

NOVEMBER 11, 2022

**OFFICIAL NOTICE
OF A
REGULAR MONTHLY MEETING**

The Kerrville Public Utility Board will hold its Regular Monthly Meeting on Wednesday, November 16, 2022, 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, NOVEMBER 16, 2022, 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS

**KPUB MEETING PROCEDURES, BOARD OF TRUSTEES AND STAFF SAFETY MEASURES,
AND CITIZEN PARTICIPATION GUIDELINES**

Considering COVID-19 (Coronavirus) continues to provide a unique concern with public gatherings in Kerr County, standard safety protocols will be observed by the Kerrville Public Utility Board, KPUB staff, and citizens/visitors attending the meeting. Masks are voluntary and highly encouraged, and visitor seating will be designated.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. 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.

4. 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: The December Regular Monthly Board Meeting is tentatively scheduled for Wednesday, December 14, 2022 at 8:30 a.m. (one week earlier than normal)*

5. 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:

- 5A. APPROVAL OF MINUTES – Approval of the October 19, 2022, Regular Monthly Board Meeting Minutes
- 5B. RESOLUTION NO. 22-17 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies
- 5C. APPROVAL AND REPORTING OF PURCHASES AND SALES:
 - 1. Quote #3137, 3138 & 3139 – Transformers (Damon Richardson, Purchasing Agent) ...
 - 2a. Fleet Maintenance (Howard Hall, Supervisor of Field Services)
 - 2b. Fleet Sales (Howard Hall, Supervisor of Field Services)
 - 2c. Fleet Purchase (Howard Hall, Supervisor of Field Services)
 - 3. Warehouse Furniture Purchase (Amy Dozier, Director of Finance)
- 6. **FINANCIAL REPORT – AMY DOZIER, DIRECTOR OF FINANCE:**
- 7. **CONSIDERATION AND ACTION ON SEPTEMBER QUARTERLY FUNDS REPORT – AMY DOZIER, DIRECTOR OF FINANCE:**
- 8. **MOTION TO VOTE AND 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, 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 and Possible Action on Hedging Activities, ERCOT Invoicing and Purchased Power Contracts – Mike Wittler, CEO
- 9. **CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSIONS:**
- 10. **ADJOURNMENT**

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, OCTOBER 19, 2022, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

Mark Cowden
Larry Howard
Bill Thomas
Glenn Andrew
Mayor Judy Eychner

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Robby McCutcheon, Director of IT
Tammye Riley, Director of Operations
Allison Bueché, Director of Customer and Community Relations

TRUSTEES ABSENT:

OTHERS PRESENT:

Stephen Schulte, Legal Counsel

1. CALL TO ORDER:

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

2. PLEDGE OF ALLEGIANCE:

3. CITIZEN/CONSUMER OPEN FORUM:

There were no citizens/consumers to speak.

4. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Ms. Bueché advised the Bucket Truck Event in Louise Hays Park on October 8th was a success. Past community events included a Blood Drive on September 22nd and Food Pantry participation on September 26th. KPUB had presentations at area schools with Arc & Spark, and Monster Detective Collective demonstrations. Mutual Aid was given by one of KPUB's crews to New Smyrna Beach, Florida to assist with restoration efforts. This effort resulted in KPUB receiving the Kerrville Kindness Award from the City Council. CEO Mike Wittler, was the staff spotlight for the month. Mr. Wittler has been with KPUB for 16 years. Mr. Wittler noted the following upcoming board meetings tentatively scheduled for:

- *Wednesday November 16, 2022 at 8:30 a.m.*
- *Wednesday, December 14, 2022 at 8:30 a.m. (one week earlier than normal), and*
- *Wednesday, January 18, 2022 at 8:30 a.m.*

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
- B. Consultation with Attorney on Matters in Which the Duty of the Attorney Under the Texas Disciplinary Rules of Professional Conduct Conflicts with Chapter 551, (Sec. 551.071), Including Implementation of Compensation Studies – Mike Wittler, CEO

II. EXECUTIVE CLOSED SESSION – PERSONNEL MATTERS:

In accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.074, the Kerrville Public Utility Board will recess to deliberate the following “Personnel Matters”:

- A. Recess to Deliberate the Appointment, Employment, Evaluation, and Duties of a Public Officer or Employee

III. 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 and Possible Action on Hedging Activities, ERCOT Invoicing and Purchased Power Contracts – Mike Wittler, CEO

Staff asked the Board of Trustees if there was 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, “Personnel Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.074, and “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086. Larry Howard, Vice Chairman, so moved. Mayor Joyce Eychner seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

The Board entered Executive Closed Session at 8:38 a.m. Chairman Cowden adjourned the Executive Closed Session and reconvened into Open Session at 10:14 a.m.

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

No action taken by the Board.

7. CONSENT AGENDA:

Mayor Eychner made a motion to accept items in the consent agenda as presented. Glenn Andrew, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

7A. APPROVAL OF MINUTES.

7B. RESOLUTION NO. 22-16 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies.

7C. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. NISC Monthly Maintenance and Bill Print Service (Allison Bueché, Director of Customer and Community Relations)
2. Voltage Regulators (Ricardo Berrios, Distribution Engineer)
3. Interlocal Agreement Between KPUB & LCRA for Electrical Transmission, Control and Substation Facilities (Mike Wittler, CEO)
- 4a. USIC Underground Locating Services (Howard Hall, Supervisor of Field Operations)
- 4b. Dispatch Call Center (Howard Hall, Supervisor of Field Operations)

END OF CONSENT AGENDA

8. INTERLOCAL COOPERATION AGREEMENT FOR RADIO SERVICES AND EQUIPMENT BETWEEN KPUB & LCRA – HOWARD HALL, SUPERVISOR OF FIELD SERVICES:

Mr. Hall presented for the Board's consideration and review the Interlocal Cooperation Agreement for Radio Service and Equipment between KPUB and LCRA. He advised the Motorola Radio System currently being used had been evaluated and approved in 2015. He added that the current dispatch consoles are no longer supported by Motorola and parts are no longer being manufactured. Also, the tower repeaters will no longer be supported after 2024. While looking at replacing/upgrading the current system, staff felt the LCRA system was the best option after evaluation. Mr. Hall provided customer benefits, pointing out 24-hour monitoring, as well as notification to KPUB's on call supervisor and emergency services during critical events. Mr. Hall added that the Hunt Tower site will have a backup generator installed.

Mr. Hall also provided pricing for the Board's review. He added that with the City of Kerrville switching to the LCRA system, and the County looking to possibly do the same, this will help with communications during major events. Central Texas Electric Cooperative and Bandera Electric Cooperative are on this system as well. The initial cost includes 20 portable radios, 35 mobile radios, 3 dispatch consoles, repeater at Hunt with generator back up and the removal and install of the mobile radios for \$954,934.96. He advised the annual cost would be \$10,015.09, which includes the Hunt Tower Lease and radio support. The life expectancy of the system would be at least fifteen years. After discussion by the Board, Mr. Howard made a motion to approve the Interlocal Cooperation Agreement for Radio Service and Equipment between KPUB and LCRA. Mayor Eychner seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

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

Ms. Dozier presented the financial statements for the month of September 2022. Ms. Dozier noted that because September is the fiscal year-end, staff is required to hold the books open longer to capture all FY2022 activity. Final numbers will be available after October 20, 2022, and audited FY2022 financial information would be available by January. Ms. Dozier highlighted items that included a \$58K decrease in net position; \$5.2M in operating revenue for the month; \$5.3M in operating expense; \$59K in operating loss; \$3.8M in over collected power cost adjustment as of September 30, 2022; and \$31.6M invested in investment pools, CD's and an investment account at Happy State Bank. She added that the Power Cost Adjustment (PCA) remained at \$95.00 for September. Actual power costs for September equate to a neutral power cost adjustment factor of \$111.11. The PCA will be changing to \$102.50 in November due to: ongoing litigation related to the February 2021 winter storm; the temporary reduction in solar revenue that was experienced due to jail damaged solar panels at Concho bluff; and rising gas prices. Ms. Dozier also provided a power point presentation with the month's highlights and financial metrics from her memo.

10. DISCUSSION AND ACTION ON BUILDING REMODEL – AMY DOZIER, DIRECTOR OF FINANCE:

Ms. Dozier presented a construction contract for remodeling a portion of KPUB's warehouse. She highlighted the proposed areas to be done. Ms. Dozier advised over the last several months, staff worked with David Martin from A3 Studio to develop construction drawings and complete a competitive bid process. A request for bids was released on September 15, 2022 with a due date of October 6, 2022. Bids were received from JK Bernhard for \$411,031.00 and Kendnel Kasper Construction for \$466,520.69. She advised both bids include a contingency of \$35,000, which was based on an estimation of 10% of the bid. Because bids came in higher than the initial estimate and because staff recently found additional ceiling areas that require replacement, it was recommended the contract include a \$45,000 contingency. Accordingly, staff recommended approval for a construction contract with JK Bernhard in the amount of \$421,031.00. Ms. Dozier added an updated budget based on the construction bids. The budget had increased \$70K from the \$550K initial estimate due to the higher actual construction bids. She advised the number is still an estimate due to having a furniture supplier working on a bid. Ms. Dozier added she anticipates bringing a final furniture and fixtures bid to the Board in November. A 60-day price hold was added to the bid documents, making December the starting point for this project. Mr. Howard made a motion to move forward with the building remodel. Bill Thomas, Secretary, seconded the motion. Vote was by a show of hands. The motion carried 5 – 0.

**Mr. Wittler requested Chairman Cowden proceed to item number 13 on the Agenda to allow the Mayor to participate on that item prior to having to leave the meeting early. The Board agreed and Chairman Cowden proceeded to item number 13.*

13. CONSIDERATION AND POSSIBLE ACTION ON DOWNTOWN BEAUTIFICATION PROJECT—MIKE WITTLER, CEO:

Mr. Wittler reviewed the funding request sent to the City with the item being placed on the September 13th City Council agenda, with Council approving taking the request forward to EIC. The EIC was presented the request on September 19th, scheduled a hearing for October 17th, and approved the request contingent upon KPUB Board's approval. He added that based on feedback from the September 21st KPUB meeting, he had meetings and discussions with the City Manager, Deputy City Manager and a property owner's representative at 615 Water Street. Mr. Wittler provided the history on prior costs with these types of projects. Mr. Wittler recommended the Board approve the funding request as outlined in the August 9, 2022 letter to EIC and the City. After discussion by the Board, Mr. Andrew motioned to approve the

funding request as outlined in the August 9, 2022 letter. Mayor Eychner seconded the motion. Vote was by a show of hands. The motion carried 5 – 0.

**At 11:04 Mayor Judy Eychner left the meeting. At this time Chairman Cowden elected to proceed to item number 11 on the Agenda. The board agreed and Chairman Cowden proceeded to item number 11.*

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

Mr. Berrios presented the Projects and Capital Budget Reports for the fourth quarter of fiscal year end 2022. Major projects were presented showing the name, location and number of units in various states of design. He highlighted some of the projects discussed in the report which have been completed, and active residential projects. He also highlighted the Customer Extensions, New Bucket Truck, Pole Inspection Replacements, Minor Substation Improvements, IT Normal Replacements, and Miscellaneous Building Improvements on the Capital Budget Report.

12. REPORT, CONSIDERATION AND ACTION ON KPUB ENERGY EFFICIENCY PROGRAMS – MIKE WITTLER, CEO:

Mr. Wittler presented a report regarding the KPUB Energy Efficiency Programs. He reviewed a table summarizing the energy efficiency rebate program performance costs for the past two fiscal years. He advised that KPUB budgeted to continue all of the existing energy efficiency programs for fiscal year ending 2023 at the same funding level of \$95,000. No action required by the Board.

14. ADJOURNMENT

Chairman Cowden adjourned the Regular Board Meeting at 11:16 a.m.

Date Approved: _____

Mark Cowden, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

MEMORANDUM

To: Mark Cowden
Larry Howard
Bill Thomas
Glenn Andrew
Mayor Judy Eychner

From: Amy Dozier

Date: November 9, 2022

Re: Agenda Item No. 5B – Resolution No. 22-17

In accordance with Board resolution 10-06 that requires monthly reporting of wire transfers exceeding \$20,000, this memo reports the following transfers between October 14, 2022 and November 9, 2022 for Board approval:

	Vendor	Description	Amount	Date
Purchased Power:				
1	NextEra	September 2022	\$ 469,440.00	10/18/2022
2	CPS	September 2022	2,407,738.59	10/19/2022
3	DG Solar	September 2022	63,750.17	10/21/2022
4	Engie	September 2022	103,704.84	10/24/2022
5	ERCOT	Monthly - November 2022	171,790.13	10/24/2022
6	Concho Bluff	September 2022	106,867.27	10/25/2022
7	LCRA	September 2022	594,741.00	10/27/2022
8	Garland Power & Light	September 2022	(876,787.87)	10/31/2022
9	ERCOT	CRR -Annual January 2023	214,436.14	11/7/2022
Payroll:				
1	Payroll	Pay period ending 10/8/2022	156,439.92	10/14/2022
2	Payroll	Pay period ending 10/22/2022	130,026.66	10/28/2022
3	Payroll Taxes	Pay period ending 10/8/2022	47,305.79	10/19/2022
4	Payroll Taxes	Pay period ending 10/22/2022	47,022.86	11/2/2022
Employee Benefits:				
1	TML	Health Insurance - November	61,844.59	11/1/2022
2	TMRS	Pension - October Payroll	76,036.26	11/9/2022
Investment Transfers (from Operating Account to Investment Account at Happy State Bank)				
1	Happy State Bank	Investment Transfer	500,000.00	10/17/2022
2	Happy State Bank	Investment Transfer	400,000.00	10/24/2022
3	Happy State Bank	Investment Transfer	700,000.00	10/28/2022
4	Happy State Bank	Investment Transfer	1,300,000.00	10/31/2022
5	Happy State Bank	Investment Transfer	500,000.00	11/7/2022

Debt Payment:

1	Broadway Bank	Debt Payment - November 2022	479,562.85	10/28/2022
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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, flowing style.

Amy Dozier
Director of Finance

RESOLUTION NO. 22-17

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 16th day of November, 2022

Mark Cowden, Chairman

ATTEST:

Bill Thomas, Secretary

MEMORANDUM

To: Mark Cowden
Larry Howard
Bill Thomas
Glenn Andrew
Mayor Judy Eychner

From: Damon Richardson

Date: November 3, 2022


Re: Agenda Item No. 5C.1 – Approval and Reporting of Purchases and Sales

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

- A. 500 KVA 3 Phase Pad Mount Transformers.** KPUB sent out Request for Quotations for 3 types of transformers. Three phase pad mounts for commercial building, single phase pad mounts for upcoming developments and pole mount transformers for inventory. Although we have inventory now and orders in place, due to ongoing supply chain issues it is necessary to get orders in now for manufacturing slots and delivery into 2024. RFQ's were sent to 7 vendors. Texas Electric Cooperatives was low bid on all RFQ's and is quoting a well-established brand, GE/Prolec. Purchasing is recommending awarding all 3 to TEC, three phase pad mounts \$198,615.00, single phase pad mounts \$157,235.00 and pole mounts \$197,420.00. In addition, we are recommending a PO to Wesco for \$102,562.50. This will duplicate one order of 10 transformers, 167 KVA pad mount, but will give us a lead time more suitable to a project currently in engineering and give us back up inventory. I am attaching a bid tabulation summary of these and can provide more details if needed.

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

Sincerely,


Damon Richardson
Purchasing Agent

Transformer Quote Tabulations

Quotation	Description	Name	Total Quotation Cost
3137	3 phase pad mt transformers	MASTER QUOTATION	0
3137	3 phase pad mt transformers	ALAMO TRANSFORMER SUPPLY COMP	0
3137	3 phase pad mt transformers	WESCO DISTRIBUTION, INC.	611,229.60
3137	3 phase pad mt transformers	TECHLINE INCORPORATED	400,676.00
3137	3 phase pad mt transformers	KBS ELECTRICAL DISTRIBUTORS INC.	391,667.75
3137	3 phase pad mt transformers	TEXAS ELECTRIC COOPERATIVES, INC.	198,615.00
3137	3 phase pad mt transformers	PRIESTER-MELL & NICHOLSON, INC.	294,284.00
3137	3 phase pad mt transformers	STUART C. IRBY COMPANY	552,707.46
3138	Single Phase Pad Mt Transformers	MASTER QUOTATION	0
3138	Single Phase Pad Mt Transformers	ALAMO TRANSFORMER SUPPLY COMP	0
3138	Single Phase Pad Mt Transformers	WESCO DISTRIBUTION, INC.	218,462.50
3138	Single Phase Pad Mt Transformers	TECHLINE INCORPORATED	341,400.00
3138	Single Phase Pad Mt Transformers	KBS ELECTRICAL DISTRIBUTORS INC.	0
3138	Single Phase Pad Mt Transformers	TEXAS ELECTRIC COOPERATIVES, INC.	157,235.00
3138	Single Phase Pad Mt Transformers	PRIESTER-MELL & NICHOLSON, INC.	0
3138	Single Phase Pad Mt Transformers	STUART C. IRBY COMPANY	0
3138	Transfrmr URD 167 KVA 120/240	WESCO DISTRIBUTION, INC.	102,562.50
3139	One year blanket OH transformers	MASTER QUOTATION	0
3139	One year blanket OH transformers	ALAMO TRANSFORMER SUPPLY COMP	0
3139	One year blanket OH transformers	WESCO DISTRIBUTION, INC.	0
3139	One year blanket OH transformers	TECHLINE INCORPORATED	493,704.00
3139	One year blanket OH transformers	KBS ELECTRICAL DISTRIBUTORS INC.	0
3139	One year blanket OH transformers	TEXAS ELECTRIC COOPERATIVES, INC.	197,420.00
3139	One year blanket OH transformers	PRIESTER-MELL & NICHOLSON, INC.	321,968.00
3139	One year blanket OH transformers	STUART C. IRBY COMPANY	0

MEMORANDUM

To: Mark Cowden
Larry Howard
Bill Thomas
Glenn Andrew
Mayor Judy Eychner

From: Howard Hall

Date: November 9, 2022

Re: Agenda Item No. 5C.2 – Approval and Reporting of Purchases and Sales

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

2a. Fleet Maintenance Service Staff recommends approval for a five year contract with Krauss Garage for fleet maintenance. This would include a Purchase Order to Krauss Garage for \$75,000 for this 2022/2023 fiscal year and will revisit for Purchase Order amounts annually for the following four years. Attached are the other vendors that were sent the Request for Proposal including this was advertised on the KPUB website. We received one no bid and a bid from Krauss. This request will allow for routine maintenance and repairs for the fleet. Our average annual cost has been \$45,000 to \$50,000 per year. Due to supply chain/demand issues the amount was increased to cover any major unexpected fleet repairs. Also attached is Krauss's bid sheet along with the proposal.

2b. Fleet Sales The following equipment was auctioned and sold thru JJ Kane Auctioneers. Unit 3236 2014 Dodge 5500 T40M Bucket Truck for \$46,500 and Unit 3211 2007 Ford F-150 4X4 Extended Cab Pick Up for \$7,000. The total for the two was \$53,500 which KPUB's seller net was \$50,825. Attached is the lot summary.

2c. Fleet Purchase Staff is recommending the approval of a purchase order to Ford of Boerne for a total of \$50,445 to purchase a 2023 Ford 1 ton Extended Cab and Chassis 4X4. This will replace Unit 3241, a 2016 Ford 1 ton Extended Cab with a Utility Bed with approximately 100,000 miles. The current Utility Bed will be transferred to the new Cab and Chassis. Three bids were received. Attached are the four dealerships the bid specifications were sent to. \$35,000 was budgeted for this but due to Ford's late pricing and reduced government discounts the price was higher than the budgetary quote that was obtained. The sell of Unit 3241 will be reported after it is auctioned thru JJ Kane once the replacement has arrived.

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

Sincerely,

Howard Hall
Supervisor, Field Services

REQUEST FOR PROPOSAL

FLEET VEHICLE MAINTENANCE

SERVICES

FOR

KERRVILLE PUBLIC UTILITY BOARD



Prepared by:
Howard Hall
Supervisor, Field Services

Request for Proposal

October 7, 2022

Kerrville Public Utility Board is issuing RFP (Request for Proposal) for Fleet Vehicle Maintenance Services for a five year term beginning November 1, 2022 and ending November 1, 2027.

Sealed Proposals: Vendor will delivery one (1) original to the following address:

Attn: Damon Richardson
Kerrville Public Utility Board
2250 Memorial Blvd
Kerrville, TX 78028

By 10:00 a.m. on Monday October 24, 2022

The submission shall include the entire Request for Proposal document and any amendments if issued.

Proposals received after the above cited time will be considered a late bid and are not acceptable.

- The envelope must clearly be marked **"SEALED RFP"**.
- Please direct purchasing and procedural questions regarding this RFP to Damon Richardson, at 830-257-3050 or drichardson@kpub.com please direct technical questions regarding this RFP to Howard Hall, at 830-792-8215 or hhall@kpub.com

Thank you for your interest.

I. Proposal

Definitions:

- "KPUB" Kerrville Public Utility Board.
"Bidder" an individual or business submitting a bid to Kerrville Public Utility Board.
"Contractor" one who contracts to perform work or furnish materials in accordance with a contract.

Purpose of Proposal: KPUB is considering the use of qualified experienced local service providers for vehicle maintenance, preventative maintenance and repair services for KPUB owned and operated vehicles. The Fleet Services unit currently manages the maintenance and operation of 33 vehicles, 7 pieces of equipment, and 12 trailers for KPUB.

II. Proposal Terms

- A. KPUB reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, and other factors KPUB may consider. KPUB does not intend to award a bid fully on the basis of any response made to the proposal; KPUB reserves the right to consider proposals for modifications at any time before a bid would be awarded, and negotiations would be undertaken with that contractor whose proposal is deemed to best meet KPUB's specifications and needs.
- B. KPUB reserves the right to reject any and all bids, to waive or not waive informalities or irregularities in bids or bidding procedures, and to accept or further negotiate cost, terms, or conditions of any bid determined by KPUB to be in the best interest of KPUB even though not the lowest bid.
- C. Proposals must be signed by an official authorized to bind the contractor to its provisions for at least a period of sixty (60) days. Failure of the successful bidder to accept the obligation of the contract may result in the cancellation of any award.
- D. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. Deadlines for submission of RFP's may be adjusted to allow for revisions. The entire proposal document with any amendments should be returned in one copy. To be considered, original proposal must be at the KPUB Purchasing Office on or before the date and time specified.
- E. Proposals should be prepared simply and economically providing a straight-forward, concise description of the contractor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.
- F. The price quotations stated in the bidder's proposal will not be subject to any price increase in the first year from date of contract unless a written letter is sent to the Purchasing Agent thirty (30) days prior to increase to become effective. Purchasing Agent and the Supervisor of Field Services or his/her designee has the authority to accept or deny the price increase.

III. Vendor Information

The proposal **MUST** include all of the following information. Failure to include all of the required information may be considered non-responsive and may result in the disqualification of a Bidder.

- A. Vendor's qualifications to provide the Fleet Vehicle Maintenance services required by KPUB. Include, years in business, number of employees, and experience in providing these services. (Attach as Addenda A)

- B. Vendor will include a detailed description of their company's current: customer service, account management, call centers, reporting, and invoicing processes. (Attach as Addenda B)
- C. Vendor will provide employee certifications and company's certifications for providing the requested services. (Attach as Addenda C)
- D. Vendor will be responsible for payment of security screening as determined by KPUB. Any employee of the vendor will be subject to an approved background check before being allowed to service KPUB vehicles. (Attach as Addenda D)
- E. Vendor will provide at the three (3) references from current corporate or government customers purchasing similar sized fleet services. Include names, addresses, and phone numbers. (Attach as Addenda E)

IV. Proposal Specifications

A. Background

KPUB currently serves approximately 24,000 customers in the Kerrville/Kerr County area. The Operations department currently manages the maintenance and operation of 33 vehicles, 7 pieces of equipment, and 12 trailers.

B. Scope of Work

KPUB is seeking to enter into a three (5) year contract that will reduce the administrative and direct costs associated with the delivery of maintenance services related to the operating fleet. Lastly, KPUB is interested in receiving and maintaining statistical data and having reporting capability for all vehicle expenses.

1. Fleet Vehicle Maintenance

Bidder is requested to submit a cost and project proposal to provide Fleet Vehicle Maintenance for the routine preventive maintenance as well as mechanical repair for KPUB's vehicle fleet.

2. Vehicle Maintenance Services

KPUB requests these services are included in the proposal:

- All mechanical repairs shall be approved by an ASE Certified Mechanic
- Tire rotation, replacement and wheel alignment on vehicles 1 ton and under
- Oil, filters, and fluids
- Muffler and exhaust repair

- Routine Safety Inspections Upon Vehicle Service
- State required inspections
- Off hours availability
- Off premises repair/evaluation
- Expedite repairs to KPUB fleet to minimize down time

The Bidder must also include any and all charges that apply even if those are not explicitly mentioned in the Bid Sheet.

V. Standard Provisions For Contracts

If a contract is awarded, the selected vendor will be required to adhere to a set of general contract provisions which will become a part of any formal agreement. These provisions are general principles which apply to all contractors of service to KPUB such as the following.

Reporting of Contractor

Section 1 – The Contractor is to report to the Supervisor of Field Services and/or his designee and will cooperate and confer with him/her as necessary to insure satisfactory work progress.

Section 2 – All reports, estimates, memoranda and documents submitted by the Contractor must be dated and bear the Contractor's name.

Section 3 – All reports made in connection with these services are subject to review and final approval by the Supervisor of Field Services.

Section 4 – KPUB may review and inspect the Contractor's activities during the term of this contract.

Section 5 – When applicable, the Contractor will submit a final, written report to the Supervisor of Field Services.

Section 6 – After reasonable notice to the Contractor, KPUB may review any of the Contractor's internal records, reports, and insurance policies.

Term

This contract begins on November 1, 2022 and ends on November 1, 2027.

Personnel

Section 1 – The Contractor will provide the required services and will not subcontract or assign the services without KPUB’s written approval.

Section 2 – The Contractor will not hire any KPUB employee for any of the required services without KPUB’s written approval.

Section 3 – The Parties agree that the Contractor is neither an employee nor an agent for KPUB for any purpose.

Insurance Requirements

The Contractor will be required to furnish KPUB with a certificate of insurance showing coverage limits not less than those listed below before providing services under this agreement, if awarded the contract. The certificate of insurance will list KPUB as an additional insured.

1. Worker’s Compensation Insurance as prescribed by the State of Texas
General Liability \$300,000/personal injury
 \$300,000/occurrence
 \$300,000/aggregate

Liability

The successful bidder shall be liable for all damages incurred while in the performance of services pursuant to this request.

Compliance with Laws and Regulations

The Contractor will comply with all federal, state, and local regulations, including but not limited to all applicable OSHA requirements and the Americans with Disabilities Act.

Ownership of Documents and Publication

All documents developed as a result of this contract will be freely available to the public. None may be copyrighted by the Contractor. During the performance of the services, the Contractor will be responsible for any loss or damage to the documents while they are in its possession and must restore the loss or damage at its expense. Any use of the information and results of this contract by Contractor must reference the project sponsorship by KPUB. Any publication of the information or results must be co-authored by KPUB.

Criminal Background Checks

The Contractor will be responsible for payment of security screening as determined by KPUB. Any employee of the vendor will be subject to an approved criminal background check before servicing or providing services for any KPUB vehicle.

Termination of Contract

Section 1 – Termination without cause. Either party may terminate the contract by giving thirty (30) days written notice to the other party.

Payroll Taxes

The Contractor is responsible for all applicable state and federal social security benefits and unemployment taxes and agrees to indemnify and protect KPUB against such liability.

Practice and Ethics

The parties will conform to the code of ethics of their respective national professional associations.

Changes in Scope or Schedule of Services

Changes mutually agreed upon by KPUB and the Contractor, will be incorporated into this contract by written amendments signed by both parties.

Choice of Law and Forum

This contract is to be interpreted by the laws of Texas. The parties agree that the proper forum for litigation arising out of this contract is in Kerr County, Texas.

Extent of Contract

This contract represents the entire agreement between the parties and supersedes all prior representations, negotiations or agreements whether written or oral.

Payment of Invoices

Invoices must be submitted by the successful bidder to Kerrville Public Utility Board, Attn: Accounts Payable at ap@kpub.com . All invoices to be paid according to the terms of the Bid or purchase order executed by KPUB.

Other Charges:

Below are a list of the vehicles and equipment owned and operated by KPUB at this time.

Description	Class
	1 - HEAVY TRUCKS > OR = 1
2006 FORD F-750 4X2 DIGGER-DERRICK	TON
	1 - HEAVY TRUCKS > OR = 1
2008 FORD F-750 DIGGER/DERRICK	TON
	1 - HEAVY TRUCKS > OR = 1
2013 FREIGHTLINER BUCKET TRUCK	TON
	1 - HEAVY TRUCKS > OR = 1
2014 FREIGHTLINER BUCKET TRUCK	TON
	1 - HEAVY TRUCKS > OR = 1
2014 FREIGHTLINER DIGGER-DERRICK	TON
	1 - HEAVY TRUCKS > OR = 1
2016 FORD F-350 EXTENDED CAB 4x4	TON
	1 - HEAVY TRUCKS > OR = 1
2016 DODGE 5500 BUCKET TRUCK	TON
	1 - HEAVY TRUCKS > OR = 1
2017 FREIGHTLINER DIGGER-DERRICK	TON
	1 - HEAVY TRUCKS > OR = 1
2017 FORD F-350 EXTENDED CAB 4x4	TON
	1 - HEAVY TRUCKS > OR = 1
2017 FORD F-350 EXTENDED CAB 4x4	TON
	1 - HEAVY TRUCKS > OR = 1
2018 FREIGHTLINER BUCKET TRUCK	TON
2018 FREIGHTLINER WITH PRESSURE DIGGER	1 - HEAVY TRUCKS > OR = 1
	TON
	1 - HEAVY TRUCKS > OR = 1
2018 FORD F-750 BUCKET TRUCK	TON
	1 - HEAVY TRUCKS > OR = 1
2020 FREIGHTLINER DIGGER-DERRICK	TON
	1 - HEAVY TRUCKS > OR = 1
2020 FORD F-550 BUCKET TRUCK	TON
	1 - HEAVY TRUCKS > OR = 1
2022 FORD F-550 BUCKET TRUCK	TON
2014 FORD F-150 SINGLE CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2015 FORD F-150 EXTENDED CAB 4x2	2 - LIGHT TRUCKS < 1 TON
2015 FORD F-350 SINGLE CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2016 FORD F-150 SINGLE CAB 4x2	2 - LIGHT TRUCKS < 1 TON
2016 FORD F-150 EXTENDED CAB 4x2	2 - LIGHT TRUCKS < 1 TON
2017 FORD F-150 SINGLE CAB 4x2	2 - LIGHT TRUCKS < 1 TON

2018 Ford F-150 SINGLE CAB 4x2	2 - LIGHT TRUCKS < 1 TON
2019 FORD F-350 SINGLE CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2019 FORD F-350 EXTENDED CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2019 FORD F-150 EXTENDED CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2020 FORD F-250 SUPER DUTY SUPERCREW	2 - LIGHT TRUCKS < 1 TON
2020 FORD F-150 XL 4WD SUPERCREW	2 - LIGHT TRUCKS < 1 TON
2020 FORD F-150 EXTENDED CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2021 FORD F-150 SINGLE CAB 4x2	2 - LIGHT TRUCKS < 1 TON
2021 FORD F-150 SINGLE CAB 4x4	2 - LIGHT TRUCKS < 1 TON
2022 FORD F-250 EXTENDED CAB 4X4	2 - LIGHT TRUCKS < 1 TON
2022 FORD F-150 EXTENDED CAB 4X4	2 - LIGHT TRUCKS < 1 TON
1990 ACE UTILITY TRAILER	5 - TRAILERS
1990 ACE UTILITY TRAILER	5 - TRAILERS
1990 ACE UTILITY TRAILER	5 - TRAILERS
1993 ACE UTILITY TRAILER	5 - TRAILERS
2002 RANGER 18' FLATBED TRAILER	5 - TRAILERS
2005 POLE TRANSPORT TRAILER BP 2080	5 - TRAILERS
12' DUMP TRAILER	5 - TRAILERS
2008 10 TON TRAILER/HARDWOOD FLOOR	5 - TRAILERS
2010 FLATBED TRAILER FOR ARCING DEMO	5 - TRAILERS
2018 SALVATION CARGO TRAILER	5 - TRAILERS
TRAILER FOR DB37	5 - TRAILERS
Trailer for DB37	5 - TRAILERS
1988 INGERSOLL-RAND AIR COMPRESSOR	6 - EQUIPMENT ON WHEELS
ALTEC DB37 BACK YARD MACHINE	6 - EQUIPMENT ON WHEELS
125kVA MultiQuip Trailer with Generator	6 - EQUIPMENT ON WHEELS
125kVA MultiQuip Trailer with Generator	6 - EQUIPMENT ON WHEELS
2020 TSE TRAILER PULLER/TENSIONER	6 - EQUIPMENT ON WHEELS
2021 TSE TENSIONER/REEL CARRIER	6 - EQUIPMENT ON WHEELS
45kVA MultiQuip Trailer with Generator	6 - EQUIPMENT ON WHEELS

BID SHEET

The Bidder shall furnish, but not be limited to, labor, materials, supplies and tools necessary to provide the fleet vehicle maintenance as outlined in Scope of Work.

½ Ton Pickups
Oil Change/Filter/Lube
Safety Inspection (see *below)

Costs *example*
UNIT 3264 - L&F 73.38

¾ Ton Pickups
Oil Change/Filter/Lube
Safety Inspection (see *below)

example
Unit 3267 - L&F 73.38

1 Ton Pickups
Oil Change/Filter/Lube
Safety Inspection (see *below)

example
Unit 3257 - L&F 80.20

Construction Trucks Greater Than 1 Ton
Oil change/Filter/Lube
Safety Inspection (see *below)

example
Unit 3253 = 666.91
Full service

All Vehicles and Equipment
Labor Rates
Flat repair (only on vehicles 1 ton and below)
Tire Rotation
Wheel Alignment

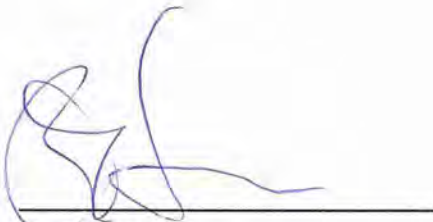
90
20
20

*Safety Inspections are required on all KPUB vehicles at time of maintenance. The following is a list of items to be checked for these vehicles.

Oil Change	Filters-Air and Oil	Drive Train	U-Joints
Brakes	Tires	Transmission	Fluids
Front Suspension & Steering	Rear Suspension	Belts/Hoses	Battery Connection/Acid
Exhaust	Springs/Shocks	Wipers	Lights

The Bidder must also include any and all charges that will apply, even if those charges are not explicitly mentioned in the proposal.

Signatures



Signature

Bill Horne

Print Name

Owner

Title

8308966656

Telephone Number

74-2623062

Federal Tax ID#

Krauss Garage

Company Name

101 GSTS

Company Address

Kemville TX 78028

City

State Zip

Kraussgarage@gmail.com

Email Address

The above individual is authorized to sign on behalf of company submitting proposal.

Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of ninety (90) days.

Damon Richardson

From: debalser@ktc.com
Sent: Sunday, October 9, 2022 7:25 PM
To: Damon Richardson
Subject: FW: Fleet Maintenance Request for Proposal
Attachments: RFP for Fleet Maintenance.docx

Mr. Richardson,

Thank you for the opportunity to apply for the Fleet Maintenance contract for KPUB vehicles. Unfortunately, we are unable to meet several of the requirements needed to be considered for the job. Our shop is not equipped to handle KPUB's heavy duty vehicles, provide mobile repair service, wheel alignments, exhaust work or DOT safety inspections. We also do not have sufficient staff to maintain this size of fleet.

Thank you for reaching out to us and our apologies for not being able to provide the services needed.

Debbie Balser
Balser's Northside Automotive

From: service@balsers.com <service@balsers.com>
Sent: Friday, October 7, 2022 2:17 PM
To: Debbie Balser <debalser@ktc.com>
Subject: FW: Fleet Maintenance Request for Proposal

From: Damon Richardson <drichardson@kpub.com>
Sent: Friday, October 7, 2022 11:25 AM
To: service@balsers.com
Subject: Fleet Maintenance Request for Proposal

Please see attached request for proposal. Any questions may be directed to me and I will respond to all potential bidders.

Thank you,



Damon Richardson
Purchasing Agent / Facilities
Kerrville Public Utility Board
2250 Memorial Blvd, Kerrville, Texas 78028
830.792.8239 • drichardson@kpub.com

Receiving hours: Monday thru Thursday 8am -12 noon and 1pm -3pm.
Friday 8am -12 noon.

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BID OPENING LOG SHEET

Reference Bid Document
Fleet Maintenance
Bid Opening Date & Time:
10-24-22 10:00

Company Name	Representative Signature	Bid Amount	Exceptions noted	Comments
<i>Balsers Northside</i>		<i>No Bid</i>		<i>only work on Light Duty</i>
<i>Krause Garage</i>		<i>See Bid Sheet</i>		

Witness:

Dana Resnick

Witness:

Howard Hall

Kerrville Public Utility Board

Krauss Analysis

October 26, 2022

FY	Invoiced	Payments
2022	\$31,630.02	\$31,153.97
2021	\$49,798.10	\$49,798.10
2020	\$51,552.34	\$43,824.68
2019	\$37,292.85	\$45,020.51
2018	\$44,655.27	\$44,655.27
2017	\$52,751.19	\$54,871.81

Damon Richardson

From: Damon Richardson
Sent: Friday, October 7, 2022 11:18 AM
To: edoyle@a1tsinc.com
Subject: Fleet Maintenance Request for Proposal
Attachments: RFP for Fleet Maintenance.docx

Please see attached request for proposal. Any questions may be directed to me and I will respond to all potential bidders.

Thank you,



Safe. Reliable. Yours.

Damon Richardson

Purchasing Agent / Facilities

Kerrville Public Utility Board

2250 Memorial Blvd, Kerrville, Texas 78028

830.792.8239 • drichardson@kpub.com

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Damon Richardson

From: Damon Richardson
Sent: Friday, October 7, 2022 10:34 AM
To: candacedinsmore@gmail.com
Subject: Fleet Maintenance Request for Proposal
Attachments: RFP for Fleet Maintenance.docx

Please see attached request for proposal. Any questions may be directed to me and I will respond to all potential bidders.

Thank you,



Damon Richardson

Purchasing Agent / Facilities

Kerrville Public Utility Board

2250 Memorial Blvd, Kerrville, Texas 78028

830.792.8239 • drichardson@kpub.com

Receiving hours: Monday thru Thursday 8am -12 noon and 1pm -3pm.
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Damon Richardson

From: Howard Hall
Sent: Thursday, October 6, 2022 1:49 PM
To: Allison Bueche
Cc: Damon Richardson; Amy Dozier
Subject: Re: RFP for Fleet Maintenance

I made a couple changes so I will have it out first thing tomorrow

Sent from my iPhone

On Oct 6, 2022, at 11:39 AM, Allison Bueche <abueche@kpub.com> wrote:

Roger that! Can you resend with an attachment, please?

From: Damon Richardson <drichardson@kpub.com>
Sent: Thursday, October 6, 2022 11:36 AM
To: Amy Dozier <adozier@kpub.com>; Allison Bueche <abueche@kpub.com>
Cc: Howard Hall <hhall@kpub.com>
Subject: RE: RFP for Fleet Maintenance

We need to publicly advertise this RFP for Howard.

Posting to the website would be fine with me. Howard should have the final copy.



Damon Richardson

Purchasing Agent / Facilities

Kerrville Public Utility Board

2250 Memorial Blvd, Kerrville, Texas 78028

830.792.8239 • drichardson@kpub.com

Receiving hours: Monday thru Thursday 8am -12 noon and 1pm -3pm.
Friday 8am -12 noon.

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SELLER TOTALS REPORT

10/04/2022 - JJKane Exchange (TA221004)

KERRVILLE PUBLIC UTILITY BOARD

07374	3211	2007 Ford F150 4x4 Extended-Cab Pickup Truck, 8-cyl gas, Auto, A/C, with grill guard, (113,538 miles) (Runs & Moves) 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. 1FTPX14VX7NA40931	3074	A+ Electric L.L.C. Dan Walsh	\$7,000.00
07375	3236	Altec AT40-M, 45 ft, Articulating & Telescopic Material Handling Bucket Truck s/n 0914CZ01778, with single-man bucket & 2 hydraulic outriggers, mounted behind cab on 2014 Dodge Ram 5500 4x4 Service Truck, Cummins 6.7L diesel, Auto, A/C, with Ranch Hand front bumper, (132,455 miles) (Runs, Moves & Upper Operates) (Bad Transfer Case, 4WD Inoperable, Body Damage) NOTE: This unit is being sold AS IS/WHERE IS via Timed Auction. For pickup information and terms, please reference the release form. (Missing manuals, See Auction Company for Manufacturers Information to obtain manuals) (Buyer is responsible for removal. Assistance by consignor or JJ Kane Auctioneers is not assured.) V.I.N. 3C7WRNBL0EG315908	4326	UTILITY AUTO SALES aaron berube	\$46,500.00
SELLER TOTAL					\$53,500.00

TOTAL LOTS	2
SELLER TOTAL	\$53,500.00

Payout ID: 125872
Auction ID: 756



JJ Kane
AUCTIONEERS

33 Inverness Center Pkwy
Birmingham, AL 35242
Phone: (856) 764-7163
Fax: (877) 346-8960

J.J. Kane Exchange, LLC d/b/a J.J. Kane Auctioneers
33 Inverness Center Parkway Birmingham AL 35243

ATTN HOWARD HALL
KERRVILLE PUBLIC UTILITY BOARD
2250 MEMORIAL BLVD
KERRVILLE TX 78028

Not Set

Dear Howard Hall,

Enclosed please find a check made payable to Kerrville Public Utility Board in the amount of \$50,825.00 for the net proceeds of the item(s) sold at the auction we conducted on 10/4/2022.

Gross Sales Total :		\$53,500.00
---Adjustments---		
	Total No Sales	\$0.00
	Lot Adjustments	\$0.00
Total Adjustments/No Sales		\$0.00
Adjusted Sales Total		\$53,500.00
Seller Costs		
	Commission Charged 5%	\$2,675.00
	Advertising	\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00
Total Seller Costs :		\$2,675.00
Individual Lot Costs :		
	Transportation	\$0.00
	Washing	\$0.00
	Decommission	\$0.00
		\$0.00
		\$0.00
Total Seller Costs :		\$0.00
Seller Income:		
		\$0.00
		\$0.00
		\$0.00
		\$0.00
		\$0.00
Total Seller Income:		\$0.00
Tax (not included):		\$0.00
Seller Net Proceeds:		\$50,825.00

*If you have any questions about this payout, please feel free to contact us at (856) 764-7163 or jjkane@jjkane.com.
Thank you for your business!*

KERRVILLE PUBLIC UTILITY BOARD
SPECIFICATION
PICKUP, 1 TON, EXTENDED CAB, 9 FOOT UTILITY BODY

1 Instructions

For each bid or alternate bid, Bidders should complete and submit two copies of this form.

For each item under Section 2 “General Specifications”, Bidders should clearly indicate in the far right hand column the bids compliance with that requirement. One of the following three letters should be used:

C The bid **fully** complies with the item description.

X The bid **does not** comply with the item description (**exception**).

A The bid offers an **alternate** solution to the item requirements.

For each **exception** or **alternate**, the Bidder should provide an explanation in Section 7 at the end of this form.

2 General Specifications

Item	Description	Compliance
2.1	Pickup, 1 Ton Cab & Chassis, Extended Cab, Single Rear, Wheel, 4 Wheel Drive, 9 Foot Utility Body	C
2.2	7.3L V8 gasoline engine or equivalent	C
2.3	Heaviest duty available, electronically controlled automatic transmission with overdrive	C
2.4	4 wheel drive Electronic Shift-On-The-Fly	C
2.5	4.30 Axle Ratio	C
2.6	Locking or limited slip rear differential	C
2.7	Heavy duty cooling package	C
2.8	Heavy duty battery	C
2.9	Heavy Duty alternator	C
2.10	GVWR: 14,000 lbs Payload Package	A-11,300
2.11	Power steering w/tilt wheel	C
2.12	All-Terrain radial tires	C
2.13	Front and rear steel wheels with full size spare tire	C
2.14	4 Wheel disc brakes with anti-lock braking system	C
2.15	Largest available single fuel tank	C
2.16	Stainless steel exhaust	C
2.17	White clear coat monotone paint	C
2.18	Trailer towing package with brake controller	C
2.19	Power equipment group including power mirrors, door locks with remote keyless entry, and windows	C
2.20	Up fitter switch panel	C
2.21	Front Seat, seating capacity of 3, 60/40 cloth front seat with integrated armrest included-charcoal color	C
2.22	Back up camera, mounted between tail gate and bumper	C

2.23	Full vinyl/rubber floor covering-black color	C
2.24	Full gauge package	C
2.25	AM/FM stereo w/clock	C
2.26	Daytime running lights	C
2.27	Battery rundown protection	C
2.28	Cruise control	C
2.29	Air conditioning	C
2.30	HD skid plates, front differential, transfer case, oil pan	C

3 Shipping

3.1 The vehicle shall be shipped FOB to KPUB's warehouse located at 2250 Memorial Blvd., Kerrville, Texas 78028.

4 Documents

The following documents, as a minimum, shall be provided as part of the bid documents.

4.1 Sales brochure or other documentation sufficient to allow full evaluation of the vehicle.

4.2 A brief description of:

4.2.1 All exceptions or alternate offerings to any of these specifications.

4.2.2 All features and accessories included in the bid and base price, which exceed the minimum requirements specified herein.

4.2.3 Options being offered by the Bidder, including pricing and effect on delivery date if applicable.

4.3 Completed copies of this form.

5 Bid Evaluation

5.1 The bids shall be evaluated based on the lowest evaluated cost. Delivery time may also be a consideration in award of bid (delivery on or before September 1, 2016 is imperative). KPUB reserves the right to waive minor deviations from this specification and to consider additional optional equipment.

6

Bidder Information

6.1 Company FORD OF BOERNE
6.2 Attention JASON LAY
6.3 Address 31480 IH-10 W
BOERNE, TX 78006
6.4 Phone 830-755-3659
6.5 Fax _____
6.6 Email JLAY@FORDOFBOERNE.COM

6.7 Signature _____

6.8 Manufacturer FORD
6.9 Model/Year F-350 CHASSIS / 2023

6.10 Bid Price \$59,844.00

6.11 Est. Delivery AUGUST 2023

w/out utility bed
\$150,445

7. Exceptions and/or Alternate Offerings (include section number and explanation).

2.10 – 11,300 GVWR FOR SRW.

14,000 GVWR REQUIRES DRW

8. Included features exceeding minimum requirements

QC878

KERRVILLE PUBLIC UTILITY BOARD

SPECIFICATION

PICKUP, 1 TON, EXTENDED CAB, 9 FOOT UTILITY BODY

1 Instructions

For each bid or alternate bid, Bidders should complete and submit this form.

For each item under Section 2 "General Specifications", Bidders should clearly indicate in the far-right hand column the bids compliance with that requirement. One of the following three letters should be used:

C The bid **fully** complies with the item description.

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For each **exception** or **alternate**, the Bidder should provide an explanation in Section 7 at the end of this form.

2 General Specifications

Item	Description	Compliance
2.1	Pickup, 1 Ton Cab & Chassis, Extended Cab, Single Rear, Wheel, 4 Wheel Drive, 9 Foot Utility Body	C
2.2	7.3L V8 gasoline engine or equivalent	C
2.3	Heaviest duty available, electronically controlled automatic transmission with overdrive	C
2.4	4 wheel drive Electronic Shift-On-The-Fly	C
2.5	4.30 Axle Ratio	C AX
2.6	Locking or limited slip rear differential	C
2.7	Heavy duty cooling package	C
2.8	Heavy duty battery	C
2.9	Heavy Duty alternator	C
2.10	GVWR: 14,000 lbs Payload Package	C
2.11	Power steering w/tilt wheel	C
2.12	All-Terrain radial tires	C
2.13	Front and rear steel wheels with full size spare tire	C
2.14	4 Wheel disc brakes with anti-lock braking system	C

2.15	Largest available single fuel tank	C
2.16	Stainless steel exhaust	C
2.17	White clear coat monotone paint	C
2.18	Trailer towing package with brake controller	C
2.19	Power equipment group including Bluetooth power mirrors, door locks with remote keyless entry, and windows	C
2.20	Up fitter switch panel	C
2.21	Front Seat, seating capacity of 3, 60/40 cloth front seat with integrated armrest included- charcoal color	C
2.22	Back up camera, mounted between tail gate and bumper	C
2.23	Full vinyl/rubber floor covering-black color	C
2.24	Full gauge package	C
2.25	AM/FM stereo w/clock	C
2.26	Daytime running lights	!
2.27	Battery rundown protection	N ^o X
2.28	Cruise control	C
2.29	Air conditioning	C
2.30	HD skid plates, front differential, transfer case, oil pan	C

3 Shipping

3.1 The vehicle shall be shipped FOB to KPUB's warehouse located at 2250 Memorial Blvd., Kerrville, Texas 78028.

4 Documents

The following documents, as a minimum, shall be provided as part of the bid documents.

4.1 Sales brochure or other documentation sufficient to allow full evaluation of the vehicle.

4.2 A brief description of:

4.2.1 All exceptions or alternate offerings to any of these specifications.

4.2.2 All features and accessories included in the bid and base price, which exceed the minimum requirements specified herein.


4.2.3 Options being offered by the Bidder, including pricing and effect on delivery date if applicable.

4.3 Completed copy of this form.

5 Bid Evaluation

5.1 The bids shall be evaluated based on the lowest evaluated cost. Delivery time may also be a consideration in award of bid. KPUB reserves the right to waive minor deviations from this specification and to consider additional optional equipment.

6 Bidder Information

6.1 Company Ken Stoepel Fund
6.2 Attention 400 Sidney Baker S
6.3 Address Kennville
Pa 71021
6.4 Phone 830 2575553
6.5 Fax 830 8962611
6.6 Email MHEBERT@StoepelFund.com
6.7 Signature 
6.8 Manufacturer Ford
6.9 Model/Year 2023
6.10 Bid Price \$ 52658.16
6.11 Est. Delivery 6.8 months

7. Exceptions and/or Alternate Offerings (include section number and explanation).

25 3:23-65

KERRVILLE PUBLIC UTILITY BOARD
SPECIFICATION
PICKUP, 1 TON, EXTENDED CAB, 9 FOOT UTILITY BODY

1 Instructions

For each bid or alternate bid, Bidders should complete and submit two copies of this form.

For each item under Section 2 "General Specifications", Bidders should clearly indicate in the far right hand column the bids compliance with that requirement. One of the following three letters should be used:

C The bid **fully** complies with the item description.

X The bid **does not** comply with the item description (**exception**).

A The bid offers an **alternate** solution to the item requirements.

For each **exception** or **alternate**, the Bidder should provide an explanation in Section 7 at the end of this form.

2 General Specifications

Item	Description	Compliance
2.1	Pickup, 1 Ton Cab & Chassis, Extended Cab, Single Rear, Wheel, 4 Wheel Drive, 9 Foot Utility Body	✓
2.2	7.3L V8 gasoline engine or equivalent	✓
2.3	Heaviest duty available, electronically controlled automatic transmission with overdrive	✓
2.4	4 wheel drive Electronic Shift-On-The-Fly	✓
2.5	4.30 Axle Ratio	✓
2.6	Locking or limited slip rear differential	✓
2.7	Heavy duty cooling package	✓
2.8	Heavy duty battery	✓
2.9	Heavy Duty alternator	✓
2.10	GVWR: 14,000 lbs Payload Package	✓
2.11	Power steering w/tilt wheel	✓
2.12	All-Terrain radial tires	✓
2.13	Front and rear steel wheels with full size spare tire	✓
2.14	4 Wheel disc brakes with anti-lock braking system	✓
2.15	Largest available single fuel tank	✓
2.16	Stainless steel exhaust	✓
2.17	White clear coat monotone paint	✓
2.18	Trailer towing package with brake controller	✓
2.19	Power equipment group including power mirrors, door locks with remote keyless entry, and windows	✓
2.20	Up fitter switch panel	✓
2.21	Front Seat, seating capacity of 3, 60/40 cloth front seat with integrated armrest included-charcoal color	✓
2.22	Back up camera, mounted between tail gate and bumper	✓
2.23	Full vinyl/rubber floor covering-black color	✓
2.24	Full gauge package	✓

2.25	AM/FM stereo w/clock	✓
2.26	Daytime running lights	✓
2.27	Battery rundown protection	✓
2.28	Cruise control	✓
2.29	Air conditioning	✓
2.30	HD skid plates, front differential, transfer case, oil pan	✓

3 Shipping

3.1 The vehicle shall be shipped FOB to KPUB's warehouse located at 2250 Memorial Blvd., Kerrville, Texas 78028.

4 Documents

The following documents, as a minimum, shall be provided as part of the bid documents.

4.1 Sales brochure or other documentation sufficient to allow full evaluation of the vehicle.

4.2 A brief description of:

4.2.1 All exceptions or alternate offerings to any of these specifications.

4.2.2 All features and accessories included in the bid and base price, which exceed the minimum requirements specified herein.

4.2.3 Options being offered by the Bidder, including pricing and effect on delivery date if applicable.

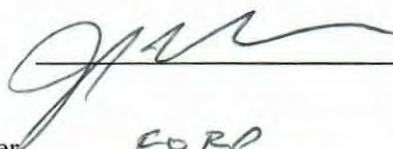
4.3 Completed copies of this form.

5 Bid Evaluation

5.1 The bids shall be evaluated based on the lowest evaluated cost. Delivery time may also be a consideration in award of bid (delivery on or before September 1, 2016 is imperative). KPUB reserves the right to waive minor deviations from this specification and to consider additional optional equipment.

6

Bidder Information

6.1 Company BLUEBONNET MOTORS
6.2 Attention JEFF McCULLOUGH
6.3 Address 1879 S. BUSINESS IH 35
NEW BRAUNFELS, TX 78130
6.4 Phone 830 302 9757
6.5 Fax 830 358 7007
6.6 Email JMCCULLOUGH@BBMOTORS.COM
6.7 Signature 
6.8 Manufacturer FORD
6.9 Model/Year 2023
6.10 Bid Price \$ 53,634.50
6.11 Est. Delivery MAY 2023

7. Exceptions and/or Alternate Offerings (include section number and explanation).

8. Included features exceeding minimum requirements

MEMORANDUM

To: Mark Cowden
Larry Howard
Bill Thomas
Glenn Andrew
Mayor Judy Eychner

From: Amy Dozier

Date: November 10, 2022

Re: Agenda Item No. 6 – Financial Report

Attached please find my financial report. This report contains the following items:

1. Final financial statements for the fiscal year ended September 30, 2022
2. Industry comparison metrics for FY2022
3. Financial statements for the month ended October 31, 2022

Financial statements for the fiscal year ended September 30, 2022:

- Year-end financial results have changed since the preliminary statements presented last month. The primary change is that the preliminary statements contained an estimate for purchased power expense. The final statements reflect the actual power bill received, which was \$35K higher than the estimate.
- **\$1.9M increase in net position** for the year.
- **\$46.2M in operating revenue** for the year.
 - Operating revenue was 2% higher than budget due to:
 - ◆ kWh sales that were 6% higher than predicted due primarily to extreme weather, especially during the summer.
 - ◆ Offset by purchased power costs that were 4% lower than expected due primarily to high natural gas prices that increased the value of KPUB's renewable contracts.
- **\$43.7M in operating expense** for the year.
 - Operating expense is slightly less than (0.7%) budget for the year.
- **\$2.5M in operating income** for the year.
- **\$3.8M in over collection of power cost adjustment** as of 9/30/2022.
- **\$31.6M invested** in investment pools, CD's and an investment account at Happy State Bank as of 9/30/22.
- The Board will receive a draft of KPUB's annual report in December. Our auditors, BSG&M, will present the annual report at January's Board meeting.

Industry comparison metrics:

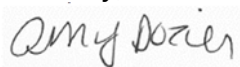
- Multiple financial and operating metrics from FY2022 are compared to the latest industry metrics published by APPA in 2022 covering the 2020 operating period.
- APPA breaks metrics out by customer count, region and power generation class to facilitate more useful comparisons.
- KPUB's metrics compare favorably, especially the metrics related to debt, distribution expense, customer expense, capital spending and rates.

Financial statements for the month of October 2022:

- **\$192K increase in net position** for the month and year.
- **\$4.2M in operating revenue** for the month and year.
 - Operating revenue was 16% higher than budget for October due primarily to purchased power costs that were higher than budget for the month. According to KPUB's tariff, the rates charged and revenue recorded are based on the actual cost required to purchase power. Therefore, if purchased power costs are higher than budget, revenue will also be higher than budget.
- **\$4.0M in operating expense** for the month and year.
 - Operating expense is more than budget by \$219K or 6% for the month due primarily to purchased power price as explained above, offset by lower than budgeted distribution cost.
 - Distribution cost is lower than budget primarily due to Hurricane Ian. As part of a mutual aid agreement, KPUB deployed a crew to Florida to assist with restoration efforts following the hurricane. Personnel and travel costs related to mutual aid are paid by New Smyrna Beach Utilities, rather than KPUB.
- **\$196K in operating income** for the month and year.
- **\$3.5M in over collection of power cost adjustment** as of 10/31/2022, a **decrease of \$383K** from the prior month due to higher natural gas costs that were only partially offset by price stabilization contracts.
- **\$31.0M invested** in investment pools, CD's and an investment account at Happy State Bank. The investment account at Happy State Bank is completely liquid, fully collateralized, and earning 4.19% as of November 10, 2022.

The Power Cost Adjustment (PCA) was set at \$102.50 in November. The PCA in October was \$95.00. Actual power costs for October equate to a neutral power cost adjustment factor of \$104.59, which resulted in a \$383K decrease in the over collection account.

Sincerely,



Amy Dozier
Director of Finance

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended September 30, 2022
(Unaudited)

	Year to Date	Comparison to Budget			Year to Date Last Year	Comparison to Last Year	
		Year to Date Budget Amount	Variance Favorable (Unfavorable)	Percentage Variance		Variance Favorable (Unfavorable)	Percentage Variance
OPERATING REVENUES:							
Residential	\$ 26,342,474	\$ 25,452,360	\$ 890,113	3.50%	\$ 23,930,414	\$ 2,412,059	10.08%
Commercial/Industrial	18,903,954	18,967,620	(63,666)	-0.34%	17,878,932	1,025,022	5.73%
Sales to Public Authorities	258,799	252,000	6,799	2.70%	252,846	5,954	2.35%
Other	682,023	768,300	(86,277)	-11.23%	640,139	41,883	6.54%
TOTAL OPERATING REVENUES	46,187,250	45,440,281	746,969	1.64%	42,702,331	3,484,918	8.16%
OPERATING EXPENSES:							
Purchased Power	31,668,574	30,525,183	(1,143,391)	-3.75%	28,344,931	(3,323,643)	-11.73%
Distribution	3,660,906	3,646,600	(14,306)	-0.39%	3,034,839	(626,067)	-20.63%
Customer Accounts	595,267	574,400	(20,867)	-3.63%	549,146	(46,121)	-8.40%
Customer Service, Informational & Sales	311,682	446,600	134,918	30.21%	267,154	(44,528)	-16.67%
Administrative Expenses	3,709,025	5,147,100	1,438,075	27.94%	3,730,309	21,285	0.57%
Depreciation & Amortization	3,764,140	3,681,000	(83,140)	-2.26%	3,546,393	(217,746)	-6.14%
TOTAL OPERATING EXPENSES	43,709,594	44,020,883	311,289	0.71%	39,472,774	(4,236,820)	-10.73%
OPERATING INCOME (LOSS)	2,477,656	1,419,398	1,058,258	74.56%	3,229,558	(751,902)	-23.28%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	301,427	65,050	236,377	363.38%	74,205	227,222	306.21%
Interest Income - City of Kerrville	180,000	180,000	-	0.00%	190,000	(10,000)	-5.26%
Interest Expense	(119,496)	(115,992)	(3,503)	3.02%	(121,087)	1,591	-1.31%
City of Kerrville - General Fund Transfer	(1,393,958)	(1,365,100)	(28,858)	2.11%	(1,270,568)	(123,390)	9.71%
City of Ingram - Franchise Fee	(34,786)	(33,800)	(986)	2.92%	(31,327)	(3,458)	11.04%
Other - Net	31,471	17,160	14,311	83.40%	(19,179)	50,649	-264.09%
TOTAL NONOPERATING REVENUES (EXP)	(1,035,342)	(1,252,682)	217,341	-17.35%	(1,177,956)	142,614	-12.11%
INCOME BEFORE CONTRIBUTIONS	1,442,313	166,716	1,275,599	765.13%	2,051,601	(609,288)	-29.70%
CAPITAL CONTRIBUTIONS	421,054	108,000	313,054	289.87%	215,638	205,417	95.26%
CHANGE IN NET POSITION	\$ 1,863,368	\$ 274,716	\$ 1,588,653	578.29%	\$ 2,267,239	\$ (403,871)	17.81%
NET POSITION AT BEGINNING OF YEAR	\$ 72,110,335				\$ 69,843,094		
NET POSITION AT END OF MONTH	\$ 73,973,702				\$ 72,110,335		

Kerrville Public Utility Board
Balance Sheet
As of September 30, 2022

Assets and Deferred Outflows	September 30, 2022	September 30, 2021	Net Position, Liabilities and Deferred Inflows	September 30, 2022	September 30, 2021
Utility Plant:					
Utility Plant in Service	\$ 93,982,686	\$ 90,118,697	Total Net Position	\$ 73,973,702	\$ 72,110,335
Less: Accumulated Depreciation	(46,827,910)	(44,085,063)			
Net Utility Plant in Service	47,154,776	46,033,634			
Construction Work in Progress	1,834,762	1,943,177	Liabilities:		
Total Utility Plant	48,989,538	47,976,812	Current Liabilities:		
			Current Portion of 2013 Revenue Bonds	422,000	411,000
Restricted and Noncurrent Assets:			Accrued Interest Payable	48,046	52,302
Customer Deposits	463,149	493,781	Accounts Payable - Purchased Power	10,817,424	10,295,379
Interest and Sinking Fund	434,802	429,052	Accounts Payable - Other	1,369,794	1,164,618
Emergency, Repair, Replace, Contingency Fund	3,585,091	3,546,912	Over Collection of Power Cost Adjustment	3,846,149	1,681,982
Advance to City of Kerrville	7,500,000	7,500,000	Total Current Liabilities	16,503,413	13,605,280
Total Restricted and Noncurrent Assets	11,983,042	11,969,744			
			Noncurrent Liabilities:		
Current Assets:			2013 Revenue Bonds, net of current portion	2,847,000	3,269,000
Revenue Fund:			Lease Liability	123,108	-
Cash and Cash Equivalents	606,004	511,280	Customer Deposits	463,149	493,781
Investments	23,084,450	21,179,561	Interest on Customer Deposits	2,437	3,178
Less: Customer Deposits	(463,149)	(493,781)	Net Pension & OPEB Liability (Asset)	(294,401)	1,132,935
Total Revenue Fund	23,227,305	21,197,060	Total Long-Term Liabilities	3,141,293	4,898,894
Construction Fund:					
Cash and Cash Equivalents	5,135	5,081	Total Liabilities	19,644,706	18,504,175
Investments	1,456,985	1,442,338			
Total Construction Fund	1,462,120	1,447,419	Deferred Inflows of Resources - Pension & OPEB	2,548,635	1,873,832
Rate Stabilization Fund:					
Investments	1,917,388	1,898,113			
Total Rate Stabilization Fund	1,917,388	1,898,113			
Long Term Rate Stabilization Fund:					
Investments	1,094,339	904,094			
Total Rate Stabilization Fund	1,094,339	904,094			
Customer Accounts Receivable, net of allowance	4,055,633	3,710,840			
Materials and Supplies	1,135,750	955,314			
Other	895,666	910,622			
Total Current Assets	33,788,201	31,023,461			
Deferred Outflow of Resources - Pension & OPEB	1,406,262	1,518,324			
Total Assets and Deferred Outflows	\$ 96,167,043	\$ 92,488,341	Total Net Position, Liabilities and Deferred Inflows	\$ 96,167,043	\$ 92,488,341

Kerrville Public Utility Board
 Computation of the Monthly and Annual Debt Service Coverage
 For the Month Ended September 30, 2022

Description	Current Month	Fiscal Year	Previous 12 Months
CHANGE IN NET POSITION	\$ (96,360)	\$ 1,863,368	\$ 1,863,368
PLUS:			
Interest Expense (net of amortizations)	12,148	119,496	119,496
Depreciation & Amortization Expense	342,776	3,764,140	3,764,140
Numerator	258,563	5,747,004	5,747,004
DIVIDED BY:			
Interest Expense (net of amortizations)	12,148	119,496	119,496
Principal Payment Due	35,167	421,083	421,083
Denominator	\$ 47,314	\$ 540,579	\$ 540,579
DEBT SERVICE COVERAGE RATIO	5.46	10.63	10.63
Minimum Requirement per Bond Covenant		1.35	times Debt Service
Minimum Requirement Established by KPUB Board for Good Business Practices		1.65	times Debt Service

Kerrville Public Utility Board
Industry Comparison Metrics
FY2022

		KPUB FY2022	APPA - 20,000 to 50,000 customers (2022 report based on 2020 data)	APPA - Southwest (2022 report based on 2020 data)	APPA - No Generation (2022 report based on 2020 data)
1	Revenue per kWh	\$ 0.089	\$ 0.101	\$ 0.093	\$ 0.097
2	Debt to Total Assets	0.201	0.246	0.394	0.238
3	Operating Ratio (Op Expense / Op Revenue)	0.946	0.860	0.774	0.870
4	Purchased Power per kWh	\$ 0.058	\$ 0.061	\$ 0.048	\$ 0.066
5	O&M per kWh sales	\$ 0.084	\$ 0.087	\$ 0.075	\$ 0.087
6	O&M per customer	\$ 505.28	\$ 499.00	\$ 746.00	n/a
7	Distribution per customer	\$ 153.62	\$ 185.00	\$ 179.00	n/a
8	Customer Accts, Service, Sales per customer	\$ 38.06	\$ 58.00	\$ 58.00	n/a
9	Administrative & General per customer	\$ 155.64	\$ 145.00	\$ 229.00	n/a
10	Capital Expenditures to depreciation expense	1.18	1.16	1.11	1.20
11	Debt Service Coverage	10.63	4.41	4.77	n/a
12	Line Loss %	5.01%	3.65%	4.41%	3.59%

		KPUB FY2022	APPA - 2020 Public Power Average	APPA - 2020 Cooperative Average	APPA 2020 Investor-Owned Utility Average
13	Residential Rate per 1,000 kWh usage	\$95.00	\$121.70	\$118.20	\$137.00

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended October 31, 2022
(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	\$ 2,269,003	\$ 1,911,023	\$ 357,980	18.73%	\$ 1,855,859	\$ 413,145	22.26%
Commercial/Industrial	1,819,931	1,605,145	214,786	13.38%	1,495,179	324,752	21.72%
Sales to Public Authorities	21,557	21,500	57	0.26%	21,434	123	0.57%
Other	39,674	44,766	(5,092)	-11.37%	50,072	(10,398)	-20.77%
TOTAL OPERATING REVENUES	4,150,165	3,582,434	567,731	15.85%	3,422,543	727,622	21.26%
OPERATING EXPENSES:							
Purchased Power	2,975,727	2,528,055	(447,673)	-17.71%	2,206,987	(768,741)	-34.83%
Distribution	178,686	363,991	185,304	50.91%	261,940	83,253	31.78%
Customer Accounts	43,231	56,194	12,963	23.07%	26,759	(16,471)	-61.55%
Customer Service, Informational & Sales	21,342	34,401	13,059	37.96%	18,125	(3,217)	-17.75%
Administrative Expenses	416,717	430,292	13,575	3.15%	346,785	(69,932)	-20.17%
Depreciation & Amortization	318,210	322,086	3,876	1.20%	306,316	(11,893)	-3.88%
TOTAL OPERATING EXPENSES	3,953,914	3,735,019	(218,895)	-5.86%	3,166,912	(787,002)	-24.85%
OPERATING INCOME (LOSS)	196,251	(152,585)	348,836	-228.62%	255,631	(59,380)	-23.23%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	92,021	60,417	31,605	52.31%	7,192	84,829	1179.46%
Interest Income - City of Kerrville	15,000	15,000	-	0.00%	15,000	-	0.00%
Interest Expense	(9,823)	(10,452)	629	-6.02%	(10,708)	886	-8.27%
City of Kerrville - General Fund Transfer	(127,266)	(109,286)	(17,980)	16.45%	(116,504)	(10,762)	9.24%
City of Ingram - Franchise Fee	(2,615)	(3,076)	461	-14.98%	(2,761)	146	-5.27%
Other - Net	1,137	2,667	(1,529)	-57.35%	983	154	15.68%
TOTAL NONOPERATING REVENUES (EXP)	(31,545)	(44,731)	13,185	-29.48%	(106,798)	75,252	-70.46%
INCOME BEFORE CONTRIBUTIONS	164,706	(197,316)	362,021	183.47%	148,833	15,873	10.66%
CAPITAL CONTRIBUTIONS	27,080	25,000	2,080	8.32%	9,838	17,242	175.26%
CHANGE IN NET POSITION	\$ 191,785	\$ (172,316)	\$ 364,100	211.30%	\$ 158,671	\$ 33,114	20.87%
NET POSITION AT BEGINNING OF MONTH	\$ 73,973,702				\$ 72,110,335		
NET POSITION AT END OF MONTH	\$ 74,165,487				\$ 72,269,006		

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

	Comparison to Budget				Comparison to Last Year		
	Year to Date	Year to Date Budget Amount	Variance Favorable (Unfavorable)	Percentage Variance	Year to Date Last Year Amount	Variance Favorable (Unfavorable)	Percentage Variance
OPERATING REVENUES:							
Residential	\$ 2,269,003	\$ 1,911,023	\$ 357,980	18.73%	\$ 1,855,859	\$ 413,145	22.26%
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Interest Expense	(9,823)	(10,452)	629	-6.02%	(10,708)	886	-8.27%
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CAPITAL CONTRIBUTIONS	27,080	25,000	2,080	8.32%	9,838	17,242	175.26%
CHANGE IN NET POSITION	\$ 191,785	\$ (172,316)	\$ 364,100	211.30%	\$ 158,671	\$ 33,114	20.87%
NET POSITION AT BEGINNING OF YEAR	\$ 73,973,702				\$ 72,110,335		
NET POSITION AT END OF MONTH	\$ 74,165,487				\$ 72,269,006		

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

Assets and Deferred Outflows	October 31, 2022 (Unaudited)	September 30, 2022	Net Position, Liabilities and Deferred Inflows	October 31, 2022 (Unaudited)	September 30, 2022
Utility Plant:					
Utility Plant in Service	\$ 94,459,653	\$ 93,982,686	Total Net Position	\$ 74,165,487	\$ 73,973,702
Less: Accumulated Depreciation	(46,851,667)	(46,827,910)			
Net Utility Plant in Service	47,607,986	47,154,776			
Construction Work in Progress	1,201,846	1,834,762	Liabilities:		
Total Utility Plant	48,809,832	48,989,538	Current Liabilities:		
			Current Portion of 2013 Revenue Bonds	434,000	422,000
Restricted and Noncurrent Assets:			Accrued Interest Payable	15,390	48,046
Customer Deposits	444,387	463,149	Accounts Payable - Purchased Power	10,817,424	10,817,424
Interest and Sinking Fund	-	434,802	Accounts Payable - Other	796,156	1,369,794
Emergency, Repair, Replace, Contingency Fund	3,595,806	3,585,091	Over Collection of Power Cost Adjustment	3,463,310	3,846,149
Advance to City of Kerrville	7,500,000	7,500,000	Total Current Liabilities	15,526,281	16,503,413
Total Restricted and Noncurrent Assets	11,540,193	11,983,042			
			Noncurrent Liabilities:		
Current Assets:			2013 Revenue Bonds, net of current portion	2,413,000	2,847,000
Revenue Fund:			Lease Liability	108,000	123,108
Cash and Cash Equivalents	348,889	606,004	Customer Deposits	444,387	463,149
Investments	22,968,445	23,084,450	Interest on Customer Deposits	2,367	2,437
Less: Customer Deposits	(444,387)	(463,149)	Net Pension & OPEB Liability (Asset)	(294,401)	(294,401)
Total Revenue Fund	22,872,947	23,227,305	Total Long-Term Liabilities	2,673,353	3,141,293
Construction Fund:					
Cash and Cash Equivalents	5,151	5,135	Total Liabilities	18,199,634	19,644,706
Investments	1,461,339	1,456,985			
Total Construction Fund	1,466,491	1,462,120	Deferred Inflows of Resources - Pension & OPEB	2,548,635	2,548,635
Rate Stabilization Fund:					
Investments	1,923,118	1,917,388			
Total Rate Stabilization Fund	1,923,118	1,917,388			
Long Term Rate Stabilization Fund:					
Investments	1,097,610	1,094,339			
Total Rate Stabilization Fund	1,097,610	1,094,339			
Customer Accounts Receivable, net of allowance	3,707,011	4,055,633			
Materials and Supplies	1,182,958	1,135,750			
Other	907,336	895,666			
Total Current Assets	33,157,470	33,788,201			
Deferred Outflow of Resources - Pension & OPEB	1,406,262	1,406,262			
Total Assets and Deferred Outflows	\$ 94,913,756	\$ 96,167,043	Total Net Position, Liabilities and Deferred Inflows	\$ 94,913,756	\$ 96,167,043

Kerrville Public Utility Board
Invested Funds Detail
For the Month Ended October 31, 2022

					Restricted					
					Long Term Rate	Debt		Repair,		
			Construction	Rate Stabilization	Stabilization	Reserve	Interest & Sinking	Replacement &	Total Funds	
	Date	Revenue Fund	Fund	Fund	Fund	Fund	Fund	Contingency	Invested	
Beginning Fund Balance		\$ 23,084,450	\$ 1,456,985	\$ 1,917,388	\$ 1,094,339	\$ -	\$ 434,802	\$ 3,585,091	\$ 31,573,054	
Withdrawals:										
Happy Investment - TML	10/03/22	(62,508)							(62,508)	
Happy Investment - ERCOT	10/04/22	(2,000)							(2,000)	
Happy Investment - TMRS	10/13/22	(99,143)							(99,143)	
Happy Investment - ERCOT	10/14/22	(322)							(322)	
Happy Investment - NextEra	10/18/22	(469,440)							(469,440)	
Happy Investment - CPS	10/19/22	(2,407,739)							(2,407,739)	
Happy Investment - DG Solar	10/21/22	(63,750)							(63,750)	
Happy Investment - ERCOT	10/24/22	(171,790)							(171,790)	
Happy Investment - Engie	10/24/22	(103,705)							(103,705)	
Happy Investment - Concho Bluff	10/25/22	(106,867)							(106,867)	
Happy Investment - LCRA	10/27/22	(594,741)							(594,741)	
Happy Investment - Debt Service	10/28/22						(479,563)		(479,563)	
Investments:										
Happy Investment	10/07/22	550,000							550,000	
Happy Investment	10/12/22	500,000							500,000	
Happy Investment	10/17/22	500,000							500,000	
Happy Investment	10/24/22	400,000							400,000	
Happy Investment	10/28/22	700,000							700,000	
Happy Investment	10/31/22	1,300,000							1,300,000	
Fund Balance after Withdrawals & Investments		22,952,445	1,456,985	1,917,388	1,094,339	-	(44,760)	3,585,091	30,961,487	
Allocation of:										
Interest Income	10/31/22	64,912	4,355	5,731	3,271	-	1,123	10,715	90,106	
Int Receivable (accrued on CD)	10/31/22	551							551	
Int Receivable (received on CD)	10/12/22	(5,826)							(5,826)	
Total Interest Allocation		59,637	4,355	5,731	3,271	-	1,123	10,715	84,831	
Fund Balance After Allocations		23,012,082	1,461,339	1,923,118	1,097,610	-	(43,637)	3,595,806	31,046,318	
Interfund Transfers :										
Debt Service	10/31/22	(43,637)					43,637		-	
Ending Fund Balance		\$ 22,968,445	\$ 1,461,339	\$ 1,923,118	\$ 1,097,610	\$ -	\$ -	\$ 3,595,806	\$ 31,046,318	

Kerrville Public Utility Board
 Computation of the Monthly and Annual Debt Service Coverage
 For the Month Ended October 31, 2022

Description	Current Month	Fiscal Year	Previous 12 Months
CHANGE IN NET POSITION	\$ 191,785	\$ 191,785	\$ 1,896,482
PLUS:			
Interest Expense (net of amortizations)	9,823	9,823	118,858
Depreciation & Amortization Expense	318,210	318,210	3,776,033
Numerator	519,818	519,818	5,791,373
DIVIDED BY:			
Interest Expense (net of amortizations)	9,823	9,823	118,858
Principal Payment Due	35,167	35,167	422,000
Denominator	\$ 44,989	\$ 44,989	\$ 540,858
DEBT SERVICE COVERAGE RATIO	11.55	11.55	10.71

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: Mark Cowden
Larry Howard
Bill Thomas
Glenn Andrew
Mayor Judy Eychner

From: Amy Dozier

Date: November 10, 2022

Re: Agenda Item No. 7 – Quarterly Funds Report

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

As of September 30, 2022, KPUB had \$31.6M invested in CD's, municipal investment pools and demand accounts at Happy State Bank. The majority of the funds (\$23.3M) are held in demand accounts at Happy State Bank. These accounts are fully collateralized, completely liquid and earning 4.19% as of November 10, 2022.

The investments were discussed with the Investment Committee following the October Board meeting. We discussed continued favorable rates at Happy State Bank that change weekly and continue to rise as the Federal Reserve raises its interest rates. Our plan is to continue the current strategy of holding completely liquid and fully collateralized investments at increasingly favorable rates 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 September 30, 2022

Total Funds Invested

Day of the Month		July 2022		August 2022		September 2022		Totals
1	\$	30,860,457	\$	30,149,137	\$	32,464,766		
2		30,860,457		30,499,137		32,864,766		
3		30,860,457		30,499,137		32,864,766		
4		30,860,457		30,499,137		32,864,766		
5		31,610,457		30,949,137		32,864,766		
6		31,610,457		30,949,137		32,864,766		
7		31,610,457		30,949,137		32,864,766		
8		31,610,457		30,909,370		32,864,766		
9		31,610,457		31,409,370		33,639,294		
10		31,610,457		31,409,370		33,639,294		
11		32,210,457		31,342,587		33,639,294		
12		32,210,457		31,342,263		33,639,294		
13		32,145,208		31,342,263		33,573,077		
14		32,145,208		31,342,263		33,573,077		
15		32,144,968		32,242,263		33,572,812		
16		32,144,968		32,242,263		33,087,724		
17		32,144,968		32,242,263		33,087,724		
18		31,675,528		28,299,393		33,087,724		
19		31,675,528		28,799,393		33,437,724		
20		28,418,695		28,799,393		33,437,724		
21		28,418,695		28,799,393		29,756,442		
22		29,068,695		29,190,439		29,756,442		
23		29,068,695		29,190,439		30,193,090		
24		29,068,695		29,062,559		30,193,090		
25		28,826,464		29,062,559		30,193,090		
26		29,077,853		29,662,559		30,499,495		
27		29,077,853		29,662,559		30,398,627		
28		28,481,658		29,662,559		30,398,627		
29		30,161,658		29,664,351		29,798,935		
30		30,212,279		29,725,969		31,573,054		
31		30,212,279		32,525,969				
Total of daily balance	\$	951,695,384	\$	942,425,771	\$	966,693,774		
Average daily balance	\$	30,699,851	\$	30,400,831	\$	32,223,126	\$	31,095,814
Interest earnings	\$	50,621	\$	61,619	\$	74,120	\$	186,360
APR ----->		1.94%		2.39%		2.80%		2.38%

**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 September 30, 2022**

Total Funds Invested by Fund

Fund	Market Value and Carrying Amount	Actual Interest Earnings	Budgeted Interest Earnings
Revenue	\$ 23,084,450	\$ 132,083	\$ 10,750
Construction	1,456,985	9,473	900
Rate Stabilization	1,917,388	12,467	1,675
Long Term Rate Stabilization	1,094,339	6,754	575
Debt Reserve	-	-	-
Interest & Sinking	434,802	2,273	138
Emergency, Repair, Replace & Cont. Fund	3,585,091	23,310	2,225
Total	\$ 31,573,054	\$ 186,360	\$ 16,263

Total Funds Invested by Security

Type of Security	Market Value and Carrying Amount	Actual Interest Earnings	Budgeted Interest Earnings
Certificate of Deposit	10% \$ 3,006,788	\$ 2,594	\$ 1,549
TEXPOOL	1% 253,421	1,291	131
LOGIC	16% 5,039,729	26,493	2,596
Happy State Bank - Investment	74% 23,273,117	155,982	11,987
Totals	100% \$ 31,573,054	\$ 186,360	\$ 16,263