



Legislation Details (With Text)

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Title: Consider adoption of an ordinance approving an Advanced Costs Reimbursement Agreement between Epic Development, Inc., Columbia Medical Center of Denton Subsidiary, L.P., and the City of Denton regarding reimbursement to the City for removal of unauthorized obstructions from a transmission line easement; and providing effective date. The Public Utilities Board recommends approval (6-0).

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance Advanced Costs Reimbursement Agreement Final, 2. MCH_CC_05092017_FINAL, 3. Cost Reimbursement Agreement - FINAL w exhibits - 04212017

Date	Ver.	Action By	Action	Result
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Agenda Information Sheet

DEPARTMENT: Denton Municipal Electric

CM/ ACM: Todd Hileman

Date: May 9, 2017

SUBJECT

Consider adoption of an ordinance approving an Advanced Costs Reimbursement Agreement between Epic Development, Inc., Columbia Medical Center of Denton Subsidiary, L.P., and the City of Denton regarding reimbursement to the City for removal of unauthorized obstructions from a transmission line easement; and providing effective date. The Public Utilities Board recommends approval (6-0).

BACKGROUND

Texas Municipal Power Agency (TMPA) owns rights to an easement located on property owned by Medical City Healthcare, formally known as Denton Regional Medical Center. In a study done by Power Engineers, Inc., for the Pockrus/Spencer Substation CIP Project, it was discovered the TMPA transmission lines located within the easement was in violation of National Electric Safety Code (NESC) minimum vertical clearance standards.

Although the line is owned by TMPA, Denton Municipal Electric (DME) has a Transmission Operator, Maintenance, and Construction Services Agreement in place to perform all necessary operations for the TMPA Denton area transmission system assets. Because the easement and line are located on property owned by Medical City Healthcare, Medical City Healthcare is responsible for the costs associated with bringing the line

into compliance. DME staff has met with Medical City Healthcare to discuss this issue and Medical City Staff has indicated that they understand they are financially responsible for the work to be done.

The work will be begin in mid to late May and will take approximately four weeks to complete. The work consists of removing 4,400 cubic feet of dirt, moving the dirt to another site, and grading the land. The work will be performed by Mann Robinson at the cost of \$88,100 as a change order to the existing contract awarded under City of Denton Ordinance 2013-024. As this was an unplanned expense for the hospital, DME and Medical City have agreed to terms of a payment plan that will allow Medical City to payout the \$98,000 in installments of \$1,633.34 for 60 months.

Staff will present to Council, information related to the TMPA Operations, Maintenance, and Construction Services Agreement, the connection to the Capital Improvement Program, and the overall situation related to the grading work to be done at Medical City Healthcare.

RECOMMENDATION

PUB recommends approving the ordinance and Advanced Costs Reimbursement Agreement as presented (6-0).

ESTIMATED SCHEDULE OF PROJECT

DME would like to have line grading done before June to avoid summer outages.

EXHIBITS

1. Ordinance
2. Presentation
3. Advanced Costs Reimbursement Agreement

Respectfully submitted:
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