



Legislation Details (With Text)

**File #:** ID 16-1591    **Version:** 1    **Name:**  
**Type:** Ordinance  
**File created:** 12/5/2016    **In control:** City Council  
**On agenda:** 4/18/2017    **Final action:**  
**Title:** Consider adoption of an ordinance of the City Council of the City of Denton, Texas, a home-rule municipal corporation, providing for, authorizing, and approving the execution by the City Manager, or his designee, of an interconnect agreement between the City of Denton and Enterprise Pipeline Texas, LLC, a Texas limited liability company, in the amount of \$1,386,000.00 for the construction of gas supply and metering infrastructure in conjunction with the Denton Energy Center project; approving the execution of such other and further related documents deemed necessary to effectuate this agreement by the City Manager or his designee, which are incident or related thereto; authorizing the expenditure of funds therefore; and providing an effective date. The Public Utilities Board recommends approval (5-0).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Fuel Supply Interconnection Approval CC 20170418 FINAL2.pdf, 2. Enterprise Pipeline Ordinance.pdf, 3. Enterprise Pipeline Agreement.pdf

Date	Ver.	Action By	Action	Result
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**AGENDA INFORMATION SHEET**

**DEPARTMENT:** Denton Municipal Electric

**CM:** Todd Hileman

**AGENDA DATE:** April 18, 2017

**SUBJECT**

Consider adoption of an ordinance of the City Council of the City of Denton, Texas, a home-rule municipal corporation, providing for, authorizing, and approving the execution by the City Manager, or his designee, of an interconnect agreement between the City of Denton and Enterprise Pipeline Texas, LLC, a Texas limited liability company, in the amount of \$1,386,000.00 for the construction of gas supply and metering infrastructure in conjunction with the Denton Energy Center project; approving the execution of such other and further related documents deemed necessary to effectuate this agreement by the City Manager or his designee, which are incident or related thereto; authorizing the expenditure of funds therefore; and providing an effective date. The Public Utilities Board recommends approval (5-0).

**BACKGROUND**

In order to provide a fuel supply for the Denton Energy Center, Denton Municipal Electric will contract with Enterprise Texas Pipeline, LLC to provide the infrastructure necessary to connect the Denton Energy Center to the pipeline owned by Enterprise. This infrastructure includes the pipeline tap, lateral line, water separator and associated water storage tanks, meters and various types of valves. Enterprise has extensive experience providing this type of infrastructure to facilities such as the Denton Energy Center.

In accordance with Texas Local Government Code 252.022(a)(14), the procurement of goods purchased by a municipality for subsequent sale by the municipality is exempt from the requirement of competition based selection. Based upon the Firm's professional qualifications, expertise, reputation, knowledge of operations and economics, and the existence of the Firm's main pipeline on the property where the Denton Energy Center is being constructed, staff is of the opinion that Enterprise is a good fit to provide the needed infrastructure.

**RECOMMENDATION**

Approve a contract with Enterprise Texas Pipeline, LLC in the not-to-exceed amount of \$1,386,000.

**PRINCIPAL PLACE OF BUSINESS**

Enterprise Texas Pipeline, LLC  
Houston, TX

**ESTIMATED SCHEDULE OF PROJECT**

This agreement will be in effect until all required services are completed or until all authorized funds have been expended. The estimated completion of construction is in July 2017.

**FISCAL INFORMATION**

The construction services will be funded from Denton Municipal Electric account 603996501.1360.3410.

**STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area:**            **Public Infrastructure**  
**Related Goal:**                    **2.3 Promote superior utility services and facilities**

**EXHIBITS**

- Exhibit 1: Presentation
- Exhibit 2: Ordinance
- Exhibit 3: Interconnection Agreement

Respectfully submitted:  
Phil Williams, 349-8487  
General Manager

For information concerning this acquisition, contact: Lawrence Collister at 349-8198.