

**July 12, 2024**

**OFFICIAL NOTICE  
OF A  
REGULAR MONTHLY MEETING**

**The Kerrville Public Utility Board will hold its Regular Monthly Meeting on Wednesday, July 17, 2024, beginning at 8:30 a.m. The meeting will be held in the KPUB Conference Room at the Utility Board offices located at 2250 Memorial Blvd. The meeting site is accessible to handicapped persons. A copy of the agenda is attached to this notice.**



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**Lidia S. Goldthorn, Assistant Secretary**

**AGENDA**  
**KERRVILLE PUBLIC UTILITY BOARD**  
**REGULAR MONTHLY MEETING**  
**WEDNESDAY, JULY 17, 2024, 8:30 A.M.**  
**KPUB CONFERENCE ROOM**  
**KERRVILLE PUBLIC UTILITY BOARD OFFICES**  
**2250 MEMORIAL BLVD.**  
**KERRVILLE, TEXAS**

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*Pursuant to Chapter 551.127, Texas Government Code, one or more members of the Board of Directors or employees may attend this meeting remotely using videoconferencing technology. The video and audio feed of the videoconferencing equipment can be viewed and heard by the public at the address posted above as the location of the meeting.*

**CALL TO ORDER:**

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

**1. CITIZEN/CONSUMER OPEN FORUM:**

Members of the public may address the Board. Prior to speaking, each speaker must sign in with their name, address and the topic to be addressed. The Board may not discuss or take any action on an item not on the agenda but may place the issue on a future agenda. The number of speakers will be limited to the first ten speakers and each speaker is limited to four minutes.

**2. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Announcements of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognition of KPUB officials, employees; reminders about upcoming events sponsored by KPUB. No action taken.

*\* Please note: Upcoming Board Meetings are tentatively scheduled for:*

- *Wednesday, August 28, 2024 at 8:30 a.m. (one week later than normal)*
- *Wednesday, September 18, 2024 at 8:30 a.m.*
- *Wednesday, October 16, 2024*

**3. CONSENT AGENDA:**

These items are considered routine and can be approved in one motion unless a Board Member asks for separate consideration of an item. It is recommended that the Board approve the following items which will grant the General Manager to take all actions necessary for each approval:

- 3A. APPROVAL OF MINUTES – Approval of the June 18, 2024, Regular Monthly Board Meeting Minutes ..... 1

3B.	RESOLUTION NO. 24-14 – AMY DOZER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies .....	6
3C.	APPROVAL AND REPORTING OF PURCHASES AND SALES:	
	1. Substation Maintenance 2025-2029 – (Brian Mikulencak, Substation Project Coordinator) .....	9
4.	<b><u>FINANCIAL REPORT – AMY DOZIER, DIRECTOR OF FINANCE:</u></b> .....	19
5.	<b><u>ENGINEERING AND OPERATIONS PROJECTS AND CAPITAL BUDGET REPORT – RICARDO BERRIOS, DISTRIBUTION ENGINEER:</u></b> .....	30
6.	<b><u>QUARTERLY RELIABILITY REPORT – HOWARD HALL, SUPERVISOR OF FIELD SERVICES:</u></b> .....	34
7.	<b><u>MOTION TO VOTE AND RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION:</u></b>	
I.	<b><u>EXECUTIVE CLOSED SESSION – CONSULTATION WITH ATTORNEY:</u></b>	
	In accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, the Kerrville Public Utility Board will recess for the purpose of “Consultation With Attorney” regarding the following matter:	
A.	Consultation with Attorney Regarding Pending or Contemplated Litigation – Mike Wittler, CEO	
II.	<b><u>EXECUTIVE CLOSED SESSION – COMPETITIVE MATTERS:</u></b>	
	In accordance with Texas Statutes Subchapter D, chapter 551, Government Code Section §551.086, the Kerrville Public Utility Board will recess to discuss and take any necessary action on the following “Competitive Matters”:	
A.	Bidding and pricing information for purchased power, generation and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies; Risk management information, contracts, and strategies, including fuel hedging and storage;	
	(1) Deliberation of competitive matters regarding wholesale market activities to include power supply projects – Mike Wittler, CEO	
B.	Related to plans, studies, proposals, and analyses for system improvements, additions, or sales	
	(1) Discussion and Possible Action on plans, studies, proposals and analyses for potential expansion of infrastructure and service – Mike Wittler, CEO	

**III. EXECUTIVE CLOSED SESSION - DELIBERATION REGARDING REAL PROPERTY:**

In accordance with Texas Statutes Subchapter D, chapter 551, Government Code Section §551.072, the Kerrville Public Utility Board will recess for the purpose of “Deliberation Regarding Real Property” regarding the following matters:

A. Consideration and action on the purchase of real estate – Mike Wittler, CEO

**8. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSIONS:**

**9. PRESENTATION FROM AMERICAN PUBLIC POWER ASSOCIATION GOVERNANCE ESSENTIALS – MIKE WITTLER, CEO:**

**10. ADJOURNMENT**

**MINUTES OF THE  
KERRVILLE PUBLIC UTILITY BOARD  
REGULAR MONTHLY MEETING  
WEDNESDAY, JUNE 18, 2024, AT 8:30 A.M.  
KPUB CONFERENCE ROOM  
KERRVILLE PUBLIC UTILITY BOARD OFFICES  
2250 MEMORIAL BLVD.  
KERRVILLE, TEXAS**

**TRUSTEES PRESENT:**

Larry Howard  
Bill Thomas  
Glenn Andrew  
Rachel Johnston  
Mayor Joe Herring, Jr.

**STAFF PRESENT:**

Mike Wittler, General Manager and CEO (*Via teleconference*)  
Tammye Riley, Director of Operations  
Allison Bueché, Director of Customer and Community Relations  
Howard Hall, Field Services Supervisor  
Jill Cook, Accounting Supervisor  
Damon Richardson, Purchasing Agent  
Mark Alejandro, Supervisor of IT Services  
Vickie Finley, IT Tech (*Via teleconference*)  
Lidia S. Goldthorn, Assistant Secretary to the Board

**TRUSTEES ABSENT:**

**OTHERS PRESENT:**

Stephen Schulte, Legal Counsel  
Dalton Rice, City Manager  
Ken McKinney, City Councilman  
Steve Moffitt, Senergy  
Ramsey Cripe and Ramon Estrada, Senergy (*Via teleconference*)  
Gael Cruces

**CALL TO ORDER:**

Mr. Larry Howard, Chairman, called the Regular Monthly Meeting to order at 8:30 a.m.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

**1. CITIZEN/CONSUMER OPEN FORUM:**

There were no citizens/consumers to speak.

**2. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Ms. Bueché advised KPUB employees volunteered for Public Power Day of Giving at Riverside Nature Center and Box Fan Donation with the Salvation Army. Upcoming Events include a Food Pantry Event on June 24<sup>th</sup> and UGRA River Clean up on July 24<sup>th</sup>. She also advised KPUB received two APPA Awards for Reliable Public Power Provider at the Gold level (for the third consecutive time), and Safety Award of Excellence at the highest level (Diamond) being the fifth time in the last six years. KPUB will host a Blood Drive on June 20<sup>th</sup>. Chairman Howard noted the following upcoming board meetings tentatively scheduled for:

- *Wednesday, July 17, 2024 at 8:30 a.m.*
- *Wednesday, August 28, 2024 at 8:30 a.m.*
- *Wednesday, September 18, 2024 at 9:30 a.m.*

**3. AWARDING OF ADDITIONAL KPUB SCHOLARSHIP FOR 2023-2024 SCHOOL YEAR – ALLISON BUECHÉ, DIRECTOR OF CUSTOMER & COMMUNITY RELATIONS:**

Ms. Bueché announced Gael Cruces as the second recipient of the KPUB Trade & Technical School Scholarship for 2024. She advised that each year, up to two students are selected to receive this award. Last month, KPUB awarded the first scholarship to Abel Luna, and now are honored to present the second scholarship to Gael Cruces. Gael recently graduated from Tivy High School and has been accepted to Texas State Technical College in Waco, where he will major in Diesel Mechanics. This scholarship award is \$1,000 per year and is renewable for two years, totaling \$2,000. Mr. Cruces spoke about his background and thanked the Board for the scholarship.

*\*At this time the Board took a quick break for a photograph of the scholarship recipient. Chairman Howard noted the following upcoming board meetings tentatively scheduled for:*

- *Wednesday, July 17, 2024 at 8:30 a.m.*
- *Wednesday, August 28, 2024 at 8:30 a.m.*
- *Wednesday, September 18, 2024 at 9:30 a.m.*

*Chairman Howard then elected to proceed to item number 9 on the Agenda prior to going into Executive Session. The Board agreed and Chairman Howard proceeded to item number 9.*

**9. CONSIDERATION AND POSSIBLE ACTION ON ANNUAL FUNDING REQUEST FROM THE KERRVILLE ECONOMIC DEVELOPMENT CORPORATION (KEDC) – GIL SALINAS, COO:**

Mr. Wittler advised that last year's request was met with some concerns about the increase in funding; concerns that had been growing over time. A KPUB Economic Development Committee was created to meet with members of the KEDC board one on one. Mr. Wittler advised the current funding request proposes to keep the funding at the same level. KEDC will host a stakeholder retreat to discuss future funding as well as the goals and direction of the organization. Mr. Wittler gave a brief history of the KEDC advising that in the early years there was a lot of staff turnover. He advised staffing with the organization has been fairly consistent in the past five or six years, which is part of the reason funding levels have increased. Another point that was brought up is that KPUB's return on investment is low compared to the other funding stakeholders, which is true in terms of sales tax and property tax which benefit the City and County, while the impact for KPUB is closer to breaking even. Board members agreed that they want

KEDC to be successful and could assist them with finding additional funding. However, moving forward there would need to be more discussion on limiting KPUB's contribution to KEDC.

Glenn Andrew, Secretary, motioned to approve this funding request from KEDC with the understanding and expectation that KEDC will have a new plan the following year based on stakeholder feedback from the meeting(s) to be held later this calendar year. Mayor Joe Herring, Jr., seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

**4. MOTION TO VOTE AND RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION:**

**I. EXECUTIVE CLOSED SESSION – COMPETITIVE MATTERS:**

In accordance with Texas Statutes Subchapter D, chapter 551, Government Code Section §551.086, the Kerrville Public Utility Board will recess to discuss and take any necessary action on the following “Competitive Matters”:

A. Bidding and pricing information for purchased power, generation and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies; Risk management information, contracts, and strategies, including fuel hedging and storage;

(1) Discussion on Hedging Activities, ERCOT Invoicing and Purchased Power Contracts – Mike Wittler, CEO

B. Related to plans, studies, proposals, and analyses for system improvements, additions, or sales

(1) Discussion and Possible Action on plans, studies, proposals and analyses for potential expansion of infrastructure and service – Mike Wittler, CEO

**II. EXECUTIVE CLOSED SESSION - DELIBERATION REGARDING REAL PROPERTY:**

In accordance with Texas Statutes Subchapter D, chapter 551, Government Code Section §551.072, the Kerrville Public Utility Board will recess for the purpose of “Deliberation Regarding Real Property” regarding the following matters:

A. Consideration and action on the purchase of real estate – Mike Wittler, CEO

Staff asked the Board of Trustees if there was a motion that the Board convene in Executive Closed Session to discuss “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086, and “Deliberation Regarding Real Property” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.072. Mayor Herring so moved. Mr. Andrew seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

The Board entered Executive Closed Session at 8:52 a.m. Chairman Howard adjourned the Executive Closed Session and reconvened into Open Session at 10:40 a.m.

*\*At 9:45 Mayor Joe Herring, Jr., Mr. Dalton Rice and Mr. Kent McKinney left the meeting.*

**5. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSIONS:**

No action taken by the Board.

**6. CONSENT AGENDA:**

Mr. Andrew made a motion to accept items in the consent agenda, except for Item 6D, which was pulled for discussion. Bill Thomas, Vice Chairman, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

6A. APPROVAL OF MINUTES.

6B. RESOLUTION NO. 24-11 – JILL COOK, ACCOUNTING SUPERVISOR. A Resolution approving payment to various providers of services or supplies.

6C. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. Fleet Sales (Howard Hall, Supervisor of Field Services)
2. Streetlight Poles and Fixtures (Mike Wittler, CEO)

6D. RESOLUTION NO. 24-12 – MIKE WITTLER, CEO. A Resolution amending and restating Board Policy No. 42, Purchasing and Procurement

After discussion, Mr. Andrew moved to accept Item 6D with recommended change to Board Policy No. 42. Rachel Johnston, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**END OF CONSENT AGENDA**

**7. FINANCIAL REPORT – JILL COOK, ACCOUNTING SUPERVISOR:**

Ms. Cook presented the final financial statements for the month of May 2024. Ms. Cook noted a \$108K increase in net position; \$3.1M in operating revenue; \$3.2M in operating expense; \$50K in operating loss; \$108K in other non-operating revenue. \$16.8M in over collection of power cost adjustment as of May 31, 2024; and \$46.0M invested in investment pools and an investment account at Happy State Bank. In accordance with April's Board resolution, KPUB opened a new local government pool account with Texas CLASS in May. That portfolio of investment accounts earned a blended rate of 5.38%. The current rate structure was implemented on November 1, 2023. The overall residential bill for 1,000 kWh of power remains at \$102.50, but the power cost portion of the bill was reduced from \$72.95 to \$70.45 by reducing the power cost adjustment factor. Power costs in May were lower than the billed rate, resulting in an increase of \$408K in the over collection account. Staff continues to monitor prices closely and recommend keeping the PCA at \$102.50 at this time. Ms. Cook also provided a PowerPoint presentation with highlights and financial metrics from the memo.



**8. CONSIDERATION AND ACTION ON RESOLUTION NO. 24-13 – MIKE WITTLER, CEO:**

Mr. Wittler presented a resolution recommending that the City of Kerrville create the Kerrville Public Utility Board Public Facility Corporation (KPUB PFC) for the purpose of supporting KPUB's potential effort to build and own a peaking generation resource. He presented exhibits that included a resolution for the City Council to pass along with a Certificate of Formation and Bylaws for the new KPUB PFC. He further advised that the recommendation to form the KPUB PFC is based on consultation with KPUB's bond counsel and financial advisor. The KPUB PFC would provide financing and procurement benefits. On the financing side, there would be additional flexibility because a lien can be placed on the asset of a PFC, unlike regular municipal debt. Also, by having the PFC issue the debt, the debt covenants are placed on the PFC rather than on KPUB. That would mean the agreement between KPUB and KPUB PFC could be structured to guarantee the debt service using the funds that KPUB would already need to spend to purchase power. However, there would not be additional requirements on KPUB around debt coverage ratios, serve funds, etc. This may be beneficial if KPUB needs to issue debt in the future. Also, it should mean that KPUB can use a rate setting process that is basically the same as what we are using now because it would be paying to purchase power rather than paying for debt. On the procurement side, KPUB already has broad procurement powers granted in Texas to municipal utilities with respect to contracting in general, but the PFC may add additional flexibility depending on how the generation resource is developed. After discussion by the Board, Mr. Thomas motioned for approval of Resolution No. 24-13. Mr. Andrew seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

*\*At this time, Chairman Howard proceeded to item number 10.*

**10. PRESENTATION FROM AMERICAN PUBLIC POWER ASSOCIATION GOVERNANCE ESSENTIALS – MIKE WITTLER, CEO:**

Mr. Wittler elected to postpone this item.

**11. ADJOURNMENT**

Chairman Howard adjourned the Regular Board Meeting at 10:50 a.m.

**Date Approved:** \_\_\_\_\_

\_\_\_\_\_  
Larry Howard, Chairman

**ATTEST**

\_\_\_\_\_  
Lidia S. Goldthorn, Assistant Secretary to the Board

# MEMORANDUM

To: Larry Howard  
Bill Thomas  
Glenn Andrew  
Rachel Johnston  
Mayor Joe Herring, Jr.

From: Amy Dozier

Date: July 10, 2024

Re: Agenda Item No. 3B – Resolution No. 24-14

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In accordance with Board Resolution No. 10-06 that requires monthly reporting of wire transfers exceeding \$20,000, this memo reports the following transfers between June 13, 2024 and July 10, 2024 for Board approval:

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>	<u>Date</u>
<b>Purchased Power:</b>				
1	NextEra	May 2024	485,088.00	06/18/2024
2	CPS	May 2024	637,097.87	06/20/2024
3	Concho Bluff	May 2024	86,801.69	06/21/2024
4	DG Solar	May 2024	50,385.56	06/25/2024
5	Engie	May 2024	95,511.99	07/01/2024
6	LCRA	May 2024	698,840.17	07/03/2024
7	Garland	May 2024	(235,413.50)	07/09/2024
<b>Payroll:</b>				
1	Payroll	Pay period ending 6/15/2024	147,505.14	06/21/2024
2	Payroll	Pay period ending 6/29/2024	162,476.19	07/05/2024
3	Payroll Taxes	Pay period ending 6/15/2024	52,230.50	06/26/2024
4	Payroll Taxes	Pay period ending 6/29/2024	61,866.00	07/10/2024
<b>Employee Benefits:</b>				
1	TX Health Benefits	Health Insurance - July	91,117.61	07/01/2024
2	TMRS	Pension - June Payroll	86,236.98	07/10/2024
<b>Investment Transfers (from Operating Account to Investment Account at Happy State Bank):</b>				
1	Happy State Bank	Investment Transfer	600,000.00	06/21/2024
2	Happy State Bank	Investment Transfer	400,000.00	06/24/2024
3	Happy State Bank	Investment Transfer	700,000.00	06/28/2024
4	Happy State Bank	Investment Transfer	700,000.00	07/05/2024
5	Happy State Bank	Investment Transfer	700,000.00	07/09/2024

I am happy to answer any questions regarding these transfers at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Amy Dozier". The signature is written in a cursive style and is enclosed within a light blue rectangular border.

Amy Dozier  
Director of Finance

**RESOLUTION NO. 24-14**

**A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD CONFIRMING AND AUTHORIZING THE PAYMENTS OF INVOICES AS APPROVED AND PRESENTED BY THE DIRECTOR OF FINANCE AND GENERAL MANAGER / CEO.**

**WHEREAS**, the providers of services or material have submitted invoices for payment;  
and

**WHEREAS**, the Director of Finance or General Manager/CEO has reviewed the invoices and approved payments for services rendered or material received.

**WHEREAS**, the items marked "Paid" have been previously approved by the Board and are included in this Resolution for information; now, therefore,

**BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:**

**Section 1.** That the Kerrville Public Utility Board review payment of the items set forth on the preceding Schedule.

**Section 2.** That the Kerrville Public Utility Board instructs the General Manager/CEO or his designee to make said payments and ratifies the payment of the items marked "Paid."

**Section 3.** This Resolution shall take effect immediately from and after its passage.

**PASSED, APPROVED AND ADOPTED on this 17<sup>th</sup> day of July, 2024**

\_\_\_\_\_  
**Larry Howard, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Glenn Andrew, Secretary**

# MEMORANDUM

To: Larry Howard  
Bill Thomas  
Glenn Andrew  
Rachel Johnston  
Mayor Joe Herring, Jr.

From: Brian Mikulencak

Date: July 10, 2024

Re: Agenda Item 3C – Approval and Reporting of Purchases and Sales:  
Sole Source Purchase—Substation Maintenance 2025-2029

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The existing substation maintenance agreement with LCRA will be expiring on September 30th of 2024. KPUB is needing to renew the agreement to keep the substation equipment maintenance on schedule for the upcoming FY2025. Specific test intervals are required each year to ensure the proper operation, safety and reliability of the substation equipment.

KPUB has historically used LCRA to perform our maintenance as well as outage support. Over the years LCRA has provided this service and more at a price below industry competitors, and performs out-of-scope work on an at-cost price per our existing Interlocal Agreement. KPUB can continue to use the Interlocal Agreement as a substantiation of use for these services without needing to go out for bids, as long as the Board agrees to do so.

Based on the past 4-year agreement, LCRA has gone up 5% on their proposed unit pricing for tests that will be required during the next 5-year agreement. The new maintenance agreement is suggested by both parties to be extended out to a 5-year agreement, with the Board's approval.

Fiscal Year budgetary PO Amounts to be created base on the LCRA 5-year quote.

<b>Fiscal Year</b>	<b>PO Amount</b>
FY 2025	\$290,000.00
FY 2026	\$72,900.00
FY 2027	\$232,200.00
FY 2028	\$158,600.00
FY 2029	\$120,200.00
Total	\$873,900.00

Here is an example of the unit price changes for the new 2025-2029 agreement.

	Quantity	2021-2024	2025-2029	% Change
<b>1.0 Transformers</b>				
1.6 Transformer Testing	1	\$21,200.00	\$24,100.00	14%
1.6 Transformer Oil Testing	1	\$800.00	\$900.00	12%
<b>2.0 Load Tap Changers</b>				
2.6 Load Tap Changer Testing	1	\$8,700.00	\$10,500.00	20%
2.6 LTC Oil Testing	1	\$800.00	\$900.00	12%
<b>4.0 Circuit Breakers</b>				
4.7 Circuit Breaker Trip/Close	1	\$400.00	N/A	
4.7 Circuit Breaker Testing	1	\$4,400.00	\$2,400.00	-55%
<b>6.0 Circuit Switchers</b>				
6.6 Circuit Switcher Trip/Close	1	\$1,000.00	N/A	
6.6 Circuit Switcher Testing	1	\$5,400.00	\$6,100.00	13%
<b>7.0 Switches and MOS</b>				
7.04 138kV Switches	1	N/A	N/A	
<b>10.0 Relays and Controls</b>				
10.6 Relay: Transformer	1	\$2,000.00	\$2,300.00	15%
10.6 Relay: Circuit Breaker	1	\$800.00	\$800.00	0%
10.7 Relay: Lockout	1	N/A	N/A	
<b>14.0 Thermography</b>				
14.2 Substations	1	\$300.00	N/A	
<b>Miscellaneous</b>				
Mobile Transformer Install and Remove (with all necessary accessories, cables, etc.)	1	\$50,000.00	\$50,000.00	0%
Mobile Transformer Daily Rental Fee	1	\$2,500.00	\$2,500.00	0%
<b>Unit Cost totals =</b>		<b>\$45,800.00</b>	<b>\$48,000.00</b>	<b>5% Increase</b>

Staff recommends that we continue working with LCRA to perform our substation maintenance and any out-of-scope services that are needed, based on their price, availability, competence and good working relationship. This new maintenance agreement is suggested by both parties to be extended from a 4-year agreement to a 5-year agreement., with the Board’s approval.

Thank you,

Brian Mikulencak  
 Supervisor of Substation Services

**PROJECT PROPOSAL**

**LCRA Transmission Strategic Services  
CUSTOMER SERVICES CONTRACT**

*Form CSC revised 06/22/2020*

**CUSTOMER:**

**Kerrville Public Utility Board  
2250 Memorial Blvd.  
Kerrville, TX 78028  
Attn: Brian Mikulencak**

**PROJECT:**

KPUB Substation Maintenance 2024-2029

**DATE SUBMITTED**

June 7, 2024

**SCOPE OF SERVICES:**

See attached Scope of Services

**PROJECT SCHEDULE:**

**Start:**

October 1, 2024

**Complete:**

September 30, 2029

**LCRA CONTACT**

**Bill Jerram**

**bill.jerram@lcra.org**

**512-940-6713**

Lower Colorado River Authority

3700 Lake Austin Blvd.

Austin, TX 78767-0220

Attn: Transmission Strategic Services

**CONTRACT TYPE & ESTIMATED COST:**

**Contract Type: Independent Contract**

**Billing Method: Fixed Price**

**Total Cost: \$643,900 (Maint. Only)**  
**(\$873,900 incl. Mobile Fees, per mobile contract)**

**Reference Contract:**

*(Please note that if this is an independent contract, terms and conditions should be attached.)*

*Customer and the Lower Colorado River Authority agree that the work described above shall be performed in accordance with the terms and conditions in this contract. This proposal is valid for 60 days after submittal.*

**Parties:**

**Kerrville Public Utility Board**

**Lower Colorado River Authority**

By:

Printed Name \_\_\_\_\_

Title:

Date: \_\_\_\_\_

By:

Printed Name Sam Woolard

Title: VP, Transmission Field Service

**OFFICE USE ONLY**

**Job Description:** KPUB Substation Maintenance 2024-2029

**Project ID:** \_\_\_\_\_

**Work Order:** \_\_\_\_\_

**Contract Owner:** Bill Jerram

**Contract Coordinator:** Catherine Hempfling

## LCRA SUBSTATION SERVICES

### KPUB Maintenance Work 2025-2029

- 1) K PUB Preventative Maintenance Program Pricing (Exhibit A)
- 2) K PUB REQUESTED SUBSTATION MAINTENANCE (Exhibit B)

#### **Scope of Services**

This Contract shall cover substation services for assets listed in Exhibit A and B for substation equipment and facilities owned by Customer. All inspections shall be performed in accordance with the Standards for Inspection and Maintenance of LCRA Transmission Services Corporation Equipment and Facilities or the manufacturer's service manual, unless otherwise requested in writing by the Customer. LCRA shall provide copies of all applicable reports to the Customer after work completion. All services will be invoiced after the work is performed. All pricing is based on the attached Schedule (Exhibit A).

Additional maintenance on assets not included in Exhibit A and B must be requested in writing (email is sufficient) or added as an amendment to this agreement. LCRA Transmission Substation Maintenance personnel may also be available for corrective maintenance and/or emergency repair work depending on availability and LCRA Agreement. This work will be charged at Customer Service prevailing rates. These services will be invoiced each time they are required after the work is performed.

Customer will present or confirm with LCRA their requested maintenance scope of work by August 1 of each year for the following calendar year's maintenance, beginning on October 1.

LCRA reserves the right to update pricing annually (as shown in Exhibit A) to reflect current costs associated with substation maintenance. LCRA will provide a 60-day notice to the customer, when there will be upcoming changes in pricing.

If applicable, Customer shall remain solely responsible for all liabilities and obligations related to the Bulk Electric System ("BES") protection elements, including any regulatory requirements associated with such elements or any fines or penalties resulting therefrom. Notwithstanding anything to the contrary in this Contract, including the Interlocal, LCRA makes no representations or warranties, express or implied, as to the completeness or accuracy of the BES protection elements test reports or their suitability for a particular purpose, and LCRA will not be liable for errors or omissions in, or delays in providing, the BES protection elements test reports.

Customer will identify by August 1 of the previous year the BES protection elements that need testing each year during the term of this Contract. Customer will list the substation and device to be tested and documented with a report.

Either party may terminate this Contract by giving ninety (90) days advance written notice, which shall include an effective date for termination of the Agreement. Written notice shall be provided by email or mail.



**EXHIBIT A - Preventative Maintenance Program Pricing**

		Customer Pricing		Per Unit Pricing			
	Units	Customer Total Pricing	Pricing	Recommended Frequency	PM Ref #	Description	
<b>1.0 Transformers</b>		<b>\$ 265,500</b>	<b>\$ 25,250</b>				
1.1	Transformer Testing	9	\$ 216,900	\$ 24,100	Every 6 Years	1/2	Doble test and auxiliary equipment. See note.
1.2a	Transformer Oil Testing	54	\$ 48,600	\$ 900	Annual	8	Dissolved gas analysis and mini screen oil test with review. See note.
1.2b	Transformer Oil Testing - Furan Analysis	0	\$ -	\$ 125	Every 5 Years	9	Furanic compounds test. See note.
1.2c	Transformer Oil Testing - Corrosive Sulfur Test	0	\$ -	\$ 125	As Needed	10	Check for presence of corrosive sulfur.
<b>2.0 Load Tap Changers (LTCs)</b>		<b>\$ 143,100</b>	<b>\$ 11,400</b>				
2.1	Load Tap Changer Testing	9	\$ 94,500	\$ 10,500	Every 6 Years	4	Internal inspection. See note.
2.2	Load Tap Changer Oil Testing	54	\$ 48,600	\$ 900	Annual	8	Dissolved gas analysis and mini screen oil test with review. See note.
<b>3.0 Voltage Regulators</b>		<b>\$ -</b>	<b>\$ 7,300</b>				
3.1	Internal Maintenance, Controls & Auxiliary	0	\$ -	\$ 5,800	Every 6 Years	7	Internal maintenance and auxiliary equipment. See note.
3.2	Doble Testing	0	\$ -	\$ 1,500	Every 6 Years	6	Power factor and D-877 oil test.
<b>4.0 Circuit Breakers</b>		<b>\$ 86,400</b>	<b>\$ 13,600</b>				
4.1	Circuit Breaker Trip/Close - Distribution	0	\$ -	\$ 500	Annual	14	Open breaker and associated switches. See note.
4.2a	Circuit Breaker Maintenance - Distribution	36	\$ 86,400	\$ 2,400	Every 5 Years	12	Distribution circuit breaker maintenance. See note.
4.2e	Circuit Breaker Maintenance - Distribution Vacuum	0	\$ -	\$ 2,400	Every 5 Years	12	Distribution circuit breaker maintenance. See note.
4.2b	Circuit Breaker Maintenance - Transmission SF6	0	\$ -	\$ 2,200	Every 2.5 Years	12	Operator, auxiliary and breaker profile. See note.
4.2c	Circuit Breaker Maintenance - Transmission OCB	0	\$ -	\$ 2,200	Every 2.5 Years	12	Operator, auxiliary and breaker profile. See note.
4.2d	Circuit Breaker Maintenance - Transmission OCB	0	\$ -	\$ 2,200	Every 10 Years	11	Internal. See note.
4.3	Circuit Breaker Diagnostic	0	\$ -	\$ 3,900	Every 5 Years	13	DLRO, power factor and speed motion test.
4.4	Circuit Breaker Visual Inspection	0	\$ -	\$ 50	Monthly (11)	29	Distribution visual inspection. See note.
<b>6.0 Circuit Switchers</b>		<b>\$ 54,900</b>	<b>\$ 6,100</b>				
6.1	Circuit Switcher Testing	9	\$ 54,900	\$ 6,100	Every 6 Years	15	Contact DLRO and speed motion test.
6.2	Circuit Switcher Maintenance	0	\$ -	\$ -	Every 6 Years	16	Operator and auxiliary. See note.
<b>7.0 Switch Cycle (motor operated and manual operated)</b>		<b>\$ -</b>	<b>\$ 1,900</b>				
7.1	69kV and 138kV Switches, Breakers & Circuit Switchers	0	\$ -	\$ 1,500	Annual	14	Trip/close, breaker and switch exercise.
7.2	69kV and 138kV Circuit Switcher Only	0	\$ -	\$ 400	Annual	14	Trip/close, breaker and switch exercise.
<b>10.0 Protective Relay Systems</b>		<b>\$ 94,000</b>	<b>\$ 13,700</b>				
10.1	Relay: Transformer	28	\$ 64,400	\$ 2,300	Every 6 Years	22/23	Relay calibration, function test/trip check, current and voltage check. See note.
10.2a	Relay: Circuit Breaker - Distribution	37	\$ 29,600	\$ 800	Every 5 Years	22/23	Relay calibration, function test/trip check, current and voltage check. See note.
10.2b	Relay: Circuit Breaker - UFLS	0	\$ -	\$ 4,400	Every 5 or 10 Years	22/23	Relay calibration, function test/trip check, current and voltage check. See note.
10.2c	Relay: Circuit Breaker - Transmission - Digital	0	\$ -	\$ 1,800	Every 10 Years	22/23	Relay calibration, function test/trip check, current and voltage check. See note.
10.2d	Relay: Circuit Breaker - Transmission - EM and SS	0	\$ -	\$ 4,400	Every 5 Years	22/23	Relay calibration only. Function test is on a 10 year cycle. See note.
<b>12.0 Substation Batteries</b>		<b>\$ -</b>	<b>\$ 1,800</b>				
12.1	Battery Diagnostics	0	\$ -	\$ 1,200	Annual	26	Substation battery diagnostic testing. See note.
12.2	Battery Inspection	0	\$ -	\$ 600	Quarterly	27	Substation battery maintenance. See note.
<b>13.0 Instrument Transformers and Surge Arresters</b>		<b>\$ -</b>	<b>\$ 1,500</b>				
13.1	Acceptance Testing	0	\$ -	\$ 1,500			Pre-energization testing to get baseline data and confirm operability.
<b>14.0 Substation Diagnostics</b>		<b>\$ -</b>	<b>\$ 700</b>				
14.1	Substation IR	0	\$ -	\$ 700	Annual	28	Substation infrared diagnostics. See note.
<b>16.0 Substation Inspections (Routine Patrol)</b>		<b>\$ -</b>	<b>\$ 300</b>				
16.1	Visual Inspection	0	\$ -	\$ 300	Monthly	29	Routine substation inspection. See note.
<b>17.0 Mobile Substations and Portable Cables</b>		<b>\$ -</b>	<b>\$ 1,700</b>				
17.1	Portable Cables*	0	\$ -	\$ 1,700	Annual		Test portable cables. See note.
17.2	Mobile Substations**	0	\$ -	\$ -	Every 3 Years		Price out accordingly from above.

**Grand Total \$ 643,900**

Pricing is on a One Time Per Unit basis; total price offered will be based on the # of units and the frequency

17.1 \*per set (3 cables)

17.2 \*\*assuming mobile is racked out

**Input Quantity**

**EXHIBIT B**

**KPUB**

**REQUESTED**

**SUBSTATION**

**MAINTENANCE**

**WORK**

**2025-2029**

K PUB System Maintenance (contracted labor)		Interval (Months)	2025	2026	2027	2028	2029
<b>The highlighted Appendix B Sections below are part of the KPUB maintenance standards which follow the LCRA maintenance standards in Rev 6.1 dated 05-08-23</b>							
<b>1.0 Transformers and Oil</b>							
	1.6(a) Transformer Testing	72	**HT, **IN, KST3 (QTY. 3)	JFT2 (QTY. 1)	**LE, KTT1, KTT2 (QTY. 3)	**RB (QTY. 1)	KST2 (QTY. 1)
	1.6(b) Transformer Oil Testing	12	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2 (QTY. 10)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)
<b>2.0 Load Tap Changers and Oil</b>							
	2.6(a) Load Tap Changer Testing	72	**HT, **IN, KST3 (QTY. 3)	JFT2 (QTY. 1)	**LE, KTT1, KTT2 (QTY. 3)	**RB (QTY. 1)	KST2 (QTY. 1)
	2.6(b) LTC Oil Testing	12	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2 (QTY. 10)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)	RB, HRT1, HRT2, HT, IN, LE, KST2, KST3, KTT1, KTT2, JFT2 (QTY. 11)
<b>4.0 Circuit Breakers</b>							
	4.7(a) Circuit Breaker Trip and Close*	12	N/A	N/A	N/A	N/A	N/A
	4.7(b) Circuit Breaker/Recloser- (Vacuum Operator Maint & Profile Plus Controls/ Aux Equipment section)	60	KST2, KST3, JF, RB10 (QTY. 8) 6-NOVAs 2-Siemens	JF50 (QTY. 1) 1-Siemens	RRT1, RRT2 (QTY. 4) 3-NOVAs 1- Siemens	HRT1, LE, KTT1 KTT2 (QTY. 13) 3-NOVAs 10-Siemens	RB, HRT2, HT, IN (QTY. 10) 9-NOVAs 1-Siemens
<b>6.0 Circuit Switchers</b>							
	6.6(a) Circuit Switcher Trip and Close†	12	N/A	N/A	N/A	N/A	N/A
	6.6(b) Circuit Switcher Testing	72	**HT, **IN, KST3 (QTY. 3)	JFT2 (QTY. 1)	**LE, KTT1, KTT2 (QTY. 3)	**RB (QTY. 1)	KST2 (QTY. 1)
<b>7.0 Switches and MOS</b>							
	7.4 138kV Switches (Operate during Maint/Outages)	12	N/A	N/A	N/A	N/A	N/A
<b>10.0 Relays and Controls</b>							
	10.6(a) Relay: Transformer/Circuit Sw	72	**HT, **IN, KST3 (QTY. 9)	JFT2 (QTY. 4)	**LE, KTT1, KTT2 (QTY. 9)	**RB (QTY. 3)	KST2 (QTY. 3)
	10.6(b) Relay: Circuit Breaker	72	N/A	JF50 (QTY. 1)	N/A	N/A	RB, HRT1, HRT2, HT, IN, LE, RRT1, RRT2, KST2, KST3, KTT1, KTT2, JF (QTY. 36)
	10.7 Lock out Relay-Part of Xfmr cost	120	**HT, **IN, KST3 (QTY. 3)	JFT2 (QTY. 1)	**LE, KTT1, KTT2 (QTY. 3)	**RB (QTY. 1)	KST2 (QTY. 1)
<b>14.0 Thermography</b>							
	14.2 Thermography	12	N/A	N/A	N/A	N/A	N/A
†No trip check performed on circuit switchers that have operated properly within prior three (3) months.							
* No trip check on breakers that have operated properly within prior three (3) months.							
** Mobile transformer required							

EXHIBIT B - KPUB REQUESTED WORK															
	2025			2026			2027			2028			2029		
	Est. Quantity	Unit Price	Total Price	Est. Quantity	Unit Price	Total Price	Est. Quantity	Unit Price	Total Price	Est. Quantity	Unit Price	Total Price	Est. Quantity	Unit Price	Total Price
<b>1.0 Transformers</b>															
1.6 Transformer Testing	3	\$ 24,100.00	\$ 72,300.00	1	\$ 24,100.00	\$ 24,100.00	3	\$ 24,100.00	\$ 72,300.00	1	\$ 24,100.00	\$ 24,100.00	1	\$ 24,100.00	\$ 24,100.00
1.6 Transformer Oil Testing	10	\$ 900.00	\$ 9,000.00	11	\$ 900.00	\$ 9,900.00	11	\$ 900.00	\$ 9,900.00	11	\$ 900.00	\$ 9,900.00	11	\$ 900.00	\$ 9,900.00
<b>2.0 Load Tap Changers</b>															
2.6 Load Tap Changer Testing	3	\$ 10,500.00	\$ 31,500.00	1	\$ 10,500.00	\$ 10,500.00	3	\$ 10,500.00	\$ 31,500.00	1	\$ 10,500.00	\$ 10,500.00	1	\$ 10,500.00	\$ 10,500.00
2.6 LTC Oil Testing	10	\$ 900.00	\$ 9,000.00	11	\$ 900.00	\$ 9,900.00	11	\$ 900.00	\$ 9,900.00	11	\$ 900.00	\$ 9,900.00	11	\$ 900.00	\$ 9,900.00
<b>4.0 Circuit Breakers</b>															
4.7 Circuit Breaker Trip/Close - N/A	0		\$ -	0		\$ -	0		\$ -	0		\$ -	0		\$ -
4.7 Circuit Breaker Testing	8	\$ 2,400.00	\$ 19,200.00	1	\$ 2,400.00	\$ 2,400.00	4	\$ 2,400.00	\$ 9,600.00	13	\$ 2,400.00	\$ 31,200.00	10	\$ 2,400.00	\$ 24,000.00
<b>6.0 Circuit Switchers</b>															
6.6 Circuit Switcher Trip/Close	0		\$ -	0		\$ -	0		\$ -	0		\$ -	0		\$ -
6.6 Circuit Switcher Testing	3	\$ 6,100.00	\$ 18,300.00	1	\$ 6,100.00	\$ 6,100.00	3	\$ 6,100.00	\$ 18,300.00	1	\$ 6,100.00	\$ 6,100.00	1	\$ 6,100.00	\$ 6,100.00
<b>7.0 Switches and MOS</b>															
** 7.04 138kV Switches	0	\$ 1,500.00	\$ -	0	\$ 1,500.00	\$ -	0	\$ 1,500.00	\$ -	0	\$ 1,500.00	\$ -	0	\$ 1,500.00	\$ -
<b>10.0 Relays and Controls</b>															
10.6 Relay: Transformer	9	\$ 2,300.00	\$ 20,700.00	4	\$ 2,300.00	\$ 9,200.00	9	\$ 2,300.00	\$ 20,700.00	3	\$ 2,300.00	\$ 6,900.00	3	\$ 2,300.00	\$ 6,900.00
10.6 Relay: Circuit Breaker	0	\$ 800.00	\$ -	1	\$ 800.00	\$ 800.00	0	\$ 800.00	\$ -	0	\$ 800.00	\$ -	36	\$ 800.00	\$ 28,800.00
*** 10.7 Relay: Lockout	3	\$ -	\$ -	1	\$ -	\$ -	3	\$ -	\$ -	1	\$ -	\$ -	1	\$ -	\$ -
<b>14.0 Thermography</b>															
14.2 Substations	0	\$ 700.00	\$ -	0	\$ 700.00	\$ -	0	\$ 700.00	\$ -	0	\$ 700.00	\$ -	0	\$ 700.00	\$ -
<b>Miscellaneous</b>															
* Mobile Transformer Install and Remove (with all	2	\$ 50,000.00	\$ 100,000.00	0	\$ 50,000.00	\$ -	1	\$ 50,000.00	\$ 50,000.00	1	\$ 50,000.00	\$ 50,000.00	0	\$ 50,000.00	\$ -
* Mobile Transformer Daily Rental Fee	4	\$ 2,500.00	\$ 10,000.00	0	\$ 2,500.00	\$ -	4	\$ 2,500.00	\$ 10,000.00	4	\$ 2,500.00	\$ 10,000.00	0	\$ 2,500.00	\$ -
Mobile Transformer Other			\$ -			\$ -			\$ -			\$ -			\$ -
	2025 Total \$ 290,000.00			2026 Total \$ 72,900.00			2027 Total \$ 232,200.00			2028 Total \$ 158,600.00			2029 Total \$ 120,200.00		
	<p>Note: Bidders should provide price quote for Mobile Transformer even if estimated quantity is zero.</p> <p>Maintenance Total \$ 643,900.00                      Estimated Mobile Fees \$ 230,000.00  <b>Budgetary 5 Year Total \$ 873,900.00</b></p>														
<p>* Note: Mobile installation and removal costs, as well as the daily usage fee are governed by the Mobile Installation Agreement dated 9/20/2023 and the Memorandum of Understanding between LCRA TSC and Kerrville Public Utility Board executed 9/20/2023, and any subsequent amendments, revisions or new agreements. The current daily mobile rental rate is \$2,500 per day. The installation and removal costs are estimates only. Costs will be based on the current prevailing rates, and assume work will be coordinated to both substations back-to-back.</p>															

## CUSTOMER SERVICES CONTRACT

1. Agreement. This Customer Services Contract, including these terms and conditions, the Project Proposal, and any other documents attached hereto (collectively, the “Contract”), contains the entire agreement and understanding between LCRA and Customer with respect to the subject matter of this Contract and supersedes any and all prior or contemporaneous oral and written agreements and understandings regarding the defined scope of services. Additional terms and conditions on Customer’s forms (including those accompanying any purchase order, invoice or payment) are a material alteration of this Contract and are rejected and null and void unless expressly agreed to by LCRA in writing. In the case of any conflicts between the terms of this Contract and the terms of any applicable Customer form, the terms of this Contract will control.
2. Services. LCRA will perform services for the Customer as detailed in the Scope of Services section of the Project Proposal (“Services”). Customer will review and respond as appropriate to all reports, studies, recommendations, requests and other submissions of LCRA so as not to delay the performance of the Services.
3. Notices. Correspondence, notices and invoices will be in writing and mailed or delivered to the other party as identified in the Customer and LCRA Contact sections of the Project Proposal, or at such other address as a party may from time to time designate in writing. All notices, correspondence or invoices will be effective upon receipt.
4. Changes Orders. Changes in the scope of the Services may only be made by written agreement of the Customer and LCRA. Verbal changes will not be given or accepted, except in cases of emergencies which pose a risk of personal injury or property damage, and such changes will be followed up with a written confirmation as soon as practicable.
5. Term; Termination. This Contract will commence on the date of the last signature by the parties (“Effective Date”) and will govern LCRA’s performance of the Services. Either party may terminate this Contract for its convenience at any time by providing written notice to the other party. In the event of such termination, Customer will pay LCRA for all Services performed up to the date of termination, plus (in the case of termination by Customer) any cancellation charges or other termination expenses as may be reasonably identified by LCRA.
6. Costs; Invoicing. As compensation for the Services, Customer will pay LCRA in accordance with one of the following, as identified in the Price section of the Project Proposal:
  - (a) All (i) direct costs incurred by LCRA in performing the Services, including, (1) costs for materials and supplies, (2) labor costs, including salary and benefits, paid to LCRA employees, (3) travel, meal and lodging expenses reimbursed or paid on behalf of LCRA employees within established LCRA expense guidelines, and (4) any third party costs, plus (ii) indirect costs that LCRA normally applies to Services of this nature, including general and administrative costs and other internal expenses and contributions; or
  - (b) A fixed price. Any changes to the scope of the Services may require an increase in the fixed price. Such change to the scope and the correlating fixed price will be agreed to in writing by the parties.
- LCRA may invoice Customer for progress payments for the Services completed to date during the term of this Contract. All payments by Customer under this Contract will be due and payable within 30 days after receipt of invoice. If payment is not timely made, interest will accrue on the unpaid balance at the lesser of the maximum lawful rate, or one percent per month, from the due date until paid.
7. Warranty; Disclaimer.
  - (a) During the term of this Contract, and for a period of 30 days after completion of the Services, LCRA will correct or re-perform any Services not conforming to the requirements of this Contract. Upon completion of the Services, LCRA will assign to Customer all contractor, manufacturer and supplier warranties related to the Services, to the extent LCRA has the right to do so. After such assignment, LCRA will have no continuing obligations to Customer with respect to the good or service to which the warranty applies, and Customer will look solely to the applicable contractor, manufacturer or supplier for relief regarding any claims or remedies, whether based on a warranty or otherwise.
  - (b) Any law, code or standard referenced in this Contract will refer to the version of such law, code or standard in effect as of the Effective Date.
  - (c) **THE WARRANTIES CONTAINED IN THIS SECTION 7 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR GOOD AND WORKMANLIKE PERFORMANCE, AND LCRA’S OBLIGATION UNDER SECTION 7(A) IS CUSTOMER’S SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OR LIABILITY OF LCRA ARISING UNDER THIS CONTRACT.**
8. Environmental Conditions. Prior to LCRA starting any Services on-site, Customer will provide documentation that identifies the presence and condition of any hazardous materials or environmental conditions existing in or about Customer’s equipment or the site that LCRA may encounter while performing the Services, and will keep LCRA informed of changes in any such conditions. If LCRA encounters hazardous materials in Customer’s equipment or on-site, LCRA is not obligated to perform any Services affected by the hazardous conditions. Customer will indemnify and hold LCRA, its affiliates and their respective directors and employees, harmless for any and all claims, damages, losses, and expenses arising out of or relating to any hazardous materials which are or were (i) present in or about Customer’s equipment or the site prior to the commencement of LCRA’s work, (ii) improperly handled or disposed of by Customer or Customer’s employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on-site by parties other than LCRA.
9. Schedule. Unless otherwise expressly stated in the Contract documents, time is *not* of the essence and LCRA will not be liable to Customer for any damages arising out of LCRA’s delay in providing the Services, including any failure to meet schedules contained in this Contract.
10. Force Majeure. Neither party will be responsible or liable for any delay or failure in its performance under this Contract to the extent such delay or failure is caused by conditions or events of Force Majeure. The term “Force Majeure” means causes or

## CUSTOMER SERVICES CONTRACT

events beyond the reasonable control of, and without the fault or negligence of the party claiming Force Majeure, including (to the extent satisfying the foregoing requirements) (i) acts of God or sudden actions of the elements such as floods, earthquakes, hurricanes, tornadoes, ice storms, or wildfires; (ii) terrorism; war; riots; blockades; insurrection; strike at a regional level; labor disruption at a regional level (even if such difficulties could be resolved by conceding to the demands of a labor group); (iii) any action by a governmental or regulatory entity, including ERCOT or the PUCT; and (iv) pandemic, including the current Coronavirus Disease 2019 outbreak.

11. LIMITATION OF LIABILITY. THE TOTAL LIABILITY OF LCRA ARISING OUT OF THIS CONTRACT AND THE SERVICES WILL NOT EXCEED AN AMOUNT EQUAL TO THE FEES PAID TO LCRA UNDER THIS CONTRACT, AND LCRA WILL NOT BE LIABLE FOR INDIRECT, PUNITIVE, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS. IN NO EVENT WILL ANY OFFICER, DIRECTOR, EMPLOYEE OR AFFILIATE (OR AFFILIATE'S OFFICER, DIRECTOR OR EMPLOYEE) OF LCRA BE LIABLE TO CUSTOMER UNDER THIS CONTRACT, AND CUSTOMER'S SOLE RECOURSE UNDER THIS CONTRACT WILL BE AGAINST LCRA AND NOT AGAINST SUCH OTHER PERSONS. THE LIMITATIONS ON LIABILITY AND REMEDIES IN THIS PARAGRAPH WILL APPLY REGARDLESS OF WHETHER THE LIABILITY OR CAUSE OF ACTION ARISES IN CONTRACT, WARRANTY, INDEMNITY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. NOTHING IN THIS CONTRACT WILL BE CONSTRUED TO WAIVE LCRA'S GOVERNMENTAL IMMUNITY.

12. Amendment. This Contract may only be amended or modified through written agreement of the parties signed by an authorized representative of LCRA and by an authorized representative of the Customer.

13. Assignment. This Contract will be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided, however, that neither party may assign this Contract, in whole or part, without the prior written consent of the other party.

14. Non-Waiver. No failure or delay on the part of a party to exercise any right or remedy will operate as a waiver of such right or remedy, nor will any single or partial exercise of any right or remedy preclude any further or other exercise of any such right or remedy.

15. Partial Invalidity. If any section or part of this Contract is declared invalid by any court of competent jurisdiction, the court's decree will not affect the remainder of this Contract, and the remainder of this Contract will remain in full force and effect with the deletion of the part declared invalid.

16. Choice of Law; Venue; Waiver of Jury Trial. This Contract will be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles. Each party irrevocably consents and agrees that any legal action or proceeding arising out of this Contract will be brought exclusively in a court of competent jurisdiction in Travis County, Texas. LCRA AND CUSTOMER IRREVOCABLY WAIVE ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS CONTRACT.

17. Ownership. Intellectual property and rights to intellectual property owned by any party on the Effective Date will remain the property of that party. All deliverables, including plans, drawings, designs, specifications, computer programs or applications photographs, studies, data, schedules, test readings, technical reports, and calculations developed or utilized by LCRA or its subcontractors which are developed and specified to be delivered under this Contract and which are paid for by Customer are the property of Customer, but subject to LCRA's intellectual property rights. Customer recognizes that no deliverables will be suitable for reuse at any Customer facility or in connection with any project other than that for which the deliverable was prepared. LCRA DISCLAIMS LIABILITY FOR ANY REUSE OF THE DELIVERABLES ON ANY OTHER FACILITY OR PROJECT THAT IS DONE WITHOUT THE EXPLICIT, WRITTEN APPROVAL OF LCRA.

18. Confidentiality. "Confidential Information" means information marked or otherwise designated as "confidential" by a party. Confidential Information may only be used by the parties for purposes related to the performance of this Contract, and each party agrees not to disclose Confidential Information of the other party to any other person (other than its affiliates, and the party's and affiliate's respective employees and directors, or to contractors who agree to be bound by the provisions of this Section), provided that either party may disclose Confidential Information if and to the extent such disclosure is required by law (including the Texas Public Information Act). In the event a party is requested under law to disclose Confidential Information, such party will to the extent possible notify the other party within three business days of such request.

19. Municipally Owned Utilities. If Customer is a municipally owned utility, the following additional terms will apply:

- (a) This Contract is entered into under the authority of Chapter 791 of the Texas Government Code;
- (b) Customer pledges the revenues of its electric utility system to pay its obligations under this Contract. In addition, the amounts payable by Customer to LCRA under this Contract are operation and maintenance expenses as contemplated by Section 1502.056 of the Texas Government Code and, as a result, are a first lien against the revenues of Customer to secure the Customer's payment obligations to LCRA hereunder. Customer agrees that it will not request Services for which funds have not been appropriated and are not available.
- (c) Payments made under this Contract (1) are based on cost recovery, (2) will fairly compensate LCRA for the Services, and (3) will be made from current revenues available to Customer.

20. Survival. Termination or expiration of this Contract will not relieve, reduce, or impair any rights or obligations of a party which expressly or by implication survive termination or expiration of this Contract. Without limiting the generality of the foregoing, the following sections will survive the termination or expiration of this Contract: Costs; Invoicing; Warranty; Disclaimer; Environmental Conditions, Schedule, Limitation of Liability, Choice of Law; Venue; Waiver of Jury Trial, Ownership, Confidentiality, and Municipally Owned Utilities.



# MEMORANDUM

To: Larry Howard  
Bill Thomas  
Glenn Andrew  
Rachel Johnston  
Mayor Joe Herring, Jr.

From: Amy Dozier

Date: July 10, 2024

Re: Agenda Item No. 4 – Financial Report

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Attached please find financial statements for the month of June 2024.

Highlights include:

- **\$75K increase in net position** for the month, **\$687K increase** in net position on a year-to-date (YTD) basis, which is \$271K better than budget.
- **\$3.1M in operating revenue** for the month, **\$29.9M** on a YTD basis.
  - Through June, operating revenue is 14.6% lower than expected due primarily to a combination of lower purchased power cost as explained in the operating expense bullet below and slightly lower than budget kWh sales (2.6% lower).
- **\$3.1M in operating expense** for the month, **\$30.3M** on a YTD basis.
  - YTD operating expense is 13.3% lower than budget due primarily to low purchased power expenses resulting from low natural gas prices created by a mild winter and excess storage as well as KPUB's effective price stabilization activities. Other expense categories have smaller and offsetting variances.
- **\$39K in operating loss** for the month, **\$477K in operating loss** on a YTD basis.
- **\$125K in net nonoperating revenue** for the month, **\$736K** on a YTD basis.
  - Nonoperating revenue is \$577K better than budget for the year. The favorable performance is driven by interest income. Interest rates near 5.4% are higher than the budgeted 5.0% rate and our invested balance is higher than planned due to low power purchase costs.
- **\$18.4M in over collection of power cost adjustment** as of 6/30/2024, an **increase of \$1.6M** from the prior month.
- **\$46.4M invested** in investment pools and an investment account at Happy State Bank. The portfolio of investment accounts earned a blended rate of 5.38% for the month.

June's rate of \$102.50 for 1,000 kWh of residential power was implemented on November 1, 2023. Due to continued low prices for power, we are reducing the power cost adjustment factor in July. The new rate will be \$100.00 for kWh of residential power. A comparison of the change is as follows:

<b>November 2023 Residential Charge for 1,000 kWh</b>		<b>July 2024 Residential Charge for 1,000 kWh</b>	
Customer Charge	\$ 15.25	Customer Charge	\$ 15.25
Distribution Charge	16.80	Distribution Charge	16.80
Power Supply Charge		Power Supply Charge	
Fixed Rate	40.60	Fixed Rate	40.60
Power Cost Adjustment	<b>29.85</b>	Power Cost Adjustment	<b>27.35</b>
Total Power Supply	<u>70.45</u>	Total Power Supply	<u>67.95</u>
TOTAL BILL	\$ 102.50	TOTAL BILL	\$ 100.00

In addition to the usual monthly financial reports, also attached for your review are the following quarterly reports:

- Quarterly listing of vendor payments over \$10,000
- Quarterly listing of payments to a single vendor that have totaled over \$10,000 in the past 12 months

Sincerely,



Amy Dozier  
Director of Finance



Kerrville Public Utility Board  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Month Ended June 30, 2024  
(Unaudited)

	Comparison to Budget				Comparison to Last Year		
	Current Month	Current Month Budget Amount	Variance Favorable (Unfavorable)	Percentage Variance	Current Month Last Year Amount	Variance Favorable (Unfavorable)	Percentage Variance
<b>OPERATING REVENUES:</b>							
Residential	\$ 1,716,121	\$ 2,142,462	\$ (426,340)	-19.90%	\$ 1,765,381	\$ (49,259)	-2.79%
Commercial/Industrial	1,310,168	1,796,172	(486,004)	-27.06%	1,444,492	(134,324)	-9.30%
Sales to Public Authorities	21,626	21,500	126	0.59%	21,732	(106)	-0.49%
Other	57,759	35,133	22,626	64.40%	57,379	380	0.66%
<b>TOTAL OPERATING REVENUES</b>	<b>3,105,674</b>	<b>3,995,267</b>	<b>(889,592)</b>	<b>-22.27%</b>	<b>3,288,984</b>	<b>(183,310)</b>	<b>-5.57%</b>
<b>OPERATING EXPENSES:</b>							
Purchased Power	1,736,043	1,916,007	179,964	9.39%	2,095,646	359,603	17.16%
Distribution	416,106	369,367	(46,738)	-12.65%	289,516	(126,590)	-43.72%
Customer Accounts	68,694	66,502	(2,191)	-3.30%	42,300	(26,394)	-62.40%
Customer Service, Informational & Sales	39,480	36,916	(2,564)	-6.94%	24,657	(14,822)	-60.11%
Administrative Expenses	508,996	458,347	(50,648)	-11.05%	399,245	(109,751)	-27.49%
Depreciation & Amortization	374,865	368,670	(6,194)	-1.68%	329,292	(45,573)	-13.84%
<b>TOTAL OPERATING EXPENSES</b>	<b>3,144,182</b>	<b>3,215,810</b>	<b>71,628</b>	<b>2.23%</b>	<b>3,180,655</b>	<b>36,473</b>	<b>1.15%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(38,508)</b>	<b>779,456</b>	<b>(817,964)</b>	<b>-104.94%</b>	<b>108,329</b>	<b>(146,836)</b>	<b>-135.55%</b>
<b>NONOPERATING REVENUES (EXP):</b>							
Interest Income - Investments	204,095	135,417	68,678	50.72%	139,724	64,371	46.07%
Interest Income - City of Kerrville	11,786	11,786	0	0.00%	13,929	(2,143)	-15.38%
Interest Expense	(10,047)	(7,992)	(2,055)	-25.71%	(9,276)	(772)	-8.32%
City of Kerrville - General Fund Transfer	(99,798)	(124,347)	24,549	19.74%	(97,342)	(2,456)	-2.52%
City of Ingram - Franchise Fee	(3,347)	(3,316)	(31)	-0.94%	(2,844)	(503)	-17.69%
Other - Net	22,064	2,417	19,648	813.01%	2,662	19,402	728.82%
<b>TOTAL NONOPERATING REVENUES (EXP)</b>	<b>124,753</b>	<b>13,965</b>	<b>110,789</b>	<b>793.34%</b>	<b>46,853</b>	<b>77,900</b>	<b>166.26%</b>
<b>INCOME BEFORE CONTRIBUTIONS</b>	<b>86,245</b>	<b>793,421</b>	<b>(707,175)</b>	<b>-89.13%</b>	<b>155,182</b>	<b>(68,936)</b>	<b>-44.42%</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>(10,874)</b>	<b>30,000</b>	<b>(40,874)</b>	<b>-136.25%</b>	<b>44,470</b>	<b>(55,344)</b>	<b>-124.45%</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 75,372</b>	<b>\$ 823,421</b>	<b>\$ (748,049)</b>	<b>-90.85%</b>	<b>\$ 199,651</b>	<b>\$ (124,280)</b>	<b>-62.25%</b>
<b>NET POSITION AT BEGINNING OF MONTH</b>	<b>\$ 78,945,331</b>				<b>\$ 75,163,548</b>		
<b>NET POSITION AT END OF MONTH</b>	<b>\$ 79,020,703</b>				<b>\$ 75,363,200</b>		

Kerrville Public Utility Board  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Month Ended June 30, 2024  
(Unaudited)

	Comparison to Budget				Comparison to Last Year		
	Year to Date	Year to Date Budget Amount	Variance		Year to Date Last Year Amount	Variance	
			Favorable (Unfavorable)	Percentage Variance		Favorable (Unfavorable)	Percentage Variance
<b>OPERATING REVENUES:</b>							
Residential	\$ 16,889,227	\$ 19,414,614	\$ (2,525,387)	-13.01%	\$ 18,783,650	\$ (1,894,423)	-10.09%
Commercial/Industrial	12,210,740	14,810,463	(2,599,723)	-17.55%	13,835,411	(1,624,671)	-11.74%
Sales to Public Authorities	195,890	193,500	2,390	1.24%	192,315	3,576	1.86%
Other	557,648	544,530	13,118	2.41%	574,225	(16,576)	-2.89%
<b>TOTAL OPERATING REVENUES</b>	<b>29,853,505</b>	<b>34,963,107</b>	<b>(5,109,602)</b>	<b>-14.61%</b>	<b>33,385,600</b>	<b>(3,532,094)</b>	<b>-10.58%</b>
<b>OPERATING EXPENSES:</b>							
Purchased Power	18,863,035	23,107,774	4,244,739	18.37%	22,957,185	4,094,150	17.83%
Distribution	3,401,718	3,515,972	114,254	3.25%	2,628,705	(773,012)	-29.41%
Customer Accounts	537,092	598,521	61,429	10.26%	459,568	(77,524)	-16.87%
Customer Service, Informational & Sales	359,396	332,244	(27,152)	-8.17%	231,701	(127,695)	-55.11%
Administrative Expenses	3,854,995	4,164,042	309,047	7.42%	3,280,200	(574,794)	-17.52%
Depreciation & Amortization	3,314,438	3,256,857	(57,580)	-1.77%	2,896,674	(417,763)	-14.42%
<b>TOTAL OPERATING EXPENSES</b>	<b>30,330,673</b>	<b>34,975,410</b>	<b>4,644,737</b>	<b>13.28%</b>	<b>32,454,034</b>	<b>2,123,361</b>	<b>6.54%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(477,168)</b>	<b>(12,303)</b>	<b>(464,865)</b>	<b>3778.45%</b>	<b>931,566</b>	<b>(1,408,733)</b>	<b>-151.22%</b>
<b>NONOPERATING REVENUES (EXP):</b>							
Interest Income - Investments	1,842,470	1,218,750	623,720	51.18%	1,094,358	748,112	68.36%
Interest Income - City of Kerrville	110,357	110,357	0	0.00%	129,643	(19,286)	-14.88%
Interest Expense	(93,815)	(73,039)	(20,775)	-28.44%	(81,680)	(12,134)	-14.86%
City of Kerrville - General Fund Transfer	(955,499)	(1,089,419)	133,920	12.29%	(1,034,399)	78,900	7.63%
City of Ingram - Franchise Fee	(25,728)	(30,048)	4,320	14.38%	(24,694)	(1,035)	-4.19%
Other - Net	(142,047)	21,750	(163,797)	-753.09%	29,299	(171,346)	-584.81%
<b>TOTAL NONOPERATING REVENUES (EXP)</b>	<b>735,739</b>	<b>158,350</b>	<b>577,389</b>	<b>364.63%</b>	<b>112,527</b>	<b>623,211</b>	<b>553.83%</b>
<b>INCOME BEFORE CONTRIBUTIONS</b>	<b>258,571</b>	<b>146,047</b>	<b>112,524</b>	<b>77.05%</b>	<b>1,044,093</b>	<b>(785,522)</b>	<b>-75.23%</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>427,990</b>	<b>270,000</b>	<b>157,990</b>	<b>58.51%</b>	<b>345,405</b>	<b>82,585</b>	<b>23.91%</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 686,560</b>	<b>\$ 416,047</b>	<b>\$ 270,514</b>	<b>65.02%</b>	<b>\$ 1,389,498</b>	<b>\$ (702,937)</b>	<b>-50.59%</b>
<b>NET POSITION AT BEGINNING OF YEAR</b>	<b>\$ 78,334,141</b>				<b>\$ 73,973,702</b>		
<b>NET POSITION AT END OF MONTH</b>	<b>\$ 79,020,703</b>				<b>\$ 75,363,200</b>		

Kerrville Public Utility Board  
Balance Sheet  
As of June 30, 2024

ASSETS & DEFERRED OUTFLOWS	June 30, 2024	September 30, 2023	LIABILITIES, DEFERRED INFLOWS & NET POSITION	June 30, 2024	September 30, 2023
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Revenue Fund:			Current Maturities of Long-Term Liabilities	\$ 623,953	\$ 633,226
Cash and Cash Equivalents	\$ 895,087	\$ 720,093	Accounts Payable - Purchased Power	9,461,478	9,426,795
Investments	35,330,322	30,433,641	Accounts Payable and Accrued Liabilities	1,035,938	1,427,823
Less: Customer Deposits	(546,294)	(518,082)	Over Collection of Power Cost Adjustment	18,352,105	12,516,345
Total Revenue Fund	<u>35,679,115</u>	<u>30,635,652</u>	<b>TOTAL CURRENT LIABILITIES</b>	<u>\$ 29,473,474</u>	<u>\$ 24,004,189</u>
Construction Fund:			<b>NONCURRENT LIABILITIES</b>		
Cash and Cash Equivalents	5,608	5,389	2013 Revenue Bonds, net of current portion	\$ 1,965,000	\$ 2,413,000
Investments	1,591,486	1,528,354	Lease Liability	52,611	84,352
Total Construction Fund	<u>1,597,094</u>	<u>1,533,743</u>	Subscription Liability	916,530	692,268
Rate Stabilization Fund:			Customer Deposits	546,294	518,082
Investments	2,094,391	2,011,309	Net Pension Liability	3,877,307	3,877,307
Total Rate Stabilization Fund	<u>2,094,391</u>	<u>2,011,309</u>	Total OPEB Liability	<u>260,808</u>	<u>260,808</u>
Long Term Rate Stabilization Fund:			<b>TOTAL NONCURRENT LIABILITIES</b>	<u>\$ 7,618,550</u>	<u>\$ 7,845,817</u>
Investments	3,148,495	2,421,198	<b>DEFERRED INFLOWS - PENSION AND OPEB</b>		
Total Rate Stabilization Fund	<u>3,148,495</u>	<u>2,421,198</u>		<u>\$ 132,700</u>	<u>\$ 132,700</u>
Customer Accounts Receivable, net of allowance	1,885,051	2,574,253	<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>		
Unbilled Revenue	2,319,589	2,319,589		<u>\$ 37,224,724</u>	<u>\$ 31,982,706</u>
Materials and Supplies	1,231,258	1,233,153	<b>TOTAL NET POSITION</b>		
Other Current Assets	1,434,563	888,455		<u>\$ 79,020,703</u>	<u>\$ 78,334,141</u>
Current Portion - Advance to City of Kerrville	1,071,428	1,071,428	<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>		
<b>TOTAL CURRENT ASSETS</b>	<u>\$ 50,460,983</u>	<u>\$ 44,688,780</u>		<u>\$ 116,245,427</u>	<u>\$ 110,316,847</u>
<b>NONCURRENT ASSETS</b>					
Customer Deposits	\$ 546,294	\$ 518,082			
Interest and Sinking Fund	304,311	440,861			
Emergency, Repair, Replace, Contingency Fund	3,916,048	3,760,703			
Advance to City of Kerrville, net of current portion	4,821,429	5,357,143			
Capital Assets, net of Accum Depreciation	51,965,462	51,570,688			
Right to Use Assets, Net of Accum Amortization	65,406	109,047			
Subscription Assets, Net of Accum Amortization	1,247,494	953,542			
<b>TOTAL NONCURRENT ASSETS</b>	<u>\$ 62,866,445</u>	<u>\$ 62,710,068</u>			
DEFERRED OUTFLOWS - PENSION AND OPEB	<u>\$ 2,918,000</u>	<u>\$ 2,918,000</u>			
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 116,245,427</u>	<u>\$ 110,316,847</u>			

Kerrville Public Utility Board  
Invested Funds Detail  
For the Month Ended June 30, 2024

		Restricted							
	Date	Revenue Fund	Construction Fund	Rate Stabilization Fund	Long Term Rate Stabilization Fund	Debt Reserve Fund	Interest & Sinking Fund	Emergency Repair, Replacement & Contingency Fund	Total Funds Invested
Beginning Fund Balance		\$ 35,049,160	\$ 1,584,482	\$ 2,085,173	\$ 3,134,638	\$ -	\$ 260,658	\$ 3,898,814	\$ 46,012,925
Withdrawals:									
Happy Investment - TXHB	06/03/24	(91,787)							(91,787)
Happy Investment - LCRA	06/03/24	(694,109)							(694,109)
Happy Investment - TMRS	06/12/24	(84,122)							(84,122)
Happy Investment - ERCOT	06/14/24	(65)							(65)
Happy Investment - NextEra	06/19/24	(485,088)							(485,088)
Happy Investment - CPS	06/20/24	(637,098)							(637,098)
Happy Investment - Concho Bluff	06/21/24	(86,802)							(86,802)
Happy Investment - DG Solar	06/25/24	(50,386)							(50,386)
Investments:									
Happy Investment	06/07/24	600,000							600,000
Happy Investment	06/21/24	600,000							600,000
Happy Investment	06/24/24	400,000							400,000
Happy Investment	06/28/24	700,000							700,000
Fund Balance after Withdrawals & Investments		35,219,703	1,584,482	2,085,173	3,134,638	-	260,658	3,898,814	46,183,468
Allocation of:									
Interest Income	06/30/24	153,113.90	7,004	9,217	13,857	-	1,158	17,235	201,585
Total Interest Allocation		153,114	7,004	9,217	13,857	-	1,158	17,235	201,585
Fund Balance After Allocations		35,372,817	1,591,486	2,094,391	3,148,495	-	261,817	3,916,048	46,385,053
Interfund Transfers :									
Debt Service Accrual	06/30/24	(42,494)					42,494		-
Ending Fund Balance		\$ 35,330,322	\$ 1,591,486	\$ 2,094,391	\$ 3,148,495	\$ -	\$ 304,311	\$ 3,916,048	\$ 46,385,053

Kerrville Public Utility Board  
 Computation of the Monthly and Annual Debt Service Coverage  
 For the Month Ended June 30, 2024

Description	Current Month	Fiscal Year	Previous 12 Months
CHANGE IN NET POSITION	\$ 75,372	\$ 686,560	\$ 3,657,503
PLUS:			
Interest Expense (net of amortizations)	10,047	93,815	139,432
Depreciation & Amortization Expense	374,865	3,314,438	4,502,876
Numerator	460,283	4,094,813	8,299,811
DIVIDED BY:			
Interest Expense (net of amortizations)	10,047	93,815	139,432
Principal Payment Due	52,769	474,920	633,227
Denominator	\$ 62,816	\$ 568,735	\$ 772,659
DEBT SERVICE COVERAGE RATIO	7.33	7.20	10.74
Minimum Requirement per Bond Covenant		1.35	times Debt Service
Minimum Requirement Established by KPUB Board for Good Business Practices		1.65	times Debt Service

KERRVILLE PUBLIC UTILITY BOARD  
PAYMENT REGISTER (EXCLUDES WIRES)  
INDIVIDUAL PAYMENTS > \$10,000  
APRIL 1, 2024 TO JUNE 30, 2024

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
1	3479	04/25/2024	DD 1147	LINETEC SERVICES LLC	MISCELLANEOUS SERVICES OSMOSE	\$ 145,392.58
2	3447	04/11/2024	DD 108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-MARCH 2024	108,362.93
3	3539	05/23/2024	DD 18391	TEXAS ELECTRIC COOPERATIVES, I	METER FOCUS RXE/SD REVERSE ACTUATOR(108)	105,651.54
4	3568	06/13/2024	DD 108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-MAY 2024	100,513.23
5	3512	05/09/2024	DD 108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-APRIL 2024	96,171.55
6	3445	04/04/2024	DD 77	WESCO DISTRIBUTION, INC.	URD TRANSFORMER 167KVA(9)	92,306.25
7	3516	05/09/2024	DD 18391	TEXAS ELECTRIC COOPERATIVES, I	METERS CL320(40)/CL20(40)/CL200(40)	65,670.00
8	3588	06/20/2024	DD 70	TECHLINE INCORPORATED	CROSSARM, CABLE, STOCK MATERIAL	61,573.04
9	3558	06/06/2024	DD 110	LOWER COLORADO RIVER AUTHORITY	S138 HARPER RD-OIL DIAGNOSTICS	48,610.10
10	136743	06/06/2024	CHK 1648	FORD OF BOERNE	UNIT#3277-REPLACE UNIT#3239	46,853.38
11	3521	05/16/2024	DD 5415	SCHNEIDER ENGINEERING, LLC	JACK FURMAN T2 ADDITION	46,378.75
12	3585	06/20/2024	DD 5415	SCHNEIDER ENGINEERING, LLC	JACK FURMAN T2 ADDITION	42,248.75
13	136785	06/13/2024	CHK 60	EN ENGINEERING, LLC	PROFESSIONAL SERVICES 3/24-4/20(DOE)	35,000.00
14	3468	04/18/2024	DD 25169	NISC, INC.	BILL PRINT SERVICES-MARCH 2024	33,787.23
15	3573	06/13/2024	DD 25169	NISC, INC.	NISC-SMARTHUB/MESSAGING TRAINING-EPARKER	32,793.22
16	3602	06/27/2024	DD 70	TECHLINE INCORPORATED	HARPER UNDERBUILD-MATERIALS WIRE	31,945.95
17	136742	06/06/2024	CHK 1155	ECOMPLIANCE INC	ANNUAL SUBSCRIPTION RENEWAL	26,309.03
18	3524	05/16/2024	DD 18391	TEXAS ELECTRIC COOPERATIVES, I	URD TRANSFORMERS 167KVA(1)/75KVA(4)	26,041.00
19	3586	06/20/2024	DD 17992	SCHWEITZER ENGINEERING LABS, I	REPLACEMENT RELAYS	25,676.56
20	3433	04/04/2024	DD 52	MAXEY ENERGY COMPANY	DIESEL FUEL(3482GAL)/UNLEADED(4469GAL)	24,858.25
21	3496	05/02/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	22,669.94
22	3540	05/23/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	22,034.40
23	136618	04/18/2024	CHK 99263	PROLEC-GE WAUKESHA, INC.	SPARE SUBSTATION TRANSFORMER BUSHINGS	21,650.00
24	3490	05/02/2024	DD 45	KBS ELECTRICAL DISTRIBUTORS IN	OH TRANSFORMER 75KVA(1)	21,270.00
25	136658	04/25/2024	CHK 96	AMERICAN PUBLIC POWER ASSN. CO	2024-ANNUAL DUES	21,221.11
26	136683	05/09/2024	CHK 13717	SHI GOVERNMENT SOLUTIONS, INC.	SOLAR WINDS SUPPORT	20,257.89
27	3532	05/23/2024	DD 25169	NISC, INC.	SOFTWARE/MAPPING&STAKING/MKTG SUPPORT	20,035.51
28	3600	06/27/2024	DD 5415	SCHNEIDER ENGINEERING, LLC	TRANSMISSION UNDERBUILD DESIGN	18,976.15
29	136700	05/16/2024	CHK 1555	CENTRAL TEXAS RANCH SERVICES	KPUB WIRE BARN-PARKING LOT COVER	18,500.00
30	3553	06/06/2024	DD 1166	ANIXTER INC	MECHANICAL JUMPERS, CABLES, CLAMPS, GLOVES	17,342.28
31	3604	06/27/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	16,876.77

KERRVILLE PUBLIC UTILITY BOARD  
 PAYMENT REGISTER (EXCLUDES WIRES)  
 INDIVIDUAL PAYMENTS > \$10,000  
 APRIL 1, 2024 TO JUNE 30, 2024

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
32	3597	06/27/2024	DD 5833	DAVIDSON TROILO REAM & GARZA	LEGAL SERVICES	16,083.39
33	136619	04/18/2024	CHK 910573	SUNBELT SOLOMON SERVICES, LLC	VOLTAGE REGULATOR MAINTENANCE	15,644.00
34	3493	05/02/2024	DD 5415	SCHNEIDER ENGINEERING, LLC	POWER SUPPLY PLANNING/ERCOT MKT SUPPORT	15,563.75
35	3509	05/09/2024	DD 70	TECHLINE INCORPORATED	XFMR CONNECTOR SECONDARY LAY-IN	15,182.35
36	3483	04/25/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	12,725.76
37	3565	06/06/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	12,617.70
38	3442	04/04/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	12,554.28
39	3589	06/20/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	12,553.98
40	3520	05/16/2024	DD 25169	NISC, INC.	MISCELLANEOUS BILLING-APRIL 2024	12,323.10
41	3460	04/11/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	12,280.20
42	3549	05/30/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	12,280.20
43	3525	05/16/2024	DD 1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES	11,995.60
44	3469	04/18/2024	DD 5415	SCHNEIDER ENGINEERING, LLC	GENERAL SUBSTATION ENGINEERING	11,068.65
45	3439	04/04/2024	DD 70	TECHLINE INCORPORATED	TRANSFORMERS	10,488.00
46	3527	05/16/2024	DD 77	WESCO DISTRIBUTION, INC.	TRANSFORMERS	10,256.25
47	3457	04/11/2024	DD 70	TECHLINE INCORPORATED	METER SOCKETS W/TEST SWITCH(10)	10,058.00
TOTAL						<u>\$ 1,620,652.60</u>

KERRVILLE PUBLIC UTILITY BOARD  
VENDOR PAYMENTS TOTALING OVER \$10,000  
ROLLING 12 MONTHS ENDED JUNE 30, 2024

	VENDOR NAME	JUL-SEP 2023	OCT-DEC 2023	JAN-MAR 2024	APR 2024	MAY 2024	JUNE 2024	GRAND TOTAL
1	CITY OF KERRVILLE	\$ 331,394.09	\$ 223,948.62	\$ 381,428.67	\$ 108,530.33	\$ 96,369.00	\$ 100,698.53	\$ 1,242,369.24
2	LOWER COLORADO RIVER AUTHORITY	57,481.65	733,177.52	76,051.77	6,972.56	492.10	48,610.10	922,785.70
3	LINETEC SERVICES LLC	141,737.86	255,547.17	174,231.28	145,392.58	-	-	716,908.89
4	TEXAS ELECTRIC COOPERATIVES, INC.	221,968.81	200,220.46	6,544.25	11,555.00	207,495.79	2,384.25	650,168.56
5	TECHLINE INCORPORATED	64,752.76	212,575.50	168,892.90	27,769.50	31,128.67	103,061.30	608,180.63
6	TOWNSEND TREE SERVICE COMPANY LLC	128,465.36	154,811.32	154,503.59	39,045.14	68,980.14	43,287.25	589,092.80
7	NISC, INC.	98,631.26	108,584.17	103,660.09	33,787.23	32,358.61	32,793.22	409,814.58
8	SCHNEIDER ENGINEERING, LLC	71,116.25	109,800.00	49,657.50	13,068.65	67,521.25	61,224.90	372,388.55
9	VIRGINIA TRANSFORMER CORP	-	-	372,154.50	-	-	-	372,154.50
10	WESCO DISTRIBUTION, INC.	145,250.84	55,026.78	50,519.17	94,457.25	10,256.25	-	355,510.29
11	GLOBAL RENTAL CO., INC.	162,025.00	190,692.00	-	-	-	-	352,717.00
12	KBS ELECTRICAL DISTRIBUTORS INC.	125,688.70	119,091.80	4,758.70	3,638.05	26,367.00	-	279,544.25
13	COMPUTER SOLUTIONS	24,892.89	230,424.48	6,002.50	-	-	6,939.52	268,259.39
14	STUART C. IRBY COMPANY	156,237.21	17,389.76	69,500.49	1,011.20	491.00	83.32	244,712.98
15	RGB RESOURCES, LLC	229,000.00	5,343.64	592.50	-	-	-	234,936.14
16	TML INTERGOVERNMENTAL RISK POOL	-	159,115.11	-	4,747.00	-	-	163,862.11
17	DAVIDSON TROILO REAM & GARZA	34,908.15	43,092.00	12,673.38	4,130.67	462.50	17,177.89	112,444.59
18	SHI GOVERNMENT SOLUTIONS, INC.	55,245.28	486.20	11,156.25	-	25,147.89	3,170.00	95,205.62
19	MAXEY ENERGY COMPANY	28,551.77	-	22,928.80	24,858.25	-	-	76,338.82
20	OFFICESOURCE LTD	-	74,161.75	-	-	1,398.08	-	75,559.83
21	CITY OF INGRAM	33,849.26	-	40,032.04	-	-	-	73,881.30
22	KERRVILLE ECONOMIC DEVELOPMENT CORP.	-	68,750.00	-	-	-	-	68,750.00
23	ECKOH, INC.	34,966.00	27,773.64	266.72	93.79	91.68	184.14	63,375.97
24	COOPERATIVE RESPONSE CENTER, INC.	15,469.20	14,890.99	16,018.81	5,311.65	5,516.30	6,075.33	63,282.28
25	USIC LOCATING SERVICES, INC.	15,704.81	14,398.25	15,572.75	5,202.46	4,561.84	5,295.76	60,735.87
26	ALAMON INC	-	-	48,638.50	5,894.00	-	-	54,532.50
27	AMERICAN FIDELITY ASSURANCE CO	7,425.36	14,827.58	12,204.55	4,068.18	8,136.36	4,068.18	50,730.21
28	SOLID BORDER, INC.	-	50,612.72	-	-	-	-	50,612.72
29	FORD OF BOERNE	-	-	-	-	-	46,853.38	46,853.38
30	KRAUSS GARAGE	10,229.32	9,496.82	7,614.10	1,221.20	9,737.60	5,322.02	43,621.06
31	SO FAST PRINTING, INC.	10,455.09	9,592.70	10,798.00	9,717.00	110.00	-	40,672.79
32	VERIZON WIRELESS	9,016.94	9,010.52	10,108.36	3,015.15	3,246.26	3,729.11	38,126.34
33	BOLINGER, SEGARS, GILBERT & MOSS,LLP	-	35,000.00	2,500.00	-	-	-	37,500.00
34	EN ENGINEERING, LLC	-	-	-	-	-	35,000.00	35,000.00
35	ELLIOTT ELECTRIC SUPPLY, INC	32,412.29	170.23	-	12.84	-	-	32,595.36
36	VERDEK LLC	-	26,845.00	2,409.00	3,206.00	-	-	32,460.00
37	CARASOFT TECHNOLOGY CORPORATION	32,032.20	-	-	-	-	-	32,032.20
38	METROPOLITAN LIFE INS. CO.	4,729.00	7,869.56	10,730.80	2,682.70	2,682.70	2,682.70	31,377.46
39	RAPID7 LLC	-	-	28,968.13	-	-	-	28,968.13



KERRVILLE PUBLIC UTILITY BOARD  
VENDOR PAYMENTS TOTALING OVER \$10,000  
ROLLING 12 MONTHS ENDED JUNE 30, 2024

VENDOR NAME	JUL-SEP 2023	OCT-DEC 2023	JAN-MAR 2024	APR 2024	MAY 2024	JUNE 2024	GRAND TOTAL
40 ZONES, LLC.	-	-	28,761.41	-	-	-	28,761.41
41 SURVALENT TECHNOLOGY INC	-	28,371.00	-	-	-	-	28,371.00
42 JUAN J MARTINEZ JR	6,770.00	6,520.00	6,520.00	2,200.00	2,160.00	2,285.00	26,455.00
43 ECOMPLIANCE INC	-	-	-	-	-	26,309.03	26,309.03
44 VC3 INC	-	-	26,000.00	-	-	-	26,000.00
45 SCHWEITZER ENGINEERING LABS, INC.	-	-	-	-	-	25,676.56	25,676.56
46 LANDIS+GYR TECHNOLOGY INC	3,990.00	8,226.95	9,309.80	1,995.00	-	-	23,521.75
47 APOGEE INTERACTIVE, INC.	-	23,000.00	-	-	-	-	23,000.00
48 HILL COUNTRY TELEPHONE COOPERATIVE	5,123.99	5,155.41	8,663.67	1,326.84	1,326.84	1,326.84	22,923.59
49 KERRVILLE RANCH AND PET CENTER	2,456.00	19,744.95	496.65	-	-	-	22,697.60
50 DELL MARKETING L.P.	20,186.75	238.33	-	-	-	2,193.57	22,618.65
51 AWP SAFETY	-	20,776.35	1,362.60	-	-	-	22,138.95
52 ENTERPRISE FM TRUST	6,700.56	5,025.42	5,025.42	1,675.14	1,675.14	1,675.14	21,776.82
53 PROLEC-GE WAUKESHA, INC.	-	-	-	21,650.00	-	-	21,650.00
54 STERLING COMPUTERS CORPORATION	-	21,246.36	-	-	-	-	21,246.36
55 AMERICAN PUBLIC POWER ASSN. CORP.	-	-	-	21,221.11	-	-	21,221.11
56 ANIXTER INC	-	-	458.75	1,455.00	1,320.00	17,656.20	20,889.95
57 SUNBELT SOLOMON SERVICES, LLC	-	-	-	20,231.98	-	-	20,231.98
58 TEXAS PUBLIC POWER ASSOC.	16,928.00	-	-	-	-	2,500.00	19,428.00
59 CENTRAL TEXAS RANCH SERVICES	-	-	-	-	18,500.00	-	18,500.00
60 [RE]DESIGN/THE DRALA PROJECT, INC.	18,457.00	-	-	-	-	-	18,457.00
61 CPS ENERGY	18,070.00	-	-	-	-	-	18,070.00
62 ALL POINTS COMMUNICATIONS, INC.	6,685.93	3,308.48	480.00	-	1,182.50	5,417.30	17,074.21
63 IMPROV ENGINEERS LLC	-	-	16,450.00	-	-	-	16,450.00
64 VANTAGE POINT SOLUTIONS, INC.	-	16,000.00	-	-	-	-	16,000.00
65 RICHARD C DREISS	11,175.00	-	4,500.00	-	-	-	15,675.00
66 NATURESCAPE HILL COUNTRY LLC	4,423.00	3,169.00	2,171.35	1,015.00	721.00	1,961.00	13,460.35
67 3SIXTY INTEGRATED	12,550.60	-	659.88	-	130.00	-	13,340.48
68 TEXAS METER & DEVICE COMPANY	4,037.98	2,969.80	3,214.84	1,811.79	930.33	-	12,964.74
69 REPUBLIC SERVICES #859, INC.	3,265.32	3,164.10	3,684.59	1,009.00	369.37	1,059.44	12,551.82
70 RITZ SAFETY LLC	-	12,499.20	-	-	-	-	12,499.20
71 ONLINE INFORMATION SERVICES, INC	2,508.38	2,132.39	3,297.83	2,327.67	719.98	1,101.41	12,087.66
72 MILEPOST CONSULTING SPC	12,000.00	-	-	-	-	-	12,000.00
73 LONE STAR FIELD SERVICES	742.50	-	5,994.00	4,884.00	-	-	11,620.50
74 BAT CITY, INC.	-	9,004.78	-	-	-	2,380.86	11,385.64
75 WINDSTREAM COMMUNICATIONS	7,873.44	907.40	1,758.70	-	-	-	10,539.54
76 STEPHEN B. SCHULTE, P.C.	1,937.50	3,475.00	1,375.00	1,412.50	1,062.50	1,000.00	10,262.50
77 FIVE STAR WIRELESS	-	10,000.00	-	-	-	-	10,000.00
TOTAL	\$ 2,449,519.30	\$ 3,387,661.21	\$ 2,001,302.59	\$ 643,603.41	\$ 632,648.68	\$ 621,183.25	\$ 9,735,918.44

## MEMORANDUM

To: Larry Howard  
Bill Thomas  
Glenn Andrew  
Rachel Johnston  
Mayor Joe Herring, Jr.

From: Ricardo Berrios

Date: July 9, 2024

Re: Agenda Item No. 5 – Projects and Capital Budget Report

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Attached for your review are the third quarter Projects and Capital Budget Report.

Third Quarter FY24 Major Projects Update:

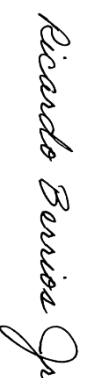
- As requested, this is a new table that shows the name, location and number of units of major projects in various states of design.
  - Please let me know of adjustments you would like made and I will revise.

Third Quarter FY24 Capital Budget Report:

- This table contains the first quarter expenditures and the budgeted amounts for each capital improvement project

Please let me know if you have any questions or concerns.

Sincerely,



Ricardo Berrios, Jr.  
Distribution Engineer

FY24 Major Projects Quarterly Report

Project Reference Name	Tech	WO	# Units	Service Type	Transformer Size	Approximate Location	5-9-2024 Status
<b>Subdivision / Apartment Buildings</b>							
Aransas Addition (Small Homes)	John		12	UG-Single	(2) 100 KVA	Travis and F Street	KPUB design to developer
Brinks Crossing (Apartments)	John		156		11-167 / 1-100	Just north of Camp Meeting off 16	No news since Nov. 2023
Brinks/Creek Estate Crossing Apartments	John		876			Camp Meeting off 16	Change project name to indicate this is overall design
Brinks/Creek Estate OH Line Relocation	John	23001554		OH Relocation		Just north of Camp Meeting off 16	Sent CIAC to Owner
Cibola Trails			44			Coronado and Mountain Laurel	City notification (no notice to KPUB yet)
Dark Estate (25 Lots)	John		25				Assign John as tech, in progress, potential easement for tie circuit needed
Mariposa	Guy		42		(1) 25 KVA, (2) 37.5 KVA, (3) 50 KVA, (5) 75 KVA	Western Loop and Bow Lane	Get with Goodman to open transformers, need to install J boxes or come from North side
Residences at The Landing (Phase II)	Guy	23002098	96				No news since Jan. 2024
River Rock Apartments						301 Mathison N	Move to deleted or complete section of this list
The Bluewood : J Street Kerrville (By the Sport C	Guy	23000909	275	UG-Single		Next to Sport Complex	Projected closing in June 2024, design is complete, add number of transformers and sizes to list, Phases 2 and 3 will be coming
The Reserve at Kerrville			1822			Between 16 and 173	No news since 2022, move to dead project section of list
Windridge Homes	John		511			Next to Peterson Jr HS (534 Loop)	Add Lennar to Project Name, First unit is 233 lots (approx. 25-100kva)
<b>Commercial Business / Special Project</b>							
Bank & Trust Development	Guy					345 Junction Hwy	Date/Short Status
Chase Bank						Hwy 27 & Harper Road	Early design email from City (Steve Melander)
Kerrville Public Safety Facility Project	Guy			UG 3-Ph	1000 (277/480)		Is size 1000kva for sure (what size is their generator)? Need to coordinate fiber needs
LOIS Street Booster Pump	Walt				500 (277/480)	Lois Street	On hold, no timeframe given but expected to move forward
Mo Ranch	Guy	Future					Waiting on funding, last heard from them Summer 2023, move to stale projects
New Kerr County Animal Services Facility			1	UG-3-Ph		199 Spur 100 N	Transformer size? Customer needs to apply for service
Megacrete	Ricardo	Future		UG 3-Ph	1500 (277/480)	LE50	Met with customer in SA in early April 2024, what is transformer size?
Texas Regional Bank			1			601 Main Street	Junction 27 & Clay Street
<b>School / Church</b>							
Center Point ISD Culinary Art Lab	John	24003295	1	UG-Secondary	(3) 75 (120/240)	208 1ST ST E, CENTER POINT, TX	No change
Ingram ISD-Well	Tom	24006879	1	UG-Primary	(3) 50 (277/480)	700 Hwy 39	
<b>Service Completed</b>							
TESLA INC (Official Cancel)	John	23015749	1	UG 3-Ph	750 (277/480)	2141 SIDNEY BAKER ST CHARGING STATION, K	Cancel by email from Jacob Finley 4/22/2024
Commercial Building (6-Tenants)	Guy	24003728		OH 3-Ph	(3) 50 (120/208)	120 Blue Ridge	DONE
Public Safety Facility (TEMP OH)	Guy	24004881		OH 3-Ph	(3) 100 (277/480)	366 Clearwater Paseo	DONE
OFF THE GRID VENTURES (Unit 1 and 2)	Tom	23014838	1	OH 3-PH	(3) 25 (120/208)	606 MILL RUN	DONE
OFF THE GRID VENTURES (Unit 3 and 4)	Tom	23014848	1	OH 3-PH	(3) 25 (120/208)	606 MILL RUN	DONE
Dutch Bros Coffee	Tom	24013330		UG 3-Ph	150 (120/208)	1805 Sidney Baker	DONE
Allsup (Cancel)	John					921 Harper Rd	Cancel 6/28/2024

CAPITAL BUDGET REPORT  
FISCAL YEAR OCTOBER 1, 2023 - SEPTEMBER 30, 2024

Budget No.	Description	Budget Amount	Qtr 1 (Oct-Dec)	Qtr 2 (Jan-Mar)	Qtr 3 (Apr-June)	July Actual	August Actual	September Actual	Qtr 4 (July-Sep)	YTD Total	% Budget Complete	Loan Balance
24700	Aerial Imagery Update	\$ 38,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 38,100.00
24701	Existing AMR Systems	\$ 75,000	\$ 36,480.00	\$ -	\$ 161,904.00	\$ -	\$ -	\$ -	\$ -	\$ 198,384.00	265%	\$ (123,384.00)
24714	Customer Extensions	\$ 1,506,805	\$ 388,018.88	\$ 303,539.60	\$ 456,642.67	\$ -	\$ -	\$ -	\$ -	\$ 1,148,201.15	76%	\$ 358,603.85
24721	Street Lights	\$ 66,240	\$ 8,447.57	\$ 7,681.08	\$ 3,512.52	\$ -	\$ -	\$ -	\$ -	\$ 19,641.17	30%	\$ 46,598.83
24722	Clay Street Improvements	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 50,000.00
24723	Contingency	\$ 4,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 4,924.00
24724	KPD/KCSO/KPUB Reliability Project	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 200,000.00
24725	Harper to Furman Transm. Underbuild	\$ 350,000	\$ 7,355.00	\$ 17,188.70	\$ 48,356.70	\$ -	\$ -	\$ -	\$ -	\$ 72,900.40	21%	\$ 277,099.60
24726	Single to Three-phas. Conv.(HR30 & ST60)	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 360,000.00
24727	Padmount Refurbish & Replacement	\$ 197,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 197,260.00
24728	Bucket/Digger	\$ 325,000	\$ 192,314.48	\$ 3,137.79	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,452.27	60%	\$ 129,547.73
24729	Ford 1/2 Ton Ext. Cab 4X4 Rep. Unit 3239	\$ 45,000	\$ -	\$ -	\$ 49,208.38	\$ -	\$ -	\$ -	\$ -	\$ 49,208.38	109%	\$ (4,208.38)
24730	Ordinary Replacements	\$ 113,142	\$ 8,870.92	\$ 2,307.58	\$ 10,789.88	\$ -	\$ -	\$ -	\$ -	\$ 21,968.38	19%	\$ 91,173.62
24731	System Improvements	\$ 591,325	\$ 40,889.81	\$ 20,351.42	\$ 54,220.03	\$ -	\$ -	\$ -	\$ -	\$ 115,461.26	20%	\$ 475,863.74
24732	Power Factor Improvement	\$ 43,904	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 43,904.00
24733	Pole Inspection Replacements	\$ 450,000	\$ 23,333.26	\$ 114,766.06	\$ 240,294.21	\$ -	\$ -	\$ -	\$ -	\$ 378,393.53	84%	\$ 71,606.47
24734	Ford 1 Ton Ext. Cab 4X4 Rep. Unit 3241	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 60,000.00
24748	DA Equipment Deployment	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 15,000.00
24749	New Substation	\$ 372,155	\$ -	\$ 372,154.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 372,154.50	100%	\$ 0.50
24750	Minor System Improvements	\$ 186,000	\$ 1,585.00	\$ 9,080.00	\$ 37,885.36	\$ -	\$ -	\$ -	\$ -	\$ 48,550.36	26%	\$ 137,449.64
24751	Legion Mobile Xmfr-Tie in Switch	\$ 67,000			\$ -					\$ -	0%	\$ 67,000.00
24753	LCRA Maintenance Testing Fall 2024	\$ 204,400			\$ -					\$ -	0%	\$ 204,400.00
24760	IT Normal Replacements	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 25,000.00
24761	Mobile Workforce (iPad Repl. & Impl.)	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 40,000.00
24763	SCADA Server Upgrade	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 50,000.00
24764	Network Infrastructure	\$ 130,000	\$ 39,702.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,702.00	31%	\$ 90,298.00
24765	Wireless Network Upgrade	\$ 45,000			\$ -					\$ -	0%	\$ 45,000.00
24769	Fiber Optic Communications	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 60,000.00

CAPITAL BUDGET REPORT  
FISCAL YEAR OCTOBER 1, 2023 - SEPTEMBER 30, 2024

Budget No.	Description	Budget Amount	Qtr 1 (Oct-Dec)	Qtr 2 (Jan-Mar)	Qtr 3 (Apr-June)	July Actual	August Actual	September Actual	Qtr 4 (July-Sep)	YTD Total	% Budget Complete	Loan Balance
24774	Office Furniture	\$ 75,000	\$ 71,499.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,499.02	95%	\$ 3,500.98
24775	Facilities Improvements	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 50,000.00
24776	Radio System Upgrade at Hunt Sub	\$ 516,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 516,000.00
24777	Wire Barn Improvements	\$ 50,000	\$ -	\$ -	\$ 24,440.73	\$ -	\$ -	\$ -	\$ -	\$ 24,440.73	49%	\$ 25,559.27
24778	EV Charging	\$ 685,845	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 685,845.00
24779	Misc. Capital Tools/Radio	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ 25,000.00
24902	Education & Training FY 24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
	<b>Totals:</b>	<b>\$ 7,073,100</b>	<b>\$ 818,496</b>	<b>\$ 850,207</b>	<b>\$ 1,087,254</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,755,957</b>	<b>39%</b>	<b>\$ 4,317,142.85</b>
	<b>Percent of Total Budget:</b>		11.6%	12.0%	15.4%	0.0%	0.0%	0.0%	0.0%	39.0%		

# MEMORANDUM

To: Larry Howard  
Bill Thomas  
Glenn Andrew  
Rachel Johnston  
Mayor Joe Herring, Jr.

From: Howard Hall

Date: July 12, 2024

Re: Agenda Item No. 6 – Reliability Report

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Attached for your review is the third quarter Reliability Report for FY 2023-2024.

The report uses the System Average Interruption Durations Index (SAIDI), which is an industry standard metric. SAIDI is how long, on average, each customer was without power in each quarter throughout the fiscal year.

It is important to note that SAIDI is calculated by excluding Major Event Days (MEDs), as defined by the IEEE.

Please let me know if you have any questions or concerns.

Sincerely,



Howard Hall  
Supervisor, Field Services



**KPUB Reliability Report**

Substation		FY 24 Q1	FY 24 Q2	FY 24 Q3	Trend	FY Totals 10/1/23 - 9/30/2024	Noted Significant Events
<b>Hunt</b> (Hunt)	w/o ME	0.79	2.68	2.75	/	6.22	
	w/ ME	0.79	2.68	2.75	/	6.22	
<b>Ingram</b> (Ingram)	w/o ME	0.29	20.26	6.92	\	27.47	1/11/2024 - 3 hour outage affecting 162 customers. Tree overhang - fell over on line. High wind was reported.
	w/ ME	0.29	20.26	6.92	\	27.47	
<b>Jack Furman</b> (Kerrville/Ingram)	w/o ME	8.94	5.75	7.22	/	21.93	
	w/ ME	8.94	5.75	7.22	/	21.93	
<b>Rim Rock</b> (Kerrville South)	w/o ME	0.69	0.55	8.90	/	10.14	
	w/ ME	0.69	0.55	8.90	/	10.14	
<b>Harper</b> (West Kerrville)	w/o ME	4.93	4.23	9.02	/	18.18	5/19/2024 - Approximately 1.5 hour outage affecting 2,519 customers. Caused by bird nest.
	w/ ME	4.93	4.23	9.02	/	18.18	
<b>Stadium</b> (Central Kerrville)	w/o ME	0.22	0.46	21.10	/	21.78	5/28/24 - Approximately 1.5 hour outage affecting 29 customers. Caused by tree failure from overhang.
	w/ ME	0.22	0.46	21.10	/	21.78	
<b>Travis</b> (Center East Kerrville)	w/o ME	0.45	0.71	2.08	/	3.24	
	w/ ME	0.45	0.71	2.08	/	3.24	
<b>Legion</b> (East Kerrville)	w/o ME	0.50	1.48	0.45	\	2.44	
	w/ ME	0.50	1.48	0.45	\	2.44	
<b>R. F. Barker</b> (Center Point)	w/o ME	1.57	0.02	24.09	/	25.68	NISC is working on bug in software affecting consumer minutes. Next quarter will be more accurate.
	w/ ME	1.57	0.02	24.09	/	25.68	
<b>Total</b>	w/o ME	2.04	4.02	5.19	/	11.25	
	w/ ME	2.04	4.02	5.19	/	11.25	

\* ME: Major Event Days      10/1 - 12/31      1/1-3/31      4/1-6/30      FY 2024 Qrt 1-3      Annualized

