contractor will be responsible for ensuring that pertinent Subcontractors will afford such access to City, and preserve such documents, to the same extent as is required of Contractor.

12.02 Allowances

- A. *Specified Allowance*: It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to City.
- B. *Cash Allowances*: Contractor agrees that:
 - 1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 - 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances, have been included in the Contract Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.
- C. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of City.
- D. Prior to final payment, an appropriate Change Order will be issued to reflect actual amounts due Contractor for Work covered by allowances, and the Contract Price will be correspondingly adjusted.

12.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work multiplied by the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by Contractor will be made by City subject to the provisions of Paragraph 10.03.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item. Work described in the Contract Documents, or reasonably inferred as required for a functionally complete installation, but not identified in the listing of unit price items shall be considered incidental to Unit Price Work listed and the cost of incidental work included as part of the unit price.
- D. Adjustments in Contract Price
 - 1. City may make an adjustment in the Contract Price in accordance with Paragraph 11.08 if:
 - a. the quantity of the item of Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and
 - b. there is no corresponding adjustment with respect to any other item of Work.
 - 2. Adjusted unit prices will apply to all units of that item.

- E. Increased or Decreased Quantities: The City reserves the right to order Extra Work in accordance with Paragraph 11.04.
1. If the changes in quantities or the alterations do not significantly change the character of the Work under the Contract Documents, the altered Work will be paid for at the Contract unit price.
 2. If the changes in quantities or alterations materially and significantly change the character of the Work, the Contract will be amended by a Change Order.
 3. If no unit prices exist, this any increase or decrease in quantities will be considered Extra Work and the Contract will be amended by a Change Order in accordance with Article 11.
 4. A significant change in the character of Work occurs when:
 - a. the character of work for any Item as altered differs materially or significantly in kind or nature from that in the Contract; or
 - b. a Major Item of work varies by more than 25% from the original Contract quantity.
 5. When the quantity of work to be done under any Major Item of the Contract is more than 125% of the original quantity stated in the Contract, then either party to the Contract may request an adjustment to the unit price on the portion of the work that is above 125%.
 6. When the quantity of work to be done under any Major Item of the Contract is less than 75% of the original quantity stated in the Contract, then either party to the Contract may request an adjustment to the unit price.

12.04 *Plans Quantity Measurement for Unclassified Excavation or Embankment*

- A. Plans quantities may or may not represent the exact quantity of Work performed or material moved, handled, or placed during the term of the Contract. The estimated bid quantities are designated as final payment quantities, unless revised in accordance with the Contract.
- B. If the total actual quantity measured for an individual item varies by more than 25% (or as stipulated under "Price and Payment Procedures" for specific Items) from the total estimated quantity for an individual Item originally shown in the Contract Documents, an adjustment may be made to the quantity of authorized Work done for payment purposes. The party to the Contract requesting the adjustment will provide field measurements and calculations showing the final quantity for which payment will be made. Payment for revised quantity will be made at the unit price bid for that Item, except as provided for in Article 11.
- C. When quantities are revised by a change in design approved by the City, by Change Order, or to correct an error, or to correct an error on the plans, the plans quantity will be increased or decreased by the amount identified in the approved change, and the 25% variance provisions of Paragraph 12.04.B will apply to the new plans quantity.
- D. If the total Contract quantity multiplied by the unit price bid for an individual Item is less than \$250 and the Item is not originally a plans quantity Item, then the Item may be paid as a plans quantity Item if the City and Contractor agree in writing to fix the final quantity as a plans quantity.

- E. For callout work or non-site specific Contracts, the plans quantity measurement requirements are not applicable.

ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK

13.01 Access to Work

- A. City and its Engineer, consultants, representatives, employees, and independent testing laboratories, and authorities having jurisdiction shall have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply with such procedures and programs as applicable.

13.02 Tests and Inspections

- A. Contractor shall give City timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. If the Contract Documents or any Laws and Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish City the required certificates of inspection, testing or approval, except that those fees specifically identified in the Supplementary Conditions or any Texas Department of Licensure and Regulation (TDLR) inspections, which shall will be paid as described in the Supplementary Conditions.
- C. Contractor shall be responsible for arranging, obtaining, and paying for all inspections, tests, re-tests, and approvals required:
 1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to City;
 2. to attain City's acceptance of materials or equipment to be incorporated in the Work;
 3. by manufacturers of equipment furnished under the Contract Documents;
 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to City.

- D. City may arrange for the services of an independent testing laboratory ("Testing Lab") to perform any inspections or tests ("Testing") for any part of the Work, as determined solely by City.
 1. City will coordinate such Testing to the extent possible, with Contractor;

2. Should any Testing under this Section 13.03.D result in a “fail”, “did not pass” or other similar negative result, the Contractor shall be responsible for paying for any and all retests. Contractor’s cancellation without cause of City initiated Testing shall be deemed a negative result and require a retest.
 3. Any amounts owed for any retest under this Section 13.02.D shall be paid directly to the Testing Lab by Contractor. City will forward all invoices for retests to Contractor.
 4. If Contractor fails to pay the Testing Lab, City will not issue Final Payment until the Testing Lab is paid.
- E. If the Contract Documents require the Work (or part thereof) to be approved by City or another designated individual or entity, then Contractor shall assume full responsibility for seeking and obtaining such approvals.
 - F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without the written approval of City, Contractor shall, if requested by City, uncover such Work for observation. Such uncovering and the recovering of such Work will be at Contractor’s expense.

13.03 *Defective Work*

- A. *Contractor’s Obligation:* It is Contractor’s obligation to assure that the Work is not defective.
- B. *City’s Authority:* City has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Written notice of all defective Work of which City has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if City has rejected the defective Work, shall remove the defective Work from the Project and replace it with Work that is not defective. Failure to require the removal of any defective Work shall not constitute acceptance of such Work.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair City’s warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Contractor or City by governmental authorities because the Work is defective, and the costs of repair, replacement or reconstruction of work of others resulting from defective Work.

13.04 *Rejecting Defective Work*

- A. City will have authority to reject Work which City believes to be defective or will not produce a completed Project that conforms to the Contract Documents or that will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. City will have authority to conduct special inspection or testing

of the Work as provided in this Article 13, whether or not the Work is fabricated, installed, or completed.

13.05 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, City prefers to accept it, City may do so. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) attributable to City's evaluation of and determination to accept such defective Work, and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to Final Acceptance, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and City shall be entitled to an appropriate decrease in the Contract Price, reflecting the diminished value of the Work so accepted.

13.06 *Uncovering Work*

- A. City has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the Contract Documents or specific instructions of City and if requested by City, Contractor shall uncover such Work for City's observation, inspection or testing and then replace the covering, all at Contractor's expense.
- C. If City considers it necessary or advisable that covered Work be observed by City or inspected or tested by others, then Contractor, at City's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as City may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
 - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or dispute resolution costs) arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others). City shall be entitled to accept defective Work in accordance with Paragraph 13.05 and in such case Contractor shall still be responsible for all costs associated with exposing, observing, and testing defective Work.
 - 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an extension of the Contract Time to the extent directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction.

13.07 *City May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or Contractor fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then City may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been corrected or eliminated; however, this right of City to stop the Work will not give rise to any duty on the part of City to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or any employee or agent of, any of them.

13.08 City May Correct Defective Work

- A. If Contractor fails within a reasonable time after written notice from City to correct defective Work, or to remove and replace defective Work as required by City, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then City may, after providing 7 days' advance written notice to Contractor, correct or remedy any such deficiency.
- B. In connection with such corrective or remedial action, City may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which City has paid Contractor but which are stored elsewhere. Contractor shall allow City, City's representatives, agents and employees, and City's other contractors access to the Site to enable City to exercise the rights and remedies under this Paragraph 13.08.
- C. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court, or arbitration or other dispute resolution costs) incurred or sustained by City in exercising the rights and remedies under this Paragraph 13.08 will be the responsibility of and will be charged against Contractor. A Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and City shall be entitled to an appropriate decrease in the Contract Price. Such claims, costs, losses and damages will include, but not be limited to, all costs of repair or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Time because of any delay in the performance of the Work attributable to the exercise by City of City's rights and remedies under this Paragraph 13.08.

ARTICLE 14 – PAYMENTS TO CONTRACTOR; COMPLETION; CORRECTION PERIOD**14.01 Progress Payments**

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Paragraph 2.03 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to City. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 12.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. Applications for Payments
 - 1. Contractor is responsible for providing all information as required to become a vendor of the City.
 - 2. At least 20 days before the date established in the General Requirements for each progress payment (but not more often than once a month), Contractor shall submit to City for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.

3. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) bill of sale, invoice, or purchase order payments, copies of cancelled checks or other documentation establishing full payment by Contractor for the materials and equipment; (b) at City's request, documentation warranting that City has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, or other arrangements to protect City's interest therein, all of which must be satisfactory to City.
4. Beginning with the second Application for Payment, each Application must include an affidavit of Contractor stating that all previous progress payments received on account of the Work by Contractor have been applied to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
5. The amount of retainage with respect to progress payments will be as stipulated in the Contract Documents.

C. Review of Applications

1. City will, after receipt of each Application for Payment, either indicate in writing it will proceed to process the Application for Payment or return the Application to Contractor indicating reasons for refusing payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
2. City's processing of any payment requested in an Application for Payment will be based on City's observations of the executed Work, and on City's review of the Application for Payment and the accompanying data and schedules, that based City's actual knowledge:
 - a. the Work has progressed to the point indicated; and
 - b. the quality and/or quantity of the Work is generally in accordance with the Contract Documents (subject to any subsequent evaluations of the Work, an evaluation of the Work as a functioning whole prior to or upon Final Acceptance, the results of any subsequent tests or inspections called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraphs 10.05 and 12.03, and any other qualifications stated).
3. Processing any such payment will not thereby be deemed to have represented that:
 - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work; or
 - b. there are no other matters or issues between the parties that might entitle Contractor to be paid additionally by City or entitle City to withhold payment to Contractor; or
 - c. Contractor has complied with Laws and Regulations applicable to Contractor's performance of the Work.
4. City may refuse to process or pay the whole or any part of any payment because of subsequently discovered evidence or the results of subsequent inspections or tests, and

may revise or revoke any such payment previously made, to such extent as may be necessary to protect City from loss because:

- a. the Work is defective, or the completed Work has been damaged by the Contractor or his subcontractors, requiring correction or replacement;
- b. there are discrepancies in quantities contained in previous applications for payment;
- c. the Contract Price has been reduced by Change Orders;
- d. City has been required to correct defective Work in accordance with Paragraph 1313.08, or has accepted defective Work pursuant to Paragraph 13.05;
- e. City has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
- f. City has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.A that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. Retainage:

1. For all contracts, retainage shall be five percent (5%).

E. *Liquidated Damages*: For each calendar day that any work shall remain uncompleted after the time specified in the Contract Documents, the sum per day specified in the Agreement will be paid by the Contractor to the City, not as a penalty, but as liquidated damages suffered by the City. If feasible, the parties may agree to have the liquidated damages deducted from any amounts owned to Contractor by City instead of being paid directly to City by Contractor.

F. *Payment*: Contractor will be paid pursuant to the requirements of this Article 14 and payment will become due in accordance with the Contract Documents.

G. Reduction in Payment

1. City may refuse to make payment of the of the amount requested because:
 - a. Claims have been made against City based on Contractor's performance or furnishing of the Work, or City has incurred costs, losses, or damages resulting from Contractor's performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, or patent infringement;
 - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
 - c. Contractor has failed to provide and maintain required bonds or insurance;
 - d. City has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
 - e. City has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
 - f. The Work is defective, requiring correction or replacement;

- g. City has been required to correct defective Work in accordance with Paragraph 13.08, or has accepted defective Work pursuant to Paragraph 13.05;
 - h. The Contract Price has been reduced by Change Orders;
 - i. An event has occurred that would constitute a default by Contractor and therefore justify a termination for cause;
 - j. Liquidated or other damages have accrued as a result of Contractor's failure to achieve Milestones or Final Acceptance of the Work;
 - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to City to secure the satisfaction and discharge of such Liens;
 - l. Other items entitle City to a set-off against the payment amount requested; or
 - m. City has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.
2. If City refuses to make payment of the amount requested, City will give Contractor written notice stating the reasons for such action and promptly pay Contractor any amount remaining after deduction of the amount so withheld. City shall pay Contractor the amount so withheld, or any adjustment thereto agreed to by City and Contractor, within a reasonable time after Contractor remedies the reasons for such action to the satisfaction of City and City has confirmed such action.

14.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to City no later than the time of payment free and clear of all Liens.

14.03 *Partial Utilization*

- A. Prior to Final Acceptance of all the Work, City may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which City determines constitutes a separately functioning and usable part of the Work that can be used by City for its intended purpose without significant interference with Contractor's performance of the remainder of the Work. City at any time may notify Contractor in writing to of any such part of the Work which City determines to be ready for its intended use. In addition, City may request in writing that Contractor permit City to use or occupy any such part of the Work that City believes to be substantially complete, subject to the following conditions:
 - 1. At any time, Contractor may notify City that Contractor considers any such part of the Work ready for its intended use.
 - 2. Within a reasonable time after notification as enumerated in Paragraph 14.03, City and Contractor shall make an inspection of that part of the Work to determine its status of completion. If City does not consider that part of the Work to be substantially complete, City will notify Contractor in writing giving the reasons therefor.
 - 3. Partial Utilization by City will not constitute Final Acceptance by City.

14.04 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work is complete in accordance with the Contract Documents:
 - 1. City will promptly schedule a Final Inspection with Contractor.
 - 2. City will notify Contractor in writing of all particulars in which this inspection reveals that the Work is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.
- B. City reserves the right to deny request for Final Inspection if City determines that the entire Work is not sufficiently complete to warrant a Final Inspection.

14.05 *Final Acceptance*

- A. Upon completion by Contractor to City's satisfaction, of any and all Work in accordance with the Contract Documents, including any corrections or additional Work identified in the Final Inspection and delivery of all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurances, certificates of inspection, annotated record documents and other required documents in accordance with the Contract Documents, City will issue to Contractor a letter of Final Acceptance.

14.06 *Final Payment*

- A. Application for Payment
 - 1. Upon receipt of a letter of Final Acceptance from City, Contractor may make application for Final Payment following the procedures for requesting payments in accordance with the Contract Documents.
 - 2. The final Application for Payment must be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 6.03;
 - b. consent of the surety, if any, to final payment;
 - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to City free and clear of any Liens or other title defects or will so pass upon final payment.
 - d. a list of all Contract Claims or Damage Claims against City that Contractor believes are unsettled; and
 - e. affidavits of payments and complete and legally effective releases or waivers (satisfactory to City) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
- B. Payment Becomes Due: The final payment requested by Contractor, less previous payments made and less any sum to which City is entitled, including but not limited to liquidated damages, will become due and payable:
 - 1. After City's acceptance of the Application for Payment and accompanying documentation; and

2. After all Damage Claims have been resolved:

- a. directly by the Contractor; or
- b. Contractor provides evidence that the Damage Claim has been reported to Contractor's insurance provider for resolution.

The making of the final payment by the City shall not relieve the Contractor of any guarantees or other requirements of the Contract that continue thereafter.

14.07 *Final Completion Delayed and Partial Retainage Release*

- A. If final completion of the Work is significantly delayed, and if City so confirms, City may, upon receipt of Contractor's final Application for Payment, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by City for Work not fully completed or corrected is less than the retainage stipulated in Paragraph 14.01.D, and if bonds have been furnished as required in Paragraph 6.02, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by Contractor to City with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Contract Claims.
- B. *Partial Retainage Release.* If the Contract provides for separate establishment and maintenance periods and/or test and performance periods following the completion of all other construction in the Contract Documents for all Work locations, the City may release a portion of the amount retained provided that all other work is completed as determined by the City. Before the release, all submittals and final quantities must be completed and accepted for all other work. An amount sufficient to ensure Contract compliance will be retained.

14.08 *Waiver of Claims*

- A. The acceptance of final payment will constitute a waiver and release by Contractor of all claims, rights, causes of action, or liabilities, including Contract Claims, against City arising out of, related to or under the Contract or for any act, omission or neglect of City.

14.09 *Correction Period*

- A. If within two (2) years after the date of Final Acceptance (or such longer period of time as may be prescribed by the Contract Documents) any Work has been found to be defective, or Contractor's repair of any damages to the Site, adjacent areas, or areas made available for Contractor's use by City has been found to be defective, then after receipt of City's written notice of defect, Contractor shall promptly, without cost to City and in accordance with City's written instructions:
 1. correct the defective repairs to the Site or such adjacent areas, or areas made available for Contractor's use by City;
 2. correct such defective Work;
 3. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by City, and

4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.
- B. If Contractor does not promptly comply with the terms of City's written instructions, or in an emergency where delay would cause serious risk of loss or damage, City may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).
- C. In special circumstances where a particular item of equipment is placed in continuous service before Final Acceptance of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected, repaired or removed and replaced under this Paragraph 14.09, the correction period hereunder with respect to such Work may be extended for an additional period of one year after the end of the initial correction period.
- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this Paragraph 14.09 are not to be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 15 – SUSPENSION OF WORK AND TERMINATION

15.01 *City May Suspend Work*

- A. At any time and without cause, City may suspend the Work or any portion thereof by written notice to Contractor. City may fix the date on which Work will be resumed in such notice, and Contractor shall resume the Work on the date so fixed. During a temporary suspension of the Work covered by these Contract Documents, for any reason, the City will make no extra payment for stand-by time of construction equipment and/or construction crews.
- B. Should the Contractor not be able to complete a portion of the Project due to causes beyond the control of and without the fault or negligence of the Contractor, and should it be determined by mutual consent of the Contractor and City that a solution to allow construction to proceed is not available within a reasonable period of time, Contractor may request an extension in Contract Time, directly attributable to any such suspension.
- C. If it should become necessary to suspend the Work for an indefinite period, the Contractor shall store all materials in such a manner that they will not obstruct or impede the public unnecessarily nor become damaged in any way; Contractor shall take every precaution to prevent damage or deterioration of the work performed; and Contractor shall provide suitable drainage about the work, and erect temporary structures where necessary.
- D. Contractor may be reimbursed for the cost of moving its equipment off the job and returning the necessary equipment to the job when it is determined by the City that construction may be resumed. Such reimbursement shall be based on actual cost to the Contractor of moving the

equipment and no profit or overhead will be allowed. Reimbursement may not be allowed if the equipment is moved to another construction project for the City.

15.02 *City May Terminate for Cause*

- A. The occurrence of any one or more of the following events by way of example, but not of limitation, may justify termination for cause:
1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Project Schedule established under Paragraph 2.06 as adjusted from time to time pursuant to Paragraph 7.05);
 2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract; or
 3. Contractor's disregard of Laws and Regulations of any public body having jurisdiction; or
 4. Contractor's repeated disregard of the authority of City; or
 5. Contractor's failure to promptly make good any defect in materials or workmanship, or defects of any nature, the correction of which has been directed in writing by the City; or
 6. Substantial indication that the Contractor has made an unauthorized assignment of the Contract or any funds due therefrom for the benefit of any creditor or for any other purpose; or
 7. Substantial indication that the Contractor has become insolvent or bankrupt, or otherwise financially unable to perform the Work satisfactorily; or
 8. Contractor commences legal action in a court of competent jurisdiction against the City.
- B. If one or more of the events identified in Paragraph 15.02.A occurs, City will provide written notice to Contractor and Surety to arrange a conference with Contractor and Surety to address Contractor's failure to perform the Work. The conference shall be held not later than 15 days after receipt of notice. by both Contractor and surety.
1. If the City, the Contractor, and the Surety do not agree to allow the Contractor to proceed to perform the Contract, the City may, to the extent permitted by Laws and Regulations, declare a Contractor default and formally terminate the Contractor's right to complete the Contract. Contractor default shall not be declared earlier than 20 days after the Contractor and Surety have received notice of the conference to address Contractor's failure to perform the Work.
 2. If Contractor's services are terminated, Surety shall be obligated to take over and perform the Work. If Surety does not commence performance thereof within 15 consecutive calendar days after date of an additional written notice demanding Surety's performance of its obligations, then City, without process or action at law, may take over any portion of the Work and complete it as described below.
 - a. If City completes the Work, City may exclude Contractor and Surety from the Site and take possession of the Work, and all materials and equipment stored at the Site

or for which City has paid Contractor, but which are stored elsewhere, and the Work as City may deem expedient.

3. Whether City or Surety completes the Work, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by City, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to City. Such claims, costs, losses, and damages incurred by City will be incorporated in a Change Order, provided that when exercising any rights or remedies under this Paragraph 15.02, City shall not be required to obtain the lowest price for the Work performed.
 4. Neither City, nor any of its respective consultants, agents, officers, elected or appointed officials, directors or employees shall be in any way liable or accountable to Contractor or Surety for the method by which the completion of the said Work, or any portion thereof, may be accomplished or for the price paid therefor.
 5. City, notwithstanding the method used in completing the Contract, shall not forfeit the right to recover damages from Contractor or Surety for Contractor's failure to timely complete the entire Contract. Contractor shall not be entitled to any claim, counterclaim or offset on account of the method used by City in completing the Contract.
 6. Maintenance of the Work shall continue to be Contractor's and Surety's responsibilities as provided for in the bond requirements of the Contract Documents or any special guarantees provided for under the Contract Documents or any other obligations otherwise under the Contract or prescribed by law.
- C. Notwithstanding Paragraph 15.02.B, Contractor's services will not be terminated if Contractor begins within seven days of receipt of notice of intent to terminate to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.
- D. Where Contractor's services have been so terminated by City, the termination will not affect any rights or remedies of City against Contractor then existing or which may thereafter accrue, or any rights or remedies of City against Contractor or Surety. Any retention or payment of money due Contractor by City will not release Contractor from liability.
- E. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.02, the termination procedures of that bond shall not supersede the provisions of this Article 15.

15.03 *City May Terminate for Convenience*

- A. City may, without cause and without prejudice to any other right or remedy of City, terminate the Contract, in whole or in part. Any termination shall be affected by giving notice of the termination to the Contractor specifying the extent to which performance of Work under the contract is terminated, and the date upon which such termination becomes effective. Notice shall be deemed validly given if given in accordance with Paragraph 17.01.A.

- B. After a notice of termination, has been given, and except as otherwise directed by the City, the Contractor shall:
1. stop work under the Contract on the date and to the extent specified in the notice of termination;
 2. place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of such portion of the Work under the Contract as is not terminated;
 3. terminate all orders and subcontracts to the extent that they relate to the performance of the Work terminated by notice of termination;
 4. transfer title to the City and deliver in the manner, at the times, and to the extent, if any, directed by the City:
 - a. the fabricated or unfabricated parts, Work in progress, completed Work, supplies and other material produced as a part of, or acquired in connection with the performance of, the Work terminated by the notice of the termination; and
 - b. the completed, or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to the City.
 5. complete performance of such Work as shall not have been terminated by the notice of termination; and
 6. take such action as may be necessary, or as the City may direct, for the protection and preservation of the property related to the Contract that is in the possession of the Contractor and in which the City has or may acquire the rest.
- C. At a time not later than 30 days after the termination date specified in the notice of termination, the Contractor may submit to the City a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of in accordance with the Contract, exclusive of items the disposition of which has been directed or authorized by City.
- D. Not later than 15 days after Contractor's submission of the certified list to City pursuant to Paragraph 15.03.C, the City shall accept title to such items, subject to verification of the list by the City upon removal of the items or, If the items are stored, then City shall have 45 days after submission of the list, to verify the list submitted and accept title to such items. Any necessary adjustments to correct the list as submitted, shall be made prior to final settlement.
- E. Not later than 60 days after the notice of termination has been given, the Contractor shall submit a termination claim to the City in the form and with the certification prescribed by the City. Unless an extension request is made in writing within such 60-day period by the Contractor, and granted by the City, any and all such claims of Contractor that are not submitted to City within such 60-day period shall be conclusively deemed waived.
- F. Should a termination claim be timely submitted to the City, Contractor shall be paid for (without duplication of any items):
1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead

- and profit on such Work calculated and determined in accordance with the Contract Documents;
2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses calculated and determined in accordance with the Contract Documents; and
 3. reasonable expenses directly attributable to reasonable and necessary wind-down and termination activities, without any overhead or profit.
- G. In the event of the failure of the Contractor and City to agree upon the whole amount to be paid to the Contractor by reason of the termination of the Work, the City shall determine, on the basis of information submitted and available to it, the amount, if any, due to the Contractor by reason of the termination and City shall pay to the Contractor the amounts so determined. Contractor shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of, related to or resulting from such termination.

ARTICLE 16 – RESOLUTION OF DISPUTES

16.01 *Methods and Procedures*

- A. Either City or Contractor may request mediation of any Contract Claim submitted for a decision under Paragraph 11.07 before such decision becomes final and binding. The request for mediation shall be submitted to the other party to the Contract. Timely submission of the request shall stay the effect of Paragraph 11.07.E.
- B. City and Contractor shall participate in the mediation process in good faith. The process shall be commenced within 60 calendar days of filing of the request.
- C. The parties shall agree on a mediator; however, if they cannot agree within 14 calendar days then the Denton County Alternative Dispute Resolution Program (“DCAP”) shall appoint a mediator. The mediation session shall be held within 45 days of the retention of the mediator, and last for at least one full mediation day, before any party has the option to withdraw from the process. The parties may agree to continue the mediation process beyond one day, until there is a settlement agreement, or one party, or the mediator, states that there is no reason to continue because of an impasse that cannot be overcome and sends a “notice of termination of mediation.” All reasonable efforts will be made to complete the mediation within 30 days of the first mediation session. All costs of mediation shall be borne equally by the parties.
- D. All communications, both written and oral, during Phases A and B are confidential and shall be treated as settlement negotiations for purposes of applicable rules of evidence; however, documents generated in the ordinary course of business prior to the Dispute, that would otherwise be discoverable, do not become confidential simply because they are used in the Negotiation and/or Mediation process.
- E. The process shall be confidential based on terms acceptable to the mediator and/or mediation service provider.

- F. If the Contract Claim is not resolved by mediation, City's action under Paragraph 11.07.C or a denial pursuant to Paragraphs 11.07.C.3 or 11.07.D shall become final and binding 30 days after termination of the mediation unless, within that time period, City or Contractor:
1. elects in writing to invoke any other dispute resolution process provided for in the Supplementary Conditions; or
 2. agrees with the other party to submit the Contract Claim to another dispute resolution process; or
 3. gives written notice to the other party of the intent to submit the Contract Claim to a court of competent jurisdiction as set forth within the Contract Documents.

ARTICLE 17 – MISCELLANEOUS

17.01 *Giving Notice*

- A. Whenever any provision of the Contract requires the giving of written notice, it will be deemed to have been validly given if delivered:
1. in person, by a commercial courier service or otherwise, if to City, to the duly authorized representative of City identified in the Contract Documents or to City's Project Manager or, if to Contractor, to a member of the firm or to an officer of the corporation for whom it is intended; or
 2. by registered or certified mail, postage prepaid, to the recipient's place of business; or
 3. by e-mail to the recipient.

17.02 *Computation of Time*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day that is a state or federal holiday observed by the City, the next Business Day shall become the last day of the period.

17.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws and Regulations, in equity, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this Paragraph 17.03 will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

17.04 *Limitation of Damages*

- A. With respect to any and all claims, disputes subject to final resolution, and other matters at issue, neither City, nor any of its officers, directors, elected or appointed officials, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project. Further, the Contractor may only claim and the City may only be liable for those damages that are set forth in Subchapter I, Chapter 271 of the Texas

Local Government Code and the City shall not be liable for any consequential damages, exemplary damages or damages for unabsorbed home office overhead.

17.05 *No Waiver*

- A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.
- B. The City has not waived its sovereign immunity except as expressly set forth in Subchapter I, Chapter 271 of the Texas Local Government Code or as expressly waived by other statute.

17.06 *Survival of Obligations*

All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and Final Acceptance of the Work or termination of the Contract or of the services of Contractor.

17.07 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

17.08 *Successors and Assigns*

- A. City and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

17.09 *Governing Law*

- A. The Contract shall be construed in accordance with the laws of the State of Texas without regard to conflicts of law principles.

17.10 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

SECTION 00 73 01
SUPPLEMENTARY CONDITIONS - CSP
TO
GENERAL CONDITIONS

Supplementary Conditions

These Supplementary Conditions modify and supplement Section 00 72 00 - General Conditions, and other provisions of the Contract Documents as indicated below. All provisions of the General Conditions that are modified or supplemented remain in full force and effect as so modified or supplemented. All provisions of the General Conditions which are not so modified or supplemented remain in full force and effect.

Defined Terms

The terms used in these Supplementary Conditions which are defined in the General Conditions have the meaning assigned to them in the General Conditions, unless specifically noted herein.

Modifications and Supplements

The following are instructions that modify or supplement specific paragraphs in the General Conditions and other Contract Documents.

SC-1.01 “Defined Terms”

The following Terms listed in the General Conditions are modified as follows:

Bid – See Proposal.

Bidder – See Offeror.

Bidding Documents – See Proposal Documents.

Bidding Requirements – See Proposal Requirements.

The following Terms are added to the General Conditions as follows:

Competitive Sealed Proposals – A procurement method by which a governmental entity requests proposals, evaluates and ranks the Offerors, and negotiates a contract with a general contractor for the construction, rehabilitation, alteration, or repair of a facility.

Daily Value – The City-determined value in dollars as indicated in the Proposal Form as the value of one Day for the purposes of determining the Incentive (if applicable) for Substantial Completion relative to the Contract Time and achievement of Substantial Completion.

Offeror – The individual or entity that submits a Proposal directly to City.

Proposal – The offer or proposal of an Offeror submitted in accordance with the requirements set forth in the Instructions to Offerors.

Proposal Documents – The Proposal Requirements and the Proposed Contract Documents.

Proposal Requirements – The Advertisement or Invitation to Offerors, Instructions to Offerors, Offeror’s Bond or other Proposal security, if any, the Proposal Form, and the Proposal with any attachments.

Substantial Completion – The completion of the Work necessary for the project to function as it was intended pursuant to the Contract Documents and as specified below, to the reasonable satisfaction of the City. The date of Substantial Completion shall be memorialized by written notice given by the City to the Contractor.

SC-5.01A

Easement limits shown on the Drawing are approximate and were provided to establish a basis for proposals. Upon receiving the final easements descriptions, Contractor shall compare them to the lines shown on the Contract Drawings.

SC-5.01A.1., “Availability of Lands”

The following is a list of known outstanding right-of-way, and/or easements to be acquired, if any as of *May 21, 2024*:

Outstanding Right-Of-Way, and/or Easements to Be Acquired

PARCEL NUMBER	OWNER	TARGET DATE OF POSSESSION
------------------	-------	------------------------------

None

The Contractor understands and agrees that the dates listed above are estimates only, are not guaranteed, and do not bind the City.

If Contractor considers the final easements provided to differ materially from the representations on the Contract Drawings, Contractor shall within five (5) Business Days and before proceeding with the Work, notify City in writing associated with the differing easement line locations.

SC-5.01A.2, “Availability of Lands”

Utilities or obstructions to be removed, adjusted, and/or relocated

The following is list of utilities and/or obstructions that have not been removed, adjusted, and/or relocated as of *May 21, 2024*

EXPECTED OWNER	UTILITY AND LOCATION	TARGET DATE OF ADJUSTMENT
-------------------	----------------------	------------------------------

<“None”>

The Contractor understands and agrees that the dates listed above are estimates only, are not guaranteed, and do not bind the City.

SC-5.03A., “Subsurface and Physical Conditions”

The following are reports of explorations and tests of subsurface conditions at the site of the Work:

None

The following are drawings of physical conditions in or relating to existing surface and subsurface structures (except Underground Facilities) which are at or contiguous to the site of the Work:

None

SC-5.05 A., “Underground Facilities

The following are additional resources for identification of Underground Facilities which are at or contiguous to the site of the Work, and which are not necessarily shown in the Drawings:

None

SC-5.06A., “Hazardous Environmental Conditions at Site”

The following are reports and drawings of existing hazardous environmental conditions known to the City:

None

SC-6.02, “Performance, Payment, and Maintenance Bonds”

The “Contract Price” for Performance, Payment, and Maintenance Bonds will be the same as indicated in Article 3 as listed in the Agreement.

SC-6.03A., “Certificates of Insurance”

The entities listed below are "additional insureds as their interest may appear" including their respective officers, directors, agents and employees.

- (1) City
- (2) Consultant: *None*
- (3) Other: *None*

SC-6.04A., “Contractor’s Insurance”

The limits of liability for the insurance required by Paragraph GC-6.04 shall provide the following coverages for not less than the following amounts or greater where required by laws and regulations:

6.04A. Workers' Compensation, under Paragraph GC-6.04A.

Statutory limits

Employer's liability

\$500,000 each accident/occurrence

\$500,000 Disease - each employee

\$500,000 Disease - policy limit

SC-6.04B., “Contractor’s Insurance”

6.04B. Commercial General Liability, under Paragraph GC-6.04B. Contractor's Liability Insurance under Paragraph GC-6.04B., which shall be on a per project basis covering the Contractor with minimum limits of:

\$1,000,000 each occurrence

\$2,000,000 aggregate limit

The policy must have an endorsement (Amendment – Aggregate Limits of Insurance) making the General Aggregate Limits apply separately to each job site.

The Commercial General Liability Insurance policies shall provide “X”, “C”, and “U” coverage’s.
Verification of such coverage must be shown in the Remarks Article of the Certificate of Insurance.

SC 6.04C., “Contractor’s Insurance”

6.04C. Automobile Liability, under Paragraph GC-6.04C. Contractor’s Liability Insurance under Paragraph GC-6.04C., which shall be in an amount not less than the following amounts:

- (1) **Automobile Liability** - a commercial business policy shall provide coverage on "Any Auto", defined as autos owned, hired and non-owned.

\$1,000,000 each accident on a combined single limit basis.

SC-6.04D., “Contractor’s Insurance”

The Contractor’s construction activities will require its employees, agents, subcontractors, equipment, and material deliveries to cross railroad properties and tracks, or perform work within 25 feet of the center line of tracks [None].

The Contractor shall conduct its operations on railroad properties in such a manner as not to interfere with, hinder, or obstruct the railroad company in any manner whatsoever in the use or operation of its/their trains or other property. Such operations on railroad properties may require that Contractor to execute a “Right of Entry Agreement” with the particular railroad company or companies involved, and to this end the Contractor should satisfy itself as to the requirements of each railroad company and be prepared to execute the right-of-entry (if any) required by a railroad company. The requirements specified herein likewise relate to the Contractor’s use of private and/or construction access roads crossing said railroad company’s properties.

The Contractual Liability coverage required by Paragraph 5.04D of the General Conditions shall provide coverage for not less than the following amounts, issued by companies satisfactory to the City and to the Railroad Company for a term that continues for so long as the Contractor’s operations and work cross, occupy, or touch railroad property:

- | | |
|--|---|
| (1) General Aggregate: | <u>\$Confirm Limits with Railroad</u> |
| (2) Each Occurrence: | <u>\$Confirm Limits with Railroad</u> |
| <u> </u> Required for this Contract | <u> x </u> Not required for this Contract |

With respect to the above outlined insurance requirements, the following shall govern:

- Where a single railroad company is involved, the Contractor shall provide one insurance policy in the name of the railroad company. However, if more than one grade separation or at-grade crossing is affected by the Project at entirely separate locations on the line or lines of the same railroad company, separate coverage may be required, each in the amount stated above.
- Where more than one railroad company is operating on the same right-of-way or where several railroad companies are involved and operated on their own separate rights-of-way, the Contractor may be required to provide separate insurance policies in the name of each railroad company.
- If, in addition to a grade separation or an at-grade crossing, other work or activity is proposed on a railroad company’s right-of-way at a location entirely separate from the grade separation or at-grade crossing, insurance coverage for this work must be included in the policy covering the grade separation.

1
2 4. If no grade separation is involved but other work is proposed on a railroad company’s right-of-
3 way, all such other work may be covered in a single policy for that railroad, even though the work
4 may be at two or more separate locations.
5

6 No work or activities on a railroad company’s property to be performed by the Contractor shall be
7 commenced until the Contractor has furnished the City with an original policy or policies of the insurance
8 for each railroad company named, as required above. All such insurance must be approved by the City and
9 each affected Railroad Company prior to the Contractor’s beginning work.
10

11 The insurance specified above must be carried until all Work to be performed on the railroad right-of-way
12 has been completed and the grade crossing, if any, is no longer used by the Contractor. In addition,
13 insurance must be carried during all maintenance and/or repair work performed in the railroad right-of-way.
14 Such insurance must name the railroad company as the insured, together with any tenant or lessee of the
15 railroad company operating over tracks involved in the Project.
16

17 **SC 6.04F., “Contractor’s Insurance”**

18 Add Paragraph 6.04F. Environmental Impairment/Pollution
19 Environmental Impairment/Pollution Insurance to include coverage for the handling, receiving, dispensing,
20 removal, storage, testing, transportation, disposal, discharge, dispersal release or escape of any hazardous
21 material into or upon land, or any structure on land, the atmosphere or any watercourse or body of water,
22 including ground water, with a minimum combined bodily injury (including death) and property damage
23 limit of *\$2,000,000* per occurrence to be obtained upon substantial completion and acceptance of facility by
24 the City.
25

26 **SC-7.08C., “Concerning Subcontractors and Suppliers”**

27
28 The following subcontractors shall be required to be utilized by the Contractor for specific portions of the
29 Work as indicated below:
30

31 **Required Subcontractors**

SUBCONTRACTOR COMPANY NAME	DESCRIPTION OF WORK TO BE PERFORMED
----------------------------	-------------------------------------

32 None

33 **SC-7.11., “Permits and Utilities”**

34
35 **SC-7.11A., “Contractor obtained permits and licenses”**

36 The following are known permits and/or licenses required by the Contract to be acquired by the Contractor:
37 *“None”*.
38

39 **SC-7.11B. “City obtained permits and licenses”**

40 The following are known permits and/or licenses required by the Contract to be acquired by the City:
41 *“None”*.
42

43 **SC-7.11C. “Outstanding permits and licenses”**

44
45 The following is a list of known outstanding permits and/or licenses to be acquired, if any as of *[May 21,*
46 *2024]*:
47

48 **Outstanding Permits and/or Licenses to Be Acquired**

OWNER	PERMIT OR LICENSE AND LOCATION	TARGET DATE OF POSSESSION
-------	--------------------------------	---------------------------

OWNER	PERMIT OR LICENSE AND LOCATION	TARGET DATE OF POSSESSION
-------	--------------------------------	---------------------------

None

SC-8.02., “Coordination”

The individuals or entities listed below have contracts with the City for the performance of other work at the Site:

Vendor	Scope of Work	Coordination Authority
<i>None</i>		

SC-9.01, “Communications to Contractor”

There are no special communication requirements for this project.

SC-10.01B., “City’s Project Manager”

The City’s Project Manager for this Contract is *Sheldon Gatewood*, or his/her successor pursuant to written notification from the City Engineer.

SC-13.02B., “Tests and Inspections”

“None”

SC-14.01G, “Reduction in Payment”

Add Paragraph 14.01G.3:

3. *City may reduce payments to the Contractor, if the number of Days that have passed after the date listed on the Notice to Proceed exceeds the Contract Time for Substantial Completion.*

SC-16.01C.1, “Methods and Procedures”

“None”

SC – 17.01, “Documents”

Any documents submitted to the City in electronic format shall be considered equivalent to an original of such document.

END OF SECTION

Revision Log		
DATE	NAME	SUMMARY OF CHANGE

CONFLICT OF INTEREST QUESTIONNAIRE - For vendor or other person doing business with local governmental entity		FORM CIQ
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.		
<p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a) and by City of Denton Ethics Code, Ordinance 18-757.</p> <p>By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>		
1	Name of vendor who has a business relationship with local governmental entity. <div style="border-bottom: 1px solid black; width: 100%; padding-bottom: 2px;">Texas Materials Group, Inc.</div>	
2	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"><input checked="" type="checkbox"/></div> <div> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.) </div> </div>	
3	Name of local government officer about whom the information in this section is being disclosed. <div style="text-align: center; margin-bottom: 5px;">Rodney McCarn</div> <div style="border-top: 1px solid black; width: 60%; margin: 0 auto;"></div> <div style="text-align: center;">Name of Officer</div>	
<p>Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relations hip with the local government officer. This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?</p> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?</p> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </div> <p>D. Describe each employment or business and family relationship with the local government officer named in this section.</p>		
4	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"><input checked="" type="checkbox"/></div> <div> I have no Conflict of Interest to disclose. </div> </div>	
5	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 45%;"> <p>Signed by:</p> <div style="border-bottom: 1px solid black; width: 100%; padding-bottom: 2px;"> </div> <div style="font-size: small; margin-top: 5px;">87E70BDF56894AA</div> </div> <div style="width: 45%; text-align: center;"> <p>8/21/2024</p> <div style="border-top: 1px solid black; width: 100%;"></div> <p>Date</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> Signature of Vendor doing business with the governmental entity </div>	

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at [http://www.statutes.legis.state.tx.us/ Docs/LG/htm/LG.176.htm](http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm). For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

- (A) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:
 - (2) the vendor:
 - (A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that
 - (i) a contract between the local governmental entity and vendor has been executed; or
 - (ii) the local governmental entity is considering entering into a contract with the vendor;
 - (B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:
 - (i) a contract between the local governmental entity and vendor has been executed; or
 - (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:
 - (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
 - (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
 - (3) has a family relationship with a local government officer of that local governmental entity.
- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:
 - (1) the date that the vendor:
 - (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
 - (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
 - (2) the date the vendor becomes aware:
 - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
 - (B) that the vendor has given one or more gifts described by Subsection (a); or
 - (C) of a family relationship with a local government officer.

City of Denton Ethics Code Ordinance Number 18-757

Definitions:

Relative: a family member related to a City Official within the third 3rd degree of affinity (marriage) or consanguinity (blood or adoption)

City Official: for purpose of this article, the term consists of the Council Members, Department Heads, or member of the Board of Ethics, Planning and zoning Commission Members, Board of Adjustment, Historic Landmark Commission, or Public Utilities Board

Vendor: a person who provides or seeks to provide goods, services, and/or real property to the City in exchange for compensation. This definition does not include those property owners from whom the City acquires public right-of-way or other real property interests for public use.

Per the City of Denton Ethics Code, Section 2-273. – Prohibitions

- (3) It shall be a violation of this Article for a Vendor to offer or give a Gift to City Official exceeding fifty dollars (\$50.00) per gift, or multiple gifts cumulatively valued at more than two hundred dollars (\$200.00) per a single fiscal year.

Per the City of Denton Ethics Code, Section 2-282. – Disposition (b), (5) Ineligibility

If the Board of Ethics finds that a Vendor has violated this Article, the Board may recommend to the City Manager that the Vendor be deemed ineligible to enter into a City contract or other arrangement for goods, services, or real property, for a period of one (1) year.

Certificate Of Completion

Envelope Id: 574B7371388A4288B008DB1E151B4359

Status: Sent

Subject: Please DocuSign: City Council Contract 8586 Robinwood Reconstruction

Source Envelope:

Document Pages: 100

Signatures: 4

Envelope Originator:

Certificate Pages: 6

Initials: 1

Cori Power

AutoNav: Enabled

901B Texas Street

Envelopel Stamping: Enabled

Denton, TX 76209

Time Zone: (UTC-06:00) Central Time (US & Canada)

cori.power@cityofdenton.com

IP Address: 198.49.140.104

Record Tracking

Status: Original

Holder: Cori Power

Location: DocuSign

8/16/2024 2:41:57 PM

cori.power@cityofdenton.com

Signer Events**Signature****Timestamp**

Cori Power

Completed

Sent: 8/16/2024 2:50:43 PM

cori.power@cityofdenton.com

Viewed: 8/16/2024 2:50:56 PM

Purchasing Supervisor

Signed: 8/16/2024 2:51:19 PM

City of Denton

Using IP Address: 198.49.140.104

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Lori Hewell



Sent: 8/16/2024 2:51:23 PM

lori.hewell@cityofdenton.com

Viewed: 8/18/2024 10:30:25 AM

Purchasing Manager

Signed: 8/18/2024 10:31:35 AM

City of Denton

Signature Adoption: Pre-selected Style

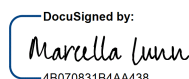
Security Level: Email, Account Authentication
(None)

Using IP Address: 198.49.140.104

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Marcella Lunn



Sent: 8/18/2024 10:31:38 AM

marcella.lunn@cityofdenton.com

Viewed: 8/20/2024 6:16:15 PM

Senior Deputy City Attorney

Signed: 8/20/2024 8:20:59 PM

City of Denton

Signature Adoption: Pre-selected Style

Security Level: Email, Account Authentication
(None)

Using IP Address: 47.190.47.120

Signed using mobile

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Ron Stinson



Sent: 8/20/2024 8:21:03 PM

ronald.stinson@texasmaterials.com

Viewed: 8/21/2024 8:01:22 AM

Estimating Manager

Signed: 8/21/2024 8:05:50 AM

Security Level: Email, Account Authentication
(None)

Signature Adoption: Pre-selected Style

Using IP Address: 47.185.111.194

Electronic Record and Signature Disclosure:

Accepted: 8/21/2024 8:01:22 AM

ID: 7c2fdb6f-17d1-47ed-9d56-7bf13f98a050

Signer Events	Signature	Timestamp
<p>Trevor Crain</p> <p>Trevor.Crain@cityofdenton.com</p> <p>Director of Capital Projects</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p>	<p>Signed by:</p>  <p>7B46EEAB11BC4F2...</p> <p>Signature Adoption: Pre-selected Style</p> <p>Using IP Address: 198.49.140.10</p>	<p>Sent: 8/21/2024 8:05:53 AM</p> <p>Viewed: 8/21/2024 8:15:27 AM</p> <p>Signed: 8/21/2024 8:15:50 AM</p>

Electronic Record and Signature Disclosure:
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<p>Cheyenne Defee</p> <p>cheyenne.defee@cityofdenton.com</p> <p>Procurement Administration Supervisor</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p>	Sent: 8/26/2024 2:31:06 PM
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Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Sara Hensley

sara.hensley@cityofdenton.com

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Lauren Thoden

lauren.thoden@cityofdenton.com

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

<p>Cheyenne Defee</p> <p>cheyenne.defee@cityofdenton.com</p> <p>Procurement Administration Supervisor</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p>	<div>COPIED</div>	Sent: 8/16/2024 2:51:22 PM
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Electronic Record and Signature Disclosure:
Not Offered via DocuSign

<p>Gretna Jones</p> <p>gretna.jones@cityofdenton.com</p> <p>Legal Secretary</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p>	<div>COPIED</div>	<p>Sent: 8/21/2024 8:15:55 AM</p> <p>Viewed: 8/26/2024 3:13:32 PM</p>
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Carbon Copy Events	Status	Timestamp
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Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	8/16/2024 2:50:43 PM
Envelope Updated	Security Checked	8/23/2024 8:48:42 AM
Envelope Updated	Security Checked	8/26/2024 2:31:05 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Denton:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: purchasing@cityofdenton.com

To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at melissa.kraft@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from City of Denton

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Denton

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail, full name, US Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-183, Version: 1

AGENDA CAPTION

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, ratifying the expenditure of funds by the City Manager for the emergency repair services of filter #16 underdrain system, including the removal and replacement of the filter media at the Lake Lewisville Water Treatment Plant for the Water Production Department; and providing an effective date (File 8639 - awarded to C&C Environmental Services, Inc., in the not-to-exceed amount of \$151,800.00).



AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: September 9, 2024

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, ratifying the expenditure of funds by the City Manager for the emergency repair services of filter #16 underdrain system, including the removal and replacement of the filter media at the Lake Lewisville Water Treatment Plant for the Water Production Department; and providing an effective date (File 8639 – awarded to C&C Environmental Services, Inc., in the not-to-exceed amount of \$151,800.00).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

The Water Production Treatment Facilities utilize large filters to clean and produce high-quality water as a key part of the treatment process. Filters typically are constructed of a box-like structure, containing sand, granular activated carbon (GAC), and an underdrain. The media acts as a barrier against suspended particles in the water, and the underdrain collects the filtered water for the next process.

The Lake Lewisville Water Treatment Plant (LLWTP) encountered a filter failure on July 26, 2024, regarding filter #16 and required an emergency repair. Filter #16 was placed out of service due to turbidity issues and media loss. The City contracted with C&C Environmental Services for the planned project repair of filter #4 for a similar failure issue. An emergency repair was required for the underdrain system of filter #16 and to replace the existing media with new media which is vital for the treatment process of the LLWTP. The repair consists of replacing the latter gaskets and the inspection of the reinstallation of the filter laterals. Considering the age of the filter media, quality control tests were performed recommending replacement with new media coinciding with the underdrain system repair.

The LLWTP has 16 filters and during the higher demand of the summer months, all filters must be available to operate. Without action, the treatment plant will have a significant reduction from 30 million gallons per day maximum filtration rate to 27.5 million gallons per day with one filter out of service; with two filters out of service, the maximum filtration rate reduces to 25 million gallons per day at peak flows with a maintaining constant flow of 23 million gallons per day due to required needed backwashes with the remaining 14 filters online 24/7. The Water Production Treatment Facilities utilize large filters to clean and produce high-quality water as a key part of the treatment process.

Service/Materials	Estimated Cost
Repair of filter #16 underdrain system including the removal and replacement of the filter media and AWI field services and reports.	\$138,000
Contingency 10%	13,800
Total Contract NTE Amount	\$151,800

RECOMMENDATION

Award the emergency repairs with C&C Environmental Services, Inc., for the emergency repair services of filter #16 underdrain system including the removal and replacement of the filter media at the Lake Lewisville Water Treatment Plant for the Water Production Department, in a not-to-exceed amount of \$151,800.

PRINCIPAL PLACE OF BUSINESS

C&C Environmental Services, Inc.
Portsmouth, OH

ESTIMATED SCHEDULE OF PROJECT

Upon procurement, repairs will be made as soon as possible and shall remain effective for a period that may reasonably be required for the completion of the project.

FISCAL INFORMATION

These services will be funded from Water Production account 630548517.1360.40100. Requisition #165859 has been entered into the Purchasing software system in the amount of \$138,000. The budgeted amount for this item is \$151,800.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Declaration of Emergency
Exhibit 3: Contract
Exhibit 4: Ordinance

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Trever Heskett, 940-349-7627.

Legal point of contact: Marcella Lunn at 940-349-8333.



Declaration of an Emergency

File #: 8639Requisition #: 165859Date: 07/26/2024Vendor: C&C Enviromental Services Inc.Commodity/Service: ServiceEstimated expenditure for the above commodity or service: \$ 151,800


Initial all entries below that apply to the proposed purchase, under the Purchasing Procedures as passed by City Council. (More than one entry may apply.)

1. ☒ Emergency situations, including procurements necessary to protect the public health or safety or in response to a public calamity;
2. ☐ A procurement necessary because of unforeseen damage to public equipment, machinery, or other property;

Brief Description/Justification for exception:

The Lake Lewisville Water Treatment Plant (LLWTP) encountered a filter failure on 7/26/2024 regarding filter #16. Filter #16 was placed out of service due to turbidity issues and media loss. LLWTP currently is in contract with C&C environmental Services for the project repair of filter #4 for a similar failure issue. This repair is required to the underdrain system of filter #16 and replacing the existing media with new media is vital for the treatment process the LLWTP. The repair will consist of replacing the latter gaskets and inspection of the reinstallation of the filter laterals. Considering the age of the filter media, quality control tests were performed recommending replacement with new media coinciding with the underdrain system repair. The LLWTP has 16 filters and during the higher demand of the summer months all filters need to be available to operate. Without action, the treatment plant will have a significant reduction from 30 million gallons per day maximum filtration rate to 27.5 million gallons per day with one filter out of service; with two filters out of service, the maximum filtration rate reduces to 25 million gallons per day at peak flows with a maintaining constant flow of 23 million gallons per day due to required needed backwashes with the remaining 14 filters online 24/7. The Water Production Treatment Facilities utilizes large filters to clean and produce high quality water as a key part of the treatment process.

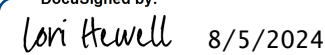
Respectfully Submitted by,

DocuSigned by:

 FEB48BB9726E4A9...

Dept. Director

Date

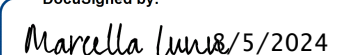
Reviewed by:

DocuSigned by:

 13E1D934887C40F...

Purchasing Manager

Date


Reviewed By:

DocuSigned by:

 4B070831B4AA438...

City Attorney

Date

Approved by:

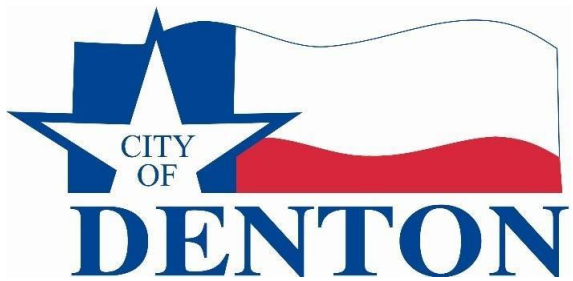
DocuSigned by:

 5286DB296270423...
 City Manager

8/5/2024

Date

This form must be attached to a purchase requisition if the expenditure is under \$50,000.

This form must be attached to a completed Agenda Information Sheet if the expenditure exceeds \$50,000.



Docusign City Manager Approval Transmittal Coversheet

File	8639
File Name	DOE - Emergency Repair for Filter #16
Purchasing Contact	Cori Power
Piggy Back Option	no
Contract Expiration	N/A

**CONTRACT BY AND BETWEEN
CITY OF DENTON, TEXAS AND C&C ENVIRONMENTAL SERVICES, LLC
(CONTRACT 8639)**

THIS CONTRACT is made and entered into this date 8/19/2024, by and between C & C ENVIRONMENTAL SERVICES, INC., an Ohio corporation, whose address is 1219 Bierly Rd Portsmouth, OH 45662 hereinafter referred to as "Contractor," and the **CITY OF DENTON, TEXAS**, a home rule municipal corporation, hereinafter referred to as "City," to be effective upon approval of the Denton City Council and subsequent execution of this Contract by the Denton City Manager or their duly authorized designee.

For and in consideration of the covenants and agreements contained herein, and for the mutual benefits to be obtained hereby, the parties agree as follows:

SCOPE OF SERVICES

Contractor shall provide products and/or services in accordance with the City's document File 8639 – DOE Repair of Filter #16, a copy of which is on file at the office of Purchasing Agent and incorporated herein for all purposes. The Contract consists of this written agreement and the following items which are attached hereto and incorporated herein by reference:

- (a) Special Terms and Conditions (**Exhibit "A"**);
- (b) City of Denton Standard Terms and Conditions (**Exhibit "B"**);
- (c) Insurance Requirements (**Exhibit "C"**);
- (d) Certificate of Interested Parties Electronic Filing (**Exhibit "D"**);
- (e) Contractor's Proposal (**Exhibit "E"**);
- (f) Form CIQ – Conflict of Interest Questionnaire (**Exhibit "F"**);

These documents make up the Contract documents and what is called for by one shall be as binding as if called for by all. In the event of an inconsistency or conflict in any of the provisions of the Contract documents, the inconsistency or conflict shall be resolved by giving precedence first to the written agreement then to the contract documents in the order in which they are listed above. These documents shall be referred to collectively as "Contract Documents."

Prohibition on Contracts with Companies Boycotting Israel

Contractor acknowledges that in accordance with Chapter 2271 of the Texas Government Code, City is prohibited from entering into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms "boycott Israel" and "company" shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. ***By signing this agreement, Contractor certifies that Contractor's signature provides written verification to the City that Contractor: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the agreement.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

Prohibition on Contracts with Companies Boycotting Certain Energy Companies

Contractor acknowledges that in accordance with Chapter 2274 of the Texas Government Code, City is prohibited from entering into a contract with a company for goods or services unless the contract contains written verification from the company that it (1) does not boycott energy companies; and (2) will not boycott

energy companies during the term of the contract. The terms “boycott energy company” and “company” shall have the meanings ascribed to those terms in Section 809.001 of the Texas Government Code. ***By signing this agreement, Contractor certifies that Contractor’s signature provides written verification to the City that Contractor: (1) does not boycott energy companies; and (2) will not boycott energy companies during the term of the agreement.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

Prohibition on Contracts with Companies Boycotting Certain Firearm Entities and Firearm Trade Associations

Contractor acknowledges that in accordance with Chapter 2274 of the Texas Government Code, City is prohibited from entering into a contract with a company for goods or services unless the contract contains written verification from the company that it (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. The terms “discriminate against a firearm entity or firearm trade association,” “firearm entity” and “firearm trade association” shall have the meanings ascribed to those terms in Chapter 2274 of the Texas Government Code. ***By signing this agreement, Contractor certifies that Contractor’s signature provides written verification to the City that Contractor: (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

Prohibition on Contracts with Companies Doing Business with Iran, Sudan, or a Foreign Terrorist Organization

Sections 2252 and 2270 of the Texas Government Code restricts CITY from contracting with companies that do business with Iran, Sudan, or a foreign terrorist organization. ***By signing this agreement, Contractor certifies that Contractor’s signature provides written verification to the City that Contractor, pursuant to Chapters 2252 and 2270, is not ineligible to enter into this agreement and will not become ineligible to receive payments under this agreement by doing business with Iran, Sudan, or a foreign terrorist organization.*** Failure to meet or maintain the requirements under this provision will be considered a material breach.

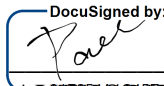
Termination Right for Contracts with Companies Doing Business with Certain Foreign-Owned Companies

The City of Denton may terminate this Contract immediately without any further liability if the City of Denton determines, in its sole judgment, that this Contract meets the requirements under Chapter 2274, and Contractor is, or will be in the future, (i) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or other designated country (ii) directly controlled by the Government of China, Iran, North Korea, Russia, or other designated country, or (iii) is headquartered in China, Iran, North Korea, Russia, or other designated country.

The parties agree to transact business electronically. Any statutory requirements that certain terms be in writing will be satisfied using electronic documents and signing. Electronic signing of this document will be deemed an original for all legal purposes.

IN WITNESS WHEREOF, the parties of these presents have executed this agreement in the year and day first above written.

CONTRACTOR

BY:  DocuSigned by:
AUTHORIZED SIGNATURE

Printed Name: Paul Cashion

Title: CEO

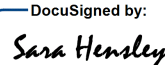
864-279-2179

PHONE NUMBER


paul@candcenvironmentalservices.com

EMAIL ADDRESS

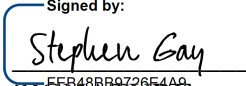
CITY OF DENTON, TEXAS

BY:  DocuSigned by:
SARA HENSLEY, CITY MANAGER

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY:  DocuSigned by:
4B070831B4AA438...

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational obligations
and business terms.

Signed by:  Stephen Gay
SIGNATURE PRINTED NAME

Director Water Utilities
TITLE

Water Utilities
DEPARTMENT

Exhibit A

Special Terms and Conditions

1. Total Contract Amount

The contract total for services shall not exceed \$151,800. Pricing shall be per Exhibit E attached.

2. Contract Terms

The Contract shall commence upon the issuance of a Notice to Proceed or Purchase Order by the City of Denton and shall automatically expire upon completion of the work or receipt of the materials, and acceptance by the City of Denton.

3. Performance Liquidated Damages

The Contractor shall incur contractual payment losses, as initiated by the City for performance that falls short of specified performance standards as outlined below:

- Delivery beyond contracted lead times
- Performance below contracted levels (services only)

The Contractor shall be assessed a one (1%) percent fee each month when any one of the performance standards outlined above are not met in full. The Contractor shall be assessed a two (2%) percent profit fee each month when any two (2) or more performance standards outlined above are not met in full. At the end of each month, the City will review the monthly reports and determine the percentage of penalty to be assessed to the Contractor's monthly profit margin.

Exhibit B

Standard Purchase Terms and Conditions

These standard Terms and Conditions and the Terms and Conditions, Specifications, Drawings and other requirements included in the City of Denton's contract are applicable to contracts/purchase orders issued by the City of Denton hereinafter referred to as the City or Buyer and the Seller or respondent herein after referred to as Contractor or Supplier. Any deviations must be in writing and signed by a representative of the City's Procurement Department and the Supplier. No Terms and Conditions contained in the seller's proposal response, invoice or statement shall serve to modify the terms set forth herein. If there is a conflict between the provisions on the face of the contract/purchase order these written provisions will take precedence.

The Contractor agrees that the contract shall be governed by the following terms and conditions, unless exceptions are duly noted and fully negotiated. Unless otherwise specified in the contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a solicitation to purchase goods, and sections 9, 10, 11, 22 and 32 shall apply only to a solicitation to purchase services to be performed principally at the City's premises or on public rights-of-way.

1. CONTRACTOR'S OBLIGATIONS. The Contractor shall fully and timely provide all deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.

2. EFFECTIVE DATE/TERM. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.

3. CONTRACTOR TO PACKAGE DELIVERABLES: The Contractor will package deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform to all the requirements of common carriers and any applicable specification. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.

4. SHIPMENT UNDER RESERVATION PROHIBITED: The Contractor is not authorized to ship the deliverables under reservation and no tender of a bill of lading will operate as a tender of deliverables.

5. TITLE & RISK OF LOSS: Title to and risk of loss of the deliverables shall pass to the City only when the City actually receives and accepts the deliverables.

6. DELIVERY TERMS AND TRANSPORTATION CHARGES: Deliverables shall be

shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the deliverables. The place of delivery shall be that set forth the purchase order.

7. RIGHT OF INSPECTION AND REJECTION: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the deliverables at delivery before accepting them, and to reject defective or non-conforming deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.

8. NO REPLACEMENT OF DEFECTIVE TENDER: Every tender or delivery of deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.

9. PLACE AND CONDITION OF WORK: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

The contractor shall, at all times, exercise reasonable precautions for the safety of their employees, City Staff, participants and others on or near the City's facilities.

10. WORKFORCE

A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.

B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Denton contract or on the City's property .

i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or

ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.

C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed

Contract # 8639

any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

Immigration: The Contractor represents and warrants that it shall comply with the requirements of the Immigration Reform and Control Act of 1986 and 1990 regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services under the Contract and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") enacted on September 30, 1996.

11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS: The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

Environmental Protection: The Respondent shall be in compliance with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. §7401 *et seq.*) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. §1251 *et seq.*).

12. INVOICES:

A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.

B. Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department. Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name, remittance address and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.

C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.

D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.

E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount.

The City will furnish a tax exemption certificate upon request.

13. PAYMENT:

A. All proper invoices need to be sent to Accounts Payable. Approved invoices will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice being received
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in Accounts Payable, whichever is later.

B. If payment is not timely made, (per paragraph A); interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.

C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.

D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:

- i. delivery of defective or non-conforming deliverables by the Contractor;
- ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
- iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
- iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
- v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or damages for the anticipated delay;
- vi. failure of the Contractor to submit proper invoices with purchase order number, with all required attachments and supporting documentation; or
- vii. failure of the Contractor to comply with any material provision of the Contract Documents.

E. Notice is hereby given that any awarded firm who is in arrears to the City of Denton for delinquent taxes, the City may offset indebtedness owed the City through payment withholding.

F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.

G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of none or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

14. TRAVEL EXPENSES: All travel, lodging and per diem expenses in connection with the Contract shall be paid by the Contractor, unless otherwise stated in the contract terms. During the term of this contract, the contractor shall bill and the City shall reimburse contractor for all reasonable and approved out of pocket expenses which are incurred in the connection with the performance of duties hereunder. Notwithstanding the foregoing, expenses for the time spent by the contractor in traveling to and from City facilities shall not be reimbursed, unless otherwise negotiated.

15. FINAL PAYMENT AND CLOSE-OUT:

A. If a DBE/MBE/WBE Program Plan is agreed to and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Purchasing Manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements as accepted by the City.

B. The making and acceptance of final payment will constitute:

i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT: If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. RIGHT TO AUDIT:

A. The City shall have the right to audit and make copies of the books, records and computations pertaining to the Contract. The Contractor shall retain such books, records, documents and other evidence pertaining to the Contract period and five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be available, within ten (10) business days of written request. Further, the Contractor shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to the Contract, and to allow the City similar access to those documents. All books and records will be made available within a 50 mile radius of the City of Denton. The cost of the audit will be borne by the City unless the audit reveals an overpayment of 1% or greater. If an overpayment of 1% or greater occurs, the reasonable cost of the audit, including any travel costs, must be borne by the Contractor which must be payable within five (5) business days of receipt of an invoice.

B. Failure to comply with the provisions of this section shall be a material breach of the Contract and shall constitute, in the City's sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

18. SUBCONTRACTORS:

A. If the Contractor identified Subcontractors in a DBE/MBE/WBE agreed to Plan, the Contractor shall comply with all requirements approved by the City. The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Contract # 8639

Awards and Expenditures Report to the Procurement Manager, no later than the tenth calendar day of each month.

B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the

Contract, and shall contain provisions that:

- i. require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
- ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
- iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
- iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
- v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.

C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.

D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. WARRANTY-PRICE:

A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.

C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

20. WARRANTY – TITLE: The Contractor warrants that it has good and indefeasible title to all deliverables furnished under the Contract, and that the deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the deliverables.

21. WARRANTY – DELIVERABLES: The Contractor warrants and represents that all deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions

Contract # 8639

in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the deliverables shall be new or recycled merchandise, and not used or reconditioned.

A. Recycled deliverables shall be clearly identified as such.

B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.

C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the deliverables or from the date of acceptance of any replacement deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming deliverables, or replace the non-conforming deliverables with fully conforming deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.

D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such deliverables from another source.

E. If the Contractor is not the manufacturer, and the deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.

22. WARRANTY – SERVICES: The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.

A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.

B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.

C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor

Contract # 8639

shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

23. ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES: If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

24. RIGHT TO ASSURANCE: Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

25. STOP WORK NOTICE: The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

26. DEFAULT: The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.

27. TERMINATION FOR CAUSE: In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. Additionally, in the event of a default by the Contractor, the City may remove the Contractor from the City's vendor list for three (3) years and any Offer submitted by the Contractor may be disqualified for up to three (3) years. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

28. TERMINATION WITHOUT CAUSE: The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The Contract # 8639

City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

29. FRAUD: Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

30. DELAYS:

A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 49. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.

B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. INDEMNITY:

A. Definitions:

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for: (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties), ii. "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct or a breach of any legally imposed strict liability standard.

B. THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE

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CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.

32. INSURANCE: The following insurance requirements are applicable, in addition to the specific insurance requirements detailed in **Appendix A** for services only. The successful firm shall procure and maintain insurance of the types and in the minimum amounts acceptable to the City of Denton. The insurance shall be written by a company licensed to do business in the State of Texas and satisfactory to the City of Denton.

A. General Requirements:

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated and agreed to, as submitted to the City and approved by the City within the procurement process, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverage's and endorsements required to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of **A- VII or better**. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.
- vi. All endorsements naming the City as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall contain the solicitation number and the following information:
City of Denton
Materials Management Department
901B Texas Street
Denton, Texas 76209
- vii. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- viii. If insurance policies are not written for amounts agreed to with the City, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- ix. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any

reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

x. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.

xi. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.

xii. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.

xiii. The Contractor shall endeavor to provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverage's indicated within the Contract.

xiv. The insurance coverage's specified in within the solicitation and requirements are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. Specific Coverage Requirements: Specific insurance requirements are contained in the solicitation instrument.

33. CLAIMS: If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse effect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Denton City Attorney. Personal delivery to the City Attorney shall be to City Hall, 215 East McKinney Street, Denton, Texas 76201.

34. NOTICES: Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at 901B Texas Street, Denton, Texas 76209 and marked to the attention of the Purchasing Manager.

35. RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL: All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, and Texas Government Code.

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36. NO WARRANTY BY CITY AGAINST INFRINGEMENTS: The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the deliverables and (ii) the deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such deliverables will not impact such warranties of Contractor.

37. CONFIDENTIALITY: In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

38. OWNERSHIP AND USE OF DELIVERABLES: The City shall own all rights, titles, and interests throughout the world in and to the deliverables.

A. Patents. As to any patentable subject matter contained in the deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by

the City, to the City upon request by the City.

B. Copyrights. As to any deliverables containing copyrightable subject matter, the Contractor agrees that upon their creation, such deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such deliverables, provided however, that nothing in this Paragraph 38 shall negate the City's sole or joint ownership of any such deliverables arising by virtue of the City's sole or joint authorship of such deliverables. Should by operation of law, such deliverables not be considered works made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of) all worldwide right, title, and interest in and to such deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge, and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-made-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such deliverables to the City or at such other time as the City may request.

C. Additional Assignments. The Contractor further agrees to, and if applicable, cause each of its employees to, execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns and nominees, the sole and exclusive right, title, and interest in and to the deliverables. The Contractor's obligations to execute, acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 38 a., b., and c. shall continue after the termination of this Contract with respect to such deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the deliverables, but should desire to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph 37 above.

39. **PUBLICATIONS:** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

40. **ADVERTISING:** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.

41. **NO CONTINGENT FEES:** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

42. **GRATUITIES:** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Denton with

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a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

43. PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS: No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation as defined in the City's Ethic Ordinance 18-757 and in the City Charter chapter 2 article XI(Ethics). Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City. The Contractor shall complete and submit the City's Conflict of Interest Questionnaire.

44. INDEPENDENT CONTRACTOR: The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City of Denton, Texas for the purposes of income tax, withholding, social security taxes, vacation or sick leave benefits, worker's compensation, or any other City employee benefit. The City shall not have supervision and control of the Contractor or any employee of the Contractor, and it is expressly understood that Contractor shall perform the services hereunder according to the attached specifications at the general direction of the City Manager of the City of Denton, Texas, or their designee under this agreement. The contractor is expressly free to advertise and perform services for other parties while performing services for the City.

45. ASSIGNMENT-DELEGATION: The Contract shall be binding upon and ensure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there are no third party beneficiaries to the Contract.

The Vendor shall notify the City's Purchasing Manager, in writing, of a company name, ownership, or address change for the purpose of maintaining updated City records. The president of the company or authorized official must sign the letter. A letter indicating changes in a company name or ownership must be accompanied with supporting legal documentation such as an updated W-9, documents filed with the state indicating such change, copy of the board of director's resolution approving the action, or an executed merger or acquisition agreement. Failure to do so may adversely impact future invoice payments.

46. WAIVER: No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is

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supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

47. MODIFICATIONS: The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

48. INTERPRETATION: The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

49. DISPUTE RESOLUTION:

A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option; the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Denton County Alternative Dispute Resolution Program (DCAP). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

50. JURISDICTION AND VENUE: The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted Contract # 8639

in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Denton County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

51. INVALIDITY: The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

52. HOLIDAYS: The following holidays are observed by the City:

New Year's Day (observed)
Martin Luther King, Jr. Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Veterans Day
Thanksgiving
Friday After Thanksgiving
Christmas Eve (observed)
Christmas Day (observed)

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday. Normal hours of operation shall be between 8:00 am and 4:00 pm, Monday through Friday, excluding City of Denton Holidays. Any scheduled deliveries or work performance not within the normal hours of operation **must be approved** by the City Manager of Denton, Texas or their authorized designee.

53. SURVIVABILITY OF OBLIGATIONS: All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

54. NON-SUSPENSION OR DEBARMENT CERTIFICATION:

The City of Denton is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Denton Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Denton.

55. EQUAL OPPORTUNITY

A. Equal Employment Opportunity: No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice. No person shall, on the grounds of race, sex, sexual orientation, age, disability, creed, color, genetic testing, or national origin, be refused the benefits of, or be otherwise subjected to discrimination under any activities resulting from this RFQ.

B. Americans with Disabilities Act (ADA) Compliance: No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

56. BUY AMERICAN ACT-SUPPLIES (Applicable to certain federally funded requirements)

The following federally funded requirements are applicable. A. Definitions. As used in this paragraph –

i. "Component" means an article, material, or supply incorporated directly into an end product.

ii. "Cost of components" means -

(1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or

(2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.

iii. "Domestic end product" means-

(1) An unmanufactured end product mined or produced in the United States; or

(2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.

iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.

v. "Foreign end product" means an end product other than a domestic end product.

vi. "United States" means the 50 States, the District of Columbia, and outlying areas.

B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.

C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.

D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

57. RIGHT TO INFORMATION: The City of Denton reserves the right to use any and all information presented in any response to this contract, whether amended or not, except as prohibited by law. Selection or rejection of the submittal does not affect this right.

58. LICENSE FEES OR TAXES: Provided the solicitation requires an awarded contractor or Contract # 8639

supplier to be licensed by the State of Texas, any and all fees and taxes are the responsibility of the respondent.

59. PREVAILING WAGE RATES: The contractor shall comply with prevailing wage rates as defined by the United States Department of Labor Davis-Bacon Wage Determination at <http://www.dol.gov/whd/contracts/dbra.htm> and at the Wage Determinations website www.wdol.gov for Denton County, Texas (WD-2509).

60. COMPLIANCE WITH ALL STATE, FEDERAL, AND LOCAL LAWS: The contractor or supplier shall comply with all State, Federal, and Local laws and requirements. The Respondent must comply with all applicable laws at all times, including, without limitation, the following: (i) §36.02 of the Texas Penal Code, which prohibits bribery; (ii) §36.09 of the Texas Penal Code, which prohibits the offering or conferring of benefits to public servants. The Respondent shall give all notices and comply with all laws and regulations applicable to furnishing and performance of the Contract.

61. FEDERAL, STATE, AND LOCAL REQUIREMENTS: Respondent shall demonstrate on-site compliance with the Federal Tax Reform Act of 1986, Section 1706, amending Section 530 of the Revenue Act of 1978, dealing with issuance of Form W-2's to common law employees. Respondent is responsible for both federal and State unemployment insurance coverage and standard Workers' Compensation insurance coverage. Respondent shall ensure compliance with all federal and State tax laws and withholding requirements. The City of Denton shall not be liable to Respondent or its employees for any Unemployment or Workers' Compensation coverage, or federal or State withholding requirements. Contractor shall indemnify the City of Denton and shall pay all costs, penalties, or losses resulting from Respondent's omission or breach of this Section.

62. DRUG FREE WORKPLACE: The contractor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 ET SEQ.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the contractor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

63. RESPONDENT LIABILITY FOR DAMAGE TO GOVERNMENT PROPERTY: The Respondent shall be liable for all damages to government-owned, leased, or occupied property and equipment caused by the Respondent and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to the Contract. The Respondent shall notify the City of Denton Procurement Manager in writing of any such damage within one (1) calendar day.

64. FORCE MAJEURE: The City of Denton, any Customer, and the Respondent shall not be responsible for performance under the Contract should it be prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of the City of Denton. In the event of an occurrence under this Section, the Respondent will be excused from any further performance or observance of the requirements so affected for as long as such circumstances prevail and the Respondent continues to use Contract # 8639

commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. The Respondent shall immediately notify the City of Denton Procurement Manager by telephone (to be confirmed in writing within five (5) calendar days of the inception of such occurrence) and describe at a reasonable level of detail the circumstances causing the non-performance or delay in performance.

65. NON-WAIVER OF RIGHTS: Failure of a Party to require performance by another Party under the Contract will not affect the right of such Party to require performance in the future. No delay, failure, or waiver of either Party's exercise or partial exercise of any right or remedy under the Contract shall operate to limit, impair, preclude, cancel, waive or otherwise affect such right or remedy. A waiver by a Party of any breach of any term of the Contract will not be construed as a waiver of any continuing or succeeding breach.

66. NO WAIVER OF SOVEREIGN IMMUNITY: The Parties expressly agree that no provision of the Contract is in any way intended to constitute a waiver by the City of Denton of any immunities from suit or from liability that the City of Denton may have by operation of law.

67. RECORDS RETENTION: The Respondent shall retain all financial records, supporting documents, statistical records, and any other records or books relating to the performances called for in the Contract. The Respondent shall retain all such records for a period of four (4) years after the expiration of the Contract, or until the CPA or State Auditor's Office is satisfied that all audit and litigation matters are resolved, whichever period is longer. The Respondent shall grant access to all books, records and documents pertinent to the Contract to the CPA, the State Auditor of Texas, and any federal governmental entity that has authority to review records due to federal funds being spent under the Contract.

Should a conflict arise between any of the contract documents, it shall be resolved with the following order of precedence (if applicable). In any event, the final negotiated contract shall take precedence over any and all contract documents to the extent of such conflict.

- 1. Final negotiated contract**
- 2. City's standard terms and conditions**
- 3. Purchase order**
- 4. Supplier terms and conditions**

INSURANCE REQUIREMENTS

Respondent's attention is directed to the insurance requirements below. It is highly recommended that respondents confer with their respective insurance carriers or brokers to determine in advance of Proposal/Bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an apparent low respondent fails to comply strictly with the insurance requirements, that respondent may be disqualified from award of the contract. Upon contract award, all insurance requirements shall become contractual obligations, which the successful contractor shall have a duty to maintain throughout the course of this contract.

STANDARD PROVISIONS:

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain until the contracted work has been completed and accepted by the City of Denton, Owner, the minimum insurance coverage as indicated hereinafter.

As soon as practicable after notification of contract award, Contractor shall file with the Purchasing Department satisfactory certificates of insurance including any applicable addendum or endorsements, containing the contract number and title of the project. Contractor may, upon written request to the Purchasing Department, ask for clarification of any insurance requirements at any time; however, Contractors are strongly advised to make such requests prior to proposal/bid opening, since the insurance requirements may not be modified or waived after proposal/bid opening unless a written exception has been submitted with the proposal/bid. Contractor shall not commence any work or deliver any material until he or she receives notification that the contract has been accepted, approved, and signed by the City of Denton.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least **A- or better**.
- Any deductibles or self-insured retentions shall be declared in the proposal. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees, and volunteers; or, the contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:

- Name as Additional Insured the City of Denton, its Officials, Agents, Employees, and volunteers.
 - That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
 - Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- ***Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.***
 - Should any of the required insurance be provided under a claims made form, Contractor shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the contract term which give rise to claims made after expiration of the contract shall be covered.
 - Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
 - Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

Commercial General Liability Insurance including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractors, and Contractual Liability with minimum

combined bodily injury (including death) and property damage limits of \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate.

B. WORKERS' COMPENSATION and EMPLOYERS LIABILITY INSURANCE

Workers' Compensation within the regulations of the Texas Workers' Compensation Act. The minimum policy limits for **Employers Liability** are:

Bodily Injury by Accident: \$500,000.00 Each Accident
 Bodily Injury by Disease: \$500,000.00 Each Employee
 Bodily Injury by Disease: \$500,000.00 Policy Limit

NOTES:

- a. If CONTRACTOR will not be providing services under the contract at a City facility, has no employees and/or is operating as a sole owner and single operator, CONTRACTOR shall provide a signed letter, with the current date, on official letterhead stating such to meet the requirement.
- b. If CONTRACTOR is a non-subscriber or is self-insured CONTRACTOR shall provide a copy of its Certificate of Authority to Self-Insure from the Texas Department of Insurance, Division of Workers' Compensation Self Insurance Regulation Program, evidence of alternative coverage and internal safety and injury coverage policies and procedures.

C. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business Automobile Liability Insurance covering owned, hired, and non-owned vehicles, with a minimum combined single limit for bodily injury (including death) and property damage limit of \$1,000,000.00 per occurrence.

NOTE:

- a. If CONTRACTOR does not have owned, hired and non-owned autos or vehicles and/or no autos or vehicles will not be used in the performance of services under the contract, CONTRACTOR shall provide a signed letter, with the current date, on official letterhead stating such to meet the requirement for owned autos.

D. PROFESSIONAL LIABILITY INSURANCE

If CONTRACTOR is a licensed or certified person who renders professional services, then **Professional Liability Insurance** to provide coverage against any claim which the CONTRACTOR becomes legally obligated to pay as damages arising out of the performance of professional services caused by

any negligent error, omission or act with minimum limits of \$1,000,000.00 per claim, \$2,000,000.00 annual aggregate.

E. ENVIRONMENTAL IMPAIRMENT/POLLUTION INSURANCE

Environmental Impairment/Pollution Insurance to include coverage for the handling, receiving, dispensing, removal, storage, testing, transportation, disposal, discharge, dispersal release or escape of any hazardous material into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including ground water, with a minimum combined bodily injury (including death) and property damage limit of \$2, 000,000 per occurrence.

SUBCONTRACTING LIABILITY

(1) Without limiting any of the other obligations or liabilities of the CONTRACTOR, the CONTRACTOR shall require each Subcontractor performing work under the contract, at the Subcontractor's own expense, to maintain during the engagement with the CITY, types and limits of insurance that are appropriate for the services/work being performed, comply with all applicable laws and are consistent with industry standards. The Subcontractor's liability insurance shall name CONTRACTOR as an additional insured.

(2) CONTRACTOR shall obtain and monitor the certificates of insurance from each Subcontractor. CONTRACTOR must retain the certificates of insurance for the duration of the contract and shall have the responsibility of enforcing insurance requirements among its subcontractors. The CITY shall be entitled, upon request and without expense, to receive copies of these certificates.

Exhibit D
Certificate of Interested Parties Electronic Filing

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that the City may not enter into this contract unless the Contractor submits a disclosure of interested parties (Form 1295) to the City at the time the Contractor submits the signed contract. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

Contractor will be required to furnish a Certificate of Interest Parties before the contract is awarded, in accordance with Government Code 2252.908.

The contractor shall:

1. Log onto the State Ethics Commission Website at :
<https://www.ethics.state.tx.us/filinginfo/1295/>
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on page 2 of this contract.
5. Complete and sign the Form 1295
6. Email the form to purchasing@cityofdenton.com with the contract number in the subject line.
(EX: Contract 1234 – Form 1295)

The City must acknowledge the receipt of the filed Form 1295 not later than the 30th day after Council award. Once a Form 1295 is acknowledged, it will be posted to the Texas Ethics Commission's website within seven business days.

Exhibit E



Paul Cashion
1219 Bierly Road
Portsmouth, OH 45662
864-279-2179

July 26, 2024
Denton, TX WTP

Filter Media Removal Dump Onsite
Removal of Filter Underdrains for Inspection
Inspection of Filter Cell after Underdrain Removal
AWI Field Service
Installation Once Underdrains are repaired or New are ordered. AWI will determine what is needed on repairs. Plant or AWI will make repairs as the Filter we are currently working on.
New GAC Same as Current Filter we are working on
New Sand Same as Current Filter we are working on
Installation of Filter Media

Total Amount

\$138,000.00

If you have any questions or concerns please feel free to contact me directly at 864-279-2179.

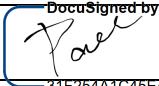
Thanks,

Paul Cashion

CEO
C&C Environmental Services, Inc.
www.candcenvironmentalservices.com
paul@candcenvironmentalservices.com
864-279-2179



Exhibit ^F

CONFLICT OF INTEREST QUESTIONNAIRE -		FORM CIQ
For vendor or other person doing business with local governmental entity		
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.		
<p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>		
1	Name of vendor who has a business relationship with local governmental entity. C&C Environmental Services, Inc.	
2	<input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7 th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)	
3	Name of local government officer about whom the information in this section is being disclosed. <div style="text-align: center;">N/A</div> <hr style="width: 50%; margin: 5px auto;"/> <div style="text-align: center;">Name of Officer</div> <p>This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <div style="display: flex; justify-content: space-around; width: 100%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?</p> <div style="display: flex; justify-content: space-around; width: 100%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?</p> <div style="display: flex; justify-content: space-around; width: 100%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <p>D. Describe each employment or business and family relationship with the local government officer named in this section.</p> <div style="text-align: center;">N/A</div>	
4	<input type="checkbox"/> I have no Conflict of Interest to disclose.	
5	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><small>DocuSigned by:</small></p>  <p><small>31F254A1C45E426...</small></p> </div> <div style="width: 45%; text-align: right;"> <p>8/19/2024</p> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <p>Signature of vendor doing business with the governmental entity</p> </div> <div style="width: 45%; text-align: right;"> <p>Date</p> </div> </div>	

Certificate Of Completion

Envelope Id: 9CF2BB233E2D4720B5F70B5807FFA004

Status: Completed

Subject: ****City Manager Approval ***** Contract 8639 - Emergency Filter #16 Repair

Source Envelope:

Document Pages: 31

Signatures: 5

Envelope Originator:

Certificate Pages: 6

Initials: 1

Cori Power

AutoNav: Enabled

901B Texas Street

Envelopel Stamping: Enabled

Denton, TX 76209

Time Zone: (UTC-06:00) Central Time (US & Canada)

cori.power@cityofdenton.com

IP Address: 198.49.140.10

Record Tracking

Status: Original

Holder: Cori Power

Location: DocuSign

8/19/2024 1:21:34 PM

cori.power@cityofdenton.com

Signer Events**Signature****Timestamp**

Cori Power

Completed

Sent: 8/19/2024 1:36:42 PM

cori.power@cityofdenton.com

Viewed: 8/19/2024 1:44:16 PM

Purchasing Supervisor

Signed: 8/19/2024 1:45:06 PM

City of Denton

Using IP Address: 198.49.140.10

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Lori Hewell



Sent: 8/19/2024 1:45:08 PM

lori.hewell@cityofdenton.com

Viewed: 8/19/2024 1:58:28 PM

Purchasing Manager

Signed: 8/19/2024 1:58:53 PM

City of Denton

Signature Adoption: Pre-selected Style

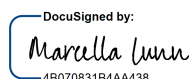
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Using IP Address: 198.49.140.10

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Marcella Lunn



Sent: 8/19/2024 1:58:55 PM

Marcella.Lunn@cityofdenton.com

Viewed: 8/19/2024 2:00:05 PM

Senior Deputy City Attorney

Signed: 8/19/2024 2:05:16 PM

City of Denton

Signature Adoption: Pre-selected Style

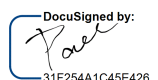
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Using IP Address: 198.49.140.104

Electronic Record and Signature Disclosure:

Not Offered via DocuSign

Paul Cashion



Sent: 8/19/2024 2:05:19 PM

paul@candcenvironmentalservices.com

Viewed: 8/19/2024 4:37:51 PM

CEO

Signed: 8/19/2024 4:39:46 PM

Security Level: Email, Account Authentication
(None)

Signature Adoption: Drawn on Device

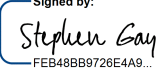

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Signed using mobile

Electronic Record and Signature Disclosure:

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ID: 4b9fb520-8a69-492b-bd3e-28a74b94294d

Signer Events	Signature	Timestamp
<p>Stephen Gay</p> <p>Stephen.Gay@cityofdenton.com</p> <p>Director Water Utilities</p> <p>Water Utilities</p> <p>Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Accepted: 8/19/2024 4:43:19 PM ID: f492a7ef-908b-48c3-8bdc-564c9efe2047</p>	<p>Signed by:  FEB48BB9726E4A9...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 47.184.72.216 Signed using mobile</p>	<p>Sent: 8/19/2024 4:39:49 PM</p> <p>Viewed: 8/19/2024 4:43:19 PM</p> <p>Signed: 8/19/2024 4:44:33 PM</p>
<p>Sara Hensley</p> <p>sara.hensley@cityofdenton.com</p> <p>City Manager</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p>DocuSigned by:  5236DB296270423...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 107.77.196.182 Signed using mobile</p>	<p>Sent: 8/19/2024 4:44:36 PM</p> <p>Viewed: 8/19/2024 4:45:10 PM</p> <p>Signed: 8/19/2024 4:45:24 PM</p>
In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
<p>Cheyenne Defee</p> <p>cheyenne.defee@cityofdenton.com</p> <p>Procurement Administration Supervisor</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<div>COPIED</div>	<p>Sent: 8/19/2024 1:45:09 PM</p>
<p>Trever Heskett</p> <p>Trever.Heskett@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Accepted: 7/31/2024 10:26:16 AM ID: 7ac1ce85-80c9-4690-9ec2-30de31f13312</p>	<div>COPIED</div>	<p>Sent: 8/19/2024 4:45:28 PM</p>
<p>Cheyenne Defee</p> <p>cheyenne.defee@cityofdenton.com</p> <p>Procurement Administration Supervisor</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<div>COPIED</div>	<p>Sent: 8/19/2024 4:45:29 PM</p>
Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
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Envelope Updated	Security Checked	8/19/2024 1:43:36 PM
Certified Delivered	Security Checked	8/19/2024 4:45:10 PM
Signing Complete	Security Checked	8/19/2024 4:45:24 PM
Completed	Security Checked	8/19/2024 4:45:29 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact City of Denton:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: purchasing@cityofdenton.com

To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at melissa.kraft@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from City of Denton

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Denton

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail, full name, US Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, RATIFYING THE EXPENDITURE OF FUNDS BY THE CITY MANAGER FOR THE EMERGENCY REPAIR SERVICES OF FILTER #16 UNDERDRAIN SYSTEM, INCLUDING THE REMOVAL AND REPLACEMENT OF THE FILTER MEDIA AT THE LAKE LEWISVILLE WATER TREATMENT PLANT FOR THE WATER PRODUCTION DEPARTMENT; AND PROVIDING AN EFFECTIVE DATE (FILE 8639 – AWARDED TO C&C ENVIRONMENTAL SERVICES, INC., IN THE NOT-TO-EXCEED AMOUNT OF \$151,800.00).

WHEREAS, state law and city policy requires that certain contracts requiring an expenditure or payment by the city in an amount exceeding \$50,000 be by competitive bids, except in the case of public calamity where it becomes necessary to act at once to appropriate money to relieve the necessity of the citizens of the city, or in case of unforeseen damage to public property, machinery, or equipment, or where the procurement is necessary to preserve or protect the public health or safety of the city's residents under Section 252 of the Local Government Code; and

WHEREAS, the City Manager has recommended to the City Council that it is necessary to ratify the purchase goods or services due to the following emergency conditions outlined in the memorandum referenced herein; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Council hereby determines that there is a public calamity that makes it necessary to act at once to appropriate money to relieve the necessity of the citizens of the city, or to provide for unforeseen damage to public property, machinery, or equipment, or to preserve or protect the public health or safety of the city's residents, and by reason thereof, the following emergency purchases of materials, equipment, supplies, or services, as described in the "Declaration of Emergency Memorandum" referenced herein and on file in the office of the Purchasing Agent, are hereby approved:

<u>FILE NUMBER</u>	<u>VENDOR</u>	<u>AMOUNT</u>
8639	C&C Environmental Services, Inc.	\$151,800.00

SECTION 2. Because of such emergency, the City Manager, or a designated employee, is hereby authorized to purchase the materials, equipment, supplies, or services as described in the Memorandum on file in the office of the Purchasing Agent, and to make payment therefore in the amounts therein stated. Such emergency purchases, being in accordance with the provisions of state law, exempt such purchases by the city from the requirements of competitive bids.

SECTION 3. 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 their designee.

SECTION 4. 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Marcella Lunn



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-184, **Version:** 1

AGENDA CAPTION

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Community Waste Disposal, L.P (“contractor”); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Solid Waste & Recycling Department

ACM: Frank Dixon

DATE: September 9, 2024

SUBJECT

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Community Waste Disposal, L.P. ("contractor"); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.

BACKGROUND

Between approximately October 1, 2022, and September 20, 2024, the City of Denton maintained contracts with three private companies and two municipalities to provide over 210,000 tons of waste to the City of Denton Landfill; generating over \$7.8 million in revenue over the life of the contracts. Over the next two (2) years, the City of Denton, Solid Waste and Recycling Department, seeks to receive guaranteed, predictable tonnages of solid waste for both revenue and management purposes.

CWD is a current landfill customer, with an account in good standing. CWD has committed to the delivery up to 36,000 tons of solid waste annually in consideration of a discounted disposal charge of \$38.00 per ton, representing \$ 1,368,000.00 in annual revenue to the Solid Waste fund. This contract includes a promise to bring tonnage to the landfill and make payment based on the guaranteed tonnage regardless of the actual amount of solid waste delivered. Consistent with previous discussions with the Denton City Council and supportive of the City's Comprehensive Solid Waste Management Strategy, CWD can earn up to 10% of preferred disposal volume dependent upon their ability to divert material to recycling from their customer base. Net recycling information is required to be reported to the City monthly.

This agreement will be reviewed and trued up annually, including an annual inflation escalator, and provide for two years of revenue to assist in achieving the goal of rate stabilization for the Solid Waste fund.

RECOMMENDATION

Award a contract with CWD, for guaranteed landfill disposal volumes, in a two (2) year contract.

ESTIMATED SCHEDULE OF PROJECT

This is a two (2) year contract.

FISCAL INFORMATION

Fund 660-Solid Waste revenue of \$1,368,000.00 annually

EXHIBITS

1. Agenda Information Sheet
2. Draft Ordinance and Contract

Respectfully submitted:
Brian Boerner, 940-349-8001
Director of Solid Waste

ORDINANCE NO. 24-XXX

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO EXECUTE A SOLID WASTE DISPOSAL CONTRACT WITH COMMUNITY WASTE DISPOSAL, L.P. ("CONTRACTOR"); PROVIDING FOR DELIVERY OF GUARANTEED TONNAGE AT THE LANDFILL; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 ("Landfill"); and

WHEREAS, the Landfill is operated in accordance with TCEQ Municipal Solid Waste Management Facility Permit No. MSW-1590B, as amended, issued to the City of Denton pursuant to Texas Health & Safety Code Chapter 361; and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of solid waste at its Landfill; and

WHEREAS, the Contractor seeks to deliver a guaranteed amount of annual tonnage in exchange for a discounted disposal fee, and

WHEREAS, pursuant to the Contract, Contractor promises to deliver guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract year, regardless of the actual amount of solid waste delivered; and

WHEREAS, the City Council has determined this Contract is in the public interest.

NOW THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations contained in the preamble of this Ordinance are incorporated herein by reference.

SECTION 2. The City Council of the City of Denton hereby approves the Contract attached hereto as Attachment "A" for guaranteed tonnage to be delivered to the Landfill.

SECTION 3. The City Manager, or their designee, is hereby authorized to execute the contract and carry out the duties and responsibilities of the City as provided in the Contract.

SECTION 4. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____, the 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:

LAURA THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:

MACK REINWAND, CITY ATTORNEY

BY: Christopher Mullins

ATTACHMENT "A"
SOLID WASTE DISPOSAL CONTRACT

SOLID WASTE DISPOSAL CONTRACT

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 (“Landfill”); and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of Solid Waste at its Landfill; and

WHEREAS, the Contractor promises to deliver the guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract Year, regardless of the actual amount of Solid Waste delivered; and

WHEREAS, the Parties agree the terms contained in this Contract are fair, reasonable, and mutually beneficial; and

WHEREAS, the City has determined this Contract is in the public interest.

Page 1 of 13

1. Recitals Incorporated. The recitals stated above are incorporated in this Contract for all purposes and are found by the Parties to be true and correct.

2. Administration. This Contract shall be administered on behalf of the City by its Director of Solid Waste or the Director's designee (hereinafter called the "Director"), and on behalf of the Contractor by its duly authorized officer or employee.

3. Contract Year. For purposes of this Contract, "Contract Year" shall mean any period during the Contract term beginning on October 1 and ending on September 30 of the following year.

4. Delivery of Acceptable Solid Waste.

a. Acceptable Waste Defined. For purposes of this Contract, "Acceptable Solid Waste" means:

i. All wet or dry Solid Waste that is authorized to be disposed of at the Landfill under applicable Federal, State, and local laws, regulations, ordinances, rules, permits, licenses, and governmental orders or directives; or

ii. Other wet or dry Solid Waste that is not Unacceptable Solid Waste, as defined in Sections 4.b. and 7 of this Contract.

b. Acceptable Waste Exclusion. For purposes of this Contract, Acceptable Solid Waste does not include sludge, special waste, or material delivered by citizens served by other municipalities or corporations. These excluded wastes and materials are considered Unacceptable Solid Waste and are subject to Section 7 of this Contract.

c. Guaranteed Annual Tonnage. Contractor guarantees that it will deliver Acceptable Solid Waste to the Landfill in the following tonnage during each respective Contract Year ("Guaranteed Annual Tonnage"):

Contract Year	Guaranteed Annual Tonnage
FY 2024-2025	36,000 Tons
FY 2025-2026	36,000 Tons

d. City Acceptance of Acceptable Solid Waste. The City agrees to accept all Acceptable Solid Waste delivered to the Landfill on a Landfill Operational Day and in accordance with the terms of this Contract.

e. Monthly Report. Contractor shall, on a monthly basis, provide the City a list of its customer cities, gross and net recycling tonnages delivered, and a list of the Solid Waste tonnages diverted, if any, pursuant to Section 5 of this Contract.

f. Solid Waste. For purposes of this Contract, "Solid Waste" shall have the same meaning as "Municipal Solid Waste" set forth in Subchapter A, Section 361.003(20) of the Texas Health and Safety Code (also known as the Texas Solid Waste Disposal Act).

5. Delivery of Additional Acceptable Tonnage. In a Contract Year, the Contractor may deliver Acceptable Solid Waste in an amount that exceeds the Guaranteed Annual Tonnage ("Additional Acceptable Tonnage"). The Additional Acceptable Tonnage cannot exceed a maximum of ten

percent (10%) of the Guaranteed Annual Tonnage, and the Contractor must divert an equivalent amount of Solid Waste. Diversion of Solid Waste under this Section may be accomplished through recycling, composting, or any other reuse program adopted by a political subdivision the Contractor serves. Additional Acceptable Tonnage will be subject to the rate indicated by the Additional Acceptable Tonnage Fee stated in Section 10 of this Contract.

6. Delivery Procedures; Operation of the Landfill.

a. Landfill Operational Day. For purposes of this Contract, "Landfill Operational Day" means regularly scheduled Landfill operating days during normal hours of operation, excluding City holidays and Landfill half-days. Landfill hours of operation, City holidays, and Landfill half-days are regularly posted on the City's website, www.cityofdenton.com.

b. Operation of the Landfill and Landfill Procedures. Delivery of Acceptable Solid Waste to the Landfill shall occur only on Landfill Operational Days and shall be governed by City ordinances applicable generally to haulers utilizing the Landfill, including, but not limited to, the Code of the City of Denton, Texas, Chapter 24, Sections 24-5 and 24-8, as amended. Contractor shall also comply with all Landfill procedures promulgated by the Director, as the same may be amended from time to time.

c. Closure of the Landfill.

i. Notwithstanding anything in this Contract to the contrary, the City shall have the right, in its sole discretion, to close its Landfill, in whole or in part, either temporarily or permanently, at any time and for any reason. Upon permanent closure, this Contract may be terminated by the City as described in Section 19 of this Contract.

ii. Notwithstanding anything contained in this Contract to the contrary, if any unscheduled closure of the Landfill lasts more than two (2) days, the Contractor may submit a request to the City for an equitable reduction in the Guaranteed Annual Tonnage owed by the Contractor. Whether to grant an equitable reduction in the Guaranteed Annual Tonnage shall be determined based solely on the discretion of the Director, with consideration of factors including, but not limited to, the number of otherwise Operational Days the Landfill is closed. If the Director determines an equitable reduction is appropriate, they will calculate the reduction by (1) dividing the Guaranteed Annual Tonnage for the applicable Contract Year by all Operational Days during the Contract Year and (2) multiplying the resulting amount by the number of days attributable to the unscheduled closure.

iii. If the City closes the Landfill for more than thirty (30) days during any three (3) month period, the Contractor shall be entitled to terminate this Contract by written notice to the City pursuant to Section 15, and the respective obligations of the Parties to deliver and to accept Acceptable Solid Waste shall terminate including, without limitation, Contractor's obligation to deliver the Guaranteed Annual Tonnage and the City's obligation to accept the tonnage and charge the Discount Disposal Fee.

d. Compliance with Applicable Laws. This Contract is entered subject to and controlled by the Charter and Ordinances of the City of Denton, Texas and all applicable laws, rules, and regulations of the State of Texas and the United States of America (Collectively, "Applicable Laws"), as amended. Contractor and City shall, during the performance of this Contract, comply with all applicable City codes, ordinances, and regulations, as amended, and all

applicable State and Federal laws, rules, and regulations, as amended.

e. Title to Waste. Title to and risk of loss and responsibility for Acceptable Solid Waste delivered to the Landfill shall pass at the time such Acceptable Solid Waste is removed from the delivery vehicle at the Landfill. Title to and risk of loss and responsibility for Unacceptable Solid Waste shall remain with the Contractor and its customer and shall never be deemed to pass to the City.

7. Unacceptable Solid Waste.

a. Unacceptable Solid Waste Defined. For the purposes of this Contract, "Unacceptable Solid Waste" means:

- i. Any material that is not Acceptable Solid Waste;
- ii. Any material that by reason of its composition, characteristics or quantity is defined under any Applicable Laws as a "hazardous material," "hazardous waste," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "toxic substance," "toxic waste," "toxic pollutant," "contaminant," "pollutant," "infectious waste," "medical waste," "radioactive waste," or "sewage sludge";
- iii. Any material that requires abnormal handling, storage, management, transfer, or disposal;
- iv. Any other material that may present a substantial endangerment to public health or safety, may cause applicable air quality or water effluent standards to be violated by the normal operation of the Landfill, or because of its size, durability or composition cannot be disposed of at the Landfill or has a reasonable possibility of otherwise adversely affecting the operation or useful life of the Landfill; or
- v. Waste subject to the exclusion in Section 4.b. of this Contract.

b. Delivery of Unacceptable Solid Waste.

- i. The Contractor agrees that it shall not deliver any Unacceptable Solid Waste to the City's Landfill.
- ii. The City shall have the right to reject Solid Waste determined by the Director, in their sole discretion, to be Unacceptable Solid Waste at any time.
- iii. The City shall have the right, but not the obligation, to inspect any of the Contractor's trucks to determine whether the waste delivered is Acceptable Solid Waste or Unacceptable Solid Waste. Any failure by the City to perform any such inspection or to detect Unacceptable Solid Waste shall in no way relieve the Contractor from its obligation to deliver only Acceptable Solid Waste or from its other obligations under this Section 7 including, but not limited to, its duty to retrieve and properly dispose of Unacceptable Solid Waste.
- iv. For purposes of Section 7.b.v., the Contractor agrees it may be contacted at the following telephone number: 972-392-9300. The Contractor may change this number by providing the City 10-day advance written notice mailed pursuant to Section 15 of this Contract.

v. If the Contractor delivers Unacceptable Solid Waste to the City's Landfill, the Director may in their sole discretion:

A. Reject such Unacceptable Solid Waste and order its removal at the Contractor's sole expense; or

B. If the City does not discover the Unacceptable Solid Waste in time to reject its delivery, inform the Contractor of the problem by telephone using the number provided by the Contractor in this Section 7. The Contractor agrees that any good faith effort by the City to contact the Contractor via telephone completely satisfies the notification requirement in this Section 7. The Contractor must pick up the Unacceptable Solid Waste within twenty-four (24) hours of the City's telephone call. However, if the Unacceptable Solid Waste is deemed by the Director, in their sole discretion, to be a threat to the health and safety of City employees or the general public, the Contractor shall remove the Unacceptable Solid Waste immediately.

vi. If the Contractor fails or refuses to timely remove or properly dispose of Unacceptable Solid Waste as provided in this Contract, the City may dispose of such Unacceptable Solid Waste at a location authorized to accept such Unacceptable Solid Waste in accordance with all Applicable Laws, ordinances, and regulations. The Contractor shall reimburse the City for all direct and indirect costs incurred due to the City's removal, handling, transportation, and disposal of Unacceptable Solid Waste. Notwithstanding the foregoing, no notice to Contractor shall be required for City to dispose of Unacceptable Solid Waste at Contractor's sole expense in emergency situations where, in the Director's sole judgment, a delay in such disposal could constitute a hazard to the Landfill or any person on, about, or near the Landfill premises.

vii. If Contractor delivers waste that contains both Acceptable Solid Waste and Unacceptable Solid Waste, the entire delivery shall constitute Unacceptable Solid Waste. If the Unacceptable Solid Waste cannot be separated from the Acceptable Solid Waste through the reasonable efforts of the City, the cost of such separation shall be paid by the Contractor.

8. Term. Unless sooner terminated pursuant to Section 19, this Contract shall be for a term of two (2) years, commencing on October 1, 2024 (the "Contract Start Date") and terminating on September 30, 2026.

9. Survival. Upon termination of this Contract, the respective obligations of the Contractor to Deliver Acceptable Solid Waste and of the City to accept Acceptable Solid Waste shall terminate. However, all other rights and obligations of the Parties under this Contract which by their nature are intended to survive including, but not limited to, those with respect to payment, indemnification, and Unacceptable Solid Waste, shall survive termination.

10. Rates; Payment; Failure to Deliver; Charges; and Deposit.

a. Rates. In consideration of the City's permission to dispose of Acceptable Solid Waste under this Contract, the Contractor shall pay \$38.00 per ton ("Discount Disposal Fee"). The Additional Acceptable Tonnage Fee shall be \$49.50 per ton. The Contractor agrees that the Discount Disposal Fee and the Additional Acceptable Tonnage Fee may be increased on

October 1st of each calendar year beginning on October 1, 2025. The percentage increase will be determined by the Director using the Consumer Price Index for All Urban Consumers (CPI-U) for the South Region for All Items, published by the United States Department of Labor, Bureau of Labor Statistics. Any increase in the Discount Disposal Fee or the Additional Acceptable Tonnage Fee shall not exceed five percent (5%) in any single calendar year.

b. Payment. The Contractor shall pay the Discount Disposal Fee on a monthly basis for the amount of Acceptable Solid Waste delivered to Landfill. The monthly bill shall be paid no later than thirty (30) days after receipt of a monthly invoice from the Director. Failure to remit in a timely manner may result in the termination of this Contract under Section 19, with the Contractor remaining liable to pay for remaining Guaranteed Annual Tonnage and fees due under this Contract. If the Contractor delivers its Guaranteed Annual Tonnage before the end of the corresponding Contract Year, Additional Acceptable Tonnage delivered to the Landfill shall be charged the Additional Acceptable Tonnage Fee.

c. Failure to Deliver the Guaranteed Annual Tonnage; Reconciliation; and Transfers.

i. If at the end of a Contract Year the Contractor has failed to deliver the Guaranteed Annual Tonnage, the Contractor remains obligated under this Contract to pay the Discount Disposal Fee for the entire Guaranteed Annual Tonnage.

ii. At the end of each Contract Year, the Director shall perform a reconciliation of the actual tonnage of Solid Waste disposed of at the Landfill under this Contract in that Contract Year compared with the Guaranteed Annual Tonnage and the amount paid by Contractor during the Contract Year. The Director shall make the appropriate calculations and adjustments to determine the amounts finally due and owed by Contractor in each Contract Year. The Contractor shall pay any amounts owed to City pursuant to the end-of-Contract Year reconciliation not later than thirty (30) days after receipt of an invoice from the Director.

iii. In the event there is a good faith dispute as to the total Discount Disposal Fee amount due at the end of a Contract Year, Contractor shall, at a minimum, pay the undisputed portion of the Discount Disposal Fee due within the thirty (30)-day period set forth in c.ii. of this Section 10. The pursuit of contractual remedies by the City may be suspended during any good faith dispute regarding payment until the dispute is either resolved or the City otherwise determines that the dispute cannot reasonably be resolved. The parties reserve all legal rights and remedies if they cannot amicably resolve a dispute.

iv. No amount of Guaranteed Annual Tonnage may be transferred from one Contract Year to another Contract Year.

d. Taxes and Other Charges. In addition to the Discount Disposal Fee, Contractor shall pay Federal; State; and local taxes, fees, surcharges, and any similar charges related to the acceptance or disposal of Acceptable Solid Waste or related to the operations or activities of the Landfill that are imposed by law, ordinance, regulation, agreement with a governmental authority, governmental audit, or otherwise.

e. Security Deposit. Upon execution of this Contract and consistent with Code of the City of Denton, Texas, Sections 26-3, 26-4, and 26-5, Contractor shall provide a security deposit in an amount equal to one-sixth (1/6) of the total payment amount for the total combined

Guaranteed Annual Tonnage. The Director may, in their sole discretion, approve a lesser deposit if the Contractor receives an acceptable credit rating from a credit source available to the City and the Contractor can demonstrate to the Director's satisfaction it has been operating at least three (3) years. The cost to obtain the credit rating will be charged to the Contractor and will not exceed one hundred dollars (\$100.00). The security deposit may take the form of cash, a performance bond issued by a corporate surety or sureties licensed to issue bonds in the State of Texas and otherwise acceptable to City, or an unconditional, irrevocable standby letter of credit issued by and drawable at a financial institution located in Denton County, Texas. If other than cash, the form of the security deposit is subject to approval by the Director, in their sole discretion, and approval as to legal form by the Denton City Attorney's Office. For a multi-year contract, the security deposit will be reviewed annually to reflect an increase or decrease to the Discount Disposal Fee, and the total amount of the security deposit will be increased or decreased to reflect the change.

11. Remedies in the Event of Default. If the Contractor, after thirty (30)-days' advance written notice and opportunity to cure from the City, fails to pay amounts due under this Contract or breaches any term, condition, or covenant of this Contract, the Director, in their sole discretion, may exercise any or all of the following remedies without waiving any other remedies available to the City at law or in equity:

- a. Suspend delivery of Solid Waste to the Landfill by the Contractor. If the Contractor's delivery of Solid Waste to the Landfill is suspended for nonpayment, the Contractor's obligation to pay the full amount for the Guaranteed Annual Tonnage remains in effect;
- b. Terminate this Contract for default as provided in Section 19; or
- c. Draw upon the security deposit and require the Contractor to furnish a replacement security deposit as provided in Section 10.e. above, except that the Director may require a greater amount of security than provided in Section 10.e. in order to provide the City with adequate assurance of performance by the Contractor.

12. Insurance. During the term of this Contract, the Contractor shall procure, pay for, and maintain at least the minimum insurance coverages described in Exhibit "A", attached hereto and made a part of this Contract. Approval, disapproval, or failure to act by the City regarding any insurance supplied by the Contractor or its subcontractors shall not relieve the Contractor of full responsibility or liability for damages, errors, omissions, or accidents as set forth in this Contract. The bankruptcy or insolvency of the Contractor's insurer or any denial of liability by the Contractor's insurer shall not exonerate the Contractor from the liability or responsibility of the Contractor set forth in this Contract.

13. Force Majeure. In no event shall the City be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes; pandemics; work stoppages; accidents, acts of war or terrorism; civil or military disturbances; nuclear or natural catastrophes; acts of God; or interruptions, loss, or malfunctions of utilities, communications, or computer (software and hardware) services. The City shall use reasonable efforts which are consistent with accepted practices to resume performance as soon as practicable under the circumstances.

14. Environmental Compliance. The Contractor and the City shall comply with all Federal, State and local environmental laws and regulations, including, but not limited to, the Resource Conservation and Recovery Act ("RCRA"), the Safe Drinking Water Act ("SDWA"), the Clean Water Act ("CWA"), and the Clean Air Act ("CAA") in their performance under this Contract. The Contractor shall ensure that its agents, subcontractors, and employees have received training or information appropriate to the environmental aspects and impacts of their activities in connection with the performance of this Contract. The Contractor and the City shall ensure that any spills or other releases of materials into the environment that may result from their performance under this Contract are responded to and reported adequately and in compliance with applicable environmental laws.

15. Notice. Unless otherwise specified in Section 7, relating to telephone notification of delivery of Unacceptable Solid Waste, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and mailed to the addresses appearing below, but each party may change its address by providing ten (10)-days' advance written notice in accordance with this Section. Mailed notices shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices mailed by other means shall be deemed delivered upon receipt by the addressee.

If intended for the City, to:

Director of Solid Waste
City of Denton
Solid Waste and Recycling Department
1527 S. Mayhill Rd.
Denton, TX 76208

If intended for Contractor, to:

Jason Roemer
Vice President
2010 California Crossing Road
Dallas, TX 75220-2310

16. Assignment. Contractor shall not sell, assign, transfer, or convey this Contract, in whole or in part, without the prior written consent of the Director. The Director's consent, if given, shall be mailed to the Contractor in accordance with Section 15 of this Contract. Any assignment, or attempted assignment, of rights or delegation of duties under this Contract without the Director's written consent is void.

17. Independent Contractor. The Contractor's status shall be that of an independent contractor and not an agent, servant, employee, or representative of the City in the performance of this Contract. The Contractor shall exercise independent judgment in performing its obligations under this Contract and is solely responsible for setting working hours, scheduling, and prioritizing and determining how its obligations under this Contract are to be performed. No term or provision of this Contract, or act of the Contractor in the performance of this Contract, shall be construed as making the Contractor an agent, servant, or employee of the City or making the Contractor or any

of its employees eligible for fringe benefits, including without limitation retirement, insurance, and worker's compensation, which the City provides its employees.

18. INDEMNITY. THE CONTRACTOR AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, FINES, PENALTIES, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, VIOLATIONS OF STATE OR FEDERAL ENVIRONMENTAL LAWS OR REGULATIONS, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY THE CONTRACTOR'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS CONTRACT, OR BY ANY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS CONTRACT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM THE NEGLIGENCE, WRONGFUL ACT, OR FAULT OF THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF THE CONTRACTOR AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS CONTRACT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

19. Termination.

a. Termination for Cause or Convenience. The City, at the City's option and without prejudice to any other remedy City may be entitled to at law, in equity, or elsewhere under this Contract, may terminate this Contract in whole or in part for cause or for the convenience of the City including, but not limited to, closure of the Landfill or non-appropriation of funding to operate the Landfill.

b. Notice. For purposes of this Section, the City shall give at least ninety (90)-days' advance written notice of termination to the Contractor, unless Landfill closure results from an emergency or termination relates to the Contractor's breach of its insurance obligations under this Contract.

c. Performance. All performance shall cease as of the date specified in the notice provided by the City. The Contractor shall not be entitled to lost or anticipated profits should the City choose to exercise its option to terminate for any reason. Notwithstanding this Section 19.c., the survival provisions in Section 9 shall apply in the event this Contract is terminated for any reason.

20. Venue. The obligations of the Parties to this Contract shall be performable in Denton County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Denton County, Texas.

21. Governing Law. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

22. Legal Construction. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract.

23. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Contract is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Contract to be executed.

24. Captions. The captions to the various clauses of this Contract are for informational purposes only and shall not alter the substance of the terms and conditions of this Contract.

25. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and, except as otherwise provided in this Contract, their assigns.

26. Entire Agreement; No Oral Modifications. This Contract (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Contract. Except as otherwise provided elsewhere in this Contract, this Contract cannot be modified without written supplemental agreement executed by both Parties.

27. Signature Authority. The Contractor represents and warrants to the City that its signatory to this Contract has corporate or organizational authority to execute and perform this Contract on behalf of the Contractor.

Executed this the _____ day of _____, 20____ by the City, signing by and through
its City Manager, duly authorized to execute same by Ordinance _____
Approved on _____, 20____.

CITY OF DENTON, TEXAS

COMMUNITY WASTE DISPOSAL

BY: _____
SARA HENSLEY, CITY MANAGER

BY: Jason Roemer

JASON ROEMER
VICE PRESIDENT
2010 CALIFORNIA CROSSING ROAD
DALLAS, TX 75220-2310

<p>THIS AGREEMENT HAS BEEN BOTH REVIEWED AND APPROVED as to financial and operational obligations and business terms.</p> <p><u>Jason Roemer</u> Signature</p> <p><u>Director</u> Title</p> <p><u>SWR</u> Department</p> <p>Date Signed: <u>8.28.24</u></p>
--

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

EXHIBIT "A"
INSURANCE REQUIREMENTS

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain for the term of the Contract, the minimum insurance coverage as indicated herein.

The Contractor shall file with the Solid Waste Department satisfactory certificates of insurance including any applicable addendum or endorsements. The Contractor may ask for clarification of any insurance requirements at any time, upon written request to the Solid Waste Department.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- I. Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least A or better.
- II. Liability policies shall be endorsed to provide the following:
 - A. Name as Additional Insured the City of Denton, its Officials, Agents, Employees, and volunteers.
 - B. That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
 - C. Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- III. *Cancellation: City requires 30-day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.*
 - A. Should any of the required insurance be provided under a claims made form, Contractor shall maintain such coverage continuously throughout the term of this Contract and, without lapse, for a period of three years beyond the Contract expiration, such that occurrences arising during the Contract Term which give rise to claims made after expiration of the Contract shall be covered.
 - B. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
 - C. Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this Contract effective on the date of the lapse.

IV. SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

A. General Liability Insurance:

1. General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.
2. If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:
 - a. Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
 - b. Coverage B shall include personal injury.
 - c. Coverage C, medical payments, is not required.
3. If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:
 - a. Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
 - b. Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

B. Automobile Liability Insurance:

1. Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$500,000** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.
2. Satisfaction of the above requirement shall be in the form of a policy endorsement for:
 - a. any auto, or
 - b. all owned hired and non-owned autos.

V. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor, which entitles the City to declare the Contract void if the Contractor does not remedy the breach within ten days after receipt of notice of breach from the City.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-185, Version: 1

AGENDA CAPTION

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Frontier Texas Ventures I, LLC a Delaware limited liability company doing business in Texas as "Frontier Waste Solutions" ("contractor"); providing for delivery of guaranteed tonnage at the landfill; providing an effective date



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Solid Waste & Recycling Department

ACM: Frank Dixon

DATE: September 9, 2024

SUBJECT

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Frontier Texas Ventures I, LLC a Delaware limited liability company doing business in Texas as "Frontier Waste Solutions" ("contractor"); providing for delivery of guaranteed tonnage at the landfill; providing an effective date.

BACKGROUND

Between approximately October 1, 2022, and September 20, 2024, the City of Denton maintained contracts with three private companies and two municipalities to provide over 210,000 tons of waste to the City of Denton Landfill; generating over \$7.8 million in revenue over the life of the contracts. Over the next two (2) years, the City of Denton, Solid Waste and Recycling Department, seeks to receive guaranteed, predictable tonnages of solid waste for both revenue and management purposes.

Frontier Waste Solutions is a current landfill customer, with an account in good standing. Frontier Waste Solutions has committed to the delivery up to 35,000 tons of solid waste annually in consideration of a discounted disposal charge of \$37.00 per ton, representing \$ 1,295,000.00 in annual revenue to the Solid Waste fund. This contract includes a promise to bring tonnage to the landfill and make payment based on the guaranteed tonnage regardless of the actual amount of solid waste delivered. Consistent with previous discussions with the Denton City Council and supportive of the City's Comprehensive Solid Waste Management Strategy, Frontier Waste Solutions can earn up to an additional 10% of preferred disposal volume dependent upon their ability to divert material to recycling from their customer base. Net recycling information is required to be reported to the City monthly.

This agreement will be reviewed and trued up annually, including an annual inflation escalator, and provide for two years of revenue to assist in achieving the goal of rate stabilization for the Solid Waste fund.

RECOMMENDATION

Award a contract with Frontier Waste Solutions, for guaranteed landfill disposal volumes, in a two (2) year contract.

ESTIMATED SCHEDULE OF PROJECT

This is a two (2) year contract.

FISCAL INFORMATION

Fund 660-Solid Waste revenue of \$1,295,000.00 annually

EXHIBITS

1. Agenda Information Sheet
2. Draft Ordinance and Contract

Respectfully submitted:
Brian Boerner, 940-349-8001
Director of Solid Waste

ORDINANCE NO. 24-XXX

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO EXECUTE A SOLID WASTE DISPOSAL CONTRACT WITH FRONTIER TEXAS VENTURES I, LLC, A DELAWARE LIMITED LIABILITY COMPANY DOING BUSINESS IN TEXAS AS "FRONTIER WASTE SOLUTIONS" ("CONTRACTOR"); PROVIDING FOR DELIVERY OF GUARANTEED TONNAGE AT THE LANDFILL; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 ("Landfill"); and

WHEREAS, the Landfill is operated in accordance with TCEQ Municipal Solid Waste Management Facility Permit No. MSW-1590B, as amended, issued to the City of Denton pursuant to Texas Health & Safety Code Chapter 361; and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of solid waste at its Landfill; and

WHEREAS, the Contractor seeks to deliver a guaranteed amount of annual tonnage in exchange for a discounted disposal fee, and

WHEREAS, pursuant to the Contract, Contractor promises to deliver guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract year, regardless of the actual amount of solid waste delivered; and

WHEREAS, the City Council has determined this Contract is in the public interest.

NOW THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations contained in the preamble of this Ordinance are incorporated herein by reference.

SECTION 2. The City Council of the City of Denton hereby approves the Contract attached hereto as Attachment "A" for guaranteed tonnage to be delivered to the Landfill.

SECTION 3. The City Manager, or their designee, is hereby authorized to execute the contract and carry out the duties and responsibilities of the City as provided in the Contract.

SECTION 4. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____, the 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: _____
Jill Jester, At Large Place 6: _____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:

LAURA THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:

MACK REINWAND, CITY ATTORNEY

BY: Christopher Mullins

ATTACHMENT "A"
SOLID WASTE DISPOSAL CONTRACT

SOLID WASTE DISPOSAL CONTRACT

1. Recitals Incorporated. The recitals stated above are incorporated in this Contract for all purposes and are found by the Parties to be true and correct.

2. Administration. This Contract shall be administered on behalf of the City by its Director of Solid Waste or the Director's designee (hereinafter called the "Director"), and on behalf of the Contractor by its duly authorized officer or employee.

3. Contract Year. For purposes of this Contract, "Contract Year" shall mean any period during the Contract term beginning on October 1 and ending on September 30 of the following year.

4. Delivery of Acceptable Solid Waste.

a. Acceptable Waste Defined. For purposes of this Contract, "Acceptable Solid Waste" means:

i. All wet or dry Solid Waste that is authorized to be disposed of at the Landfill under applicable Federal, State, and local laws, regulations, ordinances, rules, permits, licenses, and governmental orders or directives; or

ii. Other wet or dry Solid Waste that is not Unacceptable Solid Waste, as defined in Sections 4.b. and 7 of this Contract.

b. Acceptable Waste Exclusion. For purposes of this Contract, Acceptable Solid Waste does not include sludge, special waste, or material delivered by citizens served by other municipalities or corporations. These excluded wastes and materials are considered Unacceptable Solid Waste and are subject to Section 7 of this Contract.

c. Guaranteed Annual Tonnage. Contractor guarantees that it will deliver Acceptable Solid Waste to the Landfill in the following tonnage during each respective Contract Year ("Guaranteed Annual Tonnage"):

Contract Year	Guaranteed Annual Tonnage
FY 2024-2025	35,000 Tons
FY 2025-2026	35,000 Tons

d. City Acceptance of Acceptable Solid Waste. The City agrees to accept all Acceptable Solid Waste delivered to the Landfill on a Landfill Operational Day and in accordance with the terms of this Contract.

e. Monthly Report. Contractor shall, on a monthly basis, provide the City a list of its customer cities, gross and net recycling tonnages delivered, and a list of the Solid Waste tonnages diverted, if any, pursuant to Section 5 of this Contract.

f. Solid Waste. For purposes of this Contract, "Solid Waste" shall have the same meaning as "Municipal Solid Waste" set forth in Subchapter A, Section 361.003(20) of the Texas Health and Safety Code (also known as the Texas Solid Waste Disposal Act).

5. Delivery of Additional Acceptable Tonnage. In a Contract Year, the Contractor may deliver Acceptable Solid Waste in an amount that exceeds the Guaranteed Annual Tonnage ("Additional Acceptable Tonnage"). The Additional Acceptable Tonnage cannot exceed a maximum of ten

Page 2 of 13

percent (10%) of the Guaranteed Annual Tonnage, and the Contractor must divert an equivalent amount of Solid Waste. Diversion of Solid Waste under this Section may be accomplished through recycling, composting, or any other reuse program adopted by a political subdivision the Contractor serves. Additional Acceptable Tonnage will be subject to the rate indicated by the Additional Acceptable Tonnage Fee stated in Section 10 of this Contract.

6. Delivery Procedures; Operation of the Landfill.

a. Landfill Operational Day. For purposes of this Contract, "Landfill Operational Day" means regularly scheduled Landfill operating days during normal hours of operation, excluding City holidays and Landfill half-days. Landfill hours of operation, City holidays, and Landfill half-days are regularly posted on the City's website, www.cityofdenton.com.

b. Operation of the Landfill and Landfill Procedures. Delivery of Acceptable Solid Waste to the Landfill shall occur only on Landfill Operational Days and shall be governed by City ordinances applicable generally to haulers utilizing the Landfill, including, but not limited to, the Code of the City of Denton, Texas, Chapter 24, Sections 24-5 and 24-8, as amended. Contractor shall also comply with all Landfill procedures promulgated by the Director, as the same may be amended from time to time.

c. Closure of the Landfill.

i. Notwithstanding anything in this Contract to the contrary, the City shall have the right, in its sole discretion, to close its Landfill, in whole or in part, either temporarily or permanently, at any time and for any reason. Upon permanent closure, this Contract may be terminated by the City as described in Section 19 of this Contract.

ii. Notwithstanding anything contained in this Contract to the contrary, if any unscheduled closure of the Landfill lasts more than two (2) days, the Contractor may submit a request to the City for an equitable reduction in the Guaranteed Annual Tonnage owed by the Contractor. Whether to grant an equitable reduction in the Guaranteed Annual Tonnage shall be determined based solely on the discretion of the Director, with consideration of factors including, but not limited to, the number of otherwise Operational Days the Landfill is closed. If the Director determines an equitable reduction is appropriate, they will calculate the reduction by (1) dividing the Guaranteed Annual Tonnage for the applicable Contract Year by all Operational Days during the Contract Year and (2) multiplying the resulting amount by the number of days attributable to the unscheduled closure.

iii. If the City closes the Landfill for more than thirty (30) days during any three (3) month period, the Contractor shall be entitled to terminate this Contract by written notice to the City pursuant to Section 15, and the respective obligations of the Parties to deliver and to accept Acceptable Solid Waste shall terminate including, without limitation, Contractor's obligation to deliver the Guaranteed Annual Tonnage and the City's obligation to accept the tonnage and charge the Discount Disposal Fee.

d. Compliance with Applicable Laws. This Contract is entered subject to and controlled by the Charter and Ordinances of the City of Denton, Texas and all applicable laws, rules, and regulations of the State of Texas and the United States of America (Collectively, "Applicable Laws"), as amended. Contractor and City shall, during the performance of this Contract, comply with all applicable City codes, ordinances, and regulations, as amended, and all

applicable State and Federal laws, rules, and regulations, as amended.

e. Title to Waste. Title to and risk of loss and responsibility for Acceptable Solid Waste delivered to the Landfill shall pass at the time such Acceptable Solid Waste is removed from the delivery vehicle at the Landfill. Title to and risk of loss and responsibility for Unacceptable Solid Waste shall remain with the Contractor and its customer and shall never be deemed to pass to the City.

7. Unacceptable Solid Waste.

a. Unacceptable Solid Waste Defined. For the purposes of this Contract, "Unacceptable Solid Waste" means:

- i. Any material that is not Acceptable Solid Waste;
- ii. Any material that by reason of its composition, characteristics or quantity is defined under any Applicable Laws as a "hazardous material," "hazardous waste," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "toxic substance," "toxic waste," "toxic pollutant," "contaminant," "pollutant," "infectious waste," "medical waste," "radioactive waste," or "sewage sludge";
- iii. Any material that requires abnormal handling, storage, management, transfer, or disposal;
- iv. Any other material that may present a substantial endangerment to public health or safety, may cause applicable air quality or water effluent standards to be violated by the normal operation of the Landfill, or because of its size, durability or composition cannot be disposed of at the Landfill or has a reasonable possibility of otherwise adversely affecting the operation or useful life of the Landfill; or
- v. Waste subject to the exclusion in Section 4.b. of this Contract.

b. Delivery of Unacceptable Solid Waste.

- i. The Contractor agrees that it shall not deliver any Unacceptable Solid Waste to the City's Landfill.
- ii. The City shall have the right to reject Solid Waste determined by the Director, in their sole discretion, to be Unacceptable Solid Waste at any time.
- iii. The City shall have the right, but not the obligation, to inspect any of the Contractor's trucks to determine whether the waste delivered is Acceptable Solid Waste or Unacceptable Solid Waste. Any failure by the City to perform any such inspection or to detect Unacceptable Solid Waste shall in no way relieve the Contractor from its obligation to deliver only Acceptable Solid Waste or from its other obligations under this Section 7 including, but not limited to, its duty to retrieve and properly dispose of Unacceptable Solid Waste.
- iv. For purposes of Section 7.b.v., the Contractor agrees it may be contacted at the following telephone number: 888-854-2905. The Contractor may change this number by providing the City 10-day advance written notice mailed pursuant to Section 15 of this Contract.

v. If the Contractor delivers Unacceptable Solid Waste to the City's Landfill, the Director may in their sole discretion:

A. Reject such Unacceptable Solid Waste and order its removal at the Contractor's sole expense; or

B. If the City does not discover the Unacceptable Solid Waste in time to reject its delivery, inform the Contractor of the problem by telephone using the number provided by the Contractor in this Section 7. The Contractor agrees that any good faith effort by the City to contact the Contractor via telephone completely satisfies the notification requirement in this Section 7. The Contractor must pick up the Unacceptable Solid Waste within twenty-four (24) hours of the City's telephone call. However, if the Unacceptable Solid Waste is deemed by the Director, in their sole discretion, to be a threat to the health and safety of City employees or the general public, the Contractor shall remove the Unacceptable Solid Waste immediately.

vi. If the Contractor fails or refuses to timely remove or properly dispose of Unacceptable Solid Waste as provided in this Contract, the City may dispose of such Unacceptable Solid Waste at a location authorized to accept such Unacceptable Solid Waste in accordance with all Applicable Laws, ordinances, and regulations. The Contractor shall reimburse the City for all direct and indirect costs incurred due to the City's removal, handling, transportation, and disposal of Unacceptable Solid Waste. Notwithstanding the foregoing, no notice to Contractor shall be required for City to dispose of Unacceptable Solid Waste at Contractor's sole expense in emergency situations where, in the Director's sole judgment, a delay in such disposal could constitute a hazard to the Landfill or any person on, about, or near the Landfill premises.

vii. If Contractor delivers waste that contains both Acceptable Solid Waste and Unacceptable Solid Waste, the entire delivery shall constitute Unacceptable Solid Waste. If the Unacceptable Solid Waste cannot be separated from the Acceptable Solid Waste through the reasonable efforts of the City, the cost of such separation shall be paid by the Contractor.

8. Term. Unless sooner terminated pursuant to Section 19, this Contract shall be for a term of two (2) years, commencing on October 1, 2024 (the "Contract Start Date") and terminating on September 30, 2026.

9. Survival. Upon termination of this Contract, the respective obligations of the Contractor to Deliver Acceptable Solid Waste and of the City to accept Acceptable Solid Waste shall terminate. However, all other rights and obligations of the Parties under this Contract which by their nature are intended to survive including, but not limited to, those with respect to payment, indemnification, and Unacceptable Solid Waste, shall survive termination.

10. Rates; Payment; Failure to Deliver; Charges; and Deposit.

a. Rates. In consideration of the City's permission to dispose of Acceptable Solid Waste under this Contract, the Contractor shall pay \$37.00 per ton ("Discount Disposal Fee"). The Additional Acceptable Tonnage Fee shall be \$49.50 per ton. The Contractor agrees that the Discount Disposal Fee and the Additional Acceptable Tonnage Fee may be increased on

October 1st of each calendar year beginning on October 1, 2025. The percentage increase will be determined by the Director using the Consumer Price Index for All Urban Consumers (CPI-U) for the South Region for All Items, published by the United States Department of Labor, Bureau of Labor Statistics. Any increase in the Discount Disposal Fee or the Additional Acceptable Tonnage Fee shall not exceed five percent (5%) in any single calendar year.

b. Payment. The Contractor shall pay the Discount Disposal Fee on a monthly basis for the amount of Acceptable Solid Waste delivered to Landfill. The monthly bill shall be paid no later than thirty (30) days after receipt of a monthly invoice from the Director. Failure to remit in a timely manner may result in the termination of this Contract under Section 19, with the Contractor remaining liable to pay for remaining Guaranteed Annual Tonnage and fees due under this Contract. If the Contractor delivers its Guaranteed Annual Tonnage before the end of the corresponding Contract Year, Additional Acceptable Tonnage delivered to the Landfill shall be charged the Additional Acceptable Tonnage Fee.

c. Failure to Deliver the Guaranteed Annual Tonnage; Reconciliation; and Transfers.

i. If at the end of a Contract Year the Contractor has failed to deliver the Guaranteed Annual Tonnage, the Contractor remains obligated under this Contract to pay the Discount Disposal Fee for the entire Guaranteed Annual Tonnage.

ii. At the end of each Contract Year, the Director shall perform a reconciliation of the actual tonnage of Solid Waste disposed of at the Landfill under this Contract in that Contract Year compared with the Guaranteed Annual Tonnage and the amount paid by Contractor during the Contract Year. The Director shall make the appropriate calculations and adjustments to determine the amounts finally due and owed by Contractor in each Contract Year. The Contractor shall pay any amounts owed to City pursuant to the end-of-Contract Year reconciliation not later than thirty (30) days after receipt of an invoice from the Director.

iii. In the event there is a good faith dispute as to the total Discount Disposal Fee amount due at the end of a Contract Year, Contractor shall, at a minimum, pay the undisputed portion of the Discount Disposal Fee due within the thirty (30)-day period set forth in c.ii. of this Section 10. The pursuit of contractual remedies by the City may be suspended during any good faith dispute regarding payment until the dispute is either resolved or the City otherwise determines that the dispute cannot reasonably be resolved. The parties reserve all legal rights and remedies if they cannot amicably resolve a dispute.

iv. No amount of Guaranteed Annual Tonnage may be transferred from one Contract Year to another Contract Year.

d. Taxes and Other Charges. In addition to the Discount Disposal Fee, Contractor shall pay Federal; State; and local taxes, fees, surcharges, and any similar charges related to the acceptance or disposal of Acceptable Solid Waste or related to the operations or activities of the Landfill that are imposed by law, ordinance, regulation, agreement with a governmental authority, governmental audit, or otherwise.

e. Security Deposit. Upon execution of this Contract and consistent with Code of the City of Denton, Texas, Sections 26-3, 26-4, and 26-5, Contractor shall provide a security deposit in an amount equal to one-sixth (1/6) of the total payment amount for the total combined

Guaranteed Annual Tonnage. The Director may, in their sole discretion, approve a lesser deposit if the Contractor receives an acceptable credit rating from a credit source available to the City and the Contractor can demonstrate to the Director's satisfaction it has been operating at least three (3) years. The cost to obtain the credit rating will be charged to the Contractor and will not exceed one hundred dollars (\$100.00). The security deposit may take the form of cash, a performance bond issued by a corporate surety or sureties licensed to issue bonds in the State of Texas and otherwise acceptable to City, or an unconditional, irrevocable standby letter of credit issued by and drawable at a financial institution located in Denton County, Texas. If other than cash, the form of the security deposit is subject to approval by the Director, in their sole discretion, and approval as to legal form by the Denton City Attorney's Office. For a multi-year contract, the security deposit will be reviewed annually to reflect an increase or decrease to the Discount Disposal Fee, and the total amount of the security deposit will be increased or decreased to reflect the change.

11. Remedies in the Event of Default. If the Contractor, after thirty (30)-days' advance written notice and opportunity to cure from the City, fails to pay amounts due under this Contract or breaches any term, condition, or covenant of this Contract, the Director, in their sole discretion, may exercise any or all of the following remedies without waiving any other remedies available to the City at law or in equity:

- a. Suspend delivery of Solid Waste to the Landfill by the Contractor. If the Contractor's delivery of Solid Waste to the Landfill is suspended for nonpayment, the Contractor's obligation to pay the full amount for the Guaranteed Annual Tonnage remains in effect;
- b. Terminate this Contract for default as provided in Section 19; or
- c. Draw upon the security deposit and require the Contractor to furnish a replacement security deposit as provided in Section 10.e. above, except that the Director may require a greater amount of security than provided for in Section 10.e. in order to provide the City with adequate assurance of performance by the Contractor.

12. Insurance. During the term of this Contract, the Contractor shall procure, pay for, and maintain at least the minimum insurance coverages described in Exhibit "A", attached hereto and made a part of this Contract. Approval, disapproval, or failure to act by the City regarding any insurance supplied by the Contractor or its subcontractors shall not relieve the Contractor of full responsibility or liability for damages, errors, omissions, or accidents as set forth in this Contract. The bankruptcy or insolvency of the Contractor's insurer or any denial of liability by the Contractor's insurer shall not exonerate the Contractor from the liability or responsibility of the Contractor set forth in this Contract.

13. Force Majeure. In no event shall the City be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes; pandemics; work stoppages; accidents, acts of war or terrorism; civil or military disturbances; nuclear or natural catastrophes; acts of God; or interruptions, loss, or malfunctions of utilities, communications, or computer (software and hardware) services. The City shall use reasonable efforts which are consistent with accepted practices to resume performance as soon as practicable under the circumstances.

14. Environmental Compliance. The Contractor and the City shall comply with all Federal, State and local environmental laws and regulations, including, but not limited to, the Resource Conservation and Recovery Act ("RCRA"), the Safe Drinking Water Act ("SDWA"), the Clean Water Act ("CWA"), and the Clean Air Act ("CAA") in their performance under this Contract. The Contractor shall ensure that its agents, subcontractors, and employees have received training or information appropriate to the environmental aspects and impacts of their activities in connection with the performance of this Contract. The Contractor and the City shall ensure that any spills or other releases of materials into the environment that may result from their performance under this Contract are responded to and reported adequately and in compliance with applicable environmental laws.

15. Notice. Unless otherwise specified in Section 7, relating to telephone notification of delivery of Unacceptable Solid Waste, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and mailed to the addresses appearing below, but each party may change its address by providing ten (10)-days' advance written notice in accordance with this Section. Mailed notices shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices mailed by other means shall be deemed delivered upon receipt by the addressee.

If intended for the City, to:
Director of Solid Waste
City of Denton
Solid Waste and Recycling Department
1527 S. Mayhill Rd.
Denton, TX 76208

If intended for Contractor, to:
Grant Gregg
NTX Area Manager
Frontier Waste Solutions
2323 Bryant St. Ste 2620
Dallas, TX 75210

16. Assignment. Contractor shall not sell, assign, transfer, or convey this Contract, in whole or in part, without the prior written consent of the Director. The Director's consent, if given, shall be mailed to the Contractor in accordance with Section 15 of this Contract. Any assignment, or attempted assignment, of rights or delegation of duties under this Contract without the Director's written consent is void.

17. Independent Contractor. The Contractor's status shall be that of an independent contractor and not an agent, servant, employee, or representative of the City in the performance of this Contract. The Contractor shall exercise independent judgment in performing its obligations under this Contract and is solely responsible for setting working hours, scheduling, and prioritizing and determining how its obligations under this Contract are to be performed. No term or provision of this Contract, or act of the Contractor in the performance of this Contract, shall be construed as making the Contractor an agent, servant, or employee of the City or making the Contractor or any

Page 8 of 13

of its employees eligible for fringe benefits, including without limitation retirement, insurance, and worker's compensation, which the City provides its employees.

18. INDEMNITY. THE CONTRACTOR AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, FINES, PENALTIES, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, VIOLATIONS OF STATE OR FEDERAL ENVIRONMENTAL LAWS OR REGULATIONS, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY THE CONTRACTOR'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS CONTRACT, OR BY ANY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS CONTRACT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM THE NEGLIGENCE, WRONGFUL ACT, OR FAULT OF THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF THE CONTRACTOR AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS CONTRACT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

19. Termination.

a. Termination for Cause or Convenience. The City, at the City's option and without prejudice to any other remedy City may be entitled to at law, in equity, or elsewhere under this Contract, may terminate this Contract in whole or in part for cause or for the convenience of the City including, but not limited to, closure of the Landfill or non-appropriation of funding to operate the Landfill.

b. Notice. For purposes of this Section, the City shall give at least ninety (90)-days' advance written notice of termination to the Contractor, unless Landfill closure results from an emergency or termination relates to the Contractor's breach of its insurance obligations under this Contract.

c. Performance. All performance shall cease as of the date specified in the notice provided by the City. The Contractor shall not be entitled to lost or anticipated profits should the City choose to exercise its option to terminate for any reason. Notwithstanding this Section 19.c., the survival provisions in Section 9 shall apply in the event this Contract is terminated for any reason.

20. Venue. The obligations of the Parties to this Contract shall be performable in Denton County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Denton County, Texas.

21. Governing Law. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

22. Legal Construction. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract.

23. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Contract is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Contract to be executed.

24. Captions. The captions to the various clauses of this Contract are for informational purposes only and shall not alter the substance of the terms and conditions of this Contract.

25. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and, except as otherwise provided in this Contract, their assigns.

26. Entire Agreement; No Oral Modifications. This Contract (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Contract. Except as otherwise provided elsewhere in this Contract, this Contract cannot be modified without written supplemental agreement executed by both Parties.

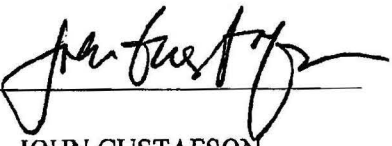
27. Signature Authority. The Contractor represents and warrants to the City that its signatory to this Contract has corporate or organizational authority to execute and perform this Contract on behalf of the Contractor.




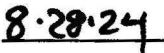
Executed this the _____ day of _____, 20____ by the City, signing by and through
its City Manager, duly authorized to execute same by Ordinance _____
Approved on _____, 20____.

CITY OF DENTON, TEXAS

FRONTIER TEXAS VENTURES I, LLC

BY: _____
SARA HENSLEY, CITY MANAGER

BY: 
JOHN GUSTAFSON
CEO
2323 BRYANT ST., STE. 2620
DALLAS, TX 75210

<p>THIS AGREEMENT HAS BEEN BOTH REVIEWED AND APPROVED as to financial and operational obligations and business terms.</p> <p> _____ Signature</p> <p> _____ Title</p> <p> _____ Department</p> <p>Date Signed:  8-28-24</p>

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

EXHIBIT "A"
INSURANCE REQUIREMENTS

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain for the term of the Contract, the minimum insurance coverage as indicated herein.

The Contractor shall file with the Solid Waste Department satisfactory certificates of insurance including any applicable addendum or endorsements. The Contractor may ask for clarification of any insurance requirements at any time, upon written request to the Solid Waste Department.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- I. Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least A or better.
- II. Liability policies shall be endorsed to provide the following:
 - A. Name as Additional Insured the City of Denton, its Officials, Agents, Employees, and volunteers.
 - B. That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
 - C. Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- III. *Cancellation: City requires 30-day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.*
 - A. Should any of the required insurance be provided under a claims made form, Contractor shall maintain such coverage continuously throughout the term of this Contract and, without lapse, for a period of three years beyond the Contract expiration, such that occurrences arising during the Contract Term which give rise to claims made after expiration of the Contract shall be covered.
 - B. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
 - C. Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this Contract effective on the date of the lapse.

IV. SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

A. General Liability Insurance:

1. General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.
2. If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:
 - a. Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
 - b. Coverage B shall include personal injury.
 - c. Coverage C, medical payments, is not required.
3. If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:
 - a. Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
 - b. Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

B. Automobile Liability Insurance:

1. Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$500,000** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.
2. Satisfaction of the above requirement shall be in the form of a policy endorsement for:
 - a. any auto, or
 - b. all owned hired and non-owned autos.

V. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor, which entitles the City to declare the Contract void if the Contractor does not remedy the breach within ten days after receipt of notice of breach from the City.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-186, **Version:** 1

AGENDA CAPTION

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Parker Waste Services, LLC (“contractor”); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Solid Waste & Recycling Department

ACM: Frank Dixon

DATE: September 9, 2024

SUBJECT

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Parker Waste Services, LLC ("contractor"); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.

BACKGROUND

Between approximately October 1, 2022, and September 20, 2024, the City of Denton maintained contracts with three private companies and two municipalities to provide over 210,000 tons of waste to the City of Denton Landfill; generating over \$7.8 million in revenue over the life of the contracts. Over the next two (2) years, the City of Denton, Solid Waste and Recycling Department, seeks to receive guaranteed, predictable tonnages of solid waste for both revenue and management purposes.

Parker Waste is a current landfill customer, with an account in good standing. Parker Waste has committed to the delivery up to 17,000 tons of solid waste annually in consideration of a discounted disposal charge of \$43.32 per ton, representing \$ 736,440.00 in annual revenue to the Solid Waste fund. This contract includes a promise to bring tonnage to the landfill and make payment based on the guaranteed tonnage regardless of the actual amount of solid waste delivered. Consistent with previous discussions with the Denton City Council and supportive of the City's Comprehensive Solid Waste Management Strategy, Parker Waste can earn up to an additional 10% of preferred disposal volume dependent upon their ability to divert material to recycling from their customer base. Net recycling information is required to be reported to the City monthly.

This agreement will be reviewed and trued up annually, including an annual inflation escalator, and provide for two years of revenue to assist in achieving the goal of rate stabilization for the Solid Waste fund.

RECOMMENDATION

Award a contract with Parker Waste, for guaranteed landfill disposal volumes, in a two (2) year contract.

ESTIMATED SCHEDULE OF PROJECT

This is a two (2) year contract.

FISCAL INFORMATION

Fund 660-Solid Waste revenue of \$736,440.00 annually

EXHIBITS

1. Agenda Information Sheet
2. Draft Ordinance and Contract

Respectfully submitted:
Brian Boerner, 940-349-8001
Director of Solid Waste

ORDINANCE NO. 24-XXX

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO EXECUTE A SOLID WASTE DISPOSAL CONTRACT WITH PARKER WASTE SERVICES, LLC ("CONTRACTOR"); PROVIDING FOR DELIVERY OF GUARANTEED TONNAGE AT THE LANDFILL; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 ("Landfill"); and

WHEREAS, the Landfill is operated in accordance with TCEQ Municipal Solid Waste Management Facility Permit No. MSW-1590B, as amended, issued to the City of Denton pursuant to Texas Health & Safety Code Chapter 361; and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of solid waste at its Landfill; and

WHEREAS, the Contractor seeks to deliver a guaranteed amount of annual tonnage in exchange for a discounted disposal fee, and

WHEREAS, pursuant to the Contract, Contractor promises to deliver guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract year, regardless of the actual amount of solid waste delivered; and

WHEREAS, the City Council has determined this Contract is in the public interest.

NOW THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations contained in the preamble of this Ordinance are incorporated herein by reference.

SECTION 2. The City Council of the City of Denton hereby approves the Contract attached hereto as Attachment "A" for guaranteed tonnage to be delivered to the Landfill.

SECTION 3. The City Manager, or their designee, is hereby authorized to execute the contract and carry out the duties and responsibilities of the City as provided in the Contract.

SECTION 4. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____, the 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:

LAURA THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:

MACK REINWAND, CITY ATTORNEY

BY: Christopher Mullins

ATTACHMENT "A"
SOLID WASTE DISPOSAL CONTRACT

STATE OF TEXAS	§	
	§	SOLID WASTE DISPOSAL CONTRACT
COUNTY OF DENTON	§	

This Solid Waste Disposal Contract ("Contract") is by and between the City of Denton, a Texas home-rule municipal corporation ("City") and Parker Waste Services, LLC, a Texas Corporation, with its principal address at PO Box 2047, Weatherford, Texas 76086 ("Contractor") (Collectively, the "Parties").

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 ("Landfill"); and

WHEREAS, the Landfill is operated in accordance with TCEQ Municipal Solid Waste Management Facility Permit No. MSW-1590B, as amended, issued to the City of Denton pursuant to Texas Health & Safety Code Chapter 361; and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of Solid Waste at its Landfill; and

WHEREAS, the Contractor seeks to deliver a guaranteed amount of annual tonnage in exchange for a discounted disposal fee, and

WHEREAS, the Contractor promises to deliver the guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract Year, regardless of the actual amount of Solid Waste delivered; and

WHEREAS, the Contractor represents and warrants to the City that executing this Contract does not constitute a breach, default under any Applicable Laws, or material conflict with the Contractor's respective organizational documents or any documents, agreements, contracts, or instruments which are binding upon it and the Contractor agrees that any such breach, default, or conflict is a material breach of this Contract; and

WHEREAS, the Parties agree the terms contained in this Contract are fair, reasonable, and mutually beneficial; and

WHEREAS, the Parties agree this Contract creates valid, legal, and binding obligations enforceable against the Contractor, subject to applicable insolvency and bankruptcy laws; and

WHEREAS, the City has determined this Contract is in the public interest.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in this Contract, the Parties agree to the following terms and conditions:

1. Recitals Incorporated. The recitals stated above are incorporated in this Contract for all purposes and are found by the Parties to be true and correct.

2. Administration. This Contract shall be administered on behalf of the City by its Director of Solid Waste or the Director's designee (hereinafter called the "Director"), and on behalf of the Contractor by its duly authorized officer or employee.

3. Contract Year. For purposes of this Contract, "Contract Year" shall mean any period during the Contract term beginning on October 1 and ending on September 30 of the following year.

4. Delivery of Acceptable Solid Waste.

a. Acceptable Waste Defined. For purposes of this Contract, "Acceptable Solid Waste" means:

- i. All wet or dry Solid Waste that is authorized to be disposed of at the Landfill under applicable Federal, State, and local laws, regulations, ordinances, rules, permits, licenses, and governmental orders or directives; or
- ii. Other wet or dry Solid Waste that is not Unacceptable Solid Waste, as defined in Sections 4.b. and 7 of this Contract.

b. Acceptable Waste Exclusion. For purposes of this Contract, Acceptable Solid Waste does not include sludge, special waste, or material delivered by citizens served by other municipalities or corporations. These excluded wastes and materials are considered Unacceptable Solid Waste and are subject to Section 7 of this Contract.

c. Guaranteed Annual Tonnage. Contractor guarantees that it will deliver Acceptable Solid Waste to the Landfill in the following tonnage during each respective Contract Year ("Guaranteed Annual Tonnage"):

Contract Year	Guaranteed Annual Tonnage
FY 2024-2025	17,000 Tons
FY 2025-2026	17,000 Tons

d. City Acceptance of Acceptable Solid Waste. The City agrees to accept all Acceptable Solid Waste delivered to the Landfill on a Landfill Operational Day and in accordance with the terms of this Contract.

e. Monthly Report. Contractor shall, on a monthly basis, provide the City a list of its customer cities, gross and net recycling tonnages delivered, and a list of the Solid Waste tonnages diverted, if any, pursuant to Section 5 of this Contract.

f. Solid Waste. For purposes of this Contract, "Solid Waste" shall have the same meaning as "Municipal Solid Waste" set forth in Subchapter A, Section 361.003(20) of the Texas Health and Safety Code (also known as the Texas Solid Waste Disposal Act).

5. Delivery of Additional Acceptable Tonnage. In a Contract Year, the Contractor may deliver Acceptable Solid Waste in an amount that exceeds the Guaranteed Annual Tonnage ("Additional Acceptable Tonnage"). The Additional Acceptable Tonnage cannot exceed a maximum of ten

percent (10%) of the Guaranteed Annual Tonnage, and the Contractor must divert an equivalent amount of Solid Waste. Diversion of Solid Waste under this Section may be accomplished through recycling, composting, or any other reuse program adopted by a political subdivision the Contractor serves. Additional Acceptable Tonnage will be subject to the rate indicated by the Additional Acceptable Tonnage Fee stated in Section 10 of this Contract.

6. Delivery Procedures; Operation of the Landfill.

a. Landfill Operational Day. For purposes of this Contract, “Landfill Operational Day” means regularly scheduled Landfill operating days during normal hours of operation, excluding City holidays and Landfill half-days. Landfill hours of operation, City holidays, and Landfill half-days are regularly posted on the City’s website, www.cityofdenton.com.

b. Operation of the Landfill and Landfill Procedures. Delivery of Acceptable Solid Waste to the Landfill shall occur only on Landfill Operational Days and shall be governed by City ordinances applicable generally to haulers utilizing the Landfill, including, but not limited to, the Code of the City of Denton, Texas, Chapter 24, Sections 24-5 and 24-8, as amended. Contractor shall also comply with all Landfill procedures promulgated by the Director, as the same may be amended from time to time.

c. Closure of the Landfill.

i. Notwithstanding anything in this Contract to the contrary, the City shall have the right, in its sole discretion, to close its Landfill, in whole or in part, either temporarily or permanently, at any time and for any reason. Upon permanent closure, this Contract may be terminated by the City as described in Section 19 of this Contract.

ii. Notwithstanding anything contained in this Contract to the contrary, if any unscheduled closure of the Landfill lasts more than two (2) days, the Contractor may submit a request to the City for an equitable reduction in the Guaranteed Annual Tonnage owed by the Contractor. Whether to grant an equitable reduction in the Guaranteed Annual Tonnage shall be determined based solely on the discretion of the Director, with consideration of factors including, but not limited to, the number of otherwise Operational Days the Landfill is closed. If the Director determines an equitable reduction is appropriate, they will calculate the reduction by (1) dividing the Guaranteed Annual Tonnage for the applicable Contract Year by all Operational Days during the Contract Year and (2) multiplying the resulting amount by the number of days attributable to the unscheduled closure.

iii. If the City closes the Landfill for more than thirty (30) days during any three (3) month period, the Contractor shall be entitled to terminate this Contract by written notice to the City pursuant to Section 15, and the respective obligations of the Parties to deliver and to accept Acceptable Solid Waste shall terminate including, without limitation, Contractor’s obligation to deliver the Guaranteed Annual Tonnage and the City’s obligation to accept the tonnage and charge the Discount Disposal Fee.

d. Compliance with Applicable Laws. This Contract is entered subject to and controlled by the Charter and Ordinances of the City of Denton, Texas and all applicable laws, rules, and regulations of the State of Texas and the United States of America (Collectively, “Applicable Laws”), as amended. Contractor and City shall, during the performance of this Contract, comply with all applicable City codes, ordinances, and regulations, as amended, and all

applicable State and Federal laws, rules, and regulations, as amended.

e. Title to Waste. Title to and risk of loss and responsibility for Acceptable Solid Waste delivered to the Landfill shall pass at the time such Acceptable Solid Waste is removed from the delivery vehicle at the Landfill. Title to and risk of loss and responsibility for Unacceptable Solid Waste shall remain with the Contractor and its customer and shall never be deemed to pass to the City.

7. Unacceptable Solid Waste.

a. Unacceptable Solid Waste Defined. For the purposes of this Contract, "Unacceptable Solid Waste" means:

- i. Any material that is not Acceptable Solid Waste;
- ii. Any material that by reason of its composition, characteristics or quantity is defined under any Applicable Laws as a "hazardous material," "hazardous waste," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "toxic substance," "toxic waste," "toxic pollutant," "contaminant," "pollutant," "infectious waste," "medical waste," "radioactive waste," or "sewage sludge";
- iii. Any material that requires abnormal handling, storage, management, transfer, or disposal;
- iv. Any other material that may present a substantial endangerment to public health or safety, may cause applicable air quality or water effluent standards to be violated by the normal operation of the Landfill, or because of its size, durability or composition cannot be disposed of at the Landfill or has a reasonable possibility of otherwise adversely affecting the operation or useful life of the Landfill; or
- v. Waste subject to the exclusion in Section 4.b. of this Contract.

b. Delivery of Unacceptable Solid Waste.

- i. The Contractor agrees that it shall not deliver any Unacceptable Solid Waste to the City's Landfill.
- ii. The City shall have the right to reject Solid Waste determined by the Director, in their sole discretion, to be Unacceptable Solid Waste at any time.
- iii. The City shall have the right, but not the obligation, to inspect any of the Contractor's trucks to determine whether the waste delivered is Acceptable Solid Waste or Unacceptable Solid Waste. Any failure by the City to perform any such inspection or to detect Unacceptable Solid Waste shall in no way relieve the Contractor from its obligation to deliver only Acceptable Solid Waste or from its other obligations under this Section 7 including, but not limited to, its duty to retrieve and properly dispose of Unacceptable Solid Waste.
- iv. For purposes of Section 7.b.v., the Contractor agrees it may be contacted at the following telephone number: 817-938-1504. The Contractor may change this number by providing the City 10-day advance written notice mailed pursuant to Section 15 of this Contract.

v. If the Contractor delivers Unacceptable Solid Waste to the City's Landfill, the Director may in their sole discretion:

A. Reject such Unacceptable Solid Waste and order its removal at the Contractor's sole expense; or

B. If the City does not discover the Unacceptable Solid Waste in time to reject its delivery, inform the Contractor of the problem by telephone using the number provided by the Contractor in this Section 7. The Contractor agrees that any good faith effort by the City to contact the Contractor via telephone completely satisfies the notification requirement in this Section 7. The Contractor must pick up the Unacceptable Solid Waste within twenty-four (24) hours of the City's telephone call. However, if the Unacceptable Solid Waste is deemed by the Director, in their sole discretion, to be a threat to the health and safety of City employees or the general public, the Contractor shall remove the Unacceptable Solid Waste immediately.

vi. If the Contractor fails or refuses to timely remove or properly dispose of Unacceptable Solid Waste as provided in this Contract, the City may dispose of such Unacceptable Solid Waste at a location authorized to accept such Unacceptable Solid Waste in accordance with all Applicable Laws, ordinances, and regulations. The Contractor shall reimburse the City for all direct and indirect costs incurred due to the City's removal, handling, transportation, and disposal of Unacceptable Solid Waste. Notwithstanding the foregoing, no notice to Contractor shall be required for City to dispose of Unacceptable Solid Waste at Contractor's sole expense in emergency situations where, in the Director's sole judgment, a delay in such disposal could constitute a hazard to the Landfill or any person on, about, or near the Landfill premises.

vii. If Contractor delivers waste that contains both Acceptable Solid Waste and Unacceptable Solid Waste, the entire delivery shall constitute Unacceptable Solid Waste. If the Unacceptable Solid Waste cannot be separated from the Acceptable Solid Waste through the reasonable efforts of the City, the cost of such separation shall be paid by the Contractor.

8. Term. Unless sooner terminated pursuant to Section 19, this Contract shall be for a term of two (2) years, commencing on October 1, 2024 (the "Contract Start Date") and terminating on September 30, 2026.

9. Survival. Upon termination of this Contract, the respective obligations of the Contractor to Deliver Acceptable Solid Waste and of the City to accept Acceptable Solid Waste shall terminate. However, all other rights and obligations of the Parties under this Contract which by their nature are intended to survive including, but not limited to, those with respect to payment, indemnification, and Unacceptable Solid Waste, shall survive termination.

10. Rates; Payment; Failure to Deliver; Charges; and Deposit.

a. Rates. In consideration of the City's permission to dispose of Acceptable Solid Waste under this Contract, the Contractor shall pay \$43.32 per ton ("Discount Disposal Fee"). The Additional Acceptable Tonnage Fee shall be \$49.50 per ton. The Contractor agrees that the Discount Disposal Fee and the Additional Acceptable Tonnage Fee may be increased on

October 1st of each calendar year beginning on October 1, 2025. The percentage increase will be determined by the Director using the Consumer Price Index for All Urban Consumers (CPI-U) for the South Region for All Items, published by the United States Department of Labor, Bureau of Labor Statistics. Any increase in the Discount Disposal Fee or the Additional Acceptable Tonnage Fee shall not exceed five percent (5%) in any single calendar year.

b. Payment. The Contractor shall pay the Discount Disposal Fee on a monthly basis for the amount of Acceptable Solid Waste delivered to Landfill. The monthly bill shall be paid no later than thirty (30) days after receipt of a monthly invoice from the Director. Failure to remit in a timely manner may result in the termination of this Contract under Section 19, with the Contractor remaining liable to pay for remaining Guaranteed Annual Tonnage and fees due under this Contract. If the Contractor delivers its Guaranteed Annual Tonnage before the end of the corresponding Contract Year, Additional Acceptable Tonnage delivered to the Landfill shall be charged the Additional Acceptable Tonnage Fee.

c. Failure to Deliver the Guaranteed Annual Tonnage; Reconciliation; and Transfers.

i. If at the end of a Contract Year the Contractor has failed to deliver the Guaranteed Annual Tonnage, the Contractor remains obligated under this Contract to pay the Discount Disposal Fee for the entire Guaranteed Annual Tonnage.

ii. At the end of each Contract Year, the Director shall perform a reconciliation of the actual tonnage of Solid Waste disposed of at the Landfill under this Contract in that Contract Year compared with the Guaranteed Annual Tonnage and the amount paid by Contractor during the Contract Year. The Director shall make the appropriate calculations and adjustments to determine the amounts finally due and owed by Contractor in each Contract Year. The Contractor shall pay any amounts owed to City pursuant to the end-of-Contract Year reconciliation not later than thirty (30) days after receipt of an invoice from the Director.

iii. In the event there is a good faith dispute as to the total Discount Disposal Fee amount due at the end of a Contract Year, Contractor shall, at a minimum, pay the undisputed portion of the Discount Disposal Fee due within the thirty (30)-day period set forth in c.ii. of this Section 10. The pursuit of contractual remedies by the City may be suspended during any good faith dispute regarding payment until the dispute is either resolved or the City otherwise determines that the dispute cannot reasonably be resolved. The parties reserve all legal rights and remedies if they cannot amicably resolve a dispute.

iv. No amount of Guaranteed Annual Tonnage may be transferred from one Contract Year to another Contract Year.

d. Taxes and Other Charges. In addition to the Discount Disposal Fee, Contractor shall pay Federal; State; and local taxes, fees, surcharges, and any similar charges related to the acceptance or disposal of Acceptable Solid Waste or related to the operations or activities of the Landfill that are imposed by law, ordinance, regulation, agreement with a governmental authority, governmental audit, or otherwise.

e. Security Deposit. Upon execution of this Contract and consistent with Code of the City of Denton, Texas, Sections 26-3, 26-4, and 26-5, Contractor shall provide a security deposit in an amount equal to one-sixth (1/6) of the total payment amount for the total combined

Guaranteed Annual Tonnage. The Director may, in their sole discretion, approve a lesser deposit if the Contractor receives an acceptable credit rating from a credit source available to the City and the Contractor can demonstrate to the Director's satisfaction it has been operating at least three (3) years. The cost to obtain the credit rating will be charged to the Contractor and will not exceed one hundred dollars (\$100.00). The security deposit may take the form of cash, a performance bond issued by a corporate surety or sureties licensed to issue bonds in the State of Texas and otherwise acceptable to City, or an unconditional, irrevocable standby letter of credit issued by and drawable at a financial institution located in Denton County, Texas. If other than cash, the form of the security deposit is subject to approval by the Director, in their sole discretion, and approval as to legal form by the Denton City Attorney's Office. For a multi-year contract, the security deposit will be reviewed annually to reflect an increase or decrease to the Discount Disposal Fee, and the total amount of the security deposit will be increased or decreased to reflect the change.

11. Remedies in the Event of Default. If the Contractor, after thirty (30)-days' advance written notice and opportunity to cure from the City, fails to pay amounts due under this Contract or breaches any term, condition, or covenant of this Contract, the Director, in their sole discretion, may exercise any or all of the following remedies without waiving any other remedies available to the City at law or in equity:

- a. Suspend delivery of Solid Waste to the Landfill by the Contractor. If the Contractor's delivery of Solid Waste to the Landfill is suspended for nonpayment, the Contractor's obligation to pay the full amount for the Guaranteed Annual Tonnage remains in effect;
- b. Terminate this Contract for default as provided in Section 19; or
- c. Draw upon the security deposit and require the Contractor to furnish a replacement security deposit as provided in Section 10.e. above, except that the Director may require a greater amount of security than provided for in Section 10.e. in order to provide the City with adequate assurance of performance by the Contractor.

12. Insurance. During the term of this Contract, the Contractor shall procure, pay for, and maintain at least the minimum insurance coverages described in Exhibit "A", attached hereto and made a part of this Contract. Approval, disapproval, or failure to act by the City regarding any insurance supplied by the Contractor or its subcontractors shall not relieve the Contractor of full responsibility or liability for damages, errors, omissions, or accidents as set forth in this Contract. The bankruptcy or insolvency of the Contractor's insurer or any denial of liability by the Contractor's insurer shall not exonerate the Contractor from the liability or responsibility of the Contractor set forth in this Contract.

13. Force Majeure. In no event shall the City be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes; pandemics; work stoppages; accidents, acts of war or terrorism; civil or military disturbances; nuclear or natural catastrophes; acts of God; or interruptions, loss, or malfunctions of utilities, communications, or computer (software and hardware) services. The City shall use reasonable efforts which are consistent with accepted practices to resume performance as soon as practicable under the circumstances.

14. Environmental Compliance. The Contractor and the City shall comply with all Federal, State and local environmental laws and regulations, including, but not limited to, the Resource Conservation and Recovery Act ("RCRA"), the Safe Drinking Water Act ("SDWA"), the Clean Water Act ("CWA"), and the Clean Air Act ("CAA") in their performance under this Contract. The Contractor shall ensure that its agents, subcontractors, and employees have received training or information appropriate to the environmental aspects and impacts of their activities in connection with the performance of this Contract. The Contractor and the City shall ensure that any spills or other releases of materials into the environment that may result from their performance under this Contract are responded to and reported adequately and in compliance with applicable environmental laws.

15. Notice. Unless otherwise specified in Section 7, relating to telephone notification of delivery of Unacceptable Solid Waste, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and mailed to the addresses appearing below, but each party may change its address by providing ten (10)-days' advance written notice in accordance with this Section. Mailed notices shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices mailed by other means shall be deemed delivered upon receipt by the addressee.

If intended for the City, to:
Director of Solid Waste
City of Denton
Solid Waste and Recycling Department
1527 S. Mayhill Rd.
Denton, TX 76208

If intended for Contractor, to:
Troy Mars
President
Parker Waste Service. LLC
PO Box 2047
Weatherford, TX 76086

16. Assignment. Contractor shall not sell, assign, transfer, or convey this Contract, in whole or in part, without the prior written consent of the Director. The Director's consent, if given, shall be mailed to the Contractor in accordance with Section 15 of this Contract. Any assignment, or attempted assignment, of rights or delegation of duties under this Contract without the Director's written consent is void.

17. Independent Contractor. The Contractor's status shall be that of an independent contractor and not an agent, servant, employee, or representative of the City in the performance of this Contract. The Contractor shall exercise independent judgment in performing its obligations under this Contract and is solely responsible for setting working hours, scheduling, and prioritizing and determining how its obligations under this Contract are to be performed. No term or provision of this Contract, or act of the Contractor in the performance of this Contract, shall be construed as making the Contractor an agent, servant, or employee of the City or making the Contractor or any

Page 8 of 13

of its employees eligible for fringe benefits, including without limitation retirement, insurance, and worker's compensation, which the City provides its employees.

18. INDEMNITY. THE CONTRACTOR AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, FINES, PENALTIES, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, VIOLATIONS OF STATE OR FEDERAL ENVIRONMENTAL LAWS OR REGULATIONS, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY THE CONTRACTOR'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS CONTRACT, OR BY ANY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS CONTRACT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM THE NEGLIGENCE, WRONGFUL ACT, OR FAULT OF THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF THE CONTRACTOR AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS CONTRACT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

19. Termination.

a. Termination for Cause or Convenience. The City, at the City's option and without prejudice to any other remedy City may be entitled to at law, in equity, or elsewhere under this Contract, may terminate this Contract in whole or in part for cause or for the convenience of the City including, but not limited to, closure of the Landfill or non-appropriation of funding to operate the Landfill.

b. Notice. For purposes of this Section, the City shall give at least ninety (90)-days' advance written notice of termination to the Contractor, unless Landfill closure results from an emergency or termination relates to the Contractor's breach of its insurance obligations under this Contract.

c. Performance. All performance shall cease as of the date specified in the notice provided by the City. The Contractor shall not be entitled to lost or anticipated profits should the City choose to exercise its option to terminate for any reason. Notwithstanding this Section 19.c., the survival provisions in Section 9 shall apply in the event this Contract is terminated for any reason.

20. Venue. The obligations of the Parties to this Contract shall be performable in Denton County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Denton County, Texas.

21. Governing Law. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

22. Legal Construction. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract.

23. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Contract is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Contract to be executed.

24. Captions. The captions to the various clauses of this Contract are for informational purposes only and shall not alter the substance of the terms and conditions of this Contract.

25. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and, except as otherwise provided in this Contract, their assigns.

26. Entire Agreement; No Oral Modifications. This Contract (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Contract. Except as otherwise provided elsewhere in this Contract, this Contract cannot be modified without written supplemental agreement executed by both Parties.

27. Signature Authority. The Contractor represents and warrants to the City that its signatory to this Contract has corporate or organizational authority to execute and perform this Contract on behalf of the Contractor.

Executed this the _____ day of _____, 20__ by the City, signing by and through
its City Manager, duly authorized to execute same by Ordinance _____
Approved on _____, 20__.

CITY OF DENTON, TEXAS

PARKER WASTE SERVICES, LLC

BY: _____
SARA HENSLEY, CITY MANAGER

BY: Troy Mars

TROY MARS
PRESIDENT
PO BOX 2047
WEATHERFORD, TX 76086

<p>THIS AGREEMENT HAS BEEN BOTH REVIEWED AND APPROVED as to financial and operational obligations and business terms.</p> <p><u>[Signature]</u> Signature</p> <p><u>Director</u> Title</p> <p><u>SWR</u> Department</p> <p>Date Signed: <u>8.28.24</u></p>

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

EXHIBIT "A"
INSURANCE REQUIREMENTS

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain for the term of the Contract, the minimum insurance coverage as indicated herein.

The Contractor shall file with the Solid Waste Department satisfactory certificates of insurance including any applicable addendum or endorsements. The Contractor may ask for clarification of any insurance requirements at any time, upon written request to the Solid Waste Department.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- I. Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least A or better.
- II. Liability policies shall be endorsed to provide the following:
 - A. Name as Additional Insured the City of Denton, its Officials, Agents, Employees, and volunteers.
 - B. That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
 - C. Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- III. *Cancellation: City requires 30-day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.*
 - A. Should any of the required insurance be provided under a claims made form, Contractor shall maintain such coverage continuously throughout the term of this Contract and, without lapse, for a period of three years beyond the Contract expiration, such that occurrences arising during the Contract Term which give rise to claims made after expiration of the Contract shall be covered.
 - B. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
 - C. Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this Contract effective on the date of the lapse.

IV. SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

A. General Liability Insurance:

1. General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.
2. If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:
 - a. Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
 - b. Coverage B shall include personal injury.
 - c. Coverage C, medical payments, is not required.
3. If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:
 - a. Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
 - b. Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

B. Automobile Liability Insurance:

1. Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$500,000** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.
2. Satisfaction of the above requirement shall be in the form of a policy endorsement for:
 - a. any auto, or
 - b. all owned hired and non-owned autos.

V. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor, which entitles the City to declare the Contract void if the Contractor does not remedy the breach within ten days after receipt of notice of breach from the City.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-187, **Version:** 1

AGENDA CAPTION

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Waste Connections Lone Star, Inc. ("contractor"); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Solid Waste & Recycling Department

ACM: Frank Dixon

DATE: September 9, 2024

SUBJECT

Consider recommending the adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager or their designee to execute a solid waste disposal contract with Waste Connections Lone Star, Inc. ("contractor"); providing for delivery of guaranteed tonnage at the landfill; and providing an effective date.

BACKGROUND

Between approximately October 1, 2022, and September 20, 2024, the City of Denton maintained contracts with three private companies and two municipalities to provide over 210,000 tons of waste to the City of Denton Landfill; generating over \$7.8 million in revenue over the life of the contracts. Over the next two (2) years, the City of Denton, Solid Waste and Recycling Department, seeks to receive guaranteed, predictable tonnages of solid waste for both revenue and management purposes.

Waste Connections is a current landfill customer, with an account in good standing. Waste Connections has committed to the delivery up to 50,000 tons of solid waste annually in consideration of a discounted disposal charge of \$37.95 per ton, representing \$ 1,897,500.00 in annual revenue to the Solid Waste fund. This contract includes a promise to bring tonnage to the landfill and make payment based on the guaranteed tonnage regardless of the actual amount of solid waste delivered. Consistent with previous discussions with the Denton City Council and supportive of the City's Comprehensive Solid Waste Management Strategy, CWD can earn up to an additional 10% of preferred disposal volume dependent upon their ability to divert material to recycling from their customer base. Net recycling information is required to be reported to the City monthly.

This agreement will be reviewed and trued up annually, including an annual inflation escalator, and provide for two years of revenue to assist in achieving the goal of rate stabilization for the Solid Waste fund.

RECOMMENDATION

Award a contract with Waste Connections, for guaranteed landfill disposal volumes, in a two (2) year contract.

ESTIMATED SCHEDULE OF PROJECT

This is a two (2) year contract.

FISCAL INFORMATION

Fund 660-Solid Waste revenue of \$1,897,500.00annually

EXHIBITS

1. Agenda Information Sheet
2. Draft Ordinance and Contract

Respectfully submitted:
Brian Boerner, 940-349-8001
Director of Solid Waste

ORDINANCE NO. 24-XXX

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO EXECUTE A SOLID WASTE DISPOSAL CONTRACT WITH WASTE CONNECTIONS LONE STAR, INC., ("CONTRACTOR"); PROVIDING FOR DELIVERY OF GUARANTEED TONNAGE AT THE LANDFILL; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 ("Landfill"); and

WHEREAS, the Landfill is operated in accordance with TCEQ Municipal Solid Waste Management Facility Permit No. MSW-1590B, as amended, issued to the City of Denton pursuant to Texas Health & Safety Code Chapter 361; and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of solid waste at its Landfill; and

WHEREAS, the Contractor seeks to deliver a guaranteed amount of annual tonnage in exchange for a discounted disposal fee, and

WHEREAS, pursuant to the Contract, Contractor promises to deliver guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract year, regardless of the actual amount of solid waste delivered; and

WHEREAS, the City Council has determined this Contract is in the public interest.

NOW THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations contained in the preamble of this Ordinance are incorporated herein by reference.

SECTION 2. The City Council of the City of Denton hereby approves the Contract attached hereto as Attachment "A" for guaranteed tonnage to be delivered to the Landfill.

SECTION 3. The City Manager, or their designee, is hereby authorized to execute the contract and carry out the duties and responsibilities of the City as provided in the Contract.

SECTION 4. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____, the 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAURA THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Christopher Mullins

ATTACHMENT "A"
SOLID WASTE DISPOSAL CONTRACT

STATE OF TEXAS §
 § SOLID WASTE DISPOSAL CONTRACT
COUNTY OF DENTON §

This Solid Waste Disposal Contract ("Contract") is by and between the City of Denton, a Texas home-rule municipal corporation ("City") and Waste Connections Lone Star, Inc., a Texas Corporation, with its principal address at 4001 Old Denton Rd Haltom City, Texas 76117 ("Contractor") (Collectively, the "Parties").

WHEREAS, the City owns, operates, and maintains the City of Denton ECO-W. E. R. C. S. Complex located at 1527 South Mayhill Road, Denton, Denton County, Texas 76208 ("Landfill"); and

WHEREAS, the Landfill is operated in accordance with TCEQ Municipal Solid Waste Management Facility Permit No. MSW-1590B, as amended, issued to the City of Denton pursuant to Texas Health & Safety Code Chapter 361; and

WHEREAS, for both revenue and management purposes, the City must receive predictable tonnages of Solid Waste at its Landfill; and

WHEREAS, the Contractor seeks to deliver a guaranteed amount of annual tonnage in exchange for a discounted disposal fee, and

WHEREAS, the Contractor promises to deliver the guaranteed tonnage to the Landfill and make payment based on the guaranteed tonnage for each Contract Year, regardless of the actual amount of Solid Waste delivered; and

WHEREAS, the Contractor represents and warrants to the City that executing this Contract does not constitute a breach, default under any Applicable Laws, or material conflict with the Contractor's respective organizational documents or any documents, agreements, contracts, or instruments which are binding upon it and the Contractor agrees that any such breach, default, or conflict is a material breach of this Contract; and

WHEREAS, the Parties agree the terms contained in this Contract are fair, reasonable, and mutually beneficial; and

WHEREAS, the Parties agree this Contract creates valid, legal, and binding obligations enforceable against the Contractor, subject to applicable insolvency and bankruptcy laws; and

WHEREAS, the City has determined this Contract is in the public interest.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained in this Contract, the Parties agree to the following terms and conditions:

1. Recitals Incorporated. The recitals stated above are incorporated in this Contract for all purposes and are found by the Parties to be true and correct.

2. Administration. This Contract shall be administered on behalf of the City by its Director of Solid Waste or the Director's designee (hereinafter called the "Director"), and on behalf of the Contractor by its duly authorized officer or employee.

3. Contract Year. For purposes of this Contract, "Contract Year" shall mean any period during the Contract term beginning on October 1 and ending on September 30 of the following year.

4. Delivery of Acceptable Solid Waste.

a. Acceptable Waste Defined. For purposes of this Contract, "Acceptable Solid Waste" means:

- i. All wet or dry Solid Waste that is authorized to be disposed of at the Landfill under applicable Federal, State, and local laws, regulations, ordinances, rules, permits, licenses, and governmental orders or directives; or
- ii. Other wet or dry Solid Waste that is not Unacceptable Solid Waste, as defined in Sections 4.b. and 7 of this Contract.

b. Acceptable Waste Exclusion. For purposes of this Contract, Acceptable Solid Waste does not include sludge, special waste, or material delivered by citizens served by other municipalities or corporations. These excluded wastes and materials are considered Unacceptable Solid Waste and are subject to Section 7 of this Contract.

c. Guaranteed Annual Tonnage. Contractor guarantees that it will deliver Acceptable Solid Waste to the Landfill in the following tonnage during each respective Contract Year ("Guaranteed Annual Tonnage"):

Contract Year	Guaranteed Annual Tonnage
FY 2024-2025	50,000 Tons
FY 2025-2026	50,000 Tons

d. City Acceptance of Acceptable Solid Waste. The City agrees to accept all Acceptable Solid Waste delivered to the Landfill on a Landfill Operational Day and in accordance with the terms of this Contract.

e. Monthly Report. Contractor shall, on a monthly basis, provide the City a list of its customer cities, gross and net recycling tonnages delivered, and a list of the Solid Waste tonnages diverted, if any, pursuant to Section 5 of this Contract.

f. Solid Waste. For purposes of this Contract, "Solid Waste" shall have the same meaning as "Municipal Solid Waste" set forth in Subchapter A, Section 361.003(20) of the Texas Health and Safety Code (also known as the Texas Solid Waste Disposal Act).

5. Delivery of Additional Acceptable Tonnage. In a Contract Year, the Contractor may deliver Acceptable Solid Waste in an amount that exceeds the Guaranteed Annual Tonnage ("Additional Acceptable Tonnage"). The Additional Acceptable Tonnage cannot exceed a maximum of ten

percent (10%) of the Guaranteed Annual Tonnage, and the Contractor must divert an equivalent amount of Solid Waste. Diversion of Solid Waste under this Section may be accomplished through recycling, composting, or any other reuse program adopted by a political subdivision the Contractor serves. Additional Acceptable Tonnage will be subject to the rate indicated by the Additional Acceptable Tonnage Fee stated in Section 10 of this Contract.

6. Delivery Procedures; Operation of the Landfill.

a. Landfill Operational Day. For purposes of this Contract, "Landfill Operational Day" means regularly scheduled Landfill operating days during normal hours of operation, excluding City holidays and Landfill half-days. Landfill hours of operation, City holidays, and Landfill half-days are regularly posted on the City's website, www.cityofdenton.com.

b. Operation of the Landfill and Landfill Procedures. Delivery of Acceptable Solid Waste to the Landfill shall occur only on Landfill Operational Days and shall be governed by City ordinances applicable generally to haulers utilizing the Landfill, including, but not limited to, the Code of the City of Denton, Texas, Chapter 24, Sections 24-5 and 24-8, as amended. Contractor shall also comply with all Landfill procedures promulgated by the Director, as the same may be amended from time to time.

c. Closure of the Landfill.

i. Notwithstanding anything in this Contract to the contrary, the City shall have the right, in its sole discretion, to close its Landfill, in whole or in part, either temporarily or permanently, at any time and for any reason. Upon permanent closure, this Contract may be terminated by the City as described in Section 19 of this Contract.

ii. Notwithstanding anything contained in this Contract to the contrary, if any unscheduled closure of the Landfill lasts more than two (2) days, the Contractor may submit a request to the City for an equitable reduction in the Guaranteed Annual Tonnage owed by the Contractor. Whether to grant an equitable reduction in the Guaranteed Annual Tonnage shall be determined based solely on the discretion of the Director, with consideration of factors including, but not limited to, the number of otherwise Operational Days the Landfill is closed. If the Director determines an equitable reduction is appropriate, they will calculate the reduction by (1) dividing the Guaranteed Annual Tonnage for the applicable Contract Year by all Operational Days during the Contract Year and (2) multiplying the resulting amount by the number of days attributable to the unscheduled closure.

iii. If the City closes the Landfill for more than thirty (30) days during any three (3) month period, the Contractor shall be entitled to terminate this Contract by written notice to the City pursuant to Section 15, and the respective obligations of the Parties to deliver and to accept Acceptable Solid Waste shall terminate including, without limitation, Contractor's obligation to deliver the Guaranteed Annual Tonnage and the City's obligation to accept the tonnage and charge the Discount Disposal Fee.

d. Compliance with Applicable Laws. This Contract is entered subject to and controlled by the Charter and Ordinances of the City of Denton, Texas and all applicable laws, rules, and regulations of the State of Texas and the United States of America (Collectively, "Applicable Laws"), as amended. Contractor and City shall, during the performance of this Contract, comply with all applicable City codes, ordinances, and regulations, as amended, and all

applicable State and Federal laws, rules, and regulations, as amended.

e. Title to Waste. Title to and risk of loss and responsibility for Acceptable Solid Waste delivered to the Landfill shall pass at the time such Acceptable Solid Waste is removed from the delivery vehicle at the Landfill. Title to and risk of loss and responsibility for Unacceptable Solid Waste shall remain with the Contractor and its customer and shall never be deemed to pass to the City.

7. Unacceptable Solid Waste.

a. Unacceptable Solid Waste Defined. For the purposes of this Contract, "Unacceptable Solid Waste" means:

- i. Any material that is not Acceptable Solid Waste;
- ii. Any material that by reason of its composition, characteristics or quantity is defined under any Applicable Laws as a "hazardous material," "hazardous waste," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "toxic substance," "toxic waste," "toxic pollutant," "contaminant," "pollutant," "infectious waste," "medical waste," "radioactive waste," or "sewage sludge";
- iii. Any material that requires abnormal handling, storage, management, transfer, or disposal;
- iv. Any other material that may present a substantial endangerment to public health or safety, may cause applicable air quality or water effluent standards to be violated by the normal operation of the Landfill, or because of its size, durability or composition cannot be disposed of at the Landfill or has a reasonable possibility of otherwise adversely affecting the operation or useful life of the Landfill; or
- v. Waste subject to the exclusion in Section 4.b. of this Contract.

b. Delivery of Unacceptable Solid Waste.

- i. The Contractor agrees that it shall not deliver any Unacceptable Solid Waste to the City's Landfill.
- ii. The City shall have the right to reject Solid Waste determined by the Director, in their sole discretion, to be Unacceptable Solid Waste at any time.
- iii. The City shall have the right, but not the obligation, to inspect any of the Contractor's trucks to determine whether the waste delivered is Acceptable Solid Waste or Unacceptable Solid Waste. Any failure by the City to perform any such inspection or to detect Unacceptable Solid Waste shall in no way relieve the Contractor from its obligation to deliver only Acceptable Solid Waste or from its other obligations under this Section 7 including, but not limited to, its duty to retrieve and properly dispose of Unacceptable Solid Waste.
- iv. For purposes of Section 7.b.v., the Contractor agrees it may be contacted at the following telephone number: 817-922-2221. The Contractor may change this number by providing the City 10-day advance written notice mailed pursuant to Section 15 of this Contract.

v. If the Contractor delivers Unacceptable Solid Waste to the City's Landfill, the Director may in their sole discretion:

A. Reject such Unacceptable Solid Waste and order its removal at the Contractor's sole expense; or

B. If the City does not discover the Unacceptable Solid Waste in time to reject its delivery, inform the Contractor of the problem by telephone using the number provided by the Contractor in this Section 7. The Contractor agrees that any good faith effort by the City to contact the Contractor via telephone completely satisfies the notification requirement in this Section 7. The Contractor must pick up the Unacceptable Solid Waste within twenty-four (24) hours of the City's telephone call. However, if the Unacceptable Solid Waste is deemed by the Director, in their sole discretion, to be a threat to the health and safety of City employees or the general public, the Contractor shall remove the Unacceptable Solid Waste immediately.

vi. If the Contractor fails or refuses to timely remove or properly dispose of Unacceptable Solid Waste as provided in this Contract, the City may dispose of such Unacceptable Solid Waste at a location authorized to accept such Unacceptable Solid Waste in accordance with all Applicable Laws, ordinances, and regulations. The Contractor shall reimburse the City for all direct and indirect costs incurred due to the City's removal, handling, transportation, and disposal of Unacceptable Solid Waste. Notwithstanding the foregoing, no notice to Contractor shall be required for City to dispose of Unacceptable Solid Waste at Contractor's sole expense in emergency situations where, in the Director's sole judgment, a delay in such disposal could constitute a hazard to the Landfill or any person on, about, or near the Landfill premises.

vii. If Contractor delivers waste that contains both Acceptable Solid Waste and Unacceptable Solid Waste, the entire delivery shall constitute Unacceptable Solid Waste. If the Unacceptable Solid Waste cannot be separated from the Acceptable Solid Waste through the reasonable efforts of the City, the cost of such separation shall be paid by the Contractor.

8. Term. Unless sooner terminated pursuant to Section 19, this Contract shall be for a term of two (2) years, commencing on October 1, 2024 (the "Contract Start Date") and terminating on September 30, 2026.

9. Survival. Upon termination of this Contract, the respective obligations of the Contractor to Deliver Acceptable Solid Waste and of the City to accept Acceptable Solid Waste shall terminate. However, all other rights and obligations of the Parties under this Contract which by their nature are intended to survive including, but not limited to, those with respect to payment, indemnification, and Unacceptable Solid Waste, shall survive termination.

10. Rates; Payment; Failure to Deliver; Charges; and Deposit.

a. Rates. In consideration of the City's permission to dispose of Acceptable Solid Waste under this Contract, the Contractor shall pay \$37.95 per ton ("Discount Disposal Fee"). The Additional Acceptable Tonnage Fee shall be \$49.50 per ton. The Contractor agrees that the Discount Disposal Fee and the Additional Acceptable Tonnage Fee may be increased on

October 1st of each calendar year beginning on October 1, 2025. The percentage increase will be determined by the Director using the Consumer Price Index for All Urban Consumers (CPI-U) for the South Region for All Items, published by the United States Department of Labor, Bureau of Labor Statistics. Any increase in the Discount Disposal Fee or the Additional Acceptable Tonnage Fee shall not exceed five percent (5%) in any single calendar year.

b. Payment. The Contractor shall pay the Discount Disposal Fee on a monthly basis for the amount of Acceptable Solid Waste delivered to Landfill. The monthly bill shall be paid no later than thirty (30) days after receipt of a monthly invoice from the Director. Failure to remit in a timely manner may result in the termination of this Contract under Section 19, with the Contractor remaining liable to pay for remaining Guaranteed Annual Tonnage and fees due under this Contract. If the Contractor delivers its Guaranteed Annual Tonnage before the end of the corresponding Contract Year, Additional Acceptable Tonnage delivered to the Landfill shall be charged the Additional Acceptable Tonnage Fee.

c. Failure to Deliver the Guaranteed Annual Tonnage; Reconciliation; and Transfers.

i. If at the end of a Contract Year the Contractor has failed to deliver the Guaranteed Annual Tonnage, the Contractor remains obligated under this Contract to pay the Discount Disposal Fee for the entire Guaranteed Annual Tonnage.

ii. At the end of each Contract Year, the Director shall perform a reconciliation of the actual tonnage of Solid Waste disposed of at the Landfill under this Contract in that Contract Year compared with the Guaranteed Annual Tonnage and the amount paid by Contractor during the Contract Year. The Director shall make the appropriate calculations and adjustments to determine the amounts finally due and owed by Contractor in each Contract Year. The Contractor shall pay any amounts owed to City pursuant to the end-of-Contract Year reconciliation not later than thirty (30) days after receipt of an invoice from the Director.

iii. In the event there is a good faith dispute as to the total Discount Disposal Fee amount due at the end of a Contract Year, Contractor shall, at a minimum, pay the undisputed portion of the Discount Disposal Fee due within the thirty (30)-day period set forth in c.ii. of this Section 10. The pursuit of contractual remedies by the City may be suspended during any good faith dispute regarding payment until the dispute is either resolved or the City otherwise determines that the dispute cannot reasonably be resolved. The parties reserve all legal rights and remedies if they cannot amicably resolve a dispute.

iv. No amount of Guaranteed Annual Tonnage may be transferred from one Contract Year to another Contract Year.

d. Taxes and Other Charges. In addition to the Discount Disposal Fee, Contractor shall pay Federal; State; and local taxes, fees, surcharges, and any similar charges related to the acceptance or disposal of Acceptable Solid Waste or related to the operations or activities of the Landfill that are imposed by law, ordinance, regulation, agreement with a governmental authority, governmental audit, or otherwise.

e. Security Deposit. Upon execution of this Contract and consistent with Code of the City of Denton, Texas, Sections 26-3, 26-4, and 26-5, Contractor shall provide a security deposit in an amount equal to one-sixth (1/6) of the total payment amount for the total combined

Guaranteed Annual Tonnage. The Director may, in their sole discretion, approve a lesser deposit if the Contractor receives an acceptable credit rating from a credit source available to the City and the Contractor can demonstrate to the Director's satisfaction it has been operating at least three (3) years. The cost to obtain the credit rating will be charged to the Contractor and will not exceed one hundred dollars (\$100.00). The security deposit may take the form of cash, a performance bond issued by a corporate surety or sureties licensed to issue bonds in the State of Texas and otherwise acceptable to City, or an unconditional, irrevocable standby letter of credit issued by and drawable at a financial institution located in Denton County, Texas. If other than cash, the form of the security deposit is subject to approval by the Director, in their sole discretion, and approval as to legal form by the Denton City Attorney's Office. For a multi-year contract, the security deposit will be reviewed annually to reflect an increase or decrease to the Discount Disposal Fee, and the total amount of the security deposit will be increased or decreased to reflect the change.

11. Remedies in the Event of Default. If the Contractor, after thirty (30)-days' advance written notice and opportunity to cure from the City, fails to pay amounts due under this Contract or breaches any term, condition, or covenant of this Contract, the Director, in their sole discretion, may exercise any or all of the following remedies without waiving any other remedies available to the City at law or in equity:

- a. Suspend delivery of Solid Waste to the Landfill by the Contractor. If the Contractor's delivery of Solid Waste to the Landfill is suspended for nonpayment, the Contractor's obligation to pay the full amount for the Guaranteed Annual Tonnage remains in effect;
- b. Terminate this Contract for default as provided in Section 19; or
- c. Draw upon the security deposit and require the Contractor to furnish a replacement security deposit as provided in Section 10.e. above, except that the Director may require a greater amount of security than provided for in Section 10.e. in order to provide the City with adequate assurance of performance by the Contractor.

12. Insurance. During the term of this Contract, the Contractor shall procure, pay for, and maintain at least the minimum insurance coverages described in Exhibit "A", attached hereto and made a part of this Contract. Approval, disapproval, or failure to act by the City regarding any insurance supplied by the Contractor or its subcontractors shall not relieve the Contractor of full responsibility or liability for damages, errors, omissions, or accidents as set forth in this Contract. The bankruptcy or insolvency of the Contractor's insurer or any denial of liability by the Contractor's insurer shall not exonerate the Contractor from the liability or responsibility of the Contractor set forth in this Contract.

13. Force Majeure. In no event shall the City be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes; pandemics; work stoppages; accidents, acts of war or terrorism; civil or military disturbances; nuclear or natural catastrophes; acts of God; or interruptions, loss, or malfunctions of utilities, communications, or computer (software and hardware) services. The City shall use reasonable efforts which are consistent with accepted practices to resume performance as soon as practicable under the circumstances.

14. Environmental Compliance. The Contractor and the City shall comply with all Federal, State and local environmental laws and regulations, including, but not limited to, the Resource Conservation and Recovery Act ("RCRA"), the Safe Drinking Water Act ("SDWA"), the Clean Water Act ("CWA"), and the Clean Air Act ("CAA") in their performance under this Contract. The Contractor shall ensure that its agents, subcontractors, and employees have received training or information appropriate to the environmental aspects and impacts of their activities in connection with the performance of this Contract. The Contractor and the City shall ensure that any spills or other releases of materials into the environment that may result from their performance under this Contract are responded to and reported adequately and in compliance with applicable environmental laws.

15. Notice. Unless otherwise specified in Section 7, relating to telephone notification of delivery of Unacceptable Solid Waste, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and mailed to the addresses appearing below, but each party may change its address by providing ten (10)-days' advance written notice in accordance with this Section. Mailed notices shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices mailed by other means shall be deemed delivered upon receipt by the addressee.

If intended for the City, to:

Director of Solid Waste
City of Denton
Solid Waste and Recycling Department
1527 S. Mayhill Rd.
Denton, TX 76208

If intended for Contractor, to:

John Schafer
Division Vice-President
Waste Connections Lone Star, Inc.
4001 Old Denton Road
Haltom City, TX 76117

16. Assignment. Contractor shall not sell, assign, transfer, or convey this Contract, in whole or in part, without the prior written consent of the Director. The Director's consent, if given, shall be mailed to the Contractor in accordance with Section 15 of this Contract. Any assignment, or attempted assignment, of rights or delegation of duties under this Contract without the Director's written consent is void.

17. Independent Contractor. The Contractor's status shall be that of an independent contractor and not an agent, servant, employee, or representative of the City in the performance of this Contract. The Contractor shall exercise independent judgment in performing its obligations under this Contract and is solely responsible for setting working hours, scheduling, and prioritizing and determining how its obligations under this Contract are to be performed. No term or provision of this Contract, or act of the Contractor in the performance of this Contract, shall be construed as making the Contractor an agent, servant, or employee of the City or making the Contractor or any

Page 8 of 13

of its employees eligible for fringe benefits, including without limitation retirement, insurance, and worker's compensation, which the City provides its employees.

18. INDEMNITY. THE CONTRACTOR AGREES TO DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS, FINES, PENALTIES, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE, VIOLATIONS OF STATE OR FEDERAL ENVIRONMENTAL LAWS OR REGULATIONS, OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY THE CONTRACTOR'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS CONTRACT, OR BY ANY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE CONTRACTOR, ITS OFFICERS, AGENTS, EMPLOYEES, OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS CONTRACT; EXCEPT THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM THE NEGLIGENCE, WRONGFUL ACT, OR FAULT OF THE CITY, ITS OFFICERS, AGENTS, EMPLOYEES OR SEPARATE CONTRACTORS, AND IN THE EVENT OF JOINT AND CONCURRING NEGLIGENCE OR FAULT OF THE CONTRACTOR AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES TO THIS CONTRACT AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

19. Termination.

a. Termination for Cause or Convenience. The City, at the City's option and without prejudice to any other remedy City may be entitled to at law, in equity, or elsewhere under this Contract, may terminate this Contract in whole or in part for cause or for the convenience of the City including, but not limited to, closure of the Landfill or non-appropriation of funding to operate the Landfill.

b. Notice. For purposes of this Section, the City shall give at least ninety (90)-days' advance written notice of termination to the Contractor, unless Landfill closure results from an emergency or termination relates to the Contractor's breach of its insurance obligations under this Contract.

c. Performance. All performance shall cease as of the date specified in the notice provided by the City. The Contractor shall not be entitled to lost or anticipated profits should the City choose to exercise its option to terminate for any reason. Notwithstanding this Section 19.c., the survival provisions in Section 9 shall apply in the event this Contract is terminated for any reason.

20. Venue. The obligations of the Parties to this Contract shall be performable in Denton County, Texas, and if legal action is necessary in connection with or to enforce rights under this Contract, exclusive venue shall lie in Denton County, Texas.

21. Governing Law. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas, without regard to conflict of law or choice of law principles of Texas or of any other state.

22. Legal Construction. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Contract.

23. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. If this Contract is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Contract to be executed.

24. Captions. The captions to the various clauses of this Contract are for informational purposes only and shall not alter the substance of the terms and conditions of this Contract.

25. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and, except as otherwise provided in this Contract, their assigns.

26. Entire Agreement; No Oral Modifications. This Contract (with all referenced Exhibits, attachments, and provisions incorporated by reference) embodies the entire agreement of both Parties, superseding all oral or written previous and contemporary agreements between the Parties relating to matters set forth in this Contract. Except as otherwise provided elsewhere in this Contract, this Contract cannot be modified without written supplemental agreement executed by both Parties.

27. Signature Authority. The Contractor represents and warrants to the City that its signatory to this Contract has corporate or organizational authority to execute and perform this Contract on behalf of the Contractor.

Executed this the _____ day of _____, 20__ by the City, signing by and through its City Manager, duly authorized to execute same by Ordinance _____
Approved on _____, 20__.

CITY OF DENTON, TEXAS

WASTE CONNECTIONS LONE STAR, INC.

BY: _____
SARA HENSLEY, CITY MANAGER

BY: John Schaffer

JOHN SCHAFER
DIVISION VICE-PRESIDENT
4001 OLD DENTON ROAD
HALTOM CITY, TX 76117

<p>THIS AGREEMENT HAS BEEN BOTH REVIEWED AND APPROVED as to financial and operational obligations and business terms.</p> <p><u><i>[Signature]</i></u> Signature</p> <p><u><i>SWR</i></u> Title</p> <p><u><i>SWR</i></u> Department</p> <p>Date Signed: <u><i>8.28.24</i></u></p>
--

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

EXHIBIT "A"
INSURANCE REQUIREMENTS

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain for the term of the Contract, the minimum insurance coverage as indicated herein.

The Contractor shall file with the Solid Waste Department satisfactory certificates of insurance including any applicable addendum or endorsements. The Contractor may ask for clarification of any insurance requirements at any time, upon written request to the Solid Waste Department.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- I. Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least A or better.
- II. Liability policies shall be endorsed to provide the following:
 - A. Name as Additional Insured the City of Denton, its Officials, Agents, Employees, and volunteers.
 - B. That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
 - C. Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- III. *Cancellation: City requires 30-day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.*
 - A. Should any of the required insurance be provided under a claims made form, Contractor shall maintain such coverage continuously throughout the term of this Contract and, without lapse, for a period of three years beyond the Contract expiration, such that occurrences arising during the Contract Term which give rise to claims made after expiration of the Contract shall be covered.
 - B. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
 - C. Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this Contract effective on the date of the lapse.

IV. SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

A. General Liability Insurance:

1. General Liability insurance with combined single limits of not less than \$1,000,000.00 shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.
2. If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:
 - a. Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
 - b. Coverage B shall include personal injury.
 - c. Coverage C, medical payments, is not required.
3. If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:
 - a. Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
 - b. Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

B. Automobile Liability Insurance:

1. Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than \$500,000 either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.
2. Satisfaction of the above requirement shall be in the form of a policy endorsement for:
 - a. any auto, or
 - b. all owned hired and non-owned autos.

V. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor, which entitles the City to declare the Contract void if the Contractor does not remedy the breach within ten days after receipt of notice of breach from the City.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-189, **Version:** 1

AGENDA CAPTION

Consider approval of the August 26, 2024 minutes.

CITY OF DENTON PUBLIC UTILITIES BOARD MINUTES
August 26, 2024

After determining that a quorum was present of the Public Utilities Board of the City of Denton, convened in a Regular Meeting on Monday, August 26, 2024, at 9:04 a.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas.

PRESENT: Chair Susan Parker, Vice Chair Billy Cheek, Devin Taylor, Lee Riback, Thomas Plock, and Aaron Newquist

Also present: General Manager Antonio Puente, Jr. and Deputy City Attorney Marcella Lunn

Absent: Robert Rayner

REGULAR MEETING

1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

There were no presentations from the public.

2. CONSENT AGENDA

The Consent Agenda consisted of Items 2 A-C.

Board Member Plock moved to recommend adoption of agenda items 2 A-C. Motion seconded by Board Member Riback; motion carried.

YES (6): Chair Susan Parker, Vice Chair Billy Cheek, Devin Taylor, Lee Riback, Thomas Plock, and Aaron Newquist

NO (0):

A. PUB24-167 Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Formmaker Software, Inc. dba KUBRA, for the utility and miscellaneous billing statement printing and mailing services for the Customer Service Department; providing for the expenditure of funds therefore; and providing an effective date (RFP 8434 - awarded to Formmaker Software, Inc. dba KUBRA, for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$3,834,166.00).

B. PUB24-168 Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with Lucido Group LLC, for Energy Trading and Risk Management (ETRM) Support Services for Options, Derivatives, Credit, and Market Connect for Denton Municipal Electric as set forth in the contract; providing for the expenditure of funds therefor; and providing an effective date (RFP 8496 - awarded to Lucido Group LLC, in the five (5) year not-to-exceed amount of \$365,000.00).

- C. PUB24-169** Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Professional Services Agreement with MRE Consulting, Ltd., for Energy Trading and Risk Management (ETRM) Support Services for Power, Gas, Risk Analytics, and Environmental Products for Denton Municipal Electric as set forth in the contract; providing for the expenditure of funds therefor; and providing an effective date (RFP 8496 - awarded to MRE Consulting, Ltd., in the five (5) year not-to-exceed amount of \$365,000.00).

3. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. PUB24-181** Consider approval of the August 12, 2024 minutes.

Board Member Taylor moved to recommend adoption of agenda items 3 A. Motion seconded by Board Member Cheek; motion carried.

YES (6): Chair Susan Parker, Vice Chair Billy Cheek, Devin Taylor, Lee Riback, Thomas Plock, and Aaron Newquist

NO (0):

- B. PUB24-180** Management Reports
1. Future Agenda Items
 2. New Business Action Items

Questions from Lee Riback regarding Solid Waste – review of Robson neighborhood coverage cans. Would like to know why there was no notification about this happening without prior notice. Tony Puente will follow up with Solid Waste & Recycling Department.

Questions regarding planned maintenance and further restrictions on water from Lee Riback. Why planned maintenance happened at peak of August. Questions regarding water notice from Billy Cheek as well. Tony Puente will follow up with the Water Department.

4. CONCLUDING ITEMS

None

With no further business, the meeting was adjourned at 9:09 AM.

SUSAN PARKER
CHAIR
CITY OF DENTON, TEXAS

CASSIE BLACKBURN
ADMIN MANAGER
CITY OF DENTON, TEXAS

Minutes approved on: September 9, 2024.



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-016, **Version:** 1

AGENDA CAPTION

Consider recommending approval of the Solid Waste Fiscal Year 2024-25 Operating and Capital Budget.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending approval of the Solid Waste and Recycling Fiscal Year 2024-25 Operating and Capital Budget.

BACKGROUND

The purpose of this item is to seek approval regarding the Fiscal Year 2024-25 Solid Waste and Recycling Proposed Budget and Capital Improvement Program. The budget was discussed with the Public Utilities Board (PUB) during the June 10, June 24, and July 8, 2024, PUB meetings. The financial assumptions, capital projects, supplemental requests, if applicable, and the preliminary budget were discussed in detail. The City's budget emphasis continues to be focused on cost containment, financial transparency, maintaining excellent customer service and strong financial management. In addition, the budget focus remains on the long-term maintenance of utility assets and system reliability.

RECOMMENDATION

Staff recommends the PUB approve the Solid Waste and Recycling Fiscal Year 2024-25 Operating and Capital Budget.

ESTIMATED SCHEDULE OF PROJECT

Adoption of the budget is scheduled for September 17, 2024.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The proposed Solid Waste and Recycling Fiscal Year 2024-25 Operating and Capital Budget was presented to City Council on July 16, July 23, and August 10, 2024.

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Jessica Williams
Chief Financial Officer
(940) 349-8244

CITY OF DENTON, TEXAS

PUBLIC UTILITIES BOARD

FY 2024-25 Solid Waste Budget & Rates Presentation
September 9, 2024

Inclusion | Collaboration | Quality Service | Strategic Focus | Fiscal Responsibility



Solid Waste Fund Overview

- Proposed base rate increase of 1.5%
- Expense Projections
 - Closure/Post-closure contributions
 - Increase in personnel costs
 - Debt Service increases projected in FY 2025
- Supplemental Requests:
 - Software for SW&R Vehicles \$121,500

Solid Waste Fund 5-Year Forecast

Solid Waste Fund	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	Actual	Budget	Proposed	Projected	Projected	Projected	Projected
Beginning Fund Balance	9,344,519	10,797,452	9,673,769	9,673,770	9,267,152	9,411,542	10 659,848
Resources							
Rate Revenues	34,536,897	33,984,882	36,255,666	37,343,336	39,023,787	40,584,738	42,613,975
Wholesale Agreements	3,598,251	4,033,433	5,296,940	5,296,940	5,296,940	5,296,940	5,296,940
Non-rate Revenues	2,209,794	1,277,588	1,966,681	1,966,049	2,003,456	2,022,401	2,063,963
Total Revenues	40,344,941	39,295,903	43,519,288	44,636,326	46,324,182	47,904,079	49,974,877
Use of Reserves	207,095	2,074,934	-	406,618	-	-	-
Total Resources	40,552,036	41,370,837	43,519,287	45,042,944	46,324,182	47,904,079	49,974,877
Expenditures							
Personnel Services	12,239,887	13,858,641	14,333,760	14,763,773	15,206,686	15,662,887	16,132,773
Materials & Supplies	399,757	699,267	688,667	702,440	716,489	730,819	745,435
Maintenance & Repairs	161,542	238,516	239,516	244,306	249,192	254,176	259,260
Insurance	618,925	754,473	696,804	710,740	725,646	739,454	754,243
Other Expenditures	25,035	39,820	43,320	44,186	45,070	45,972	46,891
Operations	7,473,229	7,322,341	7,547,617	7,941,123	8,682,791	8,261,945	8,427,184
Cost of Service Transfers	4,667,025	6,531,546	8,442,354	8,611,201	6,931,329	8,959,094	9,138,275
Fixed Assets	920,153	904,007	1,121,087	1,143,509	1,166,379	1,189,706	1,213,501
Vehicle Replacements	3,690,000	2,575,000	1,870,000	1,496,493	1,195,000	320,850	500,000
Revenue Funded Capital	3,545,000	1,000,000	-	-	-	-	-
Closure/Post Closure	971,296	752,631	752,631	752,631	752,631	752,631	752,631
Debt Service	3,874,437	4,817,837	5,404,904	6,347,222	6,787,015	7,385,831	8,031,856
Franchise Fees	1,965,749	1,876,755	2,140,829	2,285,318	2,176,245	2,352,408	2,400,397
Baselines	-	-	237,798	-	-	-	-
Total Expenditures	40,552,036	41,370,834	43,519,287	45,042,944	46,179,792	46,655,772	48,402,446

Solid Waste Fund 5-Year Forecast

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	Actual	Budget	Proposed	Projected	Projected	Projected	Projected
Beginning Fund Balance	9,344,519	10,797,452	9,673,769	9,673,770	9,267,152	9,411,542	10 659,848
Total Resources	40,552,036	41,370,837	43,519,287	45,042,944	46,324,182	47,904,079	49,974,877
Total Expenditures	40,552,036	41,370,834	43,519,287	45,042,944	46,179,792	46,655,772	48,402,446
Ending Fund Balance	9,137,424	8,722,521	9,673,770	9,267,152	9,411,542	10,659,848	12,232,280
Revenue Sufficiency Requirement			1.50%	3.00%	4.50%	4.00%	5.00%
Working Capital	3,244,163	3,309,667	3,481,543	3,603,435	3,694,383	3,732,462	3,872,196
Operating Fund Reserve	5,893,262	3,752,827	6,983,700	5,663,717	5,717,158	6,927,386	8,360,084
Target Reserves							
Wrking Cptl - 8% / Op Reserve Target - 6%	5,677,285	5,791,917	6,092,700	6,306,012	6,465,171	6,531,808	6,776,342
Wrking Cptl - 8% / Op Reserve Target - 10%	7,299,366	7,446,750	7,833,472	8,107,730	8,312,363	8,398,039	8,712,440
Debt Service Coverage Ratio	3.81	2.04	2.09	1.83	1.80	1.79	1.80

Solid Waste Fund 5-Year Capital Plan

Project	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Cell 5 & 6 Construction	\$4,000,000	\$ -	\$ -	\$ -	\$ -	\$4,000,000
Solid Waste Fleet Shop	2,200,000	-	-	-	-	2,200,000
Concrete Replacement	350,000	-	-	350,000	-	700,000
Vehicle Replacement	5,520,000	5,000,000	5,000,000	5,000,000	5,000,000	25,520,000
Scalehouse Update	640,000	-	-	-	-	640,000
Vehicle Additions	285,711	960,000	315,000	650,000	-	2,210,711
Total	\$12,995,711	\$5,960,000	\$5,315,000	\$6,000,000	\$5,000,000	\$35,270,711

Funding Source	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Debt Funding	\$ 11,125,711	\$ 4,463,507	\$ 4,120,000	\$ 5,679,150	\$ 4,500,000	\$ 29,888,368
Revenue Funding	1,870,000	1,496,493	1,195,000	320,850	500,000	5,382,343
Total	\$ 12,995,711	\$ 5,960,000	\$ 5,315,000	\$ 6,000,000	\$ 5,000,000	\$ 35,270,711

Solid Waste Fund Proposed Rate Changes

Summary

Proposed Rate Changes

Residential Cart Service

1.5% Increase

Commercial Cart Service

1.5% Increase

Roll Off Rates

\$25 Increase (Hauls)
\$2.92 Increase (Rental)

Compactor Rates

\$25 Increase Roll Off (Hauls)
\$1.05 Increase (Rental 30 Cu. Yd.)
\$4.25 Increase (Rental 40 Cu. Yd.)

Landfill

Flat \$1.50 Increase
(excluding shingles)

Commercial Trash

1.5% Increase

Next Steps

Date	Body	Action
September 17, 2024	City Council	Budget Adoption

Questions?



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-017, **Version:** 1

AGENDA CAPTION

Consider recommending approval of the Water Fiscal Year 2024-25 Operating and Capital Budget.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending approval of the Water Fiscal Year 2024-25 Operating and Capital Budget.

BACKGROUND

The purpose of this item is to seek approval regarding the Fiscal Year 2024-25 Water Proposed Budget and Capital Improvement Program. The budget was discussed with the Public Utilities Board (PUB) during the June 10, June 24, and July 8, 2024, PUB meetings. The financial assumptions, capital projects, supplemental requests, if applicable, and the preliminary budget were discussed in detail. The City's budget emphasis continues to be focused on cost containment, financial transparency, maintaining excellent customer service and strong financial management. In addition, the budget focus remains on the long-term maintenance of utility assets and system reliability.

RECOMMENDATION

Staff recommends the PUB approve the Water Fiscal Year 2024-25 Operating and Capital Budget.

ESTIMATED SCHEDULE OF PROJECT

Adoption of the budget is scheduled for September 17, 2024.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The proposed Water Fiscal Year 2024-25 Operating and Capital Budget was presented to City Council on July 16, July 23, and August 10, 2024.

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Jessica Williams
Chief Financial Officer
(940) 349-8244

CITY OF DENTON, TEXAS

PUBLIC UTILITIES BOARD

FY 2024-25 Water Budget & Rates Presentation
September 9, 2024

Inclusion | Collaboration | Quality Service | Strategic Focus | Fiscal Responsibility

PUB 24-017 9/9/2024



Water Fund Overview

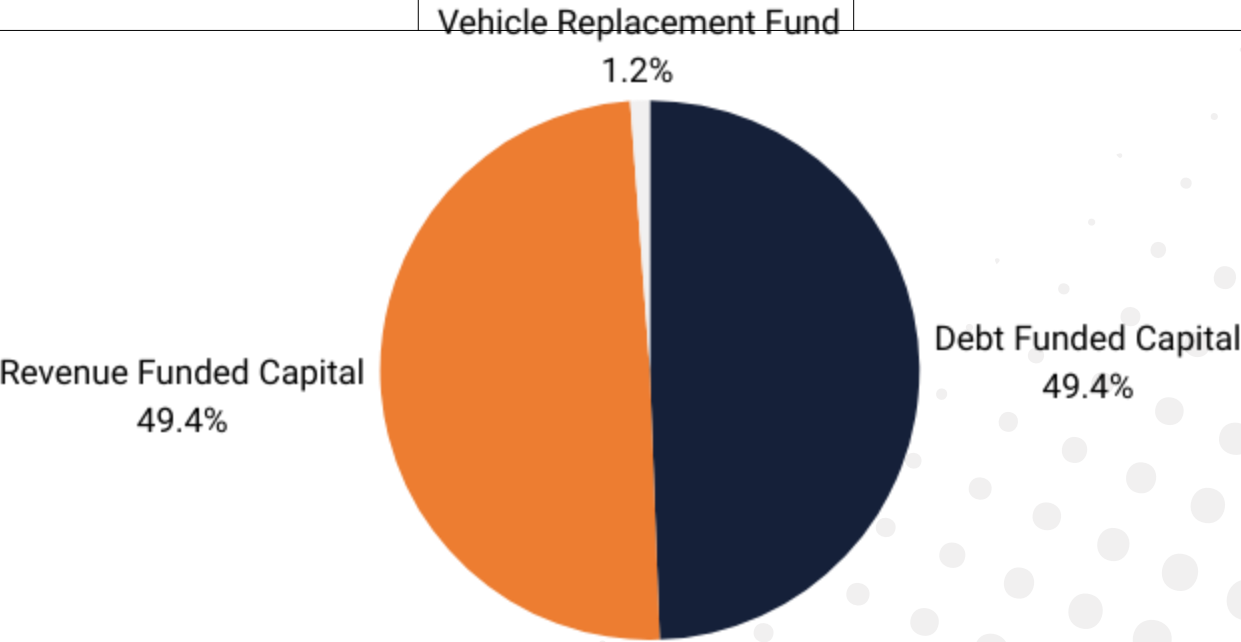
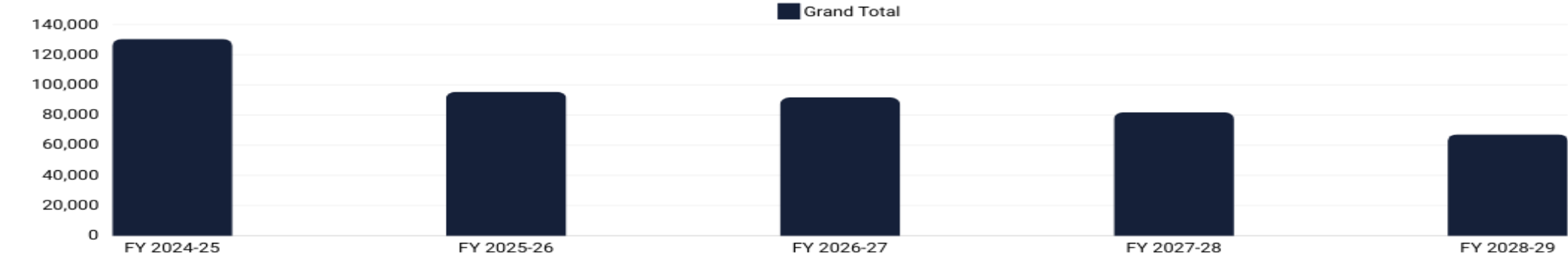
- Proposed base rate increase of 3.0%
- Expense Projections
 - Increase in personnel costs
 - Debt service increases projected in FY 2025
- Supplemental Requests:
 - 7 Water Operators, 1 Apprentice, and 1 Asst. General Manager: 9 FTEs totaling \$957,431

Water Fund - 5 Year Forecast

Water Fund	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	Actual	Budget	Proposed	Projected	Projected	Projected	Projected
Beginning Fund Balance	29,588,453	30,178,974	37,161,701	37,161,701	34,317,341	29,255,227	27,148,389
Resources							
Rate Revenues	48,358,373	46,404,583	49,511,119	52,481,786	55,630,693	58,968,535	62,506,647
Non-rate Revenues	10,881,357	16,450,861	4,897,741	5,044,673	5,196,014	5,351,894	5,512,451
Interest Income	861,629	300,000	1,226,964	1,194,745	1,096,824	926,851	852,019
Total Revenues	60,101,359	63,155,444	55,635,824	58,721,204	61,923,531	65,247,280	68,871,117
Use of Reserves	-	-	-	2,844,360	5,062,114	2,106,838	-
Total Resources	60,101,359	63,155,444	55,635,824	61,572,004	66,998,066	67,372,888	68,362,580
Expenditures							
Purchased Power	1,774,059	1,481,328	1,481,328	1,525,766	1,571,541	1,618,688	1,667,249
Purchase of Water	936	3,000	3,000	3,090	3,183	3,278	3,377
Personnel Services	9,322,841	11,458,321	12,351,858	12,722,414	13,104,086	13,497,209	13,902,125
O&M	8,249,703	7,794,903	7,902,978	8,140,067	8,384,269	8,635,797	8,894,871
Administrative Cost	4,063,833	3,944,389	4,208,445	4,460,952	4,728,609	5,012,325	5,313,065
Other Expenses	220,910	107,865	107,865	111,101	114,434	117,867	121,403
Debt Service Transfers	10,216,828	11,849,983	14,729,464	19,312,200	23,336,639	22,259,761	21,745,688
Capital Transfers	5,999,606	13,722,000	430,562	443,479	456,783	470,487	484,601
Impact Fees	1,938,055	-	-	-	-	-	-
Interfund Transfers	8,116,076	8,312,192	10,514,188	10,829,614	11,154,502	11,489,137	11,833,811
Fixed Assets	65,936	35,000	36,050	37,132	38,245	39,393	40,575
Baseline Adjustments	-	-	2,912,655	3,000,035	3,090,036	3,182,737	3,278,219
Supplementals	-	-	957,431	986,154	1,015,739	1,046,211	1,077,597
Total Expenditures	49,968,783	58,708,981	55,635,824	61,572,004	66,998,066	67,372,888	68,362,580

Water Fund - 5 Year Capital Project List & Funding Requirements

5-Year Summary - Project Category						
	2024-25	2025-26	2026-27	2027-28	2028-29	TOTAL
Booster Stations	\$ 750	\$ 1,200	\$ 3,000	\$ 3,000	\$ -	\$ 7,950
Field Service Replacement	1,050	1,102	1,158	1,216	1,269	5,794
Facility Improvements	3,000	5,780	-	6,000	-	14,780
Oversize Lines	5,360	5,075	1,250	10,720	5,700	28,105
Replace Lines	21,735	7,700	1,500	1,500	1,500	33,935
Taps, Fire Hydrants, & Meters	10,269	10,281	392	412	430	21,784
Transmission Lines	7,191	18,031	29,649	14,275	15,102	84,249
Plant Improvements	80,640	45,910	54,200	44,200	43,300	266,250
Vehicles	431	427	524	475	-	1,857
Grand Total:	\$ 130,426	\$ 95,506	\$ 91,673	\$ 81,798	\$ 67,301	\$ 466,704
					Vehicle Replacement Fund	



Water Fund – Proposed Rate Changes

Summary	Current FY 2023-24	Proposed FY 2024-25	Change	% Change
<u>Residential Water Service *</u>				
0 – 5,000 Gallons	\$ 3.63	\$ 3.73	\$ 0.10	2.8%
5,001 – 7,000 Gallons	\$ 3.90	\$ 4.01	\$ 0.11	2.8%
7,001 – 15,000 Gallons	\$ 4.05	\$ 4.17	\$ 0.12	3.0%
15,001 – 30,000 Gallons	\$ 7.25	\$ 7.46	\$ 0.21	2.9%
30,001 – 50,000 Gallons	\$ 9.68	\$ 9.97	\$ 0.29	3.0%
Over 50,000 Gallons	\$ 12.04	\$ 12.40	\$ 0.36	3.0%
Facility Charge	Varies	Varies		3.0%
<u>Commercial Water Service *</u>				
Volume Charge	\$ 4.34	\$ 4.47	\$ 0.13	3.0%
Facility Charge	Varies	Varies		3.0%

* Water rates for service outside of corporate limits would also increase 3.0%.

Water Fund – Proposed Rate Changes

Summary	Current FY 2023-24	Proposed FY 2024-25	Change	% Change
<u>UTRWD Wholesale Raw</u>				
Wholesale Raw Water (85% of Dallas rate)	\$ 0.90	\$ 0.96	\$ 0.06	6.6%
<u>UTRWD Wholesale Treated</u>				
Wholesale Treated Water	\$ 0.61	\$ 1.25	\$ 0.64	104.9%
<u>Meters</u>				
Fire Hydrant Meter Deposit	\$ 1,100	\$ 3,000	\$ 1,900	172.7%
Backflow Testing	\$ 15.95	\$ 25.00	\$ 9.05	56.7%
Backflow Service Fee (Monthly)	N/A	\$4.16	-	-
Non-City of Denton Meter Test	N/A	\$ 25.00	-	-
<u>Commercial Irrigation Rates</u>				
0 – 7,000 Gallons	\$ 6.61	\$ 6.80	\$ 0.19	3.0%
7,001 – 20,000 Gallons	N/A	\$ 7.25	-	-
20,001 – 40,000 Gallons	N/A	\$ 8.50	-	-
Over 40,000 Gallons	N/A	\$ 9.50	-	-

Water Fund – Proposed Rate Changes

Summary	Current FY 2023-24	Proposed FY 2024-25	Change	% Change
<u>Water Tap & Meter Fees 1"-2"</u>				
1" T - 5/8" X 3/4" paved (P)	\$ 2,405	\$ 4,617	\$ 2,212	92.0%
1" T - 5/8" X 3/4" unpaved (UP)	\$ 1,605	\$ 2,203	\$ 598	37.3%
1" T - 3/4" X 3/4" (p)	\$ 2,445	\$ 4,471	\$ 2,026	82.9%
1" T - 3/4" X 3/4" (UP)	\$ 1,645	\$ 2,086	\$ 441	26.8%
1" T - 1" (P)	\$ 2,475	\$ 4,886	\$ 2,411	97.4%
1" T - 1" (UP)	\$ 1,675	\$ 2,277	\$ 602	35.9%
2"T - 1 1/2" (P)	\$ 3,070	\$ 4,500	\$ 1,430	46.6%
2"T - 1 1/2" (UP)	\$ 2,070	\$ 2,800	\$ 730	35.3%
2"T - 2" (P)	\$ 3,080	\$ 4,685	\$ 1,605	52.1%
2"T - 2" (UP)	\$ 2,080	\$ 2,800	\$ 720	34.6%
<u>Taps 4" and Larger</u>				
4" Paved	\$ 3,600	Varies*	-	-
4" Unpaved	\$ 2,100	Varies*	-	-
6" Paved	\$ 3,800	Varies*	-	-
6" Unpaved	\$ 2,200	Varies*	-	-
8" Paved	\$ 4,800	Varies*	-	-
8" Unpaved	\$ 3,100	Varies*	-	-
12" Paved	\$ 5,500	Varies*	-	-
12" Unpaved	\$ 4,000	Varies*	-	-

* Fee proposed to be assessed on a per project basis and reflective of the actual cost of work.

Next Steps

Date	Body	Action
September 17, 2024	City Council	Budget Adoption

Questions?



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-030, **Version:** 1

AGENDA CAPTION

Consider recommending approval of the Wastewater Fiscal Year 2024-25 Operating and Capital Budget.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending approval of the Wastewater Fiscal Year 2024-25 Operating and Capital Budget.

BACKGROUND

The purpose of this item is to seek approval regarding the Fiscal Year 2024-25 Wastewater Proposed Budget and Capital Improvement Program. The budget was discussed with the Public Utilities Board (PUB) during the June 10, June 24, and July 8, 2024, PUB meetings. The financial assumptions, capital projects, supplemental requests, if applicable, and the preliminary budget were discussed in detail. The City's budget emphasis continues to be focused on cost containment, financial transparency, maintaining excellent customer service and strong financial management. In addition, the budget focus remains on the long-term maintenance of utility assets and system reliability.

RECOMMENDATION

Staff recommends the PUB approve the Wastewater Fiscal Year 2024-25 Operating and Capital Budget.

ESTIMATED SCHEDULE OF PROJECT

Adoption of the budget is scheduled for September 17, 2024.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The proposed Wastewater Fiscal Year 2024-25 Operating and Capital Budget was presented to City Council on July 16, July 23, and August 10, 2024.

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Jessica Williams
Chief Financial Officer
(940) 349-8244

CITY OF DENTON, TEXAS

PUBLIC UTILITIES BOARD

FY 2024-25 Wastewater Budget & Rates Presentation
September 9, 2024

Inclusion | Collaboration | Quality Service | Strategic Focus | Fiscal Responsibility

PUB 24-030 9/9/2024



Wastewater Fund Overview

Proposed Rate Increase:

- 11% increase in base rates
 - Rate increase needed to meet debt service coverage and policy targets
- Increase in sale of treated effluent rates
- Tapping fee structure

Expense Projections

- Budgeted increase in personnel and operating expenditures (chemicals, equipment, etc.)

Supplemental Requests:

- Water Reclamation Technician \$101,359 (including benefits)

Wastewater Fund Overview

Wastewater	FY 2023 Actual	FY 2024 Budget	FY 2025 Proposed	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Beginning Fund Balance	27,072,158	15,510,254	15,861,672	15,611,484	17,016,844	19,003,119	21,349,817
Resources							
Rate Revenues	26,951,154	30,200,237	35,571,132	42,144,776	50,777,030	60,162,888	70,081,680
Non-Rate Revenues	2,968,450	3,162,768	3,428,700	3,531,561	3,637,508	3,746,633	3,859,032
Other Revenues	5,163,445	4,911,564	772,580	725,135	775,000	842,523	921,097
Use of Reserves	11,561,903	1,642,412	250,188	-	-	-	-
Total Resources	46,644,952	39,916,981	40,022,601	46,401,472	55,189,538	64,752,044	74,861,809
Expenditures							
Purchased Power	1,081,681	1,200,000	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611
Fuel	27,818	21,000	21,000	21,630	22,279	22,947	23,636
Personnel Services	6,513,708	6,551,435	7,325,753	7,545,526	7,771,891	8,005,048	8,245,200
O&M	6,804,533	5,689,436	5,662,634	5,832,513	6,007,488	6,187,713	6,373,344
Administrative Cost	2,474,983	2,619,061	3,023,546	3,582,306	4,316,048	5,113,845	5,956,943
Miscellaneous Expense	1,689	7,898	7,898	26,881	27,687	28,518	29,374
Debt Service Transfers	8,549,983	8,713,745	9,898,950	13,505,651	20,790,516	28,354,759	36,823,390
Capital Transfers	12,746,862	5,655,475	888,538	891,494	269,539	274,766	279,993
Impact Fees	500,000	250,000	-	-	-	-	-
Interfund Transfers	7,928,429	9,208,931	11,077,923	11,410,261	11,752,569	12,105,146	12,468,300
Fixed Assets	15,264	-	-	-	-	-	-
Baseline Adjustments	-	-	815,000	839,450	864,634	890,573	917,290
Supplementals	-	-	101,359	104,400	107,532	110,758	114,080
Total Expenditures	46,644,952	39,916,981	40,022,601	44,996,112	53,203,263	62,405,346	72,582,160

Drainage Division Overview

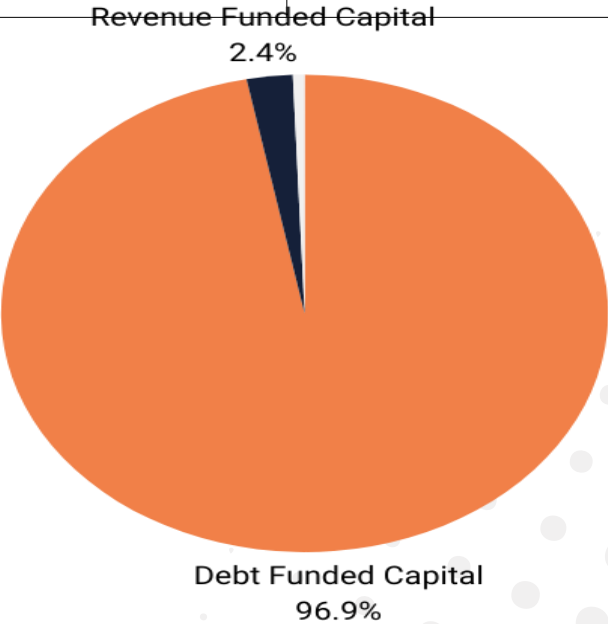
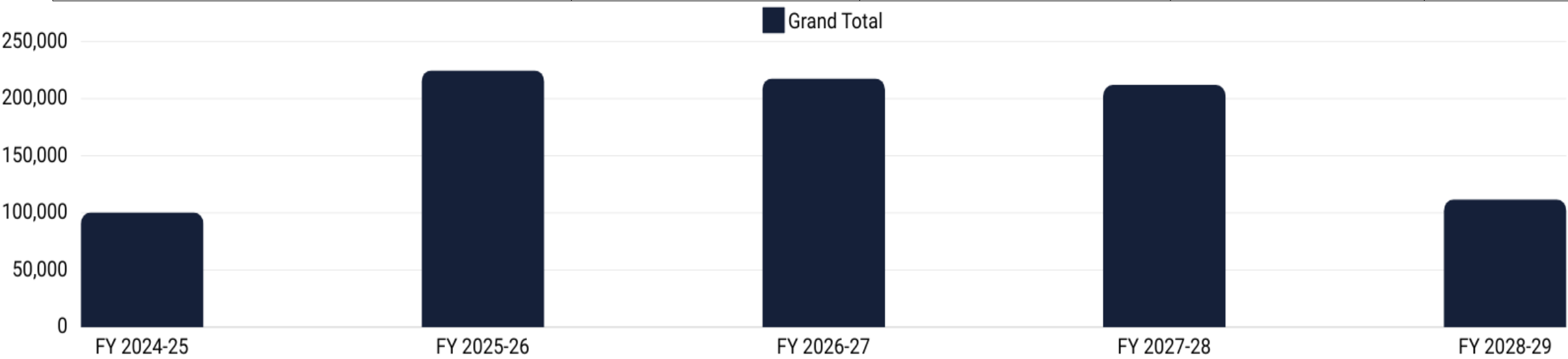
Drainage	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	Actual	Budget	Proposed	Projected	Projected	Projected	Projected
Beginning Fund Balance	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Resources							
Rate Revenues	4,803,687	4,960,001	5,072,777	5,224,960	5,381,709	5,543,160	5,709,455
Non-rate Revenues	19,050	72,112	177,275	182,594	188,071	193,714	199,525
Operating Transfers In	378,165	378,166	389,511	401,196	413,232	425,629	438,398
Total Revenues	5,200,902	5,410,279	5,639,563	5,756,566	5,874,080	5,992,119	6,010,700
Total Resources	\$5,200,902	\$5,410,279	\$5,639,563	\$5,808,750	\$5,983,013	\$6,162,503	6,347,378
Expenditures							
Personnel Services	1,998,587	2,590,912	2,803,117	2,887,211	2,973,827	3,063,042	3,154,933
Materials and Supplies	110,484	197,257	122,630	126,309	130,098	134,001	138,021
Maintenance and Repair	253,041	297,047	301,247	341,184	351,420	361,963	372,821
Insurance	63,388	69,181	74,395	71,257	73,394	75,596	77,864
Miscellaneous Expense	25,492	18,350	18,200	18,200	18,200	18,200	18,200
Operations	582,278	589,287	596,661	718,129	739,673	761,863	784,719
Capital Transfers	1,625,317	999,688	1,036,457	1,073,467	1,106,217	1,139,949	1,174,694
Interfund Transfers	542,315	648,557	556,304	572,994	590,183	607,889	626,125
Baseline Adjustments	-	-	130,552	-	-	-	-
Total Expenditures	\$5,200,902	\$5,410,279	\$5,639,563	\$5,808,750	\$5,983,013	\$6,162,503	\$6,347,378
Ending Fund Balance	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

Wastewater & Drainage Overview

Wastewater	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
	Actual	Budget	Proposed	Projected	Projected	Projected	Projected
Beginning Fund Balance	28,072,158	16,510,254	16,861,672	16,611,484	18,016,844	20,033,119	22,349,817
Total Resources	51,845,856	45,327,259	45,662,164	52,210,222	61,172,551	70,914,547	81,209,187
Total Expenditures	51,845,856	45,327,259	45,662,164	50,804,862	59,186,276	68,567,849	78,929,538
Ending Fund Balance	16,510,256	14,867,842	16,611,484	18,016,844	20,003,119	22,349,817	24,629,466
Revenue Sufficiency Requirement			11.00%	11.00%	13.00%	11.00%	9.00%
Working Capital	1,320,820	1,189,427	1,328,919	1,441,348	1,600,250	1,787,985	1,970,357
Operating Fund Reserve	15,189,436	13,678,415	15,282,565	16,575,496	18,402,869	20,561,832	22,659,109
Target Reserves							
Working Cptl - 8% / Op Reserve - 20%	14,516,840	12,691,633	12,785,406	14,225,361	16,572,157	19,198,998	22,100,271
Working Cptl - 8% / Op Reserve - 31%	20,219,884	17,677,631	17,808,244	19,813,896	23,082,648	26,741,461	30,782,520
Debt Service Coverage Ratio (DSCR)	0.99	1.3	1.37	1.44	1.32	1.27	1.23

Wastewater 5 YR Capital Project List

5-Year Summary - Project Category						
	2024-25	2025-26	2026-27	2027-28	2028-29	TOTAL
Collection System Upgrade	\$ 4,551	\$ 33,642	\$ 18,500	\$ 16,197	\$ 3,910	\$ 76,799
Drainage	46	46	16	16	-	124
Drainage Improvements	292	400	400	400	400	1,892
Liftstation Improvements	27,238	16,800	3,650	450	450	48,588
Facility Improvements	4,450	3,050	50	50	50	7,650
Oversize Lines	13,040	19,140	13,460	12,310	10,650	68,600
Plant Improvements	16,705	123,015	158,465	166,065	81,013	545,263
Replace Lines	30,877	27,075	22,156	15,249	14,043	109,400
Taps, Fire Hydrants, Meters	249	251	255	260	265	1,279
Vehicles	3,028	1,375	750	1,000	1,000	7,153
Grand Total:	\$ 100,475	\$ 224,794	\$ 217,701	\$ 211,997	\$ 111,781	\$ 866,748



Wastewater Fund Overview

			Current FY 2023-24	Proposed FY 2024-25	Change	% Change
Residential Service						
Facility Charge			Varies	Varies	-	11.0%
Volume Charge (1,000 gal. effluent)			Varies	Varies	-	11.0%
Commercial Service						
Facility Charge			Varies	Varies	-	11.0%
Volume Charge (1,000 gal. effluent)			Varies	Varies	-	11.0%
Sale of Treated Effluent						
Per 1,000 gal. effluent			\$ 1.67	\$ 2.50	\$ 0.83	49.7%
Wastewater Tap Fees						
4" Paved			\$ 2,600	Varies*	-	-
4" Unpaved			\$ 1,500	Varies*	-	-
6" Paved			\$ 2,700	Varies*	-	-
6" Unpaved			\$ 1,650	Varies*	-	-
8" Paved			\$ 2,800	Varies*	-	-
8" Unpaved			\$ 1,800	Varies*	-	-
Waste Transportation Manifest						
Waste Manifest Book			\$ 40	\$ 165	\$ 125	312%

Next Steps

Date	Body	Action
September 17, 2024	City Council	Budget Adoption

Questions?



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-031, **Version:** 1

AGENDA CAPTION

Consider recommending approval of the Electric Fiscal Year 2024-25 Operating and Capital Budget.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending approval of the Electric Fiscal Year 2024-25 Operating and Capital Budget.

BACKGROUND

The purpose of this item is to seek approval regarding the Fiscal Year 2024-25 Electric Proposed Budget and Capital Improvement Program. The budget was discussed with the Public Utilities Board (PUB) during the June 10, June 24, and July 8, 2024, PUB meetings. The financial assumptions, capital projects, supplemental requests, if applicable, and the preliminary budget were discussed in detail. The City's budget emphasis continues to be focused on cost containment, financial transparency, maintaining excellent customer service and strong financial management. In addition, the budget focus remains on the long-term maintenance of utility assets and system reliability.

RECOMMENDATION

Staff recommends the PUB approve the Electric Fiscal Year 2024-25 Operating and Capital Budget.

ESTIMATED SCHEDULE OF PROJECT

Adoption of the budget is scheduled for September 17, 2024.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The proposed Electric Fiscal Year 2024-25 Operating and Capital Budget was presented to City Council on July 16, July 23, and August 10, 2024.

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Jessica Williams
Chief Financial Officer
(940) 349-8244

CITY OF DENTON, TEXAS

PUBLIC UTILITIES BOARD

FY 2024-25 Electric Budget & Rates Presentation
September 9, 2024

Inclusion | Collaboration | Quality Service | Strategic Focus | Fiscal Responsibility



Electric Fund Overview - Operating Highlights

Growth Projections

- 7.53% retail sales (MWh) growth for known Residential and Commercial Projects

Revenue Projections

- Proposed 1.5% Base Rate increase effective October 1, 2024
- Cost of Service Study to be completed during FY 2025
 - Primary consideration will be fixed costs (i.e. facility and usage changes).

Expense Projections

- Increase in personnel costs - City-wide compensation adjustment for inflation & competitive market
 - Increase in personnel expenditures (including benefits)
 - Includes 3.0% cost of living adjustment for FY 2025
 - Includes an additional 2.5% merit-based performance adjustment

Supplemental Requests

- Personnel Requests (9 FTEs), Equipment & Supplies, GIS Cloud Service
- Total Supplemental Requests = \$1,871,252

Electric Fund – Revised Position Requests

- Reduced proposed number of positions from 16.5 to 9
- Supplemental expense reduced from \$3,788,807 to \$1,871,252

Division	Business Unit / Position Title	FTE(s)
Energy Management Organization	Senior Business Intelligence Analyst	1
Energy Management Organization	Senior Energy Market Analyst	1
Energy Management Organization	Senior ERCOT Transmission Analyst	1
Denton Energy Center	Production Engineer	1
Electric Operations & Maintenance	Lead Lineman	1
Electric Technology Operations	Electric Technology Business Operations Manager	1
Electric Engineering	Logistics Specialist	1
Energy Services Organization	Senior Financial Analyst	1
Energy Services Organization	Financial Analyst	1
Total		9

Electric Fund – Proposed Rates Summary

- **Base Rates** 1.5% Increase
 - Includes usage, facility, & demand charges

- **Pole Attachment Fees** Varies
 - Pole Attachment Fee (PAF) is the annual rental fee DME charges telecommunication and cable providers who attach to DME’s poles. The fee is being changed to meet the standard calculations set forth by the FCC for pole attachment fees. The proposed PAF removes many of the items from the current schedule that are no longer applicable based on regulatory requirements.

- **Wholesale Transmission Service** New Schedule
 - Denton Municipal Electric must file its Wholesale Transmission Service (WTS) rate with the Texas Public Utilities Commission. Although this is a rate that is not utilized by retail customers, staff wanted to include it in the Electric Rate Ordinance to be consistent with our other rates.

Electric Fund Overview - 5 YR Forecast

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Electric	Actuals	Budget	Preliminary	Projected	Projected	Projected	Projected
Beginning Fund Balance	\$ 140,776,983	\$ 108,833,416	\$ 115,257,998	\$ 113,764,083	\$ 116,776,202	\$ 126,966,945	\$ 138,779,457
Base Rate Revenues	102,759,906	104,394,786	124,913,472	133,877,276	142,279,806	151,856,750	162,021,372
TCRF Revenue	-	-	30,286,099	30,740,391	31,201,497	31,669,519	32,144,562
ECA Revenues	56,433,028	66,916,984	86,122,202	88,832,751	107,778,247	109,278,619	111,920,335
Non-rate Revenues	174,832,684	119,085,425	151,162,001	146,050,020	144,172,162	146,446,325	145,938,131
Total Revenues	334,025,618	290,397,195	392,483,775	399,500,438	425,431,712	439,251,214	452,024,400
Use of Reserves	32,953,192	17,756,400	1,493,915	-	-	-	-
Total Resources	\$ 366,978,810	\$ 308,153,596	\$ 393,977,690	\$ 399,500,438	\$ 425,431,712	\$ 439,251,214	\$ 452,024,400
Expenditures							
Purchase Power	194,490,558	116,110,083	181,498,876	176,243,893	189,689,362	193,587,167	195,426,596
Transmission of Power	23,826,397	24,737,092	27,284,774	27,694,046	28,109,457	28,531,098	28,959,065
Personnel	22,229,684	26,090,466	25,717,762	30,685,796	31,606,370	32,554,561	33,531,198
O&M	15,305,427	23,969,028	24,718,311	26,101,813	26,623,850	27,156,327	27,699,453
Cost of Service Transfers	15,357,250	19,943,469	19,177,096	19,752,409	20,344,981	20,955,331	21,583,990
ROI & Franchise Fee	27,713,608	25,141,239	34,620,820	36,094,522	39,150,509	40,504,849	41,900,598
NON-DEC Debt Service	45,122,652	47,185,218	49,860,621	53,811,151	53,746,452	57,947,347	62,370,486
DEC Debt	17,308,336	18,077,000	18,077,125	18,073,500	18,075,875	18,077,375	18,075,750
Revenue Funded Capital	5,624,896	6,900,000	2,057,579	902,000	761,000	995,000	-
2024 Purchase Power Securitization	-	-	8,221,772	7,129,189	7,133,114	7,129,648	7,128,001
Supplementals	-	-	1,871,252	-	-	-	-
Baseline Adjustments	-	-	871,702	-	-	-	-
Total Expenditures	\$ 366,978,809	\$ 308,153,595	\$ 393,977,690	\$ 396,488,318	\$ 415,240,969	\$ 427,438,702	\$ 436,675,137
Ending Fund Balance	\$ 107,823,791	\$ 91,077,016	\$ 113,764,083	\$ 116,776,202	\$ 126,966,945	\$ 138,779,457	\$ 154,128,720
Revenue Sufficiency Requirement			1.50%	5.50%	5.00%	5.00%	5.50%
Working Capital	29,358,305	24,652,288	31,671,620	31,719,065	33,219,278	34,195,096	34,934,011
Operating Reserve	78,465,486	66,424,728	80,174,908	83,139,582	91,830,113	102,666,806	117,277,154
Target Reserves							
Working Cptl - 8% / Op Reserve - 38%	168,810,252	141,750,654	182,111,813	182,384,626	191,010,846	196,621,803	200,870,563
Working Cptl - 8% / Op Reserve - 61%	253,215,378	212,625,981	273,167,719	273,576,940	286,516,269	294,932,705	301,305,845
Debt Service Coverage Ratio (DSCR)	1.01	1.23	1.49	1.56	1.70	1.70	1.71

Electric Fund – 5 Year CIP

Distribution Projects	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Automated Meter Reading	\$ 1,238,730	\$ 1,203,793	\$ 1,239,907	\$ 730,710	\$ 797,575	\$ 5,210,715
Building Construction	2,500,000	2,500,000	-	-	-	5,000,000
Distribution Substations	6,550,000	9,120,000	2,030,000	5,090,000	6,060,000	28,850,000
Distribution Transformers	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	35,000,000
Feeder Extensions & Improvements	15,931,000	18,057,000	24,660,000	14,513,000	11,840,000	85,001,000
New Residential & Commercial	9,205,000	9,316,000	9,431,000	9,553,000	8,256,000	45,761,000
Power Factor Improvement	600,000	200,000	200,000	200,000	200,000	1,400,000
Street Lighting	800,000	800,000	800,000	400,000	400,000	3,200,000
Plant Production	6,358,000	-	-	6,000,000	11,000,000	23,358,000
Technology - Software & Hardware	4,090,000	4,300,000	12,000,000	15,500,000	18,500,000	54,390,000
Electric Relocations	6,000,000	5,500,000	5,500,000	5,500,000	1,500,000	24,000,000
Vehicles	-	761,000	1,687,000	995,000	400,000	3,843,000
Distribution Sub-Total	\$ 60,272,730	\$ 58,757,793	\$ 64,547,907	\$ 65,481,710	\$ 65,953,575	\$ 315,013,715

Electric Fund – 5 Year CIP

Transmission Projects	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Transmission Lines	\$ 6,400,000	\$ 14,075,000	\$ 6,725,000	\$ 1,300,000	\$ 9,295,000	\$ 37,795,000
Transmission Substation	8,350,000	6,180,000	1,640,000	5,325,000	11,655,000	33,150,000
Transmission Sub-Total	\$ 14,750,000	\$ 20,255,000	\$ 8,365,000	\$ 6,625,000	\$ 20,950,000	\$ 70,945,000
Project Totals	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Sub-Total Distribution	\$ 60,272,730	\$ 58,757,793	\$ 64,547,907	\$ 65,481,710	\$ 65,953,575	\$ 315,013,715
Sub-Total Transmission	14,750,000	20,255,000	8,365,000	6,625,000	20,950,000	70,945,000
Grand Total	\$ 75,022,730	\$ 79,012,793	\$ 72,912,907	\$ 72,106,710	\$ 86,903,575	\$ 385,958,715
Funding Source	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Debt Funding	\$ 67,770,151	\$ 71,450,793	\$ 72,151,907	\$ 71,111,710	\$ 83,213,575	\$ 366,435,715
Revenue Funding	2,102,579	902,000	761,000	995,000	-	3,968,000
Cost Participation	\$ 5,150,000	\$ 6,660,000	-	-	\$ 3,645,000	\$ 15,455,000
Total	\$ 75,022,730	\$ 79,012,793	\$ 72,912,907	\$ 72,106,710	\$ 86,903,575	\$ 385,958,715

Next Steps

Date	Body	Action
September 17, 2024	City Council	Budget Adoption

Questions?



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-032, **Version:** 1

AGENDA CAPTION

Consider recommending approval of the Customer Service Fiscal Year 2024-25 Operating Budget.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending approval of the Customer Service Fiscal Year 2024-25 Operating Budget.

BACKGROUND

The purpose of this item is to seek approval regarding the Fiscal Year 2024-25 Customer Service Proposed Budget. The budget was discussed with the Public Utilities Board (PUB) during the June 24 PUB meeting.

RECOMMENDATION

Staff recommends the PUB approve the Customer Service Fiscal Year 2024-25 Operating Budget.

ESTIMATED SCHEDULE OF PROJECT

Adoption of the budget is scheduled for September 17, 2024.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

The proposed Customer Service Fiscal Year 2024-25 Operating Budget was presented to City Council on July 23 and August 10, 2024.

EXHIBITS

1. Agenda Information Sheet
2. Presentation

Respectfully submitted:
Jessica Williams
Chief Financial Officer
(940) 349-8244

CITY OF DENTON, TEXAS

PUBLIC UTILITIES BOARD

FY 2024-25 Customer Service Budget Presentation
September 9, 2024

Inclusion | Collaboration | Quality Service | Strategic Focus | Fiscal Responsibility



Customer Service Fund

Summary

Baseline & Supplementals

\$230,200

- Increase for USPS Postage
- Engage Denton Contract Price Increase
- 311 Service Software Contract Increase
- Software and Buildout for 311
- Credit and Collection Process Review
- Operational Review

Position Movements

Division	FY 2023 Actual	FY 2024 Budget	FY 2024 Estimate	FY 2025 Preliminary
Customer Service	56.50	62.50	55.50	55.50
311 Call Center	0.00	0.00	6.00	10.00*
Total	56.50	62.50	61.50	65.50

* Move and reclassify 4 DME Dispatch FTEs to 311 Call Center Representatives

Customer Service Fund 5-Year Forecast

	FY 2023 Actual	FY 2024 Budget	FY 2025 Preliminary	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected
Other Fees	\$ 333,408	\$ 120,000	\$ 318,606	\$ 328,164	\$ 338,769	\$ 344,024	\$ 354,388
Transfer In - General Fund	203,477	178,528	853,328	890,143	916,847	944,352	972,683
Transfer In - Electric	3,686,683	4,926,320	5,117,252	5,338,022	5,498,163	5,663,107	5,833,001
Transfer In - Water	1,069,005	1,322,996	1,703,145	1,776,623	1,829,921	1,884,819	1,941,363
Transfer In - Wastewater	1,256,265	1,561,065	1,660,835	1,732,487	1,784,462	1,837,996	1,893,136
Transfer In - Solid Waste	1,712,127	1,720,712	2,139,418	2,231,717	2,298,669	2,367,629	2,438,658
Other Transfers In	14,318	26,999	23,333	24,033	24,754	25,497	26,261
Use of Reserve	-	-	150,000	-	-	-	-
Total Revenues	\$ 8,275,283	\$ 9,856,620	\$ 11,965,917	\$ 12,321,189	\$ 12,691,584	\$ 13,067,424	\$ 13,459,490
Personnel	\$ 4,108,634	\$ 5,124,708	\$ 6,565,684	\$ 6,762,655	\$ 6,965,534	\$ 7,174,500	\$ 7,389,735
Materials & Supplies	358,870	434,130	474,130	488,354	503,005	518,095	533,637
Maintenance & Repair	-	1,500	1,500	1,545	1,591	1,639	1,688
Insurance	78,150	114,760	113,609	117,017	120,528	124,144	127,868
Miscellaneous	1,972	2,350	2,350	2,421	2,493	2,568	2,645
Operations	2,466,277	2,773,874	2,619,874	2,698,470	2,779,424	2,862,807	2,948,691
Cost of Service - General Fund	167,955	571,491	869,917	896,015	922,895	950,582	979,099
Cost of Service - Other	641,847	753,933	1,010,128	1,040,432	1,071,645	1,103,794	1,136,908
Debt Service Transfers	81,225	79,874	78,525	77,175	80,250	77,750	80,125
Supplementals	-	-	155,200	159,856	164,652	169,591	174,679
Baseline Adjustments	-	-	75,000	77,250	79,568	81,955	84,413
Total Expenditures	\$ 7,904,929	\$ 9,856,620	\$ 11,965,917	\$ 12,321,189	\$ 12,691,584	\$ 13,067,424	\$ 13,459,489

Next Steps

Date	Body	Action
September 17, 2024	City Council	Budget Adoption

Questions?



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-033, **Version:** 1

AGENDA CAPTION

Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Water service; providing for a repealer; providing for a severability clause; and, providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates and fees for water and water service; repealing ordinance no. 23-1741; providing for a repealer; providing for a severability clause; and providing an effective date.

BACKGROUND

The proposed FY 2024-2025 Water Operating Budget and CIP was presented to the Public Utilities Board (PUB) on June 10, June 24, and July 8, 2024. The PUB reviewed the proposed rates on July 8, 2024.

The following summarizes the proposed changes to existing Water rates:

- Fire Hydrant Meter Deposit
 - Increase hydrant meter deposit from \$1,100 to \$3,000 (approximate replacement cost of an unreturned meter).
 - Increase the backflow testing fee from \$15.95 to \$25.00 to recover the testing expenditures.
 - Add monthly fee for backflow service of \$4.16 per month. This fee would recover the administrative expenses of the backflow testing program.
 - Add a fee for non-COD meter testing of \$25. Currently this service is provided for free to other municipal entities.
- Wholesale Raw Water
 - Per current contract, agreed upon rate is 85% of Dallas's raw volume rate. Increase rate from \$0.90083 to \$0.96000 to align with contract.
- Wholesale Treated Water
 - Increase water volume rate from \$0.61 per 1,000 gallons to \$1.25 per 1,000 gallons.
- Commercial Irrigation
 - Change from a flat rate of \$6.61 per 1,000 gallons to a tier structure based on water usage to encourage conservation and align with other metroplex cities.
 - \$6.61 per 0 – 7,000 gallons
 - \$7.25 per 7,001 – 20,000 gallons
 - \$8.50 per 20,001 – 40,000 gallons
 - \$9.50 per 40,000+ gallons
- Residential & Commercial Rates
 - 3% increase in rates for residential customers

RECOMMENDATION

Staff recommends adoption of the Fiscal Year 2024-25 Water Rates.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

City Council reviewed the Fiscal Year 2024-25 Operating Budget during the July 23, 2024 meeting, and the proposed rates during the budget workshop on August 10, 2024.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Water Redline Rate Ordinance

Exhibit 3 – Water Rate Ordinance

Respectfully submitted:

Jessica Williams

940-349-7899

Chief Financial Officer

Prepared by:

Matt Hamilton

Budget Manager

940-349-8127

ORDINANCE NO. ~~2324~~_____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE RATES AND FEES FOR WATER AND WATER SERVICE; REPEALING ORDINANCE NO. ~~22-185623-1741~~; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND, PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Rate Schedules for water service as provided for in Section 26-127 of Chapter 26 of the Code of Ordinances are established as follows:

WATER RATE SCHEDULES

	<u>PAGE</u>
WR Residential Water Service	2
WC Commercial/Industrial Water Service Rate	6
WFH Metered Water From Fire Hydrant	9
WW Wholesale Treated Water Service to Upper Trinity Regional Water District	10
WD Water Demand	10
WRW Wholesale Raw Water Service to Upper Trinity Regional Water District	12
WCL Wholesale Raw Water Pass-Through to Upper Trinity Regional Water District from Lake Chapman into Lake Lewisville	13
Water Tap and Meter Fees	14
Fire Hydrant Installation	16
Water Laboratory Testing Fees	17
Special Facilities Rider	18

SCHEDULE WR
RESIDENTIAL WATER SERVICE
(Effective 10/01/~~23~~24)

APPLICATION

Applicable for single-family residential service and individually metered apartments, mobile homes, and multi-family facilities with less than four units, with wastewater service and located within the corporate limits of the City of Denton, Texas. **(WR)**

Applicable for single-family residential service, and individually metered apartments, mobile homes, and multi-family facilities with less than four units, with or without wastewater service and located outside the corporate limits of the City of Denton, Texas. **(WRO)**

Applicable to a location inside the corporate limits of the City of Denton, Texas where the metered water is used for domestic purposes and is not returned to the wastewater system for collection and treatment. **(WRN)**

Applicable to a location outside the corporate limits of the City of Denton, Texas where the metered water is used for domestic purposes and is not returned to the wastewater system for collection and treatment. **(WRNO)**

Applicable within the corporate limits of the City of Denton, Texas where the metered water is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WRI)**

Applicable outside the corporate limits of the City of Denton, Texas where metered water is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WRIO)**

Not applicable to resale, temporary, standby, or supplementary service except as otherwise expressly provided for in this ordinance.

MONTHLY RATE (WR) – RESIDENTIAL WATER SERVICE
AND MONTHLY RATE (WRN) – METERED WATER NOT RETURNED TO WASTEWATER
SYSTEM FOR COLLECTION AND TREATMENT

(1)	Facility Charge	<u>Per Bill</u>
	3/4 inch Meter	\$15.84 <u>16.32</u>
	1 inch Meter	\$20.59 <u>21.21</u>
	1-1/2 inch Meter	\$26.93 <u>27.74</u>
	2 inch Meter	\$34.06 <u>35.08</u>
(2)	Volume Charge	

RATE BLOCK PER 30 DAYS

Rate Per 1,000 Gallons

0-5,000 gals	\$3.63 3.73
5,001-7,000 gals	\$3.90 4.01
7,001-15,000 gals	\$4.05 4.17
15,001-30,000 gals	\$7.25 7.46
30,001-50,000 gals	\$9.68 9.97
Over 50,000 gals	\$12.04 12.40

MONTHLY RATES (WRO) & (WRNO) – WATER SERVICE OUTSIDE CORPORATE LIMITS

MONTHLY RATE

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$18.40 18.95
	1 inch Meter	\$23.90 24.62
	1-1/2 inch Meter	\$31.30 32.24
	2 inch Meter	\$39.55 40.74

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-5,000 gals	\$4.18 4.31
5,001-7,000 gals	\$4.49 4.62
7,001-15,000 gals	\$4.66 4.80
15,001-30,000 gals	\$8.34 8.59
30,001-50,000 gals	\$11.13 11.46
Over 50,000 gals	\$13.85 14.27

MONTHLY RATES (WRI) – METERED WATER SERVICE FOR IRRIGATION

MONTHLY RATE

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$15.84 16.32
	1 inch Meter	\$20.59 21.21
	1-1/2 inch Meter	\$26.93 27.74
	2 inch Meter	\$34.06 35.08

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-5,000 gals	\$3.63 3.74
5,001-7,000 gals	\$3.90 4.02
7,001-15,000 gals	\$4.05 4.17
15,001-30,000 gals	\$7.25 7.47
30,001-50,000 gals	\$9.68 9.97
Over 50,000 gals	\$12.04 12.40

MONTHLY RATES (WRIO) – METERED WATER SERVICE FOR IRRIGATION

MONTHLY RATE

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$18.40 18.95
	1 inch Meter	\$23.90 24.62
	1-1/2 inch Meter	\$31.30 32.24
	2 inch Meter	\$39.55 40.74

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-5,000 gals	\$4.18 4.31
5,001-7,000 gals	\$4.49 4.62
7,001-15,000 gals	\$4.66 4.80
15,001-30,000 gals	\$8.34 8.59
30,001-50,000 gals	\$11.13 11.46
Over 50,000 gals	\$13.85 14.27

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

In accordance with Section 26-9(a) of the City of Denton Code of ordinances, bills are due when rendered, and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for water consumption shall be based on the gallon consumption during the billing period.

Formula:

$$\frac{\text{Gallons in rate block}}{1,000 \text{ gallons}} \times \text{rate per 1,000 gal. in rate block}$$

RETAIL WATER RATES UNDER DROUGHT CONTINGENCY PLAN CONDITIONS
PURSUANT TO THE CURRENT CITY OF DENTON DROUGHT CONTINGENCY PLAN

Under Stage 2 drought conditions, residential customers shall be charged a 10% rate increase for water usage greater than 15,000 gallons per account per thirty (30) days.

Under Stage 3 drought conditions, residential customers shall be charged a 20% rate increase for water usage greater than 15,000 gallons per account per thirty (30) days.

SCHEDULE WC

COMMERCIAL/INDUSTRIAL WATER SERVICE RATE

(Effective 10/01/~~23~~24)

APPLICATION

Applicable for all commercial and industrial users, or other water users not otherwise classified under this ordinance, for all water provided at one point of delivery and measured through one meter. **(WC)**

Applicable for all commercial and industrial users or other users not otherwise classified under this ordinance outside of the corporate limits of the City of Denton for all water service provided at one point of delivery and measured through one meter, with or without wastewater service. **(WCO)**

Applicable where the metered water is used for commercial purposes and is not returned to the wastewater system for collection and treatment. **(WCN)**

Applicable where metered water is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WCI)**

Applicable where metered water is outside the corporate limits of the City of Denton, Texas and is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WCIO)**

Not applicable to resale service in any event, nor to temporary, standby, or supplementary service except as otherwise expressly provided for in this ordinance..

MONTHLY RATE (WC) and (WCN)

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$22.37 <u>23.04</u>
	1 inch Meter	\$31.68 <u>32.63</u>
	1 - 1/2 inch Meter	\$38.31 <u>39.46</u>
	2 inch Meter	\$50.99 <u>52.52</u>
	3 inch Meter	\$109.30 <u>112.58</u>
	4 inch Meter	\$216.71 <u>223.21</u>
	6 inch Meter	\$296.21 <u>305.10</u>
	8 inch Meter	\$415.01 <u>427.46</u>
	10 inch Meter	\$594.00 <u>611.82</u>
(2)	Volume Charge	\$4.34 <u>4.47</u> per 1,000 gallons

MONTHLY RATE (WCO) – OUTSIDE CORPORATE LIMITS

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$26.00 26.78
	1 inch Meter	\$36.80 37.90
	1-1/2 inch Meter	\$44.50 45.84
	2 inch Meter	\$59.25 61.03
	3 inch Meter	\$126.95 130.76
	4 inch Meter	\$251.75 259.30
	6 inch Meter	\$344.10 354.42
	8 inch Meter	\$482.10 496.56
	10 inch Meter	\$690.00 710.70

(2)	Volume Charge	\$5.10 5.25 per 1,000 gallons
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MONTHLY RATE (WCI) - IRRIGATION

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$22.37 23.04
	1 inch Meter	\$31.68 32.63
	1 -1/2 inch Meter	\$38.31 39.46
	2 inch Meter	\$50.99 52.52
	3 inch Meter	\$109.30 112.58
	4 inch Meter	\$216.71 223.21
	6 inch Meter	\$296.21 305.10
	8 inch Meter	\$415.01 427.46
	10 inch Meter	\$594.00 611.82

(2)	Volume Charge	<u>Rate Per 1,000 Gallons</u>
		\$5.75 5.92

MONTHLY RATE (WCIO) - IRRIGATION

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$26.00 26.78
	1 inch Meter	\$36.80 37.90
	1-1/2 inch Meter	\$44.50 45.84
	2 inch Meter	\$59.25 61.03
	3 inch Meter	\$126.95 130.76
	4 inch Meter	\$251.75 259.30
	6 inch Meter	\$344.10 354.42
	8 inch Meter	\$482.10 496.56
	10 inch Meter	\$690.00 710.70

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-7,000 gals	\$6.80
7,001-20,000 gals	\$7.25
20,001-40,000 gals	\$8.50
Over 40,000 gals	\$9.50
	<u>Rate Per 1,000 Gallons</u>
	6.61

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided, subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the water consumption shall be based on the consumption during the billing period.

Formula:

$$\frac{\text{Gallons consumption}}{1,000} \times \text{Rate per 1,000 gallons}$$

COMMERCIAL/INDUSTRIAL WATER RATES UNDER DROUGHT CONTINGENCY PLAN
CONDITIONS PURSUANT TO THE CURRENT CITY OF DENTON DROUGHT
CONTINGENCY PLAN.

Under Stage 2 drought conditions, Commercial/Industrial customers shall be charged a 10% surcharge penalty for water usage above 80% of prior billing volumes per account per thirty (30) days.

Under Stage 3 drought conditions, Commercial/Industrial customers shall be charged a 20% surcharge penalty for water usage above 70% of prior billing volumes per account per thirty (30) days.

SCHEDULE WFH

METERED WATER FROM FIRE HYDRANT

(Effective 10/01/~~23~~24)

APPLICATION

Applicable for all water taken through a fire hydrant or other direct distribution line source at one location for private or commercial use not associated with firefighting. Customers must complete, sign, and agree to all terms and conditions stated in the “Fire Hydrant Meter Use Agreement.”

DEPOSIT ~~\$1,100~~3,000 per meter

User shall place a deposit each time a City's hydrant meter(s) is requested. The deposit will be returned when meter is returned and final bill is paid.

NET RATE

Volume Charge ~~\$5.07~~5.22 per 1,000 gallons

Monthly volume shall be computed by subtracting the beginning meter reading from the ending meter reading divided by 1,000, and multiplied times the volume charge, upon the monthly return of the meter to the Water Department for reading. Per the “Fire Hydrant Meter Use Agreement”, failure by the Customer to return the meter to water utilities by the 3rd day of each month for reading, results in acceptance by the Customer to pay a monthly billing equal to 100,000 gallons of water usage for the month.

Facility Charge ~~\$110.63~~113.95 per bill

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

COMMERCIAL/INDUSTRIAL WATER RATES UNDER DROUGHT CONTINGENCY PLAN CONDITIONS - PURSUANT TO THE CURRENT CITY OF DENTON DROUGHT CONTINGENCY PLAN.

Under Stage 2 and Stage 3 drought conditions, use of water from fire hydrants limited to fire fighting, essential distribution system maintenance, and related activities. All other water use from fire hydrants will be by special permit only.

SCHEDULE WW

WHOLESALE TREATED WATER SERVICE TO UPPER TRINITY REGIONAL WATER DISTRICT

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to all wholesale treated water sales from the City of Denton, Texas to the Upper Trinity Regional Water District (UTRWD)

Not applicable for temporary, standby, or supplementary service.

MONTHLY CHARGES

The monthly charge for service shall be expressed as a facility charge, a volume price per 1,000 gallons and a demand price per million gallons per day (MGD) of demand.

(WW2/WW3)	(1) Facility Charge	\$288.72 per bill
	(2) Water Volume Rate	\$0.61 <u>1.25</u> per 1,000 gallons
(WD2/WD3)	(3) Subscribed Demand Rate	<u>\$667,879 per MGD (Annual)</u> 12 (Paid Monthly)

*Full Payment of Annual Water Demand Adjustments:

As determined in the last month of each fiscal year (September), if any outstanding or unpaid annual water demand adjustment charges exist, they shall be included in their entirety on the monthly billing for the following month of October. Water demand adjustment charges shall be billed and payable in full, in accordance with the bill payment delinquency provisions provided for below.

MINIMUM BILLING

The minimum monthly billing amount shall be the sum of the monthly facility charge plus the monthly subscribed demand rate charge.

WATER DEMAND

The demand will be billed on a monthly basis at the Water Demand Rate for the subscribed MGD water demand level. If at any time during the fiscal year the actual peak demand required, as established by the highest rate of flow controller setting for any one day during the fiscal year, is greater than the peak demand subscribed during the fiscal year, annual water demand charges will be retroactively adjusted up beginning in June for each water year.

BILL PAYMENT DELINQUENCY

Bills shall be due and payable when rendered. Bills are considered delinquent if not paid within twenty (20) calendar days of the date a bill for service is rendered. There shall be a ten (10%) percent per annum interest charge on the amount due, from the date when due until paid, if not paid within twenty (20) calendar days of the date a bill for service is rendered.

SCHEDULE WRW

WHOLESALE RAW WATER SERVICE TO UPPER TRINITY REGIONAL WATER DISTRICT

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to all raw water sales from the City of Denton, Texas to the Upper Trinity Regional Water District (UTRWD), per the Interim Sale of Wholesale Raw Water Contract

MONTHLY CHARGES

The monthly charge for service shall be expressed as a volume price per 1,000 gallons.

Volume Charge: \$~~900830.96000~~ per 1,000 gallons

PAYMENT

Bills shall be due and payable within twenty (20) calendar days of the date a bill is rendered.

BILL PAYMENT DELINQUENCY

Bills shall be due and payable when rendered. Bills are considered delinquent if not paid within twenty (20) calendar days of the date a bill for service is rendered. There shall be a ten (10%) percent per annum interest charge on the amount due, from the date when due until paid, if not paid within twenty (20) calendar days of the date a bill for service is rendered.

SCHEDULE WCL

WHOLESALE RAW WATER PASS-THROUGH TO UPPER TRINITY REGIONAL WATER DISTRICT FROM LAKE CHAPMAN INTO LAKE LEWISVILLE (Effective 10/01/~~23~~24)

APPLICATION

Applicable to all pass-through raw water sent from Lake Chapman into Lake Lewisville by the Upper Trinity Regional Water District (UTRWD) per the Cooper Reservoir Project Contract, as well as, all Lake Chapman water reclaimed for reuse if discharged into and subsequently withdrawn from Lewisville Lake by UTRWD or Lewisville pursuant to a reuse permit or other appropriate regulatory authorization.

MONTHLY CHARGES

The monthly charge for service shall be expressed as a volume price per 1,000 gallons.

Volume Charge: \$~~0.0314~~0.0320 per 1,000 gallons

PAYMENT

Denton shall render bills monthly. Bills shall be due and payable within twenty (20) calendar days of the date a bill for service is rendered.

BILL PAYMENT DELINQUENCY

Bills shall be due and payable when rendered. Bills are considered delinquent if not paid within twenty (20) calendar days of the date a bill for service is rendered. There shall be a ten (10%) percent per annum interest charge on the amount due, from the date when due until paid, if not paid within twenty (20) calendar days of the date a bill for service is rendered.

WATER TAP AND METER FEES

(Effective 10/01/~~23~~24)

APPLICATION

This schedule applies to the installation, removal, or relocation of water taps and meters by the City of Denton Utility Department at the request of a person, firm, association or corporation.

TAP AND METER FEES

Any person, association of persons, or corporation that requests that a water main tap, water meter or water meter loop, be removed, installed, or relocated by the Utility Department shall pay in advance to the Utility Department the following applicable fees:

WATER TAPS WITH METER

All taps and meters listed in this section include the installation of a water main tap, a service line from the main to the water meter, the meter box, and water meter. Water impact fees are not included. For situations where portions of this installation requires a pavement cut and repair or the water service line must be bored under the street, the Paved Street fee shall apply. For installations that require a full concrete panel section of pavement to be removed and replaced, or that require a meter larger than 2 inches, the Water Utility Department will provide a special price quotation (see “fees for installations not listed” section).

<u>Tap</u>	<u>Meter</u>	<u>Paved Street</u>	<u>Unpaved Street</u>
1 inch	5/8 inch x 3/4 inch	\$2,405.00 <u>4,617.00</u>	\$1,605.00 <u>2,203.00</u>
1 inch	3/4 inch x 3/4 inch	\$2,445.00 <u>4,471.00</u>	\$1,645.00 <u>2,086.00</u>
1 inch	1 inch	\$2,475.00 <u>4,886.00</u>	\$1,675.00 <u>2,277.00</u>
2 inch	1-1/2 inch	\$3,070.00 <u>4,500.00</u>	\$2,070.00 <u>2,800.00</u>
2 inch	2 inch	\$3,080.00 <u>4,685.00</u>	\$2,080.00 <u>2,800.00</u>

WATER METER FEES

This section applies where there is an existing water tap and service line of sufficient size to install a water meter. Situations include water meter installations for new developments and existing properties requesting a larger water meter with an existing adequately sized water tap and service line. Fees include installation and setup of a new water meter and a new water meter box (if required). Water impact fees are not included. For a meter larger than 2 inches, the Water Utility Department will provide a special price quotation (see “fees for installations not listed” section).

Size of Meter

5/8 inch x 3/4 inch	\$305.00 <u>314.15</u>
3/4 inch x 3/4 inch	\$345.00 <u>355.35</u>

1 inch	\$375.00 386.25
1-1/2 inch	\$670.00 690.10
2 inch	\$680.00 700.40

WATER METER RELOCATIONS

This section applies for relocations for existing water meters to remove them from conflicts with driveways, sidewalks and other surface obstructions. This standard fee covers relocation of the meter box and water meter and water service line up to 10 feet and does not include pavement removal or replacement. For distances longer than 10 feet, the Water Utility Department will provide a special price quotation in increments of 10 feet (see “fees for installations not listed” section).

Size of Meter Relocation of 10 Feet or Less

3/4 inch	\$285.00 293.55
1 inch	\$285.00 293.55
1-1/2 inch	\$340.00 350.20
2 inch	\$390.00 401.70

WATER LINE TAPS

This section applies to the installation of all water main taps for extension of water mains, larger than 2 inch diameter service lines, and fire lines, including, but not limited to, fire sprinkler lines. The fees include the tapping sleeve and isolation gate valve, the installation of the tap, and the removal and restoration of the pavement for the water tap installation only. The contractor is responsible for installing the mainline extensions, service lines, and fire lines from the tapping sleeve isolation valve.

For tap installations impacting concrete pavement that require a full concrete panel section to be removed and replaced, the Water Utility Department will provide a special price quotation. If requested, the Water Utility Department can offer to make a short extension of the main or service line to the back side of the adjacent street curb line or street right of way line based upon a special price quotation (see “fees for installations not listed” section).

<u>Size of Tap</u>	<u>Paved Street</u> or <u>Unpaved Street</u>
4 inch	\$3,600.00 \$2,100.00 Actual cost per tap
6 inch	\$3,800.00 \$2,200.00 Actual cost per tap
8 inch	\$4,800.00 \$3,100.00 Actual cost per tap
12 inch	\$5,500.00 \$4,000.00 Actual cost per tap

FEES FOR INSTALLATIONS NOT LISTED

For the installation of a tap, loop or meter for which a fee is not specified, the requestor shall pay in advance based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%.

FIRE HYDRANT INSTALLATION

(Effective 10/01/~~23~~24)

APPLICATION

This schedule applies to the installation, removal, or relocation of fire hydrants by the City of Denton Utility Department at the request of a person, firm, association or corporation.

FIRE HYDRANT INSTALLATION FEES

Any person, association of persons, or corporation that requests that a fire hydrant be removed, installed, or relocated by the Utility Department shall pay in advance to the Utility Department the following applicable fees:

<u>Fire Hydrant Installation</u>	<u>Paved Street</u>	<u>Unpaved Street</u>
Installation Fee	\$6,200.00 <u>6,386.00</u>	\$4,300.00 <u>4,429.00</u>

FEES FOR INSTALLATIONS NOT LISTED

For the installation of a fire hydrant for which a fee is not specified, the requestor shall pay in advance a 50% deposit based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%. Upon completion of the installation, the applicant shall be billed at actual cost, as determined by the Utility Department, plus a 20% administrative fee.

WATER LABORATORY TESTING FEES

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to all customers and entities requesting testing and analysis services from the City of Denton Water/Wastewater Laboratory

RATE

<u>Fee Description</u>	<u>Fee Per Test</u>
Colilert (P/A), (Total Coliform, E. coli)	\$20.00 <u>22.00</u>
Colilert Quantitray (MPN), (Total Coliform, E. coli)	\$25.00
Colilert Quantitray (MPN), (Fecal Coliform)	\$25.00
Heterotrophic Plate Counts (HPC)	\$25.00 <u>33.00</u>
Records Search – per hour	\$25.00/hour

The testing and analysis fees are established to recover the cost of testing water and wastewater samples.

MINIMUM BILLING

The minimum amount that may be billed shall be as follows:

\$20.00 - Testing

\$25.00 - Records Search

PAYMENT

Bills are due when rendered, and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES RIDER

(Effective 10/01/~~23~~24)

- (1) All service shall be offered from available facilities. If a Customer service request for a special or unusual service not otherwise provided for by the water rate ordinance, and/or requires facilities or devices which are not normally and readily available at the location at which the Customer requests the service, then the City shall provide the service subject to the requirements of paragraphs 2 and 3 of this Rider.
- (2) The total cost of all facilities required to meet the Customer's special or unusual requirements, which are incurred by the City in connection with rendering the service shall be subject to a contract entered into between the City and the Customer. This contract shall be signed by both parties prior to the City providing the requested service to the Customer.
- (3) Any contract under this rider is subject to the following approvals:
 - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or his designee. If a contract under this subsection is not approved by the City Manager, or his designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council.
 - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council.

SECTION 2. Ordinance ~~22-185623-1741~~ is hereby repealed as of the effective date of this ordinance.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent or in conflict with the terms of provisions contained in the amended schedule of rates hereby enacted by this ordinance, are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. The Schedule of Rates herein adopted shall be effective, charged and applied to all water consumption occurring on and after October 1, 202~~3~~⁴; and a copy of said rates, fees, and charges shall be maintained on file in the Office of the City Secretary of Denton, Texas.

The motion to approve this Ordinance was made by _____ and seconded by _____; the Ordinance was passed and approved by the following vote [____ - ____]:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Gerard Hudspeth, Mayor:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Paul Meltzer, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the ____ day of _____ 202~~3~~4.

GERARD HUDSPETH, MAYOR

ATTEST:

~~JESUS SALAZAR~~LAUREN THODEN, CITY SECRETARY

By: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

By: _____

ORDINANCE NO. 24-_____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE RATES AND FEES FOR WATER AND WATER SERVICE; REPEALING ORDINANCE NO. 23-1741; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND, PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Rate Schedules for water service as provided for in Section 26-127 of Chapter 26 of the Code of Ordinances are established as follows:

WATER RATE SCHEDULES

	<u>PAGE</u>
WR Residential Water Service	2
WC Commercial/Industrial Water Service Rate	6
WFH Metered Water From Fire Hydrant	9
WW Wholesale Treated Water Service to Upper Trinity Regional Water District	10
WD Water Demand	10
WRW Wholesale Raw Water Service to Upper Trinity Regional Water District	12
WCL Wholesale Raw Water Pass-Through to Upper Trinity Regional Water District from Lake Chapman into Lake Lewisville	13
Water Tap and Meter Fees	14
Fire Hydrant Installation	16
Water Laboratory Testing Fees	17
Special Facilities Rider	18

SCHEDULE WR
RESIDENTIAL WATER SERVICE
(Effective 10/01/24)

APPLICATION

Applicable for single-family residential service and individually metered apartments, mobile homes, and multi-family facilities with less than four units, with wastewater service and located within the corporate limits of the City of Denton, Texas. **(WR)**

Applicable for single-family residential service, and individually metered apartments, mobile homes, and multi-family facilities with less than four units, with or without wastewater service and located outside the corporate limits of the City of Denton, Texas. **(WRO)**

Applicable to a location inside the corporate limits of the City of Denton, Texas where the metered water is used for domestic purposes and is not returned to the wastewater system for collection and treatment. **(WRN)**

Applicable to a location outside the corporate limits of the City of Denton, Texas where the metered water is used for domestic purposes and is not returned to the wastewater system for collection and treatment. **(WRNO)**

Applicable within the corporate limits of the City of Denton, Texas where the metered water is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WRI)**

Applicable outside the corporate limits of the City of Denton, Texas where metered water is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WRIO)**

Not applicable to resale, temporary, standby, or supplementary service except as otherwise expressly provided for in this ordinance.

MONTHLY RATE (WR) – RESIDENTIAL WATER SERVICE
AND MONTHLY RATE (WRN) – METERED WATER NOT RETURNED TO WASTEWATER
SYSTEM FOR COLLECTION AND TREATMENT

(1)	Facility Charge	<u>Per Bill</u>
	3/4 inch Meter	\$16.32
	1 inch Meter	\$21.21
	1-1/2 inch Meter	\$27.74
	2 inch Meter	\$35.08
(2)	Volume Charge	

RATE BLOCK PER 30 DAYS

Rate Per 1,000 Gallons

0-5,000 gals	\$3.73
5,001-7,000 gals	\$4.01
7,001-15,000 gals	\$4.17
15,001-30,000 gals	\$7.46
30,001-50,000 gals	\$9.97
Over 50,000 gals	\$12.40

MONTHLY RATES (WRO) & (WRNO) – WATER SERVICE OUTSIDE CORPORATE LIMITS

MONTHLY RATE

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$18.95
	1 inch Meter	\$24.62
	1-1/2 inch Meter	\$32.24
	2 inch Meter	\$40.74

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-5,000 gals	\$4.31
5,001-7,000 gals	\$4.62
7,001-15,000 gals	\$4.80
15,001-30,000 gals	\$8.59
30,001-50,000 gals	\$11.46
Over 50,000 gals	\$14.27

MONTHLY RATES (WRI) – METERED WATER SERVICE FOR IRRIGATION

MONTHLY RATE

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$16.32
	1 inch Meter	\$21.21
	1-1/2 inch Meter	\$27.74
	2 inch Meter	\$35.08

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-5,000 gals	\$3.74
5,001-7,000 gals	\$4.02
7,001-15,000 gals	\$4.17
15,001-30,000 gals	\$7.47
30,001-50,000 gals	\$9.97
Over 50,000 gals	\$12.40

MONTHLY RATES (WRIO) – METERED WATER SERVICE FOR IRRIGATION

MONTHLY RATE

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$18.95
	1 inch Meter	\$24.62
	1-1/2 inch Meter	\$32.24
	2 inch Meter	\$40.74

(2)	<u>Volume Charge</u>
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<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-5,000 gals	\$4.31
5,001-7,000 gals	\$4.62
7,001-15,000 gals	\$4.80
15,001-30,000 gals	\$8.59
30,001-50,000 gals	\$11.46
Over 50,000 gals	\$14.27

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

In accordance with Section 26-9(a) of the City of Denton Code of ordinances, bills are due when rendered, and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for water consumption shall be based on the gallon consumption during the billing period.

Formula:

$$\frac{\text{Gallons in rate block}}{1,000 \text{ gallons}} \times \text{rate per 1,000 gal. in rate block}$$

RETAIL WATER RATES UNDER DROUGHT CONTINGENCY PLAN CONDITIONS
PURSUANT TO THE CURRENT CITY OF DENTON DROUGHT CONTINGENCY PLAN

Under Stage 2 drought conditions, residential customers shall be charged a 10% rate increase for water usage greater than 15,000 gallons per account per thirty (30) days.

Under Stage 3 drought conditions, residential customers shall be charged a 20% rate increase for water usage greater than 15,000 gallons per account per thirty (30) days.

SCHEDULE WC

COMMERCIAL/INDUSTRIAL WATER SERVICE RATE

(Effective 10/01/24)

APPLICATION

Applicable for all commercial and industrial users, or other water users not otherwise classified under this ordinance, for all water provided at one point of delivery and measured through one meter. **(WC)**

Applicable for all commercial and industrial users or other users not otherwise classified under this ordinance outside of the corporate limits of the City of Denton for all water service provided at one point of delivery and measured through one meter, with or without wastewater service. **(WCO)**

Applicable where the metered water is used for commercial purposes and is not returned to the wastewater system for collection and treatment. **(WCN)**

Applicable where metered water is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WCI)**

Applicable where metered water is outside the corporate limits of the City of Denton, Texas and is used for landscape irrigation purposes and is not returned to the wastewater system for collection and treatment. **(WCIO)**

Not applicable to resale service in any event, nor to temporary, standby, or supplementary service except as otherwise expressly provided for in this ordinance..

MONTHLY RATE (WC) and (WCN)

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$23.04
	1 inch Meter	\$32.63
	1 - 1/2 inch Meter	\$39.46
	2 inch Meter	\$52.52
	3 inch Meter	\$112.58
	4 inch Meter	\$223.21
	6 inch Meter	\$305.10
	8 inch Meter	\$427.46
	10 inch Meter	\$611.82
(2)	Volume Charge	\$4.47 per 1,000 gallons

MONTHLY RATE (WCO) – OUTSIDE CORPORATE LIMITS

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$26.78
	1 inch Meter	\$37.90
	1-1/2 inch Meter	\$45.84
	2 inch Meter	\$61.03
	3 inch Meter	\$130.76
	4 inch Meter	\$259.30
	6 inch Meter	\$354.42
	8 inch Meter	\$496.56
	10 inch Meter	\$710.70
(2)	Volume Charge	\$5.25 per 1,000 gallons

MONTHLY RATE (WCI) - IRRIGATION

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$23.04
	1 inch Meter	\$32.63
	1-1/2 inch Meter	\$39.46
	2 inch Meter	\$52.52
	3 inch Meter	\$112.58
	4 inch Meter	\$223.21
	6 inch Meter	\$305.10
	8 inch Meter	\$427.46
	10 inch Meter	\$611.82
(2)	Volume Charge	<u>Rate Per 1,000 Gallons</u> \$5.92

MONTHLY RATE (WCIO) - IRRIGATION

(1)	<u>Facility Charge</u>	<u>Per Bill</u>
	3/4 inch Meter	\$26.78
	1 inch Meter	\$37.90
	1-1/2 inch Meter	\$45.84
	2 inch Meter	\$61.03
	3 inch Meter	\$130.76
	4 inch Meter	\$259.30
	6 inch Meter	\$354.42
	8 inch Meter	\$496.56
	10 inch Meter	\$710.70

(2) Volume Charge

<u>RATE BLOCK PER 30 DAYS</u>	<u>Rate Per 1,000 Gallons</u>
0-7,000 gals	\$6.80
7,001-20,000 gals	\$7.25
20,001-40,000 gals	\$8.50
Over 40,000 gals	\$9.50

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided, subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the water consumption shall be based on the consumption during the billing period.

Formula:

$$\frac{\text{Gallons consumption}}{1,000} \times \text{Rate per 1,000 gallons}$$

COMMERCIAL/INDUSTRIAL WATER RATES UNDER DROUGHT CONTINGENCY PLAN CONDITIONS PURSUANT TO THE CURRENT CITY OF DENTON DROUGHT CONTINGENCY PLAN.

Under Stage 2 drought conditions, Commercial/Industrial customers shall be charged a 10% surcharge penalty for water usage above 80% of prior billing volumes per account per thirty (30) days.

Under Stage 3 drought conditions, Commercial/Industrial customers shall be charged a 20% surcharge penalty for water usage above 70% of prior billing volumes per account per thirty (30) days.

SCHEDULE WFH

METERED WATER FROM FIRE HYDRANT (Effective 10/01/24)

APPLICATION

Applicable for all water taken through a fire hydrant or other direct distribution line source at one location for private or commercial use not associated with firefighting. Customers must complete, sign, and agree to all terms and conditions stated in the “Fire Hydrant Meter Use Agreement.”

DEPOSIT \$3,000 per meter

User shall place a deposit each time a City's hydrant meter(s) is requested. The deposit will be returned when meter is returned and final bill is paid.

NET RATE

Volume Charge \$5.22 per 1,000 gallons

Monthly volume shall be computed by subtracting the beginning meter reading from the ending meter reading divided by 1,000, and multiplied times the volume charge, upon the monthly return of the meter to the Water Department for reading. Per the “Fire Hydrant Meter Use Agreement”, failure by the Customer to return the meter to water utilities by the 3rd day of each month for reading, results in acceptance by the Customer to pay a monthly billing equal to 100,000 gallons of water usage for the month.

Facility Charge \$113.95 per bill

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

COMMERCIAL/INDUSTRIAL WATER RATES UNDER DROUGHT CONTINGENCY PLAN CONDITIONS - PURSUANT TO THE CURRENT CITY OF DENTON DROUGHT CONTINGENCY PLAN.

Under Stage 2 and Stage 3 drought conditions, use of water from fire hydrants limited to fire fighting, essential distribution system maintenance, and related activities. All other water use from fire hydrants will be by special permit only.

SCHEDULE WW

WHOLESALE TREATED WATER SERVICE TO UPPER TRINITY REGIONAL WATER DISTRICT (Effective 10/01/24)

APPLICATION

Applicable to all wholesale treated water sales from the City of Denton, Texas to the Upper Trinity Regional Water District (UTRWD)

Not applicable for temporary, standby, or supplementary service.

MONTHLY CHARGES

The monthly charge for service shall be expressed as a facility charge, a volume price per 1,000 gallons and a demand price per million gallons per day (MGD) of demand.

(WW2/WW3)	(1) Facility Charge	\$288.72 per bill
	(2) Water Volume Rate	\$1.25 per 1,000 gallons
(WD2/WD3)	(3) Subscribed Demand Rate	<u>\$667,879 per MGD (Annual)</u> 12 (Paid Monthly)

*Full Payment of Annual Water Demand Adjustments:

As determined in the last month of each fiscal year (September), if any outstanding or unpaid annual water demand adjustment charges exist, they shall be included in their entirety on the monthly billing for the following month of October. Water demand adjustment charges shall be billed and payable in full, in accordance with the bill payment delinquency provisions provided for below.

MINIMUM BILLING

The minimum monthly billing amount shall be the sum of the monthly facility charge plus the monthly subscribed demand rate charge.

WATER DEMAND

The demand will be billed on a monthly basis at the Water Demand Rate for the subscribed MGD water demand level. If at any time during the fiscal year the actual peak demand required, as established by the highest rate of flow controller setting for any one day during the fiscal year, is greater than the peak demand subscribed during the fiscal year, annual water demand charges will be retroactively adjusted up beginning in June for each water year.

BILL PAYMENT DELINQUENCY

Bills shall be due and payable when rendered. Bills are considered delinquent if not paid within twenty (20) calendar days of the date a bill for service is rendered. There shall be a ten (10%) percent per annum interest charge on the amount due, from the date when due until paid, if not paid within twenty (20) calendar days of the date a bill for service is rendered.

SCHEDULE WRW

WHOLESALE RAW WATER SERVICE TO UPPER TRINITY REGIONAL WATER DISTRICT (Effective 10/01/24)

APPLICATION

Applicable to all raw water sales from the City of Denton, Texas to the Upper Trinity Regional Water District (UTRWD), per the Interim Sale of Wholesale Raw Water Contract

MONTHLY CHARGES

The monthly charge for service shall be expressed as a volume price per 1,000 gallons.

Volume Charge:	\$0.96000 per 1,000 gallons
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PAYMENT

Bills shall be due and payable within twenty (20) calendar days of the date a bill is rendered.

BILL PAYMENT DELINQUENCY

Bills shall be due and payable when rendered. Bills are considered delinquent if not paid within twenty (20) calendar days of the date a bill for service is rendered. There shall be a ten (10%) percent per annum interest charge on the amount due, from the date when due until paid, if not paid within twenty (20) calendar days of the date a bill for service is rendered.

SCHEDULE WCL

WHOLESALE RAW WATER PASS-THROUGH TO UPPER TRINITY REGIONAL WATER DISTRICT FROM LAKE CHAPMAN INTO LAKE LEWISVILLE (Effective 10/01/24)

APPLICATION

Applicable to all pass-through raw water sent from Lake Chapman into Lake Lewisville by the Upper Trinity Regional Water District (UTRWD) per the Cooper Reservoir Project Contract, as well as, all Lake Chapman water reclaimed for reuse if discharged into and subsequently withdrawn from Lewisville Lake by UTRWD or Lewisville pursuant to a reuse permit or other appropriate regulatory authorization.

MONTHLY CHARGES

The monthly charge for service shall be expressed as a volume price per 1,000 gallons.

Volume Charge: \$0.0320 per 1,000 gallons

PAYMENT

Denton shall render bills monthly. Bills shall be due and payable within twenty (20) calendar days of the date a bill for service is rendered.

BILL PAYMENT DELINQUENCY

Bills shall be due and payable when rendered. Bills are considered delinquent if not paid within twenty (20) calendar days of the date a bill for service is rendered. There shall be a ten (10%) percent per annum interest charge on the amount due, from the date when due until paid, if not paid within twenty (20) calendar days of the date a bill for service is rendered.

WATER TAP AND METER FEES
(Effective 10/01/24)

APPLICATION

This schedule applies to the installation, removal, or relocation of water taps and meters by the City of Denton Utility Department at the request of a person, firm, association or corporation.

TAP AND METER FEES

Any person, association of persons, or corporation that requests that a water main tap, water meter or water meter loop, be removed, installed, or relocated by the Utility Department shall pay in advance to the Utility Department the following applicable fees:

WATER TAPS WITH METER

All taps and meters listed in this section include the installation of a water main tap, a service line from the main to the water meter, the meter box, and water meter. Water impact fees are not included. For situations where portions of this installation requires a pavement cut and repair or the water service line must be bored under the street, the Paved Street fee shall apply. For installations that require a full concrete panel section of pavement to be removed and replaced, or that require a meter larger than 2 inches, the Water Utility Department will provide a special price quotation (see “fees for installations not listed” section).

<u>Tap</u>	<u>Meter</u>	<u>Paved Street</u>	<u>Unpaved Street</u>
1 inch	5/8 inch x 3/4 inch	\$4,617.00	\$2,203.00
1 inch	3/4 inch x 3/4 inch	\$4,471.00	\$2,086.00
1 inch	1 inch	\$4,886.00	\$2,277.00
2 inch	1-1/2 inch	\$4,500.00	\$2,800.00
	\$4,685.00	\$2,800.00	2 inch

WATER METER FEES

This section applies where there is an existing water tap and service line of sufficient size to install a water meter. Situations include water meter installations for new developments and existing properties requesting a larger water meter with an existing adequately sized water tap and service line. Fees include installation and setup of a new water meter and a new water meter box (if required). Water impact fees are not included. For a meter larger than 2 inches, the Water Utility Department will provide a special price quotation (see “fees for installations not listed” section).

Size of Meter

5/8 inch x 3/4 inch \$314.15

3/4 inch x 3/4 inch	\$355.35
1 inch	\$386.25
1-1/2 inch	\$690.10
2 inch	\$700.40

WATER METER RELOCATIONS

This section applies for relocations for existing water meters to remove them from conflicts with driveways, sidewalks and other surface obstructions. This standard fee covers relocation of the meter box and water meter and water service line up to 10 feet and does not include pavement removal or replacement. For distances longer than 10 feet, the Water Utility Department will provide a special price quotation in increments of 10 feet (see “fees for installations not listed” section).

Size of Meter Relocation of 10 Feet or Less

3/4 inch	\$293.55
1 inch	\$293.55
1-1/2 inch	\$350.20
2 inch	\$401.70

WATER LINE TAPS

This section applies to the installation of all water main taps for extension of water mains, larger than 2 inch diameter service lines, and fire lines, including, but not limited to, fire sprinkler lines. The fees include the tapping sleeve and isolation gate valve, the installation of the tap, and the removal and restoration of the pavement for the water tap installation only. The contractor is responsible for installing the mainline extensions, service lines, and fire lines from the tapping sleeve isolation valve.

For tap installations impacting concrete pavement that require a full concrete panel section to be removed and replaced, the Water Utility Department will provide a special price quotation. If requested, the Water Utility Department can offer to make a short extension of the main or service line to the back side of the adjacent street curb line or street right of way line based upon a special price quotation (see “fees for installations not listed” section).

Size of Tap Paved Street or Unpaved Street

4 inch	Actual cost per tap
6 inch	Actual cost per tap
8 inch	Actual cost per tap
12 inch	Actual cost per tap

FEES FOR INSTALLATIONS NOT LISTED

For the installation of a tap, loop or meter for which a fee is not specified, the requestor shall pay in advance based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%.

FIRE HYDRANT INSTALLATION

(Effective 10/01/24)

APPLICATION

This schedule applies to the installation, removal, or relocation of fire hydrants by the City of Denton Utility Department at the request of a person, firm, association or corporation.

FIRE HYDRANT INSTALLATION FEES

Any person, association of persons, or corporation that requests that a fire hydrant be removed, installed, or relocated by the Utility Department shall pay in advance to the Utility Department the following applicable fees:

<u>Fire Hydrant Installation</u>	<u>Paved Street</u>	<u>Unpaved Street</u>
Installation Fee	\$6,386.00	\$4,429.00

FEES FOR INSTALLATIONS NOT LISTED

For the installation of a fire hydrant for which a fee is not specified, the requestor shall pay in advance a 50% deposit based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%. Upon completion of the installation, the applicant shall be billed at actual cost, as determined by the Utility Department, plus a 20% administrative fee.

WATER LABORATORY TESTING FEES
(Effective 10/01/24)

APPLICATION

Applicable to all customers and entities requesting testing and analysis services from the City of Denton Water/Wastewater Laboratory

RATE

<u>Fee Description</u>	<u>Fee Per Test</u>
Colilert (P/A), (Total Coliform, E. coli)	\$22.00
Colilert Quantitray (MPN), (Total Coliform, E. coli)	\$25.00
Colilert Quantitray (MPN), (Fecal Coliform)	\$25.00
Heterotrophic Plate Counts (HPC)	\$33.00
Records Search – per hour	\$25.00/hour

The testing and analysis fees are established to recover the cost of testing water and wastewater samples.

MINIMUM BILLING

The minimum amount that may be billed shall be as follows:

\$20.00 - Testing

\$25.00 - Records Search

PAYMENT

Bills are due when rendered, and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES RIDER

(Effective 10/01/24)

- (1) All service shall be offered from available facilities. If a Customer service request for a special or unusual service not otherwise provided for by the water rate ordinance, and/or requires facilities or devices which are not normally and readily available at the location at which the Customer requests the service, then the City shall provide the service subject to the requirements of paragraphs 2 and 3 of this Rider.
- (2) The total cost of all facilities required to meet the Customer's special or unusual requirements, which are incurred by the City in connection with rendering the service shall be subject to a contract entered into between the City and the Customer. This contract shall be signed by both parties prior to the City providing the requested service to the Customer.
- (3) Any contract under this rider is subject to the following approvals:
 - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or his designee. If a contract under this subsection is not approved by the City Manager, or his designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council.
 - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council.

SECTION 2. Ordinance 23-1741 is hereby repealed as of the effective date of this ordinance.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent or in conflict with the terms of provisions contained in the amended schedule of rates hereby enacted by this ordinance, are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. The Schedule of Rates herein adopted shall be effective, charged and applied to all water consumption occurring on and after October 1, 2024; and a copy of said rates, fees, and charges shall be maintained on file in the Office of the City Secretary of Denton, Texas.

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

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Gerard Hudspeth, Mayor:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Paul Meltzer, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____ 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

By: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

By: Susan Keller



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-034, **Version:** 1

AGENDA CAPTION

Consider adoption of an ordinance of the City of Denton, Texas, establishing the rates and fees for wastewater service; repealing ordinance no. 22-1857; providing for a repealer; providing for a severability clause; and providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas, establishing the rates and fees for wastewater service; repealing ordinance no. 22-1857; providing for a repealer; providing for a severability clause; and providing an effective date.

BACKGROUND

The proposed FY 2024-2025 Wastewater Operating Budget and CIP was presented to the Public Utilities Board (PUB) on June 10, June 24, and July 8, 2024. The PUB reviewed the proposed rates on July 8, 2024.

The following summarizes the proposed changes to existing Wastewater rates:

- Sale of Treated Effluent
 - \$1.67/1000 gal increased to \$2.50/1000 gal
- Wastewater Tap Fees
 - Changing from a flat fee to a variable fee assessed on a per project basis and reflective of actual cost of work.
- Waste Manifest Document Fees
 - Waste Manifest is the shipping document that travels with hazardous waste from the point of generation, through transportation, to the final treatment, storage, and disposal facility. Manifest books are billed at \$40, but the actual cost to the City is \$165. We recommend increasing the charge to \$165 to eliminate the \$125 subsidy.
- Residential & Commercial Rates
 - 11% increase in rates for commercial and residential customers
- 1-2" Tap Fees
 - Increase in tap fees to recover actual expense costs associated with tapping. Rate increase varies by tap size, ranging from \$441 to \$2,411.
- 4+" Tap Fees
 - Change to variable fee structure on a per project basis to recover actual expense costs associated with project specifications.

RECOMMENDATION

Staff recommends adoption of the Fiscal Year 2024-25 Wastewater Rates.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

City Council reviewed the Fiscal Year 2024-25 Operating Budget and Rates during the July 23, 2024 meeting, and the proposed rates during the budget workshop on August 10, 2024.

EXHIBITS

- Exhibit 1. Agenda Information Sheet
- Exhibit 2. Wastewater Redline Rate Ordinance
- Exhibit 3. Wastewater Rate Ordinance

Respectfully submitted:
Jessica Williams
940-349-7899
Chief Financial Officer

Prepared by:
Matt Hamilton
Budget Manager
940-349-8127

ORDINANCE NO. ~~234~~_____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE SCHEDULE OF RATES AND FEES FOR WASTEWATER SERVICE; REPEALING ORDINANCE NO. 22-1857; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND, PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Rate Schedules for wastewater service as provided for in Chapter 26 of the Code of Ordinances are established as follows:

WASTEWATER RATE SCHEDULES

SR	Residential Wastewater Service	3
SMH	Mobile Home Park Wastewater Service	6
SC	Commercial and Industrial Wastewater Service	9
SCD	Commercial/Industrial Wastewater Service Which Measures With Dedicated Water Meters (Sub-meters); Water For Wastewater Billing	13
SCS	Commercial/Industrial Wastewater Service Which Measures With Dedicated Water Meters (Sub-meters); Water Excluded From Wastewater Billing	15 <u>6</u>
SCH	Septage & Chemical Toilet Disposal at the Pecan Creek Water Reclamation Plant Septage Transfer Station	17 <u>9</u>
SEE	Equipment Services Facilities and Restaurants & Food Service Establishments Wastewater Service	19 <u>21</u>
SM	Metered Wastewater Inside and Outside Corporate Limits	22 <u>4</u>
SGE	Sale of Treated Wastewater Effluent	24 <u>26</u>
SSC	Wholesale Wastewater Treatment Service for a Governmental Agency, Division or Subdivision	26 <u>8</u>
CWM	DYNO Dirt Products	28 <u>30</u>
ST	Wastewater Tap and Manhole Fees	30 <u>32</u>
STE	Treated Effluent Wastewater Tap Fees	31 <u>33</u>

	OSSF On-Site Sewage Facility Permit Fees	323 <u>4</u>
	SWP Collection and Transportation Services Permit	343 <u>5</u>
	SD Storm Drainage Fees	363 <u>8</u>
	SDI Stormwater Reinspection Fee	384 <u>0</u>
	Special Facilities Rider	394 <u>1</u>

OTHER TERMS AND ACRONYMS USED IN RATE SCHEDULES:

Categorical User: An industrial user subject to pollutant discharge limits promulgated by EPA in accordance with Sections 307(b) and (c) of the Act (33 U.S.C. section 1317) that apply to a specific category of users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405—471.

SCHEDULE SR

RESIDENTIAL WASTEWATER SERVICE

(Effective 10/01/~~23~~24)

APPLICATION

Applicable for single-family residential service, and individually metered apartments or mobile homes or multi-family facilities with less than four (4) units with or without City of Denton, Texas water service.

Not applicable for sub-billing or other similar user.

MONTHLY RATES (SR) – INSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|---|
| (1) | Facility Charge | \$ 12.24 <u>13.55</u> /bill |
| (2) | Volume Charge | \$ 4.224 <u>4.68</u> /1,000 gallons effluent |

MONTHLY RATES (SRO) – OUTSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|---|
| (1) | Facility Charge | \$ 14.15 <u>15.71</u> /bill |
| (2) | Volume Charge | \$ 4.885 <u>5.42</u> /1,000 gallons effluent |

Except as otherwise stated in this schedule, wastewater volume is calculated based upon a current winter Average Daily Usage, established annually during the previous billing months of December through February, and based upon 100% of actual water consumption during those months. The average daily usage may be calculated using as few as two months where using three months is not feasible or is not an accurate reflection of use (for example, usage was greater one month due to a leak). The Average Daily Usage thus calculated establishes the wastewater volume charge for each subsequent month, through the following February. The calculated wastewater billed volumes will be capped at a maximum of 18,000 gallons/bill.

For customers without an established winter Average Daily Usage water consumption billing history derived from the preceding billing months of December through February, wastewater volume for each billing month through the following February shall be calculated at 100% of 5,400 gallons.

MINIMUM BILLING - WITH CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

VOLUME CHARGE - WITH CITY OF DENTON WATER SERVICE

With a current Average Daily Usage, billings from March through February of the following year shall be based on the average daily usage calculated using the following formula:

$$\frac{\text{Current Average Daily Usage}}{1,000} \times \text{Rate per 1,000 gallons}$$

For customers without an established current Average Daily Usage, billings shall be based on 100% of 5,400 gallons.

$$\frac{5,400 \text{ Gallons}}{1,000} \times \text{Rate per 1,000 gallons}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

MONTHLY RATES (SRNI/SRNO) - WITHOUT CITY OF DENTON WATER SERVICE

	SRNI Inside Corporate <u>Limits</u>	SRNO Outside Corporate <u>Limits</u>
(1) Facility Charge	\$12.24 <u>13.55</u> /bill	\$14.15 <u>15.71</u> /bill
(2) Volume Charge	\$4.22 <u>4.68</u> /1,000 gals	\$4.88 <u>5.42</u> /1,000 gals

The customer shall pay a minimum Volume Charge on the established billable volume of five-thousand (5,000) gallons per month.

MINIMUM BILLING - WITHOUT CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge plus five thousand (5,000) gallons of wastewater.

VOLUME CHARGE - WITHOUT CITY OF DENTON WATER SERVICE

The billing for the wastewater volume shall be based on the minimum wastewater volume (5,000 gallons) during the billing period.

$$\frac{\text{Minimum Wastewater Volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

Wastewater volumes will be capped at a maximum of 18,000 gallons/bill.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

SCHEDULE SMH

MOBILE HOME PARK WASTEWATER SERVICE

(Effective 10/01/~~23~~24)

APPLICATION

Applicable for mobile home parks that are master water metered to provide residential wastewater service. Wastewater service is billed based on the customer's winter average water usage.

Also applicable for wastewater service without City of Denton water service, in the event the mobile home park does not have a master meter for wastewater. Wastewater service is billed on the average residential wastewater volume per customer.

Not applicable for sub-billing or other similar utility billing by service user .

MONTHLY RATE (SMH) - WITH CITY OF DENTON WATER SERVICE

- (1) Facility Charge \$~~29.42~~32.66/bill
- (2) Volume Charge \$~~4.224~~4.68/1,000 gallons effluent

MONTHLY RATE (SMHO) – OUTSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- (1) Facility Charge \$~~33.86~~37.58/bill
- (2) Volume Charge \$~~4.885~~4.42/1,000 gallons effluent

Except as otherwise stated in this schedule, wastewater volume is calculated based upon a current winter Average Daily Usage, established annually during the previous billing months of December through February, and based upon 100% of actual water consumption during those months. The average daily usage may be calculated using as few as two months where using three months is not feasible or is not an accurate reflection of use (for example, usage was greater one month due to a leak). The Average Daily Usage thus calculated establishes the wastewater Volume Charge for each subsequent month, through the following February. The calculated wastewater billed volumes will be capped at a maximum of 18,000 gallons/bill.

For customers without an established winter Average Daily Usage water consumption billing history derived from the preceding billing months of December through February, wastewater volume for each billing month through the following February shall be calculated at the established billable volume (5,000 gallons per month per mobile home) for mobile home park customers not receiving water service.

MINIMUM BILLING - WITH CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

VOLUME CHARGE - WITH CITY OF DENTON WATER SERVICE

With a current Average Daily Usage, billings through the following February shall be based on the average daily usage calculated using the following formula.

$$\frac{\text{Current Average Daily Usage}}{1,000} \times \text{Rate per 1,000 gallons}$$

For customers without an established winter Average Daily Usage, billings shall be based on the established billable volume of 5,000 gallons per mobile home per month.

$$\frac{\text{Established Billable Volume}}{1,000} \times \text{Rate per 1,000 gallons} \times \text{Number of Mobile Homes}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

MONTHLY RATE (SMNI/SMNO) - WITHOUT CITY OF DENTON WATER SERVICE

	SMNI Inside Corporate <u>Limits</u>	SMNO Outside Corporate <u>Limits</u>
(1) Facility Charge	\$29.42 <u>32.66</u> /bill	\$33.86 <u>37.58</u> /bill
(2) Volume Charge	\$4.22 <u>4.68</u> /1,000 gals	\$4.88 <u>5.42</u> /1,000 gals

The customer shall pay a minimum Volume Charge on the established billable volume of five-thousand (5,000) gallons per month.

MINIMUM BILLING - WITHOUT CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge plus five-thousand (5,000) gallons of wastewater per mobile home

VOLUME CHARGE - WITHOUT CITY OF DENTON WATER SERVICE

The billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period in a manner determined by the City where .

$$\frac{\text{Minimum Wastewater Volume}}{1,000} \times \text{Rate per 1,000 gallons} \times \text{Number of Mobile Homes}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

SCHEDULE SC

COMMERCIAL AND INDUSTRIAL WASTEWATER SERVICE

(Effective 10/01/~~23~~24)

REGULAR COMMERCIAL

APPLICATION

Applicable to all general commercial and industrial wastewater service users and to all wastewater service users not otherwise specifically classified under a specialized class wastewater rate.

Also applicable to all commercial facilities not receiving metered water service from the City of Denton, including subdivisions and apartment buildings or complexes (that are not individually metered), or other commercial and industrial users, including other users that are a source of non-domestic discharge.

MONTHLY RATE (SC) - WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|--|
| (1) | Facility Charge | \$ 29.42 <u>32.66</u> /bill |
| (2) | Volume Charge | \$ 5.38 <u>5.97</u> /1,000 gallons effluent |

Billing based on ninety-five (95%) percent of monthly water consumption.

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES

(SCA) (1) Categorical Customer \$444.00/bill

(SCB) (2) Non-categorical Customer \$ 55.50/bill

SAMPLING AND ANALYSIS CHARGES

- | | | |
|-----|---|----------------------|
| (1) | Sampling charge per sample site (each) | \$60.00 |
| (2) | Analysis charge (per test) | Actual cost per test |
| (3) | Violation demand sampling charge per sample site: | |
| | Four-Part Grab | \$170.00/each |
| | First Day of Composite Sampling | \$110.00 |
| | Additional Day Composite Sampling | \$50.00/each |

MONTHLY RATE (SCO) – OUTSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|--|
| (1) | Facility Charge | \$ 33.86 <u>37.58</u> /bill |
| (2) | Volume Charge | \$ 6.11 <u>6.78</u> /1,000 gallons effluent |

Billing based on ninety-five (95%) percent of monthly water consumption.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the current billing period.

Formula:

$$\frac{\text{Water volume} \times .95}{1,000} \times \text{Rate per 1,000 gallons}$$

COMMERCIAL AND INDUSTRIAL SURCHARGE

In addition to the above charges for commercial and industrial services, there will be added to the monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

 \$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound of BOD
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS

MONTHLY RATE (SCNI/SCNO) - WITHOUT CITY OF DENTON WATER SERVICE

		SCNI Inside Corporate <u>Limits</u>	SCNO Outside Corporate <u>Limits</u>
	(1) Facility Charge	\$ 29.42 <u>32.66</u> /bill	\$ 33.86 <u>37.58</u> /bill
	(2) Volume Charge	\$ 5.38 <u>5.97</u> /1,000 gals	\$ 6.44 <u>6.78</u> /1,000 gals

The minimum apartment Volume Charge will be for five-thousand (5,000) gallons per unit receiving wastewater service per month. Other commercial users will be billed on their estimated monthly wastewater volume.

MINIMUM BILLING

The minimum amount that may be billed shall be in the following amounts:

(1) Facility Charge plus the cost of 5,000 gallons wastewater per unit receiving wastewater service.

or

(2) Facility Charge plus other commercial or industrial user estimated monthly wastewater volume if greater than 5,000 gallons.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the current billing period.

Formula:

$$\frac{\text{Minimum wastewater volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES (As applicable)

(SCOA) (1) Categorical Customer \$444.00/bill

(SCOB) (2) Non-categorical Customer \$55.50/bill

SAMPLING AND ANALYSIS CHARGES (As applicable)

- (1) Sampling charge per sample site (each) \$60.00
- (2) Analysis charge (per test) Actual cost per test
- (3) Violation demand sampling charge per sample site:
Four-Part Grab \$170.00/each sample
First Day of Composite Sampling \$110.00
Additional Day Composite Sampling \$50.00/each sample

COMMERCIAL AND INDUSTRIAL SURCHARGE

In addition to the above charges for commercial and industrial services, there will be added to the net monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor	\$0.47 per pound of Biochemical Oxygen Demand (BOD) \$0.42 per pound of Total Suspended Solids (TSS)
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$$C_u = V_u \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

SCHEDULE SCD

COMMERCIAL/INDUSTRIAL WASTEWATER SERVICE WHICH MEASURES WITH DEDICATED WATER METERS (SUB-METERS), WATER FOR WASTEWATER BILLING (Effective 10/01/~~23~~24)

APPLICATION

Applicable to all commercial and industrial wastewater service users and to all wastewater service users not otherwise classified under this ordinance whose wastewater volume is measured by a water meter which measures the water which is returned into the wastewater collection and treatment system. The SCD sub-metered wastewater volumes are billed to the customer.

Not applicable for sub-billing or other similar utility billing by service user.

MONTHLY RATE

(1) Facility Charge	<u>Billing Per Bill</u>
3/4" Meter	\$26.00 <u>28.86</u>
1" Meter	\$36.80 <u>40.85</u>
1-1/2" Meter	\$44.50 <u>49.40</u>
2" Meter	\$59.25 <u>65.77</u>
3" Meter	\$126.95 <u>140.91</u>
4" Meter	\$251.75 <u>279.44</u>
6" Meter	\$344.10 <u>381.95</u>
8" Meter	\$482.10 <u>535.13</u>
10" Meter	\$690.00 <u>765.90</u>
(2) Volume Charge	\$5.38 <u>5.97</u> /1,000 gallons effluent

The wastewater billing is based on one-hundred (100%) percent of the actual water volume submetered.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

COMMERCIAL AND INDUSTRIAL SURCHARGE

In addition to the above charges for services, there will be added to the monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834([Bu-250] B + [Su-250] S)$$

Where: Cu is the surcharge for user X.
 Vu is the billing volume per 1000 gallons for user X.
 .00834 is the conversion factor
 Bu is the tested BOD level for user X or 250 mg/l, whichever is greater.
 B is the unit cost factor for treating one pound of BOD.
 Su is the tested TSS level for user X or 250 mg/l, whichever is greater.
 S is the unit cost factor for treating one pound of TSS.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Actual Water volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES (As applicable)

(SCDA) (1) Categorical Customer \$444.00/bill

(SCDB) (2) Non-categorical Customer \$55.50/bill

SAMPLING AND ANALYSIS CHARGES (As applicable)

(1) Sampling charge per sample site (each) \$60.00

(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each sample

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each sample

SCHEDULE SCS

COMMERCIAL/INDUSTRIAL WASTEWATER SERVICE WHICH MEASURES WITH DEDICATED WATER METERS (SUB-METERS), WATER EXCLUDED FROM WASTEWATER BILLING (Effective 10/01/~~23~~24)

APPLICATION

Applicable to all commercial and industrial wastewater service users and to all wastewater service users not otherwise classified under this ordinance whose wastewater volume is calculated by a water meter which measures the water which is not returned into the wastewater collection and treatment system. The SCS sub-metered wastewater volumes are consumed in the customer's processes, not returned to the wastewater system, and are therefore excluded from the customer's wastewater billing volumes.

Not applicable for sub-billing or other similar utility billing by service user.

MONTHLY RATE

(1) Facility Charge	<u>Billing Per Bill</u>
3/4" Meter	\$26.00 <u>28.86</u>
1" Meter	\$36.80 <u>40.85</u>
1-1/2" Meter	\$44.50 <u>49.40</u>
2" Meter	\$59.25 <u>65.77</u>
3" Meter	\$126.95 <u>140.91</u>
4" Meter	\$251.75 <u>279.44</u>
6" Meter	\$344.10 <u>381.95</u>
8" Meter	\$482.10 <u>535.13</u>
10" Meter	\$690.00 <u>765.90</u>

(2) Volume Charge – None

The wastewater billing exclusion is based on one-hundred (100%) percent of the actual water volume sub metered.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

WASTEWATER SURCHARGE

In addition to the above charges for services, there will be added to the monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where: Cu is the surcharge for user X.
 Vu is the billing volume per 1000 gallons for user X.
 .00834 is the conversion factor
 Bu is the tested BOD level for user X or 250 mg/l, whichever is greater.
 B is the unit cost factor for treating one pound of BOD.
 Su is the tested TSS level for user X or 250 mg/l, whichever is greater.
 S is the unit cost factor for treating one pound of TSS.

VOLUME CHARGE EXCLUSION

The wastewater volume exclusion shall be based on the water volume calculated during the billing period. This sub-metered volume of water that is not returned into the wastewater collection and treatment system shall be subtracted from the master meter water volume prior to the wastewater billing volume calculation.

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES (As applicable)

(SCSA) (1) Categorical Customer \$444.00/bill

(SCSB) (2) Non-categorical Customer \$55.50/bill

SAMPLING AND ANALYSIS CHARGES (As applicable)

(1) Sampling charge per sample site (each) \$60.00

(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each sample

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each sample

SCHEDULE SCH

SEPTAGE & CHEMICAL TOILET DISPOSAL AT THE PECAN CREEK WATER RECLAMATION PLANT SEPTAGE TRANSFER STATION (Effective 10/01/~~23~~24)

PERMIT REQUIRED

All persons owning or operating a vacuum truck, cesspool pump truck, liquid waste transport truck or other vehicle shall not service any septic tank, seepage pit, grease interceptor, grit trap/oil separator, or cesspool within City of Denton without first having received a valid transport truck discharge (TTD) permit.

APPLICATION

Applicable to all users of the Pecan Creek Water Reclamation Plant Septage Transfer Station. The user must sign the “Agreement for Disposal of Liquid Waste” and comply with the following requirements:

1. Division 3 of Article XII of Chapter 26 of the City of Denton Code of Ordinances, as may be amended from time to time.
2. Provide to the City: signed “Application for Permit” (City of Denton’s form), “Agreement for Disposal of Liquid Waste” documents(City of Denton’s forms), and provide a copy of the user’s current TCEQ Registration Certificate, current Insurance Certificate for each vehicle, and current Manager of Operations Driver’s License.
3. Comply with the City of Denton “Liquid Waste Hauler – Vehicle Inspection Audit” requirements.

City staff, after reviewing the permit application and agreement, and after conducting any necessary research, may issue the permit, issue the permit with conditions, or deny the issuance of the permit. The City will establish the number of permits to be issued. The City maintains the right to deny the disposal of wastes at the Septage Transfer Station when necessary to prevent adverse effects to the operations of the treatment facilities.

RATE

(1) Facility Charge	\$6.44 <u>7.15</u> /bill
(2) Volume Charge	\$41.29 <u>45.83</u> /1,000 gallons
(3) Application Fee	\$300.00/per calendar year
(4) Vehicle Permit Fee	\$300.00/per vehicle per calendar year
(5) Waste Manifests	\$40.00 <u>165.00</u> /per book of 100

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Application and Vehicle Permit fee is due in full before first disposal at Pecan Creek Water Reclamation Plant Septage Transfer Station. Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

VOLUME CHARGE

Billing for the septage volume contained in the septage hauling tank, shall be based on the full tank volume only. For clarity, volumes discharged that are less than a tank will be billed as a whole tank.

TERMS AND RENEWAL

Permits are issued annually, beginning Dec. 1, and are effective from Jan. 1 or the date of issuance, whichever is later, through Dec.31 of the same calendar year. The permit application process should be initiated, and fees should be paid as early as possible during the last quarter of each calendar year for the upcoming calendar year so that adequate time is available for review and processing of the application. Submittal of applications by Dec.1 will eliminate the possibility of permits being issued after Jan. 1. All permits issued under this schedule shall be valid for up to one calendar year from the date of issuance. All permits issued during each calendar year will expire on the last day of that calendar year.

SCHEDULE SEE

EQUIPMENT SERVICES FACILITIES AND RESTAURANTS & FOOD SERVICE ESTABLISHMENTS WASTEWATER SERVICE (Effective 10/01/~~23~~24)

APPLICATION

Applicable to facilities which perform washing, cleaning or servicing of automobiles, trucks, buses or similar equipment and are categorized by North American Industry Classification System (NAICS) numbers: 11111 (General Automotive Repair), 811114 (Specialized Automotive Repair), 811121 (Automotive Body, Paint, and Interior Repair and Maintenance),, 811122(Automotive Glass Replacement Shops),, 811191 (Automotive Oil Change and Lubrication Shops,811192 (Car Washes), 811198 (All Other Auto Repair and Maintenance) and other similar code classifications.

Applicable to all restaurants and food service establishments that prepare and serve food directly to customers and are categorized by NAICS numbers: 721110 (Hotels (except Casino Hotels) and Motels), 721191 (Bed-and-Breakfast Inns), 722310 (Food Service Contractors), 722320 (Caterers), , 722330 (Mobile Food Services), 722410 (Drinking Places), 722511 (Full-Service Restaurants), 722513 (Limited-Service Restaurants), 722514 (Cafeterias, Grill Buffets, and Buffets), 722515 (Snack and Nonalcoholic Beverage Bars) other similar code classifications.

MONTHLY RATE (SEE)

(1)	Facility Charge	\$ 29.42 <u>32.66</u> /bill
(2)	Volume Charge	\$ 7.49 <u>8.31</u> /1,000 gallons effluent

Billing based on ninety-five (95%) percent of monthly water consumption.

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT / PROGRAM CHARGES (As Applicable)

(SEA) (1)	Categorical	\$444.00/bill
(SEB) (2)	Non-categorical	\$55.50/bill

The appropriate Pretreatment/Program charge will be applied if the customer is identified as either categorical or non-categorical. These charges are not to be applied if the customer is not designated as either a categorical or non-categorical customer.

SAMPLING/ANALYSIS CHARGES (As Applicable)

(1) Sampling charge per sample site (each)	\$60.00
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(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each

“SEE” RATE EXEMPTIONS

- (1) Customers under the SEE rate shall be charged the SC rate if only pre-wrapped and preprocessed foods are served from their premises and no food processing is performed on the premises so that only minimal organic material is discharged to the sanitary sewer. The exemption for the SEE class shall be determined by the City of Denton Environmental Health Services Food Inspection Division.
- (2) Customers under the SEE rates shall be charged the SC rate plus the applicable industrial surcharge if the customer:
 - (a) Installs a wastewater sampling manhole on the sanitary sewer discharge line;
 - (b) Agrees to pay for the City to sample and analyze, quarterly, or at the request of the user; more frequently for the purposes of averaging quarterly samples, the wastewater discharge for the following: Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), and Fats, Oils and Grease (FOG), based on the actual costs; and
 - (c) Agrees to pay, based on the industrial surcharge formula, a surcharge on all wastewater discharged that is in excess of 500 mg/l of BOD and 600 TSS as determined by the monitoring performed in Section 2(b).

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

WASTEWATER SURCHARGE

The wastewater surcharge calculation that applies to equipment services facilities and restaurant and food service establishments claiming the SEE exemption shall be based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-500] B + [Su-600] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 500 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound of BOD.
Su	is the tested TSS level for user X or 600 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Water volume} \times .95}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE SM

METERED WASTEWATER INSIDE AND OUTSIDE CORPORATE LIMITS (Effective 10/01/~~23~~24)

APPLICATION

Applicable to any wastewater service customer whose wastewater discharge is metered from a single customer location and not otherwise classified under this ordinance.

MONTHLY RATE

	SMI Inside Corporate <u>Limits</u>	SMO Outside Corporate <u>Limits</u>
(1) Facility Charge	\$359.53 <u>399.08</u> /bill	\$401.27 <u>445.41</u> /bill
(2) Volume Charge	\$5.38 <u>5.97</u> /1,000 gals	\$6.11 <u>6.78</u> /1,000 gals

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

(3) Pretreatment/Program Charge (As Applicable)

(SMA) (1) Categorical \$444.00/bill

(SMB) (2) Non-categorical \$55.50/bill

The appropriate Pretreatment/Program charge will be applied if the customer is identified as either categorical or non-categorical. The categorical and non-categorical classifications apply both inside and outside the corporate limits of the City of Denton. These charges are not to be applied if the customer is not designated as either a categorical or non-categorical customer by the wastewater utility staff.

SAMPLING/ANALYSIS CHARGE (As Applicable)

(1) Sampling charge per sample site (each) \$60.00

(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each

WASTEWATER SURCHARGE

In addition to the above charges, there will be added to the monthly rate for metered wastewater, a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
.00834	is the conversion
B	is the unit cost factor for treating one pound of BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge, plus the appropriate Pretreatment/Program Charge, if applicable

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Wastewater volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE SGE

SALE OF TREATED WASTEWATER EFFLUENT

(Effective 10/01/~~23~~24)

APPLICATION

Applicable for sales of treated wastewater effluent to any municipal utility or approved private business. Useable for non-potable purposes only. Not intended for human consumption.

The resale of treated wastewater effluent is prohibited. Any use of treated wastewater effluent for non-potable purposes is prohibited.

PRODUCT AVAILABILITY

Wastewater effluent is available for resale only if volumes are available. Supplies may be limited or unavailable.

MONTHLY RATES

(1) Facility Charge	<u>Per Bill</u>
3/4" Meter	\$22.37 <u>24.83</u>
1" Meter	\$31.68 <u>35.16</u>
1-1/2" Meter	\$38.31 <u>42.52</u>
2" Meter	\$50.99 <u>56.60</u>
3" Meter	\$109.30 <u>121.32</u>
4" Meter	\$216.71 <u>240.55</u>
6" Meter	\$296.21 <u>328.79</u>
8" Meter	\$415.01 <u>460.66</u>
10" Meter	\$594.00 <u>659.34</u>
(2) Volume Charge	\$1.67 <u>2.50</u> /1,000 gallons

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall

be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the effluent volume calculated during the billing period.

Formula:

$$\frac{\text{Effluent volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE SSC

WHOLESALE WASTEWATER TREATMENT SERVICE FOR A GOVERNMENTAL AGENCY, DIVISION, OR SUBDIVISION

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to any municipal corporation, or other governmental agency or subdivision which operates a wastewater collection system and contracts with the City of Denton for wastewater treatment service.

MONTHLY RATES

- | | |
|---|---------------------------------------|
| (1) Facility Charge | \$ 256.13 284.30/bill |
| (2) Pretreatment/Program Charge (As Applicable) | |
| (A) Categorical | \$444.00/bill |
| (B) Non-categorical | \$55.50/bill |
| (3) Volume Charge | \$ 2.89 3.21/1,000 gallons |

Billing shall be based on one-hundred (100%) percent of actual gallons measured.

SAMPLING/ANALYSIS CHARGE (As Applicable)

- | | |
|---|----------------------|
| (1) Sampling charge per sample site (each) | \$60.00 |
| (2) Analysis charge (per test) | Actual cost per test |
| (3) Violation demand sampling charge per sample site: | |
| Four-Part Grab | \$170.00/each |
| First Day of Composite Sampling | \$110.00 |
| Additional Day Composite Sampling | \$50.00/each |

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

WHOLESALE SURCHARGE

In addition to the above charges for wholesale wastewater services, there will be added to the monthly rate an industrial surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound of BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Wastewater volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE CWM

DYNO DIRT PRODUCTS

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to all customers, whether residential, commercial, or wholesale, which elect to acquire the City of Denton's Dyno Dirt products for their use. The City of Denton reserves the right to restrict or limit the sale of all Dyno Dirt products to any customer at any time.

RATES

Dyno Dirt products will be sold by volume on a cubic yardage basis, or in one cubic foot bags. Each bag of Dyno Dirt contains 1 cubic foot. Bulk quantities will not be sold in volumes less than one-half cubic yard.

(A) Compost

- | | | |
|-----|----------------------------|---|
| (1) | Dyno Soil (Top Soil Blend) | \$35.00 <u>38.85</u> /Cubic Yard |
| (2) | Dyno Dirt | \$30.00 <u>33.30</u> /Cubic Yard |
| (3) | Dyno Dirt (Bagged) | \$5.00 <u>5.55</u> /Per Bag |
| (4) | Dyno Lite | \$30.00 <u>33.30</u> /Cubic Yard |

(B) Wood Mulch

- | | | |
|-----|-------------------|---|
| (1) | Dyno Double Grind | \$17.50 <u>19.43</u> /Cubic Yard |
|-----|-------------------|---|

Purchases for (A) and (B) above, will receive a twenty percent (20%) discount for quantities of 10 to 99 cubic yards, purchases greater than one hundred (100) cubic yards will receive a thirty percent (30%) discount. A contractor's rate will be given to customer's who provide a current and valid resale certificate for inspection. The contractor's rate includes a 30% discount on any purchase at any one time of any Dyno Product of the City of Denton.

(C) City of Denton departments will receive a forty percent 40 % discount on all purchases of Dyno Dirt products.

(D) City of Denton employees will receive a twenty percent (20%) discount on all Dyno Dirt products.

PRODUCT AVAILABILITY

The City of Denton produces Dyno Dirt products throughout the year in varying limited quantities. The City of Denton does not guarantee the availability of any product, and expressly reserves the right to restrict the sale of any product based upon available volumes.

LOCATION

All Dyno Dirt products may be purchased from the City of Denton at the following location:

Location

Address

Compost Sales Bldg

Water Reclamation Plant 1100 S. Mayhill Road, Denton, Texas

WHOLESALE PURCHASES

All Dyno Dirt products purchased wholesale, for resale to the public, are to be identified as a City of Denton manufactured product. The wholesale purchaser must provide the City of Denton selling price information to the retail customer if it is requested.

SCHEDULE ST

WASTEWATER TAP AND MANHOLE FEES

(Effective 10/01/~~23~~24)

APPLICATION

This schedule applies to the installation, removal, or relocation of wastewater taps by the City of Denton Utility Department at the request of any person, firm, association, corporation, or other legal entity.

TAP FEES

Any person, firm, association, corporation, or other legal entity that requests that a wastewater main tap be removed, installed, or relocated by the Wastewater Utility Department shall pay in advance to the Wastewater Utility Department the following applicable fees:

WASTEWATER TAPS WITH CLEANOUT

<u>Size of Tap</u>	<u>Paved Street</u> or <u>Unpaved Street</u>
4 inch	\$2,600.00 \$1,500.00 <u>Actual cost per tap</u>
6 inch	\$2,700.00 \$1,650.00 <u>Actual cost per tap</u>
8 inch	\$2,800.00 \$1,800.00 <u>Actual cost per tap</u>

MANHOLE BREAKOUT FEE

6" – 12" Line \$165.00

FEES FOR INSTALLATIONS NOT LISTED

For installation of a tap or manhole for which a fee is not specified, the requestor shall pay in advance a deposit based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%. Upon completion of the installation or similar work requested, the customer shall be billed at actual cost, as determined by the Wastewater Utility Department, plus a 20% administrative charge. Any excess deposit shall be refunded to the customer.

SCHEDULE STE

TREATED EFFLUENT WASTEWATER TAP FEES

(Effective 10/01/~~23~~24)

APPLICATION

This schedule applies to the installation, removal, or relocation of treated effluent wastewater taps by the City of Denton Utility Department at the request of any person, firm, association, corporation, or other legal entity.

TAP FEES

Any person, firm, association, corporation, or other legal entity that requests that a wastewater main tap be removed, installed, or relocated by the Wastewater Utility Department shall pay in advance to the Wastewater Utility Department the following applicable fees:

REUSE WASTEWATER LINE TAPS

<u>Size of Tap</u>	<u>Paved or Unpaved Street</u>
4-inch	Actual cost per tap
6-inch	Actual cost per tap
8-inch	Actual cost per tap
12-inch	Actual cost per tap

FEES FOR INSTALLATIONS NOT LISTED

For installation of a tap for which a fee is not specified, the requestor shall pay in advance a deposit based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%. Upon completion of the installation or similar work requested, the customer shall be billed at actual cost, as determined by the Wastewater Utility Department, plus a 20% administrative charge. Any excess deposit shall be refunded to the customer.

SCHEDULE OSSF

ON-SITE SEWAGE FACILITY PERMIT FEES

(Effective 10/01/~~23~~24)

APPLICATION

This schedule applies to the new construction of on-site aerobic treatment systems, new construction of on-site non-aerobic treatment systems, and repair and alteration of both types of systems.

OSSF PERMIT FEES

Any person, firm, association, corporation, or other legal entity that requests a wastewater system work permit shall pay in advance to the Wastewater Utility Department the following applicable fees:

New Construction of aerobic treatment systems	\$500.00
Reinspection Fee of aerobic treatment systems	\$250.00
New Construction of non-aerobic treatment systems	\$300.00
Reinspection Fee of non-aerobic treatment systems	\$150.00
Repair or Alteration fees (All types of OSSF's)	\$200.00

SCHEDULE SWP

COLLECTION AND TRANSPORTATION SERVICES PERMIT

(Effective 10/01/~~23~~24)

Any person, entity, or business engaged in the collection and transport of waste, recyclables, or other materials as classified within this rate schedule (Operator), and operating within the City of Denton must possess a current permit issued from the City prior to providing collection and transportation services. Any private container located within the City of Denton for use in waste and recyclables collection services is required to be permitted.

Permits for collection and transportation services are required for, but are not limited to, the following wastes and recyclables classifications, hereinafter referred to as Special Waste:

- Special Waste
- Medical Waste
- Hazardous Waste
- Grease & Grit Trap Waste
- Commercial and Industrial Recyclable Materials – containerized and baled
- Construction and Demolition (C&D) materials, recyclables, reusables, and discarded C&D materials
- Waste and recyclable collection service providers operating in newly annexed areas, or contract service providers for the city
- Refuse or recyclables that the City does not collect and transport.
- Waste Cooking Oil

An Operator shall apply for a permit from the city and shall pay the required application fees at the time of permit application. All permits are non-transferable and are granted as non-exclusive service permits. Granting permits will be at the discretion of the City to meet the needs of the community. The Operator must pay the required fees and meet all permit requirements prior to the issuance of a permit. Applicants must have a valid vehicle inspection and a valid permit issued by the Texas Commission of Environmental Quality (TCEQ) and a proof of insurance to be permitted.

Granting of Permit

As a condition of granting a permit, the person or entity receiving such permit (Permittee) agrees to execute and comply with all requirements of the service agreement, carry specific types and amounts of insurance as required by the City, submit reports, and pay the necessary fees by the specified due date. Following the granting of a permit, permit stickers shall be issued by the City and shall be placed by the Permittee on all vehicles operating within the city limits of Denton. Collection and transportation vehicles operating in Denton are required to display a current and valid calendar year permit decal at all times. If decals are lost by the Permittee, and are not visible on their vehicles, then the vehicles must be re-permitted by the Permittee, and all appropriate fees paid, prior to the vehicles or containers being placed in service within Denton's city limits. The City of Denton is not responsible for lost decals.

Exclusions

Individuals living within the City limits of Denton, and hauling personal materials, wastes, or

recyclables from their primary living residence are exempt from the requirements in this schedule SWP.

Any person, who transports Special Waste three or fewer times per year, shall register with the City on the forms provided for that purpose. No annual service fees are required, but registration and permitting through the City is required.

Fees

Collection and Transportation Services Permit Fees

Service Providers

Application Fee	Paid Annually	\$200.00
Service Fees:	Per Vehicle	\$400.00
Waste manifests:	Per Book of 100	\$40.00 <u>165.00</u>

Service providers desiring to provide services in more than one service category are required to complete permit documentation and pay the applicable fees for each service category they desire to provide within Denton's City limits. All fees paid are nonrefundable.

Application and service fees will be billed to the applicant through City of Denton's Customer Service Department. Service fees are non-transferable between vehicles and are unit specific.

Violations / 'No Operations' Declaration

A person or business (legal entity) which has not been permitted by the City to operate within the City limits of Denton; or has been suspended by the City from operating within the City limits of Denton, Texas shall be charged a sum of up to \$500.00 per day by the City, for each day the person or legal entity transports or collects Special Waste within the City prior to receipt of a City of Denton permit, or during any suspension of a permit period. Each day of operation without a permit warrants a separate charge and any person committing such is subject to being charged a sum of up to \$500.00 for each day of operating without a valid permit. Following the receipt of a notice of suspension and prior to reinstatement to legally operate within the City limits of Denton, the Permittee must meet with the City staff to update their application and agreement and make payment of all amounts owed to the City related to this ordinance.

If any person or legal entity operates a vehicle, or allows the operation of a vehicle, within Denton's City limits which has not been permitted, operates any piece of equipment with an expired permit, commits a permit violation, or fails to make payment of the appropriate fees in a timely manner, the city will issue a 'No Operations' declaration to the person or legal entity, and assess all applicable permit violation fees. Once a person or legal entity has been issued a 'No Operations' declaration from the City, all services to be provided within Denton's City limits are required to cease. Following a meeting with the City staff, and the payment of all monies owed the City, the status of the permit will be determined by the City.

Revocation of Services & Non-Renewal of Permits

If the City finds any requirement of the permit has been violated or observes service providers operating within Denton's City limits without current permits, the City may institute a 'No Operations' declaration. Additionally, the City may revoke or not renew the service provider's permit, thereby requiring the service provider to cease all operations within the City limits of Denton.

Reclassification of Recyclables

Recyclables containing ten (10%) percent or more contamination, as determined by the City, will be considered refuse, and its collection may not be provided by service providers permitted under this ordinance. This material shall be reclassified as refuse and will be collected by the City of Denton. The Director of Solid Waste (Director) or the Director's designee, will make the final determination on whether stored recyclables contain excessive contamination, and may cause the reclassification of these materials to municipal solid waste (MSW), thereby negating the ability of a service provider to transport this material within Denton's City limits under their operating permit pursuant to this ordinance.

The City of Denton has the authority to inspect the contents of any container placed for pick up, or submitted for disposal in any manner at a location within Denton's City limits, in order to determine the materials content of the container, to ensure compliance with the contamination requirements, which shall not exceed 10%.

Terms and Renewal

Permits are issued annually, beginning December 1, and are effective from January 1, or the date of issuance, whichever is later, through December 31 of the same calendar year. The permit application process should be initiated, and fees should be paid as early as possible during the last quarter of each calendar year for the upcoming calendar year so that adequate time is available for review and processing of the application.

SCHEDULE SD

STORM DRAINAGE FEES

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to all real property and appurtenances owned and located within the corporate limits of the City of Denton, Texas, except as exempted below. The Storm Drainage fee charged to each tract of real property is based upon the amount of impervious surface cover that results in water runoff or water quality impacts into the City of Denton drainage system.

MONTHLY FEE – RESIDENTIAL (SDR)

The residential fee is applicable to all single-family through fourplex real properties located within the corporate limits of the City of Denton, Texas, for which impervious surfaces can be individually identified. The residential fee is established by utilizing a block system. The fee charged in each fee block is set forth and established as follows:

<u>Fee Block</u>	<u>Per Bill</u>
0 – 600 Square Feet	\$0.50
601 – 1,000 Square Feet	\$1.00
1,001 – 2,000 Square Feet	\$3.35
2,001 – 3,000 Square Feet	\$5.45
3,001 – 4,000 Square Feet	\$7.60
4,001 – 5,000 Square Feet	\$9.75
5,001 – 6,000 Square Feet	\$12.00
Over 6,000 Square Feet	\$15.50

MONTHLY FEE – NON-RESIDENTIAL (SDN)

The non-residential fee is applicable to all other real property owned and located within the corporate limits of the City of Denton, Texas, except as exempted below. The non-residential fee is based upon the total square footage of impervious surface cover measured for each customer or owner.

Formula:

Measured Square Footage of Impervious Surface Cover x \$0.00186 per bill

EXEMPTIONS

The following real property owned and located within the corporate limits of the City of Denton, Texas shall be exempt from imposition of the residential fee or the non-residential fee:

1. Real property with proper construction and maintenance of a wholly sufficient and privately-owned drainage system, not draining into the City of Denton drainage system, upon the real property's

inspection and certification by the City; or

2. Real property held and maintained in its natural state, until such time that the real property is developed, and all the public infrastructure constructed thereon has been accepted by the City; or

3. Real property, consisting of an unimproved subdivided lot, until such time as a structure has been built on the lot and a certificate of occupancy has been issued by the City.

No other exemptions to the residential fees or the non-residential fees are applicable.

SCHEDULE SDI

STORMWATER REINSPECTION FEE

(Effective 10/01/~~23~~24)

APPLICATION

Applicable to active construction or land disturbing activities located within the corporate limits of the City of Denton, Texas. The Stormwater Reinspection Fee is charged to operators or designated representatives of projects where land disturbing activity, as defined by Denton Development Code, is occurring, including new construction, demolition, and redevelopment.

RATE

Reinspection fees for initial or periodic inspection resulting in non-compliance, notices of violation, or stop-work orders shall apply. Fees may be waived at discretion of the inspector in accordance with department guidelines for mitigating circumstances.

Fee: \$~~150.00~~167.00/site inspection

SPECIAL FACILITIES RIDER

(Effective 10/01/~~23~~24)

- (1) If a customer service request for a special or unusual service not otherwise provided for by this Wastewater rate ordinance, or requires facilities and devices which are not normally and readily available at the location at which the customer requests the service, then the City shall provide the service subject to the requirements of paragraph 2 and 3 of this rider.
- (2) The total cost of all facilities required to meet the customer's special requirements which are incurred by the City in connection with rendering the service shall be established by a contract entered into between the City and the customer. Said contract shall be signed by both parties prior to the City providing the requested service to the customer.
- (3) Any contract under this rider is subject to the following approvals:
 - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or his designee. If a contract under this subsection is not approved by the City Manager, or his designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council prior to being entered into by the City.
 - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council prior to being entered into by the City.

SECTION 2. Ordinance ~~22-185723-1742~~ is hereby repealed as of the effective date of this ordinance.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. The Schedule of Rates herein adopted shall be effective, charged and applied to all wastewater service rendered on and after October 1, 202~~3~~⁴, and a copy of said rates, fees, and charges shall be maintained on file in the Office of the City Secretary of the City of Denton, Texas.

The motion to approve this ordinance was made by _____ and seconded by _____; the 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 <u>Jill Jester</u> , At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 202~~3~~4.

GERARD HUDSPETH, MAYOR

ATTEST:

~~JESUS SALAZAR~~LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: _____

ORDINANCE NO. 24-_____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE SCHEDULE OF RATES AND FEES FOR WASTEWATER SERVICE; REPEALING ORDINANCE NO. 22-1857; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND, PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Rate Schedules for wastewater service as provided for in Chapter 26 of the Code of Ordinances are established as follows:

WASTEWATER RATE SCHEDULES

SR	Residential Wastewater Service	3
SMH	Mobile Home Park Wastewater Service	6
SC	Commercial and Industrial Wastewater Service	9
SCD	Commercial/Industrial Wastewater Service Which Measures With Dedicated Water Meters (Sub-meters); Water For Wastewater Billing	13
SCS	Commercial/Industrial Wastewater Service Which Measures With Dedicated Water Meters (Sub-meters); Water Excluded From Wastewater Billing	16
SCH	Septage & Chemical Toilet Disposal at the Pecan Creek Water Reclamation Plant Septage Transfer Station	19
SEE	Equipment Services Facilities and Restaurants & Food Service Establishments Wastewater Service	21
SM	Metered Wastewater Inside and Outside Corporate Limits	24
SGE	Sale of Treated Wastewater Effluent	26
SSC	Wholesale Wastewater Treatment Service for a Governmental Agency, Division or Subdivision	28
CWM	DYNO Dirt Products	30
ST	Wastewater Tap and Manhole Fees	32
STE	Treated Effluent Wastewater Tap Fees	33

OSSF	On-Site Sewage Facility Permit Fees	34
SWP	Collection and Transportation Services Permit	35
SD	Storm Drainage Fees	38
SDI	Stormwater Reinspection Fee	40
	Special Facilities Rider	41

OTHER TERMS AND ACRONYMS USED IN RATE SCHEDULES:

Categorical User: An industrial user subject to pollutant discharge limits promulgated by EPA in accordance with Sections 307(b) and (c) of the Act (33 U.S.C. section 1317) that apply to a specific category of users and that appear in 40 CFR Chapter I, Subchapter N, Parts 405—471.

SCHEDULE SR

RESIDENTIAL WASTEWATER SERVICE

(Effective 10/01/24)

APPLICATION

Applicable for single-family residential service, and individually metered apartments or mobile homes or multi-family facilities with less than four (4) units with or without City of Denton, Texas water service.

Not applicable for sub-billing or other similar user.

MONTHLY RATES (SR) – INSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|-------------------------------|
| (1) | Facility Charge | \$13.55/bill |
| (2) | Volume Charge | \$4.68/1,000 gallons effluent |

MONTHLY RATES (SRO) – OUTSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|-------------------------------|
| (1) | Facility Charge | \$15.71/bill |
| (2) | Volume Charge | \$5.42/1,000 gallons effluent |

Except as otherwise stated in this schedule, wastewater volume is calculated based upon a current winter Average Daily Usage, established annually during the previous billing months of December through February, and based upon 100% of actual water consumption during those months. The average daily usage may be calculated using as few as two months where using three months is not feasible or is not an accurate reflection of use (for example, usage was greater one month due to a leak). The Average Daily Usage thus calculated establishes the wastewater volume charge for each subsequent month, through the following February. The calculated wastewater billed volumes will be capped at a maximum of 18,000 gallons/bill.

For customers without an established winter Average Daily Usage water consumption billing history derived from the preceding billing months of December through February, wastewater volume for each billing month through the following February shall be calculated at 100% of 5,400 gallons.

MINIMUM BILLING - WITH CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

VOLUME CHARGE - WITH CITY OF DENTON WATER SERVICE

With a current Average Daily Usage, billings from March through February of the following year shall be based on the average daily usage calculated using the following formula:

$$\frac{\text{Current Average Daily Usage}}{1,000} \times \text{Rate per 1,000 gallons}$$

For customers without an established current Average Daily Usage, billings shall be based on 100% of 5,400 gallons.

$$\frac{5,400 \text{ Gallons}}{1,000} \times \text{Rate per 1,000 gallons}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

MONTHLY RATES (SRNI/SRNO) - WITHOUT CITY OF DENTON WATER SERVICE

	SRNI	SRNO
	Inside Corporate	Outside Corporate
	<u>Limits</u>	<u>Limits</u>
(1) Facility Charge	\$13.55/bill	\$15.71/bill
(2) Volume Charge	\$4.68/1,000 gals	\$5.42/1,000 gals

The customer shall pay a minimum Volume Charge on the established billable volume of five-thousand (5,000) gallons per month.

MINIMUM BILLING - WITHOUT CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge plus five thousand (5,000) gallons of wastewater.

VOLUME CHARGE - WITHOUT CITY OF DENTON WATER SERVICE

The billing for the wastewater volume shall be based on the minimum wastewater volume (5,000 gallons) during the billing period.

$$\frac{\text{Minimum Wastewater Volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

Wastewater volumes will be capped at a maximum of 18,000 gallons/bill.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

SCHEDULE SMH

MOBILE HOME PARK WASTEWATER SERVICE

(Effective 10/01/24)

APPLICATION

Applicable for mobile home parks that are master water metered to provide residential wastewater service. Wastewater service is billed based on the customer's winter average water usage.

Also applicable for wastewater service without City of Denton water service, in the event the mobile home park does not have a master meter for wastewater. Wastewater service is billed on the average residential wastewater volume per customer.

Not applicable for sub-billing or other similar utility billing by service user .

MONTHLY RATE (SMH) - WITH CITY OF DENTON WATER SERVICE

- (1) Facility Charge \$32.66/bill
- (2) Volume Charge \$4.68/1,000 gallons effluent

MONTHLY RATE (SMHO) – OUTSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- (1) Facility Charge \$37.58/bill
- (2) Volume Charge \$5.42/1,000 gallons effluent

Except as otherwise stated in this schedule, wastewater volume is calculated based upon a current winter Average Daily Usage, established annually during the previous billing months of December through February, and based upon 100% of actual water consumption during those months. The average daily usage may be calculated using as few as two months where using three months is not feasible or is not an accurate reflection of use (for example, usage was greater one month due to a leak). The Average Daily Usage thus calculated establishes the wastewater Volume Charge for each subsequent month, through the following February. The calculated wastewater billed volumes will be capped at a maximum of 18,000 gallons/bill.

For customers without an established winter Average Daily Usage water consumption billing history derived from the preceding billing months of December through February, wastewater volume for each billing month through the following February shall be calculated at the established billable volume (5,000 gallons per month per mobile home) for mobile home park customers not receiving water service.

MINIMUM BILLING - WITH CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

VOLUME CHARGE - WITH CITY OF DENTON WATER SERVICE

With a current Average Daily Usage, billings through the following February shall be based on the average daily usage calculated using the following formula.

$$\frac{\text{Current Average Daily Usage}}{1,000} \times \text{Rate per 1,000 gallons}$$

For customers without an established winter Average Daily Usage, billings shall be based on the established billable volume of 5,000 gallons per mobile home per month.

$$\frac{\text{Established Billable Volume}}{1,000} \times \text{Rate per 1,000 gallons} \times \text{Number of Mobile Homes}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

MONTHLY RATE (SMNI/SMNO) - WITHOUT CITY OF DENTON WATER SERVICE

	SMNI Inside Corporate <u>Limits</u>	SMNO Outside Corporate <u>Limits</u>
(1) Facility Charge	\$32.66/bill	\$37.58/bill
(2) Volume Charge	\$4.68/1,000 gals	\$5.42/1,000 gals

The customer shall pay a minimum Volume Charge on the established billable volume of five-thousand (5,000) gallons per month.

MINIMUM BILLING - WITHOUT CITY OF DENTON WATER SERVICE

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge plus five-thousand (5,000) gallons of wastewater per mobile home

VOLUME CHARGE - WITHOUT CITY OF DENTON WATER SERVICE

The billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period in a manner determined by the City where .

$$\frac{\text{Minimum Wastewater Volume}}{1,000} \times \text{Rate per 1,000 gallons} \times \text{Number of Mobile Homes}$$

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

SCHEDULE SC

COMMERCIAL AND INDUSTRIAL WASTEWATER SERVICE

(Effective 10/01/24)

REGULAR COMMERCIAL

APPLICATION

Applicable to all general commercial and industrial wastewater service users and to all wastewater service users not otherwise specifically classified under a specialized class wastewater rate.

Also applicable to all commercial facilities not receiving metered water service from the City of Denton, including subdivisions and apartment buildings or complexes (that are not individually metered), or other commercial and industrial users, including other users that are a source of non-domestic discharge.

MONTHLY RATE (SC) - WITH CITY OF DENTON WATER SERVICE

- | | | |
|-----|-----------------|-------------------------------|
| (1) | Facility Charge | \$32.66/bill |
| (2) | Volume Charge | \$5.97/1,000 gallons effluent |

Billing based on ninety-five (95%) percent of monthly water consumption.

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES

(SCA) (1) Categorical Customer \$444.00/bill

(SCB) (2) Non-categorical Customer \$ 55.50/bill

SAMPLING AND ANALYSIS CHARGES

- | | | |
|-----|---|----------------------|
| (1) | Sampling charge per sample site (each) | \$60.00 |
| (2) | Analysis charge (per test) | Actual cost per test |
| (3) | Violation demand sampling charge per sample site: | |
| | Four-Part Grab | \$170.00/each |
| | First Day of Composite Sampling | \$110.00 |
| | Additional Day Composite Sampling | \$50.00/each |

MONTHLY RATE (SCO) – OUTSIDE CORPORATE LIMITS WITH CITY OF DENTON WATER SERVICE

- (1) Facility Charge \$37.58/bill
- (2) Volume Charge \$6.78/1,000 gallons effluent

Billing based on ninety-five (95%) percent of monthly water consumption.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the current billing period.

Formula:

$$\frac{\text{Water volume} \times .95}{1,000} \times \text{Rate per 1,000 gallons}$$

COMMERCIAL AND INDUSTRIAL SURCHARGE

In addition to the above charges for commercial and industrial services, there will be added to the monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

- Cu is the surcharge for user X.
- Vu is the billing volume per 1000 gallons for user X.
- .00834 is the conversion factor
- Bu is the tested BOD level for user X or 250 mg/l, whichever is greater.
- B is the unit cost factor for treating one pound of BOD
- Su is the tested TSS level for user X or 250 mg/l, whichever is greater.
- S is the unit cost factor for treating one pound of TSS

MONTHLY RATE (SCNI/SCNO) - WITHOUT CITY OF DENTON WATER SERVICE

	SCNI	SCNO
	Inside Corporate	Outside Corporate
	<u>Limits</u>	<u>Limits</u>
(1) Facility Charge	\$32.66/bill	\$37.58/bill
(2) Volume Charge	\$5.97/1,000 gals	\$6.78/1,000 gals

The minimum apartment Volume Charge will be for five-thousand (5,000) gallons per unit receiving wastewater service per month. Other commercial users will be billed on their estimated monthly wastewater volume.

MINIMUM BILLING

The minimum amount that may be billed shall be in the following amounts:

(1) Facility Charge plus the cost of 5,000 gallons wastewater per unit receiving wastewater service.

or

(2) Facility Charge plus other commercial or industrial user estimated monthly wastewater volume if greater than 5,000 gallons.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the current billing period.

Formula:

$$\frac{\text{Minimum wastewater volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES (As applicable)

(SCOA) (1) Categorical Customer	\$444.00/bill
(SCOB) (2) Non-categorical Customer	\$55.50/bill

SAMPLING AND ANALYSIS CHARGES (As applicable)

- (1) Sampling charge per sample site (each) \$60.00
- (2) Analysis charge (per test) Actual cost per test
- (3) Violation demand sampling charge per sample site:
Four-Part Grab \$170.00/each sample
First Day of Composite Sampling \$110.00
Additional Day Composite Sampling \$50.00/each sample

COMMERCIAL AND INDUSTRIAL SURCHARGE

In addition to the above charges for commercial and industrial services, there will be added to the net monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor	\$0.47 per pound of Biochemical Oxygen Demand (BOD) \$0.42 per pound of Total Suspended Solids (TSS)
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$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

SCHEDULE SCD

COMMERCIAL/INDUSTRIAL WASTEWATER SERVICE WHICH MEASURES WITH DEDICATED WATER METERS (SUB-METERS), WATER FOR WASTEWATER BILLING (Effective 10/01/24)

APPLICATION

Applicable to all commercial and industrial wastewater service users and to all wastewater service users not otherwise classified under this ordinance whose wastewater volume is measured by a water meter which measures the water which is returned into the wastewater collection and treatment system. The SCD sub-metered wastewater volumes are billed to the customer.

Not applicable for sub-billing or other similar utility billing by service user.

MONTHLY RATE

(1) Facility Charge	<u>Billing Per Bill</u>
3/4" Meter	\$28.86
1" Meter	\$40.85
1-1/2" Meter	\$49.40
2" Meter	\$65.77
3" Meter	\$140.91
4" Meter	\$279.44
6" Meter	\$381.95
8" Meter	\$535.13
10" Meter	\$765.90
(2) Volume Charge	\$5.97/1,000 gallons effluent

The wastewater billing is based on one-hundred (100%) percent of the actual water volume submetered.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

COMMERCIAL AND INDUSTRIAL SURCHARGE

In addition to the above charges for services, there will be added to the monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)
\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834([Bu-250] B + [Su-250] S)$$

Where: Cu is the surcharge for user X.
Vu is the billing volume per 1000 gallons for user X.
.00834 is the conversion factor
Bu is the tested BOD level for user X or 250 mg/l, whichever is greater.
B is the unit cost factor for treating one pound of BOD.
Su is the tested TSS level for user X or 250 mg/l, whichever is greater.
S is the unit cost factor for treating one pound of TSS.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Actual Water volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES (As applicable)

(SCDA) (1) Categorical Customer \$444.00/bill

(SCDB) (2) Non-categorical Customer \$55.50/bill

SAMPLING AND ANALYSIS CHARGES (As applicable)

(1) Sampling charge per sample site (each) \$60.00

(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each sample

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each sample

SCHEDULE SCS

COMMERCIAL/INDUSTRIAL WASTEWATER SERVICE WHICH MEASURES WITH DEDICATED WATER METERS (SUB-METERS), WATER EXCLUDED FROM WASTEWATER BILLING (Effective 10/01/24)

APPLICATION

Applicable to all commercial and industrial wastewater service users and to all wastewater service users not otherwise classified under this ordinance whose wastewater volume is calculated by a water meter which measures the water which is not returned into the wastewater collection and treatment system. The SCS sub-metered wastewater volumes are consumed in the customer's processes, not returned to the wastewater system, and are therefore excluded from the customer's wastewater billing volumes.

Not applicable for sub-billing or other similar utility billing by service user.

MONTHLY RATE

(1) Facility Charge	<u>Billing Per Bill</u>
3/4" Meter	\$28.86
1" Meter	\$40.85
1-1/2" Meter	\$49.40
2" Meter	\$65.77
3" Meter	\$140.91
4" Meter	\$279.44
6" Meter	\$381.95
8" Meter	\$535.13
10" Meter	\$765.90

(2) Volume Charge – None

The wastewater billing exclusion is based on one-hundred (100%) percent of the actual water volume sub metered.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

WASTEWATER SURCHARGE

In addition to the above charges for services, there will be added to the monthly rate a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound of BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

VOLUME CHARGE EXCLUSION

The wastewater volume exclusion shall be based on the water volume calculated during the billing period. This sub-metered volume of water that is not returned into the wastewater collection and treatment system shall be subtracted from the master meter water volume prior to the wastewater billing volume calculation.

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT/PROGRAM CHARGES (As applicable)

(SCSA) (1)	Categorical Customer	\$444.00/bill
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(SCSB) (2)	Non-categorical Customer	\$55.50/bill
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SAMPLING AND ANALYSIS CHARGES (As applicable)

(1) Sampling charge per sample site (each)	\$60.00
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(2) Analysis charge (per test)	Actual cost per test
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(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each sample

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each sample

SCHEDULE SCH

SEPTAGE & CHEMICAL TOILET DISPOSAL AT THE PECAN CREEK WATER RECLAMATION PLANT SEPTAGE TRANSFER STATION (Effective 10/01/24)

PERMIT REQUIRED

All persons owning or operating a vacuum truck, cesspool pump truck, liquid waste transport truck or other vehicle shall not service any septic tank, seepage pit, grease interceptor, grit trap/oil separator, or cesspool within City of Denton without first having received a valid transport truck discharge (TTD) permit.

APPLICATION

Applicable to all users of the Pecan Creek Water Reclamation Plant Septage Transfer Station. The user must sign the “Agreement for Disposal of Liquid Waste” and comply with the following requirements:

1. Division 3 of Article XII of Chapter 26 of the City of Denton Code of Ordinances, as may be amended from time to time.
2. Provide to the City: signed “Application for Permit” (City of Denton’s form), “Agreement for Disposal of Liquid Waste” documents (City of Denton’s forms) and provide a copy of the user’s current TCEQ Registration Certificate, current Insurance Certificate for each vehicle, and current Manager of Operations Driver’s License.
3. Comply with the City of Denton “Liquid Waste Hauler – Vehicle Inspection Audit” requirements.

City staff, after reviewing the permit application and agreement, and after conducting any necessary research, may issue the permit, issue the permit with conditions, or deny the issuance of the permit. The City will establish the number of permits to be issued. The City maintains the right to deny the disposal of wastes at the Septage Transfer Station when necessary to prevent adverse effects to the operations of the treatment facilities.

RATE

(1) Facility Charge	\$7.15/bill
(2) Volume Charge	\$45.83/1,000 gallons
(3) Application Fee	\$300.00/per calendar year
(4) Vehicle Permit Fee	\$300.00/per vehicle per calendar year
(5) Waste Manifests	\$165.00/per book of 100

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Application and Vehicle Permit fee is due in full before first disposal at Pecan Creek Water Reclamation Plant Septage Transfer Station. Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

VOLUME CHARGE

Billing for the septage volume contained in the septage hauling tank, shall be based on the full tank volume only. For clarity, volumes discharged that are less than a tank will be billed as a whole tank.

TERMS AND RENEWAL

Permits are issued annually, beginning Dec. 1, and are effective from Jan. 1 or the date of issuance, whichever is later, through Dec.31 of the same calendar year. The permit application process should be initiated, and fees should be paid as early as possible during the last quarter of each calendar year for the upcoming calendar year so that adequate time is available for review and processing of the application. Submittal of applications by Dec.1 will eliminate the possibility of permits being issued after Jan. 1. All permits issued under this schedule shall be valid for up to one calendar year from the date of issuance. All permits issued during each calendar year will expire on the last day of that calendar year.

SCHEDULE SEE

EQUIPMENT SERVICES FACILITIES AND RESTAURANTS & FOOD SERVICE ESTABLISHMENTS WASTEWATER SERVICE (Effective 10/01/24)

APPLICATION

Applicable to facilities which perform washing, cleaning or servicing of automobiles, trucks, buses or similar equipment and are categorized by North American Industry Classification System (NAICS) numbers: 11111 (General Automotive Repair), 811114 (Specialized Automotive Repair), 811121 (Automotive Body, Paint, and Interior Repair and Maintenance),, 811122(Automotive Glass Replacement Shops),, 811191 (Automotive Oil Change and Lubrication Shops,811192 (Car Washes), 811198 (All Other Auto Repair and Maintenance) and other similar code classifications.

Applicable to all restaurants and food service establishments that prepare and serve food directly to customers and are categorized by NAICS numbers: 721110 (Hotels (except Casino Hotels) and Motels), 721191 (Bed-and-Breakfast Inns), 722310 (Food Service Contractors), 722320 (Caterers), , 722330 (Mobile Food Services), 722410 (Drinking Places), 722511 (Full-Service Restaurants), 722513 (Limited-Service Restaurants), 722514 (Cafeterias, Grill Buffets, and Buffets), 722515 (Snack and Nonalcoholic Beverage Bars) other similar code classifications.

MONTHLY RATE (SEE)

(1)	Facility Charge	\$32.66/bill
(2)	Volume Charge	\$8.31/1,000 gallons effluent

Billing based on ninety-five (95%) percent of monthly water consumption.

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

PRETREATMENT / PROGRAM CHARGES (As Applicable)

(SEA) (1)	Categorical	\$444.00/bill
(SEB) (2)	Non-categorical	\$55.50/bill

The appropriate Pretreatment/Program charge will be applied if the customer is identified as either categorical or non-categorical. These charges are not to be applied if the customer is not designated as either a categorical or non-categorical customer.

SAMPLING/ANALYSIS CHARGES (As Applicable)

(1)	Sampling charge per sample site (each)	\$60.00
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(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each

“SEE” RATE EXEMPTIONS

- (1) Customers under the SEE rate shall be charged the SC rate if only pre-wrapped and preprocessed foods are served from their premises and no food processing is performed on the premises so that only minimal organic material is discharged to the sanitary sewer. The exemption for the SEE class shall be determined by the City of Denton Environmental Health Services Food Inspection Division.
- (2) Customers under the SEE rates shall be charged the SC rate plus the applicable industrial surcharge if the customer:
 - (a) Installs a wastewater sampling manhole on the sanitary sewer discharge line;
 - (b) Agrees to pay for the City to sample and analyze, quarterly, or at the request of the user; more frequently for the purposes of averaging quarterly samples, the wastewater discharge for the following: Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), and Fats, Oils and Grease (FOG), based on the actual costs; and
 - (c) Agrees to pay, based on the industrial surcharge formula, a surcharge on all wastewater discharged that is in excess of 500 mg/l of BOD and 600 TSS as determined by the monitoring performed in Section 2(b).

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

WASTEWATER SURCHARGE

The wastewater surcharge calculation that applies to equipment services facilities and restaurant and food service establishments claiming the SEE exemption shall be based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-500] B + [Su-600] S)$$

Where: Cu is the surcharge for user X.
Vu is the billing volume per 1000 gallons for user X.
.00834 is the conversion factor
Bu is the tested BOD level for user X or 500 mg/l, whichever is greater.
B is the unit cost factor for treating one pound of BOD.
Su is the tested TSS level for user X or 600 mg/l, whichever is greater.
S is the unit cost factor for treating one pound of TSS.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Water volume} \times .95}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE SM

METERED WASTEWATER INSIDE AND OUTSIDE CORPORATE LIMITS (Effective 10/01/24)

APPLICATION

Applicable to any wastewater service customer whose wastewater discharge is metered from a single customer location and not otherwise classified under this ordinance.

MONTHLY RATE

	SMI Inside Corporate <u>Limits</u>	SMO Outside Corporate <u>Limits</u>
(1) Facility Charge	\$399.08/bill	\$445.41/bill
(2) Volume Charge	\$5.97/1,000 gals	\$6.78/1,000 gals

In addition to the monthly rate, the following charges shall also be assessed (as applicable):

(3) Pretreatment/Program Charge (As Applicable)

(SMA) (1) Categorical \$444.00/bill

(SMB) (2) Non-categorical \$55.50/bill

The appropriate Pretreatment/Program charge will be applied if the customer is identified as either categorical or non-categorical. The categorical and non-categorical classifications apply both inside and outside the corporate limits of the City of Denton. These charges are not to be applied if the customer is not designated as either a categorical or non-categorical customer by the wastewater utility staff.

SAMPLING/ANALYSIS CHARGE (As Applicable)

(1) Sampling charge per sample site (each) \$60.00

(2) Analysis charge (per test) Actual cost per test

(3) Violation demand sampling charge per sample site:

Four-Part Grab \$170.00/each

First Day of Composite Sampling \$110.00

Additional Day Composite Sampling \$50.00/each

WASTEWATER SURCHARGE

In addition to the above charges, there will be added to the monthly rate for metered wastewater, a surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$Cu = Vu \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
.00834	is the conversion
B	is the unit cost factor for treating one pound of BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge, plus the appropriate Pretreatment/Program Charge, if applicable

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Wastewater volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE SGE

SALE OF TREATED WASTEWATER EFFLUENT

(Effective 10/01/24)

APPLICATION

Applicable for sales of treated wastewater effluent to any municipal utility or approved private business. Useable for non-potable purposes only. Not intended for human consumption.

The resale of treated wastewater effluent is prohibited. Any use of treated wastewater effluent for non-potable purposes is prohibited.

PRODUCT AVAILABILITY

Wastewater effluent is available for resale only if volumes are available. Supplies may be limited or unavailable.

MONTHLY RATES

(1) Facility Charge	<u>Per Bill</u>
3/4" Meter	\$24.83
1" Meter	\$35.16
1-1/2" Meter	\$42.52
2" Meter	\$56.60
3" Meter	\$121.32
4" Meter	\$240.55
6" Meter	\$328.79
8" Meter	\$460.66
10" Meter	\$659.34
(2) Volume Charge	\$2.50/1,000 gallons

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall

be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the effluent volume calculated during the billing period.

Formula:

$$\frac{\text{Effluent volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE SSC

WHOLESALE WASTEWATER TREATMENT SERVICE FOR A GOVERNMENTAL AGENCY, DIVISION, OR SUBDIVISION

(Effective 10/01/24)

APPLICATION

Applicable to any municipal corporation, or other governmental agency or subdivision which operates a wastewater collection system and contracts with the City of Denton for wastewater treatment service.

MONTHLY RATES

- | | |
|---|----------------------|
| (1) Facility Charge | \$284.30/bill |
| (2) Pretreatment/Program Charge (As Applicable) | |
| (A) Categorical | \$444.00/bill |
| (B) Non-categorical | \$55.50/bill |
| (3) Volume Charge | \$3.21/1,000 gallons |

Billing shall be based on one-hundred (100%) percent of actual gallons measured.

SAMPLING/ANALYSIS CHARGE (As Applicable)

- | | |
|---|----------------------|
| (1) Sampling charge per sample site (each) | \$60.00 |
| (2) Analysis charge (per test) | Actual cost per test |
| (3) Violation demand sampling charge per sample site: | |
| Four-Part Grab | \$170.00/each |
| First Day of Composite Sampling | \$110.00 |
| Additional Day Composite Sampling | \$50.00/each |

MINIMUM BILLING

The minimum amount that may be billed shall be in the amount of the applicable Facility Charge.

WHOLESALE SURCHARGE

In addition to the above charges for wholesale wastewater services, there will be added to the monthly rate an industrial surcharge based on the following formula:

Surcharge Unit Cost Factor \$0.47 per pound of Biochemical Oxygen Demand (BOD)

\$0.42 per pound of Total Suspended Solids (TSS)

$$C_u = V_u \times .00834 ([Bu-250] B + [Su-250] S)$$

Where:

Cu	is the surcharge for user X.
Vu	is the billing volume per 1000 gallons for user X.
.00834	is the conversion factor
Bu	is the tested BOD level for user X or 250 mg/l, whichever is greater.
B	is the unit cost factor for treating one pound of BOD.
Su	is the tested TSS level for user X or 250 mg/l, whichever is greater.
S	is the unit cost factor for treating one pound of TSS.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SPECIAL FACILITIES

All services which require special facilities in order to meet a customer's service requirements shall be provided subject to the Special Facilities Rider.

VOLUME CHARGE

Billing for the wastewater volume shall be based on the wastewater volume calculated during the billing period.

Formula:

$$\frac{\text{Wastewater volume}}{1,000} \times \text{Rate per 1,000 gallons}$$

SCHEDULE CWM

DYNO DIRT PRODUCTS

(Effective 10/01/24)

APPLICATION

Applicable to all customers, whether residential, commercial, or wholesale, which elect to acquire the City of Denton's Dyno Dirt products for their use. The City of Denton reserves the right to restrict or limit the sale of all Dyno Dirt products to any customer at any time.

RATES

Dyno Dirt products will be sold by volume on a cubic yardage basis, or in one cubic foot bags. Each bag of Dyno Dirt contains 1 cubic foot. Bulk quantities will not be sold in volumes less than one-half cubic yard.

- (A) Compost
 - (1) Dyno Soil (Top Soil Blend) \$38.85 /Cubic Yard
 - (2) Dyno Dirt \$33.30 /Cubic Yard
 - (3) Dyno Dirt (Bagged) \$5.55/Per Bag
 - (4) Dyno Lite \$33.30/Cubic Yard
- (B) Wood Mulch
 - (1) Dyno Double Grind \$19.43/Cubic Yard

Purchases for (A) and (B) above, will receive a twenty percent (20%) discount for quantities of 10 to 99 cubic yards, purchases greater than one hundred (100) cubic yards will receive a thirty percent (30%) discount. A contractor's rate will be given to customer's who provide a current and valid resale certificate for inspection. The contractor's rate includes a 30% discount on any purchase at any one time of any Dyno Product of the City of Denton.

(C) City of Denton departments will receive a forty percent 40 % discount on all purchases of Dyno Dirt products.

(D) City of Denton employees will receive a twenty percent (20%) discount on all Dyno Dirt products.

PRODUCT AVAILABILITY

The City of Denton produces Dyno Dirt products throughout the year in varying limited quantities. The City of Denton does not guarantee the availability of any product, and expressly reserves the right to restrict the sale of any product based upon available volumes.

LOCATION

All Dyno Dirt products may be purchased from the City of Denton at the following location:

Location

Address

Compost Sales Bldg

Water Reclamation Plant 1100 S. Mayhill Road, Denton, Texas

WHOLESALE PURCHASES

All Dyno Dirt products purchased wholesale, for resale to the public, are to be identified as a City of Denton manufactured product. The wholesale purchaser must provide the City of Denton selling price information to the retail customer if it is requested.

SCHEDULE ST

WASTEWATER TAP AND MANHOLE FEES

(Effective 10/01/24)

APPLICATION

This schedule applies to the installation, removal, or relocation of wastewater taps by the City of Denton Utility Department at the request of any person, firm, association, corporation, or other legal entity.

TAP FEES

Any person, firm, association, corporation, or other legal entity that requests that a wastewater main tap be removed, installed, or relocated by the Wastewater Utility Department shall pay in advance to the Wastewater Utility Department the following applicable fees:

WASTEWATER TAPS WITH CLEANOUT

<u>Size of Tap</u>	<u>Paved Street or Unpaved Street</u>
4 inch	Actual cost per tap
6 inch	Actual cost per tap
8 inch	Actual cost per tap

MANHOLE BREAKOUT FEE

6" – 12" Line	\$165.00
---------------	----------

FEES FOR INSTALLATIONS NOT LISTED

For installation of a tap or manhole for which a fee is not specified, the requestor shall pay in advance a deposit based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%. Upon completion of the installation or similar work requested, the customer shall be billed at actual cost, as determined by the Wastewater Utility Department, plus a 20% administrative charge. Any excess deposit shall be refunded to the customer.

SCHEDULE STE

TREATED EFFLUENT WASTEWATER TAP FEES

(Effective 10/01/24)

APPLICATION

This schedule applies to the installation, removal, or relocation of treated effluent wastewater taps by the City of Denton Utility Department at the request of any person, firm, association, corporation, or other legal entity.

TAP FEES

Any person, firm, association, corporation, or other legal entity that requests that a wastewater main tap be removed, installed, or relocated by the Wastewater Utility Department shall pay in advance to the Wastewater Utility Department the following applicable fees:

REUSE WASTEWATER LINE TAPS

<u>Size of Tap</u>	<u>Paved or Unpaved Street</u>
4-inch	Actual cost per tap
6-inch	Actual cost per tap
8-inch	Actual cost per tap
12-inch	Actual cost per tap

FEES FOR INSTALLATIONS NOT LISTED

For installation of a tap for which a fee is not specified, the requestor shall pay in advance a deposit based upon the estimated cost of such installation, or similar work, plus an administrative charge of 20%. Upon completion of the installation or similar work requested, the customer shall be billed at actual cost, as determined by the Wastewater Utility Department, plus a 20% administrative charge. Any excess deposit shall be refunded to the customer.

SCHEDULE OSSF

ON-SITE SEWAGE FACILITY PERMIT FEES

(Effective 10/01/24)

APPLICATION

This schedule applies to the new construction of on-site aerobic treatment systems, new construction of on-site non-aerobic treatment systems, and repair and alteration of both types of systems.

OSSF PERMIT FEES

Any person, firm, association, corporation, or other legal entity that requests a wastewater system work permit shall pay in advance to the Wastewater Utility Department the following applicable fees:

New Construction of aerobic treatment systems	\$500.00
Reinspection Fee of aerobic treatment systems	\$250.00
New Construction of non-aerobic treatment systems	\$300.00
Reinspection Fee of non-aerobic treatment systems	\$150.00
Repair or Alteration fees (All types of OSSF's)	\$200.00

SCHEDULE SWP

COLLECTION AND TRANSPORTATION SERVICES PERMIT

(Effective 10/01/24)

Any person, entity, or business engaged in the collection and transport of waste, recyclables, or other materials as classified within this rate schedule (Operator), and operating within the City of Denton must possess a current permit issued from the City prior to providing collection and transportation services. Any private container located within the City of Denton for use in waste and recyclables collection services is required to be permitted.

Permits for collection and transportation services are required for, but are not limited to, the following wastes and recyclables classifications, hereinafter referred to as Special Waste:

- Special Waste
- Medical Waste
- Hazardous Waste
- Grease & Grit Trap Waste
- Commercial and Industrial Recyclable Materials – containerized and baled
- Construction and Demolition (C&D) materials, recyclables, reusables, and discarded C&D materials
- Waste and recyclable collection service providers operating in newly annexed areas, or contract service providers for the city
- Refuse or recyclables that the City does not collect and transport.
- Waste Cooking Oil

An Operator shall apply for a permit from the city and shall pay the required application fees at the time of permit application. All permits are non-transferable and are granted as non-exclusive service permits. Granting permits will be at the discretion of the City to meet the needs of the community. The Operator must pay the required fees and meet all permit requirements prior to the issuance of a permit. Applicants must have a valid vehicle inspection and a valid permit issued by the Texas Commission of Environmental Quality (TCEQ) and a proof of insurance to be permitted.

Granting of Permit

As a condition of granting a permit, the person or entity receiving such permit (Permittee) agrees to execute and comply with all requirements of the service agreement, carry specific types and amounts of insurance as required by the City, submit reports, and pay the necessary fees by the specified due date. Following the granting of a permit, permit stickers shall be issued by the City and shall be placed by the Permittee on all vehicles operating within the city limits of Denton. Collection and transportation vehicles operating in Denton are required to display a current and valid calendar year permit decal at all times. If decals are lost by the Permittee, and are not visible on their vehicles, then the vehicles must be re-permitted by the Permittee, and all appropriate fees paid, prior to the vehicles or containers being placed in service within Denton's city limits. The City of Denton is not responsible for lost decals.

Exclusions

Individuals living within the City limits of Denton, and hauling personal materials, wastes, or

recyclables from their primary living residence are exempt from the requirements in this schedule SWP.

Any person, who transports Special Waste three or fewer times per year, shall register with the City on the forms provided for that purpose. No annual service fees are required, but registration and permitting through the City is required.

Fees

Collection and Transportation Services Permit Fees

Service Providers

Application Fee	Paid Annually	\$200.00
Service Fees:	Per Vehicle	\$400.00
Waste manifests:	Per Book of 100	\$165.00

Service providers desiring to provide services in more than one service category are required to complete permit documentation and pay the applicable fees for each service category they desire to provide within Denton's City limits. All fees paid are nonrefundable.

Application and service fees will be billed to the applicant through City of Denton's Customer Service Department. Service fees are non-transferable between vehicles and are unit specific.

Violations / 'No Operations' Declaration

A person or business (legal entity) which has not been permitted by the City to operate within the City limits of Denton; or has been suspended by the City from operating within the City limits of Denton, Texas shall be charged a sum of up to \$500.00 per day by the City, for each day the person or legal entity transports or collects Special Waste within the City prior to receipt of a City of Denton permit, or during any suspension of a permit period. Each day of operation without a permit warrants a separate charge and any person committing such is subject to being charged a sum of up to \$500.00 for each day of operating without a valid permit. Following the receipt of a notice of suspension and prior to reinstatement to legally operate within the City limits of Denton, the Permittee must meet with the City staff to update their application and agreement and make payment of all amounts owed to the City related to this ordinance.

If any person or legal entity operates a vehicle, or allows the operation of a vehicle, within Denton's City limits which has not been permitted, operates any piece of equipment with an expired permit, commits a permit violation, or fails to make payment of the appropriate fees in a timely manner, the city will issue a 'No Operations' declaration to the person or legal entity, and assess all applicable permit violation fees. Once a person or legal entity has been issued a 'No Operations' declaration from the City, all services to be provided within Denton's City limits are required to cease. Following a meeting with the City staff, and the payment of all monies owed the City, the status of the permit will be determined by the City.

Revocation of Services & Non-Renewal of Permits

If the City finds any requirement of the permit has been violated or observes service providers operating within Denton's City limits without current permits, the City may institute a 'No Operations' declaration. Additionally, the City may revoke or not renew the service provider's permit, thereby requiring the service provider to cease all operations within the City limits of Denton.

Reclassification of Recyclables

Recyclables containing ten (10%) percent or more contamination, as determined by the City, will be considered refuse, and its collection may not be provided by service providers permitted under this ordinance. This material shall be reclassified as refuse and will be collected by the City of Denton. The Director of Solid Waste (Director) or the Director's designee, will make the final determination on whether stored recyclables contain excessive contamination, and may cause the reclassification of these materials to municipal solid waste (MSW), thereby negating the ability of a service provider to transport this material within Denton's City limits under their operating permit pursuant to this ordinance.

The City of Denton has the authority to inspect the contents of any container placed for pick up, or submitted for disposal in any manner at a location within Denton's City limits, in order to determine the materials content of the container, to ensure compliance with the contamination requirements, which shall not exceed 10%.

Terms and Renewal

Permits are issued annually, beginning December 1, and are effective from January 1, or the date of issuance, whichever is later, through December 31 of the same calendar year. The permit application process should be initiated, and fees should be paid as early as possible during the last quarter of each calendar year for the upcoming calendar year so that adequate time is available for review and processing of the application.

SCHEDULE SD

STORM DRAINAGE FEES

(Effective 10/01/24)

APPLICATION

Applicable to all real property and appurtenances owned and located within the corporate limits of the City of Denton, Texas, except as exempted below. The Storm Drainage fee charged to each tract of real property is based upon the amount of impervious surface cover that results in water runoff or water quality impacts into the City of Denton drainage system.

MONTHLY FEE – RESIDENTIAL (SDR)

The residential fee is applicable to all single-family through fourplex real properties located within the corporate limits of the City of Denton, Texas, for which impervious surfaces can be individually identified. The residential fee is established by utilizing a block system. The fee charged in each fee block is set forth and established as follows:

<u>Fee Block</u>	<u>Per Bill</u>
0 – 600 Square Feet	\$0.50
601 – 1,000 Square Feet	\$1.00
1,001 – 2,000 Square Feet	\$3.35
2,001 – 3,000 Square Feet	\$5.45
3,001 – 4,000 Square Feet	\$7.60
4,001 – 5,000 Square Feet	\$9.75
5,001 – 6,000 Square Feet	\$12.00
Over 6,000 Square Feet	\$15.50

MONTHLY FEE – NON-RESIDENTIAL (SDN)

The non-residential fee is applicable to all other real property owned and located within the corporate limits of the City of Denton, Texas, except as exempted below. The non-residential fee is based upon the total square footage of impervious surface cover measured for each customer or owner.

Formula:

Measured Square Footage of Impervious Surface Cover x \$0.00186 per bill

EXEMPTIONS

The following real property owned and located within the corporate limits of the City of Denton, Texas shall be exempt from imposition of the residential fee or the non-residential fee:

1. Real property with proper construction and maintenance of a wholly sufficient and privately-owned drainage system, not draining into the City of Denton drainage system, upon the real property's

inspection and certification by the City; or

2. Real property held and maintained in its natural state, until such time that the real property is developed, and all the public infrastructure constructed thereon has been accepted by the City; or

3. Real property, consisting of an unimproved subdivided lot, until such time as a structure has been built on the lot and a certificate of occupancy has been issued by the City.

No other exemptions to the residential fees or the non-residential fees are applicable.

SCHEDULE SDI

STORMWATER REINSPECTION FEE

(Effective 10/01/24)

APPLICATION

Applicable to active construction or land disturbing activities located within the corporate limits of the City of Denton, Texas. The Stormwater Reinspection Fee is charged to operators or designated representatives of projects where land disturbing activity, as defined by Denton Development Code, is occurring, including new construction, demolition, and redevelopment.

RATE

Reinspection fees for initial or periodic inspection resulting in non-compliance, notices of violation, or stop-work orders shall apply. Fees may be waived at discretion of the inspector in accordance with department guidelines for mitigating circumstances.

Fee: \$167.00/site inspection

SPECIAL FACILITIES RIDER
(Effective 10/01/24)

- (1) If a customer service request for a special or unusual service not otherwise provided for by this Wastewater rate ordinance, or requires facilities and devices which are not normally and readily available at the location at which the customer requests the service, then the City shall provide the service subject to the requirements of paragraph 2 and 3 of this rider.
- (2) The total cost of all facilities required to meet the customer's special requirements which are incurred by the City in connection with rendering the service shall be established by a contract entered into between the City and the customer. Said contract shall be signed by both parties prior to the City providing the requested service to the customer.
- (3) Any contract under this rider is subject to the following approvals:
 - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or his designee. If a contract under this subsection is not approved by the City Manager, or his designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council prior to being entered into by the City.
 - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council prior to being entered into by the City.

SECTION 2. Ordinance 23-1742 is hereby repealed as of the effective date of this ordinance.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. The Schedule of Rates herein adopted shall be effective, charged and applied to all wastewater service rendered on and after October 1, 2024, and a copy of said rates, fees, and charges shall be maintained on file in the Office of the City Secretary of the City of Denton, Texas.

The motion to approve this ordinance was made by _____ and seconded by _____; the 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Susan Keller



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-035, **Version:** 1

AGENDA CAPTION

Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Electric service; providing for a repealer; providing for a severability clause; and, providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for electric service; providing for a repealer; providing for a severability clause; and providing an effective date.

BACKGROUND

The proposed FY 2024-2025 Electric Operating Budget and CIP was presented to the Public Utilities Board (PUB) on June 10, June 24, and July 8, 2024. The PUB reviewed the proposed rates on July 8, 2024.

The following summarizes the proposed changes to existing Electric rates:

- Base Rates 1.5% Increase
 - Includes usage, facility, & demand charges
- Pole Attachment Fees Various Increases
 - Pole Attachment Fee (PAF) is the annual rental fee DME charges telecommunication and cable providers who attach to DME's poles. The fee is being changed to meet the standard calculations set forth by the FCC for pole attachment fees. The proposed PAF removes many of the items from the current schedule that are no longer applicable based on regulatory requirements.
- Wholesale Transmission Service New Schedule
 - Denton Municipal Electric must file its Wholesale Transmission Service (WTS) rate with the Texas Public Utilities Commission. Although this is a rate that is not utilized by retail customers, staff wanted to include it in the Electric Rate Ordinance to be consistent with our other rates.

RECOMMENDATION

Staff recommends adoption of the Fiscal Year 2024-25 Electric Rates.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

Council reviewed the Fiscal Year 2024-25 Operating Budget and Rates during the July 23, 2024 meeting, and the proposed rates during the budget workshop on August 10, 2024.

EXHIBITS

- Exhibit 1. Agenda Information Sheet
- Exhibit 2. Electric Redline Rate Ordinance
- Exhibit 3. Electric Rate Ordinance

Respectfully submitted:
Jessica Williams
940-349-7899
Chief Financial Officer

Prepared by:
Matt Hamilton
Budget Manager
940-349-8127

AN ORDINANCE OF THE CITY OF DENTON, TEXAS ESTABLISHING THE SCHEDULE OF RATES FOR ELECTRIC SERVICE; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Schedule of Rates for electrical services as provided for in Chapter 26 of the City of Denton Code of Ordinances, is as follows:

ELECTRIC RATE SCHEDULES

	PAGE
RES Residential Service	2
GS General Service Small	4
GM General Service Medium	6
GL General Service Large	8
TG General Service Time Of Use	10
GOS Local Government Service Small	12
GOM Local Government Service Medium	14
GOL Local Government Service Large	16
T1 Temporary Service	18
AF Athletic Field	20
LS Street Lighting	22
LT Traffic Lighting	23
UFL Unmetered School Zone/Crossing Flashers	24
USC Unmetered Security Camera	25
UWF Unmetered Wi-Fi Devices	26
LO Other Lighting	27
DD Security Lighting	28
DSL Non-Standard Street Lighting	30
EGR Economic Growth Rider	32
GIP GreenSense Incentive Program	34
ECA Energy Cost Adjustment	35
RCA Renewable Cost Adjustment	36
TCRF Transmission Cost Recovery Factor	37
DGR Distributed Generation From Renewable Sources Rider	38
SFR Special Facilities Rider	40
PAF Pole Attachment Fee	41
BIF Banner Install Fee	43
WNA Wireless Node Attachments	44
EVCR Electric Vehicle Charging Rate	46
<u>WTS Wholesale Transmission Service</u>	<u>47</u>

RESIDENTIAL ELECTRIC SERVICE
(Effective ~~08~~10/01/24)

APPLICATION

Applicable to any Customer for all electric service used for residential purposes in an individual private dwelling or an individually metered apartment, supplied at one point of delivery and measured through one meter. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	Facility Charge	Per Bill
	Single-Phase Service (R2)	\$ 8.80 -8.67
	Three-Phase Service (R2)	\$ 17.59 17.33
	Prepaid Service (P2)	\$ 16.26 16.02

plus;

(2)	Usage Charge	Per kWh
	Winter (Billing months of November through April):	
	Tier 1: First 600 kWh	\$ 0.0694 0.0684
	Tier 2: Additional kWh	\$ 0.0462 0.0455

Summer (Billing months of May through October):

Tier 1: All kWh	\$0. .0694 0684
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plus;

(3)	Energy Cost Adjustment Charge	See Schedule ECA
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plus;

(4)	Transmission Cost Recovery Factor	See Schedule TCRF
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MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

Winter (Billing months of November through April):

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

Summer (Billing months of May through October):

$$\text{Usage Charge} = \text{All kWh} \times \text{Tier 1 Rate per kWh}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GS

GENERAL SERVICE SMALL

(Effective ~~0810~~/01/24)

APPLICATION

Applicable to any commercial customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 21 kW in two consecutive months, account will be adjusted to bill under General Service Medium (GM) and the Customer must remain on the GSM rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

plus;	(1) Facility Charge	Per Bill
	Single-Phase	\$ 16.85 16.60
	Three-Phase	\$ 22.50 22.17
plus;	(2) Usage Charge	Per kWh
	Tier 1: First 2,500 kWh	\$ 0.0865 0.0852
	Tier 2: Additional kWh	\$ 0.0453 0.0446
plus;	(3) Energy Cost Adjustment Charge	See Schedule ECA
	(4) Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\begin{aligned} \text{Usage Charge} = & \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ & \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{aligned}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GM

GENERAL SERVICE MEDIUM

(Effective ~~08~~10/01/24)

APPLICATION

Applicable to any commercial customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under General Service Large (GSL), and the Customer must remain on the GSL rate for a minimum of twelve (12) billing periods.

Applicable to GSM Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. (**GM2**)

Applicable to GSM Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. (**GM3**)

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

plus;	(1)	Facility Charge	Per Bill
		Single-Phase	\$16.85 <u>16.60</u>
		Three-Phase	\$22.50 <u>22.17</u>
plus;	(2)	Demand Charge	Per kW
		All kW	\$4.85 <u>4.78</u>
	(3)	Usage Charge	Per kWh
	GM	Tier 1: First 6,000 kWh	\$0.0531 <u>0.523</u>
		Tier 2: Additional kWh	\$0.0438 <u>0.432</u>
	GM2	Tier 1: First 6,000 kWh	\$0.0521 <u>0.513</u>
		Tier 2: Additional kWh	\$0.0428 <u>0.422</u>
	GM3	Tier 1: First 6,000 kWh	\$0.0500 <u>0.493</u>
		Tier 2: Additional kWh	\$0.0408 <u>0.402</u>
plus;			

- plus;
- | | | |
|-----|--|--------------------------|
| (4) | Energy Cost Adjustment Charge | See Schedule ECA |
| (5) | Transmission Cost Recovery Factor | See Schedule TCRF |

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kW demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 21 kW; or (3) seventy percent (70%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\begin{aligned}\text{Usage Charge} = & \quad \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ & \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable}\end{aligned}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GL

GENERAL SERVICE LARGE

(Effective ~~0810~~/01/24)

APPLICATION

Applicable to any commercial customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GSL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. (**GL2**)

Applicable to GSL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. (**GL3**)

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1) **Facility Charge**

Per Bill

Three-Phase

~~\$70.10~~ ~~69.06~~

plus;

(2) **Demand Charge**

Per kVA

All kVA

~~\$10.96~~ ~~10.80~~

plus;

(3) **Usage Charge**

Per kWh

GL Tier 1: First 200,000 kWh
Tier 2: Additional kWh

~~\$0.0249~~ ~~0.0245~~

~~\$0.0142~~ ~~0.0140~~

GL2 Tier 1: First 200,000 kWh
Tier 2: Additional kWh

~~\$0.0239~~ ~~0.0235~~

~~\$0.0132~~ ~~0.0130~~

GL3 Tier 1: First 200,000 kWh
Tier 2: Additional kWh

~~\$0.0218~~ ~~0.0215~~

~~\$0.0112~~ ~~0.0110~~

plus;

- plus;
- | | | |
|-----|--|--------------------------|
| (4) | Energy Cost Adjustment Charge | See Schedule ECA |
| (5) | Transmission Cost Recovery Factor | See Schedule TCRF |

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 250 kVA; or (3) seventy percent (70%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\begin{aligned}\text{Usage Charge} = & \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ & \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable}\end{aligned}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE TG

GENERAL SERVICE TIME OF USE

(Effective 0810/01/24)

APPLICATION

Applicable to any Customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers electing this Rate must remain on this Rate for a minimum of twelve (12) continuous billing months. If the Customer is new or does not have a history of on-peak use for June through September, and elects to accept service on the TGS Rate, the Customer's demand shall be billed at the GSL Demand Rate until the Customer establishes a separate on-peak and off-peak demand during an on-peak month.

Applicable to TGS Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. (TG2)

Applicable to TGS Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. (TG3)

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1) **Facility Charge**

Per Bill

Three-Phase

\$81.75 ~~80.54~~

plus;

(2) **Demand Charge**

Per kVA

On-Peak

\$13.97 ~~13.76~~

Off-Peak

\$ 2.76 ~~2.72~~

plus;

(3) **Usage Charge**

Per kWh

TG All kWh

\$0.0083 ~~0082~~

TG2 All kWh

\$0.0073 ~~0072~~

TG3 All kWh

\$0.0053 ~~0052~~

plus;

(5) **Energy Cost Adjustment Charge**

See Schedule ECA

plus;

(6) **Transmission Cost Recovery Factor**

See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the On-Peak and Off-Peak Demand Charges, regardless of actual energy usage.

DEFINITION OF TIME OF USE HOURS

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M. each Monday through Friday, for the months of June through September excluding Independence Day and Labor Day. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

DETERMINATION OF DEMAND

On-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA; or (3) one hundred percent (100%) of the actual maximum on-peak demand similarly determined during the billing months of June through September in the twelve (12) months immediately preceding the current month. The On-Peak Demand Charge will be applied to each billing period.

Off-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA. The Off-Peak Demand Charge will be applied to each billing period.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GOS

LOCAL GOVERNMENT SERVICE SMALL

(Effective 0810/01/24)

APPLICATION

Applicable to any local City, County or School District customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand equals or exceeds 21 kW in two consecutive months, account will be adjusted to bill under Local Government Service Medium (GOM), and the Customer must remain on the GOM Rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby or supplementary service.

NET MONTHLY RATE

Facility Charge		Per Bill
plus;	Single-Phase	\$ 16.85 16.60
	Three-Phase	\$ 22.50 22.17
(2) Usage Charge		Per kWh
plus;	Tier 1: First 2,500 kWh	\$0. 0865 0852
	Tier 2: Additional kWh	\$0. 0453 0446
(3) Energy Cost Adjustment Charge		See Schedule ECA
plus;		
(4) Transmission Cost Recovery Factor		See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GOM

LOCAL GOVERNMENT SERVICE MEDIUM

(Effective ~~0810~~/01/24)

APPLICATION

Applicable to any local City, County, or School District customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under Local Government Service Large (GOL), and the customer must remain on the GOL rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

NET MONTHLY RATE

plus;	(1) Facility Charge	Per Bill
	Single-Phase	\$ 16.85 16.60
	Three-Phase	\$ 22.50 22.17
plus;	(2) Demand Charge	Per kW
	All kW	\$ 4.85 4.78
plus;	(3) Usage Charge	Per kWh
	Tier 1: First 6,000 kWh	\$0. 0531 0523
	Tier 2: Additional kWh	\$0. 0438 0432
plus;	(4) Energy Cost Adjustment Charge	See Schedule ECA
	(5) Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) The actual kW demand supplied during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1 kWh} \times \text{Rate per kWh} \\ \text{kWh in Tier 2 kWh} \times \text{Rate per kWh, if applicable} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

~~Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance. The due date for the payment of the bill for utility services shall not be less than ten (10) business days after issuance.~~

SCHEDULE GOL

LOCAL GOVERNMENT SERVICE LARGE

(Effective ~~0810~~01/24)

APPLICATION

Applicable to any local City, County, or School District customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GOL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. (**GO2**)

Applicable to GOL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. (**GO3**)

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	Facility Charge	Per Bill
	Three-Phase	\$70.10 69.06
	plus;	
(2)	Demand Charge	Per kVA
	All kVA	\$10.96 10.80
	plus;	
(3)	Usage Charge	Per kWh
	GOL Tier 1: First 200,000 kWh	\$0.0249 0245
	Tier 2: Additional kWh	\$0.0142 .0140
	GO2 Tier 1: First 200,000 kWh	\$0.0239 0235
	Tier 2: Additional kWh	\$0.0132 .0130
	GO3 Tier 1: First 200,000 kWh	\$0.0218 .0215
	Tier 2: Additional kWh	\$0.0112 .0110
	plus;	

- plus;
- | | | |
|-----|--|--------------------------|
| (4) | Energy Cost Adjustment Charge | See Schedule ECA |
| (5) | Transmission Cost Recovery Factor | See Schedule TCRF |

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\begin{aligned}\text{Usage Charge} = & \quad \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ & \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable}\end{aligned}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE T1

TEMPORARY SERVICE

(Effective 0810/01/24)

APPLICATION

Applicable to short term or temporary electric service where a Customer has received a permit. This Rate is not applicable after the certificate of occupancy or building final inspection has been issued.

NET MONTHLY RATE

(1)	Facility Charge	Per Bill
	Single-Phase	\$ 16.86 16.61
	Three-Phase	\$ 22.52 22.19
plus;		
(2)	Usage Charge	Per kWh
	All kWh	\$0. 0867 0854
plus;		
(3)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(4)	Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

ADDITIONAL TEMPORARY SERVICE CHARGES

Labor	Regular time or overtime labor hourly rates in effect at the time the work is performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.
Transportation	To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.
Material	Material that cannot be salvaged shall be billed at the City's Warehouse cost plus twenty five percent (25%), plus applicable sales tax. At the time a temporary service is removed or converted, any loss of the installed material due to negligence or willful action by the Customer will be billed separately to the Customer at replacement cost plus twenty five percent (25%), plus applicable sales tax.
Administrative Fee	Ten percent (10%) of the total labor, transportation, and material costs.

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE AF

ATHLETIC FIELD (Effective 0810/01/24)

APPLICATION

Applicable to all electric service metered at one point for use to light specified areas for athletic events. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service except in conjunction with applicable rider.

NET MONTHLY RATE

plus;	(1)	Facility Charge	Per Bill
		Single-Phase	\$ <u>23.09</u> 22.75
		Three-Phase	\$ <u>34.62</u> 34.11
plus:	(2)	Demand Charge	Per kW
		On-Peak	\$ <u>6.15</u> 6.06
		Off-Peak	\$ <u>1.46</u> 1.44
plus;	(3)	Usage Charge	Per kWh
		On-Peak	\$ <u>0.0992</u> 0.0977
		Off-Peak	\$ <u>0.0496</u> 0.0489
plus;	(4)	Energy Cost Adjustment Charge	See Schedule ECA
	(5)	Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge, regardless of actual energy usage.

DEFINITION OF ON-PEAK AND OFF-PEAK HOURS

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M., for the months of June through September. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the actual kW demand supplied during the fifteen (15) minute period of maximum use during the current billing period as determined by the City's demand meter.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\begin{aligned} \text{Usage Charge} = & \quad \text{On-Peak kWh} \times \text{Rate per kWh} \\ & \quad \text{Off Peak kWh} \times \text{Rate per kWh} \end{aligned}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE LS

STREET LIGHTING

(Effective ~~0810~~/01/24)

APPLICATION

Applicable to all street lighting owned and maintained by the City.

NET MONTHLY RATE

(1)	Facility Charge	Per Bill
	<u>Luminaire Style Type</u>	
	100 W Sodium Cobra (LSA)	\$6.17 6.08
	250 W Sodium Cobra (LSB)	\$8.75 8.62
	400 W Sodium Cobra (LSC)	\$11.02 10.86
	100 W LED Cobra (LSD)	\$6.17 6.08
	250 W LED Cobra (LSE)	\$8.75 8.62
	400 W LED Cobra (LSF)	\$11.02 10.86
	85 W LED Post (LSG)	\$11.02 10.86

plus;

(2)	Energy Cost Adjustment Charge	See Schedule ECA
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ENERGY COST ADJUSTMENT CHARGE

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium (LSA)	48 kWh
250 W Sodium (LSB)	105 kWh
400 W Sodium (LSC)	159 kWh
100 W LED (LSD)	25 kWh
250 W LED (LSE)	96 kWh
400 W LED (LSF)	148 kWh
85 W LED (LSG)	23 kWh

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

TRAFFIC LIGHTING
(Effective 0810/01/24)

APPLICATION

Applicable to State and Local Government agencies that operate and maintain their own traffic signals.

METERED TRAFFIC LIGHTING NET MONTHLY RATE (LT)

(1)	Usage Charge	\$0.0674.0664 per kWh
plus;		
(2)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Metered Traffic Lighting Usage Charge shall be based on actual kWh consumption during the billing period. Usage Charge = All kWh x Rate per kWh

UNMETERED TRAFFIC LIGHTING NET ANNUAL RATE (ULT)

(1)	Usage Charge	\$0.0674.0664 per kWh
plus;		
(2)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(3)	Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Unmetered Traffic Lighting Usage Charge shall be based on historical recorded annual kWh consumption. Usage Charge = All kWh x Rate per kWh

Annual Usage = 904 kWh per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE UFL

UNMETERED SCHOOL ZONE/CROSSING FLASHERS

(Effective 0810/01/24)

APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered school zone/crossing flashers.

NET ANNUAL RATE

plus;	(1) Usage Charge	\$0. 0674 . 0664 per kWh
plus;	(2) Energy Cost Adjustment Charge	See Schedule ECA
	(3) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on historical recorded annual kWh consumption. The total billed usage divided by number of school zone/crossing flashers will determine the average kWh usage. This average consumption will be billed for each school zone/crossing flasher once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = All kWh \times Rate per kWh

Annual Usage = 48 kWh per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE USC

UNMETERED SECURITY CAMERA

(Effective 0810/01/24)

APPLICATION

Applicable to Local Government agencies that operate and maintain their own unmetered security cameras.

NET ANNUAL RATE

plus;	(1) Facility Charge	\$ 18.09 17.82 per bill
plus;	(2) Usage Charge	\$0. 0674 0664 per kWh
plus;	(3) Energy Cost Adjustment Charge	See Schedule ECA
	(1) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each camera once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = annual kWh per camera × kWh Rate

Annual Usage = 300 kWh per camera per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE UWF

UNMETERED WI-FI DEVICES

(Effective 0810/01/24)

APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered Wi-Fi devices.

NET ANNUAL RATE

plus;	(1) Facility Charge	\$ 18.09 17.82 per bill
plus;	(2) Usage Charge	\$0. 0664 .0674 per kWh
plus;	(3) Energy Cost Adjustment Charge	See Schedule ECA
	(4) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = annual kWh per device × kWh Rate

Annual Usage = 300 kWh per device per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE LO

OTHER LIGHTING (Effective 0810/01/24)

APPLICATION

Applicable to Texas Department of Transportation unmetered and metered safety lighting systems and continuous lighting systems as those terms are defined in Texas Administrative Code, Title 43, Part 1, Chapter 25, Subchapter A, Rule §25.11.

METERED LIGHTING NET MONTHLY RATE (LOB)

(1)	Usage Charge	\$0. 0664 .0674 per kWh
plus;		
(2)	Energy Cost Adjustment Charge	See Schedule ECA

METERED LIGHTING USAGE CHARGE (LOB)

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

Usage Charge = All kWh × Rate per kWh

UNMETERED LIGHTING NET MONTHLY RATE (LOA)

(1)	Usage Charge	\$0. 0664 .0674 per kWh
plus;		
(2)	Energy Cost Adjustment Charge	See Schedule ECA

UNMETERED LIGHTING USAGE CHARGE (LOA)

Billing for the Usage Charge shall be based on estimated kWh consumption during the billing period.

Usage Charge = (kWh Rate x Bulb Wattage/1000) x (Hours of Operation per Billing Period)

Hours of Operation per Billing Period = 333 hours

Bulb Wattage is the rated wattage of the luminaire bulb

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE DD

SECURITY LIGHTING

(Effective ~~08~~10/01/24)

APPLICATION

Applicable to all outdoor area lighting when such lighting facilities are operated as an extension of the City's distribution system.

NET MONTHLY RATE

(1)	Facility Charge	Per Bill
	<u>Luminaire Type</u>	
	100 W Sodium Vapor (DSA)	\$ 9.75 <u>9.61</u>
	250 W Sodium Vapor (DSB)	\$ 12.90 <u>12.71</u>
	400 W Sodium Vapor (DSC)	\$ 15.55 <u>15.32</u>
	250 W Metal Halide (DHA)	\$ 15.17 <u>14.95</u>
	400 W Metal Halide (DHB)	\$ 18.09 <u>17.82</u>
	100 W Equivalent LED (DSD)	\$ 9.75 <u>9.61</u>
	250 W Equivalent LED (DSE)	\$ 12.90 <u>12.71</u>
	400 W Equivalent LED (DSF)	\$ 15.55 <u>15.32</u>

plus;

(2)	Energy Cost Adjustment Charge	See Schedule ECA
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ENERGY COST ADJUSTMENT CHARGE

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DSA)	48 kWh
250 W Sodium Vapor (DSB)	105 kWh
400 W Sodium Vapor (DSC)	159 kWh
250 W Metal Halide (DHA)	105 kWh
400 W Metal Halide (DHB)	159 kWh
100 W Equivalent LED (DSD)	25 kWh
250 W Equivalent LED (DSE)	96 kWh
400 W Equivalent LED (DSF)	148 kWh

TYPE OF SERVICE

The City shall furnish, install, maintain and deliver electric service to automatically controlled lighting fixtures conforming to the City's standards and subject to its published rules and regulations.

Where necessary for proper illumination or where existing poles are inadequate, the City will install or cause to be installed, one (1) wood pole with the necessary lighting hardware and overhead conductor for each installed light, at a distance not to exceed eighty (80') feet from existing lines, at no charge to the Customer. Additional contractual arrangements between the City and the Customer are subject to the Special Facilities Rider.

TERM OF CONTRACT

A two (2) year contract shall be agreed to and signed by each Customer desiring security lighting service authorizing fixed monthly charges, which may be reviewed annually, and to be applied to the Customer's monthly municipal utilities bill. In the event that a Customer requests the removal of the unit or discontinuance of the service prior to completion of two (2) years, the remainder of the contract period shall become due and payable. After the end of the initial two (2) year contract, service shall continue on a month-to-month basis and may be canceled by either party upon thirty (30) days' notice.

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE DSL

NON-STANDARD STREET LIGHTING

(Effective 0810/01/24)

APPLICATION

Applicable to street lighting owned and maintained by the Customer. Availability of this service is contingent on the existence of an executed Special Facilities Rider between the legally responsible party and the City under which the legally responsible party accepts all responsibilities, both legal and financial, related to operation and maintenance of the subject lights, including but not limited to payment of all applicable energy charges.

NET MONTHLY RATE

(1)	Facility Charge	\$ 9.32 9.48 per bill
plus;		
(2)	Usage Charge	\$ 0.0674 0.0664 per kWh
plus;		
(3)	Energy Cost Adjustment Charge	See Schedule ECA

USAGE CHARGE

Current usage charge and ECA rates are multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DLSA)	48 kWh
250 W Sodium Vapor (DLSB)	105 kWh
400 W Sodium Vapor (DLSC)	159 kWh
250 W Metal Halide (DLHA)	105 kWh
400 W Metal Halide (DLHB)	159 kWh

ADDITIONAL SERVICE CHARGES

If the City is required to maintain the privately owned lights to ensure public safety, the owner of the lights may be subject to additional service charges. The additional service charges shall be the actual cost of performing any work required to perform the necessary maintenance including but not limited to:

Labor	Regular time or overtime labor hourly rates in effect at the time the work is
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performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.

Transportation	To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.
Material	Any material needed to repair and/or maintain facilities will be billed at City Warehouse cost plus twenty five percent (25%).
Administrative Fee	Ten percent (10%) of the total labor, transportation, and material costs.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE EGR

ECONOMIC GROWTH RIDER

(Effective 0810/01/24)

PURPOSE

The purpose of this Rider is to facilitate local economic growth and expand the ad valorem tax base of the City.

AVAILABILITY

This Rider is available to the Customers who:

- (1) Receive service from Rate Schedules GSL or TGS; and
- (2) Pay City ad valorem tax; and
- (3) Receive no electric service discounts other than those specifically defined in the GSL or TGS Rate Schedules.

APPLICATION

This Rider is available to electric service supplied at any one location. It is for firm electric service applicable to new and existing customers as described below, over a five (5) year period. This Rider is available to the following classes of customers:

- (1) New Customers whose electric service represents demand not previously served by the City at any location in the City's service area in the last twelve (12) months, where such metered demand will be in excess of 1,000 kVA and customer load factor must be greater than the City's electric system load factor, as estimated and mutually agreed upon by the General Manager of the City's electric utility and the Customer.
- (2) Existing Customers served under Rate Schedules GSL or TGS who increase their prior existing metered demand by 1,000 kVA and customer load factor must be greater than the City's electric system load factor. This increase shall be verified by sub-metering (at the Customer's expense) the additional load. If sub-metering is not possible, at the discretion of the General Manager of the City's electric utility, the increase may be verified by comparing a three-month rolling average of the new level of demand to the prior demand averaged for corresponding months. During periods in which this verification method cannot be applied, the General Manager and the Customer may develop a mutually agreed-upon formula to estimate the base and additional demand levels.

In light of additional costs associated with the Economic Growth Rider and to mitigate potential risk to ratepayers, any participant in the Economic Growth Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

NET MONTHLY RATE

The Customer shall be charged under the appropriate applicable rate schedules with the exception that the monthly billing demand (for the GSL Rate) or system demand and on-peak demand (for the TGS Rate) will be adjusted in accordance with the following table:

<u>Time Period</u>	<u>Reduction to Billing Demand</u>
First Year	50%
Second Year	40%
Third Year	30%
Fourth Year	20%
Fifth Year	10%

CONTRACT PERIOD

The term of the contract will be for five (5) years.

SCHEDULE GIP

GREENSENSE INCENTIVE PROGRAM

(Effective 0810/01/24)

PROGRAM SUMMARY

The objective of the GreenSense Incentive Program (“Program”) is to reduce energy demand and consumption by promoting energy conservation, thereby reducing the utility bills of City Customers, reducing the peak load of the City’s electric system, reducing emissions in the state, and promoting energy conservation. The Program offers incentives, in the form of credits on the electric service bills of City retail customers. Cash incentives may be paid to retail customers for the installation of photovoltaic applications.

In light of additional costs associated with the GreenSense Incentive Program and to mitigate potential risk to ratepayers, any participant in the GreenSense Incentive Program must be, at the time this program is applied for and continuing while such program is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Program is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

Program applicants will be able to qualify for multiple incentives simultaneously, unless specified in the individual guidelines. A separate application may be necessary for each incentive. The Program will be in effect each fiscal year beginning on October 1, until the allotted funding is depleted or until cancellation of the program by the City. At the time the funds are depleted, no additional applications for participation will be accepted until the next fiscal year.

Qualifying applicants must receive electric service from the City. The program guidelines and payment provisions are subject to change by the City without prior notice. The City may, at any time, discontinue the Program without prior notice. The current program guidelines may be found in the GreenSense Incentive Program Manual located at www.cityofdenton.com.

SCHEDULE ECA

ENERGY COST ADJUSTMENT

(Effective 0810/01/24)

The Energy Cost Adjustment (ECA) Rate shall be set by the Public Utilities Board (“PUB”). The ECA Rate shall be reviewed on a quarterly basis and adjusted as defined below to recover the net cost of energy delivered to Customers and to maintain the City’s electric utility in a financially sound position.

NET MONTHLY RATE

(1) **Energy Cost Adjustment Charge** **\$0.0515 per kWh**

ENERGY COST ADJUSTMENT BALANCING ACCOUNT CALCULATION

The ECA Balancing Account shall be calculated using the following formula:

$$\text{ECA Balancing Account} = (\text{Beginning ECA Account Balance}) - (\text{Projected Net Energy Cost})$$

Where:

Projected Net Energy Cost = For the next fiscal quarter, the electric utility’s projected cost of electric load purchases from ERCOT plus all projected electric utility power/energy related costs for that same period including, but not limited to, power production (including the Denton Energy Center debt and all other costs); purchased power; applicable transmission services, losses and congestion; other ERCOT charges; renewable energy credits; and financial and/or physical power/energy trades; less all projected revenue to be received by the electric utility for power/energy related sales and/or trades.

The General Manager of the City’s electric utility or his/her designee shall calculate the ECA Balancing Account monthly. In the event that the ECA Balancing Account calculated during the last month of each fiscal quarter (December, March, June, and September) is projected to be over/under collected by \$5,000,000 or more during the next quarter, the General Manager or his/her designee may recommend to the PUB and City Council a revision to the ECA to maintain the City’s electric utility in a financially sound position.

ENERGY COST ADJUSTMENT CALCULATION

$$\text{ECA} = [(\text{Projected Net Energy Cost}) + (\text{ECA Balancing Account})] / (\text{Projected kWh sales})$$

ENERGY COST ADJUSTMENT CHARGE

The Energy Cost Adjustment Charge shall be based on actual kWh consumption during the billing period. Energy Cost Adjustment Charge = kWh × ECA Rate

SCHEDULE RCA

RENEWABLE COST ADJUSTMENT

(Effective 0810/01/24)

Applicable to any Customer receiving City electric service that owns an on-site distributed generation powered by a renewable resource which is interconnected with the City's electric system.

The Renewable Cost Adjustment (RCA) Rate shall be set by the Public Utilities Board ("PUB"). The RCA Rate shall be reviewed on a quarterly basis and adjusted as defined below to reflect an economically neutral value of distributed generation energy.

NET MONTHLY RATE

(1)	Renewable Cost Adjustment	\$0.0381 per kWh
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RENEWABLE COST ADJUSTMENT CALCULATION

The RCA shall be calculated using the nodal market price and renewable hourly output factor:

$$\text{RCA} = (\text{Nodal Market Price}) \times (\text{Renewables Hourly Output}) / (\text{Total Annual Renewables Production})$$

RENEWABLE COST ADJUSTMENT CREDIT

The Renewable Cost Adjustment Charge shall be based on actual kWh delivered from Customer to the City's electric system during the billing period.

$$\text{Renewable Cost Adjustment Credit} = \text{kWh} \times \text{RCA Rate}$$

SCHEDULE TCRF

TRANSMISSION COST RECOVERY FACTOR

(Effective 0810/01/24)

The Transmission Cost Recovery Factor (TCRF) Rate shall be set by the Public Utilities Board (“PUB”). The TCRF Rate shall be reviewed on a quarterly basis and adjusted as defined below to recover the costs of transmission service within the boundaries of the Electric Reliability Council of Texas (“ERCOT”) region which are billed and charged to the City.

<u>NET MONTHLY RATE</u>	<u>Per kWh</u>
Residential	\$0.0135
General Service Small	\$0.0135
Local Government Service Small	\$0.0135
Temporary Service	\$0.0135
Athletic Field	\$0.0135
Traffic Lighting	\$0.0135
Unmetered Traffic Lighting	\$0.0135
Unmetered School Zone/Crossing	\$0.0135
Unmetered Security Camera	\$0.0135
Unmetered Wi-Fi Devices	\$0.0135

<u>NET MONTHLY RATE</u>	<u>Per kW</u>
General Service Medium	\$3.85
Local Government Service Medium	\$3.85

<u>NET MONTHLY RATE</u>	<u>Per kVA</u>
General Service Large	\$5.34
Local Government Service Large	\$5.34
General Service Time Of Use	\$5.34

TRANSMISSION COST RECOVERY FACTOR BALANCING ACCOUNT CALCULATION

The TCRF shall be calculated using the following formula:

TCRF Annual Billing = (Actual monthly net TCOS billing amounts charged by ERCOT transmission service providers to the City) + (Projected increases or decreases PUCT-approved TCOS billing amount charges to ERCOT utilities)

During the last month of each fiscal year quarter (December, March, June, and September), the General Manager of the City’s electric utility or his/her designee shall calculate the TCRF Balancing Account. The TCRF charge will be developed by the City for each applicable customer billing schedule herein, based on projected kWh sales for billing schedules without a demand component and on monthly peak kW for billing schedules with a demand component.

TCRF rate class allocation amount = [(TCRF annual billing) x (Projected rate class kWh usage)] / (Total projected usage for all rate classes).

SCHEDULE DGR

DISTRIBUTED GENERATION FROM RENEWABLE SOURCES RIDER

(Effective 0810/01/24)

APPLICATION

This Rider is available to retail Customers receiving electric service under a City electric rate schedule who owns and operates an on-site generating system powered by a renewable resource capable of producing power, and which is interconnected with the City's electric system. Systems greater than 20 kW may be required to enter into a Purchase Power Agreement (PPA) applicable to their specific situation in lieu of this rate schedule. Renewable energy technology is any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly or indirectly from the sun or wind. A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources.

This Rider applies to a Customer-owned generating system that primarily offsets all or part of the Customer's electric service provided by the City. If the Customer-owned generating system is sized such that it produces energy in excess of a Customer's electric consumption, special arrangements and a contract may be necessary. The current interconnection guidelines may be found in the Distributed Generation Manual located at www.cityofdenton.com.

In light of additional costs associated with the Distributed Generation From Renewable Sources Rider and to mitigate potential risk to ratepayers, any participant in the Distributed Generation From Renewable Sources Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

CONDITIONS OF SERVICE

All charges, character of service, and terms and conditions of the electric rate schedule under which the Customer receives service shall apply except as expressly altered by this Rider.

The Customer shall comply with the City's current technical requirements for distributed generation interconnection. The Customer shall obtain approval from the City prior to the installation of the on-site generating system. The Customer shall submit to the City a completed interconnection application form and signed Agreement for Interconnection and Parallel Operation of Distributed Generation before the system installation. The minimum term of an agreement under this Rider is one year, extended automatically unless terminated by either party with sixty (60) days advance written notice.

The Customer is responsible for the costs of interconnecting with the City's electric system, including transformers, service lines, or other equipment determined necessary by the City for safe installation and operation of the Customer's equipment with the City's electric system. The

Customer is responsible for any costs associated with required inspections and permits.

METERING

Metering under this Rider shall be performed by a single meter capable of registering the flow of electricity in two directions (delivered by the City's electric system to the Customer and delivered to the City's electric system by the Customer's system) to determine the Customer's net energy flow.

RATE

Beginning in the billing period after a Customer receives approval from the City, to interconnect the Customer's on-site generating system; all energy generated by the Customer's system and delivered to the City's electric system will be considered renewable energy. The Customer shall be billed for all energy delivered by the City to the Customer under the approved rates.

For any generation delivered by the Customer's system to the City's electric system up to the amount of energy delivered by the City to the Customer, the City shall credit the Customer's account for the energy generated as follows:

$$\text{Generation Credit} = [(\text{kWh delivered from the Customer's approved system}) \times (\text{Customer's base electric service rate})] + [(\text{kWh delivered from the Customer's approved system}) \times (\text{RCA Rate})]$$

For all energy delivered by the Customer's system to the City's electric system that exceeds the amount of energy delivered by the City to the Customer, the City shall credit the Customer's account for the energy generated as follows:

$$\text{Excess Generation Credit} = (\text{kWh delivered from the Customer's system}) \times \text{RCA Rate}$$

Any Billing Period Credit shall be applied to the utility charges due from the Customer to the City for the billing period.

INDEMNIFICATION

THE CUSTOMER OPERATING THE RENEWABLE DISTRIBUTED GENERATION SYSTEM INDEMNIFIES THE CITY AND HOLDS THE CITY HARMLESS FOR ALL DAMAGES AND INJURIES TO THE CITY, THE CUSTOMER, OR OTHERS ARISING OUT OF CUSTOMER'S USE, OWNERSHIP OR OPERATION OF CUSTOMER'S DISTRIBUTED GENERATION FACILITIES IN PARALLEL WITH THE CITY'S SYSTEM. CUSTOMER IS SOLELY RESPONSIBLE FOR PROVIDING ADEQUATE PROTECTION FOR OPERATING IN PARALLEL WITH THE CITY'S SYSTEM IN SUCH A MANNER THAT FAULTS OR OTHER DISTURBANCES ON THE CITY'S SYSTEM DO NOT CAUSE DAMAGE TO THE CUSTOMER'S DISTRIBUTED GENERATION EQUIPMENT.

SCHEDULE SFR

SPECIAL FACILITIES RIDER

(Effective 0810/01/24)

- (1) All service shall be offered from available facilities. If a Customer's service characteristics require facilities and devices not normally and readily available at the location where the Customer requests service, the total cost incurred by the City for all facilities installed, buried, relocated and/or removed shall be the responsibility of the Customer and subject to a contract entered between the City and the Customer. This contract shall be signed by both parties prior to the City providing service to the Customer.
- (2) Any contract under this rider is subject to the following approvals:
 - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or his designee. If a contract under this subsection is not approved by the City Manager, or his designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council.
 - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council.

SCHEDULE PAF

POLE ATTACHMENT FEE

(Effective ~~08~~10/01/24)

APPLICATION

This Rate is available to a licensee ("Licensee" or "licensee") who desires to access designated poles or conduits owned by the City for the purpose of installing and maintaining their facilities and associated equipment to provide services to the public. An agreement between such entity and the City or its contractor shall be executed on a separate form, but will reference the following rate schedule:

$$\text{Space Factor} = \frac{\text{Rate} = \text{Space Factor} \times \text{Cost}}{[(\text{Space Occupied}) + (2/3 \times (\text{Unusable} \text{Unusable Space} \div \text{No. of Attaching Entities}))]} \\ \text{(Pole Height)}$$

Cost:

in Service Areas where the number of Attaching Entities is 5 = 0.66 x (Net Cost of Bare Pole) x Carrying Charge Rate

in Service Areas where the number of Attaching Entities is 4 = 0.56 x (Net Cost of Bare Pole) x Carrying Charge Rate

in Service Areas where the number of Attaching Entities is 3 = 0.44 x (Net Cost of Bare Pole) x Carrying Charge Rate

in Service Areas where the number of Attaching Entities is 2 = 0.31 x (Net Cost of Bare Pole) x Carrying Charge Rate

NET ANNUAL RATE

(1) Annual Pole Attachment ("APA") Distribution

<u>\$/attachment/year</u>	<u>2 Attachers</u>	<u>3 Attachers</u>	<u>4 Attachers</u>	<u>5 Attachers</u>
	<u>\$19.86</u>	<u>\$19.78</u>	<u>\$19.83</u>	<u>\$19.59</u>

plus:

(2) APA Transmission

<u>\$/attachment/year</u>	<u>2 Attachers</u>	<u>3 Attachers</u>	<u>4 Attachers</u>	<u>5 Attachers</u>
	<u>\$410.93</u>	<u>\$403.94</u>	<u>\$399.99</u>	<u>\$390.72</u>

Note: Annual Rates (2) and (3) listed above are not available on all poles nor in all areas across the City.

MISCELLANEOUS

(1)	Unauthorized Attachment Penalty	\$1,000 per attachment per pole
(2)	Undefined Work or Expense	Rate pursuant to Schedule SFR

APPLICATION AND MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to any application fees, analysis, make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City or its Contractor will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs. These fees will be as set forth in the contract agreement with the third-party contractor who provides such services, if applicable.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

APPLICATION

~~This Rate is available to a licensee who desires to access designated poles or conduits owned by the City for the purpose of installing and maintaining their facilities and associated equipment to provide services to the public. An agreement between such entity and the City or its contractor shall be executed separate from, but will reference, the following rate schedule:~~

NET ANNUAL RATE

	(1)	Annual Pole Attachment (“APA”)	\$15.57 per attachment
plus;			
	(2)	On Pole Conduit Rate	\$15.57 per linear foot
plus;			
	(3)	In-Ground Conduit Rate	Rate specified pursuant to
			Schedule SFR
plus;			
	(4)	Riser Rate	\$160 per riser
plus;			
	(5)	Miscellaneous Attachments	\$100 per miscellaneous
			attachment

~~Note: Annual Rates (2) and (3) listed above are not available on all poles nor in all areas across the City.~~

MISCELLANEOUS

- | | | |
|-----|---------------------------------|---------------------------------|
| (1) | Unauthorized Attachment Penalty | \$1,000 per attachment per pole |
| (2) | Undefined Work or Expense | Rate pursuant to Schedule SFR |

APPLICATION AND MAKE READY COSTS

~~Licensees will be required to pay for any work done or contracted by the City, including but not limited to any application fees, analysis, make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City or its Contractor will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs.~~

PAYMENT

~~Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.~~

SCHEDULE BIF

BANNER INSTALL FEE

(Effective 0810/01/24)

APPLICATION

Applicable to any person who has completed an application and received approval from the City to have a banner installed on facilities owned by the City for the purpose of marketing and publicizing community events shall be assessed a fee based on the following schedule:

NET ANNUAL RATE

Over the Street Banner Install	\$100.00 per banner
Pole One Time Banner Install	\$15.00 per banner
Pole Seasonal Banner Install	\$27.00 per banner

TERMS AND CONDITIONS OF SERVICE

Persons requesting the City install an Over the Street Banner must provide the City with a banner that is no more than three (3) feet tall by thirty-five (35) feet in length with six (6) feet of rope. All Over the Street Banners must be made out of mesh only (fish net type material). A sample of the banner material is recommended for approval. The City's Building Inspections Department requires an application and permit fee of sixty (60) dollars for installation of an Over the Street Banner which needs to be completed prior to contacting the City's electric utility.

Persons requesting the City install a Pole Banner must provide the City's electric utility with a banner that is no more than thirty (30) inches tall by eighty (80) inches in length with openings of two (2) inches. Pole Banners are required to be made of weather beater or vinyl material only. The appropriate application for each type of banner must be completed prior to installation and returned to a representative of the City's Electric Operations and Maintenance Division along with applicable fees listed above, a digital image of the banner, and location requests. The City's electric utility will determine install locations depending on availability. Any banners that promote sponsors or advertisement are strictly prohibited.

PAYMENT

Payment is required to the City at the time the banners are given for installation. Permit fees, when applicable, are due to Building Inspections in order to reserve specific dates.

SCHEDULE WNA

WIRELESS NODE ATTACHMENTS

(Effective ~~0810~~01/24)

APPLICATION

This Rate is available to a licensee who desires to install and maintain their wireless nodes and associated equipment to provide services to the public. An agreement between such entity and the City shall be executed separate from, but will reference, the following rate schedule:

NET ANNUAL RATE

plus;	(1)	Facility Charge	\$ 18.09 17.82 per node
plus;	(2)	Usage Charge	\$0. 0674 0664 per kWh
plus;	(3)	Energy Cost Adjustment Charge	See Schedule ECA
	(4)	Transmission Cost Recovery Factor	See Schedule TCRF

METERED USAGE CHARGE

Billing for the Metered Usage Charge shall be based on actual kWh consumption for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{All kWh per device} \times \text{Rate per kWh}$$

UNMETERED USAGE CHARGE

Billing for the Unmetered Usage Charge shall be based on 1) kWh consumption from similarly installed metered equipment; or 2) technical information of installed equipment provided by licensee, if similar equipment is not already metered. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{Annual kWh per device} \times \text{Rate per kWh}$$

$$\text{Annual Usage} = 2,000 \text{ kWh per device per account (or calculated consumption based on technical information provided by licensee)}$$

MISCELLANEOUS

(1)	Unauthorized Attachment Penalty	\$1,000 per attachment
(2)	Undefined Work or Expense	Rate pursuant to Schedule SFR

MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE EVCR

ELECTRIC VEHICLE CHARGING RATE

(Effective 0810/01/24)

APPLICATION

Applicable to vehicles that utilize charging services from City of Denton owned and operated Level 2 EV chargers.

NET ANNUAL RATE

(1)	Usage Charge	\$0.0406.04 per minute
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USAGE CHARGE

Billing for the Usage Charge shall be based on actual charging time incurred. The billing service will be provided by a third-party vendor

Usage Charge = EV Charging duration × Rate per Minute

SCHEDULE WTS

WHOLESALE TRANSMISSION SERVICE

(Effective ~~03~~10/014/2024)

AVAILABILITY

To Eligible Transmission Service Customers for Wholesale Transmission Service through the Denton Municipal Electric Utility transmission system, at all points where transmission facilities of adequate capacity and suitable voltage are available to provide service, in accordance with Public Utility Commission of Texas (PUC or Commission) 16 Texas Administrative Code (TAC) §§ 25.191-.203.

APPLICABILITY

Applicable only to wholesale transactions involving the wholesale purchase of electric power and energy. This tariff for Wholesale Transmission Service is applicable to Transmission Service using any transmission facilities owned by the Denton Municipal Electric Utility in accordance with 16 TAC §§ 25.191-.203.

TYPE OF SERVICE

Three phase, 60 hertz alternating current, delivered onto, or received from Denton Municipal Electric Utility's transmission system at 60,000 volts or greater and on transmission facilities that have been prepared and made available for this service.

TRANSMISSION SERVICE REQUIREMENTS

As a condition to obtaining Wholesale Transmission Service, the Transmission Service Customer shall execute an Interconnection Agreement with each Transmission Provider, in accordance with 16 TAC § 25.198, and the Transmission Service Customer shall meet all Electric Reliability Council of Texas (ERCOT) requirements as specified in the ERCOT Protocols and Operating Guides.

CONDITIONS PRECEDENT FOR RECEIVING SERVICE

Subject to the terms and conditions hereof and of 16 TAC § 25.198, the Denton Municipal Electric Utility will provide wholesale Transmission Service to any Eligible Transmission Service Customer, provided that:

(A) the eligible Transmission Service Customer has completed an Application for Transmission Service, as provided under 16 TAC § 25.198;

(B) the eligible Transmission Service Customer and Denton Municipal Electric Utility, or a third party, have completed installation of all equipment specified under the Interconnection Agreement, consistent with NERC and ERCOT guidelines as set forth in 16 TAC § 25.198;

(C) the eligible Transmission Service Customer has executed an Interconnection Agreement for service under this tariff or, if necessary, requested in writing that Denton Municipal Electric Utility file a proposed unexecuted agreement with the Commission;

(D) the eligible Transmission Service Customer has arranged for Ancillary Services necessary for the transaction;

(E) each wholesale load for which Transmission Service is requested maintains a power factor of 95% or greater at each point of interconnection;

(F) the Transmission Service Customer has constructed, maintains and operates the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from a resource to Denton Municipal Electric Utility's transmission system and from Denton Municipal Electric Utility's transmission system to the Transmission Service Customer's loads;

(G) to the extent the Transmission Service requires the addition of facilities or upgrades to the transmission system, such facilities have been placed in service.

APPLICATION PROCEDURES

The Denton Municipal Electric Utility and the Transmission Service Customer shall comply with the application procedures for Transmission Services set forth in 16 TAC § 25.198, which shall govern such procedures.

CONSTRUCTION OF NEW FACILITIES

Construction of new facilities needed to accommodate a request for Planned Transmission Service shall be in accordance with the procedures set forth in 16 TAC § 25.198. Upon receipt of a request for Transmission Service, the Denton Municipal Electric Utility shall, if necessary, perform a System Security Study in accordance with 16 TAC § 25.198. Based on the results of the System Security Study, the Denton Municipal Electric Utility also may perform a Facilities Study, in accordance with 16 TAC § 25.198. An executed Facilities Study agreement with the Transmission Service Customer is required prior to the Denton Municipal Electric Utility performing a Facilities Study. In the event that existing facilities are inadequate to support the requested Transmission Service, Denton Municipal Electric Utility may require the Transmission Service Customer to provide a contribution in aid of construction attributable to directly assigned facilities.

LOAD SHEDDING AND CURTAILMENT

Transmission Service hereunder shall be subject to, and the Denton Municipal Electric Utility and the Transmission Service Customer will comply with, the load shedding and curtailment procedures established under 16 TAC § 25.200. Any interruption shall be based on operational factors and shall not accord a higher priority to the Denton Municipal Electric Utility's retail and wholesale customers than to its customers taking Transmission Service. Service to all customers shall be restored as quickly as possible.

PRICING FOR TRANSMISSION SERVICE WITHIN ERCOT

Charges for Transmission Service hereunder shall be in accordance with Texas Utilities Code § 35.004(d). For Transmission Service a Transmission Service Customer shall incur both an access charge, as set forth below, and loss compensation charges.

Annual Postage Stamp Charge (access charge) \$0.333063 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.

Monthly Postage Stamp Charge (access charge) \$0.027755 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.

Charges for each calendar year shall be adjusted pursuant to the schedule in the PUC's Order approving the transmission charges for that year.

PRICING FOR TRANSMISSION SERVICE FOR EXPORTS FROM ERCOT

Charges for Transmission Service for exports from ERCOT shall be in accordance with Texas Utilities Code § 35.004(d) and 16 TAC § 25.192. Transmission Service Customers exporting power from ERCOT will be assessed transmission service charges based on the amount of power actually exported and the duration of the transaction. Charges for Transmission Service for exports from ERCOT shall be determined in accordance with 16 TAC § 25.192(e) and shall be calculated using the charges set forth below:

	<u>Access Rate</u>
	<u>per kW of</u>
<u>Service Type</u>	<u>peak demand</u>
<u>Hourly Rate</u>	<u>\$0.000038</u>

LOSSES

Losses shall be calculated by the Independent System Operator (ISO) in accordance with the method approved by the 16 TAC § 25.192.

RESALE OF TRANSMISSION RIGHTS

With advance written notice to the Denton Municipal Electric Utility and subject to a reasonable credit review, a Transmission Service Customer may resell any and all Transmission Service rights

contracted for by the Transmission Service Customer to other wholesale market participants pursuant to 16 TAC § 25.191. The Transmission Service Customer shall inform the Denton Municipal Electric Utility and obtain ISO approval for any resale of Transmission Service rights.

RELIABILITY GUIDELINES

To maintain reliability of the ERCOT transmission grid, Denton Municipal Electric Utility shall operate its transmission system in accordance with ERCOT Protocols, ERCOT Operating Guides, NERC guidelines, and any other guidelines of the ISO that may apply to Denton Municipal Electric Utility' transmission system.

The Denton Municipal Electric Utility reserves the right, consistent with good utility practice and on a non-discriminatory basis, to interrupt Transmission Service without liability on the Denton Municipal Electric Utility's part for the purpose of making necessary adjustments to, changes in, or repairs to its lines, substations and other facilities, or where the continuance of Transmission Service would endanger persons or property. In the event of any adverse condition or disturbance on Denton Municipal Electric Utility's system or any other system directly or indirectly interconnected with Denton Municipal Electric Utility's system, Denton Municipal Electric Utility, consistent with Good Utility Practice, also may interrupt Transmission Service on a non-discriminatory basis in order to limit the extent or damage of the adverse condition or disturbance, to prevent damage to generating or transmission facilities, or to expedite restoration of service. The Denton Municipal Electric Utility will give the Transmission Service Customer as much advance notice as is practicable in the event of such interruption and shall restore service with due diligence.

The Transmission Service Customer's failure to respond to established emergency load shedding and curtailment procedures to relieve emergencies on Denton Municipal Electric Utility' transmission system may result in the Transmission Service Customer being deemed by Denton Municipal Electric Utility to be in default and may result in the termination of Transmission Service.

PAYMENT

Any charges due to Denton Municipal Electric Utility under this rate schedule shall be billed in accordance with 16 TAC § 25.202. Customers shall make payment to Denton Municipal Electric Utility in a manner consistent with the procedures and deadlines set forth in 16 TAC § 25.202. Any late payments by customers or customer defaults shall be handled in accordance with 16 TAC § 25.202.

CONTRACT TERM

Planned Transmission Service is available for annual service, monthly service in multiples of one-month, weekly service, and daily service. Unplanned Transmission Service is available for periods of not less than one hour or more than 30 days.

AGREEMENT

An agreement for Transmission Service containing terms and provisions consistent with 16 TAC §§ 25.191-.203 is required prior to commencement of such service. Such agreement will require approval of the City Council of Denton.

DEFINITIONS

Capitalized terms shall have the meanings set forth in 16 TAC §§ 25.5 and 25.191 .203.

AMENDMENTS TO RULES

In the event 16 TAC §§ 25.191-.203 are amended or if a new rule is adopted governing the subject matter of this tariff, this tariff shall, nevertheless, remain effective until the new tariff(s) filed pursuant to any such amendment(s) or such new rules are approved, unless the amendment(s) or new rules or an agreement of the parties provide otherwise.

PUBLIC UTILITIES COMMISSION OF TEXAS TARIFF

This Schedule WTS is subject to change. The most up to date WTS tariff rate is filed with the Public Utilities Commission of Texas

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SECTION 2. The City Manager is hereby authorized to expend funds to authorize credits to Customers on their electric service bills and further to authorize cash incentives for the installation of photovoltaic systems in accordance with the form and type set forth in Schedule GIP, as the installation of energy efficient upgrades is in the best interest of the City, as such will reduce energy demand and consumption, reduce the peak load of the City’s electric system, reduce emissions in the state, and promote energy conservation, which are all public purposes of the City.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. This ordinance and the rates herein adopted shall become effective, charged, and applied to all electric services rendered by the City, and all energy usage by Customers of the City effective with the first billing issued on and after October 1, 2024; and a copy of said rates shall be maintained on file in the Office of the City Secretary of the City of Denton, Texas.

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

The motion to approve this ordinance was made by _____, seconded by _____, and 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: _____

By: _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS ESTABLISHING THE SCHEDULE OF RATES FOR ELECTRIC SERVICE; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Schedule of Rates for electrical services as provided for in Chapter 26 of the City of Denton Code of Ordinances, is as follows:

ELECTRIC RATE SCHEDULES

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RESIDENTIAL ELECTRIC SERVICE
(Effective 10/01/24)

APPLICATION

Applicable to any Customer for all electric service used for residential purposes in an individual private dwelling or an individually metered apartment, supplied at one point of delivery and measured through one meter. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	Facility Charge	Per Bill
	Single-Phase Service (R2)	\$ 8.80
	Three-Phase Service (R2)	\$17.59
	Prepaid Service (P2)	\$16.26

plus;

(2)	Usage Charge	Per kWh
	Winter (Billing months of November through April):	
	Tier 1: First 600 kWh	\$0.0694
	Tier 2: Additional kWh	\$0.0462
	Summer (Billing months of May through October):	
	Tier 1: All kWh	\$0.0694

plus;

(3)	Energy Cost Adjustment Charge	See Schedule ECA
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plus;

(4)	Transmission Cost Recovery Factor	See Schedule TCRF
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MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

Winter (Billing months of November through April):

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

Summer (Billing months of May through October):

$$\text{Usage Charge} = \text{All kWh} \times \text{Tier 1 Rate per kWh}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GS

GENERAL SERVICE SMALL (Effective 10/01/24)

APPLICATION

Applicable to any commercial customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 21 kW in two consecutive months, account will be adjusted to bill under General Service Medium (GM) and the Customer must remain on the GSM rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	Facility Charge	Per Bill
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	Usage Charge	Per kWh
	Tier 1: First 2,500 kWh	\$0.0865
	Tier 2: Additional kWh	\$0.0453
plus;		
(3)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(4)	Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GM

GENERAL SERVICE MEDIUM

(Effective 10/01/24)

APPLICATION

Applicable to any commercial customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under General Service Large (GSL), and the Customer must remain on the GSL rate for a minimum of twelve (12) billing periods.

Applicable to GSM Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GM2)**

Applicable to GSM Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GM3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1) Facility Charge		Per Bill
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2) Demand Charge		Per kW
	All kW	\$4.85
plus;		
(3) Usage Charge		Per kWh
GM	Tier 1: First 6,000 kWh	\$0.0531
	Tier 2: Additional kWh	\$0.0438
GM2	Tier 1: First 6,000 kWh	\$0.0521
	Tier 2: Additional kWh	\$0.0428
GM3	Tier 1: First 6,000 kWh	\$0.0500
	Tier 2: Additional kWh	\$0.0408
plus;		

- plus;
- | | | |
|-----|--|--------------------------|
| (4) | Energy Cost Adjustment Charge | See Schedule ECA |
| | | |
| (5) | Transmission Cost Recovery Factor | See Schedule TCRF |

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kW demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 21 kW; or (3) seventy percent (70%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GL

GENERAL SERVICE LARGE (Effective 10/01/24)

APPLICATION

Applicable to any commercial customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GSL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. (GL2)

Applicable to GSL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. (GL3)

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	Facility Charge	Per Bill
	Three-Phase	\$70.10
plus;		
(2)	Demand Charge	Per kVA
	All kVA	\$10.96
plus;		
(3)	Usage Charge	Per kWh
	GL Tier 1: First 200,000 kWh Tier 2: Additional kWh	\$0.0249 \$0.0142
	GL2 Tier 1: First 200,000 kWh Tier 2: Additional kWh	\$0.0239 \$0.0132
	GL3 Tier 1: First 200,000 kWh Tier 2: Additional kWh	\$0.0218 \$0.0112
plus;		

- plus;
- | | | |
|-----|--|--------------------------|
| (4) | Energy Cost Adjustment Charge | See Schedule ECA |
| | | |
| (5) | Transmission Cost Recovery Factor | See Schedule TCRF |

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) 250 kVA; or (3) seventy percent (70%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE TG

GENERAL SERVICE TIME OF USE

(Effective 10/01/24)

APPLICATION

Applicable to any Customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers electing this Rate must remain on this Rate for a minimum of twelve (12) continuous billing months. If the Customer is new or does not have a history of on-peak use for June through September, and elects to accept service on the TGS Rate, the Customer's demand shall be billed at the GSL Demand Rate until the Customer establishes a separate on-peak and off-peak demand during an on-peak month.

Applicable to TGS Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(TG2)**

Applicable to TGS Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(TG3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1) Facility Charge		Per Bill
	Three-Phase	\$81.75
plus;		
(2) Demand Charge		Per kVA
	On-Peak	\$13.97
	Off-Peak	\$ 2.76
plus;		
(3) Usage Charge		Per kWh
TG	All kWh	\$0.0083
TG2	All kWh	\$0.0073
TG3	All kWh	\$0.0053
plus;		
(5)	Energy Cost Adjustment Charge	See Schedule ECA

plus;

(6) **Transmission Cost Recovery Factor**

See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the On-Peak and Off-Peak Demand Charges, regardless of actual energy usage.

DEFINITION OF TIME OF USE HOURS

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M. each Monday through Friday, for the months of June through September excluding Independence Day and Labor Day. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

DETERMINATION OF DEMAND

On-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA; or (3) one hundred percent (100%) of the actual maximum on-peak demand similarly determined during the billing months of June through September in the twelve (12) months immediately preceding the current month. The On-Peak Demand Charge will be applied to each billing period.

Off-Peak Demand Charge for the billing period shall be the greater of: (1) the kVA actual demand supplied during the fifteen (15) minute period of maximum use each month during on-peak hours as recorded by the City's demand meter; or (2) 250 kVA. The Off-Peak Demand Charge will be applied to each billing period.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GOS

LOCAL GOVERNMENT SERVICE SMALL (Effective 10/01/24)

APPLICATION

Applicable to any local City, County or School District customer having a maximum demand of less than 21 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand equals or exceeds 21 kW in two consecutive months, account will be adjusted to bill under Local Government Service Medium (GOM), and the Customer must remain on the GOM Rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby or supplementary service.

NET MONTHLY RATE

Facility Charge		Per Bill
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	Usage Charge	Per kWh
	Tier 1: First 2,500 kWh	\$0.0865
	Tier 2: Additional kWh	\$0.0453
plus;		
(3)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(4)	Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge as a minimum, regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GOM

LOCAL GOVERNMENT SERVICE MEDIUM

(Effective 10/01/24)

APPLICATION

Applicable to any local City, County, or School District customer having a maximum demand that meets or exceeds 21 kW but less than 240 kW in each of the previous twelve (12) months for all electric service supplied at one point of delivery and measured through one meter. If the demand is equal to or exceeds 240 kW in two consecutive months, account will be adjusted to bill under Local Government Service Large (GOL), and the customer must remain on the GOL rate for a minimum of twelve (12) billing periods. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

NET MONTHLY RATE

(1)	Facility Charge	Per Bill
	Single-Phase	\$16.85
	Three-Phase	\$22.50
plus;		
(2)	Demand Charge	Per kW
	All kW	\$4.85
plus;		
(3)	Usage Charge	Per kWh
	Tier 1: First 6,000 kWh	\$0.0531
	Tier 2: Additional kWh	\$0.0438
plus;		
(4)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(5)	Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of:
 (1) The actual kW demand supplied during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly actual demand for any month during the previous billing months of May through October in the twelve (12) months ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1 kWh} \times \text{Rate per kWh} \\ \text{kWh in Tier 2 kWh} \times \text{Rate per kWh, if applicable} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE GOL

LOCAL GOVERNMENT SERVICE LARGE

(Effective 10/01/24)

APPLICATION

Applicable to any local City, County, or School District customer having a minimum demand of 240 kW for all electric service supplied at one point of delivery and measured through one meter. Customers who elect to discontinue service under this Rate are ineligible for service under this Rate for twelve (12) months.

Applicable to GOL Customers utilizing City owned and operated facilities and transformation equipment and who are metered at primary voltage. **(GO2)**

Applicable to GOL Customers that own, operate, and maintain all facilities necessary to receive three-phase primary voltage service and all transformation facilities required for conversion to utilization voltage. **(GO3)**

This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service.

MONTHLY RATE

(1)	Facility Charge	Per Bill
	Three-Phase	\$70.10
plus;		
(2)	Demand Charge	Per kVA
	All kVA	\$10.96
plus;		
(3)	Usage Charge	Per kWh
	GOL Tier 1: First 200,000 kWh	\$0.0249
	Tier 2: Additional kWh	\$0.0142
	GO2 Tier 1: First 200,000 kWh	\$0.0239
	Tier 2: Additional kWh	\$0.0132
	GO3 Tier 1: First 200,000 kWh	\$0.0218
	Tier 2: Additional kWh	\$0.0112
plus;		

- plus;
- | | | |
|-----|--|--------------------------|
| (4) | Energy Cost Adjustment Charge | See Schedule ECA |
| (5) | Transmission Cost Recovery Factor | See Schedule TCRF |

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge plus the Demand Charge, regardless of actual energy usage.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the greater of: (1) the actual monthly kVA demand as measured during the fifteen (15) minute period of maximum use each month; or (2) fifty percent (50%) of the maximum monthly kVA actual demand for any month during the previous billing months of May through October in the twelve (12) month period ending with the current month.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{kWh in Tier 1} \times \text{Tier 1 Rate per kWh} \\ \text{kWh in Tier 2} \times \text{Tier 2 Rate per kWh, if applicable} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE T1

TEMPORARY SERVICE

(Effective 10/01/24)

APPLICATION

Applicable to short term or temporary electric service where a Customer has received a permit. This Rate is not applicable after the certificate of occupancy or building final inspection has been issued.

NET MONTHLY RATE

(1)	Facility Charge	Per Bill
	Single-Phase	\$16.86
	Three-Phase	\$22.52
plus;		
(2)	Usage Charge	Per kWh
	All kWh	\$0.0867
plus;		
(3)	Energy Cost Adjustment Charge	See Schedule ECA
plus;		
(4)	Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge regardless of actual energy usage.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \text{All kWh} \times \text{Rate per kWh}$$

ADDITIONAL TEMPORARY SERVICE CHARGES

Labor	Regular time or overtime labor hourly rates in effect at the time the work is performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.
Transportation	To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.
Material	Material that cannot be salvaged shall be billed at the City's Warehouse cost plus twenty five percent (25%), plus applicable sales tax. At the time a temporary service is removed or converted, any loss of the installed material due to negligence or willful action by the Customer will be billed separately to the Customer at replacement cost plus twenty five percent (25%), plus applicable sales tax.
Administrative Fee	Ten percent (10%) of the total labor, transportation, and material costs.

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE AF**ATHLETIC FIELD**
(Effective 10/01/24)**APPLICATION**

Applicable to all electric service metered at one point for use to light specified areas for athletic events. This Rate is not applicable to resale service in any event, or to temporary, standby, or supplementary service except in conjunction with applicable rider.

NET MONTHLY RATE

	(1) Facility Charge	Per Bill
	Single-Phase	\$23.09
	Three-Phase	\$34.62
plus;	(2) Demand Charge	Per kW
	On-Peak	\$6.15
	Off-Peak	\$1.46
plus:	(3) Usage Charge	Per kWh
	On-Peak	\$0.0992
	Off-Peak	\$0.0496
plus;	(4) Energy Cost Adjustment Charge	See Schedule ECA
plus;	(5) Transmission Cost Recovery Factor	See Schedule TCRF

MINIMUM BILLING

For each billing period, the Customer shall be obligated to pay the Facility Charge, regardless of actual energy usage.

DEFINITION OF ON-PEAK AND OFF-PEAK HOURS

The City's on-peak hours, for the purpose of this rate schedule, are designated as being from 2:00 P.M. to 7:00 P.M., for the months of June through September. The City's on-peak hours may be changed from time to time.

The City's off-peak hours, for the purpose of this rate schedule, shall be all hours not designated as on-peak hours.

DETERMINATION OF DEMAND

The demand used in calculating the Demand Charge for the billing period shall be the actual kW demand supplied during the fifteen (15) minute period of maximum use during the current billing period as determined by the City's demand meter.

USAGE CHARGE

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.

$$\text{Usage Charge} = \begin{array}{l} \text{On-Peak kWh} \times \text{Rate per kWh} \\ \text{Off Peak kWh} \times \text{Rate per kWh} \end{array}$$

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE LS

STREET LIGHTING (Effective 10/01/24)

APPLICATION

Applicable to all street lighting owned and maintained by the City.

NET MONTHLY RATE

(1) Facility Charge	Per Bill
<u>Luminaire Style Type</u>	
100 W Sodium Cobra (LSA)	\$6.17
250 W Sodium Cobra (LSB)	\$8.75
400 W Sodium Cobra (LSC)	\$11.02
100 W LED Cobra (LSD)	\$6.17
250 W LED Cobra (LSE)	\$8.75
400 W LED Cobra (LSF)	\$11.02
85 W LED Post (LSG)	\$11.02

plus;

(2) Energy Cost Adjustment Charge	See Schedule ECA
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ENERGY COST ADJUSTMENT CHARGE

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium (LSA)	48 kWh
250 W Sodium (LSB)	105 kWh
400 W Sodium (LSC)	159 kWh
100 W LED (LSD)	25 kWh
250 W LED (LSE)	96 kWh
400 W LED (LSF)	148 kWh
85 W LED (LSG)	23 kWh

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

TRAFFIC LIGHTING
(Effective 10/01/24)

APPLICATION

Applicable to State and Local Government agencies that operate and maintain their own traffic signals.

METERED TRAFFIC LIGHTING NET MONTHLY RATE (LT)

plus;	(1) Usage Charge	\$0.0674 per kWh
plus;	(2) Energy Cost Adjustment Charge	See Schedule ECA
	(3) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Metered Traffic Lighting Usage Charge shall be based on actual kWh consumption during the billing period. Usage Charge = All kWh x Rate per kWh

UNMETERED TRAFFIC LIGHTING NET ANNUAL RATE (ULT)

plus;	(1) Usage Charge	\$0.0674 per kWh
plus;	(2) Energy Cost Adjustment Charge	See Schedule ECA
	(3) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Unmetered Traffic Lighting Usage Charge shall be based on historical recorded annual kWh consumption. Usage Charge = All kWh x Rate per kWh

Annual Usage = 904 kWh per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE UFL

UNMETERED SCHOOL ZONE/CROSSING FLASHERS

(Effective 10/01/24)

APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered school zone/crossing flashers.

NET ANNUAL RATE

plus;	(1) Usage Charge	\$0.0674per kWh
plus;	(2) Energy Cost Adjustment Charge	See Schedule ECA
	(3) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on historical recorded annual kWh consumption. The total billed usage divided by number of school zone/crossing flashers will determine the average kWh usage. This average consumption will be billed for each school zone/crossing flasher once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = All kWh × Rate per kWh

Annual Usage = 48 kWh per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE USC

UNMETERED SECURITY CAMERA (Effective 10/01/24)

APPLICATION

Applicable to Local Government agencies that operate and maintain their own unmetered security cameras.

NET ANNUAL RATE

plus;	(1) Facility Charge	\$18.09 per bill
plus;	(2) Usage Charge	\$0.0674per kWh
plus;	(3) Energy Cost Adjustment Charge	See Schedule ECA
	(1) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each camera once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = annual kWh per camera × kWh Rate

Annual Usage = 300 kWh per camera per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE UWF

UNMETERED WI-FI DEVICES

(Effective 10/01/24)

APPLICATION

Applicable to local government agencies that operate and maintain their own unmetered Wi-Fi devices.

NET ANNUAL RATE

plus;	(1) Facility Charge	\$18.09 per bill
plus;	(2) Usage Charge	\$0.0674 per kWh
plus;	(3) Energy Cost Adjustment Charge	See Schedule ECA
	(4) Transmission Cost Recovery Factor	See Schedule TCRF

USAGE CHARGE

Billing for the Usage Charge shall be based on technical information of installed equipment. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year. Any accounts that are added during the year will be billed on prorated consumption.

Usage Charge = annual kWh per device × kWh Rate

Annual Usage = 300 kWh per device per account

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE LO

OTHER LIGHTING (Effective 10/01/24)

APPLICATION

Applicable to Texas Department of Transportation unmetered and metered safety lighting systems and continuous lighting systems as those terms are defined in Texas Administrative Code, Title 43, Part 1, Chapter 25, Subchapter A, Rule §25.11.

METERED LIGHTING NET MONTHLY RATE (LOB)

plus;	(1) Usage Charge	\$0.0674 per kWh
	(2) Energy Cost Adjustment Charge	See Schedule ECA

METERED LIGHTING USAGE CHARGE (LOB)

Billing for the Usage Charge shall be based on actual kWh consumption during the billing period.
Usage Charge = All kWh × Rate per kWh

UNMETERED LIGHTING NET MONTHLY RATE (LOA)

plus;	(1) Usage Charge	\$0.0674 per kWh
	(2) Energy Cost Adjustment Charge	See Schedule ECA

UNMETERED LIGHTING USAGE CHARGE (LOA)

Billing for the Usage Charge shall be based on estimated kWh consumption during the billing period.
Usage Charge = (kWh Rate x Bulb Wattage/1000) x (Hours of Operation per Billing Period)

Hours of Operation per Billing Period = 333 hours
Bulb Wattage is the rated wattage of the luminaire bulb

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE DD**SECURITY LIGHTING**

(Effective 10/01/24)

APPLICATION

Applicable to all outdoor area lighting when such lighting facilities are operated as an extension of the City's distribution system.

NET MONTHLY RATE

(1)	Facility Charge	Per Bill
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Luminaire Type

100 W Sodium Vapor (DSA)	\$ 9.75
250 W Sodium Vapor (DSB)	\$12.90
400 W Sodium Vapor (DSC)	\$15.55
250 W Metal Halide (DHA)	\$15.17
400 W Metal Halide (DHB)	\$18.09
100 W Equivalent LED (DSD)	\$ 9.75
250 W Equivalent LED (DSE)	\$12.90
400 W Equivalent LED (DSF)	\$15.55

plus;

(2)	Energy Cost Adjustment Charge	See Schedule ECA
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ENERGY COST ADJUSTMENT CHARGE

Current ECA multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DSA)	48 kWh
250 W Sodium Vapor (DSB)	105 kWh
400 W Sodium Vapor (DSC)	159 kWh
250 W Metal Halide (DHA)	105 kWh
400 W Metal Halide (DHB)	159 kWh
100 W Equivalent LED (DSD)	25 kWh
250 W Equivalent LED (DSE)	96 kWh
400 W Equivalent LED (DSF)	148 kWh

TYPE OF SERVICE

The City shall furnish, install, maintain and deliver electric service to automatically controlled lighting fixtures conforming to the City's standards and subject to its published rules and regulations.

Where necessary for proper illumination or where existing poles are inadequate, the City will install or cause to be installed, one (1) wood pole with the necessary lighting hardware and overhead conductor for each installed light, at a distance not to exceed eighty (80') feet from existing lines, at no charge to the Customer. Additional contractual arrangements between the City and the Customer are subject to the Special Facilities Rider.

TERM OF CONTRACT

A two (2) year contract shall be agreed to and signed by each Customer desiring security lighting service authorizing fixed monthly charges, which may be reviewed annually, and to be applied to the Customer's monthly municipal utilities bill. In the event that a Customer requests the removal of the unit or discontinuance of the service prior to completion of two (2) years, the remainder of the contract period shall become due and payable. After the end of the initial two (2) year contract, service shall continue on a month-to-month basis and may be canceled by either party upon thirty (30) days' notice.

SPECIAL FACILITIES

All services which require special facilities in order to meet Customer's service requirements shall be provided, subject to Special Facilities Rider.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE DSL

NON-STANDARD STREET LIGHTING

(Effective 10/01/24)

APPLICATION

Applicable to street lighting owned and maintained by the Customer. Availability of this service is contingent on the existence of an executed Special Facilities Rider between the legally responsible party and the City under which the legally responsible party accepts all responsibilities, both legal and financial, related to operation and maintenance of the subject lights, including but not limited to payment of all applicable energy charges.

NET MONTHLY RATE

plus;	(1) Facility Charge	\$ 9.32 per bill
	(2) Usage Charge	\$0.0674per kWh
plus;		
	(3) Energy Cost Adjustment Charge	See Schedule ECA

USAGE CHARGE

Current usage charge and ECA rates are multiplied by respective kWh based on the following Bulb Wattage Factors:

<u>Luminaire Type</u>	<u>Bulb Wattage Factor</u>
100 W Sodium Vapor (DLSA)	48 kWh
250 W Sodium Vapor (DLSB)	105 kWh
400 W Sodium Vapor (DLSC)	159 kWh
250 W Metal Halide (DLHA)	105 kWh
400 W Metal Halide (DLHB)	159 kWh

ADDITIONAL SERVICE CHARGES

If the City is required to maintain the privately owned lights to ensure public safety, the owner of the lights may be subject to additional service charges. The additional service charges shall be the actual cost of performing any work required to perform the necessary maintenance including but not limited to:

Labor	Regular time or overtime labor hourly rates in effect at the time the work is
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performed for all personnel performing the work. Labor charges shall be based on a one (1) hour minimum with all additional time above the minimum to be measured to the nearest one-quarter hour.

Transportation	To be billed by hours or miles, as applicable, according to the estimated cost of operating the required equipment.
Material	Any material needed to repair and/or maintain facilities will be billed at City Warehouse cost plus twenty five percent (25%).
Administrative Fee	Ten percent (10%) of the total labor, transportation, and material costs.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE EGR

ECONOMIC GROWTH RIDER

(Effective 10/01/24)

PURPOSE

The purpose of this Rider is to facilitate local economic growth and expand the ad valorem tax base of the City.

AVAILABILITY

This Rider is available to the Customers who:

- (1) Receive service from Rate Schedules GSL or TGS; and
- (2) Pay City ad valorem tax; and
- (3) Receive no electric service discounts other than those specifically defined in the GSL or TGS Rate Schedules.

APPLICATION

This Rider is available to electric service supplied at any one location. It is for firm electric service applicable to new and existing customers as described below, over a five (5) year period. This Rider is available to the following classes of customers:

- (1) New Customers whose electric service represents demand not previously served by the City at any location in the City's service area in the last twelve (12) months, where such metered demand will be in excess of 1,000 kVA and customer load factor must be greater than the City's electric system load factor, as estimated and mutually agreed upon by the General Manager of the City's electric utility and the Customer.
- (2) Existing Customers served under Rate Schedules GSL or TGS who increase their prior existing metered demand by 1,000 kVA and customer load factor must be greater than the City's electric system load factor. This increase shall be verified by sub-metering (at the Customer's expense) the additional load. If sub-metering is not possible, at the discretion of the General Manager of the City's electric utility, the increase may be verified by comparing a three-month rolling average of the new level of demand to the prior demand averaged for corresponding months. During periods in which this verification method cannot be applied, the General Manager and the Customer may develop a mutually agreed-upon formula to estimate the base and additional demand levels.

In light of additional costs associated with the Economic Growth Rider and to mitigate potential risk to ratepayers, any participant in the Economic Growth Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

NET MONTHLY RATE

The Customer shall be charged under the appropriate applicable rate schedules with the exception that the monthly billing demand (for the GSL Rate) or system demand and on-peak demand (for the TGS Rate) will be adjusted in accordance with the following table:

<u>Time Period</u>	<u>Reduction to Billing Demand</u>
First Year	50%
Second Year	40%
Third Year	30%
Fourth Year	20%
Fifth Year	10%

CONTRACT PERIOD

The term of the contract will be for five (5) years.

SCHEDULE GIP

GREENSENSE INCENTIVE PROGRAM (Effective 10/01/24)

PROGRAM SUMMARY

The objective of the GreenSense Incentive Program (“Program”) is to reduce energy demand and consumption by promoting energy conservation, thereby reducing the utility bills of City Customers, reducing the peak load of the City’s electric system, reducing emissions in the state, and promoting energy conservation. The Program offers incentives, in the form of credits on the electric service bills of City retail customers. Cash incentives may be paid to retail customers for the installation of photovoltaic applications.

In light of additional costs associated with the GreenSense Incentive Program and to mitigate potential risk to ratepayers, any participant in the GreenSense Incentive Program must be, at the time this program is applied for and continuing while such program is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Program is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

Program applicants will be able to qualify for multiple incentives simultaneously, unless specified in the individual guidelines. A separate application may be necessary for each incentive. The Program will be in effect each fiscal year beginning on October 1, until the allotted funding is depleted or until cancellation of the program by the City. At the time the funds are depleted, no additional applications for participation will be accepted until the next fiscal year.

Qualifying applicants must receive electric service from the City. The program guidelines and payment provisions are subject to change by the City without prior notice. The City may, at any time, discontinue the Program without prior notice. The current program guidelines may be found in the GreenSense Incentive Program Manual located at www.cityofdenton.com.

SCHEDULE ECA

ENERGY COST ADJUSTMENT (Effective 10/01/24)

The Energy Cost Adjustment (ECA) Rate shall be set by the Public Utilities Board (“PUB”). The ECA Rate shall be reviewed on a quarterly basis and adjusted as defined below to recover the net cost of energy delivered to Customers and to maintain the City’s electric utility in a financially sound position.

NET MONTHLY RATE

(1)	Energy Cost Adjustment Charge	\$0.0515 per kWh
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ENERGY COST ADJUSTMENT BALANCING ACCOUNT CALCULATION

The ECA Balancing Account shall be calculated using the following formula:

ECA Balancing Account = (Beginning ECA Account Balance) – (Projected Net Energy Cost)

Where:

Projected Net Energy Cost = For the next fiscal quarter, the electric utility’s projected cost of electric load purchases from ERCOT plus all projected electric utility power/energy related costs for that same period including, but not limited to, power production (including the Denton Energy Center debt and all other costs); purchased power; applicable transmission services, losses and congestion; other ERCOT charges; renewable energy credits; and financial and/or physical power/energy trades; less all projected revenue to be received by the electric utility for power/energy related sales and/or trades.

The General Manager of the City’s electric utility or his/her designee shall calculate the ECA Balancing Account monthly. In the event that the ECA Balancing Account calculated during the last month of each fiscal quarter (December, March, June, and September) is projected to be over/under collected by \$5,000,000 or more during the next quarter, the General Manager or his/her designee may recommend to the PUB and City Council a revision to the ECA to maintain the City’s electric utility in a financially sound position.

ENERGY COST ADJUSTMENT CALCULATION

ECA = [(Projected Net Energy Cost) + (ECA Balancing Account)] / (Projected kWh sales)

ENERGY COST ADJUSTMENT CHARGE

The Energy Cost Adjustment Charge shall be based on actual kWh consumption during the billing period. Energy Cost Adjustment Charge = kWh × ECA Rate

SCHEDULE RCA

RENEWABLE COST ADJUSTMENT (Effective 10/01/24)

Applicable to any Customer receiving City electric service that owns an on-site distributed generation powered by a renewable resource which is interconnected with the City's electric system.

The Renewable Cost Adjustment (RCA) Rate shall be set by the Public Utilities Board ("PUB"). The RCA Rate shall be reviewed on a quarterly basis and adjusted as defined below to reflect an economically neutral value of distributed generation energy.

NET MONTHLY RATE

(1)	Renewable Cost Adjustment	\$0.0381 per kWh
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RENEWABLE COST ADJUSTMENT CALCULATION

The RCA shall be calculated using the nodal market price and renewable hourly output factor:

$$\text{RCA} = (\text{Nodal Market Price}) \times (\text{Renewables Hourly Output}) / (\text{Total Annual Renewables Production})$$

RENEWABLE COST ADJUSTMENT CREDIT

The Renewable Cost Adjustment Charge shall be based on actual kWh delivered from Customer to the City's electric system during the billing period.

$$\text{Renewable Cost Adjustment Credit} = \text{kWh} \times \text{RCA Rate}$$

SCHEDULE TCRF

TRANSMISSION COST RECOVERY FACTOR

(Effective 10/01/24)

The Transmission Cost Recovery Factor (TCRF) Rate shall be set by the Public Utilities Board ("PUB"). The TCRF Rate shall be reviewed on a quarterly basis and adjusted as defined below to recover the costs of transmission service within the boundaries of the Electric Reliability Council of Texas ("ERCOT") region which are billed and charged to the City.

<u>NET MONTHLY RATE</u>	<u>Per kWh</u>
Residential	\$0.0135
General Service Small	\$0.0135
Local Government Service Small	\$0.0135
Temporary Service	\$0.0135
Athletic Field	\$0.0135
Traffic Lighting	\$0.0135
Unmetered Traffic Lighting	\$0.0135
Unmetered School Zone/Crossing	\$0.0135
Unmetered Security Camera	\$0.0135
Unmetered Wi-Fi Devices	\$0.0135

<u>NET MONTHLY RATE</u>	<u>Per kW</u>
General Service Medium	\$3.85
Local Government Service Medium	\$3.85

<u>NET MONTHLY RATE</u>	<u>Per kVA</u>
General Service Large	\$5.34
Local Government Service Large	\$5.34
General Service Time Of Use	\$5.34

TRANSMISSION COST RECOVERY FACTOR BALANCING ACCOUNT CALCULATION

The TCRF shall be calculated using the following formula:

TCRF Annual Billing = (Actual monthly net TCOS billing amounts charged by ERCOT transmission service providers to the City) + (Projected increases or decreases PUCT-approved TCOS billing amount charges to ERCOT utilities)

During the last month of each fiscal year quarter (December, March, June, and September), the General Manager of the City's electric utility or his/her designee shall calculate the TCRF Balancing Account. The TCRF charge will be developed by the City for each applicable customer billing schedule herein, based on projected kWh sales for billing schedules without a demand component and on monthly peak kW for billing schedules with a demand component.

TCRF rate class allocation amount = [(TCRF annual billing) x (Projected rate class kWh usage)] / (Total projected usage for all rate classes).

SCHEDULE DGR

DISTRIBUTED GENERATION FROM RENEWABLE SOURCES RIDER

(Effective 10/01/24)

APPLICATION

This Rider is available to retail Customers receiving electric service under a City electric rate schedule who owns and operates an on-site generating system powered by a renewable resource capable of producing power, and which is interconnected with the City's electric system. Systems greater than 20 kW may be required to enter into a Purchase Power Agreement (PPA) applicable to their specific situation in lieu of this rate schedule. Renewable energy technology is any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly or indirectly from the sun or wind. A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources.

This Rider applies to a Customer-owned generating system that primarily offsets all or part of the Customer's electric service provided by the City. If the Customer-owned generating system is sized such that it produces energy in excess of a Customer's electric consumption, special arrangements and a contract may be necessary. The current interconnection guidelines may be found in the Distributed Generation Manual located at www.cityofdenton.com.

In light of additional costs associated with the Distributed Generation From Renewable Sources Rider and to mitigate potential risk to ratepayers, any participant in the Distributed Generation From Renewable Sources Rider must be, at the time this Rider is applied for and continuing while such Rider is in effect, a Customer in good standing of all City utilities, including solid waste services. Unless legal review procedures have been invoked in good faith regarding the obligation, a Customer in good standing for the purpose of this Rider is defined as a Customer not owing any unpaid utility or solid waste debt obligation that is over forty-five (45) days past due to the City during the previous twelve (12) months.

CONDITIONS OF SERVICE

All charges, character of service, and terms and conditions of the electric rate schedule under which the Customer receives service shall apply except as expressly altered by this Rider.

The Customer shall comply with the City's current technical requirements for distributed generation interconnection. The Customer shall obtain approval from the City prior to the installation of the on-site generating system. The Customer shall submit to the City a completed interconnection application form and signed Agreement for Interconnection and Parallel Operation of Distributed Generation before the system installation. The minimum term of an agreement under this Rider is one year, extended automatically unless terminated by either party with sixty (60) days advance written notice.

The Customer is responsible for the costs of interconnecting with the City's electric system, including transformers, service lines, or other equipment determined necessary by the City for safe installation and operation of the Customer's equipment with the City's electric system. The

Customer is responsible for any costs associated with required inspections and permits.

METERING

Metering under this Rider shall be performed by a single meter capable of registering the flow of electricity in two directions (delivered by the City's electric system to the Customer and delivered to the City's electric system by the Customer's system) to determine the Customer's net energy flow.

RATE

Beginning in the billing period after a Customer receives approval from the City, to interconnect the Customer's on-site generating system; all energy generated by the Customer's system and delivered to the City's electric system will be considered renewable energy. The Customer shall be billed for all energy delivered by the City to the Customer under the approved rates.

For any generation delivered by the Customer's system to the City's electric system up to the amount of energy delivered by the City to the Customer, the City shall credit the Customer's account for the energy generated as follows:

$$\text{Generation Credit} = [(\text{kWh delivered from the Customer's approved system}) \times (\text{Customer's base electric service rate})] + [(\text{kWh delivered from the Customer's approved system}) \times (\text{RCA Rate})]$$

For all energy delivered by the Customer's system to the City's electric system that exceeds the amount of energy delivered by the City to the Customer, the City shall credit the Customer's account for the energy generated as follows:

$$\text{Excess Generation Credit} = (\text{kWh delivered from the Customer's system}) \times \text{RCA Rate}$$

Any Billing Period Credit shall be applied to the utility charges due from the Customer to the City for the billing period.

INDEMNIFICATION

THE CUSTOMER OPERATING THE RENEWABLE DISTRIBUTED GENERATION SYSTEM INDEMNIFIES THE CITY AND HOLDS THE CITY HARMLESS FOR ALL DAMAGES AND INJURIES TO THE CITY, THE CUSTOMER, OR OTHERS ARISING OUT OF CUSTOMER'S USE, OWNERSHIP OR OPERATION OF CUSTOMER'S DISTRIBUTED GENERATION FACILITIES IN PARALLEL WITH THE CITY'S SYSTEM. CUSTOMER IS SOLELY RESPONSIBLE FOR PROVIDING ADEQUATE PROTECTION FOR OPERATING IN PARALLEL WITH THE CITY'S SYSTEM IN SUCH A MANNER THAT FAULTS OR OTHER DISTURBANCES ON THE CITY'S SYSTEM DO NOT CAUSE DAMAGE TO THE CUSTOMER'S DISTRIBUTED GENERATION EQUIPMENT.

SCHEDULE SFR**SPECIAL FACILITIES RIDER****(Effective 10/01/24)**

- (1) All service shall be offered from available facilities. If a Customer's service characteristics require facilities and devices not normally and readily available at the location where the Customer requests service, the total cost incurred by the City for all facilities installed, buried, relocated and/or removed shall be the responsibility of the Customer and subject to a contract entered between the City and the Customer. This contract shall be signed by both parties prior to the City providing service to the Customer.
- (2) Any contract under this rider is subject to the following approvals:
 - (a) If the total value of the contract is less than \$100,000, the contract may be approved by the City Manager, or his designee. If a contract under this subsection is not approved by the City Manager, or his designee, then it must be recommended for approval by the Public Utilities Board and approved by the City Council.
 - (b) If the total value of the contract is equal to or greater than \$100,000, the contract must be recommended for approval by the Public Utilities Board and approved by the City Council.

SCHEDULE PAF

POLE ATTACHMENT FEE

(Effective 10/01/24)

APPLICATION

This Rate is available to a licensee ("Licensee" or "licensee") who desires to access designated poles or conduits owned by the City for the purpose of installing and maintaining their facilities and associated equipment to provide services to the public. An agreement between such entity and the City or its contractor shall be executed on a separate form, but will reference the following rate schedule:

$$\text{Space Factor} = \frac{\text{Rate} = \text{Space Factor} \times \text{Cost}}{[(\text{Space Occupied}) + (2/3 \times (\text{Unusable Space} \div \text{No. of Attaching Entities}))]} \times (\text{Pole Height})$$

Cost:

in Service Areas where the number of Attaching Entities is 5 = 0.66 x (Net Cost of Bare Pole) x Carrying Charge Rate

in Service Areas where the number of Attaching Entities is 4 = 0.56 x (Net Cost of Bare Pole) x Carrying Charge Rate

in Service Areas where the number of Attaching Entities is 3 = 0.44 x (Net Cost of Bare Pole) x Carrying Charge Rate

in Service Areas where the number of Attaching Entities is 2 = 0.31 x (Net Cost of Bare Pole) x Carrying Charge Rate

NET ANNUAL RATE

(1) Annual Pole Attachment ("APA") Distribution

\$/attachment/year	2 Attachers	3 Attachers	4 Attachers	5 Attachers
	\$19.86	\$19.78	\$19.83	\$19.59

plus;

(2) APA Transmission

\$/attachment/year	2 Attachers	3 Attachers	4 Attachers	5 Attachers
	\$410.93	\$403.94	\$399.99	\$390.72

Note: Annual Rates (2) and (3) listed above are not available on all poles nor in all areas across the City.

MISCELLANEOUS

- | | | |
|-----|---------------------------------|---------------------------------|
| (1) | Unauthorized Attachment Penalty | \$1,000 per attachment per pole |
| (2) | Undefined Work or Expense | Rate pursuant to Schedule SFR |

APPLICATION AND MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to any application fees, analysis, make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City or its Contractor will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs. These fees will be as set forth in the contract agreement with the third-party contractor who provides such services, if applicable.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE BIF

BANNER INSTALL FEE

(Effective 10/01/24)

APPLICATION

Applicable to any person who has completed an application and received approval from the City to have a banner installed on facilities owned by the City for the purpose of marketing and publicizing community events shall be assessed a fee based on the following schedule:

NET ANNUAL RATE

Over the Street Banner Install	\$100.00 per banner
Pole One Time Banner Install	\$15.00 per banner
Pole Seasonal Banner Install	\$27.00 per banner

TERMS AND CONDITIONS OF SERVICE

Persons requesting the City install an Over the Street Banner must provide the City with a banner that is no more than three (3) feet tall by thirty-five (35) feet in length with six (6) feet of rope. All Over the Street Banners must be made out of mesh only (fish net type material). A sample of the banner material is recommended for approval. The City's Building Inspections Department requires an application and permit fee of sixty (60) dollars for installation of an Over the Street Banner which needs to be completed prior to contacting the City's electric utility.

Persons requesting the City install a Pole Banner must provide the City's electric utility with a banner that is no more than thirty (30) inches tall by eighty (80) inches in length with openings of two (2) inches. Pole Banners are required to be made of weather beater or vinyl material only. The appropriate application for each type of banner must be completed prior to installation and returned to a representative of the City's Electric Operations and Maintenance Division along with applicable fees listed above, a digital image of the banner, and location requests. The City's electric utility will determine install locations depending on availability. Any banners that promote sponsors or advertisement are strictly prohibited.

PAYMENT

Payment is required to the City at the time the banners are given for installation. Permit fees, when applicable, are due to Building Inspections in order to reserve specific dates.

SCHEDULE WNA

WIRELESS NODE ATTACHMENTS

(Effective 10/01/24)

APPLICATION

This Rate is available to a licensee who desires to install and maintain their wireless nodes and associated equipment to provide services to the public. An agreement between such entity and the City shall be executed separate from, but will reference, the following rate schedule:

NET ANNUAL RATE

plus;	(1) Facility Charge	\$18.09 per node
plus;	(2) Usage Charge	\$0.0674 per kWh
plus;	(3) Energy Cost Adjustment Charge	See Schedule ECA
	(4) Transmission Cost Recovery Factor	See Schedule TCRF

METERED USAGE CHARGE

Billing for the Metered Usage Charge shall be based on actual kWh consumption for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{All kWh per device} \times \text{Rate per kWh}$$

UNMETERED USAGE CHARGE

Billing for the Unmetered Usage Charge shall be based on 1) kWh consumption from similarly installed metered equipment; or 2) technical information of installed equipment provided by licensee, if similar equipment is not already metered. This calculated consumption will be billed for each device once every twelve (12) months at the end of the fiscal year.

$$\text{Usage Charge} = \text{Annual kWh per device} \times \text{Rate per kWh}$$

$$\text{Annual Usage} = 2,000 \text{ kWh per device per account (or calculated consumption based on technical information provided by licensee)}$$

MISCELLANEOUS

(1)	Unauthorized Attachment Penalty	\$1,000 per attachment
(2)	Undefined Work or Expense	Rate pursuant to Schedule SFR

MAKE READY COSTS

Licensees will be required to pay for any work done or contracted by the City, including but not limited to make ready work and any installed, used or maintained facilities in violation of the Agreement that the licensee has not corrected. The City will invoice licensee, and licensee must pay, for identified expenses as needed before any work will begin and shall include all reasonable fully loaded material (including any applicable overhead), labor, engineering, transportation and administrative costs.

PAYMENT

Bills are due when rendered and become past due if not paid within fifteen (15) calendar days from date of issuance.

SCHEDULE EVCR

ELECTRIC VEHICLE CHARGING RATE (Effective 10/01/24)

APPLICATION

Applicable to vehicles that utilize charging services from City of Denton owned and operated Level 2 EV chargers.

NET ANNUAL RATE

(1)	Usage Charge	\$0.0406 per minute
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USAGE CHARGE

Billing for the Usage Charge shall be based on actual charging time incurred. The billing service will be provided by a third-party vendor

Usage Charge = EV Charging duration × Rate per Minute

SCHEDULE WTS

WHOLESALE TRANSMISSION SERVICE (Effective 10/01/2024)

AVAILABILITY

To Eligible Transmission Service Customers for Wholesale Transmission Service through the Denton Municipal Electric Utility transmission system, at all points where transmission facilities of adequate capacity and suitable voltage are available to provide service, in accordance with Public Utility Commission of Texas (PUC or Commission) 16 Texas Administrative Code (TAC) §§ 25.191-.203.

APPLICABILITY

Applicable only to wholesale transactions involving the wholesale purchase of electric power and energy. This tariff for Wholesale Transmission Service is applicable to Transmission Service using any transmission facilities owned by the Denton Municipal Electric Utility in accordance with 16 TAC §§ 25.191-.203.

TYPE OF SERVICE

Three phase, 60 hertz alternating current, delivered onto, or received from Denton Municipal Electric Utility's transmission system at 60,000 volts or greater and on transmission facilities that have been prepared and made available for this service.

TRANSMISSION SERVICE REQUIREMENTS

As a condition to obtaining Wholesale Transmission Service, the Transmission Service Customer shall execute an Interconnection Agreement with each Transmission Provider, in accordance with 16 TAC § 25.198, and the Transmission Service Customer shall meet all Electric Reliability Council of Texas (ERCOT) requirements as specified in the ERCOT Protocols and Operating Guides.

CONDITIONS PRECEDENT FOR RECEIVING SERVICE

Subject to the terms and conditions hereof and of 16 TAC § 25.198, the Denton Municipal Electric Utility will provide wholesale Transmission Service to any Eligible Transmission Service Customer, provided that:

(A) the eligible Transmission Service Customer has completed an Application for Transmission Service, as provided under 16 TAC § 25.198;

(B) the eligible Transmission Service Customer and Denton Municipal Electric Utility, or a third party, have completed installation of all equipment specified under the Interconnection Agreement, consistent with NERC and ERCOT guidelines as set forth in 16 TAC § 25.198;

(C) the eligible Transmission Service Customer has executed an Interconnection Agreement for service under this tariff or, if necessary, requested in writing that Denton Municipal Electric Utility file a proposed unexecuted agreement with the Commission;

(D) the eligible Transmission Service Customer has arranged for Ancillary Services necessary for the transaction;

(E) each wholesale load for which Transmission Service is requested maintains a power factor of 95% or greater at each point of interconnection;

(F) the Transmission Service Customer has constructed, maintains and operates the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from a resource to Denton Municipal Electric Utility's transmission system and from Denton Municipal Electric Utility's transmission system to the Transmission Service Customer's loads;

(G) to the extent the Transmission Service requires the addition of facilities or upgrades to the transmission system, such facilities have been placed in service.

APPLICATION PROCEDURES

The Denton Municipal Electric Utility and the Transmission Service Customer shall comply with the application procedures for Transmission Services set forth in 16 TAC § 25.198, which shall govern such procedures.

CONSTRUCTION OF NEW FACILITIES

Construction of new facilities needed to accommodate a request for Planned Transmission Service shall be in accordance with the procedures set forth in 16 TAC § 25.198. Upon receipt of a request for Transmission Service, the Denton Municipal Electric Utility shall, if necessary, perform a System Security Study in accordance with 16 TAC § 25.198. Based on the results of the System Security Study, the Denton Municipal Electric Utility also may perform a Facilities Study, in accordance with 16 TAC § 25.198. An executed Facilities Study agreement with the Transmission Service Customer is required prior to the Denton Municipal Electric Utility performing a Facilities Study. In the event that existing facilities are inadequate to support the requested Transmission Service, Denton Municipal Electric Utility may require the Transmission Service Customer to provide a contribution in aid of construction attributable to directly assigned facilities.

LOAD SHEDDING AND CURTAILMENT

Transmission Service hereunder shall be subject to, and the Denton Municipal Electric Utility and the Transmission Service Customer will comply with, the load shedding and curtailment procedures established under 16 TAC § 25.200. Any interruption shall be based on operational factors and shall not accord a higher priority to the Denton Municipal Electric Utility's retail and wholesale customers than to its customers taking Transmission Service. Service to all customers shall be restored as quickly as possible.

PRICING FOR TRANSMISSION SERVICE WITHIN ERCOT

Charges for Transmission Service hereunder shall be in accordance with Texas Utilities Code § 35.004(d). For Transmission Service a Transmission Service Customer shall incur both an access charge, as set forth below, and loss compensation charges.

Annual Postage Stamp Charge (access charge) \$0.333063 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.

Monthly Postage Stamp Charge (access charge) \$0.027755 per kW of coincident peak demand determined in accordance with 16 TAC §25.192.

Charges for each calendar year shall be adjusted pursuant to the schedule in the PUC's Order approving the transmission charges for that year.

PRICING FOR TRANSMISSION SERVICE FOR EXPORTS FROM ERCOT

Charges for Transmission Service for exports from ERCOT shall be in accordance with Texas Utilities Code § 35.004(d) and 16 TAC § 25.192. Transmission Service Customers exporting power from ERCOT will be assessed transmission service charges based on the amount of power actually exported and the duration of the transaction. Charges for Transmission Service for exports from ERCOT shall be determined in accordance with 16 TAC § 25.192(e) and shall be calculated using the charges set forth below:

<u>Service Type</u>	<u>Access Rate</u> <u>per kW of</u> <u>peak demand</u>
Hourly Rate	\$0.000038

LOSSES

Losses shall be calculated by the Independent System Operator (ISO) in accordance with the method approved by the 16 TAC § 25.192.

RESALE OF TRANSMISSION RIGHTS

With advance written notice to the Denton Municipal Electric Utility and subject to a reasonable credit review, a Transmission Service Customer may resell any and all Transmission Service rights contracted for by the Transmission Service Customer to other wholesale market participants pursuant to 16 TAC § 25.191. The Transmission Service Customer shall inform the Denton Municipal Electric Utility and obtain ISO approval for any resale of Transmission Service rights.

RELIABILITY GUIDELINES

To maintain reliability of the ERCOT transmission grid, Denton Municipal Electric Utility shall operate its transmission system in accordance with ERCOT Protocols, ERCOT Operating Guides, NERC guidelines, and any other guidelines of the ISO that may apply to Denton Municipal Electric Utility's transmission system.

The Denton Municipal Electric Utility reserves the right, consistent with good utility practice and on a non-discriminatory basis, to interrupt Transmission Service without liability on the Denton Municipal Electric Utility's part for the purpose of making necessary adjustments to, changes in, or repairs to its lines, substations and other facilities, or where the continuance of Transmission Service would endanger persons or property. In the event of any adverse condition or disturbance on Denton Municipal Electric Utility's system or any other system directly or indirectly interconnected with Denton Municipal Electric Utility's system, Denton Municipal Electric Utility, consistent with Good Utility Practice, also may interrupt Transmission Service on a non-discriminatory basis in order to limit the extent or damage of the adverse condition or disturbance, to prevent damage to generating or transmission facilities, or to expedite restoration of service. The Denton Municipal Electric Utility will give the Transmission Service Customer as much advance notice as is practicable in the event of such interruption and shall restore service with due diligence.

The Transmission Service Customer's failure to respond to established emergency load shedding and curtailment procedures to relieve emergencies on Denton Municipal Electric Utility's transmission system may result in the Transmission Service Customer being deemed by Denton Municipal Electric Utility to be in default and may result in the termination of Transmission Service.

PAYMENT

Any charges due to Denton Municipal Electric Utility under this rate schedule shall be billed in accordance with 16 TAC § 25.202. Customers shall make payment to Denton Municipal Electric Utility in a manner consistent with the procedures and deadlines set forth in 16 TAC § 25.202. Any late payments by customers or customer defaults shall be handled in accordance with 16 TAC § 25.202.

CONTRACT TERM

Planned Transmission Service is available for annual service, monthly service in multiples of one-month, weekly service, and daily service. Unplanned Transmission Service is available for periods of not less than one hour or more than 30 days.

AGREEMENT

An agreement for Transmission Service containing terms and provisions consistent with 16 TAC §§ 25.191-.203 is required prior to commencement of such service. Such agreement will require approval of the City Council of Denton.

DEFINITIONS

Capitalized terms shall have the meanings set forth in 16 TAC §§ 25.5 and 25.191 .203.

AMENDMENTS TO RULES

In the event 16 TAC §§ 25.191-.203 are amended or if a new rule is adopted governing the subject matter of this tariff, this tariff shall, nevertheless, remain effective until the new tariff(s) filed pursuant to any such amendment(s) or such new rules are approved, unless the amendment(s) or new rules or an agreement of the parties provide otherwise.

PUBLIC UTILITIES COMMISSION OF TEXAS TARIFF

This Schedule WTS is subject to change. The most up to date WTS tariff rate is filed with the Public Utilities Commission of Texas

SECTION 2. The City Manager is hereby authorized to expend funds to authorize credits to Customers on their electric service bills and further to authorize cash incentives for the installation of photovoltaic systems in accordance with the form and type set forth in Schedule GIP, as the installation of energy efficient upgrades is in the best interest of the City, as such will reduce energy demand and consumption, reduce the peak load of the City's electric system, reduce emissions in the state, and promote energy conservation, which are all public purposes of the City.

SECTION 3. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 4. If any section, subsection, paragraph, sentence, clause, phrase or word in this ordinance, or application thereof to any person or circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 5. This ordinance and the rates herein adopted shall become effective, charged, and applied to all electric services rendered by the City, and all energy usage by Customers of the City effective with the first billing issued on and after October 1, 2024; and a copy of said rates shall be maintained on file in the Office of the City Secretary of the City of Denton, Texas.

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

The motion to approve this ordinance was made by _____, seconded by _____, and 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:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Susan Keller



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-036, **Version:** 1

AGENDA CAPTION

Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Solid Waste and Recycling collection service; repealing ordinance no. 23-1736; providing for a repealer; providing for a severability clause; and, providing an effective date.



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Finance

ACM: Cassey Ogden

DATE: September 9, 2024

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, Texas, establishing the rates for Solid Waste and Recycling collection service; repealing ordinance no. 23-1736; providing for a repealer; providing for a severability clause; and, providing an effective date.

BACKGROUND

The proposed FY 2024-2025 Solid Waste Operating Budget and CIP was presented to the Public Utilities Board (PUB) on June 10, June 24, and July 8, 2024. The PUB reviewed the proposed rates on July 8, 2024.

The following summarizes the proposed changes to existing Solid Waste rates:

- Increase the following rates:
 - Residential Cart Service 1.5% Increase
 - Commercial Cart Service 1.5% Increase
 - Commercial Trash 1.5% Increase
 - Roll Off Rates \$25 Increase (Hauls)
\$2.92 Increase (Rental)
 - Compactor Rates \$25 Increase Roll Off (Hauls)
\$1.05 Increase (Rental 30 Cu. Yd.)
\$4.25 Increase (Rental 40 Cu. Yd.)
 - Landfill Flat \$1.50 Increase (except shingles)
- Add the following rates:
 - Add a \$20.00 fee for non-resident electronics disposal.

RECOMMENDATION

Staff recommends adoption of the Fiscal Year 2024-25 Solid Waste Rates.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

City Council reviewed the Fiscal Year 2024-25 Operating Budget during the July 23, 2024 meeting, and the proposed rates during the budget workshop on August 10, 2024.

EXHIBITS

- Exhibit 1. Agenda Information Sheet
- Exhibit 2. Solid Waste Redline Rate Ordinance
- Exhibit 3. Solid Waste Rate Ordinance

Respectfully submitted:
Jessica Williams
940-349-7899
Chief Financial Officer

Prepared by:
Matt Hamilton
Budget Manager
940-349-8127

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE RATES FOR SOLID WASTE AND RECYCLING COLLECTION SERVICE; REPEALING ORDINANCE NO. ~~22-185523-1736~~; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

SECTION 1. The rates, fees, and charges for Solid Waste and Recycling collection services ~~as~~ are established as follows:

SOLID WASTE AND RECYCLING RATE SCHEDULES

Residential Refuse and Recycling Collection Services	2
Commercial Refuse and Recycling Collection Services	<u>34</u>
Processing and Disposal Services	<u>46</u>
Solid Waste and Recycling Services Definitions	<u>67</u>

RESIDENTIAL REFUSE & RECYCLING COLLECTION SERVICES

(Effective 10/01/2023)

Units/Accounts eligible for Residential collection services accounts are defined as: A single-family detached dwelling unit, each unit of a duplex, triplex, or quadraplex, or any similar single unit or living space in which ~~an individual~~ reside, ~~or single family resides~~. Residential collection services are not available to residents of apartments, dormitories, or other multifamily housing units.

Carts are collected weekly on a date and at a time assigned by the City of Denton. All refuse must be contained and secured within a plastic bag prior to deposit within the refuse cart and the lid must be fully closed. Recycling materials shall not be bagged when placed in the recycling cart and the lid must be fully closed. All carts must be placed at the curb by 7:00 a.m. on the scheduled collection day. Residential accounts are billed monthly.

To receive any new or change in residential service, a resident shall contact Customer Service a minimum of one business day prior to their scheduled collection day.

Residential Collection Services Within City Limits

65 Gallon Refuse & Recycling Cart

95 Gallon Refuse & Recycling Cart

Additional Large Refuse Cart

Additional Recycling Cart (each cart in excess of 2)

Bag Outside Cart Fee – limit to no more than five (5) weekly, weighing no more than 50 pounds each.

Monthly Rate

~~\$20.51~~ \$20.82

~~\$25.04~~ \$25.42

~~\$16.57~~ \$16.82

~~\$15.00~~ \$15.23

\$5.00

Residential Collection Services Outside City Limits

65 Gallon Refuse & Recycling Cart

95 Gallon Refuse & Recycling Cart

Additional Large Refuse Cart

Additional Recycling Cart (each cart in excess of 2)

Bag Outside Cart Fee - limit to no more than five (5) weekly, weighing no more than 50 pounds each.

Monthly Rate

\$30.69

\$32.00

~~\$16.57~~ \$16.82

~~\$15.00~~ \$15.23

\$5.00

Residential Service Fees

Bulk Waste Collection – per item, in excess of 2 items per collection

Items must be called in to receive this rate

Brush Collection – per staff hour, in excess of 4 cubic yards (CY)

Appliances and Electronics Collection (per item) Dishwashers are **not** considered an appliance or an electronic device for the purposes of this ordinance

Residential Remodeling – per CY – (4 CY maximum)– this includes ~~excess~~ bulk at the curb in excess of what was identified in the request for service called in. Waste in excess of 4 CY must be placed in a ~~cart~~ dumpster or roll-off container (contracted through the City of Denton) to be collected.

Fee

\$5.00

\$75.00

\$20.00

\$25.00

Yard Waste Cart – per cart purchase
Cart change-out fee – for the next service day

\$20.00
\$50.00

COMMERCIAL REFUSE AND RECYCLING COLLECTION SERVICES

(Effective 10/01/24~~3~~)

New commercial business development and redevelopment will be provided commercial refuse and recycling services as outlined in the Denton Development Code and Site Plan Criteria Manual.

~~Persuant~~Persuant to the City of Denton Code of ~~Ordinances~~Ordinances, Chapter 24, the City of Denton is the exclusive provider of commercial refuse service in the City of Denton.

Refuse and recyclables will be collected in city provided or city-approved containers only.

~~Persuant~~Persuant to the City of Denton Code of Ordinances, Chapter 24, the City of ~~Denton~~ is a provider of commercial recycling service in the City of Denton. Operators may contract with any provider to collect, transport, and process their recyclable material.

Only recyclable materials accepted by the City shall be deposited in the City's recycling containers. The owner/manager of all commercial businesses is responsible for notifying their employees/personnel of proper recycling procedures.

Refuse & Recycling Rates

Commercial Cart Service

One Pair Refuse & Recycling Carts

~~\$33.25~~\$33.75

Additional Refuse Cart

~~\$19.75~~\$20.05

Additional Recycling Cart

~~\$15.00~~\$15.23

Front Load and Side Load Refuse Service

Size	1x Per Week	2x Per Week	3x Per Week	4x Per Week	5x Per Week	6x Per Week
3 CY	\$74.16 \$75.27	\$148.32 \$150.54	\$222.48 \$225.81	\$296.64 \$301.08	\$370.80 \$376.35	\$444.96 \$451.62
4 CY	\$98.88 \$100.36	\$197.76 \$200.72	\$296.64 \$301.08	\$395.52 \$401.44	\$494.40 \$501.80	\$593.28 \$602.16
6 CY	\$148.32 \$150.54	\$296.64 \$301.08	\$444.96 \$451.62	\$593.28 \$602.16	\$741.60 \$752.70	\$889.92 \$903.24
8 CY	\$197.76 \$200.73	\$395.52 \$401.46	\$593.28 \$602.19	\$791.04 \$802.92	\$988.80 \$1,003.65	\$1,186.56 \$1,200.38

Front Load and Side Load Recycling Service

Size	1x Per Week	2x Per Week	3x Per Week	4x Per Week	5x Per Week	6x Per Week
3 CY	\$63.78 \$64.74	\$127.56 \$129.48	\$191.34 \$194.22	\$255.12 \$258.96	\$318.90 \$323.70	\$382.68 \$388.44

4 CY	-\$85.04 <u>\$86.32</u>	-\$170.08 <u>\$172.64</u>	\$255.12 <u>\$258.96</u>	\$340.16 <u>\$345.28</u>	\$425.20 <u>\$431.60</u>	\$510.24 <u>\$517.92</u>
6 CY	-\$127.56 <u>\$129.47</u>	\$255.12 <u>\$258.94</u>	\$382.68 <u>\$388.41</u>	\$510.24 <u>\$517.88</u>	-\$637.80 <u>\$647.35</u>	\$765.36 <u>\$776.82</u>
8 CY	-\$170.07 <u>\$172.62</u>	\$340.14 <u>\$345.24</u>	\$510.21 <u>\$517.86</u>	\$680.28 <u>\$690.48</u>	-\$850.35 <u>\$863.10</u>	\$1,020.42 <u>\$1,035.7</u>

Valet Shared Service Rates

Tier 1 – Offices and Residential

Tier 2 – Small Retail Stores and Bars (no food)

Tier 3 – Large Retail Stores, Bars (with food), and Small Restaurants

Tier 4 – Medium Sized Restaurants (limited service)

Tier 5 – Large Sized Restaurants (full service)

\$24.70
\$74.16
\$148.75
\$289.50
\$460.00

Compactor Rates

Front Load Compactor Service (Per CY)

30 Cubic Yard Self Contained Compactor

42 Cubic Yard Stationary Compactor

Container Service Fee (Each Haul)

\$74.16 <u>\$75.27</u>
\$448.95 <u>\$450.00</u>
\$645.75 <u>\$650.00</u>
\$275.00 <u>\$300.00</u>

Roll-Off Container Rates

Container Rental (Monthly)

Container Service Fee (Each Haul)

\$167.08 <u>\$170.00</u>
\$275.00 <u>\$300.00</u>

Commercial Organics Collection Service

Monthly Service Fee (3 CY 1 x week)

Extra Empty

\$374.13
\$240.00

Commercial Service Fees

Delivery (Applicable to Front Load Only)•Relocation•Inaccessible•Extra Empty•Exchange

Same Day Service Fee

Dumpster Lock Installation (one-time fee)

Temporary Container Service Rental Fee Per Month

Temporary Container Service Per Empty Fee

Damaged Containers

Bulk Waste Collection – Trip Fee

Bulk Waste Collection – Per Item Collection Fee limit of 10

Yard Waste Service – Per Staff Hour (with a 15 minute minimum charge)

\$75.00
\$50.00
\$20.00
\$80.00
\$120.00
Repl. Cost
\$20.00
\$5.00
\$75.00/hour

PROCESSING AND DISPOSAL SERVICES

(Effective 10/01/24)

Landfill Rates (per ton)

	Per Ton
Gate Rate (City of Denton Residents/Businesses)	\$44.00 <u>\$45.50</u>
Gate Rate (Non-Denton Residents/Businesses)	\$48.00 <u>\$49.50</u>
City Hauled Disposal Rate (Open Top & Compactors)	\$40.00 <u>\$41.50</u>
City of Denton Department Rate	\$24.50 <u>\$26.00</u>
Sludge, Dewatered	\$60.00 <u>\$61.50</u>
Clean Concrete	\$22.00 <u>\$23.50</u>
Special Waste (must be pre-approved by City of Denton)	Varies

Minimum Charge (per load)	\$25.00 <u>\$26.50</u>
After Hour Fee	\$120.00
(First) Unsecured Loads	\$25.00
(Subsequent) Unsecured Loads	30.00
Electronics Residents (Per Item) <u>per item</u>	\$10.00 <u>\$11.50</u>
<u>Electronics Non-Resident (Per Item)</u>	<u>\$20.00</u>
Appliances per item	\$10.00 <u>\$11.50</u>
RFID Replacement Card	\$25.00
Weight Ticket Rate (Non-City of Denton vehicle)	\$5.00
Live Load fee – Minimum 15-minute charge (per hour)	\$75.00
Construction & Demolition (Resident & Nonresident) (per ton)	\$65.00 <u>\$66.50</u>
Shingles Rate (per ton)	\$125.00

Cubic Yardage Rates (in event of scale outage)

Uncompacted MSW (per CY)	\$7.50
Compacted MSW (per CY)	\$14.50

Brush and Green Waste

	Per Ton
City of Denton Customer- Unbagged grass, leaves, and brush ≤ 12'- bagged material is not accepted	\$30.00
Brush > 12'	\$35.00
Non-City of Denton Customer- Brush Rate	\$40.00

SOLID WASTE AND RECYCLING SERVICES DEFINITIONS AND ADDITIONAL DETAILS

(Effective 10/01/~~23~~24)

Household Hazardous Waste

Residential and multi-family household chemicals should not be placed in refuse or recycling containers. These waste materials include pesticides, herbicides, cleaning chemicals, paints, oils, etc. Residents shall contact Customer Service to schedule curbside collection. The chemicals should be kept in their original containers and placed where requested by the Customer Service staff. Residents may also dispose of household hazardous waste at the City's Home Chemical Center located at 1527 S. Mayhill Rd. during operational hours. Household hazardous waste may not be left for disposal while the facility is closed or unattended

Residential Brush Collection

4 cubic yards of brush will be collected at no charge ~~by contacting Customer Service to schedule a collection.~~ Accumulations in excess of 4 cubic yards will be assessed a collection fee equivalent to the hourly labor and equipment cost to collect the material. The collection fee will be assessed in 15-minute increments with a minimum charge of 15 minutes.

Electronic Equipment

Televisions, monitors, video displays, laptops, similar electronic devices, and certain appliances containing CRT, LED, LCD, plasma, and other electronic displays will be charged fees for the collection, processing, recycling, and disposal of these items. Dishwashers are not included within this definition.

Appliances

~~Refrigerators~~ Refrigerators, freezers, air conditioners, or any appliance that contains or once contained coolant will be assessed the fees established herein for collection or disposal. Other appliances such as water heaters, stoves, clothes washers, dryers, ovens, etc. may be collected or disposed of for no charge. Dishwashers are not included within this definition and commercial appliances are not included in this definition.

Residential Remodeling

Residential remodeling materials include, but are not limited to; lumber, brick, fencing, drywall, and other construction materials. No materials shall exceed 8 feet in length. If the customer has over 4 cubic yards of remodeling materials for collection, the customer is required to utilize a City refuse container of adequate size to contain the materials and maintain a collection service frequency of at least once per month.

Special Event – Clearstream Services

Clearstream containers are available for special events at no charge. they can be picked up and returned by the customer to the Solid Waste & Recycling administration office located at 1527 S. Mayhill Rd.

Commercial Cart Collections

In areas where commercial cart collection service is available, small quantity waste generators may contract for weekly cart service [from the City](#). All refuse must be placed in the cart, and the cart set out for collection no later than 7:00 a.m. on the scheduled collection day.

Commercial Delivery / Relocation / Inaccessible / Exchange Fee / Extra Service

~~A~~The fee [established herein](#) will be charged for container delivery, relocation, inaccessibility, exchange, or extra collection services.

Shared Commercial Services

The Director of Solid Waste may designate certain commercial containers as shared containers for use by multiple commercial customers. Shared container rates include a range of costs. The rate assigned may vary and fluctuate according to waste and recycling volumes and frequency of service.

Commercial Bulky Waste Collection

Commercial bulky waste is bulk material (furniture, mattresses, etc.) placed outside the dumpster or roll-off container sited at a commercial account holder's service location. Bulk waste set for disposal at commercial businesses may be collected by the City of Denton if the property owner, business owners, and/or account holder schedules a collection. A trip charge and per item fee is assessed for all collections.

Commercial Service Requirements

Equipment Uses - All equipment furnished by the City shall at all times be considered the property of the City, and not private property. Customers shall not modify the equipment or use it for any purpose other than as [intended or as](#) set forth herein. The City shall repair, as necessary, the equipment furnished. The customer, however, agrees to be solely responsible for any damages to or loss of equipment resulting from any negligent acts or misuse by the customer, customer's agents, employees, or invitees. The City may temporarily replace the size and/or type of equipment contracted with one or more pieces of equipment of equivalent capacity for the purposes of repairing the equipment. Customer agrees that the equipment is in the customer's care, custody, [management and-or](#) control at all times.

Gate Rate

All persons delivering material to the City of Denton Landfill are subject to a fee for the disposal or beneficial reuse of said material. City of Denton residents and businesses qualify for the City gate rate by providing proof of residency. Clean mixed paper, cardboard, steel and aluminum cans, glass bottles, and plastics #1-7 delivered to the recycling facility exclusively for recycling are not assessed a fee.

|

Right to Refuse or Deny Service

The Director of Solid Waste and Recycling of the City of Denton, or designee, is hereby authorized to deny the use of the City of Denton landfill to any customer who provides false information regarding the origin of, or the composition of the solid waste delivered for disposal to the landfill; or for safety violations committed by a customer within the landfill; or for non-compliance with verbal and written instructions provided to the customer by Solid Waste and Recycling Department personnel at the landfill; or for nonpayment of delinquent funds owed by the customer to the City of Denton, Texas; or for any violation of the law committed by the customer within the landfill; or for any non-compliance by the customer with the Texas Commission on Environmental Quality regulations or policies; or for any non-compliance by the customer with the City of Denton's Code of Ordinances or rules; or for any violation of the written landfill rules by the customer as amended and posted by the Solid Waste and Recycling Department at the entrances to the landfill.

Special Wastes

Acceptance of special waste is subject to Federal and State laws and regulations. The City of Denton has the right to refuse to accept or collect special waste at its discretion. Charges for the collection and disposal of special waste, approved by the Director of Solid Waste and Recycling, will be established based on the type of special waste, the regulatory requirements, and the cost of service for collection and disposal of the waste.

Unsecured Loads

In compliance with Texas Transportation Code, Title 7, Chapter 725, Sec. 725.021(c), solid waste loads that are not adequately covered, secured or enclosed~~secured/tarped~~ to prevent the material from spilling will be charged an Unsecured Load Fee and be provided a tarp and four bungie cords for the first time. Each Subsequent Load will assess an additional charge.

Radio Frequency Identification (RFID) Replacement Card

All 3rd party contracted haulers utilizing the unattended lane at the City of Denton Landfill are issued an RFID card. The first card will be provided by the City; however, if a replacement card is required, a fee will be assessed to issue a new card

The State of Texas assesses a landfill surcharge (30 Texas Administrative Code 330.602), the surcharge is a pass-through charge collected on behalf of the State of Texas. Any additional assessment or fees established by a governmental entity will be added to the disposal rates and assessed on all waste delivered to the landfill.

Contracted Commercial Disposal Rates

The Denton City Council may, at its sole discretion, approve service contracts with commercial waste haulers for disposal services and fees at the City of Denton's landfill facility located at 1527 S. Mayhill Rd.

Miscellaneous

Pass Through: Any fees or charges established by an authorized governmental entity and applicable to the customer or the services of the customer will be a pass-through fee to the customer and added to the ~~monthly rate rates~~ stated herein^{above}.

Hourly: All hourly fees and charges established herein shall be calculated in 15 minute increments with a 15 minute minimum for the first hour.

Indemnification and Hold Harmless

Customer shall defend, indemnify and hold the City harmless from any and all claims at the service location, and any and all claims made by any other person having an interest in the property situated at the service location, for any loss, damage, or deterioration of the pavement, surface, subsurface materials, or similar facilities at the service location by reason of use thereof by the City's trucks that are used to service the equipment. Customer further agrees to release, indemnify, defend and hold harmless the City of Denton, Texas, from and against any and all claims of damages related to the furnishing of solid waste and recycling services performed by the City in servicing single- and multi-family living facilities as well as commercial entities.

SECTION 2. The Director of Solid Waste and Recycling of the City of Denton, or designee, is hereby authorized to deny the use of the City of Denton landfill to any customer who provides false information regarding the origin of, or the composition of the solid waste delivered for disposal to the landfill; or for safety violations committed by a customer within the landfill; or for non-compliance with verbal and written instructions provided to the customer by Solid Waste and Recycling Department personnel at the landfill; or for nonpayment of delinquent funds owed by the customer to the City of Denton, Texas; or for any violation of the law committed by the customer within the landfill; or for any non-compliance by the customer with the Texas Commission on Environmental Quality regulations or policies; or for any non-compliance by the customer with the City of Denton's Code of Ordinances or rules; or for any violation of the written landfill rules by the customer as amended and posted by the Solid Waste and Recycling Department at the entrances to the landfill, ~~from time to time~~.

SECTION 3. It is in the public interest that the provisions of Sections 26-3, 26-4, 26-5, 26-7, 26-8(a), and 26-9 of Article I of Chapter 26 of the City of Denton Code of Ordinances shall expressly apply to City of Denton Solid Waste and Recycling services.

SECTION 4. Ordinance ~~22-1855~~23-1736 is hereby repealed. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 5. If any section, subsection, paragraph, sentence, clause, phrase, or word in this ordinance, or the application thereof to any person or under any circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 6. This ordinance shall become effective, charged, and applied to all solid waste and recycling services rendered by the City of Denton on and after October 1, ~~2023~~2024; and a copy of said rates, fees, and charges shall be maintained on file in the Office of the City Secretary of Denton, Texas.

The motion to approve this Ordinance was made by _____ and seconded by _____; the 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~~Jill Jester, At Large Place 6: _____

PASSED and APPROVED this _____ day of _____, ~~2023~~2024.

GERARD HUDSPETH, MAYOR

ATTEST:

~~JESUS SALAZAR~~LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, ESTABLISHING THE RATES FOR SOLID WASTE AND RECYCLING COLLECTION SERVICE; REPEALING ORDINANCE NO. 23-1736; PROVIDING FOR A REPEALER; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

SECTION 1. The rates, fees, and charges for Solid Waste and Recycling collection services are established as follows:

SOLID WASTE AND RECYCLING RATE SCHEDULES

Residential Refuse and Recycling Collection Services	2
Commercial Refuse and Recycling Collection Services	4
Processing and Disposal Services	7
Solid Waste and Recycling Services Definitions	8

RESIDENTIAL REFUSE & RECYCLING COLLECTION SERVICES

(Effective 10/01/24)

Units/Accounts eligible for Residential collection services accounts are defined as: A single-family detached dwelling unit, each unit of a duplex, triplex, or quadraplex, or any similar single unit or living space in which individuals reside. Residential collection services are not available to residents of apartments, dormitories, or other multifamily housing units.

Carts are collected weekly on a date and at a time assigned by the City of Denton. All refuse must be contained and secured within a plastic bag prior to deposit within the refuse cart and the lid must be fully closed. Recycling materials shall not be bagged when placed in the recycling cart and the lid must be fully closed. All carts must be placed at the curb by 7:00 a.m. on the scheduled collection day. Residential accounts are billed monthly.

To receive any new or change in residential service, a resident shall contact Customer Service a minimum of one business day prior to their scheduled collection day.

Residential Collection Services Within City Limits

65 Gallon Refuse & Recycling Cart	Monthly Rate
95 Gallon Refuse & Recycling Cart	\$20.82
Additional Large Refuse Cart	\$25.42
Additional Recycling Cart (each cart in excess of 2)	\$16.82
Bag Outside Cart Fee – limit to no more than five (5) weekly, weighing no more than 50 pounds each.	\$15.23
	\$5.00

Residential Collection Services Outside City Limits

65 Gallon Refuse & Recycling Cart	Monthly Rate
95 Gallon Refuse & Recycling Cart	\$30.69
Additional Large Refuse Cart	\$32.00
Additional Recycling Cart (each cart in excess of 2)	\$16.82
Bag Outside Cart Fee - limit to no more than five (5) weekly, weighing no more than 50 pounds each.	\$15.23
	\$5.00

Residential Service Fees

Bulk Waste Collection – per item, in excess of 2 items per collection Items must be called in to receive this rate	Fee
Brush Collection – per staff hour, in excess of 4 cubic yards (CY)	\$5.00
Appliances and Electronics Collection (per item) Dishwashers are not considered an appliance or an electronic device for the purposes of this ordinance	\$75.00
Residential Remodeling – per CY – (4 CY maximum)– this includes bulk at the curb in excess of what was identified in the request for service. Waste in excess of 4 CY must be placed in a dumpster or roll-off container (contracted through the City of Denton) to be collected.	\$20.00
	\$25.00

Yard Waste Cart – per cart purchase
Cart change-out fee – for the next service day

\$20.00
\$50.00

COMMERCIAL REFUSE AND RECYCLING COLLECTION SERVICES

(Effective 10/01/24)

New commercial business development and redevelopment will be provided commercial refuse and recycling services as outlined in the Denton Development Code and Site Plan Criteria Manual.

Pursuant to the City of Denton Code of Ordinances, Chapter 24, the City of Denton is the exclusive provider of commercial refuse service in the City of Denton.

Refuse and recyclables will be collected in city provided or city-approved containers only.

Pursuant to the City of Denton Code of Ordinances, Chapter 24, the City of Denton is a provider of commercial recycling service in the City of Denton. Operators may contract with any provider to collect, transport, and process their recyclable material.

Only recyclable materials accepted by the City shall be deposited in the City's recycling containers. The owner/manager of all commercial businesses is responsible for notifying their employees/personnel of proper recycling procedures.

Refuse & Recycling Rates

Commercial Cart Service

One Pair Refuse & Recycling Carts

\$33.75
\$20.05
\$15.23

Additional Refuse Cart

Additional Recycling Cart

Front Load and Side Load Refuse Service

Size	1x Per Week	2x Per Week	3x Per Week	4x Per Week	5x Per Week	6x Per Week
3 CY	\$75.27	\$150.54	\$225.81	\$301.08	\$376.35	\$451.62
4 CY	\$100.36	\$200.72	\$301.08	\$401.44	\$501.80	\$602.16
6 CY	\$150.54	\$301.08	\$451.62	\$602.16	\$752.70	\$903.24
8 CY	\$200.73	\$401.46	\$602.19	\$802.92	\$1,003.65	\$1,200.38

Front Load and Side Load Recycling Service

Size	1x Per Week	2x Per Week	3x Per Week	4x Per Week	5x Per Week	6x Per Week
3 CY	\$64.74	\$129.48	\$194.22	\$258.96	\$323.70	\$388.44
4 CY	\$86.32	\$172.64	\$258.96	\$345.28	\$431.60	\$517.92
6 CY	\$129.47	\$258.94	\$388.41	\$517.88	\$647.35	\$776.82
8 CY	\$172.62	\$345.24	\$517.86	\$690.48	\$863.10	\$1,035.72

Valet Shared Service Rates

Tier 1 – Offices and Residential

Tier 2 – Small Retail Stores and Bars (no food)

Tier 3 – Large Retail Stores, Bars (with food), and Small Restaurants

Tier 4 – Medium Sized Restaurants (limited service)

Tier 5 – Large Sized Restaurants (full service)

\$24.70
\$74.16
\$148.75
\$289.50
\$460.00

Compactor Rates

Front Load Compactor Service (Per CY)

30 Cubic Yard Self Contained Compactor

42 Cubic Yard Stationary Compactor

Container Service Fee (Each Haul)

\$75.27
\$450.00
\$650.00
\$300.00

Roll-Off Container Rates

Container Rental (Monthly)	\$170.00
Container Service Fee (Each Haul)	\$300.00

Commercial Organics Collection Service

Monthly Service Fee (3 CY 1 x week)	\$374.13
Extra Empty	\$240.00

Commercial Service Fees

Delivery (Applicable to Front Load Only)•Relocation•Inaccessible•Extra Empty•Exchange	\$75.00
Same Day Service Fee	\$50.00
Dumpster Lock Installation (one-time fee)	\$20.00
Temporary Container Service Rental Fee Per Month	\$80.00
Temporary Container Service Per Empty Fee	\$120.00
Damaged Containers	Repl. Cost
Bulk Waste Collection – Trip Fee	\$20.00
Bulk Waste Collection – Per Item Collection Fee limit of 10	\$5.00
Yard Waste Service – Per Staff Hour (with a 15 min. minimum charge)	\$75.00/hour

PROCESSING AND DISPOSAL SERVICES

(Effective 10/01/24)

Landfill Rates (per ton)

	Per Ton
Gate Rate (City of Denton Residents/Businesses)	\$45.50
Gate Rate (Non-Denton Residents/Businesses)	\$49.50
City Hauled Disposal Rate (Open Top & Compactors)	\$41.50
City of Denton Department Rate	\$26.00
Sludge, Dewatered	\$61.50
Clean Concrete	\$23.50
Special Waste (must be pre-approved by City of Denton)	Varies

Minimum Charge (per load)	\$26.50
After Hour Fee	\$120.00
(First) Unsecured Loads	\$25.00
(Subsequent) Unsecured Loads	30.00
Electronics Residents (Per Item)	\$11.50
Electronics Non-Resident (Per Item)	\$20.00
Appliances per item	\$11.50
RFID Replacement Card	\$25.00
Live Load fee – Minimum 15-minute charge (per hour)	\$75.00
Construction & Demolition (Resident & Nonresident) (per ton)	\$66.50
Shingles Rate (per ton)	\$125.00

Cubic Yardage Rates (in event of scale outage)

Uncompacted MSW (per CY)	\$7.50
Compacted MSW (per CY)	\$14.50

Brush and Green Waste

	Per Ton
City of Denton Customer- Unbagged grass, leaves, and brush \leq 12'- bagged material is not accepted	\$30.00
Brush > 12'	\$35.00
Non-City of Denton Customer- Brush Rate	\$40.00

SOLID WASTE AND RECYCLING SERVICES DEFINITIONS AND INFORMATION

(Effective 10/01/24)

Household Hazardous Waste

Residential and multi-family household chemicals should not be placed in refuse or recycling containers. These waste materials include pesticides, herbicides, cleaning chemicals, paints, oils, etc. Residents shall contact Customer Service to schedule curbside collection. The chemicals should be kept in their original containers and placed where requested by the Customer Service staff. Residents may also dispose of household hazardous waste at the City's Home Chemical Center located at 1527 S. Mayhill Rd. during operational hours. Household hazardous waste may not be left for disposal while the facility is closed or unattended.

Residential Brush Collection

4 cubic yards of brush will be collected at no charge. Accumulations in excess of 4 cubic yards will be assessed a collection fee equivalent to the hourly labor and equipment cost to collect the material. The collection fee will be assessed in 15-minute increments with a minimum charge of 15 minutes.

Electronic Equipment

Televisions, monitors, video displays, laptops, similar electronic devices, and certain appliances containing CRT, LED, LCD, plasma, and other electronic displays will be charged fees for the collection, processing, recycling, and disposal of these items. Dishwashers are not included within this definition.

Appliances

Refrigerators, freezers, air conditioners, or any appliance that contains or once contained coolant will be assessed the fees established herein for collection or disposal. Other appliances such as water heaters, stoves, clothes washers, dryers, ovens, etc. may be collected or disposed of for no charge. Dishwashers and commercial appliances are not included in this definition.

Residential Remodeling

Residential remodeling materials include, but are not limited to; lumber, brick, fencing, drywall, and other construction materials. No materials shall exceed 8 feet in length. If the customer has over 4 cubic yards of remodeling materials for collection, the customer is required to utilize a City refuse container of adequate size to contain the materials and maintain a collection service frequency of at least once per month.

SPECIAL EVENT – CLEARSTREAM SERVICES

Clearstream containers are available for special events at no charge. they can be picked up and returned by the customer to the Solid Waste & Recycling administration office located at 1527 S. Mayhill Rd.

COMMERCIAL CART COLLECTIONS

In areas where commercial cart collection service is available, small quantity waste generators may contract for weekly cart service from the City. All refuse must be placed in the cart, and the cart set out for collection no later than 7:00 a.m. on the scheduled collection day.

Commercial Delivery / Relocation / Inaccessible / Exchange Fee / Extra Service

The fee established herein will be charged for container delivery, relocation, inaccessibility, exchange, or extra collection services.

Shared Commercial Services

The Director of Solid Waste may designate certain commercial containers as shared containers for use by multiple commercial customers. Shared container rates include a range of costs. The rate assigned may vary and fluctuate according to waste and recycling volumes and frequency of service.

Commercial Bulky Waste Collection

Commercial bulky waste is bulk material (furniture, mattresses, etc.) placed outside the dumpster or roll-off container sited at a commercial account holder's service location. Bulk waste set for disposal at commercial businesses may be collected by the City of Denton if the property owner, business owners, and/or account holder schedules a collection. A trip charge and per item fee is assessed for all collections.

Commercial Service Requirements

Equipment Uses - All equipment furnished by the City shall at all times be considered the property of the City, and not private property. Customers shall not modify the equipment or use it for any purpose other than as intended or as set forth herein. The City shall repair, as necessary, the equipment furnished. The customer, however, agrees to be solely responsible for any damages to or loss of equipment resulting from any negligent acts or misuse by the customer, customer's agents, employees, or invitees. The City may temporarily replace the size and/or type of equipment contracted with one or more pieces of equipment of equivalent capacity for the purposes of repairing the equipment. Customer agrees that the equipment is in the customer's care, custody, management or control at all times.

Gate Rate

All persons delivering material to the City of Denton Landfill are subject to a fee for the disposal or beneficial reuse of said material. City of Denton residents and businesses qualify for the City gate rate by providing proof of residency. Clean mixed paper, cardboard, steel and aluminum cans, glass bottles, and plastics #1-7 delivered to the recycling facility exclusively for recycling are not assessed a fee.

Right to Refuse or Deny Service

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Special Wastes

Acceptance of special waste is subject to Federal and State laws and regulations. The City of Denton has the right to refuse to accept or collect special waste at its discretion. Charges for the collection and disposal of special waste, approved by the Director of Solid Waste and Recycling, will be established based on the type of special waste, the regulatory requirements, and the cost of service for collection and disposal of the waste.

Unsecured Loads

In compliance with Texas Transportation Code, Title 7, Chapter 725, Sec. 725.021(c), solid waste loads that are not adequately covered, secured or enclosed to prevent the material from spilling will be charged an Unsecured Load Fee and be provided a tarp and four bungee cords for the first time. Each Subsequent Load will assess an additional charge.

RADIO FREQUENCY IDENTIFICATION (RFID) REPLACEMENT CARD

All 3rd party contracted haulers utilizing the unattended lane at the City of Denton Landfill are issued an RFID card. The first card will be provided by the City; however, if a replacement card is required, a fee will be assessed to issue a new card

The State of Texas assesses a landfill surcharge (30 Texas Administrative Code 330.602), the surcharge is a pass-through charge collected on behalf of the State of Texas. Any additional

assessment or fees established by a governmental entity will be added to the disposal rates and assessed on all waste delivered to the landfill.

Contracted Commercial Disposal Rates

The Denton City Council may, at its sole discretion, approve service contracts with commercial waste haulers for disposal services and fees at the City of Denton's landfill facility located at 1527 S. Mayhill Rd.

Miscellaneous

Pass Through: Any fees or charges established by an authorized governmental entity and applicable to the customer or the services of the customer will be a pass-through fee to the customer and added to the rates stated herein.

Hourly: All hourly fees and charges established herein shall be calculated in 15 minute increments with a 15 minute minimum for the first hour.

INDEMNIFICATION AND HOLD HARMLESS

CUSTOMER SHALL DEFEND, INDEMNIFY AND HOLD THE CITY HARMLESS FROM ANY AND ALL CLAIMS AT THE SERVICE LOCATION, AND ANY AND ALL CLAIMS MADE BY ANY OTHER PERSON HAVING AN INTEREST IN THE PROPERTY SITUATED AT THE SERVICE LOCATION, FOR ANY LOSS, DAMAGE, OR DETERIORATION OF THE PAVEMENT, SURFACE, SUBSURFACE MATERIALS, OR SIMILAR FACILITIES AT THE SERVICE LOCATION BY REASON OF USE THEREOF BY THE CITY'S TRUCKS THAT ARE USED TO SERVICE THE EQUIPMENT. CUSTOMER FURTHER AGREES TO RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY OF DENTON, TEXAS, FROM AND AGAINST ANY AND ALL CLAIMS OF DAMAGES RELATED TO THE FURNISHING OF SOLID WASTE AND RECYCLING SERVICES PERFORMED BY THE CITY IN SERVICING SINGLE- AND MULTI-FAMILY LIVING FACILITIES AS WELL AS COMMERCIAL ENTITIES.

SECTION 2. The Director of Solid Waste and Recycling of the City of Denton, or designee, is hereby authorized to deny the use of the City of Denton landfill to any customer who provides false information regarding the origin of, or the composition of the solid waste delivered for disposal to the landfill; or for safety violations committed by a customer within the landfill; or for non-compliance with verbal and written instructions provided to the customer by Solid Waste and Recycling Department personnel at the landfill; or for nonpayment of delinquent funds owed by the customer to the City of Denton, Texas; or for any violation of the law committed by the customer within the landfill; or for any non-compliance by the customer with the Texas Commission on Environmental Quality regulations or policies; or for any non-compliance by the customer with the City of Denton's Code of Ordinances or rules; or for any violation of the written landfill rules by the customer as amended and posted by the Solid Waste and Recycling Department at the entrances to the landfill.

SECTION 3. It is in the public interest that the provisions of Sections 26-3, 26-4, 26-5, 26-7, 26-8(a), and 26-9 of Article I of Chapter 26 of the City of Denton Code of Ordinances shall expressly apply to City of Denton Solid Waste and Recycling services.

SECTION 4. Ordinance 23-1736 is hereby repealed. All ordinances or parts of ordinances in force when the provisions of this ordinance became effective which are inconsistent, or in conflict with the terms or provisions contained in this ordinance are hereby repealed to the extent of any such conflict.

SECTION 5. If any section, subsection, paragraph, sentence, clause, phrase, or word in this ordinance, or the application thereof to any person or under any circumstances is held invalid by any court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance, and the City Council of the City of Denton, Texas, hereby declares it would have enacted such remaining portions despite any such invalidity.

SECTION 6. This ordinance shall become effective, charged, and applied to all solid waste and recycling services rendered by the City of Denton on and after October 1, 2024; and a copy of said rates, fees, and charges shall be maintained on file in the Office of the City Secretary of Denton, Texas.

The motion to approve this Ordinance was made by _____ and seconded by _____; the 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: _____

Jill Jester, At Large Place 6: _____

PASSED and APPROVED this _____ day of _____, 2024.

GERARD HUDSPETH, MAYOR

ATTEST:
JESUS SALAZAR, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Susan Keller



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Legislation Text

File #: PUB24-188, **Version:** 1

AGENDA CAPTION

Management Reports

1. LLWTP Filter Update Memo
2. Future Agenda Items
3. New Business Action Items



MEMORANDUM

DATE: September 3, 2024
TO: Public Utilities Board
FROM: Stephen Gay, Director
SUBJECT: Filter Repairs at Lake Lewisville Water Treatment Plant

We recently experienced a failure of two filters at the Lake Lewisville Water Treatment Plant. Crews have been working diligently to repair these filters and restore our treatment capacity as quickly as possible. I'm pleased to inform you that Filter 4 was successfully repaired this week, and we anticipate completing repairs on Filter 16 by the week of September 16th, as noted on both the city and DiscussDenton websites. Once we reach full capacity, we will likely be able to lift the current drought restrictions.

The breakdown of the underdrain system was unexpected in both its timing and complexity. These filters were installed in 2012, with a planned 20-year lifespan for the underdrain components. Due to this premature failure, the manufacturer is covering a significant portion of the repair costs. I understand that this situation has been particularly inconvenient, especially during the peak of summer heat. To provide a relatable analogy, it's like taking a vehicle on a long road trip: even with meticulous maintenance, sometimes critical components like a transmission or water pump can unexpectedly fail.

Attached are pictures of the repairs on Filter 4, showcasing the scope and scale of the work involved. If you have any further questions or concerns, please don't hesitate to contact me directly.

Thank you,
Stephen D. Gay
Director, Water Utilities
(940) 349-8086

OUR CORE VALUES

Inclusion • Collaboration • Quality Service • Strategic Focus • Fiscal Responsibility



LLWTP Filter 4: Removing Filer Media, 08/2024



LLWTP Filter 4: Damaged Underdrain, 08/2024



LLWTP Filter 4: Close-up of Damage, 08/2024



LLWTP Filter 4: Repairing Underdrain Connection, 08/2024

Future Public Utilities Board Agenda Items

Note: This is a working draft of pending PUB items and is subject to change without notice.

Meeting Date	Item	Dept
September 9, 2024		
September 23, 2024		
October 14, 2024		
October 28, 2024		
November 18, 2024		
December 9, 2024		

Codes: Work Session WS, Consent Agenda CA, Individual Consideration IC

PUBLIC UTILITIES BOARD - NEW BUSINESS ACTION ITEMS

	DATE REQUESTED	REQUESTOR	ITEM	DEPT	STATUS
1.	10/23/23	Taylor	Would like a comparison of our experience with EVs vs Combustion Engine cars and trucks.	Fleet	10/28/24
2.	8/26/24	Riback	More information on the Recycling Cart Audits and what is deemed as contamination.	Solid Waste	10/14/24
3.	8/26/24	Riback	More information requested on the LLWTP Filter Issues	Water	9/9/24