

August 23, 2024

OFFICIAL NOTICE
OF A
REGULAR MONTHLY MEETING

The Kerrville Public Utility Board will hold its Regular Monthly Meeting on Wednesday, August 28, 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.



Lidia S. Goldthorn, Assistant Secretary

AGENDA
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, AUGUST 28, 2024, 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS

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:*

- *Thursday, September 12, 2024 at 8:30 a.m.*
- *Wednesday, September 18, 2024 at 8:30 a.m.*
- *Wednesday, September 25, 2024 at 8:30 a.m.*
- *Wednesday, October 16, 2024 at 8:30 a.m.*

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 July 17, 2024, Regular Monthly Board Meeting Minutes, August 8, 2024 Special Called Board Meeting Minutes, August 14, 2024 Special Called Board Meeting Minutes, and August 21, 2024 Special Called Board Meeting Minutes

3B.	RESOLUTION NO. 24-15 – AMY DOZER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies	11
3C.	JUNE 2024 QUARTERLY FUNDS REPORT – AMY DOZIER, DIRECTOR OF FINANCE. Acceptance of the June 2024, Quarterly Funds Report as presented to the Investment Committee following the July 17, 2024, Board Meeting	14
3D.	APPROVAL AND REPORTING OF PURCHASES AND SALES:	
	1. Fleet Sales (Howard Hall, Field Services Supervisor)	17
	2. Transmission Underbuild Package (Larry Lee, General Foreman)	20
	3. 145 kV Circuit Switcher (Brian Mikulencak, Supervisor of Substation Services)	28
4.	<u>FINANCIAL REPORT – AMY DOZIER, DIRECTOR OF FINANCE:</u>	30
5.	<u>CONSIDERATION AND ACTION ON CIAC WAIVER FOR KERRVILLE PUBLIC SAFETY FACILITY – MIKE WITTLER, CEO:</u>	36
6.	<u>MOTION TO VOTE AND RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION:</u>	

I. EXECUTIVE CLOSED SESSION – CONSULTATION WITH ATTORNEY:

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. 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) 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

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

8. ADJOURNMENT

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, JULY 17, 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
Amy Dozier, Director of Finance
Allison Bueché, Director of Customer and Community Relations
Howard Hall, Field Services Supervisor
Jill Cook, Accounting Supervisor
Damon Richardson, Purchasing Agent
Lidia S. Goldthorn, Assistant Secretary to the Board

TRUSTEES ABSENT:

OTHERS PRESENT:

Stephen Schulte, Legal Counsel

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 highlighted DJ Owens, Key Account and Energy Education Specialist, as the staff spotlight for the month. Mr. Owens has been with KPUB for one year. She advised KPUB employees participated in a Food Pantry Event on June 24th and upcoming volunteer activities include UGRA River Clean up on July 24th and another Food Pantry Event on July 29th. KPUB will be hosting Blood Drives on June 20th and September 12th. Ms. Bueché advised that a power supply portfolio customer survey was sent out with 830+ responses to date. She also highlighted upcoming community generation presentations for July and August; as well as related website and FAQ information at kpub.com/power. Ms. Bueché presented the summer newsletter for the Board's review. Chairman Howard noted the following upcoming board meetings tentatively scheduled for:

- *Wednesday, August 28, 2024 at 8:30 a.m. (one week later than normal)*
- *Wednesday, September 18, 2024 at 9:30 a.m.*
- *Wednesday, October 16, 2024 at 8:30 a.m.*

3. CONSENT AGENDA:

Mayor Joe Herring, Jr. made a motion to accept items in the consent agenda. Bill Thomas, Vice Chairman, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

3A. APPROVAL OF MINUTES.

3B. RESOLUTION NO. 24-14 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies.

3C. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. Substation Maintenance 2025-2029 – (Brian Mikulencak, Substation Project Coordinator)

END OF CONSENT AGENDA

4. FINANCIAL REPORT – AMY DOZIER, DIRECTOR OF FINANCE:

Ms. Dozier presented the final financial statements for the month of June 2024. Ms. Dozier noted a \$75K increase in net position; \$3.1M in operating revenue; \$3.1M in operating expense; \$39K in operating loss; \$125K in net non-operating revenue. \$18.4M in over collection of power cost adjustment as of June 30, 2024; and \$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%. 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. Ms. Dozier provided a comparison of the change for the Board’s review. In addition, a quarterly listing of vendor payments over \$10,000, and a quarterly listing of payments to a single vendor that have totaled over \$10,000 in the past 12 months were included for the Board’s review. Ms. Dozier also provided a PowerPoint presentation with highlights and financial metrics from the memo.

5. ENGINEERING AND OPERATIONS PROJECTS AND CAPITAL BUDGET REPORT – RICARDO BERRIOS, DISTRIBUTION ENGINEER:

Mr. Wittler presented presented the Projects and Capital Budget Reports for the second quarter of fiscal year end 2024 for Mr. Berrios. Mr. Wittler went over the major projects showing the name, location and number of units in various states of design. He highlighted some of the projects discussed in the report, those that have been completed, and active residential projects. Mr. Wittler also highlighted Existing AMR Systems; Harper to Furman Transmission; Pole Inspection Replacements; and New Substation.

6. **QUARTERLY RELIABILITY REPORT – HOWARD HALL, SUPERVISOR OF FIELD SERVICES:**

Mr. Howard presented the third quarter Reliability Report for FY2023-2024 for the Board’s review, going over events that occurred in that quarter. He advised the report uses the System Average Interruption Durations Index (SAIDI), which is an industry standard metric. SAIDI shows 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.

7. **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. Glenn Andrew, Secretary, so moved. Mr. Thomas seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

The Board entered Executive Closed Session at 9:06 a.m. Chairman Howard adjourned the Executive Closed Session and reconvened into Open Session at 10:42 a.m.

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

No action taken by the Board.

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

Mr. Wittler elected to postpone this item.

10. ADJOURNMENT

Chairman Howard adjourned the Regular Board Meeting at 10:43 a.m.

Date Approved: _____

Larry Howard, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
SPECIAL CALLED MEETING
THURSDAY, AUGUST 8, 2024, AT 8:00 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

KPUB TRUSTEES PRESENT:

Larry Howard
Bill Thomas
Glenn Andrew
Rachel Johnston

KPUB STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Allison Bueché, Director of Customer and Community Relations
Robby McCutcheon, Director of IT
Mark Alejandro, Supervisor of IT Services (*via teleconference*)
Lidia S. Goldthorn, Assistant Secretary to the Board

KPUB TRUSTEES ABSENT:

Mayor Joe Herring, Jr.

OTHERS PRESENT:

Laurie Tomczyk, NewGen Strategies & Solutions
(*Via teleconference*)
Jill Schuepback, NewGen Strategies & Solutions
(*Via teleconference*)
John Bonnin

CALL TO ORDER:

Mr. Larry Howard, Chairman, called the Special Called Meeting to order at 8:03 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Item skipped.

1. MOTION AND VOTE TO 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) 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

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. Bill Thomas, Vice Chairman, so moved. Rachel Johnston, Treasurer, seconded the motion. Vote was by show of hands. Motion carried 4 – 0.

The Board entered Executive Closed Session at 8:03 a.m. Chairman Howard adjourned the Executive Closed Session and reconvened into Open Session at 10:10 a.m.

2. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSION:

No action taken outside of Executive Session by the Board.

3. ADJOURNMENT

Chairman Howard adjourned the Special Called Meeting at 10:10 a.m.

Date Approved: _____

Larry Howard, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
SPECIAL CALLED MEETING
WEDNESDAY, AUGUST 14, 2024, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

KPUB TRUSTEES PRESENT:

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

KPUB STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Allison Bueché, Director of Customer and Community Relations
Robby McCutcheon, Director of Information Technology
Mark Alejandro, Supervisor of IT Services (*via teleconference*)
Lidia S. Goldthorn, Assistant Secretary to the Board

KPUB TRUSTEES ABSENT:

OTHERS PRESENT:

Steve Moffitt, Senergy
Ramsey Cripe, Senergy
John Bonnin
Dalton Rice, City Manager
Kent McKinney, City Councilman

CALL TO ORDER:

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

INVOCATION AND PLEDGE OF ALLEGIANCE:

1. MOTION AND VOTE TO 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) 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

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. Bill Thomas, Vice Chairman, so moved. Glenn Andrew, Secretary, seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

The Board entered Executive Closed Session at 8:32 a.m. Chairman Howard adjourned the Executive Closed Session and reconvened into Open Session at 11:44 a.m.

2. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSION:

No action taken outside of Executive Session by the Board.

3. ADJOURNMENT

Chairman Howard adjourned the Special Called Meeting at 11:44 a.m.

Date Approved: _____

Larry Howard, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
SPECIAL CALLED MEETING
WEDNESDAY, AUGUST 21, 2024, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

KPUB TRUSTEES PRESENT:

Larry Howard
Bill Thomas
Glenn Andrew
Rachel Johnston

KPUB STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Allison Bueché, Director of Customer and Community Relations
Robby McCutcheon, Director of Information Technology
Vickie Finley, IT Tech (*via teleconference*)
Lidia S. Goldthorn, Assistant Secretary to the Board

KPUB TRUSTEES ABSENT:

Mayor Joe Herring, Jr.

OTHERS PRESENT:

Laurie Tomczyk, NewGen Strategies & Solutions
Grant Rabon, NewGen Strategies & Solutions
(*Via teleconference*)
Jill Schuepback, NewGen Strategies & Solutions
(*Via teleconference*)
John Bonnin
Dalton Rice, City Manager
Kent McKinney, City Councilman

CALL TO ORDER:

Mr. Larry Howard, Chairman, called the Special Called Meeting to order at 8:34 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

1. MOTION AND VOTE TO 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) 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

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. Glenn Andrew, Secretary, so moved. Rachel Johnston, Treasurer, seconded the motion. Vote was by show of hands. Motion carried 4 – 0.

The Board entered Executive Closed Session at 8:35 a.m. Chairman Howard adjourned the Executive Closed Session and reconvened into Open Session at 11:29 a.m.

2. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSION:

No action taken outside of Executive Session by the Board.

3. ADJOURNMENT

Chairman Howard adjourned the Special Called Meeting at 11:29 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: August 21, 2024

Re: Agenda Item No. 3B – Resolution No. 24-15

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 July 11, 2024 and August 21, 2024 for Board approval:

	Vendor	Description	Amount	Date
Purchased Power:				
1	NextEra	June 2024	469,440.00	07/19/2024
2	CPS	June 2024	1,201,422.89	07/22/2024
3	Concho Bluff	June 2024	46,837.20	07/24/2024
4	DG Solar	June 2024	65,850.24	07/26/2024
5	Engie	June 2024	115,733.33	07/31/2024
6	Garland	June 2024	(92,305.49)	07/31/2024
7	LCRA	June 2024	698,886.31	08/02/2024
Payroll:				
1	Payroll	Pay period ending 7/13/2024	147,074.24	07/19/2024
2	Payroll	Pay period ending 7/27/2024	146,662.71	08/02/2024
3	Payroll	Pay period ending 8/10/2024	149,530.64	08/16/2024
4	Payroll Taxes	Pay period ending 7/13/2024	51,855.08	07/24/2024
5	Payroll Taxes	Pay period ending 7/27/2024	51,469.32	08/07/2024
6	Payroll Taxes	Pay period ending 8/10/2024	51,972.27	08/21/2024
Employee Benefits:				
1	TX Health Benefits	Health Insurance - August	85,208.52	08/01/2024
2	TMRS	Pension - July Payroll	90,534.44	08/12/2024
Investment Transfers (from Operating Account to Investment Account at Happy State Bank):				
1	Happy State Bank	Investment Transfer	400,000.00	07/12/2024
2	Happy State Bank	Investment Transfer	900,000.00	07/18/2024
3	Happy State Bank	Investment Transfer	900,000.00	07/22/2024
4	Happy State Bank	Investment Transfer	500,000.00	07/29/2024
5	Happy State Bank	COK Loan Payment	606,428.58	07/29/2024
6	Happy State Bank	Investment Transfer	300,000.00	07/31/2024
7	Happy State Bank	Investment Transfer	800,000.00	08/09/2024

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 placed on a light-colored rectangular background.

Amy Dozier
Director of Finance

RESOLUTION NO. 24-15

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 28th day of August, 2024

Larry Howard, Chairman

ATTEST:

Glenn Andrew, Secretary

MEMORANDUM

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

From: Amy Dozier

Date: August 21, 2024

Re: Agenda Item No. 3C – Quarterly Funds Report

Attached please find summary information from KPUB's quarterly funds report.

As of June 30, 2024, KPUB had \$46.4M invested in municipal investment pools and a demand account at Happy State Bank. Funds are spread between four accounts with the largest position (\$15.6M) held at an investment pool called LOGIC. All KPUB accounts at Happy are fully collateralized. Investment pool accounts are similar to constant dollar money market accounts and are considered approved investments under the Public Funds Investment Act. All investment accounts are completely liquid and earned a combined return of 5.38% for the quarter ended June 30, 2024.

The Investment Committee discussed KPUB's investment portfolio following the July Board meeting. Since our last meeting in April, we have opened a new account at Texas CLASS and moved \$14,000,000 to that account. The new account offers competitive rates, (average of 5.43% in May and June) similar to KPUB's account at LOGIC, and offers the benefit of reducing risk by spreading funds between accounts rather than holding a large position with a single institution. No changes to our current strategy were recommended.

I am happy to answer any questions regarding this report.

Sincerely,



Amy Dozier
Director of Finance

**Kerrville Public Utility Board
Schedule of Average Daily Balance of Fund
For Reporting Compliance as Required by the
Texas Public Funds Investment Act
For the Quarter Ended June 30, 2024**

Total Funds Invested

Day of the Month	April 2024		May 2024		June 2024	Totals		
1	\$	44,252,841	\$	44,515,414	\$	46,012,925		
2		44,252,841		45,115,414		46,012,925		
3		43,552,824		44,415,492		45,227,029		
4		43,552,824		44,415,492		45,227,029		
5		43,952,824		44,415,492		45,227,029		
6		43,952,824		44,415,492		45,227,029		
7		43,952,824		44,729,708		45,827,029		
8		43,827,776		44,729,708		45,827,029		
9		44,327,776		44,729,708		45,827,029		
10		44,327,776		44,729,708		45,827,029		
11		44,327,776		44,729,708		45,827,029		
12		44,327,702		44,729,708		45,742,907		
13		44,327,702		45,229,708		45,742,907		
14		44,327,702		45,229,558		45,742,842		
15		44,327,702		45,229,536		45,742,842		
16		44,327,702		45,229,536		45,742,842		
17		44,327,702		44,891,265		45,742,842		
18		45,127,702		44,891,265		45,742,842		
19		44,370,095		44,891,265		45,257,754		
20		44,370,095		44,891,265		44,620,656		
21		44,370,095		44,891,265		45,133,854		
22		44,370,095		44,816,853		45,133,854		
23		44,249,225		44,816,853		45,133,854		
24		44,249,225		45,364,929		45,533,854		
25		44,249,225		45,364,929		45,483,468		
26		44,849,225		45,364,929		45,483,468		
27		44,849,225		45,364,929		45,483,468		
28		44,849,225		45,364,929		46,183,468		
29		44,410,097		45,275,914		46,183,468		
30		44,605,862		44,907,621		46,385,053		
31				46,012,925				
Total of daily balance	\$	1,329,166,509	\$	1,393,700,523	\$	1,368,285,352		
Average daily balance	\$	44,305,550	\$	44,923,447	\$	45,609,512	\$	44,957,719
Interest earnings	\$	195,766	\$	205,304	\$	201,585	\$	602,655
APR ----->		5.38%		5.38%		5.38%		5.38%

**Kerrville Public Utility Board
Schedule of Other Investment Facts
For Reporting Compliance as Required by the
Texas Public Funds Investment Act
For the Quarter Ended June 30, 2024**

Total Funds Invested by Fund

Fund	Market Value and Book Value	Actual Interest Earnings	Budgeted Interest Earnings
Revenue	\$ 35,330,322	\$ 456,690	\$ 306,720
Construction	1,591,486	21,148	16,250
Rate Stabilization	2,094,391	27,830	20,313
Long Term Rate Stabilization	3,148,495	41,837	24,375
Debt Reserve	-	-	-
Interest & Sinking	304,311	3,114	2,032
Emergency, Repair, Replace & Cont. Fund	3,916,048	52,036	36,563
Total	\$ 46,385,053	\$ 602,655	\$ 406,252

Total Funds Invested by Security

Type of Security	Market Value and Book Value	Actual Interest Earnings	Budgeted Interest Earnings
TexPool	11% \$ 4,969,990	\$ 62,081	\$ 43,528
LOGIC	34% 15,614,974	264,593	136,760
Texas CLASS	30% 14,085,366	85,366	123,363
Happy State Bank - Investment	25% 11,714,724	190,616	102,600
Totals	100% \$ 46,385,053	\$ 602,655	\$ 406,252

MEMORANDUM

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

From: Howard Hall

Date: August 9, 2024

Re: Agenda Item No. 3D.1– Approval and Reporting of Purchases and Sales

Presented for your consideration and review are the recommendations for purchase of goods or services.

- 1. Fleet Sales.** The following vehicle was auctioned and sold thru JJ Kane Auctioneers. Unit 3239, 2016 Ford F-150 Single Cab 4x2 Pickup for \$10,450. The amount mentioned is the price after the auctioneer percentage was deducted from the sale price. Attach is the sellers report.

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

Sincerely,



Howard Hall
Supervisor, Field Services

Payout ID: 143139

Auction ID: 1010



33 Inverness Center Parkway

Birmingham, AL 35242

Tel: (844) 455-5263

Fax: (877) 346-8960

J.J. Kane Exchange, LLC d/b/a J.J. Kane Auctioneers
33 Inverness Center Parkway Birmingham, AL 35242

LOT SUMMARY

KERRVILLE PUBLIC UTILITY BOARD

2250 Memorial Blvd

Kerrville, TX 78028

08/07/2024 AL (Central Regional) - 1010

		Amt Bid:	\$11,000.00		-- EXPENSE --	-EXPLANATION-
24603	2016 Ford F150 Pickup Truck, 8-cyl gas, Auto, A/C, with grille guard, job box, (69,257 miles) (Runs & Moves) This is a Titled Item NOTE: This unit is being sold AS IS/WHERE IS via Timed Auction. For pickup information and terms, please reference the release form. (Buyer is responsible for removal. Assistance by consignor or JJ Kane Auctioneers is not assured.) V.I.N.: 1FTMF1CF0GKD59224 Arrival Date: 07/26/2024	Commission:	\$550.00	Adjustments:	\$0.00	\$10,450.00
3239		Transportation:	\$0.00	Parts/Repairs:	\$0.00	
		Washing:	\$0.00	Misc Exp 1:	\$0.00	
		Decommission:	\$0.00	Misc Exp 2:	\$0.00	

Payout ID: 143139

Auction ID: 1010



33 Inverness Center Parkway

Birmingham, AL 35242

Tel: (844) 455-5263

Fax: (877) 346-8960

J.J. Kane Exchange, LLC d/b/a J.J. Kane Auctioneers
33 Inverness Center Parkway Birmingham, AL 35242

LOT SUMMARY

KERRVILLE PUBLIC UTILITY BOARD

2250 Memorial Blvd

Kerrville, TX 78028

08/07/2024 AL (Central Regional) - 1010

LOT SPECIFIC AMOUNTS and FEES

SELLER SPECIFIC EXPENSES and INCOME

TOTAL AMOUNT OF ALL LOTS SOLD:

\$11,000.00

TOTAL AMOUNT OF No Sales:

\$0.00

TOTAL AMOUNT OF Commission:

\$550.00

TOTAL AMOUNT OF Transportation:

\$0.00

TOTAL AMOUNT OF Washing:

\$0.00

TOTAL AMOUNT OF Decommission:

\$0.00

TOTAL AMOUNT OF Adjustments:

\$0.00

TOTAL AMOUNT OF Parts/Repairs:

\$0.00

TOTAL AMOUNT OF Misc Exp 1:

\$0.00

TOTAL AMOUNT OF Misc Exp 2:

\$0.00

LOTS SUBTOTAL:

\$10,450.00

Seller Expenses

Advertising:

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

Seller Income

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

SELLER NET

\$10,450.00

MEMORANDUM

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

From: Larry Lee

Date: August 20, 2024

Re: Agenda Item No. 3D.2– Approval and Reporting of Purchases and Sales

Presented for your consideration and review are the recommendations for purchase of goods or services.

Bids were submitted for construction services for the reframing and reconductoring of the transmission underbuild package for the Harper 30 Underbuild (attached to LCRA's transmission structures west of Harper Road). After evaluation, Staff recommends issuing a purchase order for the lowest bid of \$91,103.76. Attached is a bid summary for the Board's review.

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

Sincerely,

Larry Lee
General Foreman

INTRODUCTION AND SCOPE OF WORK

Kerrville Public Utility Board (KPUB) is requesting unit priced bid proposals for upgrades to an existing three phase distribution circuit located in Kerrville, TX west of the intersection of Holdsworth Dr. and Harper Rd. (FM 783). This project will extend 5 spans, from an existing KPUB distribution steel dead end pole, 282' to an LCRA steel pole (structure 3), 659' to an LCRA steel pole(structure 4), 692' to an LCRA steel pole(structure 5), 1129' to an LCRA steel pole(structure 6) and 894' to terminate on a KPUB distribution steel dead end pole. Contractor will reconductor existing 336.4 ACSR(Linnet) with 477.0 ACSR(Hawk) for the 5 spans utilizing existing KPUB steel dead end arms at each end. Prior to the reconductor the four existing under build arms on the LCRA structures will be replaced with 22' steel double arms. Arms will be assembled on the pole, bolted together with spacers (total weight of assembly 3168#). Crossarm mounting heights from grade on LCRA steel poles are 58' 3" on structure 3, 85' 3" on structure 4, 50' 3' on structure 5, and 70' 3" on structure 6. All crossarms, hardware, insulators, arrestors, connectors, etc. on the new arms will be new material. KPUB will provide all material necessary for construction and have available in the KPUB warehouse/yard prior to commencement of construction.

Plan profile sheet, design drawings of the arms and sag/tension data are available to interested bidders by contacting the KPUB purchasing office.



BID OPENING LOG SHEET

Reference Bid Document

RFP-2024-08-01 Overhead power distribution circuit construction, underbuilt on transmission poles

Bid Opening Date & Time: 8/19/24 7:00am

Company Name	Representative Signature	Bid Amount	Exceptions noted	Comments
5 Star Electric	N/A	\$ 237,220.05		
LineTec Services	N/A	\$ 91,103.96		Need pricing on de-energization and re-energization.
Ferreira Power South LLC	N/A	\$ 138,496.16		

Witness:

Darren Richardson

Witness:

Tony Bell

5 Star Electric, LLC
175 St Rt 109N
Clay, KY 42404
O- (270) 664-3011
F- (270) 664-3015



• Industrial • Commercial •
• Substation • Powerline
Construction & Maintenance

August 16, 2024

Kerrville Public Utility Board
2250 Memorial Blvd
Kerrville, Texas 78028

Re: 5 Star Electric, LLC Bid for Overhead Power Distribution Circuit Construction, Underbuilt on Transmission Poles

To Whom It May Concern,

5 Star is pleased to submit our Bid for the Overhead Power Distribution Circuit Construction, Underbuilt on Transmission Poles. 5 Star offers Kerrville Public Utility Board the benefit of our experience in providing electrical construction services to other clients across the United States and our overall experience in the power delivery industry.

After reviewing the project, 5 Star has estimated the following to complete the provided scope:

Daily Rate per Crew: \$15,814.67

Assumed number of days to complete: 15 days

Total Project Value: \$237,220.05

For the requested additional information of the mobilization/demobilization cost, the price for each will be as follows for each occurrence. Please note that one (1) mobilization/demobilization has been included in our price.

Mobilization per crew: \$15,814.67

De-mobilization per crew: \$15,814.67

We are confident that you will be pleased with our performance and our contribution to the proposed project. 5 Star assumes that all work will be performed under mutual agreed upon terms and conditions.

5 Star appreciates this opportunity to submit our bid to help meet your business and system needs regarding this project. If you have any questions or comments relating to our bid, please contact me. I will see that your questions and concerns are answered in a timely manner. We look forward to hearing from you soon.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Brian Grant', is written over a faint, circular watermark or stamp.

Brian Grant
Director of Project Management/Estimating
5 Star Electric, LLC
175 St Rt 109N
Clay, KY 42404
Office: 270.664.3011
Cell: 682.287.9777
brian.grant@5-starelectricllc.com

5 Star Electric, LLC
175 St Rt 109N
Clay, KY 42404
O- (270) 664-3011
F- (270) 664-3015



• Industrial • Commercial •
• Substation • Powerline
Construction & Maintenance

5 Star Electric, LLC

Bid Clarifications and Qualifications

Bid assumes the following:

1. If 5 Star is awarded a contract this proposal with clarifications shall be included as an integral part of the contract.
2. Proposal is contingent upon mutually agreed upon contractual terms and conditions.
3. Pricing is based on the information provided by Customer.
4. 5 Star reserves the right to review and approve Final Schedule. Pricing does not assume work access/work hour restrictions.
5. Delays, downtime or changes beyond 5 Star's control may result in a cost and/or schedule adjustment. These can include but are not limited to weather, Customer provided material delays, other contractors' impeding 5 Star's work, etc.
6. Pricing is based on one (1) mobilization. If further mobilization/demobilizations are required, the provided mob/demob rate will apply.
7. Customer will provide:
 - a. Permitting for all applicable crossings. (i.e. DOT, Railroad, Coast guard, Pipelines, Public Waterways, FAA...etc.)
 - b. All easements and encroachment permits for the project.
 - c. Construction access throughout ROW, including clearing.
 - d. Engineering and staking.
 - e. Material unless specified in the RFP.
8. It is assumed no bonding is required for this project.
9. No Sales, payroll or usage Taxes included. If taxes are applicable, taxes will be passed through at cost.
10. The proposal pricing is valid for 60 days upon submittal date.
11. 5 Star assumes no digging will be required for this project.
12. All pricing is based on dry conditions. In the event any awarded project encounters wet conditions, 5 Star will negotiate with the Customer a change order for the additional costs incurred to utilize appropriate equipment to complete the project, to include but is not limited to tracked equipment and matting, as well as any extra costs associated with added production time.
13. The following are assumed to be passed through to the Customer at cost + 10%
 - a. Restoration costs (i.e. asphalt, landscape, fencing repairs)
 - b. Equipment rentals required outside the capacity of 5 Star's owned equipment and not included in the pricing for the original scope

Kerrville Public Utility Board (KPUB)
Damon Richardson
22250 Memorial Blvd, Kerrville, Texas, 78028

Dear Mr. Richardson,

In response to the RFP-2024-08-01 , we are pleased to submit our lump sum pricing proposal.

After carefully reviewing the RFP , we are providing a total fixed price for the project.

Lump Sum Price: \$91,103.76

We look forward to the opportunity to work with KPUB.

Thank you for considering our proposal.

Best regards,



Chad Stewart
VP of Operations



Kerrville Public Utility Board
Attn: Procurement Department

Subject: Distribution Circuit Construction RFP-2024-08-01

Dear Procurement Team,

Ferreira Power South LLC is proud to submit to you a proposal on the named project above.

We here at FPS take pride in our safety, performance and ability to adhere to the client's needs while simultaneously completing the project on time with as few interruptions to the client's world as possible.

Please find our attached lump sum with our internal breakout of costs per WBS structure.

If you have any questions or concerns my phone is almost always on, please feel free to reach out to me.

Thank you,

Clint Thurmon
Vice President, Transmission
832.738.7971

LUMP SUM TOTALS OF THE UNIT BREAK-DOWNS

TRANSMISSION

WBS	DESCRIPTION	LABOR COST	MATERIAL COST	TOTAL COST
T1	SITE WORK	\$ -	\$ -	\$ -
T2	CLEARING	\$ -	\$ -	\$ -
T3	FENCE	\$ 7,210.44	\$ -	\$ 7,210.44
T4	GPR	\$ -	\$ -	\$ -
T5	RIGHT - OF - WAY	\$ -	\$ -	\$ -
T6	Stage Poles / Caissons	\$ -	\$ -	\$ -
T7	Driving Caissons	\$ -	\$ -	\$ -
T8	Jacking poles / framing	\$ -	\$ -	\$ -
T9	STRUCTURES	\$ 16,824.36	\$ -	\$ 16,824.36
T10	Traffic Control	\$ -	\$ -	\$ -
T11	CONDUCTOR / OPGW	\$ 28,541.32	\$ -	\$ 28,541.32
T12	CLIP AND SAG	\$ 8,412.18	\$ -	\$ 8,412.18
T13	SPECIAL MATERIAL 1	\$ -	\$ -	\$ -
T14	TEMPORARY STRUCTURES	\$ -	\$ -	\$ -
T15	COVERUP	\$ 2,403.48	\$ -	\$ 2,403.48
T16	Outages	\$ 4,806.96	\$ -	\$ 4,806.96
T17	GROUNDING	\$ -	\$ -	\$ -
T18	RISER & TERMINATION STRUCTURES	\$ -	\$ -	\$ -
T19	TRENCHING	\$ -	\$ -	\$ -
T20	CROSS-LINKED POLY CABLE SYSTEM	\$ -	\$ -	\$ -
T21	MATERIAL TAX	\$ -	\$ -	\$ -
T22	ENGINEERING	\$ -	\$ -	\$ -
T23	BONDING	\$ -	\$ -	\$ -
T24	Mobilization / Demob	\$ 67,297.43	\$ 3,000.00	\$ 70,297.43
			GRAND TOTAL \$	138,496.16

MEMORANDUM

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

From: Brian Mikulencak

Date: August 28, 2024

Re: Agenda Item No. 3D.3 – Approval and Reporting of Purchases and Sales

Presented for your consideration and review are the recommendations for purchase of goods or services.

The current bids below were submitted for the purchase of a new Circuit Switcher for the Jack Furman T2 transformer addition project as well as another “spare” unit, which is being suggested based on the growing costs, lead times; and to help cover any failures we may have in the future. The Southern States bid is our best option based on price, availability and keeping our substations standardized. KPUB currently owns 7 out of 10 Southern States units, therefore staff recommends the purchase of these two units at a cost of \$186,240.00 with the Board’s approval.

Company Name	Brand	Price	Delivery date	Meets Specs	Comments
Southern States (SS)	SS	\$93,120.00	65-66 Weeks	Yes	First option
Wesco	GE	\$153,665.00	48-52 Weeks	Yes	Second option
TEC	GE	\$172,647.00	48-52 Weeks	Yes	Third option
KBS	S&C	\$118,170.00	77-79 Weeks	No	Not an option
Wesco	S&C	\$120,030.00	77-79 Weeks	No	Not an option
Siemens	Siemens	\$97,560.00	121-131 Weeks	Yes	Not an option
Wesco	Siemens	\$102,157.00	121-131 Weeks	Yes	Not an option

Thank you,

Brian Mikulencak
 Supervisor of Substation Services



BID OPENING LOG SHEET

Reference Bid Document
 ITB-2024-07-26 145kv Circuit Switcher
 Bid Opening Date & Time: 8/19/24 7:00am

Company Name	Representative Signature	Bid Amount	Exceptions noted	Comments
Southern States	N/A	\$93,120.00 \$100,350.00	Higher Quote is WITH 102" Phase Spacing YES	Phase Spacing of 102" is NOT needed First option
Wesco (GE)	N/A	\$153,665.00	yes	Second option
KBS (S&C)	N/A	\$118,170.00	yes	Lead time Not an option
Wesco (S&C)	N/A	\$120,030.00	yes	Lead time Not an option
Siemens	N/A	\$97,560.00	yes	Lead time Not an option
Wesco (Siemens)	N/A	\$102,157.00	yes	Lead time Not an option
TEC (GE)	N/A	\$172,647.00	yes	Third option

Witness:

Damon Richardson

Witness:

Brian S. Mikulencak

MEMORANDUM

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

From: Amy Dozier

Date: August 21, 2024

Re: Agenda Item No. 4 – Financial Report

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

Highlights include:

- **\$257K increase in net position** for the month, **\$944K increase** in net position on a year-to-date (YTD) basis, which is \$960K lower than budget.
- **\$4.8M in operating revenue** for the month, **\$34.6M** on a YTD basis.
 - Through July, operating revenue is 13.0% lower than expected due 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).
- **\$4.6M in operating expense** for the month, **\$35.0M** on a YTD basis.
 - YTD operating expense is 8.8% lower than budget due primarily to low purchased power expenses resulting from low natural gas prices created by mild weather and excess storage as well as KPUB's effective price stabilization activities. Other expense categories have smaller and offsetting variances.
- **\$137K in operating income** for the month, **\$340K in operating loss** on a YTD basis.
- **\$80K in net nonoperating revenue** for the month, **\$816K** on a YTD basis.
 - Nonoperating revenue is \$670K 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 7/31/2024, an **increase of \$82K** from the prior month.
- **\$48.7M invested** in investment pools and an investment account at Happy State Bank. The portfolio of investment accounts earned a blended rate of 5.37% for the month.

In July, the billed rate was changed from \$102.50 to \$100.00 for 1,000 kWh of residential power. For the month, the overcollection account increased by \$82K, making the balance \$18.4M at the end of July. We continue to monitor prices closely and recommend keeping the rate at \$100.00.

I am happy to answer any questions regarding this report.

Sincerely,



Amy Dozier
Director of Finance

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended July 31, 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
OPERATING REVENUES:							
Residential	\$ 2,737,891	\$ 2,710,888	\$ 27,003	1.00%	\$ 1,814,098	\$ 923,793	50.92%
Commercial/Industrial	1,981,928	2,073,876	(91,948)	-4.43%	1,219,552	762,377	62.51%
Sales to Public Authorities	21,530	21,500	30	0.14%	21,695	(165)	-0.76%
Other	42,423	49,429	(7,006)	-14.17%	40,888	1,535	3.75%
TOTAL OPERATING REVENUES	4,783,773	4,855,693	(71,921)	-1.48%	3,096,233	1,687,540	54.50%
OPERATING EXPENSES:							
Purchased Power	3,386,250	2,083,620	(1,302,630)	-62.52%	1,801,432	(1,584,818)	-87.98%
Distribution	372,203	369,367	(2,836)	-0.77%	268,258	(103,945)	-38.75%
Customer Accounts	60,277	66,502	6,225	9.36%	58,269	(2,009)	-3.45%
Customer Service, Informational & Sales	43,169	36,916	(6,253)	-16.94%	33,151	(10,018)	-30.22%
Administrative Expenses	409,772	458,347	48,575	10.60%	319,848	(89,925)	-28.11%
Depreciation & Amortization	374,766	370,398	(4,368)	-1.18%	332,833	(41,932)	-12.60%
TOTAL OPERATING EXPENSES	4,646,438	3,385,152	(1,261,286)	-37.26%	2,813,791	(1,832,647)	-65.13%
OPERATING INCOME (LOSS)	137,335	1,470,542	(1,333,207)	-90.66%	282,442	(145,107)	-51.38%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	227,710	135,417	92,293	68.16%	148,054	79,656	53.80%
Interest Income - City of Kerrville	11,786	11,786	0	0.00%	13,929	(2,143)	-15.38%
Interest Expense	(7,261)	(7,992)	731	9.15%	(10,053)	2,792	27.78%
City of Kerrville - General Fund Transfer	(150,753)	(150,159)	(594)	-0.40%	(97,329)	(53,425)	-54.89%
City of Ingram - Franchise Fee	(3,429)	(4,196)	766	18.27%	(3,684)	255	6.91%
Other - Net	1,848	2,417	(569)	-23.55%	1,629	219	13.45%
TOTAL NONOPERATING REVENUES (EXP)	79,900	(12,728)	92,628	-727.76%	52,546	27,354	52.06%
INCOME BEFORE CONTRIBUTIONS	217,235	1,457,814	(1,240,579)	-85.10%	334,988	(117,753)	-35.15%
CAPITAL CONTRIBUTIONS	40,081	30,000	10,081	33.60%	7,513	32,568	433.48%
CHANGE IN NET POSITION	\$ 257,315	\$ 1,487,814	\$ (1,230,499)	-82.71%	\$ 342,501	\$ (85,185)	-24.87%
NET POSITION AT BEGINNING OF MONTH	\$ 79,020,703				\$ 75,363,200		
NET POSITION AT END OF MONTH	\$ 79,278,018				\$ 75,705,700		

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended July 31, 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
OPERATING REVENUES:							
Residential	\$ 19,627,118	\$ 22,125,502	\$ (2,498,384)	-11.29%	\$ 20,597,748	\$ (970,630)	-4.71%
Commercial/Industrial	14,192,668	16,884,339	(2,691,671)	-15.94%	15,054,963	(862,295)	-5.73%
Sales to Public Authorities	217,421	215,000	2,421	1.13%	214,009	3,412	1.59%
Other	600,071	593,959	6,112	1.03%	615,113	(15,041)	-2.45%
TOTAL OPERATING REVENUES	34,637,278	39,818,801	(5,181,522)	-13.01%	36,481,833	(1,844,554)	-5.06%
OPERATING EXPENSES:							
Purchased Power	22,249,285	25,191,394	2,942,109	11.68%	24,758,617	2,509,332	10.14%
Distribution	3,773,921	3,885,339	111,418	2.87%	2,896,963	(876,957)	-30.27%
Customer Accounts	597,369	665,023	67,654	10.17%	517,837	(79,533)	-15.36%
Customer Service, Informational & Sales	402,565	369,160	(33,405)	-9.05%	264,852	(137,713)	-52.00%
Administrative Expenses	4,264,767	4,622,389	357,623	7.74%	3,600,048	(664,719)	-18.46%
Depreciation & Amortization	3,689,203	3,627,256	(61,948)	-1.71%	3,229,507	(459,696)	-14.23%
TOTAL OPERATING EXPENSES	34,977,111	38,360,562	3,383,451	8.82%	35,267,825	290,714	0.82%
OPERATING INCOME (LOSS)	(339,833)	1,458,239	(1,798,071)	123.30%	1,214,008	(1,553,840)	-127.99%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	2,070,180	1,354,167	716,014	52.87%	1,242,412	827,768	66.63%
Interest Income - City of Kerrville	122,143	122,143	1	0.00%	143,571	(21,428)	-14.92%
Interest Expense	(101,076)	(81,031)	(20,044)	-24.74%	(91,733)	(9,342)	-10.18%
City of Kerrville - General Fund Transfer	(1,106,253)	(1,239,578)	133,326	10.76%	(1,131,727)	25,475	2.25%
City of Ingram - Franchise Fee	(29,157)	(34,244)	5,087	14.85%	(28,378)	(780)	-2.75%
Other - Net	(140,199)	24,167	(164,366)	-680.13%	30,928	(171,127)	-553.31%
TOTAL NONOPERATING REVENUES (EXP)	815,639	145,623	670,017	460.11%	165,073	650,566	394.11%
INCOME BEFORE CONTRIBUTIONS	475,807	1,603,861	(1,128,054)	-70.33%	1,379,081	(903,274)	-65.50%
CAPITAL CONTRIBUTIONS	468,070	300,000	168,070	56.02%	352,918	115,152	32.63%
CHANGE IN NET POSITION	\$ 943,877	\$ 1,903,861	\$ (959,984)	-50.42%	\$ 1,731,999	\$ (788,122)	-45.50%
NET POSITION AT BEGINNING OF YEAR	\$ 78,334,141				\$ 73,973,702		
NET POSITION AT END OF MONTH	\$ 79,278,018				\$ 75,705,700		

Kerrville Public Utility Board
Balance Sheet
As of July 31, 2024

ASSETS & DEFERRED OUTFLOWS	July 31, 2024	September 30, 2023	LIABILITIES, DEFERRED INFLOWS & NET POSITION	July 31, 2024	September 30, 2023
CURRENT ASSETS			CURRENT LIABILITIES		
Revenue Fund:			Current Maturities of Long-Term Liabilities	\$ 623,953	\$ 633,226
Cash and Cash Equivalents	\$ 606,947	\$ 720,093	Accounts Payable - Purchased Power	10,501,426	9,426,795
Investments	36,981,003	30,433,641	Accounts Payable and Accrued Liabilities	1,082,156	1,427,823
Less: Customer Deposits	(540,883)	(518,082)	Over Collection of Power Cost Adjustment	18,434,263	12,516,345
Total Revenue Fund	<u>37,047,068</u>	<u>30,635,652</u>	TOTAL CURRENT LIABILITIES	<u>\$ 30,641,797</u>	<u>\$ 24,004,189</u>
Construction Fund:			NONCURRENT LIABILITIES		
Cash and Cash Equivalents	5,633	5,389	2013 Revenue Bonds, net of current portion	\$ 1,965,000	\$ 2,413,000
Investments	1,598,751	1,528,354	Lease Liability	51,371	84,352
Total Construction Fund	<u>1,604,384</u>	<u>1,533,743</u>	Subscription Liability	904,792	692,268
Rate Stabilization Fund:			Customer Deposits	540,883	518,082
Investments	2,103,951	2,011,309	Net Pension Liability	3,877,307	3,877,307
Total Rate Stabilization Fund	<u>2,103,951</u>	<u>2,011,309</u>	Total OPEB Liability	<u>260,808</u>	<u>260,808</u>
Long Term Rate Stabilization Fund:			TOTAL NONCURRENT LIABILITIES	<u>\$ 7,600,161</u>	<u>\$ 7,845,817</u>
Investments	3,769,563	2,421,198	DEFERRED INFLOWS - PENSION AND OPEB	<u>\$ 132,700</u>	<u>\$ 132,700</u>
Total Rate Stabilization Fund	<u>3,769,563</u>	<u>2,421,198</u>	TOTAL LIABILITIES AND DEFERRED INFLOWS	<u>\$ 38,374,658</u>	<u>\$ 31,982,706</u>
Customer Accounts Receivable, net of allowance	1,753,168	2,574,253	TOTAL NET POSITION	<u>\$ 79,278,018</u>	<u>\$ 78,334,141</u>
Unbilled Revenue	2,319,589	2,319,589			
Materials and Supplies	1,167,755	1,233,153			
Other Current Assets	1,385,355	888,455			
Current Portion - Advance to City of Kerrville	1,071,428	1,071,428			
TOTAL CURRENT ASSETS	<u>\$ 52,222,261</u>	<u>\$ 44,688,780</u>			
NONCURRENT ASSETS					
Customer Deposits	\$ 540,883	\$ 518,082			
Interest and Sinking Fund	347,975	440,861			
Emergency, Repair, Replace, Contingency Fund	3,933,923	3,760,703			
Advance to City of Kerrville, net of current portion	4,285,715	5,357,143			
Capital Assets, net of Accum Depreciation	52,121,349	51,570,688			
Right to Use Assets, Net of Accum Amortization	64,043	109,047			
Subscription Assets, Net of Accum Amortization	1,218,528	953,542			
TOTAL NONCURRENT ASSETS	<u>\$ 62,512,416</u>	<u>\$ 62,710,068</u>			
DEFERRED OUTFLOWS - PENSION AND OPEB	<u>\$ 2,918,000</u>	<u>\$ 2,918,000</u>			
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 117,652,676</u>	<u>\$ 110,316,847</u>	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	<u>\$ 117,652,676</u>	<u>\$ 110,316,847</u>

Kerrville Public Utility Board
Invested Funds Detail
For the Month Ended July 31, 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		\$ 35,330,322	\$ 1,591,486	\$ 2,094,391	\$ 3,148,495	\$ -	\$ 304,311	\$ 3,916,048	\$ 46,385,053
Withdrawals:									
Happy Investment - TXHB	07/01/24	(91,118)							(91,118)
Happy Investment - Engie	07/01/24	(95,512)							(95,512)
Happy Investment - LCRA	07/03/24	(698,840)							(698,840)
Happy Investment - TMRS	07/10/24	(86,237)							(86,237)
Happy Investment - ERCOT	07/15/24	(183)							(183)
Happy Investment - NextEra	07/19/24	(469,440)							(469,440)
Happy Investment - CPS	07/22/24	(1,201,423)							(1,201,423)
Happy Investment - Concho Bluff	07/24/24	(46,837)							(46,837)
Happy Investment - DG Solar	07/26/24	(65,850)							(65,850)
Happy Investment - Engie	07/31/24	(115,733)							(115,733)
Investments:									
Happy Investment	07/05/24	700,000							700,000
Happy Investment	07/09/24	700,000							700,000
Happy Investment	07/12/24	400,000							400,000
Happy Investment	07/18/24	900,000							900,000
Happy Investment	07/22/24	900,000							900,000
Happy Investment	07/29/24	500,000							500,000
Happy Investment	07/31/24	300,000							300,000
Fund Balance after Withdrawals & Investments		36,859,148	1,591,486	2,094,391	3,148,495	-	304,311	3,916,048	47,913,880
Allocation of:									
Interest Income	07/31/24	164,123	7,264	9,560	14,639	-	1,395	17,875	214,857
Total Interest Allocation		164,123	7,264	9,560	14,639	-	1,395	17,875	214,857
Fund Balance After Allocations		37,023,272	1,598,751	2,103,951	3,163,134	-	305,707	3,933,923	48,128,737
Interfund Transfers :									
COK Advance Repayment	07/29/24				606,429				606,429
Debt Service Accrual	07/31/24	(42,268)					42,268		-
Ending Fund Balance		\$ 36,981,003	\$ 1,598,751	\$ 2,103,951	\$ 3,769,563	\$ -	\$ 347,975	\$ 3,933,923	\$ 48,735,165

Kerrville Public Utility Board
 Computation of the Monthly and Annual Debt Service Coverage
 For the Month Ended July 31, 2024

Description	Current Month	Fiscal Year	Previous 12 Months
CHANGE IN NET POSITION	\$ 257,315	\$ 943,877	\$ 3,572,317
PLUS:			
Interest Expense (net of amortizations)	7,261	101,076	136,640
Depreciation & Amortization Expense	374,766	3,689,203	4,544,809
Numerator	639,342	4,734,155	8,253,766
DIVIDED BY:			
Interest Expense (net of amortizations)	7,261	101,076	136,640
Principal Payment Due	52,769	527,689	633,227
Denominator	\$ 60,030	\$ 628,764	\$ 769,866
DEBT SERVICE COVERAGE RATIO	10.65	7.53	10.72
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

MEMORANDUM

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

From: Mike Wittler

Date: August 22, 2024

Re: Agenda Item 5. – Waiver of CIAC for Kerrville Public Safety Facility

City staff has approached KPUB with a request to waive the standard line extension cost for the new Kerrville Public Safety Facility.

The proposed approach is to have the City install all conduits for the new service and KPUB install a pole, underground primary cable and transformer.

Staff is recommending that the Board waive the normal line extension fees of \$47,720.10 for the installation of the service.

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

Sincerely,



Mike Wittler
CEO



**KERRVILLE
PUBLIC
UTILITY
BOARD**

CONTRIBUTION IN AID OF CONSTRUCTION AGREEMENT THREE-PHASE COMMERCIAL

Customer Name: _____

Service Address: _____

Project Description: _____

Contribution in aid of construction (CIAC) is a fee paid by the applicant to help cover the cost of extending electric lines or furnishing service requested by a customer.

KPUB shall at all times have complete ownership and control of the electric facilities installed to furnish service to this account with the right to serve others from said facilities and/or any extension thereof, without any obligation to refund any part of the CIAC payment. All meters, transformers, regulators, services, fixtures, etc., which are installed by KPUB for the purpose of delivering electricity to the customer remain the property of KPUB and may be repaired, replaced or removed by KPUB at any time.

Customer Option:

- Upfront \$3,000 allowance
- Bill Credit - \$3.50 per kW of monthly billed demand for 36 months

Total Estimated Cost: \$ _____

Less Commercial Allowance: _____

CIAC Due: \$ _____

Estimate Date: _____ **Estimate Expiration Date:** _____

Estimate Prepared By: _____

By signing below, the customer indicates acceptance of this agreement and all KPUB terms and conditions.

Customer Signature

Date

For KPUB use only:

Work Order Number: _____

Account Number: _____

Date CIAC Paid: _____

Bill Credit: _____