

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
ANNUAL SYSTEM USERS MEETING
WEDNESDAY, JANUARY 19, 2022 AT 8:30 A.M.
KPUB CONFERENCE ROOM
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Paul Martinez, Director of Engineering
Tammye Riley, Director of Operations
Allison Bueché, Director of Customer and Community Relations
Mark Alejandro, IT Tech *(Via teleconference)*
Lidia Goldthorn, Assistant Secretary to the Board

TRUSTEES ABSENT:

Mayor Bill Blackburn

OTHERS PRESENT:

Stephen Schulte, Legal Counsel

1. CALL TO ORDER:

Mr. Philip Stacy, Chairman, called the Annual System Users Meeting to order at 8:34 a.m.

2. PLEDGE OF ALLEGIANCE:

3. REPORT BY BSGM, L.L.P., CERTIFIED PUBLIC ACCOUNTANTS:

Mr. David Copeland addressed the Board of Trustees on behalf of BSGM, L.L.P. Mr. Copeland commended staff with continuing to keep the records in fine shape with new financial department personnel coming on board, who did a great job. He presented a concise review of the Annual Comprehensive Financial Report for the years ended September 30, 2021 and 2020, including an Independent Auditor's Report on Applying Agreed-Upon Procedures related to KPUB's compliance with the Texas Public Funds Investment Act (PFIA) as well as KPUB's financial position, and cash flows for the years intended. Copeland then reviewed the financial statements along with notes to those financial statements. He also went over the required supplementary information and advised.

Ms. Dozier added that two of the biggest takeaways from the financial statements this year were first, an estimate was recorded for February. That estimate is subject to change, and was based on average cost. Second, the pension plan is up to 97.5% funded; which is excellent.

4. **CONSIDERATION AND ACTION ON RESOLUTION NO. 22-01- AMY DOZIER, DIRECTOR OF FINANCE:**

Ms. Dozier recommended approval of Resolution No. 22-01; a Resolution of the Kerrville Public Utility Board accepting the Fiscal Year End Audit of 2020/2021 and the Public Funds Investment Act Review. Chairman Stacy requested a motion from the Board. Bill Thomas, Treasurer, motioned for approval of Resolution 22-01. Mark Cowden, Vice Chairman, seconded the motion. Vote by a show of hands. Motion carried 4 – 0.

5. **ANNUAL GENERAL MANAGER’S REPORT – MIKE WITTLER**

Mr. Wittler advised that KPUB’s enabling authority, City of Kerrville Ordinance 87-45, states “at least annually the Board shall hold a meeting for all users of the System to discuss the general condition of the System and other such matters as the Board shall determine.” He highlighted the continued financial stability of KPUB as reflected in the annual audit. Mr. Wittler advised the Debt Service Coverage was 10.96. He advised that operating revenues represented an increase of 2.5%, operating expenses increased 0.9% and the total net position as of September 30, 2021 increased \$2,267,241 to \$72,110,335. Mr. Wittler advised the power supply cost to KPUB customers has remained competitive. The average residential energy cost for Fiscal Year 2021 was \$87.50/1000kWh and \$85.00/1000 kWh in 2020, which compare very favorably with rate comparisons published by the Texas Public Power Association, Texas Public Utility Commission and American Public Power Association. Projected residential energy cost for the remainder of Fiscal Year 2022 is \$95.00/1000kWh.

Mr. Wittler advised that litigation regarding purchased power costs for Winter Storm Uri is ongoing and the final outcome of the litigation will impact KPUB’s financial position and could result in the need to borrow funds. Any additional costs will be spread to KPUB customers over a period of years and in any case KPUB will meet its commitment to provide competitively priced electricity.

Mr. Wittler discussed major capital projects completed this year with overall costs at 55% of budget. Capital expenditures and construction projects included: (1) Hunt Substation transformer replacement; (2) underground infrastructure in the airport area; (3) underground infrastructure for the Olympic Drive extension; (4) fiber optic network installation; (5) replacement of 168 poles to maintain reliability; and (6) extensions of and improvements to overhead and underground facilities to increase capacity and provide service to new customers and developments. He advised the electric system was in very good condition. Although customers experienced unprecedented outage time during Winter Storm Uri, those outages were primarily caused by the load curtailments ordered by ERCOT to keep the transmission grid energized. Our distribution system was able to serve record loads without significant overloading. On average, KPUB customers experienced about 34 hours of outage time during the winter storm and less than an hour of outage time during the rest of the year. Our staff performed admirably in response to the storm including providing restoration support to our neighbors at CTEC.

Mr. Wittler advised that KPUB has continued to improve communications and engagement with the community by (1) continuing to support energy efficiency programs that help customers save money; (2) continuing the Change for Charity Program to bill payment assistance (3) supporting over forty community, non-profit and school events (4) awarding two new scholarships, and (5) volunteering to support blood drives, food pantry events, decorations for the holidays, Habitat for Humanity, the Salvation Army, and the Kerrville Triathlon. He also advised that in fiscal year 2021 KPUB received the following awards: 2021-2024 APPA Reliable Public Power Provider (RP3) designation recognizing utilities that

demonstrate proficiency in reliability, safety, workforce development and system improvement; 2021 APPA Excellence in Public Power Communications Awards (Two awards, second year in a row); 2021 business of the Year Award from the Kerrville Area Chamber of Commerce (shared with the City of Kerrville; and 2021 Night Sky Friendly Business from the Kerr County Friends of the Night Sky.

Mr. Wittler closed with the highest priority at KPUB and was happy to report that there were no lost time injuries and no preventable vehicle accidents during the year. In addition, a review of the workers compensation claim history shows that KPUB's safety record has been consistently improving over the long term. For the past five years, KPUB averaged 1.6 claims per year; the five years before that averaged 4 claims per year, and the five years before that averaged 5.4 claims per year.

6. CITIZEN/CONSUMER OPEN FORUM:

There were no citizens/consumers to speak.

7. ADJOURNMENT

At 9:08 a.m., Chairman Stacy noted that there being no further business, the meeting was adjourned.

Date Approved: _____

Philip Stacy, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, JANUARY 19, 2021, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Paul Martinez, Director of Engineering
Tammye Riley, Director of Operations
Allison Bueché, Director of Customer and Community Relations
Lidia Goldthorn, Assistant Secretary to the Board

TRUSTEES ABSENT:

Mayor Bill Blackburn

OTHERS PRESENT:

Stephen Schulte, Legal Counsel
Gil Salinas, KEDC
Theresa Metcalf, KEDC
John Davidson, Special Counsel (*Via teleconference*)
Gaines Griffin, Special Counsel (*Via teleconference*)
John E. Sample (*Via teleconference*)
Pat Murray

1. CALL TO ORDER:

Mr. Philip Stacy, Chairman, called the Regular Monthly Meeting to order at 9:08 a.m.

2. CITIZEN/CONSUMER OPEN FORUM:

There were no citizens/consumers to speak.

3. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Mr. Wittler highlighted KPUB Volunteer participation with the Salvation Army Bell Ringing and Coat and Blanket Drive (benefiting the Salvation Army) in December. Upcoming KPUB community involvement events include volunteering at the Light on the Hill/Mega Mobile Food Pantry Event on January 31st, and a Community Blood Drive on March 24th. Other upcoming events include the Rotary Club Casino Night and the State of the City in February. Mr. Wittler also highlighted Robby McCutcheon, Director of IT, as the staff spotlight for the month. Mr. McCutcheon has been with KPUB 18 years. Mr. Wittler advised the next regular board meeting is scheduled for February 16, 2022 at 8:30 a.m.

4. CONSENT AGENDA:

After a brief discussion, Larry Howard, Secretary, made a motion to accept items in the consent agenda as presented. Bill Thomas, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

4A. APPROVAL OF MINUTES.

4B. RESOLUTION NO. 22-02 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies.

4C. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. Tree Trimming Contract – (Howard Hall, Field Services Supervisor)

2. Construction Services – (Howard Hall, Field Services Supervisor)

3. Fleet Sale – (Howard Hall, Field Services Supervisor)

4. RFQ 2987 – (Damon Richardson, Purchasing Agent)

END OF CONSENT AGENDA

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

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, general 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

Chairman Stacy asked the Board of Trustees if he had a motion that the Board convene in Executive Closed Session to discuss “Consultation With Attorney” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, and “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086. Mark Cowden, Vice Chairman, so moved. Mr. Howard seconded the motion. Vote was by show of hands. Motion carried 4 – 0.

The Board entered Executive Closed Session at 9:19 a.m. Chairman Stacy adjourned the Executive Closed Session and reconvened into Open Session at 9:45 a.m.

6. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE SESSIONS:

No action taken by the Board.

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

Ms. Dozier presented the financial statements for the month of December 2021. Ms. Dozier highlighted items that included a \$147K decrease in net position; \$3.1M in operating revenue for the month; \$3.2M in operating expense; \$95K in operating loss; \$2.4M in over collected power cost adjustment at December 31, 2021; and \$30.1M invested in investment pools, CD’s and an investment account at Happy State Bank. Ms. Dozier added that the Power Cost Adjustment (PCA) remained at \$95.00 for December. Due to pending litigation and rising purchased power costs, the PCA is expected to remain stable at \$95.00 for the foreseeable future. Ms. Dozier also provided a power point presentation with the month’s highlights and financial metrics from her memo. In addition, she presented quarterly reports that detail individual purchases over \$10,000 in the quarter ending December 31, 2021 as well as a report showing cumulative purchases over \$10,000 to a single vendor in the last twelve months.

8. ENGINEERING AND OPERATIONS PROJECTS, CAPITAL BUDGET AND RELIABILITY REPORTS – PAUL MARTINEZ, DIRECTOR OF ENGINEERING:

Mr. Martinez presented a spreadsheet summarizing spending for the Capital Budget through the first quarter of fiscal year end 2022. He highlighted Existing AMR Systems, which is at 64% completion with a good stock of meters on hand. He also advised that staff will be looking more at sizing transformers appropriately to make sure there isn’t unnecessary upsizing when it’s not needed. He also presented the reliability report for fiscal year end 2022, showing the System Average Interruption Duration Index (SAIDI) for each substation. For ease for context, Mr. Martinez reoriented the table to show a rolling four quarters to see this reporting period’s numbers compared to previous recent ones. He advised since the standards SAIDI metric is for 12 months, a rolling 12-month column was added. He added that fair weather has helped accommodate exceptional reliability during this reporting period. For ease of reference, SAIDI is read as consumer minutes and is the number of minutes each customer saw an outage for that location and that period of time; which is an industry standard metric.

9. **QUARTERLY REPORT FROM THE KERRVILLE ECONOMIC DEVELOPMENT CORPORATION (KEDC) – GILBERT SALINAS, EXECUTIVE DIRECTOR:**

Mr. Gilbert Salinas and Ms. Theresa Metcalf gave an update for the Board on end of year and into 2022 KEDC activities. Mr. Salinas highlighted public relations, social media, and publications coverage from state and national press releases, awards received by KEDC as well as the success of the Business Innovation Forum. He continued with an update on corporate recruitment and upcoming projects, having closed on two deals. He advised the success of the Killdeer Mountain Manufacturing Project has helped open the door to other projects that are in the pipeline today, and for the next 5 – 10 years. The economic impact over the next 10 years is about \$30 million. Mr. Salinas advised that tomorrow there will be an announcement regarding Ingram ISD receiving a \$188,000 Jet Grant, to start developing their students with training, education and future employment. The Texas Workforce Commissioner will be in Kerrville this evening. He will have a packed agenda tomorrow, starting with the Ingram ISD announcement. The last items Mr. Salinas highlighted was \$115,000 in workforce training funds for All-Plastics Manufacturing; as well as \$32,800 for KEDC itself.

Ms. Metcalf gave an update on KEDC's continuation of retention/expansion efforts over the last year with local businesses. She advised KEDC hosted three industry roundtables as well as assisting businesses with funding for workforce development. KEDC issued two white papers on economic development, which are available online on the KEDC website. KEDC launched an online entrepreneurial development center in partnership with Schreiner University, and has hosted a couple of collaborative efforts with local business coaches. Ms. Metcalf added that KEDC has hosted several podcasts under their newly branded economic dialogue. She also mentioned that KEDC was the recipient of four IEDC awards, and four Southern Economic Development Council Communication awards. Ms. Metcalf went over some of the projects and events scheduled into 2022 including their third annual Top 40 Program and second annual Business and Innovation Forum. Chairman Stacy and Mr. Salinas reinforced the continuing need for housing development in the community. Chairman Stacy thanked Mr. Salinas and Ms. Metcalf for their report.

10. **UPDATE ON ANNUAL COMMUNITY REPORT – ALLISON BUECHÉ, DIRECTOR OF CUSTOMER & COMMUNITY RELATIONS:**

Ms. Bueché presented KPUB's third annual Community Report to the Board. She advised the report summarizes the KPUB organization's key accomplishments and community impact during FY 2020-2021. She added that the report will be distributed to KPUB customers at the end of January through the new quarterly newsletter as a standalone mail piece, as well as a link in the e-bills, and various newspaper/social media advertisements. Ms. Bueché also advised there have been minimal opt out requests regarding Change for Charity. Board members complimented Ms. Bueché on the report.

11. **REVIEW OF PROCESS ON POTENTIAL CANDIDATES FOR BOARD POSITION #4 – MIKE WITTLER, CEO:**

Mr. Wittler went over the application process for potential candidates for Board Position #4. The media has received the Public Notice for publication and it has been posted at the KPUB office and at City Hall, as well as on KPUB's and the City's websites. As a refresher, Mr. Wittler summarized that the Board will need to nominate three names to send to the City Council. If the City Council rejects them, the process will need to start over again. For the Board's information, Mr. Wittler provided a listing of the previous nominations dating back to 1989 and a listing of the current committee assignments, terms and officer positions of the Board.

12. **ADJOURNMENT**

Chairman Stacy adjourned the Regular Board Meeting at 10:32 a.m.

Date Approved: _____

Philip Stacy, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

MEMORANDUM

To: Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas
Mayor Bill Blackburn

From: Mike Wittler

Date: February 9, 2022

Re: Agenda Item No. 5B – Resolution No. 22-03

The following transfers were initiated since the last Board meeting:

I. WIRE TRANSFERS - Operating Expense

CONCHO BLUFF - Power Cost Billing 12/01/2021 to 12/31/2021. Paid January 27, 2022 Transfer from TexPool Investment Fund to CONCHO BLUFF.	\$ 169,129.64
CPS ENERGY - Power Cost Billing 12/01/2021 to 12/31/2021. Paid January 19, 2022 Transfer from TexPool Investment Fund to CPS ENERGY.	\$ 1,057,084.65
DG TEXAS SOLAR, LLC - Power Cost Billing 12/01/2021 to 12/31/2021. Paid January 24, 2022 Transfer from TexPool Investment Fund to DG TEXAS SOLAR, LLC.	\$ 11,052.61
ENGIE LONG DRAW SOLAR - Power Cost Billing 12/01/2021 to 12/31/2021. Paid January 26, 2022 Transfer from TexPool Investment Fund to ENGIE LONG DRAW SOLAR.	\$ 58,444.54
ERCOT – CRR Auction – Monthly - February 2022. Paid January 24, 2022 Transfer from TexPool Investment Fund to ERCOT.	\$ 22,499.00
ERCOT- CRR Auction – Annual – July 2023. Paid February 7, 2022 Transfer from TexPool Investment Fund to ERCOT.	\$ 80,662.29
ERCOT – Subchapter M Default Charge Paid January 18, 2022 Transfer from Happy State Bank Investment Account to ERCOT.	\$ 355.37
ERCOT – CRR Refund Amount Paid January 20, 2022 Transfer from TexPool Investment Fund to ERCOT.	\$ 0.89

GARLAND POWER & LIGHT - Power Cost Billing 12/01/2021 to 12/31/2021.
 Paid on January 27, 2022 Transfer from TexPool Investment Fund
 to GARLAND POWER & LIGHT \$ 88,100.39

LCRA - Power Cost Billing 12/01/2021 to 12/31/2021.
 Paid January 27, 2022 Transfer from TexPool Investment Fund
 to LCRA. \$ 584,378.15

II. TRANSFERS – Investments

Transfer from Happy State Bank Operating Account to Happy State Bank Investment Account
 or Wires from Happy State Investment Account to TexPool:

<u>Date</u>	<u>Principal</u>
January 24, 2022	\$ 500,000.00
January 31, 2022	\$ 700,000.00
February 7, 2022	\$ 600,000.00

III. WIRE TRANSFERS - Payroll

Automated Clearing House for Pay Periods Ending:

January 21, 2022	\$ 113,745.84
February 4, 2022	\$ 111,607.67

IV. WIRE TRANSFERS - Payroll - Federal Reserve Bank

Federal Withholding and FICA for Period Ending:

January 21, 2022	\$ 40,906.00
February 4, 2022	\$ 40,231.26

V. WIRE TRANSFER - TMRS and TML

Texas Municipal Retirement System (TMRS)
 Retirement Plan Contribution
 for the month of January – Paid 02/15/2022 \$ 60,959.12

Texas Municipal League (TML)
 Monthly Premium - Medical, Dental, Vision and Life
 for the month of February – Paid 02/01/2022 \$ 60,267.06

If you have any questions on the items presented for payment, I will be happy to answer them at
 your convenience.

Sincerely,



Amy Dozier
 Director of Finance

RESOLUTION NO. 22-03

A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD CONFIRMING AND AUTHORIZING THE PAYMENTS OF INVOICES AS APPROVED AND PRESENTED BY THE CHIEF FINANCIAL OFFICER AND GENERAL MANAGER / CEO.

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

WHEREAS, the Chief Financial Officer 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 16th day of February, 2022

Philip Stacy, Chairman

ATTEST:

Larry Howard, Secretary

MEMORANDUM

To: Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas
Mayor Bill Blackburn

From: Mike Wittler

Date: February 9, 2022

Re: Agenda Item No. 5C – Quarterly Funds Report

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

As of December 31, 2021, KPUB had \$30.6M invested in CD's, municipal investment pools and demand accounts at Happy State Bank. The majority of the funds (\$18.2M) are held in demand accounts at Happy State Bank. These accounts are fully collateralized, completely liquid and earning 25 basis points.

The investments were discussed in detail with the Investment Committee following the January Board meeting. KPUB plans to continue holding most of its investments in liquid accounts until pending litigation is resolved.

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 December 31, 2021

Total Funds Invested

Day of the Month	October 2021	November 2021	December 2021	Totals
1	\$ 29,963,289	\$ 29,640,485	\$ 30,151,747	
2	29,963,289	29,762,668	30,158,070	
3	29,963,289	29,742,113	30,361,744	
4	30,353,389	29,726,369	30,361,744	
5	30,324,571	29,936,856	30,361,744	
6	30,373,677	29,936,856	30,571,866	
7	30,220,340	29,936,856	30,621,092	
8	30,594,333	30,160,986	30,662,599	
9	30,594,333	30,258,756	30,607,308	
10	30,594,333	30,390,375	30,756,950	
11	30,594,333	30,390,375	30,756,950	
12	30,953,687	30,328,063	30,756,950	
13	30,925,983	30,328,063	30,955,800	
14	30,740,031	30,328,063	31,005,347	
15	30,719,572	30,613,698	31,079,588	
16	30,719,572	30,665,787	31,169,590	
17	30,719,572	30,735,867	30,938,874	
18	30,878,812	30,774,376	30,938,874	
19	28,628,972	30,536,957	30,938,874	
20	28,646,380	30,536,957	31,222,436	
21	28,626,759	30,536,957	31,234,797	
22	28,855,035	30,872,016	30,200,951	
23	28,855,035	30,950,390	30,245,093	
24	28,855,035	29,677,424	30,341,223	
25	29,335,705	29,677,424	30,341,223	
26	29,123,393	29,828,914	30,341,223	
27	29,707,216	29,828,914	30,488,445	
28	29,146,065	29,828,914	30,564,894	
29	28,365,992	29,108,329	30,156,767	
30	28,373,015	30,025,158	30,502,613	
31	28,328,368	-	30,599,472	
Total of daily balance	\$ 924,043,375	\$ 905,064,967	\$ 949,394,848	
Average daily balance	\$ 29,807,851	\$ 30,168,832	\$ 30,625,640	\$ 30,201,122
Interest earnings	\$ 7,191	\$ 5,990	\$ 6,476	\$ 19,657
APR ----->	0.28%	0.24%	0.25%	0.26%

**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 December 31, 2021**

Total Funds Invested by Fund

Fund	Market Value and Carrying Amount	Actual Interest Earnings	Budgeted Interest Earnings
Revenue	\$ 22,171,623	\$ 14,039	\$ 10,750
Construction	1,443,038	700	900
Rate Stabilization	1,899,034	921	1,675
Long Term Rate Stabilization	904,532	439	575
Debt Reserve	-	-	-
Interest & Sinking	91,254	72	138
Emergency, Repair, Replace & Cont. Fund	3,550,128	3,216	2,225
Revenue Fund - Checking Account	539,862	271	-
Total	\$ 30,599,472	\$ 19,657	\$ 16,263

Total Funds Invested by Security

Type of Security	Market Value and Carrying Amount	Actual Interest Earnings	Budgeted Interest Earnings
Certificate of Deposit	21% \$ 6,511,627	\$ 8,112	\$ 3,523
TEXPOOL	3% 855,808	148	463
LOGIC	16% 5,001,360	626	2,706
Happy State Bank - Investment	58% 17,690,815	10,501	9,571
Checking Account	2% 539,862	271	-
Totals	100% \$ 30,599,472	\$ 19,657	\$ 16,263

MEMORANDUM

To: Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas
Mayor Bill Blackburn

From: Mike Wittler

Date: January 13, 2022

Re: Agenda Item No. 5D – Approval and Reporting of Purchases and Sales

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

- A. RFQ 3001 - 3 Phase Pad Mount Transformers (commercial).** An RFQ was sent out to 6 vendors. We received 3 complete bids and 1 vendor bid 1 unit. These bids represent 4 different manufactures. Irby is the low bid and best value on the evaluation, however they do have a price adjustment clause should materials increase by more than 5%. Awarding Irby would result in a PO for \$127,677.78. Attached are the quotes, totals summary and evaluations.

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

Sincerely,



Damon Richardson
Purchasing Agent

REQUEST FOR QUOTATION



**Kerrville
Public
Utility
Board**

City of Kerrville, Texas
Electric Distribution System
Revenue Fund
2250 Memorial Blvd. • PO Box 294999
Kerrville, TX 78029-4999 • 830-257-3050

Vendor	Quotation
17273	3001
Print Date	Page
01/26/2022	1

TO
STUART C. IRBY COMPANY
5908 LA COLONIA
SAN ANTONIO, TX 78218

SHIP TO KERRVILLE PUBLIC UTILITY BOARD
2250 MEMORIAL BLVD
KERRVILLE, TX 78028-5613
Phone: (830)257-3050
Fax: (830)792-8244

Response Due Date: 10:00 am 2/8/2022

Phone:
Fax:

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
			NET

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13020	2.000	EA	Transfrmr Pad Mt 3ph 75 KVA 208/120 7200/12470, loop feed ABB 75KVA NL 162, TL 958	12,166.67	46-48 WKS 336
2	13022	2.000	EA	Transfrmr Pad Mt 3ph 112.5 KVA 208/120 7200/12470, loop feed ABB 112.5KVA NL 200, TL 1387	13,555.56	46-48 WKS
3	13024	1.000	EA	Transfrmr Pad Mt 3ph 150 KVA 208/120 7200/12470, loop feed ABB 150 KVA NL 237,M TL 1790	14944.44	46-48 WKS
4	13026	1.000	EA	Transfrmr Pad Mt 3ph 225 KVA 208/120 7200/12470, loop feed. ABB 225KVA NL 357, TL 2353	16722.22	46-48 WKS
5	13028	1.000	EA	Transfrmr Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. ABB 300KVA NL 423, TL 3090	18872.22	46-48 WKS
6	13030	1.000	EA	Transfrmr Pad Mt 3ph 500 KVA 208/120 7200/12470, loop feed. ABB 500KVA NL 531, TL 4900	25694.44	46-48 WKS
<p>• Price Adjustment Clause</p> <p>Due to extended delivery dates for 1ph & 3ph transformers, pricing is not held constant between order placement and shipment. The price may be adjusted per the price adjustment clause described below up to 3 months prior to shipment. A weighted combination of the following indices will be used for price adjustments: Core Steel - Hitachi Energy Index - Weighted 22%* Aluminum - PPI WPU102501 - Weighted 7%* Copper - PPI WPU102502 - Weighted 5%* Oil PPI - WPU057604 - Weighted 10%* Fab Steel - PPI WPU101703 - Weighted 11%* Labor - CEU313350008 - Weighted 35%* Should the specified indices be discontinued, proper indices shall be submitted by mutual agreement of both parties.</p>						

SEE NEXT PAGE FOR CONTINUED NOTES

REQUEST FOR QUOTATION

Vendor	Quotation
17273	3001
Print Date	Page
01/26/2022	2

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
				<p>Quote expires under any of the following conditions referred to the quote's date listed above:</p> <ul style="list-style-type: none"> - After 30 days. - If the cost of any of the 5 main materials increases by more than 5%. <p>Lead Times:</p> <p>Drawing Submittal : 4-4 Weeks after receipt of order.</p> <p>Orders requiring drawing approval (i.e. Approval orders): The shipping date from our Jefferson City Factory will be confirmed after we receive approved drawings back from the customer.</p> <p>Orders NOT requiring drawing approvals (i.e. Firm Orders): 46-48 Weeks after the acceptance of order.</p> <p>Quoted lead times are based on current production levels. Actual lead times are dependent on available production space at time of firm order entry and/or release to manufacturing.</p> <p>Cancellation Fees for cancellation of an accepted order are as follows:</p> <p>Firm Orders</p> <ul style="list-style-type: none"> • 50% of total order value after order entry. • 100% of total order value if cancelled within 6 weeks from scheduled ship date. <p>Approval Orders</p> <ul style="list-style-type: none"> • 15% of total order value after order entry. 		

Vendor Terms

Shipment Method	Shipment Terms	FOB	Payment Terms

Valid Through Date:
Authorizing Signatures
DAMON RICHARDSON PURCHASING AGENT (830)792-8239

REQUEST FOR QUOTATION



**Kerrville
Public
Utility
Board**

City of Kerrville, Texas
Electric Distribution System
Revenue Fund
2250 Memorial Blvd. • PO Box 294999
Kerrville, TX 78029-4999 • 830-257-3050

Vendor	Quotation
70	3001
Print Date	Page
01/26/2022	1

TO **TECHLINE INCORPORATED**
4314 DIVIDEND DR
SAN ANTONIO, TX 78219

SHIP TO **KERRVILLE PUBLIC UTILITY BOARD**
2250 MEMORIAL BLVD
KERRVILLE, TX 78028-5613
Phone: (830)257-3050
Fax: (830)792-8244

Phone:
 Fax:

Response Due Date: 10:00 am 2/8/2022

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
			NET

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13020	2.000	EA	Transfrmr Pad Mt 3ph 75 KVA 208/120 7200/12470, loop feed NL= 187 LL=804	\$14,977.00	44-48 weeks 336
2	13022	2.000	EA	Transfrmr Pad Mt 3ph 112.5 KVA 208/120 7200/12470, loop feed NL=221 LL=1257	\$17,579.00	44-48 weeks
3	13024	1.000	EA	Transfrmr Pad Mt 3ph 150 KVA 208/120 7200/12470, loop feed NL=312 LL=1434	\$18,826.00	44-48 weeks
4	13026	1.000	EA	Transfrmr Pad Mt 3ph 225 KVA 208/120 7200/12470, loop feed. NL=385 LL=2148	\$21,990.00	44-48 weeks
5	13028	1.000	EA	Transfrmr Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. NL=537 LL=2496	\$25,203.00	44-48 weeks
6	13030	1.000	EA	Transfrmr Pad Mt 3ph 500 KVA 208/120 7200/12470, loop feed. NL=608 LL=4464	\$33,448.00	44-48 weeks

REQUEST FOR QUOTATION



**Kerrville
Public
Utility
Board**

City of Kerrville, Texas
Electric Distribution System
Revenue Fund
2250 Memorial Blvd. • PO Box 294999
Kerrville, TX 78029-4999 • 830-257-3050

Vendor	Quotation
17989	3001
Print Date	Page
01/26/2022	1

TO PRIESTER-MELL & NICHOLSON, INC.
3939 N. PANAM EXPWY.
SAN ANTONIO, TX 78219

SHIP TO KERRVILLE PUBLIC UTILITY BOARD
2250 MEMORIAL BLVD
KERRVILLE, TX 78028-5613
Phone: (830)257-3050
Fax: (830)792-8244

Response Due Date: 10:00 am 2/8/2022

Phone:

Fax:

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
Truck	Prepaid	Destination	NET 30 days

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13020	2.000	EA	Transfrmr Pad Mt 3ph 75 KVA 208/120 7200/12470, loop feed NL 183 LL 843	\$15,413.00*	84-86 weeks <i>602</i>
2	13022	2.000	EA	Transfrmr Pad Mt 3ph 112.5 KVA 208/120 7200/12470, loop feed NL 236 LL 1235	\$17,305.00*	84-86 weeks
3	13024	1.000	EA	Transfrmr Pad Mt 3ph 150 KVA 208/120 7200/12470, loop feed NL 284 LL 1622	\$18,403.00*	84-86 weeks
4	13026	1.000	EA	Transfrmr Pad Mt 3ph 225 KVA 208/120 7200/12470, loop feed. NL 378 LL 2266	\$21,306.00*	84-86 weeks
5	13028	1.000	EA	Transfrmr Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. NL 503 LL 2755	\$24,160.00*	84-86 weeks
6	13030	1.000	EA	Transfrmr Pad Mt 3ph 500 KVA 208/120 7200/12470, loop feed. NL 684 LL 4293	\$33,236.00*	84-86 weeks
<p>*Price subject to change at time of shipment Quoted per our manufacturers standard terms & conditions. Quoting WEG Transformers</p>						

Damon Richardson

From: Damon Richardson
Sent: Wednesday, January 26, 2022 3:38 PM
To: Matt McGuire
Subject: RE: Request For Quotation 3001 from KERRVILLE PUBLIC UTILITY BOARD

Thank you Matt, we will take this into consideration.

-----Original Message-----

From: Matt McGuire <mmcguire@kbselectric.com>
Sent: Wednesday, January 26, 2022 1:42 PM
To: Damon Richardson <drichardson@kpub.com>
Subject: RE: Request For Quotation 3001 from KERRVILLE PUBLIC UTILITY BOARD

Damon, I've sent this off to be quoted. Wanted to let you know that I have 1 of the below units on order that should be arriving in about 3-4 weeks. If you're interested in it I suggest getting it quickly.....it won't be available for long. These were ordered per the PEC specification.

300 PAD 3 Phase Dual Volt 120/208 ERMCO \$26,500

Matt McGuire
Branch Manager
KBS Electrical Dist., Inc.
5811 Trade Center Drive Suite 950
Austin, Texas 78744
512-416-6063 (O)
512-557-6721 (M)

-----Original Message-----

From: drichardson@kpub.com <drichardson@kpub.com>
Sent: Wednesday, January 26, 2022 10:24 AM
To: Matt McGuire <mmcguire@kbselectric.com>; Ricky Zimmerman <ricky@kbselectric.com>
Cc: drichardson@kpub.com
Subject: Request For Quotation 3001 from KERRVILLE PUBLIC UTILITY BOARD

See Attached Request For Quotation from DAMON RICHARDSON at KERRVILLE PUBLIC UTILITY BOARD.

Quotation	Description	Master Status	Date	Response Due Date	Name	Total Quotation Cost
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	MASTER QUOTATION	0
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	WESCO DISTRIBUTION, INC.	0
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	TECHLINE INCORPORATED	164,579.00
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	KBS ELECTRICAL DISTRIBUTORS INC	26,500.00
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	TEXAS ELECTRIC COOPERATIVES, IN	0
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	PRIESTER-MELL & NICHOLSON, INC	162,541.00
3001	3 phase pad mt xfrm for inventory	Open	1/26/2022	2/8/2022 10:00	STUART C. IRBY COMPANY	127,677.78

RFQ 3001

Pad Mount Transformers 75 kVA 208/120

February 8, 2022

Historical Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		%Z	No-load Losses	Load Losses	Total Owning Cost		Max NL	183
							Bid Price	Bid				Each	Bid		
75 kVA 208/120	PMN	602	N	N	2	\$15,413.00	\$30,826.00	\$30,826.00	0.00	183	843	\$16,960.67	\$33,921.24	Min LL	958
	Technline	336	N	N	2	\$14,977.00	\$29,954.00	\$29,954.00	0.00	187	804	\$16,463.57	\$32,967.13	NL Loss Factor	2,450
	Irby	336	N	Y	2	\$12,166.67	\$24,333.34	\$24,333.34	0.00	162	958	\$13,812.80	\$27,625.60	LL Loss Factor	1,304
		56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-		
		84	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-		
	56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-			
	98	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-			

Current Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		%Z	No-load Losses	Load Losses	Total Owning Cost		Max NL	183
							Bid Price	Bid				Each	Bid		
75 kVA 208/120	PMN	602	N	N	2	\$15,413.00	\$30,826.00	\$30,826.00	0.00	183	843	\$19,252.84	\$38,505.68	Min LL	958
	Technline	336	N	N	2	\$14,977.00	\$29,954.00	\$29,954.00	0.00	187	804	\$18,767.66	\$37,535.12	NL Loss Factor	10,297
	Irby	336	N	Y	2	\$12,166.67	\$24,333.34	\$24,333.34	0.00	162	958	\$16,057.05	\$32,114.09	LL Loss Factor	2,320
		56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-		
		84	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-		
	56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-			
	98	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$-	\$-			

Evaluation	Vendor	Value	Rank	Total Lead Time	Minimum Ownership Cost (Historical Loss Factor)	Minimum Ownership Cost (Current Loss Factor)	Minimum Purchase	TOTAL	
								1	4
Total Lead Time	0	56	PMN	1	1	1	1	1	4
Minimum Ownership Cost (Historical Loss Factor)	0	\$	Technline	2	2	2	2	2	8
Minimum Ownership Cost (Current Loss Factor)	0	\$	Irby	2	3	3	3	3	11
Minimum Purchase	Irby	\$12,166.67		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A	#N/A

RFQ 3001

Pad Mount Transformers 112.5 kVA 208/120

February 8, 2022

Historical Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		%Z	No-load Losses	Load Losses	Total Owning Cost		Max NL	236
							Bid Price	Bid Price				Each	Bid		
112.5 kVA 208/120	PMN	602	N	N	2	\$17,305.00	\$34,610.00	\$34,610.00	0.00	236	1235	\$ 19,493.64	\$ 38,987.28	Min LL	1387
	Technline	336	N	N	2	\$17,579.00	\$35,158.00	\$35,158.00	0.00	221	1257	\$ 19,799.58	\$ 39,519.16	NL Loss Factor	2,450
	Irby	336	N	Y	2	\$13,555.56	\$27,111.12	\$27,111.12	0.00	200	1387	\$ 15,854.21	\$ 31,708.42	LL Loss Factor	1,304
		56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
		84	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
	56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -			
	98	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -			

Current Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		%Z	No-load Losses	Load Losses	Total Owning Cost		Max NL	236
							Bid Price	Bid Price				Each	Bid		
112.5 kVA 208/120	PMN	602	N	N	2	\$17,305.00	\$34,610.00	\$34,610.00	0.00	236	1235	\$ 22,599.90	\$ 45,199.81	Min LL	1387
	Technline	336	N	N	2	\$17,579.00	\$35,158.00	\$35,158.00	0.00	221	1257	\$ 22,770.49	\$ 45,540.97	NL Loss Factor	10,297
	Irby	336	N	Y	2	\$13,555.56	\$27,111.12	\$27,111.12	0.00	200	1387	\$ 18,832.38	\$ 37,664.75	LL Loss Factor	2,320
		56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
		84	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
	56	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -			
	98	N	N	2	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -			

Evaluation	Vendor	Value	Rank	Total Lead Time	Minimum Ownership Cost (Historical Loss Factor)	Minimum Ownership Cost (Current Loss Factor)	Minimum Purchase	TOTAL
Total Lead Time	0	56	PMN	1	2	2	2	7
Minimum Ownership Cost (Historical Loss Factor)	0	\$ -	Technline	2	1	1	1	5
Minimum Ownership Cost (Current Loss Factor)	0	\$ -	Irby	2	3	3	3	11
Minimum Purchase	Irby	\$13,555.56		#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A

RFQ 3001

Pad Mount Transformers 150 kVA 208/120

February 8, 2022

Historical Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		No-load Losses	Load Losses	Total Owning Cost		Max NL	284
							Bid Price	Bid Price			Each	Bid		
150 kVA 208/120	PMN	602	N	N	1	\$18,403.00	\$18,403.00	284	1822	\$ 21,213.89	\$ 21,213.89	Min LL	1790	
	Technline	336	N	N	1	\$18,826.00	\$18,826.00	312	1434	\$ 21,460.34	\$ 21,460.34	NL Loss Factor	2,450	
	irby	336	N	Y	1	\$14,944.44	\$14,944.44	237	1790	\$ 17,859.25	\$ 17,859.25	LL Loss Factor	1,304	
	0	56	N	N	1	\$0.00	\$0.00			\$ -	\$ -			
	0	84	N	N	1	\$0.00	\$0.00			\$ -	\$ -			
	0	98	N	N	1	\$0.00	\$0.00			\$ -	\$ -			

Current Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		No-load Losses	Load Losses	Total Owning Cost		Max NL	284
							Bid Price	Bid Price			Each	Bid		
150 kVA 208/120	PMN	602	N	N	1	\$18,403.00	\$18,403.00	0.00	1822	\$ 25,089.88	\$ 25,089.88	Min LL	1790	
	Technline	336	N	N	1	\$18,826.00	\$18,826.00	0.00	1434	\$ 25,365.09	\$ 25,365.09	NL Loss Factor	10,297	
	irby	336	N	Y	1	\$14,944.44	\$14,944.44	0.00	1790	\$ 21,537.09	\$ 21,537.09	LL Loss Factor	2,320	
	0	56	N	N	1	\$0.00	\$0.00	0.00	0	\$ -	\$ -			
	0	84	N	N	1	\$0.00	\$0.00	0.00	0	\$ -	\$ -			
	0	98	N	N	1	\$0.00	\$0.00	0.00	0	\$ -	\$ -			

Evaluation	Vendor	Value	Rank	Total Lead Time	Minimum Ownership Cost (Historical Loss Factor)	Minimum Ownership Cost (Current Loss Factor)	Minimum Purchase	TOTAL	
								2	7
Total Lead Time	0	56	PMN	1	2	2	2	7	
Minimum Ownership Cost (Historical Loss Factor)	0		Technline	2	1	1	1	5	
Minimum Ownership Cost (Current Loss Factor)	0	\$ -	irby	2	3	3	3	11	
Minimum Purchase	irby	\$14,944.44		#N/A	#N/A	#N/A	#N/A	#N/A	
				#N/A	#N/A	#N/A	#N/A	#N/A	
				#N/A	#N/A	#N/A	#N/A	#N/A	

RFQ 3001
Pad Mount Transformers 225 kVA 208/120
February 8, 2022

Historical Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total Bid Price	%Z	No-load Losses	Load Losses	Total Owning Cost	
											Each	Bid
225 kVA 208/120	PMN	602	N	N	1	\$21,306.00	\$21,306.00		378	2266	\$ 25,186.96	\$ 25,186.96
	Technline	336	N	N	1	\$21,990.00	\$21,990.00		385	2148	\$ 25,734.24	\$ 25,734.24
	lrby	336	N	Y	1	\$16,722.22	\$16,722.22		357	2353	\$ 20,665.18	\$ 20,665.18
	0	56	N	N	1	\$0.00	\$0.00			0	\$ -	\$ -
	0	84	N	N	1	\$0.00	\$0.00			0	\$ -	\$ -
	0	98	N	N	1	\$0.00	\$0.00			0	\$ -	\$ -

Max NL 378
 Min LL 2353
 NL Loss Factor 2,450
 LL Loss Factor 1,304

Current Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total Bid Price	%Z	No-load Losses	Load Losses	Total Owning Cost	
											Each	Bid
225 kVA 208/120	PMN	602	N	N	1	\$21,306.00	\$21,306.00	0.00	378	2266	\$ 30,454.68	\$ 30,454.68
	Technline	336	N	N	1	\$21,990.00	\$21,990.00	0.00	385	2148	\$ 30,937.03	\$ 30,937.03
	lrby	336	N	Y	1	\$16,722.22	\$16,722.22	0.00	357	2353	\$ 25,866.49	\$ 25,866.49
	0	56	N	N	1	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -
	0	84	N	N	1	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -
	0	98	N	N	1	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -

Max NL 378
 Min LL 2353
 NL Loss Factor 10,297
 LL Loss Factor 2,320

Evaluation	Vendor	Value
Total Lead Time	0	56
Minimum Ownership Cost (Historical Loss Factor)	0	\$ -
Minimum Ownership Cost (Current Loss Factor)	0	\$ -
Minimum Purchase	lrby	\$16,722.22

Rank	Total Lead Time	Minimum Ownership Cost (Historical Loss Factor)	Minimum Ownership Cost (Current Loss Factor)	Minimum Purchase	TOTAL
PMN	1	2	2	2	7
Technline	2	1	1	1	5
lrby	2	3	3	3	11
#/N/A	#/N/A	#/N/A	#/N/A	#/N/A	#/N/A
#/N/A	#/N/A	#/N/A	#/N/A	#/N/A	#/N/A
#/N/A	#/N/A	#/N/A	#/N/A	#/N/A	#/N/A

RFQ 3001

Pad Mount Transformers 300 kVA 208/120

February 8, 2022

Historical Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Bid Price	Total	%Z	No-load Losses	Load Losses	Total Owning Cost		Max NL	503
												Each	Bid		
300 kVA 208/120	PMN	602	N	N	1	\$24,160.00	\$24,160.00	\$24,160.00		503	2755	\$ 28,984.87	\$ 28,984.87	Min LL	3090
	Technline	336	N	N	1	\$25,203.00	\$25,203.00	\$25,203.00		537	2496	\$ 29,773.43	\$ 29,773.43	NL Loss Factor	2,450
	Irby	336	N	Y	1	\$18,872.22	\$18,872.22	\$18,872.22		423	3090	\$ 23,937.93	\$ 23,937.93	LL Loss Factor	1,304
	KBS	14	Y	N	1	\$26,500.00	\$26,500.00	\$26,500.00		550	3100	\$ 31,889.90	\$ 31,889.90		
		84	N	N	1	\$0.00	\$0.00	\$0.00				\$ -	\$ -		
	56	N	N	1	\$0.00	\$0.00	\$0.00				\$ -	\$ -			
	98	N	N	1	\$0.00	\$0.00	\$0.00				\$ -	\$ -			

Current Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Bid Price	Total	%Z	No-load Losses	Load Losses	Total Owning Cost		Max NL	503
												Each	Bid		
300 kVA 208/120	PMN	602	N	N	1	\$24,160.00	\$24,160.00	\$24,160.00	0.00	503	2755	\$ 35,730.13	\$ 35,730.13	Min LL	3090
	Technline	336	N	N	1	\$25,203.00	\$25,203.00	\$25,203.00	0.00	537	2496	\$ 36,522.41	\$ 36,522.41	NL Loss Factor	10,297
	Irby	336	N	Y	1	\$18,872.22	\$18,872.22	\$18,872.22	0.00	423	3090	\$ 30,395.71	\$ 30,395.71	LL Loss Factor	2,320
	KBS	14	Y	N	1	\$26,500.00	\$26,500.00	\$26,500.00	0.00	550	3100	\$ 39,354.38	\$ 39,354.38		
		84	N	N	1	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
	56	N	N	1	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -			
	98	N	N	1	\$0.00	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -			

Evaluation	Vendor	Value	Rank	Total Lead Time	Minimum Ownership Cost (Historical Loss Factor)	Minimum Ownership Cost (Current Loss Factor)	Minimum Purchase	TOTAL
Total Lead Time	KES	14	PMN	1	3	3	3	10
Minimum Ownership Cost (Historical Loss Factor)	Technline		Technline	2	2	2	2	8
Minimum Ownership Cost (Current Loss Factor)	0	\$ -	Irby	2	4	4	4	14
Minimum Purchase	0	\$ -	KBS	7	1	1	1	10
	Irby	\$18,872.22		#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A

RFQ 3001
Pad Mount Transformers 500 kVA 208/120
February 8, 2022

Historical Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		No-load Losses	%Z	Load Losses	Total Owning Cost		Max NL	684
							Bid Price	Bid Price				Each	Bid		
500 kVA 208/120	PMN	602	N	N	1	\$33,236.00	\$33,236.00	\$33,236.00	684	4293	\$ 40,509.87	\$ 40,509.87	Min LL	4900	
	Tecline	336	N	N	1	\$33,448.00	\$33,448.00	\$33,448.00	608	4464	\$ 40,758.66	\$ 40,758.66	NL Loss Factor	2,450	
	irby	336	N	Y	1	\$25,694.44	\$25,694.44	\$25,694.44	531	4900	\$ 33,364.99	\$ 33,364.99	LL Loss Factor	1,304	
		56	N	N	1	\$0.00	\$0.00	\$0.00			\$ -	\$ -			
		84	N	N	1	\$0.00	\$0.00	\$0.00			\$ -	\$ -			
	98	N	N	1	\$0.00	\$0.00	\$0.00			\$ -	\$ -				

Current Loss Factor

Description	Vendor	Delivery Days	Incomplete Submission	Excep.	Qty	Price Ea.	Total		No-load Losses	%Z	Load Losses	Total Owning Cost		Max NL	684
							Bid Price	Bid Price				Each	Bid		
500 kVA 208/120	PMN	602	N	N	1	\$33,236.00	\$33,236.00	\$33,236.00	684	4293	\$ 50,237.58	\$ 50,237.58	Min LL	4900	
	Tecline	336	N	N	1	\$33,448.00	\$33,448.00	\$33,448.00	608	4464	\$ 50,063.70	\$ 50,063.70	NL Loss Factor	10,297	
	irby	336	N	Y	1	\$25,694.44	\$25,694.44	\$25,694.44	531	4900	\$ 42,528.68	\$ 42,528.68	LL Loss Factor	2,320	
		56	N	N	1	\$0.00	\$0.00	\$0.00	0	0	\$ -	\$ -			
		84	N	N	1	\$0.00	\$0.00	\$0.00	0	0	\$ -	\$ -			
	98	N	N	1	\$0.00	\$0.00	\$0.00	0	0	\$ -	\$ -				

Evaluation	Vendor	Value	Rank	Total Lead Time	Minimum Ownership Cost (Historical Loss Factor)	Minimum Ownership Cost (Current Loss Factor)	Minimum Purchase	TOTAL	
								1	2
Total Lead Time	0	56	PMN	1	2	1	2	6	6
Minimum Ownership Cost (Historical Loss Factor)	0	\$	Tecline	2	1	2	1	6	6
Minimum Ownership Cost (Current Loss Factor)	0	\$	irby	2	3	3	3	11	11
Minimum Purchase	irby	\$25,694.44		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
				#N/A	#N/A	#N/A	#N/A	#N/A	#N/A

MEMORANDUM

To: Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas
Mayor Bill Blackburn

From: Allison Bueché

Date: February 9, 2022

Re: Agenda Item No. 6–Discussion & Action on Appointments to Scholarship Committee

The KPUB scholarship program guidelines specify that a scholarship selection committee, appointed by the KPUB Board of Trustees, will choose the candidates and an alternate for the available KPUB scholarships to be awarded.

The scholarship application deadline closes soon, on Friday, February 25, 2022. The KPUB Board of Trustees will need to appoint new members to serve on the selection committee to choose this year's candidates and alternate for the 2022 KPUB scholarship awards.

In the past, that committee has been comprised of a KPUB Board Member, a KPUB staff member who oversees the scholarship committee and a KISD representative.

Sincerely,



Allison Bueché
Director of Customer & Community
Relations
Kerrville Public Utility Board

MEMORANDUM

To: Philip Stacy
Mark Cowden
Larry Howard
Bill Thomas
Mayor Bill Blackburn

From: Mike Wittler

Date: February 9, 2022

Re: Agenda Item No. 7 – Financial Report

Attached please find financial statements for the month of January 2022.

Highlights include:

- **\$212K increase in net position** for the month, **\$249K** increase in net position on a year to date (YTD) basis.
- **\$3.7M in operating revenue** for the month, **\$13.1M** on a YTD basis.
 - January revenues are lower than budget due to lower than expected kWh sales due to mild weather for the portion of January bills that relate to December usage. December's average temperature was 58.8°, which is 9.8° above the 30-year average of 49.0°. Temperatures returned to slightly below average in January. The variance from budget and prior year was primarily seen in residential revenues.
- **\$3.4M in operating expense** for the month, **\$12.6M** on a YTD basis.
 - Lower than budget and prior year due primarily to purchased power cost.
 - Administrative expenses are lower than budget and prior year for several reasons, including: 1) January's employee insurance premium was paid in December due to the January 1st holiday, 2) lower than budget and prior year COVID, legal and engineering expense.
- **\$245K in operating income** for the month, **\$466K** in operating income on a YTD basis.
- **\$2.4M in over collection of power cost adjustment** as of 1/31/2022, a **decrease of \$42K** from the prior month.
- **\$29.7M invested** in investment pools, CD's and an investment account at Happy State Bank.

The Power Cost Adjustment (PCA) remained at \$95.00 for January. Due to pending litigation and higher purchased power costs during the winter months, the PCA is expected to remain stable at \$95.00 for the foreseeable future.

Sincerely,



Amy Dozier
Director of Finance

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended January 31, 2022
(Unaudited)

	Comparison to Budget			Comparison to Last Year			
	Current Month	Current Month Budget Amount	Percentage Increase (Decrease)	Current Month Last Year Amount	Percentage Increase (Decrease)	Current Month Last Year Amount	Percentage Increase (Decrease)
OPERATING REVENUES:							
Residential	\$ 2,144,264	\$ 2,535,117	-15.42%	\$ 2,205,137	2.76%	\$ (60,873)	-2.76%
Commercial/Industrial	1,413,227	1,511,965	-6.53%	1,273,097	11.01%	140,131	11.01%
Sales to Public Authorities	21,709	21,000	3.37%	21,078	2.99%	630	2.99%
Other	103,557	94,400	9.70%	107,171	-3.37%	(3,614)	-3.37%
TOTAL OPERATING REVENUES	3,682,757	4,162,482	-11.52%	3,606,483	2.11%	76,274	2.11%
OPERATING EXPENSES:							
Purchased Power	2,469,781	2,788,965	-11.44%	2,498,993	-1.17%	(29,212)	-1.17%
Distribution	331,000	301,112	9.93%	280,101	18.17%	50,899	18.17%
Customer Accounting	55,193	47,400	16.44%	40,949	34.79%	14,244	34.79%
Customer Service & Informational	20,544	36,800	-44.17%	20,715	-0.83%	(171)	-0.83%
Administrative Expenses	250,803	374,700	-33.07%	325,162	-22.87%	(74,359)	-22.87%
Depreciation	310,092	305,500	1.50%	291,579	6.35%	18,514	6.35%
TOTAL OPERATING EXPENSES	3,437,413	3,854,477	-10.82%	3,457,498	-0.58%	(20,085)	-0.58%
OPERATING INCOME (LOSS)	245,344	308,005	-20.34%	148,985	64.68%	96,359	64.68%
NONOPERATING REVENUES (EXPENSES):							
Interest Income - Investments	6,572	5,421	21.23%	5,856	12.22%	716	12.22%
Interest Income - City of Kerrville	15,000	-	0.00%	16,667	-10.00%	(1,667)	-10.00%
Interest Expense - Debt	(9,594)	(9,594)	0.00%	(10,460)	-8.28%	867	-8.28%
Interest Expense - Customer Deposits	(27)	(27)		(263)	-89.54%	235	-89.54%
City of Kerrville - General Fund Deposits	(110,680)	(125,000)	-11.46%	(112,231)	-1.38%	1,551	-1.38%
City of Ingram - Franchise Fees	(2,666)	(3,100)	-14.00%	(2,982)	-10.60%	316	-10.60%
Other - Net	2,980	1,430	108.40%	(4,393)	-167.84%	7,373	-167.84%
TOTAL NONOPERATING REVENUES (EXPENSES):	(98,415)	(115,843)	-15.04%	(107,806)	-8.71%	9,391	-8.71%
INCOME BEFORE CONTRIBUTIONS	146,929	192,162	-23.54%	41,179	256.81%	105,750	256.81%
CAPITAL CONTRIBUTIONS	64,930	9,000	621.45%	4,674	10.61%	496	10.61%
CHANGE IN NET POSITION	\$ 211,859	\$ 201,162	5.32%	\$ 45,853	231.71%	\$ 106,246	231.71%
NET POSITION AT BEGINNING OF MONTH	\$ 72,147,615			\$ 70,190,262			
NET POSITION AT END OF MONTH	\$ 72,359,474			\$ 70,236,115			

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended January 31, 2022
(Unaudited)

	Year to Date	Comparison to Budget		Year to Date Budget Amount	Increase (Decrease)	Percentage Increase (Decrease)	Comparison to Last Year		Year to Date Last Year Amount	Increase (Decrease)	Percentage Increase (Decrease)
		Year to Date Budget Amount	Increase (Decrease)				Year to Date Last Year Amount	Increase (Decrease)			
OPERATING REVENUES:											
Residential	\$ 7,211,627	\$ 8,185,231	\$ (973,604)	\$ 8,133,374	\$ (921,747)	-11.89%		\$ 8,133,374	\$ (921,747)	-11.33%	
Commercial/Industrial	5,545,702	6,194,637	(648,935)	5,390,617	155,084	-10.48%		5,390,617	155,084	2.88%	
Sales to Public Authorities	86,303	84,000	2,303	83,517	2,785	2.74%		83,517	2,785	3.34%	
Other	242,116	264,000	(21,884)	203,298	38,818	-8.29%		203,298	38,818	19.09%	
TOTAL OPERATING REVENUES	13,085,747	14,727,868	(1,642,120)	13,810,807	(725,059)	-11.15%		13,810,807	(725,059)	-5.25%	
OPERATING EXPENSES:											
Purchased Power	8,569,063	9,927,769	(1,358,707)	9,479,339	(910,277)	-13.69%		9,479,339	(910,277)	-9.60%	
Distribution	1,142,400	1,198,238	(55,839)	945,077	197,323	-4.66%		945,077	197,323	20.88%	
Customer Accounting	193,286	188,900	4,386	209,301	(16,015)	2.32%		209,301	(16,015)	-7.65%	
Customer Service & Informational	101,206	146,600	(45,394)	80,726	20,480	-30.96%		80,726	20,480	25.37%	
Administrative Expenses	1,385,028	1,552,800	(167,772)	1,281,661	103,367	-10.80%		1,281,661	103,367	8.07%	
Depreciation	1,228,630	1,219,000	9,630	1,148,356	80,274	0.79%		1,148,356	80,274	6.99%	
TOTAL OPERATING EXPENSES	12,619,613	14,233,308	(1,613,695)	13,144,461	(524,848)	-11.34%		13,144,461	(524,848)	-3.99%	
OPERATING INCOME (LOSS)	466,134	494,560	(28,425)	666,346	(200,211)	-5.75%		666,346	(200,211)	-30.05%	
NONOPERATING REVENUES (EXPENSES):											
Interest Income - Investments	26,232	21,683	4,549	28,994	(2,762)	20.98%		28,994	(2,762)	-9.52%	
Interest Income - City of Kerrville	60,000	60,000	-	66,667	(6,667)	0.00%		66,667	(6,667)	-10.00%	
Interest Expense - Debt	(39,242)	(39,242)	-	(42,597)	3,355	0.00%		(42,597)	3,355	-7.88%	
Interest Expense - Customer Deposits	(773)	-	(773)	(3,113)	2,340			(3,113)	2,340	-75.18%	
City of Kerrville - General Fund Transfer	(393,359)	(442,400)	49,041	(404,979)	11,619	-11.09%		(404,979)	11,619	-2.87%	
City of Ingram - Franchise Fees	(10,036)	(11,000)	964	(9,842)	(195)	-8.76%		(9,842)	(195)	1.98%	
Other - Net	11,624	5,720	5,904	(6,160)	17,783	103.21%		(6,160)	17,783	-288.71%	
TOTAL NONOPERATING REVENUES (EXPENSES):	(345,554)	(405,238)	59,684	(371,028)	25,474	-14.73%		(371,028)	25,474	-6.87%	
INCOME BEFORE CONTRIBUTIONS	120,580	89,321	31,259	295,317	(174,737)	35.00%		295,317	(174,737)	-59.17%	
CAPITAL CONTRIBUTIONS	128,560	36,000	92,560	97,703	30,857	257.11%		97,703	30,857	31.58%	
CHANGE IN NET POSITION	\$ 249,140	\$ 125,321	\$ 123,819	\$ 393,021	\$ (143,880)	98.80%		\$ 393,021	\$ (143,880)	36.61%	
NET POSITION AT BEGINNING OF YEAR	\$ 72,110,334			\$ 69,843,094				\$ 69,843,094			
NET POSITION AT END OF MONTH	\$ 72,359,474			\$ 70,236,115				\$ 70,236,115			

Kerrville Public Utility Board
Balance Sheet
As of January 31, 2022

	January 31, 2022 (Unaudited)	September 30, 2021	Net Position, Liabilities and Deferred Inflows	January 31, 2022 (Unaudited)	September 30, 2021
Assets and Deferred Outflows					
Utility Plant:					
Utility Plant in Service	\$ 91,478,181	\$ 90,118,697		\$ 72,359,474	\$ 72,110,334
Less: Accumulated Depreciation	(44,700,406)	(44,085,063)			
Net Utility Plant in Service	46,777,775	46,033,634			
Construction Work in Progress	869,504	1,943,177			
Total Utility Plant	47,647,280	47,976,812			
Restricted and Noncurrent Assets:					
Customer Deposits	460,590	493,781	Current Portion of 2013 Revenue Bonds	422,000	411,000
Interest and Sinking Fund	136,881	429,052	Accrued Interest Payable	28,781	52,302
Emergency, Repair, Replace, Contingency Fund	3,551,225	3,546,912	Accounts Payable - Purchased Power	10,295,379	10,295,379
Advance to City of Kerrville-2016	7,500,000	7,500,000	Accounts Payable - Other	744,649	1,164,618
Total Restricted and Noncurrent Assets	11,648,696	11,969,744	Over Collection of Power Cost Adjustment	2,378,291	1,681,982
			Total Current Liabilities	13,869,100	13,605,280
Current Assets:			Noncurrent Liabilities:		
Revenue Fund:			2013 Revenue Bonds, net of current portion	2,847,000	3,269,000
Cash and Cash Equivalents	398,273	511,280	Customer Deposits	460,590	493,781
Investments	21,728,017	21,179,561	Interest on Customer Deposits	3,270	3,178
Less: Customer Deposits	(460,590)	(493,781)	Net Pension & OPEB Liability	1,132,935	1,132,935
Total Revenue Fund	21,665,701	21,197,060	Total Long-Term Liabilities	4,443,795	4,898,894
Construction Fund:			Total Liabilities	18,312,895	18,504,175
Cash and Cash Equivalents	5,085	5,081	Deferred Inflows of Resources - Pension & OPEB	1,873,832	1,873,832
Investments	1,443,286	1,442,338			
Total Construction Fund	1,448,371	1,447,419			
Rate Stabilization Fund:					
Investments	1,899,360	1,898,113			
Total Rate Stabilization Fund	1,899,360	1,898,113			
Long Term Rate Stabilization Fund:					
Investments	904,688	904,094			
Total Rate Stabilization Fund	904,688	904,094			
Customer Accounts Receivable, net of allowance	3,724,953	3,710,840			
Materials and Supplies	990,229	955,314			
Other	1,098,600	910,622			
Total Current Assets	31,731,902	31,023,461			
Deferred Outflow of Resources - Pension & OPEB	1,518,324	1,518,324			
Total Assets and Deferred Outflows	\$ 92,546,201	\$ 92,488,341	Total Net Position, Liabilities and Deferred Inflows	\$ 92,546,201	\$ 92,488,341

Kerrville Public Utility Board
Fund Balance Detail
For the Month Ended January 31, 2022

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	\$ 22,171,623	\$ 1,443,038	\$ 1,899,034	\$ 904,532	\$ -	\$ 91,254	\$ 3,550,128	\$ 30,059,609
Withdrawals:								
TEXPOOL-ERCOT	(59,656)							(59,656)
TEXPOOL-TMRS	(66,851)							(66,851)
TEXPOOL-NextEra	(485,088)							(485,088)
TEXPOOL-ERCOT	(355)							(355)
TEXPOOL-CPS Energy	(1,057,085)							(1,057,085)
TEXPOOL-ERCOT	(1)							(1)
TEXPOOL-DG Solar	(11,053)							(11,053)
TEXPOOL-ERCOT	(22,499)							(22,499)
TEXPOOL-Engie	(58,445)							(58,445)
TEXPOOL-LCRA	(584,378)							(584,378)
TEXPOOL-Concho Bluff	(169,130)							(169,130)
TEXPOOL-Garland	(88,100)							(88,100)
Investments:								
Happy State Bank	600,000							600,000
Happy State Bank	400,000							400,000
Happy State Bank	500,000							500,000
Happy State Bank	700,000							700,000
Fund Balance after Withdrawals & Investments	21,768,983	1,443,038	1,899,034	904,532	-	91,254	3,550,128	29,656,969
Allocation of:								
Interest Income	3,045		327	156	-	16	267	4,058
Interest Receivable (accrued on CD)	1,600						831	2,431
Total Interest Allocation	4,645		327	156	-	16	1,097	6,489
Fund Balance After Allocations	21,773,628	1,443,286	1,899,360	904,688	-	91,270	3,551,225	29,663,458
Interfund Transfers:								
Debt Service	(45,611)					45,611		-
Ending Fund Balance	\$ 21,728,017	\$ 1,443,286	\$ 1,899,360	\$ 904,688	\$ -	\$ 136,881	\$ 3,551,225	\$ 29,663,458

