

Agenda



Arlington City Council Special Meeting

Council Briefing Room
101 W. Abram St., 3rd Floor

Tuesday, June 14, 2016
2:00 PM

I. CALL TO ORDER

II. WORK SESSION

- A. City Council Committees
- B. Economic Development Update
- C. Electric Utility Services
- D. Cultural Arts
- E. FY2017 Budget Preview

III. MINUTE ORDERS

1. **(TABLED) Negotiate and Execute a Contract for Electricity Supply, Bid Project 16-0134 (MO06142016-001)**

Authorize the City Manager or his designee to negotiate and execute either a 7-year or 9-year contract for Electricity Supply for the City of Arlington with one of the following companies for an estimated total amount of \$55,000,000, and execute any and all documents necessary to carry out such contract.

- Reliant Energy of Houston, Texas
- Texas General Land Office (GLO) of Austin, Texas
- TXU of Irving, Texas

The lake level as of 8 a.m. Friday, June 10, 2016 was 550.15 feet.

- The Arlington City Hall is wheelchair accessible. For accommodations or sign interpretive services, please call 817-459-6100 no later than 24 hours in advance.
- Council meetings are broadcast live on Arlington's Government Channel and rebroadcast throughout the week at the following times:

	Afternoon meetings	Evening Meetings
Sunday	1:00 p.m.	6:00 p.m.
Wednesday	1:30 p.m.	6:30 a.m.
Saturday	6:00 p.m.	6:30 a.m.

- The Council agenda can be viewed on the City's website at www.ArlingtonTX.gov
- For a complete Arlington Government Channel program schedule, please visit www.ArlingtonTX.gov/Broadcast



June 14, 2016

CITY COUNCIL COMMITTEES

HISTORY OF COUNCIL COMMITTEES



- Pre-2005
 - Fiscal Stewardship
 - Technology & Employer of Choice
 - Economy
 - Mobility
 - Social Capital
 - Livable Neighborhoods
 - Core Service Operational Excellence
 - Infrastructure
 - Responsive Communication & Council Liaison
 - Air and Environmental Quality

CURRENT COMMITTEE STRUCTURE



- Fiscal Policy Committee
- Municipal Policy Committee
- Regional Policy & Municipal Infrastructure Committee
- Community & Neighborhood Development Committee
- Economic Development Committee

FISCAL POLICY



The Fiscal Policy Committee handles matters related to financial and investment policies of the City as well as policy implementation for programs such as Minority and Women-Owned Business Enterprise purchasing. The Committee also works with the City Auditor, providing input on audit topics and hearing reports on completed audits.

MUNICIPAL POLICY



The Municipal Policy committee studies issues and makes recommendations related to code enforcement, public safety, parks, recreation and animal services. The Committee also makes recommendations for Community Development Block Grant funding on an annual basis.

REGIONAL POLICY & MUNICIPAL INFRASTRUCTURE



The Regional Policy & Municipal Infrastructure Committee focuses on mobility, intergovernmental relations and any other infrastructure issues which require study in a committee environment.

COMMUNITY & NEIGHBORHOOD DEVELOPMENT



The Community and Neighborhood Development committee works with staff to develop and craft the development plans utilized by the City such as the comprehensive, neighborhood and corridor plans.

ECONOMIC DEVELOPMENT



The Economic Development Committee is the first Council body to hear about proposals to incentivize new or expanding businesses in Arlington. The Committee also discusses issues related to tax increment reinvestment zones and the Arlington Convention and Visitors Bureau.

CURRENT COMMITTEE REFERRAL PROCESS



- Issue is raised in Work Session
- Council agrees to more study on an issue and decides as a group which committee should handle
- Item is heard in committee
- Committee chair reports out on committee work during committee reports

COMPARABLE COMMITTEE STRUCTURES



Dallas	Fort Worth	Irving	Austin	Corpus Christi	San Antonio	Denton
Budget, Finance & Audit	Audit	Audit & Finance	Audit & Finance	Audit	Audit	Audit/Finance
Public Safety	Ad Hoc Municipal Court	Community Services & Public Safety	Public Safety	Municipal Court	Criminal Justice, Public Safety & Services	Citizen Engagement
Transportation & Trinity River Project	Infrastructure & Transportation	Transportation & Natural Resources	Mobility	Residential Streets & Infrastructure	Transportation, Technology & Utilities	Mobility
Quality of Life & Environment	Housing & Neighborhood Services	Planning & Development	Health and Human Services	Charter Review	Comprehensive Planning	Citizen Engagement
Combined Economic Development & Housing	Legislation & Intergovernmental Affairs		Economic Opportunity		Economic & Human Development	Environment
			Open Space, Environment & Sustainability		Governance	
			Planning & Neighborhoods		Housing	
					Intergovernmental	
					Neighborhoods & Livability	

OPTIONS FOR CHANGE



Current	Proposed
Fiscal Policy	Audit & Finance
Municipal Policy	Community Services
	Municipal Policy & Intergovernmental Relations
Regional Policy & Municipal Infrastructure	Infrastructure & Mobility
Community & Neighborhood Development	Land Use, Planning & Development
Economic Development	Economic Development



DISCUSSION



June 14, 2016

ECONOMIC DEVELOPMENT UPDATE

MUNICIPAL ECONOMIC DEVELOPMENT



- Promotes direct investment in the local economy
 - Contributes to local property tax base
- Promotes (primary) job creation
 - Indirectly contributes to local sales tax generation
 - Supports local housing values
 - Supports local businesses
- Reduces burden on property tax rate

WHY DO CITIES ENGAGE IN ECONOMIC DEVELOPMENT?



- Cities are non-profit corporations intended to provide specific services to its residents:
 - Police & Fire Protection
 - Water, Sewer, Roadways, & Drainage
 - Parks & Recreation, Libraries
 - Building Inspections & Code Enforcement
 - Solid Waste & Recycling
 - Protection of Property Values
- Tax Base is necessary to pay for these services

CITY OF ARLINGTON OFFICE OF ECONOMIC DEVELOPMENT



Focuses on:

- Attracting, expanding and retaining businesses and promoting new opportunities within the city
- Leveraging public resources to stimulate private investment for new development and redevelopment

The Office of Economic Development is staffed by proven professionals dedicated to providing assistance, guidance and critical information to our current and prospective business partners.

VISION:

Arlington is a key city in the Metroplex

a *DESTINATION* for
globally-recognized

COMMERCE & INDUSTRY,
ENTERTAINMENT & RECREATION,

as well as

RESEARCH & INNOVATION.

GOAL #1

competitive positioning

through aggressive

economic development

GOAL #2

transformational
redevelopment

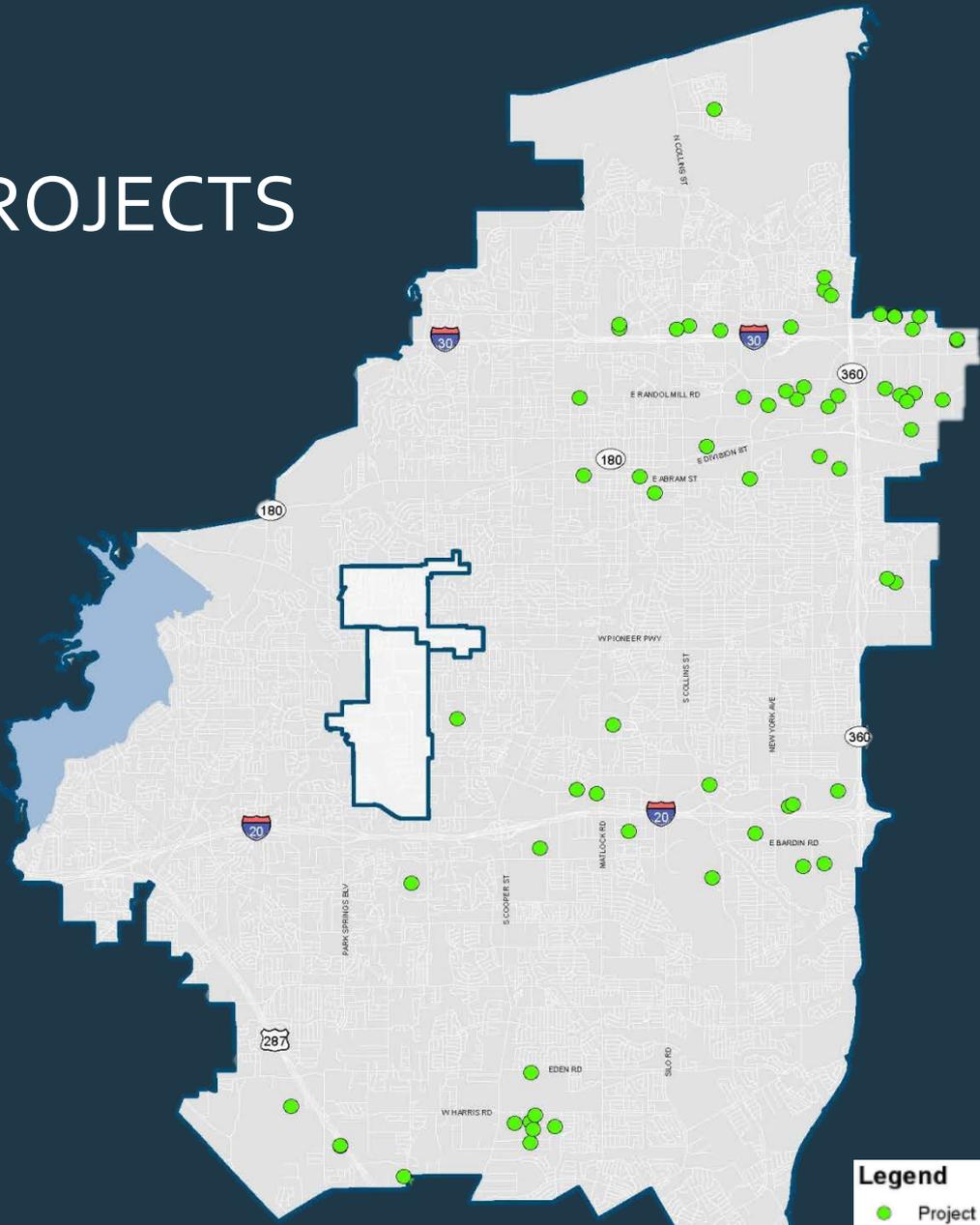
GOAL #3

high-impact

community development



OED PROJECTS

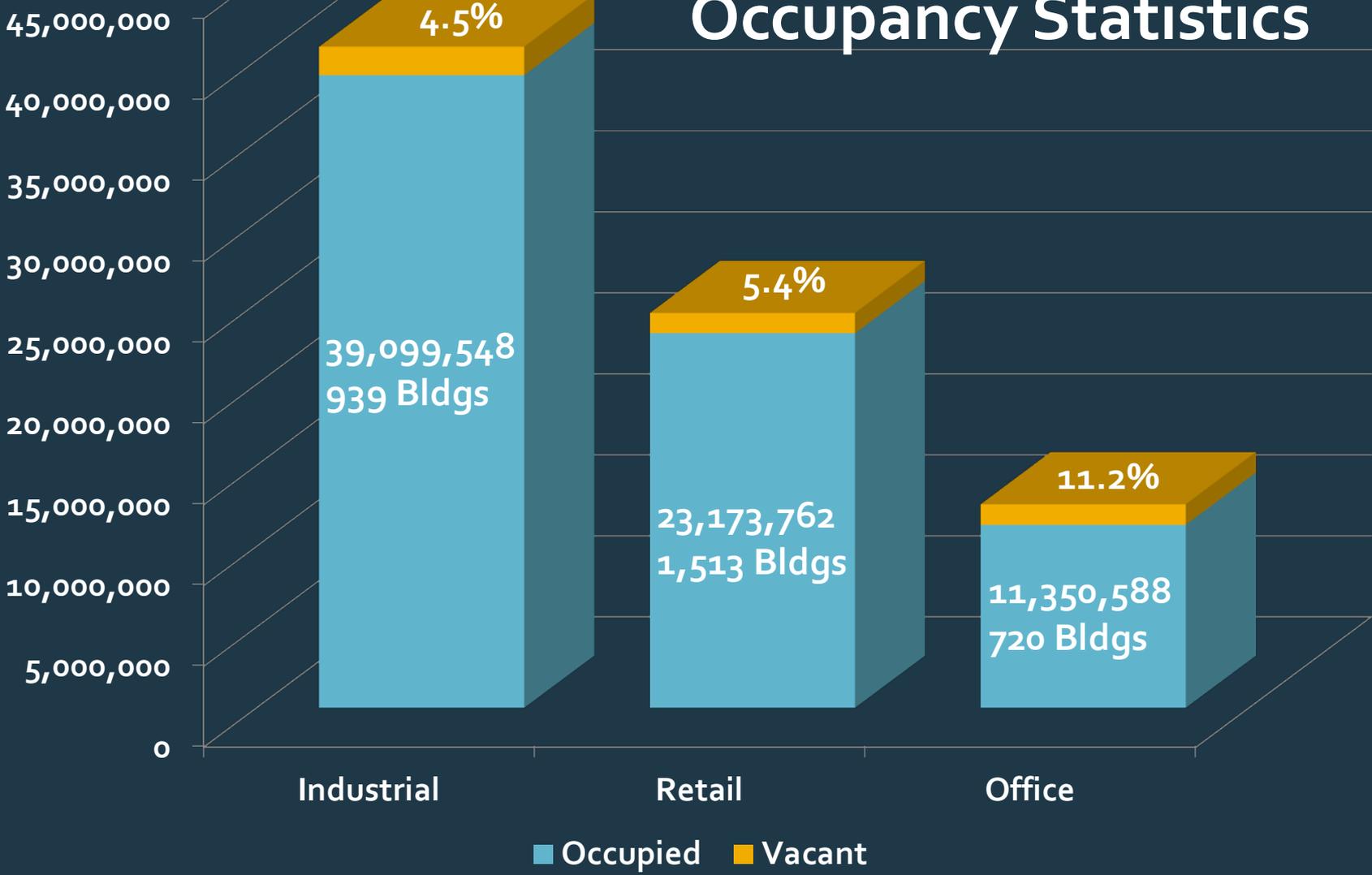


City of Arlington, Texas

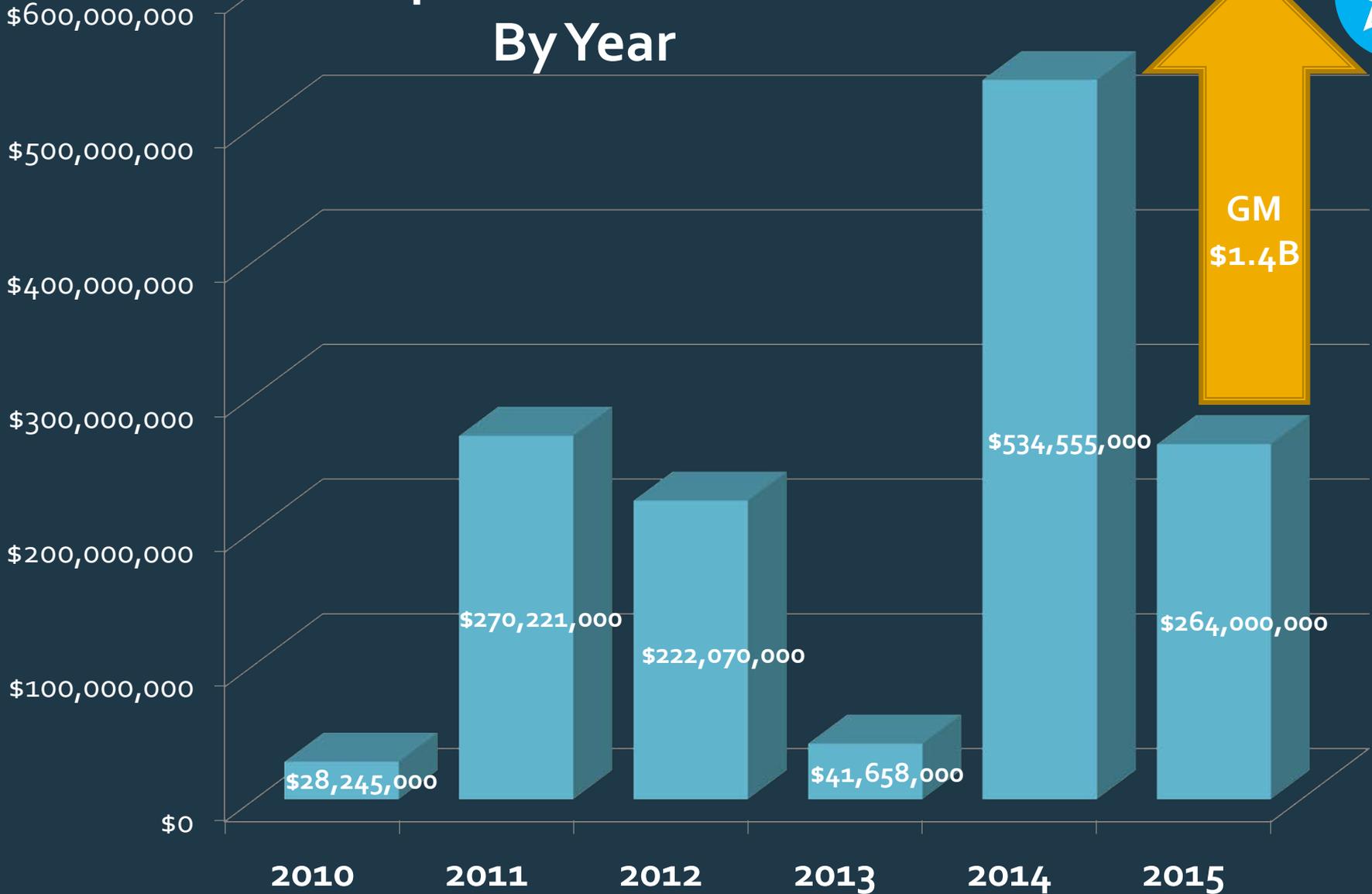


Sq. Ft.

Occupancy Statistics



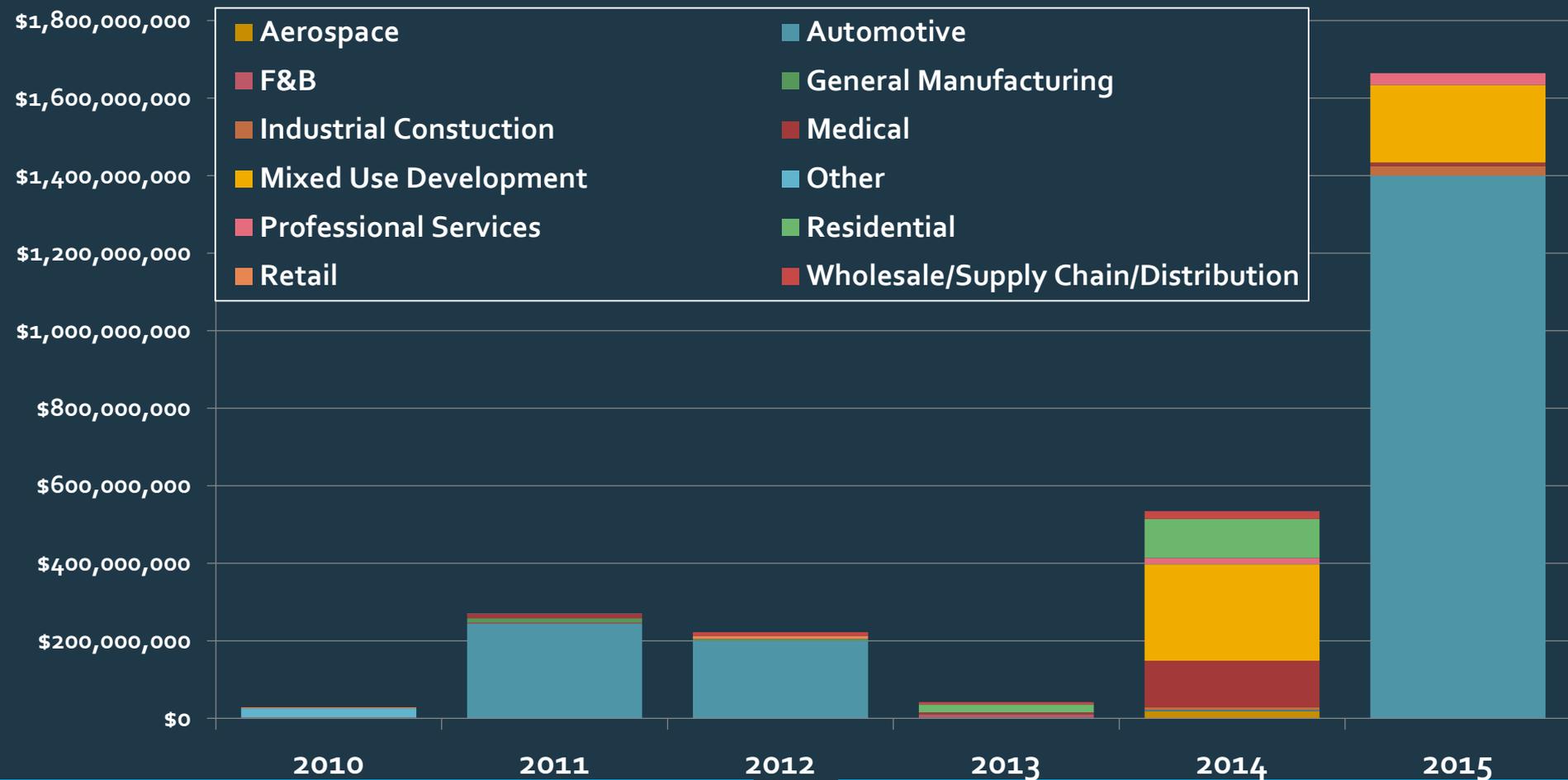
Capital Investment By Year



CAPITAL INVESTMENT 2010-2015



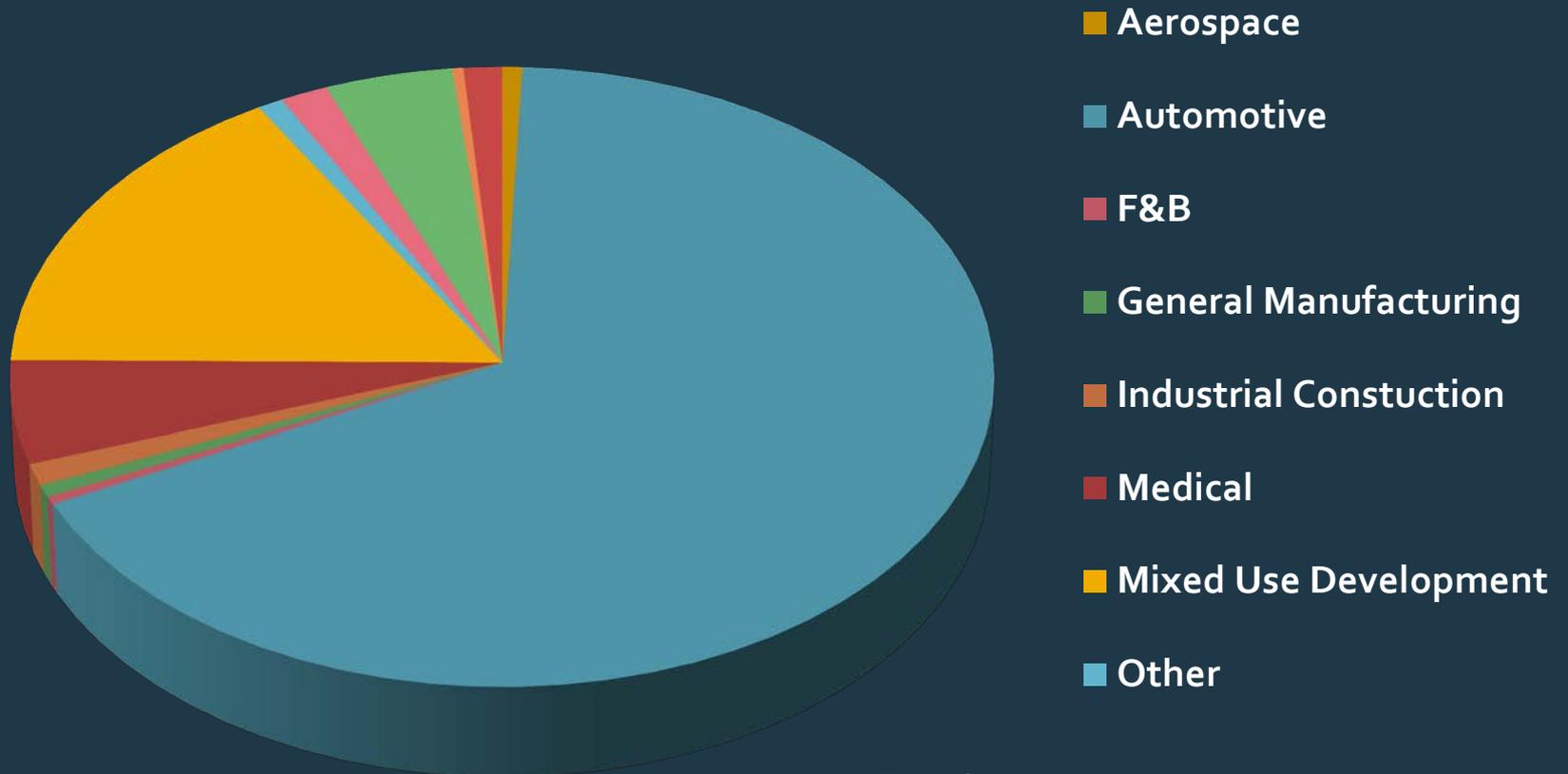
Capital Investment by Year and Classification



CAPITAL INVESTMENT 2010-2015



Capital Investment By Classification

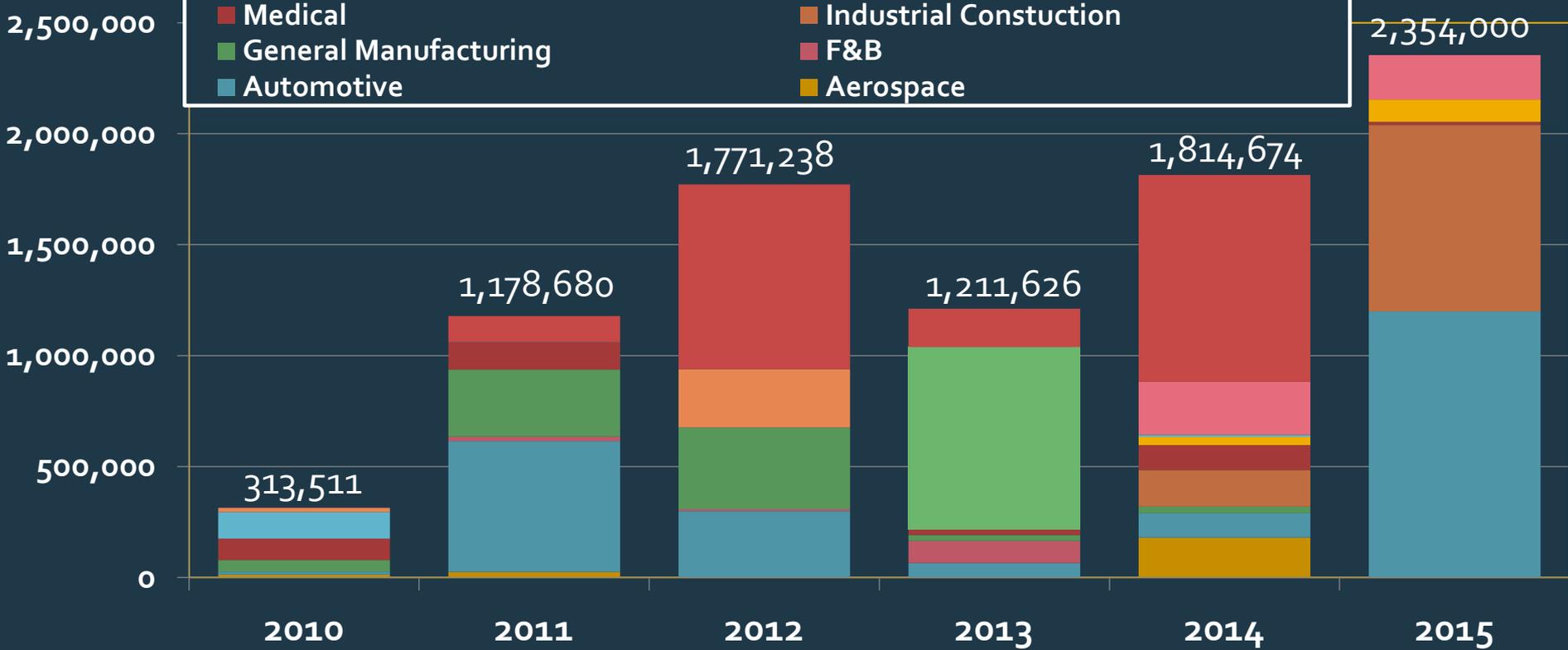
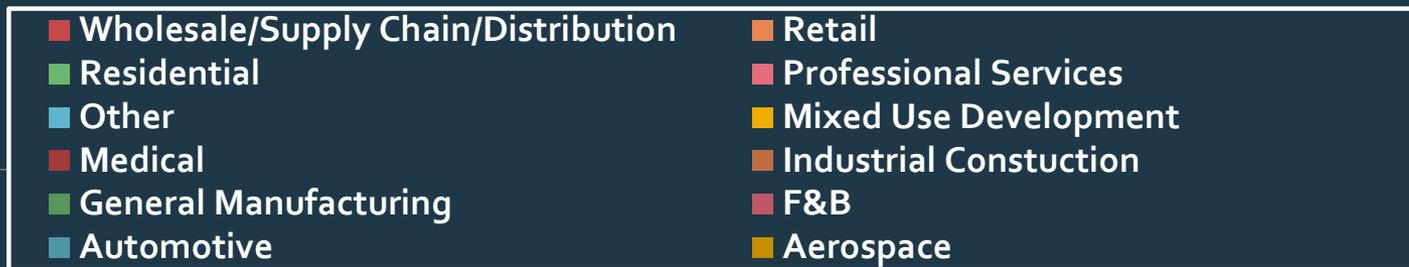


Total:
\$2,760,749,000

SQUARE FEET 2010-2015



Square Feet Added by Year and Classification



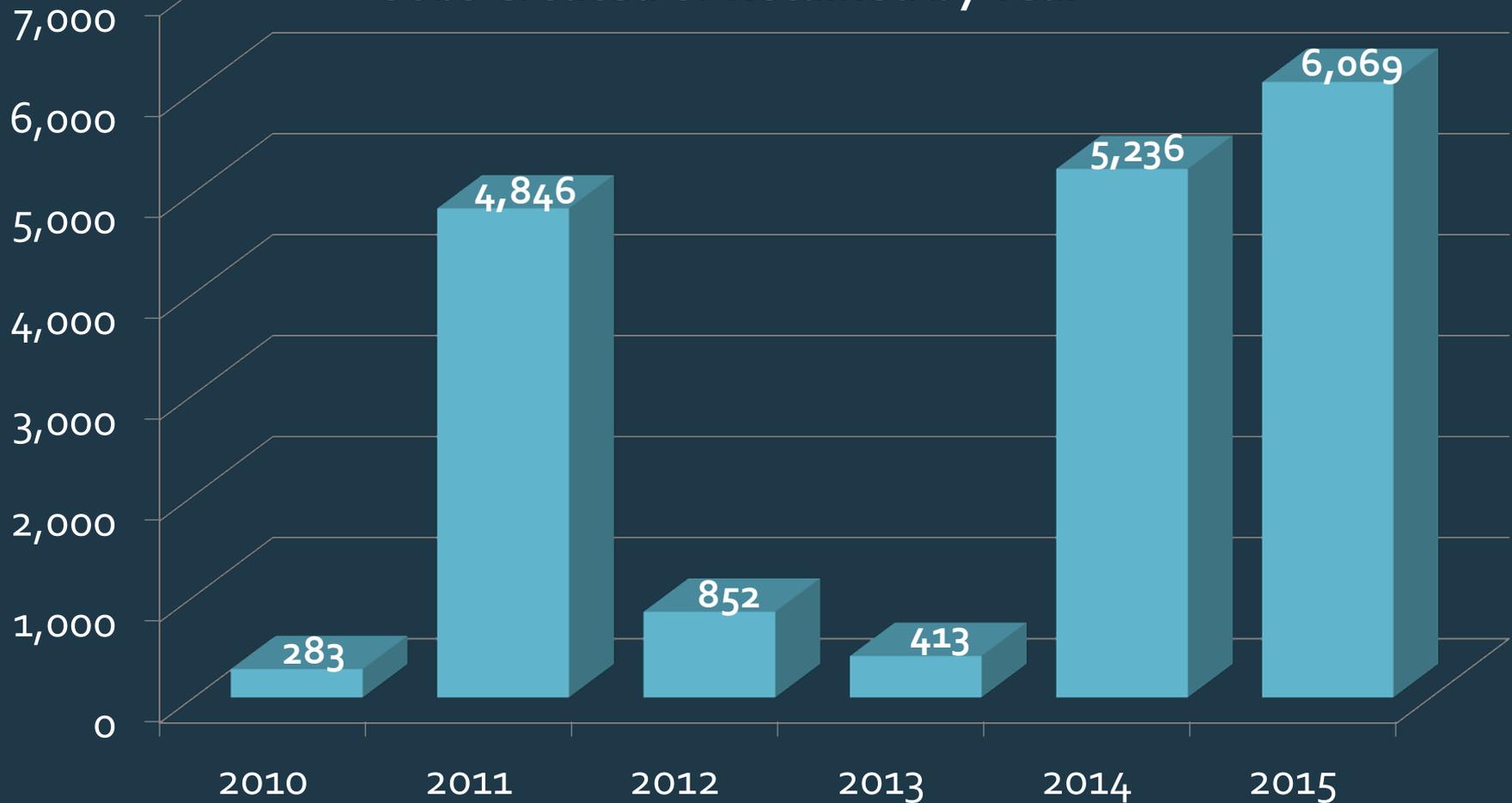
Total: 8,643,729

City of Arlington, Texas

JOBS CREATED/RETAINED 2010-2015



Jobs Created or Retained by Year



Total: 17,726

City of Arlington, Texas

ARLINGTON COMMONS



101 CENTER



PERSPECTIVE



Intelligent. Urban. Community.

45

33



D.R. HORTON



GENERAL MOTORS ASSEMBLY PLANT



- \$1.4B Capital Investment
 - \$307M Real Property
 - \$986M Business Personal Property
- 1.2 million sq. ft. addition
- 589 jobs



INDUSTRIAL SPACE FOR LEASE

PARK 20/360

NWC I-20 & HWY 360 | ARLINGTON, TEXAS



ARLINGTON COMMERCE CENTER D & E



TEXAS LIVE!



REVENUES RELATED TO ED



PRODUCED BY TAX ABATEMENT AND CHAPTER 380 AGREEMENTS

FY16 TAX REVENUE					VALUES	
AISD	OTHER TAXING ENTITIES	COA	TAXES PAID*	ABATED & REBATED LEVY	BASE YEAR	CURRENT YEAR
\$9,214,252	4,701,228	2,050,936	15,966,416*	2,454,018	32,769,324	733,259,299

*TAXES PAID DOES NOT INCLUDE THE AMOUNT FOR TAX ABATEMENT (\$2,349,061)

Economic Development Agencies -

Ranked by Value of Deals 2014

Locally Researched by: Erin Sood, Dallas Business Journal

Jul 24, 2015, 6:08pm CDT



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Value of Deals 2014

▼ More Data

Rank	Company	Value of Deals 2014	Value of Deals 2013	# of Deals in 2014	Top Local Executive
1	City of Fort Worth Department of Economic Development 1000 Throckmorton St. Fort Worth, TX 76102 817-392-5804	\$797.8 million	\$293.85 million	7	Jesus Chapa, Director, Housing and Economic Development Department Robert Sturns, Economic development manager
2	City of Arlington Office of Economic Development 101 W. Abram St. P.O. Box 90231 MS 01-0300 Arlington, TX 76004 817-459-6155	\$539.69 million	\$41.61 million	18	Bruce Payne, Economic development manager bruce.payne@arlingtontx.gov
3	Plano Economic Development 5601 Granite Pkwy. #310 Plano, TX 75024 972-208-8300	\$483 million	\$90 million	32	Sally Bane, Executive director sallyb@plano.gov
4	City of Dallas Office of Economic Development 1500 Marilla St. Rm. 5CS Dallas, TX 75201 214-670-1685	\$405.34 million	\$232.6 million	25	Karl Zavitkovsky, Director, Office of Economic Development
5	City of Farmers Branch 13000 William Dodson Pkwy. Farmers Branch, TX 75234 972-247-3131	\$331.64 million	\$108.42 million	31	John Land, Managing director john.land@farmersbranch.info Allison Cook, Economic development manager allison.cook@farmersbranchtx.gov

DALLAS BUSINESS JOURNAL

24th ANNUAL

BEST REAL ESTATE DEALS OF THE YEAR

- [Arlington Commons](#)

Best Suburban
Multi-Family Project

- [General Motors
Assembly Plant](#)

Best Community
Impact Deal

NORTH TEXAS ECONOMIC DEVELOPMENT AGENCIES

RANKED BY TOTAL VALUE OF DEALS IN 2015

	Name Website	Address Contact	Value of Deals 2015	Value of Deals 2014	# of Deals in 2015	Top Local Executive/Email
1	Frisco Economic Development Corp. ¹¹ friscoedc.com	6801 Gaylord Pkwy. #400 Frisco, TX 75034 972-292-5150	\$3.66 billion	\$88.01 million	26	James L. Gandy, President jgandy@friscoedc.com
2	City of Arlington Office of Economic Development ² arlingtontx.gov/ecodev	101 W. Abram St. P.O. Box 90231 MS 01-0300 Arlington, TX 76004 817-459-6155	\$1.68 billion	\$539.69 million	6	Bruce Payne, Economic development manager bruce.payne@arlingtontx.gov
3	City of Fort Worth Department of Economic Development ¹ fortworthtexas.gov	1000 Throckmorton St. Fort Worth, TX 76102 817-212-2663	\$1.15 billion	\$797.8 million	4	Robert Sturns, Economic development manager robert.sturns@fortworthtexas.gov
4	City of Farmers Branch ⁵ farmersbranchtx.gov	13000 William Dodson Pkwy. Farmers Branch, TX 75234 972-247-2507	\$843.89 million	\$331.64 million	35	John Land, Managing director john.land@farmersbranch.info Allison Cook, Economic development manager allison.cook@farmersbranchtx.gov
5	Garland Economic Development Partnership ⁷ garlandtexas.org	217 N 5th St. Garland, TX 75040 972-205-3800	\$432.3 million	\$246.7 million	6	David Gwin, Director of economic development dgwin@garlandtx.gov
6	Plano Economic Development ³ planotexas.org	5601 Granite Pkwy. #310 Plano, TX 75024 972-208-8300	\$410.39 million	\$483 million	27	Sally Bane, Executive director sallyb@plano.gov
7	Richardson Economic Development Partnership ⁶ telecomcorridor.com	411 Belle Grove Dr. Richardson, TX 75080 972-792-2800	\$267.7 million	\$258.28 million	26	Bill Sproull, President bill@telecomcorridor.com John Jacobs, SVP john@telecomcorridor.com
8	Irving Economic Development Partnership ⁸ irvingchamber.com	5201 N. O'Connor Blvd. #100 Irving, TX 75039 214-217-8484	\$200 million	\$219 million	20	Beth Bowman, President/CEO bbowman@irvingchamber.com
9	City of Dallas Office of Economic Development ⁴ dallas-ecodev.org	1500 Marilla St. Rm. 5CS Dallas, TX 75201 214-670-1685	\$144 million	\$405.34 million	8	Karl Zavitkovsky, Director, Office of Economic Development karl.zavitkovsky@dallascityhall.com
10	Little Elm Economic Development Corp. ¹⁵ littleelem.org	100 W. Eldorado Pkwy. Little Elm, TX 75068 214-975-0455	\$115 million	\$50.5 million	3	Jeannette Killingsworth, Executive director jk@littleelem.org

► CLOSER LOOK

\$9.6B

Total value of 2015 deals for economic development agencies on The List.

416

Total number of deals made by economic development agencies on The List in 2015

RE-RANKED BY NUMBER OF DEALS IN 2015

City of Colleyville Economic Development	64
City of Mesquite	43
Town of Flower Mound	41
City of Farmers Branch	35
Plano Economic Development	27
Frisco Economic Development Corp. & Richardson Economic Development Partnership	26



DISCUSSION



Staff Report

Negotiate and Execute a Contract for Electricity Supply, Bid Project 16-0134

City Council Meeting Date: 6-14-16

Action Being Considered: Minute Order

RECOMMENDATION

Authorize the City Manager or his designee to negotiate and execute either a 7-year or 9-year contract for Electricity Supply for the City of Arlington with one of the following companies for an estimated total amount of \$55,000,000.

- Reliant Energy of Houston, Texas
- Texas General Land Office (GLO) of Austin, Texas
- TXU of Irving, Texas

PRIOR BOARD OR COUNCIL ACTION

On April 12, 2016, City Council approved Minute Order MO04122016-016, authorizing the City Manager or his designee to execute a contract with Priority Power Management, LLC, (PPM) of Arlington, Texas, for professional consulting services for electric power consulting services in the estimated amount of \$37,500.

On June 7, 2016, City Council tabled this minute order to negotiate and execute a contract for Electric Supply.

ANALYSIS

An RFP was issued by Priority Power Management, LLC to solicit responses from various firms experienced with providing electricity supply ERCOT territory meters owned and managed by COA. Proposals were evaluated based on the following criteria:

- Pricing 70%
- Billing Capabilities 7.5%
- Service Rating 7.5%
- Financial Rating 5.0%
- Contract Language 5.0%
- Usage Flexibility 2.5%
- MWBE 2.5%

Eleven electric providers were queried and of the seven responding firms, the top three firms were selected to negotiate and submit final and best pricing. Due to the fast-paced, volatile nature of electric rates and the need to capture the best rate immediately, the City will simultaneously request both 7-year and 9-year locked-in rates from the firms and execute the contract with a single provider based on the best long-term solution for the City.

FINANCIAL IMPACT

This contract is for electricity supply for the City of Arlington. The electric supplier chosen after negotiation is anticipated to provide an approximate yearly cost savings of \$2.5M over current expenditures.

ADDITIONAL INFORMATION

Attachments:	None
Under separate cover:	None
Available in the Purchasing Division:	Consultant Contract Documents
MWBE:	No

STAFF CONTACT(S)

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