

**CITY OF LUBBOCK**  
**SPECIAL CITY COUNCIL MEETING**  
**August 7, 2012**  
**3:00 P. M.**

**The City Council of the City of Lubbock, Texas met in special session on the 7th of August, 2012, at 1301 Broadway, 2nd Floor Conference Room, Lubbock, Texas at 3:00 p. m.**

**3:03 P.M. CITY COUNCIL CONVENED**  
**1301 Broadway, 2nd Floor Conference Room, Lubbock, Texas**

Present: Mayor Glen C. Robertson; Mayor Pro Tem Karen Gibson; Council Member Jim Gerlt; Council Member Victor Hernandez; Council Member Todd R. Klein; City Manager Lee Ann Dumbauld; City Secretary Rebecca Garza; Assistant City Attorney Mitch Satterwhite

Absent: Council Member Latrelle Joy; Council Member Floyd Price

**This was a meeting of the Electric Utility Board. A quorum of Council Members attended and participated in discussions during the meeting in which the Board considered and discussed the topics as shown below.**

*Note: Electric Utility Board (EUB) addressed agenda items in the following order:*

- 2.1-2.7 (addressed again following Executive Session); 2.8-2.9; and Executive Session
- Item 1.1 was deleted.

**1. MINUTES**

- 1. 1.** Approval of the minutes of the June 27, 2012 Board Meeting

**This item was not addressed with a quorum of City Council Members present.**

**2. REGULAR AGENDA**

- 2. 1.** Discuss and deliberate financial and capital statements, financing options, financial policies of Lubbock Power & Light relating to debt issuance issues, reserve account funding, cost allocation, revenue and expense projections of Lubbock Power & Light.

Damian Pantoya, Finance Director, Electric Utilities, gave comments and answered questions from the Board.

- 2. 2.** Discuss and deliberate whether to solicit proposals for future Electric Utility Board consideration to hire an outside auditor to conduct an interim audit and end of year audit of Lubbock Power & Light.

Chairman Mike Davis; Pam Moon, Director of Accounting; and Mayor Glen Robertson gave comments and answered questions from the Board.

2. 3. Discuss and the Board will take action directing staff to solicit proposals for future Electric Utility Board consideration to hire an electric rate modeling consultant.

Chairman Mike Davis; Mayor Glen Robertson; and Lee Ann Dumbauld, City Manager, gave comments and answered questions from the Board.

2. 4. Discuss and the Board will take action on a budget amendment recommendation for Lubbock Power & Light's adopted FY 2011-2012 budget and make appropriate recommendations to the City Council of the City of Lubbock pursuant to § 2.03.415(a) of the Code of Ordinances, City of Lubbock, Texas, Chapter 2, Division 12 relating to the following items:
1. Amend Capital Improvement Project No. 92197, Tie Line Transformer Replacement.
  2. Establish Capital Improvement Project 92283, MGL 6 & 7 Cooling Tower Replacement for the purpose of replacing the timber structure.
  3. Decrease the transfer from the LP&L Operating Fund to the LP&L Capital Project Fund.

Gary Zheng, Chief Executive Officer for LP&L, gave comments and answered questions from the Board. Motion by Gail Kring, seconded by George Carpenter, to move 1.75 million from FY 2012/13 to FY 2011/12 using leftover bond money instead of cash.

Vote: 8 - 0 Motion carried by the EUB Members.

2. 5. Discuss and the Board will take action on a budget amendment recommendation for Lubbock Power & Light's recommended FY 2012-2013 budget and make appropriate recommendations to the City Council of the City of Lubbock pursuant to § 2.03.415(a) of the Code of Ordinances, City of Lubbock, Texas, Chapter 2, Division 12 by increasing the transfer for FY 2012-2013 from the LP&L Operating Fund to the LP&L Capital Project Fund relating to the Massengale Cooling Tower Replacement project.

Gary Zheng, Chief Executive Officer for LP&L, gave comments and answered questions from the Board.

Motion by Gail Kring, seconded by Emilio Abeyta, to increase the transfer for FY 2012/13 from the LP&L operating fund to the CIP Massengale Cooling Tower Replacement Project.

**Vote:** 8 - 0 Motion by the EUB Members.

2. 6. Discuss and deliberate customer service and business center procedures, policies, billing procedures, staffing and performance.

Gary Zheng, Chief Executive Officer for LP&L, gave comments and answered questions from the Board.

2. 7. Discuss and deliberate electric transmission and distribution system performance, operations, staffing levels and related policies, projects and work management including information related to system reliability and continuity of service (to the extent not security-sensitive) that relates to emergency operations and management.

Dale Stephens, Director of Transmission and Distribution for LP&L; and Gary Zheng, Chief Executive Officer for LP&L, gave comments and answered questions from the Board.

2. 8. Discuss, and the Board will take action and award ITB #7144-12-ELD to Wesco Distribution, Border States, H.D. Supply-Utilities, and Stuart C. Irby for 15 & 25 KV Distribution Transformers.

Gary Zheng, Chief Executive Officer for LP&L, gave comments and answered questions from the Board.

Motion by Emilio Abeyta, seconded by Gail Kring, to award the bid as presented.

**Vote:** 8 - 0 Motion carried by the Board.

2. 9. Discuss and the Board will take action on a pole attachment agreement with Windstream KDL, Inc.

Matt Wade, General Counsel for LP&L, gave comments and answered questions from the Board.

Motion by Gail Kring, seconded by Robert Musselman, to accept the pole attachment agreement with Windstream KDL, Inc.

**Vote:** 8 - 0 Motion carried by the Board.

3. **EXECUTIVE SESSION**

**The meeting was called into a closed public session at 3:39 p.m. under the provisions of Section 551, Texas Government Code. The meeting recessed at 4:48 p.m. and reconvened in closed public session at 4:51 p.m. The meeting was called back into a public session at 5:04 p.m.**

3. 1. Hold an executive session in accordance with V.T.C.A. Government Code §551.086 on the following competitive matters of Lubbock Power & Light:
3. 1. 1. To discuss and the Board take action on generation unit specific fixed and variable costs, including forecasts of those costs, capital improvement plans for generation units, and generation unit operating characteristics and outage scheduling and related agreements including the following:
- a. Discuss and the Board will take action on purchase orders 21101487 and 21101496 for repairs to the Massengale Cooling Tower.
  - b. Discuss and the Board will take action on two job order contracts for demolition of cooling towers, concrete and piping for new cooling towers and cooling tower basin refurbishment at Massengale Station through the BuyBoard Cooperative Purchasing Program, BuyBoard Contract 341-10.
  - c. Discuss, and the Board will take action and award proposal for inspections of Cooke Station GT1 Westinghouse Gas Turbine.
3. 1. 2. To discuss and the Board will take action on agreements, proposals and strategies related to plans, studies, proposals and analyses for system improvements, additions, or sales (other than transmission and distribution system improvements inside the service area for which LP&L is the sole certificated retail provider) including the following:
- a. Discuss, and the Board will take action and award a professional services contract for future power supply consulting services.
3. 1. 3. To discuss and the Board will take action on customer billing, contract, and usage information, electric power pricing proposals, system load characteristics and electric power marketing analyses, policies and strategies.
3. 2. Hold an executive session in accordance with V.T.C.A. Government Code, §551.071 (1)(A) seeking the advice of its legal counsel about pending or contemplated litigation or settlement agreements and hold a consultation with the attorney (Cause No. 2012-501,169, Republic Power Partners, L.P. v. WTMPA and the City of Lubbock; regulatory matters and liability claims related to electric power outages).

**5:15 P.M. CITY COUNCIL ADJOURNED**

There being no further business to come before Council, the meeting was adjourned.

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GLEN C. ROBERTSON, MAYOR

ATTEST:

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Rebecca Garza, City Secretary