

MEMORANDUM

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

From: Allison Bueché

Date: April 11, 2023

Re: Agenda Item No. 5—Awarding KPUB Scholarships for the 2022-2023 School Year

This year marks the 11th year that KPUB has awarded scholarships to local area students based on eligibility and guidelines as defined in the KPUB Scholarship Program.

This year's undergraduate scholarship application deadline was February 24, 2023, at 5 p.m. We received 23 qualified applications. We also received five applications for KPUB's trade and technical school scholarship offering.

The KPUB Scholarship Selection Committee, consisting of Larry Howard, Mindy Curran (Ingram ISD) and Lauren Jette (KISD), thoroughly reviewed each application. Eligible applicants were scored by the following criteria: academic achievement, economic need, participation in school activities, work history, community involvement, and a short essay. The two applicants with the highest scores that are being awarded this year's undergraduate scholarships are Alexandria Finch and Quentin Vega. The applicant with the highest score who is being awarded one of the two available trade & technical scholarships is Jakeb Pritt.

Alexandria Finch has been accepted to the University of Texas at Austin and will major in Unspecified Business (seeking a math-related business degree). Alexandria is currently a senior at Tivy High School. Quentin Vega has been accepted to Texas State University in San Marcos, Texas, and will major in Unspecified Business (seeking a finance degree). Quentin is currently a senior at Tivy High School. These scholarships are \$1,500 a year and renewable for up to four years (a total of \$6,000 overall).

Jakeb Pritt has been accepted to Range College and will be majoring in Welding Technologies. Jakeb is currently a senior at Ingram Tom Moore High School. This scholarship is \$1,000 a year and renewable for two years (a total of \$2,000 overall).

We are honored to present Alexandria Finch, Quentin Vega and Jakeb Pritt with a KPUB Scholarship.

Sincerely,



Allison Bueché
Director of Customer & Community Relations

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, MARCH 22, 2023, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

Mark Cowden
Larry Howard
Glenn Andrew
Mayor Judy Eychner

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Director of Finance
Allison Bueché, Director of Customer and Community Relations
Howard Hall, Field Services Supervisor
Jill Cook, Accounting Supervisor
Brian Mikulencak, Supervisor of Substation Services
Lidia S. Goldthorn, Assistant Secretary to the Board

TRUSTEES ABSENT:

OTHERS PRESENT:

Stephen Schulte, Legal Counsel
John Hornung

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 highlighted participation in events including an Arc & Spark Demonstration at Tally Elementary school, Food Pantry Event and KPUB sponsored Blood Drive. Staff spotlight for the month was Grover Hawkins, GIS Support Technician. Mr. Hawkins has been with KPUB for twenty-two years. She advised KPUB will be sponsoring another Blood Drive on June 22nd. Employee Zachary Guinn has graduated from the Apprenticeship Program. The annual Satisfaction Survey is available on the KPUB website. Mr. Wittler noted the following upcoming board meetings tentatively scheduled for:

- *Wednesday, April 19, 2023 at 8:30 a.m.*
- *Wednesday, May 17, 2023 at 8:30 a.m.*
- *Wednesday, June 28, 2023 at 8:30 a.m. (one week later than normal)*

5. CONSIDERATION OF CUSTOMER REQUEST FOR REFUND OF SERVICE FEES FOR POLE RELOCATION – MIKE WITTLER, GENERAL MANAGER & CEO:

Mr. Wittler advised at last month’s board meeting, Jr. John Hornung addressed the Board and requested a refund or partial refund for fees in the amount of \$1,451.00 that he was charged to have a pole moved from his property line to allow him to install a fence. Mr. Wittler went over the easement history when service was installed on the property, with pictures and maps for review by the Board. Mr. Wittler advised that waiving the costs would require Board action as they had been calculated and collected in accordance with Board established policy. Board Members discussed the policy advising they could not see a reason to change what had already been established. Glenn Andrew, Treasurer, moved to deny the request. Larry Howard, Vice Chairman, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

6. CONSENT AGENDA:

Mr. Andrew made a motion to accept items in the consent agenda as presented. Mr. Howard, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

6A. APPROVAL OF MINUTES.

6B. RESOLUTION NO. 23-03 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies.

6C. DECEMBER, 2022 QUARTERLY FUNDS REPORT – AMY DOZIER, DIRECTOR OF FINANCE. Acceptance of the December, 2022, Quarterly Funds Report as presented to the Investment Committee following the January 18, 2023, Board Meeting.

6D. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. Bid #3171 – Padmount Transformers (Damon Richardson, Purchasing Agent)
2. Bid #3175 – 1/0 Underground Primary Cable (Damon Richardson, Purchasing Agent)
3. Fleet Sales (Howard Hall, Field Services Supervisor)

END OF CONSENT AGENDA

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

Ms. Dozier presented the financial statements for the month of February 2023. Ms. Dozier noted a \$274K increase in net position; \$4.0M in operating revenue; \$3.8M in operating expense; \$244K in operating income; \$4.5M in over collected power cost adjustment as of February 28, 2023; and \$32.0M invested in investment pools, and an investment account at Happy State Bank. She advised the investment account at Happy State Bank is completely liquid, fully collateralized, and earning 4.835% as of March 15, 2023. The Power Cost Adjustment (PCA) was set at \$102.50 in November. On a YTD basis, actual power costs equate to a power cost adjustment factor of \$97.36. Ms. Dozier advised that even though actual costs are lower than billed costs through February, management recommends keeping the PCA at \$102.50 for March due to ongoing price volatility and continued pending litigation. Ms. Dozier also provided a power point presentation with the month’s highlights and financial metrics from her memo that included temperature peak demand, and current interest rates on invested funds.

8. DISCUSSION ON PLAN TO REVIEW BOARD POLICIES – MIKE WITTLER, CEO:

Mr. Wittler presented a list of KPUB’s Board Policies along with revision date. He advised that he would like to start an effort to significantly revise these policies and then review them on a regular ongoing basis. There is a total of 33 policies, 25 of which have not been revised in 20 years. In addition to these formal Board Policies there are a number of other policies that have been established by Resolution of the Board. Mr. Wittler suggested a couple of ways to approach the effort, along with initial steps to start the process. After discussion by Legal Counsel and Board Members, it was suggested staff work on reviewing and revising them a group at a time to bring to the Board. No other action by the Board.

9. 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

III. EXECUTIVE CLOSED SESSION - DELIBERATION REGARDING REAL PROPERTY:

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

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

IV. 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 for the purpose of “Personnel Matters” regarding the following matters:

A. Personnel Matters

Deliberation as to Assignment to Board Committees

Mr. Howard made 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, “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086, “Deliberation Regarding Real Property” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.072, and “Personnel Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.074, as documented on the Agenda. Mr. Andrew seconded the motion. Vote was by show of hands. Motion carried 4 – 0.

The Board entered Executive Closed Session at 9:24 a.m. Chairman Cowden adjourned the Executive Closed Session and reconvened into Open Session at 10:07 a.m.

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

No action taken by the Board.

11. ADJOURNMENT

Chairman Cowden adjourned the Regular Board Meeting at 10:07 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: April 13, 2023

Re: Agenda Item No. 7B – Resolution No. 23-05

In accordance with Board resolution 10-06 that requires monthly reporting of wire transfers exceeding \$20,000, this memo reports the following transfers between March 15, 2023 and April 13, 2023 for Board approval:

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>	<u>Date</u>
Purchased Power:				
1	NextEra	February 2023	\$ 438,144.00	3/16/2023
2	CPS	February 2023	1,349,383.95	3/21/2023
3	DG Solar	February 2023	44,231.63	3/23/2023
4	Concho Bluff	February 2023	36,910.53	3/27/2023
5	Engie	February 2023	59,068.68	3/28/2023
6	LCRA	February 2023	651,008.64	3/29/2023
7	Garland Power & Light	February 2023	323,371.76	3/29/2023
Payroll:				
1	Payroll	Pay period ending 3/11/2023	127,291.00	3/17/2023
2	Payroll	Pay period ending 3/25/2023	135,436.59	3/31/2023
3	Payroll Taxes	Pay period ending 3/11/2023	45,333.58	3/22/2023
4	Payroll Taxes	Pay period ending 3/25/2023	48,486.44	4/5/2023
Employee Benefits:				
1	TML	Health Insurance - April	75,657.09	4/3/2023
2	TMRS	Pension - March Payroll	109,364.72	4/13/2023
Investment Transfers (from Operating Account to Investment Account at Happy State Bank):				
1	Happy State Bank	Investment Transfer	350,000.00	3/17/2023
2	Happy State Bank	Investment Transfer	500,000.00	3/20/2023
3	Happy State Bank	Investment Transfer	400,000.00	3/24/2023
4	Happy State Bank	Investment Transfer	500,000.00	3/31/2023
5	Happy State Bank	Investment Transfer	400,000.00	4/6/2023

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

Sincerely,

A handwritten signature in blue ink that reads "Amy Dozier". The signature is written in a cursive style with a light blue background behind the text.

Amy Dozier
Director of Finance

RESOLUTION NO. 23-05

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 19th day of April, 2023

Mark Cowden, Chairman

ATTEST:

Bill Thomas, Secretary

MEMORANDUM

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

From: Damon Richardson

Date: April 11, 2023

Re: Agenda Item No. 7C.1-2 – Approval and Reporting of Purchases and Sales

Presented for your consideration and review are these recommendations for purchase and/or sale of goods or services.

- 1. Quote #3195 – Meter Purchase.** Purchasing staff recommends issuing a \$161,904.00 purchase order to TEC for the purchase of electric revenue meters. Current lead time on meters is 12-18 months. I have collaborated with the Meter Shop and Engineering for their input on the quantities bid. We feel this purchase is necessary considering planned developments coming to Kerrville. Attached is the quotation, our March inventory level, on hand and on order amounts and past 12 months use. This is a sole source purchase.
- 2. Quote #3193 – Transformers.** Purchasing staff recommends issuing a \$69,800.00 purchase order to Techline for the purchase of 2-300KVA 208/120 pad mount transformers. Two of these units were used on the Lehmann Drive project, leaving us with only 1 in inventory and 2 on order. The lowest bid on the evaluation is an unproven brand and we have not been able to obtain any user feedback. Attached is the bid evaluation sheet, showing 5 quotes and 1 no bid.

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

Sincerely,



Damon Richardson
Purchasing Agent

REQUEST FOR QUOTATION



KERRVILLE PUBLIC UTILITY BOARD
Kerrville Public Utility Board
 2250 Memorial Blvd
 Kerrville, TX 78028
 830.257.3050

Vendor	Quotation
18391	3195
Print Date	Page
03/30/2023	1

TO **TEXAS ELECTRIC COOPERATIVES, INC.**
 MATERIALS
 PO BOX 201338
 DALLAS, TX 75320-1338

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

Response Due Date: 8:00 am 4/10/2023

Phone:

Fax:

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
			NET

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	14003	480.000	EA	Meter Landis Gyr 2S CL200 240V Meter Focus RXRe-SD GDSM G5 2S 240V CL200 KPUB. HMA10Y8X-OCT2-6000 Pallet 96 or 120. HMA10Y8X-OCT2-6000	\$220.00	52 Weeks
2	14006	12.000	EA	Meter Landis Gyr 45S CL20 120-480V Meter Focus RXRS4x 45S(5S)CL20 120V-480V Reactive KPUB. XC010HAS0100-OCT2. XC010HAS0100-OCT2	\$472.00	52 Weeks
3	14046	40.000	EA	Meter Landis Gyr 2S CL320 120-480V Meter with service disconnect. Focus AXRe-SD, 2SE, 240V, CL320 LGRF. Landis Gyr HBA90XA5-OCT2-6000. HTA90XC1-OCT2-6000	\$322.00	52 Weeks
4	14072	40.000	EA	Meter Landis Gyr 9S/8S CL20 120-480V Meter RXRS4x 9S/8S CL20 W/R GDSM RF 120-480V. Landis Gyr XC000HAS0100-OCT2. XC000HAS0100-OCT2	\$472.00	52 Weeks
5	14076	40.000	EA	Meter Landis Gyr 16 CL200 120-480V Meter RXRS4x 16 W/R GDSM RF CL200 120-480V. Landis Gyr XC0K0HAS0100-OCT2. XC0K0HAS0100-OCT2	\$472.00	52 Weeks

Meter inventory as of 3/24/2023

Item	Description	On Hand	On order / due date	past 12 month use
14000	Meter Landis Gyr 1S CL100 120V	8	0	0
14002	METER 2S CL200 Opt out Meters	133	0	0
14003	Meter Landis Gyr 2S CL200 240V	272	384 9/29/23	216
14004	Meter Landis Gyr 4S CL20	196	0	0
14005	Meter Landis Gyr 12S CL200	96	0	0
14006	Meter Landis Gyr 45S CL20 120-480V	5	0	1
14046	Meter Landis Gyr 2S CL320 120-480V	0	96 9/29/23	24
14072	Meter Landis Gyr 9S/8S CL20 120-480V	44	0	24
14076	Meter Landis Gyr 16 CL200 120-480V	16	0	8
14080	Meter Landis Gyr 3S CL20	20	0	0
14086	Meter Landis Gyr 16SE CL320 120-480V	35	8 9/29/23	5

Purchasing Policy Documentation - KPUB uses an AMI metering system with Landis+Gyr meters. Landis+Gyr meters are sold through authorized distributors only. TEC is the only authorized distributor in Texas and is therefore a **sole source supplier** of meters compatible with our existing system (**captive replacement**).

DISTRIBUTORS

Click on the dropdown options and select your state, to see available distributors.

Texas



TEC

100 Cooperative Way
Georgetown TX 78626

Email: utilitysales@texas-ec.org

Phone: 512.868.8610

Website: www.texas-ec.org (<http://www.texas-ec.org>)

Serving metering needs for all public power accounts in Texas.

- **Texas**

RFQ 3193
Pad Mount Transformers 300 kVA 208/120
April 10, 2023

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		Max NL	
											Each	Bid		
300 kVA 208/120	KBS / Rymel	420	Y	N	2	\$22,491.00	\$44,982.00				\$ 22,491.00	\$ 44,982.00	0	
	Techline/Howard	420	N	N	2	\$34,900.00	\$69,800.00	2.50	479	2616	\$ 39,484.81	\$ 78,969.63	2.450	
	TEC	728	N	Y	2	\$40,239.00	\$80,478.00				\$ 40,239.00	\$ 80,478.00	1.304	
	PMN /ZMP	168	N	N	2	\$41,368.00	\$82,736.00		700	1610	\$ 45,182.44	\$ 90,364.88		
		84	N	N	2	\$0.00	\$0.00				\$ -	\$ -		
	Elgin	420	Y	N	2	\$76,750.00	\$153,500.00				\$ 76,750.00	\$ 153,500.00		
	lrby no bid	0	N	N	2	\$0.00	\$0.00				\$ -	\$ -		

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		Max NL	
											Each	Bid		
300 kVA 208/120	KBS / Rymel	420	Y	N	2	\$22,491.00	\$44,982.00	0.00	0	0	\$ 22,491.00	\$ 44,982.00	0	
	Techline/Howard	420	N	N	2	\$34,900.00	\$69,800.00	2.50	479	2616	\$ 45,900.56	\$ 91,801.13	10.297	
	TEC	728	N	Y	2	\$40,239.00	\$80,478.00	0.00	0	0	\$ 40,239.00	\$ 80,478.00	2.320	
	PMN /ZMP	168	N	N	2	\$41,368.00	\$82,736.00	0.00	700	1610	\$ 52,310.52	\$ 104,621.04		
	0	84	N	N	2	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
	Elgin	420	Y	N	2	\$76,750.00	\$153,500.00	0.00	0	0	\$ 76,750.00	\$ 153,500.00		
	lrby no bid	0	N	N	2	\$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	lrby no bid	0	KBS / Rymel	2	5	5	5	17
Minimum Ownership Cost (Historical Loss Factor)	0	\$ -	Techline/Howard	2	4	3	4	13
Minimum Ownership Cost (Current Loss Factor)	0	\$ -	TEC	1	3	4	3	11
Minimum Purchase	KBS / Rymel	\$22,491.00	PMN /ZMP	5	2	2	2	11
				#N/A	#N/A	#N/A	#N/A	#N/A
			Elgin	2	1	1	1	5
			lrby no bid	7	6	6	#N/A	#N/A

REQUEST FOR QUOTATION



KERRVILLE PUBLIC UTILITY BOARD
 Kerrville Public Utility Board
 2250 Memorial Blvd
 Kerrville, TX 78028
 830.257.3050

Vendor	Quotation
45	3193
Print Date	Page
03/29/2023	1

TO **KBS ELECTRICAL DISTRIBUTORS INC.**
 504 EAST SAINT ELMO ROAD
 AUSTIN, TX 78745

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 4/10/2023

Phone:
Fax:

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
			NET

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13028	2.000	EA	Transfmr Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. <i>Rymel</i>	22,491.00	60 wks

Vendor Terms

Shipment Method	Shipment Terms	FOB	Payment Terms

Valid Through Date:

Authorizing Signatures

Damon Richardson

DAMON RICHARDSON
 PURCHASING AGENT
 (830)792-8239

REQUEST FOR QUOTATION



KERRVILLE PUBLIC UTILITY BOARD
 Kerrville Public Utility Board
 2250 Memorial Blvd
 Kerrville, TX 78028
 830.257.3050

Vendor	Quotation
70	3193
Print Date	Page
03/29/2023	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 4/10/2023

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
			NET

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13028	2.000	EA	Transfrmr Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. Losses: NL: 479 LL: 2616 Imp%: 2.5%	\$34,900.00	52-60 Weeks

Vendor Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
Best Way		Freight Allowed	Net 30

Coby Randolph

Valid Through Date:

Authorizing Signatures
Damon Richardson
 DAMON RICHARDSON
 PURCHASING AGENT
 (830)792-8239

REQUEST FOR QUOTATION



KERRVILLE PUBLIC UTILITY BOARD
Kerrville Public Utility Board
 2250 Memorial Blvd
 Kerrville, TX 78028
 830.257.3050

Vendor	Quotation
18391	3193
Print Date	Page
03/29/2023	1

TO **TEXAS ELECTRIC COOPERATIVES, INC.**
 MATERIALS
 PO BOX 201338
 DALLAS, TX 75320-1338

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 4/10/2023

Phone:
 Fax:

Requested Terms

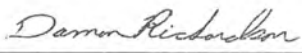
Shipment Method	Shipment Terms	FOB	Payment Terms
			NET

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13028	2.000	EA	Transfrm Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. Pricing is subject to price escalations at the time of factory shipment	\$40,239.00	104 Weeks

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
 Kerrville Public Utility Board
 2250 Memorial Blvd
 Kerrville, TX 78028
 830.257.3050

Vendor	Quotation
17989	3193
Print Date	Page
03/29/2023	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 4/10/2023

Phone:
Fax:

Requested Terms

Shipment Method	Shipment Terms	FOB	Payment Terms
Common Carrier	Prepaid	Destination	NET 30 days

LN	ITEM	QUANTITY	UOM	DESCRIPTION	UNIT PRICE	DEL DT/LEAD TM
1	13028	2.000	EA	Transfrmr Pad Mt 3ph 300 KVA 208/120 7200/12470, loop feed. Losses: NL: 700 LL: 1610 Total:2310 Quoting ZMP Quoted per our manufacturers standard terms & conditons	\$41,368.00/ea.	20-24 weeks

Vendor Terms

Shipment Method	Shipment Terms	FOB	Payment Terms

Valid Through Date:
Authorizing Signatures
<i>Damon Richardson</i>
DAMON RICHARDSON PURCHASING AGENT (830)792-8239

Damon Richardson

From: JOHNSON Ryan <ryan.johnson@irby.com>
Sent: Thursday, April 6, 2023 2:39 PM
To: Damon Richardson
Subject: RE: RFQ 3193

Damon,

I will have to no quote this one. No one would quote me at this time.

Thanks,

Ryan Johnson
Inside Sales Customer Service



509 W SH71
Bastrop, TX 78602
Cell: 512-787-8288

SEE CURRENT PROMOTIONS:

<https://www.irbyutilities.com/promotions>

From: Damon Richardson <drichardson@kpub.com>
Sent: Thursday, April 6, 2023 2:38 PM
To: JOHNSON Ryan <ryan.johnson@irby.com>
Subject: RFQ 3193

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Reminder this is due Monday morning.
Hope you are able to quote.
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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Quotation for KPUB

Elgin Power Solutions

P.O. BOX 1141
BECKLEY, WV 25801

Direct: 304-461-1548
Ph: (304) 252-6243
Fax: (304) 252-6292

Date: 02/09/2023

Notes: This estimate is good for 30 days from the date shown above. Prices quoted are for quantities shown.

elginpowersolutions.com
Dan.Bowling@elginps.com

To:

Kerrville Public Utility Board

2250 Memorial Blvd

Kerrville, Texas 78029-4999

Re: Specification for 3 Phase PM Transformers

Budget Quote, Attn: Ricardo Berrios, Jr.

Email: rberrios@kpub.com

Ph: (830) 792-8226

Fax: (830) 792-8231

EPS PROPOSAL: 0220232439 (Page 1 of 3)

Approval Dwgs. Req. Yes or No?
? Customer to specify.

Approval Dwg. Time 6 - 8 weeks ARO

Date of Request: 02/09/2023

Date Quote Req.: 02/09/2023

Quote Sent By: Dan Bowling

Order Delivered By: Please See Below

Rush Date: N/A

Terms Offered: Net 30 Days
Per Prior Approved Credit

ITEM	DESCRIPTION	QTY	UNIT PRICE	AMT.
1	Transformer Pad-Mounted, Three Phase, 75kVA 12470GY/7200-208Y/120V Unit shall incorporate a five legged core design to reduce losses. Cabinet and Tank shall be constructed of 11 ga. Mild steel minimum with firmed c channel base frame and internal bracing as needed. 60 hertz, 65 deg C rise over a 30 deg. C ambient temperature, Primary Terminations: Six HV Bushing Wells, 200A, 15kV inside a dead front cabinet, Loop Feed type connections. BIL rating 95kV-BIL (Primary); 30kV-BIL (Secondary). Secondary Terminations: Tin Plated Copper Spade Terminals, 8-hole pads, (Qty 4 Total for XO-X1, X2, X3). Insulation Fluid is Mineral Oil Unit shall included the following accessories: Pressure relief valve, oil sampler valve, transformer lifting provisions, hold down cleats, parking stands, bay-o-net fuses, drip shields etc. High Voltage taps: All transformers shall be provided with a High-Voltage Tap-changer with a total of four taps, 2 1/2% below (on 208Y/120VAC, 75 to 500kVA Transformers only; All Others 2 1/2% Above & Below Nominal) Fuse ratings change based upon the voltage and kVA rating on each unit. Units shall be designed per the KPUB, "Specification For Three Phase Pad Mounted Transformers", revised date 03/28/2019. Any exceptions shall be listed on the last page of the proposal.	1	\$52,500.00	\$52,500.00
2	Same unit as above but 112.5kVA.	1	\$57,500.00	\$57,500.00
3	Same unit as above but 150kVA.	1	\$62,500.00	\$62,500.00
4	Same unit as above but 225kVA.	1	\$69,500.00	\$69,500.00
5	Same unit as above but 300kVA.	1	\$76,750.00	\$76,750.00
6	Same unit as above but 500kVA.	1	\$89,500.00	\$89,500.00
7	Same unit as above but 750kVA	1	\$109,500.00	\$109,500.00
	Typical Lead Time is 82 - 64 weeks ARO but this is determined on the number of units ordered at any given time and Elgin Power Solutions current production schedule.			
	Payment terms: 30% Upon receipt of P.O. (Net 30 Day), 30% After Receipt of Drawings (Net 30 Days), 30% Upon Shipment of First Unit (Net 30 Days), 10% Upon Shipment of last Unit (Net 30 Days)			
	* If approval drawings are required this adds to the overall lead time by 6 - 8 weeks plus the time to approve the drawings. If approval drawings are not needed / only record drawings then the unit delivery time will be as per outlined above.			
	Freight is not included in this bid.			

EPS TERMS & CONDITIONS APPLY, COPIES AVAILABLE UPON REQUEST.

F.O.B.: SHIPPING POINT. FREIGHT PPD & CHARGED (EXTRA)

Sub Total	\$517,750.00
Tax	N/A
Shipping	EXTRA
TOTAL	\$617,750.00

Quotation for KPUB

Elgin Power Solutions

P.O. BOX 1141
BECKLEY, WV 25801

Direct: 304-691-1548
Ph: (304) 252-6243
Fax: (304) 252-6292

Date: 02/09/2023

Notes: This estimate is good for 30 days from the date shown above. Prices quoted are for quantities shown.

elginpowersolutions.com
Dan.Bowling@elginings.com

To: Kerrville Public Utility Board

2250 Memorial Blvd
Kerrville, Texas 78029-4999

Re: Specification for 3 Phase PM Transformers
Budget Quote; Attn: Ricardo Berrios, Jr.

Email: rberrios@kpub.com
Ph: (830) 792-8226
Fax: (830) 792-8231

EPS PROPOSAL: 0220232439 (Page 2 of 3)

Approval Dwg. Req. ? Yes or No? Customer to specify.

Approval Dwg. Time 6 - 8 weeks ARO

Date of Request: 02/09/2023

Date Quote Req.: 02/09/2023

Quote Sent By: Dan Bowling

Order Delivered By: Please See Below

Rush Date: N/A

Terms Offered: Net 30 Days
Per Prior Approved Credit

ITEM	DESCRIPTION	QTY	UNIT PRICE	AMT
1	Transformer Pad-Mounted, Three Phase, 75kVA 12470GY/7200-480Y/277V Unit shall incorporate a five legged core design to reduce losses. Cabinet and Tank shall be constructed of 11 ga. Mild steel minimum with formed c channel base frame and internal bracing as needed. 60 hertz, 65 deg C rise over a 30 deg. C ambient temperature, Primary Terminations: Six HV Bushing Wells, 200A, 15kV inside a dead front cabinet, Loop Feed type connections. BIL rating 95kV-BIL (Primary); 30kV-BIL (Secondary). Secondary Terminations: Tin Plated Copper Spade Terminals, 8-hole pads, 10-hole pads shall be used on transformers 750kVA and above. (Qty 4 Total for XO-X1, X2, X3), Insulation Fluid is Mineral Oil Unit shall included the following accessories: Pressure relief valve, oil sampler valve, transformer lifting provisions, hold down cleats, parking stands, bay-o-net fuses, drip shields etc. High Voltage taps: All transformers shall be provided with a High-Voltage Tap-changer with a total of four taps, 2 1/2% below (on 208Y/120VAC, 75 to 500kVA Transformers only; All Others 2 1/2% Above & Below Nominal) Fuse ratings change based upon the voltage and kVA rating on each unit. Units shall be designed per the KPUB, "Specification For Three Phase Pad Mounted Transformers", revised date 03/28/2019. Any exceptions shall be listed on the last page of the proposal.	1	\$56,500.00	\$56,500.00
2	Same unit as above but 112.5kVA.	1	\$62,500.00	\$62,500.00
3	Same unit as above but 150kVA.	1	\$67,500.00	\$67,500.00
4	Same unit as above but 225kVA.	1	\$74,900.00	\$74,900.00
5	Same unit as above but 300kVA.	1	\$85,950.00	\$85,950.00
6	Same unit as above but 500kVA.	1	\$93,500.00	\$93,500.00
7	Same unit as above but 750kVA	1	\$117,500.00	\$117,500.00
8	Same unit as above but 1500kVA	1	\$189,500.00	\$189,500.00
	Typical Lead Time is 62 - 64 weeks ARO but this is determined on the number of units ordered at any given time and Elgin Power Solutions current production schedule.			
	Payment terms: 30% Upon receipt of P.O. (Net 30 Day), 30% After Receipt of Drawings (Net 30 Days), 30% Upon Shipment of First Unit (Net 30 Days), 10% Upon Shipment of last Unit (Net 30 Days)			
	* If approval drawings are required this adds to the overall lead time by 6 - 8 weeks plus the time to approve the drawings. If approval drawings are not needed / only record drawings then the unit delivery time will be as per outlined above.			
	Freight is not included in this bid.			

EPS TERMS & CONDITIONS APPLY, COPIES AVAILABLE UPON REQUEST.

F.O.B.: SHIPPING POINT. FREIGHT PPD & CHARGED (EXTRA)

Sub Total	\$747,850.00
Tax	N/A
Shipping	EXTRA
TOTAL	\$747,850.00

Quotation for KPUB

Elgin Power Solutions

P.O. BOX 1141
BECKLEY, WV 25801

Direct: 304-461-1548

Ph: (304) 252-6243

Fax: (304) 252-6292

Date: 02/09/2023

Notes: This estimate is good for 30 days from the date shown above. Prices quoted are for quantities shown.

elginpowersolutions.com

Dan.Bowling@elginps.com

To:

Kerrville Public Utility Board

2250 Memorial Blvd

Kerrville, Texas 78029-4999

Re: Specification for 3 Phase PM Transformers

Budget Quote: Attn: Ricardo Berrios, Jr.

Email: rberrios@kpub.com

Ph: (830) 792-8226

Fax: (830) 792-8231

EPS PROPOSAL: 0220232439 (Page 3 of 3)

Approval Dwgs. Req. Yes or No?
? Customer to specify.

Approval Dwg. Time 6 - 8 weeks ARO

Date of Request: 02/09/2023

Date Quote Req.: 02/09/2023

Quote Sent By: Dan Bowling

Order Delivered By: Please See Below

Rush Date: N/A

Terms Offered: Net 30 Days
Per Prior Approved Credit

ITEM	DESCRIPTION	QTY	UNIT PRICE	AMT.
	<u>Comments/ Clarifications/ Exceptions:</u>			
	1. EPS does not provide guaranteed loss data and will not be subject to any guaranteed loss payback to the Utility per paragraph 5. Required Information.			
	2. We do not have the ability to perform an Impulse Test inside of our facility.			
	3. Per paragraph 3.6. Transformer Dimension: EPS may not be able to meet all transformer dimensions per the chart without first designing each unit for fit.			
	4. Unit shall be painted Munsell Green with a baked on Powder Coat Painting Process. Unit shall be tested to meet the requirements of 5mil thick paint.			
	5. Lead times are subject to change based on quantities ordered and factory loading.			

EPS TERMS & CONDITIONS APPLY, COPIES AVAILABLE UPON REQUEST.

F.O.B.: SHIPPING POINT. FREIGHT PPD & CHARGED (EXTRA)

Sub Total	
Tax	
Shipping	
TOTAL	

RFQ 3193
Pad Mount Transformers 300 kVA 208/120
April 10, 2023

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		Max NL	
											Each	Bid		
300 kVA 208/120	KBS / Rymel	420	Y	N	2	\$22,491.00	\$44,982.00				\$ 22,491.00	\$ 44,982.00	0	
	Techline/Howard	420	N	N	2	\$34,900.00	\$69,800.00	2.50	479	2616	\$ 39,484.81	\$ 78,969.63	2.450	
	TEC	728	N	Y	2	\$40,239.00	\$80,478.00				\$ 40,239.00	\$ 80,478.00	1.304	
	PMN /ZMP	168	N	N	2	\$41,368.00	\$82,736.00		700	1610	\$ 45,182.44	\$ 90,364.88		
		84	N	N	2		\$0.00				\$ -	\$ -		
	Elgin	420	Y	N	2	\$76,750.00	\$153,500.00				\$ 76,750.00	\$ 153,500.00		
	Irby no bid	0	N	N	2		\$0.00				\$ -	\$ -		

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		Max NL	
											Each	Bid		
300 kVA 208/120	KBS / Rymel	420	Y	N	2	\$22,491.00	\$44,982.00	0.00	0	0	\$ 22,491.00	\$ 44,982.00	0	
	Techline/Howard	420	N	N	2	\$34,900.00	\$69,800.00	2.50	479	2616	\$ 45,900.56	\$ 91,801.13	10.297	
	TEC	728	N	Y	2	\$40,239.00	\$80,478.00	0.00	0	0	\$ 40,239.00	\$ 80,478.00	2.320	
	PMN /ZMP	168	N	N	2	\$41,368.00	\$82,736.00	0.00	700	1610	\$ 52,310.52	\$ 104,621.04		
	0	84	N	N	2	\$0.00	\$0.00	0.00	0	0	\$ -	\$ -		
	Elgin	420	Y	N	2	\$76,750.00	\$153,500.00	0.00	0	0	\$ 76,750.00	\$ 153,500.00		
	Irby no bid	0	N	N	2	\$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	Irby no bid	0	KBS / Rymel	2	5	5	5	17
Minimum Ownership Cost (Historical Loss Factor)	0	\$ -	Techline/Howard	2	4	3	4	13
Minimum Ownership Cost (Current Loss Factor)	0	\$ -	TEC	1	3	4	3	11
Minimum Purchase	KBS / Rymel	\$22,491.00	PMN /ZMP	5	2	2	2	11
			Elgin	2	#N/A	#N/A	#N/A	5
			Irby no bid	7	6	6	#N/A	#N/A

Purchase Ord	PO Date	Item	PO Status	Ordered Qty	Received Qty	PO Date
23143	11/16/2022	13028	Ordered	2	0	11/16/2022
22152	2/16/2022	13028	Open	1	1	2/16/2022
19245	10/27/2020	13028	Complete	1	1	10/27/2020
19122	9/9/2020	13028	Complete	1	1	9/9/2020
18651	11/20/2019	13028	Complete	1	1	11/20/2019
18310	3/29/2019	13028	Complete	1	1	3/29/2019
13990	5/17/2013	13028	Complete	2	2	5/17/2013
13888	3/21/2013	13028	Complete	1	1	3/21/2013
13158	1/18/2012	13028	Complete	2	2	1/18/2012
11250	2/18/2008	13028	Complete	1	1	2/18/2008
11058	10/15/2007	13028	Complete	1	1	10/15/2007
10826	4/16/2007	13028	Complete	2	2	4/16/2007
10624	10/16/2006	13028	Complete	1	1	10/16/2006
7742	10/18/1999	13028	Complete	1	1	10/18/1999
7506	6/28/1999	13028	Complete	3	3	6/28/1999

Last Receiving Date	Vendor Name	Unit Cost	Line Description
eta 6/21/24	TEXAS ELECTRIC COOPERATIVES, INC.	20,002.00	Transfrmr Pad Mt 3ph 300 KVA 208/120
2/14/2023	STUART C. IRBY COMPANY	20,278.66	Transfrmr Pad Mt 3ph 300 KVA 208/120
4/22/2021	STUART C. IRBY COMPANY	9,720.62	Transfrmr Pad Mt 3ph 300 KVA 208/120
2/4/2021	TEXAS ELECTRIC COOPERATIVES, INC.	9,730.00	Transfrmr Pad Mt 3ph 300 KVA 208/120
2/25/2020	KBS ELECTRICAL DISTRIBUTORS INC.	9,694.00	Transfrmr Pad Mt 3ph 300 KVA 208/120
8/1/2019	PRIESTER-MELL & NICHOLSON, INC.	8,172.00	TRANS PADMOUNT 3ph 300KVA 208/120
8/8/2013	STUART C. IRBY COMPANY	7,662.00	TRANS PADMOUNT 3ph 300KVA 208/120
6/10/2013	STUART C. IRBY COMPANY	7,587.00	TRANS PADMOUNT 3ph 300KVA 208/120
5/9/2012	TEXAS ELECTRIC COOPERATIVES	8,265.00	TRANS PADMOUNT 3ph 300KVA 208/120
6/3/2008	TEXAS ELECTRIC COOPERATIVES	0	TRANS PADMOUNT 3Å¿ 300KVA
1/2/2008	HD SUPPLY UTILITIES 3427	0	TRANS PADMOUNT 3Å¿ 300KVA 120/208
6/26/2007	HD SUPPLY UTILITIES 3427	0	TRANS URD 300KVA 208/120 7.2KV
6/13/2007	PRIESTER-MELL & NICHOLSON, INC.	0	THREE-PHASE PAD-MOUNT TRANSFORMER
2/16/2000	HD SUPPLY UTILITIES 3427	6,874.00	TRANS URD 300KVA 208/120, 3PH
11/5/1999	HD SUPPLY UTILITIES 3427	6,387.00	TRANS URD 300KVA 208/120 7.2KV

MEMORANDUM

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

From: Howard Hall

Date: April 12, 2023

Re: Agenda Item No. 7C.3 – Approval and Reporting of Purchases and Sales

Presented for your consideration and review are these recommendations for purchase and/or sale of goods or services.

- 3. Software as a Service Agreement.** Staff recommends approval to renew a service agreement with Landis + Gyr for the support of our Automated Metering System. Attached is the updated service agreement and listed below is the pricing for the next five years.

Command Center Pricing up to 25,000 Endpoints	Monthly Fee Year 1	Year 2	Year 3	Year 4	Year 5
10k-25k	\$1,995.00	\$2,850.00	\$3,705.00	\$3,705.00	\$3,705.00

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

Sincerely,

Howard Hall

Amended and Restated

Software as a Service Agreement

This Amended and Restated Software as a Service Agreement (this “**SaaS Agreement**”), dated as of last signature date below (“**Effective Date**”), is by and between Kerrville Public Utility Board, (“**Customer**”) with offices located at 2250 Memorial Blvd., Kerrville, TX 78029, and **LANDIS+GYR TECHNOLOGY, INC.** with offices located at 30000 Mill Creek Avenue, Suite 100, Alpharetta, GA 30022 (“**Landis+Gyr**”).

WHEREAS, Landis+Gyr and Customer are parties to that certain Software as a Service Agreement dated May 16, 2018 (the “**Prior Agreement**”) by which Customer required third-party hosted “software as a service” (the “**SaaS Services**,”) as further described herein) with respect to certain of Customer’s information technology needs and related smart grid program;

WHEREAS, Landis+Gyr and Customer desire to amend and entirely restate the terms and conditions as currently described in the Prior Agreement, in this Amended and Restated Software as a Service Agreement;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions; Schedules.** Capitalized terms used herein and not otherwise defined will have the meanings set forth in this Section.

“**Access Credentials**” means any user name, identification number, password, and/or other access keys or controls for access and use of the SaaS Services.

“**Affiliate**” means any entity (including any person, without limitation, any corporation, company, partnership, limited liability company or group) that directly through one or more intermediaries, controls, is controlled by or is under common control with Landis+Gyr or Customer for so long as such control exists. For purposes of this definition, “control” means having more than fifty percent (50%) of the shares or other equity interest with voting rights in the legal entity or organization at issue.

“**Aggregated Statistics**” means data and information that is derived by or through Customer’s use of the SaaS Services that is used by Landis+Gyr in an aggregate and anonymized manner, including to compile statistical and performance information related to the provision and operation of the SaaS Service.

“**Applicable Data Privacy Laws**” means all applicable local, state, national and foreign laws that apply to the processing of Personal Data processed by Landis+Gyr to render the Services for the Customer, including but not limited to, laws of the European Union and/or their member states, Switzerland and United Kingdom as they may be amended from time to time and in particular, the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation or “**GDPR**”).

“Authorized Users” means any Customer employee, consultant, contractor or agent (a) who are authorized by Customer to access and use the SaaS Services under the rights granted to Customer under this Agreement; and (b) for whom access to the SaaS Services has been purchased hereunder.

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by Law to be closed for business.

“Cloud Software” means cloud-based software to which Customer is provided access as part of the SaaS Service, including any updates or new versions.

“Customer Data” means, other than Aggregated Statistics, information, data, and other content, in any form or medium, relating to Customer’s end customers’ information relating to electricity, water or natural gas consumption, load profile, billing history, or credit history that is collected, downloaded or otherwise received, directly or indirectly, from Customer or an Authorized User by or through the SaaS Services or that incorporates or is derived from the Processing of such information, data or content by or through the SaaS Service.

“Customer Systems” means the Customer's information technology infrastructure, including computers, software, hardware, databases, electronic systems (including database management systems) and networks, whether operated directly by Customer or through the use of third-party services.

“Documentation” means any online user manuals for the SaaS Services as updated from time to time, that describes the functions, operation, and use of the SaaS Services, and that Landis+Gyr makes generally available to subscribers of the SaaS Services.

“Endpoints” means each of the following types of physical sensory-type devices installed for use in the delivery of any commodity e.g. electric, water, gas, distribution automation devices:

- i. a meter measuring the quantity of a commodity delivered, at a utility customer premise or at any other point within the distribution system, with respect to which the Cloud Software stores, processes, or makes accessible data specifically identified to that premise or distribution point for use in one or more of the utility operations the Cloud Software performs or supports; and
- ii. an unmetered supply point with respect to which the Cloud Software performs calculations of quantities of a commodity delivered in lieu of metering.

For avoidance of doubt, Endpoints do not include: aggregations of data from multiple Endpoints; interfaces between the Cloud Software and other systems or applications; sub-meters or devices installed at a utility customer premises beyond the meter; or devices only used to read, retrieve, or transmit data from Endpoints.

“Error” has the meaning set forth in Schedule A.

“Error Correction” has the meaning set forth in Schedule A.

“Export Control Laws” means all applicable export and re-export control laws and regulations, including (a) the Export Administration Regulations (“**EAR**”) maintained by the U.S. Department of Commerce, (b) trade and economic sanctions maintained by the U.S Treasury Department’s

Office of Foreign Assets Control, and (c) the International Traffic in Arms Regulations (“**ITAR**”) maintained by the U.S. Department of State.

“**Fees**” has the meaning set forth in Section 6.2 Fees.

“**Harmful Code**” means any software, hardware, or other technology, device, or means, including any virus, worm, malware, or other malicious computer code, the purpose or effect of which is to (a) permit unauthorized access to, or to destroy, disrupt, disable, distort, or otherwise harm or impede in any manner any (i) computer, software, firmware, hardware, system, or network; or (ii) any application or function of any of the foregoing or the security, integrity, confidentiality, or use of any data processed thereby; or (b) prevent Customer or any Authorized User from accessing or using the Services or Landis+Gyr Systems as intended by this Agreement. Harmful Code does not include any Landis+Gyr Disabling Device.

“**High Risk Activities**” means activities where the use or failure of the Services would reasonably be expected to result in death, serious personal injury or severe environmental or property damage (such as the creation or operation of weaponry).

“**Improvements**” means enhancements, extensions, modifications and new releases to the SaaS Services (other than Error Corrections) that Landis+Gyr elects to incorporate into the SaaS Service, and for which Landis+Gyr does not charge an additional fee.

“**Intellectual Property Rights**” means any and all intellectual property rights whether registered or unregistered, and all applications for and renewals or extensions of such rights, including rights comprising or relating to: (a) patents, patent disclosures and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, together with all of the goodwill associated therewith; (c) works of authorship, designs, copyrights and copyrightable works (including computer programs) and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all similar or equivalent rights or forms of protection.

“**Interfaces**” means Landis+Gyr’s file transfer communications interfaces and data feeds mechanisms between the Landis+Gyr Systems and the Customer’s Systems which are developed, operated, owned and maintained by Landis+Gyr pursuant to this Agreement including, as applicable, any configuration and customization required to meet the requirements of this Agreement, but excluding ownership of any customization that constitutes a component or derivative of Customer’s Systems.

“**Landis+Gyr Disabling Device**” means any software, hardware, or other technology, device, or means (including any back door, time bomb, time out, drop dead device, software routine, or other disabling device) used by Landis+Gyr or its designee to disable Customer’s or any Authorized User’s access to or use of the Services automatically with the passage of time or under the positive control of Landis+Gyr or its designee.

“**Landis+Gyr Materials**” means all devices, documents, data, know-how, methods, processes, software and other inventions, works, technologies and materials, including any and all Cloud Software, Documentation, computer hardware, programs, reports and specifications, client software and deliverables provided or made available to Customer in connection with Landis+Gyr’s performance of the Services, in each case developed or acquired by Landis+Gyr independently of this Agreement. For the avoidance of doubt, Landis+Gyr Materials include

Aggregated Statistics and any information, data, or other content derived from Landis+Gyr's monitoring of Customer's access to or use of the Services, but do not include Customer Data.

“Landis+Gyr Personnel” means all employees and agents of Landis+Gyr, all subcontractors and all employees and agents of any subcontractor, involved in the performance of Services.

“Law” means any statute, law, ordinance, regulation, rule, code, order, constitution, common law, judgment, decree or other requirement or rule of any federal, state, local or political subdivision thereof, or any arbitrator, court or tribunal of competent jurisdiction.

“Other Services” means all technical and non-technical services performed or delivered by Landis+Gyr under this SaaS Agreement, including without limitation, implementation services and other professional services and training services further defined in Section 2.1, but excluding the SaaS Services and the Support Services. All Other Services will be provided on a non-‘work for hire’ basis.

“Permitted Uses” means any use of the Services by Customer or any Authorized User for the benefit of Customer in or for Customer's internal business operations in accordance with the Documentation.

“Person” means an individual and any entity, including, but not limited to, any corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust or association.

“Personal Data” or **“PII”** means any information relating to an identified or identifiable natural person (‘data subject’); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

“Representatives” means a party's employees, officers, directors, consultants, legal advisors and, with respect to Landis+Gyr, Landis+Gyr's subcontractors, and, with respect to Customer, solely those of Customer's independent contractors or service providers that are Authorized Users.

“Security Incident” is an event that may indicate that an organization's systems, networks, or data have been compromised or that measures put in place to protect them have failed. With respect to the information technology space, an event is anything that has significance for system hardware or software and an incident is an event that disrupts normal operations. Items included, but not limited to: malware infection, distributed denial of service attacks, unauthorized access, insider breaches, destructive attacks, unauthorized privilege escalation, loss or theft of equipment.

“Security Breach/Data Breach” per NIST Special Publication (SP) 800-53. Definition: A data breach refers to any confirmed incident in which sensitive, confidential, or otherwise protected data has been accessed or disclosed in an unauthorized fashion. If a security incident results in unauthorized access to data, it can typically be classified as a security breach.

“Services” means the SaaS Services, the Support Services and the Other Services.

“Support Services” means the maintenance and support services for the SaaS Services as further defined in Schedule A.

“**Supported Release**” means versions of Cloud Software currently supported by Landis+Gyr. Landis+Gyr will support, at a minimum, the current generally available release in addition to the two (2) prior generally available releases of Cloud Software.

“**Suspend**” or “**Suspension**” means disabling or limiting access to or use of the SaaS Services or components of the SaaS Services.

“**Territory**” means the Customer’s service territory.

“**Third Party Materials**” means materials and information, in any form or medium, including any software, documents, data, content, specifications, products, equipment or components of or relating to the Services that are not Proprietary to Landis+Gyr.

“**Upgrade**” means upgrading the Cloud Software to the most current generally available version.

2. Services and Service Orders.

2.1 Description of Services. Throughout the Term, Landis+Gyr will in accordance with all terms and conditions set forth in this Agreement and each applicable Service Order, provide to Customer and its Authorized Users the following services:

- a) Access, in accordance with Section 2.2 of this Agreement, to the software-as-a service online web-based offering described in a Service Order and subject to the terms of this Agreement updated with Error Corrections, Improvements or modifications to the content, functionality and user interface from time to time at Landis+Gyr’s discretion (the “**SaaS Services**”), which upon their execution, will be attached as a part of this Agreement.
- b) service maintenance and the Support Services as set forth in the applicable Service Order and the Service Level Agreement described in Schedule A; and
- c) such other services as may be specified in the applicable Service Order.

2.2 SaaS Services Access License Grant. Subject to and conditioned on Customer’s and its Authorized Users’ compliance with the terms and conditions of this Agreement, during the Term, Landis+Gyr hereby grants to Customer and its Authorized Users a non-exclusive, worldwide, terminable license to access and use the SaaS Service, including in operation with other software, hardware, systems, networks and services for Customer’s business purposes. Landis+Gyr will provide the following services: infrastructure and infrastructure monitoring, technical support, backup and recovery, access training, and Cloud Software upgrades for Customer’s productive use of such services.

2.3 Landis+Gyr will provide the SaaS Services for 24 hours a day, 7 days a week in accordance with the Service Level Agreement in Schedule A except for Scheduled Downtime, service downtime or degradation caused by a Force Majeure Event, including Customer's or any Authorized User's use of Third Party Materials, misuse of the Services, or use of the Services other than in compliance with the express terms of this Agreement and the Documentation.

2.4 Service and Systems Control. Except as otherwise expressly provided in this Agreement, as between the parties:

- 2.4.1 Landis+Gyr has and will retain sole control over the operation, provision, maintenance, and management of the Landis+Gyr Materials; and

- 2.4.2 Customer has and will retain sole control over the operation, maintenance, and management of, and all access to and use of, the Customer Systems, and sole responsibility for all access to and use of the Landis+Gyr Materials by any Person by or through the Customer Systems or any other means controlled by Customer or any Authorized User, including any: (i) information, instructions, or materials provided by any of them to the Services or Landis+Gyr; (ii) results obtained from any use of the Services or Landis+Gyr Materials; and (iii) conclusions, decisions, or actions based on such use. By granting Authorized Users access to the SaaS Service, Customer acknowledges and agrees that Customer's Authorized Users shall have access to Customer Data and that Landis+Gyr shall not be responsible or liable for any misuse of the SaaS Services or Customer Data by any such Authorized Users. For avoidance of doubt, the Services do not include managed services and Customer agrees that it will be responsible for monitoring its access to the platform and will promptly notify Landis+Gyr of any issues.
- 2.5 Documentation. Landis+Gyr represents and warrants that (i) the Documentation for the Cloud Software will accurately and completely describe the functions and features of the Cloud Software, including all subsequent revisions thereto and (ii) the Documentation will be understandable by a typical end user having commensurate skill with using and maintaining metering and monitoring systems technology and will provide Authorized Users with sufficient instruction such that an Authorized User will have a foundation to become self-reliant with respect to access and use of the Services. Customer will have the right to make any number of additional copies of the Documentation for internal business purposes at no additional charge.
- 2.6 Service Orders. Service Orders will be effective only when signed by Customer and Landis+Gyr. The initial Service Orders are attached hereto. Any modifications or changes to the Services under any executed Service Order will be effective only if and when memorialized in a mutually agreed written change order ("**Change Order**") signed by both Parties. Where a Change Order may result in an adjustment to Fees, Landis+Gyr will provide a written estimate of such adjustment to Customer within a commercially reasonable period of time of Landis+Gyr's receipt of a Change Order. Upon approval of the written estimate to complete the Change Order, the parties will each ratify the Change Order indicating any adjustments to the Fees, or delivery schedule.
- 2.7 Other Services Comprising of Professional Services. During the Term of this Agreement, Landis+Gyr may also perform certain Other Services comprising of implementation, consulting, training and/or support services as specified in mutually agreed upon written Statement of Work ("**SOW**"). Each SOW will contain a reference identifying it as a SOW under this Agreement and will contain the following information, as applicable: a description of scope of the Other Services; the Fees (including any Reimbursable Expenses), and any modifications to the ownership of Intellectual Property provisions of this SaaS Agreement.
- 2.8 No Software Delivery Obligation. Landis+Gyr has no software delivery obligation and will not ship copies of any of the Cloud Software used to provide the Services to Customer as a part of the Services or as part of any Deliverable under a SOW. Upon the end of the Service Order, Customer's right to access or use the Cloud Software specified in the Service Order and the Services will terminate.
- 2.9 Use of Subcontractors. Landis+Gyr may from time to time in Landis+Gyr's discretion engage third parties to perform Services (each, a "**Subcontractor**").

- 2.10 Designation of Responsible Contacts. Customer will provide Landis+Gyr with current appropriate contact information such that Landis+Gyr may communicate maintenance notifications, outages, support items and other communications under this Agreement to Customer on an ongoing basis.
- 2.11 Aggregated Statistics. Landis+Gyr may compile Aggregated Statistics based on Customer Data input into the SaaS Service. Customer agrees that Landis+Gyr may use Aggregated Statistics to the extent and in the manner permitted under applicable Law, provided that such Aggregated Statistics do not identify Customer or Customer's Confidential Information.

3. Customer Obligations

- 3.1 Customer Systems and Cooperation. Customer, at all times during the Term to the extent applicable for the specific Service Order, will: (a) set up, maintain and operate in good repair and in accordance with the Documentation all Customer Systems on or through which the SaaS Services are accessed or used (including taking all necessary and current security industry standards into consideration and implementation to notify and mitigate any security vulnerabilities that could be introduced into the Landis+Gyr Systems); and (b) provide all cooperation and assistance as Landis+Gyr may reasonably request to enable Landis+Gyr to exercise its rights and perform its obligations under and in connection with this Agreement. To the extent it becomes necessary for Landis+Gyr to have access to Customer Systems in order to perform the Services in accordance with the Availability Requirements as set forth in the Service Level Agreement, Customer will provide Landis+Gyr with such access. Unless otherwise stated in a Service Order, Customer agrees that it will not send or provide Landis+Gyr access to any Personal Data, whether in data or any other form. Should Customer mistakenly provide Personal Data to Landis+Gyr (including, but not limited to, Personal Data where Customer has no legal ground to share with Landis+Gyr or to process otherwise), Customer will immediately notify Landis+Gyr in writing in accordance with the notice provisions herein, and reasonably cooperate with Landis+Gyr to take any mitigating actions deemed necessary to remove such PII from the Landis+Gyr Systems.
- 3.2 Effect of Delay. Neither party is responsible or liable for the portion of any delay or failure of performance caused in whole or in part by the other party's delay in performing, or failure to perform, any of Customer's obligations under this Agreement.
- 3.3 Privacy. Customer is responsible for any consents and notices required to permit (a) Customer's use and receipt of the Services and (b) Landis+Gyr's accessing, storing and processing of data provided by Customer (including Customer Data, if applicable) under the Agreement. Customer shall comply with all applicable local, state, national and foreign laws in connection with its use of the SaaS Services, including those laws related to data privacy and the transmission of technical or personal data. Customer acknowledges that Landis+Gyr exercise no control over the content of the information transmitted by Customer through the SaaS Services.
- 3.4 Suspension. If Landis+Gyr becomes aware that Customer's use of the SaaS Services violates the Permitted Uses, Landis+Gyr will notify Customer and request that Customer correct the violation. If Customer fails to correct the violation within 24 hours of Landis+Gyr's request, then Landis+Gyr may Suspend all or part of Customer's use of the Services by use of a Landis+Gyr Disabling Device until the violation is corrected. Notwithstanding the preceding related to violations of the Permitted Uses, Landis+Gyr may immediately Suspend all or part of Customer's use of the Services by use of a Landis+Gyr Disabling Device if (a) Landis+Gyr reasonably believes Customer's use of the SaaS Services could adversely impact the SaaS Service, other customers' or their end users' use of the SaaS Service, or the Landis+Gyr network or servers used to provide the SaaS Service; (b) there is suspected unauthorized third-party access to the SaaS Service; (c) Landis+Gyr reasonably believes that immediate Suspension is required to comply with any applicable Law; or (d) Customer

is in breach of Section 4.2 (Use Restrictions) or specific terms for the relevant Service Order. Landis+Gyr will lift any such Suspension when the circumstances giving rise to the Suspension have been resolved. At Customer's request, Landis+Gyr will, unless prohibited by applicable Law, notify Customer of the basis for the Suspension as soon as is reasonably possible.

4. Authorization Limitations and Restrictions.

4.1 Authorization. Subject to and conditioned on Customer's payment of the Fees and compliance and performance in accordance with all other terms and conditions of this Agreement, Landis+Gyr hereby authorizes Customer, to access and use, solely in the Territory during the Term, the Services and such Landis+Gyr Materials as Landis+Gyr may supply or make available to Customer for the Permitted Uses by and through Authorized Users in accordance with the Documentation and the conditions and limitation set forth in this Agreement or any Service Order. In addition, Customer is authorized to:

- (a) generate, print, copy, upload, download, store and otherwise process all GUI, audio, visual, digital and other output, displays and other content as may result from any access to or use of the SaaS Services;
- (b) prepare, reproduce, print, and download a reasonable number of copies of Documentation as may be necessary or useful for any Permitted Uses of the SaaS Services under this Agreement;
- (c) access and use (i) the SaaS Services for production uses and (ii) any applications provided by Landis+Gyr as may be necessary or useful for the effective use of the SaaS Services for the Permitted Uses hereunder; and
- (d) perform, display, execute, and reproduce and distribute and otherwise make available to Authorized Users, any Landis+Gyr Materials solely to the extent necessary to access or use the SaaS Services in accordance with the terms and conditions of this Agreement.

4.2 Use Restrictions. Customer will not and will not knowingly permit any other Person to access or use the SaaS Services or Landis+Gyr Materials except as expressly permitted by this Agreement and/or any Service Order and, in the case of Third-Party Materials, the applicable third-party license agreement. For purposes of clarity and without limiting the generality of the foregoing, Customer will not, except as this Agreement or any Service Order expressly permits:

- (a) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer or otherwise make the SaaS Services or Landis+Gyr Materials available to any third party that is not an Authorized User;
- (b) copy, modify or create derivative works or improvements of the SaaS Services or Landis+Gyr Materials;
- (c) reverse engineer, disassemble, decompile, decode, adapt or otherwise attempt to derive or gain access to the source code of the SaaS Services or Landis+Gyr Materials, in whole or in part;
- (d) bypass or breach any security device or protection used by the SaaS Services or Landis+Gyr Materials or access or use the SaaS Services or Landis+Gyr Materials other than by an Authorized User through the use of his or her own then valid Access Credentials;

- (e) use or authorize the use of the SaaS Services or Documentation in any manner or for any purpose that is unlawful under applicable Law.
- (f) remove, delete, alter or obscure any trademarks, Documentation, warranties or disclaimers, or any copyright, trademark, patent or other intellectual property or proprietary rights notices from any SaaS Services or Landis+Gyr Materials, including any copy thereof;
- (g) access or use the SaaS Services or Landis+Gyr Materials in any manner or for any purpose that infringes, misappropriates or otherwise violates any Intellectual Property Right or other right of any third party, or that violates any applicable Law;
- (h) access or use the SaaS Services or Landis+Gyr Materials for purposes of competitive analysis of the SaaS Services or Landis+Gyr Materials, the development, provision or use of a competing software service or product or any other purpose that is to Landis+Gyr's detriment or commercial disadvantage;
- (i) engage in cryptocurrency mining without Landis+Gyr's prior written approvals;
- (j) to transmit, store or process health information subject to the United States HIPAA regulations;
- (k) access or use of the Services for High Risk Activities; or
- (l) otherwise access or use the SaaS Services or Landis+Gyr Materials beyond the scope of the authorization provided in this Agreement or in any applicable Service Order.

4.3 Excess Use. If Customer's use of the SaaS Services exceeds the volume of use authorized in the applicable Service Order (including as to the number of Endpoints), Customer will pay Landis+Gyr the Fees attributable to the excess use in accordance with the applicable Service Order.

5. Term and Termination

5.1 Term. This Agreement commences on the Effective Date and continues until all Service Orders/SOW have expired or have been terminated. Except in the case of termination for breach by Landis+Gyr, within thirty (30) days of the date of termination, Customer must pay all amounts remaining unpaid for Services provided prior to the effective date of termination, plus related taxes and expenses.

5.2 Term of Service Orders/SOWs. The term of each Service/SOW will be as specified in the applicable Service Order/SOW. Except as otherwise specified in a Service Order, SaaS Services will automatically renew for additional one (1) year periods, unless either party gives the other notice of non-renewal at least ninety (90) days before the end of the relevant subscription term.

5.3 Termination.

- (a) Landis+Gyr may terminate this Agreement, effective on written notice to Customer, if the SaaS Services is being used by Customer in violation of applicable Law.
- (b) Either party may terminate this Agreement, effective on written notice to the other party, if the other party materially breaches this Agreement, and such breach: (i) is incapable of cure; or (ii) being capable of cure, remains uncured 30 days after the non-breaching party provides the breaching party with written notice of such breach; and

- (c) Either party may terminate this Agreement, effective immediately upon written notice to the other party, if the other party enters into liquidation (apart from a solvent liquidation for the purposes of amalgamation or reconstruction) or is dissolved or declared bankrupt or has a receiver, administrator or administrative receiver appointed over all or part of its assets or enters into an arrangement with its creditors or takes or suffers any similar action.
- 5.4 Effect of Termination or Expiration. Upon any expiration or termination of this Agreement, except as expressly otherwise provided in this Agreement, all rights, licenses, consents, and authorizations granted by either party to the other hereunder will immediately terminate.
- 5.5 Survival. The terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the performance thereof by either party hereunder will so survive the completion of the performance, cancellation or termination of this Agreement, including without limitation, Confidentiality, Infringement, Limited Warranties and Limitations of Liability.
- 6. Fees and Expenses**
- 6.1 Invoices. Invoices will be issued monthly in arrears for (i) the monthly SaaS Services Fees (ii) for time and materials in a Statement of Work and (iii) Reimbursable Expenses based on expenses incurred in the previous month. Fees for fixed bid SOW's will be invoiced upon completion of the milestone as set forth in the applicable SOW. If Customer validly disputes any invoiced amount it will pay the undisputed amounts and provide written notice of the basis of that dispute to Landis+Gyr within thirty (30) days following delivery of that invoice. The parties will work diligently, promptly and in good faith to resolve any such disputes.
- 6.2 Fees. Customer agrees to pay for all services ordered as set forth in the applicable Service Order or SOW (the "**Fees**"). All Fees are due within thirty (30) days from the date of invoice.
- 6.3 Late Payment. If Customer fails to make any payment when due then, in addition to all other remedies that may be available:
- 6.3.1 Landis+Gyr may charge interest on the past due amount at the rate of one percent (1%) per month, calculated daily and compounded monthly or, if lower, the highest rate permitted under applicable Law; and
- 6.3.2 Customer will reimburse Landis+Gyr for all reasonable costs incurred by Landis+Gyr in collecting any late payments or interest, including reasonable attorneys' fees, court costs, and collection agency fees.
- 6.4 Fee Increases. Landis+Gyr's Fees are fixed for the duration described in the applicable Service Order. Thereafter, the Fees are subject to an adjustment in accordance with the Service Order.
- 6.5 Reimbursable Expenses. If a Service Order and/or SOW permits reimbursement of expenses by Customer ("**Reimbursable Expenses**"), Landis+Gyr will be reimbursed for those reasonable expenses, at cost. In addition, if there are any system communication fees that are incurred by Landis+Gyr (i.e. long-distance charges), Landis+Gyr will invoice Customer monthly for the communications fees, which Customer agrees to pay.
- 6.6 Taxes. Customer is exclusively responsible for the collection and remittance of all sales and use, value added, duties, tariffs or other similar charges or taxes on the Services, other than taxes based upon Landis+Gyr's income. All amounts set forth in an applicable Service Order/SOW are exclusive of taxes and taxes are not included in the Fees. Applicable taxes payable by Customer will be separately itemized on invoices sent to Customer.

7. Intellectual Property Rights

- 7.1 Services and Landis+Gyr Materials. Subject to the limited rights granted hereunder, all rights, title, and interest in and to the Landis+Gyr Materials, including all Intellectual Property Rights therein, are and will remain with Landis+Gyr and, with respect to Third-Party Materials, the applicable third-party providers own all right, title, and interest, including all Intellectual Property Rights, in and to the Third-Party Materials. In addition to the foregoing, Customer acknowledges that Landis+Gyr will have the right to utilize data capture and analysis tools, and other similar tools, to extract, compile and analyze the Aggregated Statistics.
- 7.2 Ownership of Customer Data. As between Customer and Landis+Gyr and its Subcontractors, Customer is and will remain the sole and exclusive owner of all right, title and interest in and to all Customer Data, including all Intellectual Property Rights relating thereto, subject only to the limited license granted in Section 7.3. Customer will have sole responsibility for the accuracy, integrity and reliability of Customer Data. Customer acknowledges that Landis+Gyr exercises no control whatsoever over any Customer Data managed by Authorized Users while accessing the Service and that Customer is solely responsible for the Customer content.
- 7.3 Consent to Use Customer Data. During the Term of this Agreement, Customer hereby irrevocably grants all such rights and permissions in or relating to Customer Data as are necessary or useful to Landis+Gyr, its Subcontractors and the Landis+Gyr Personnel to enforce this Agreement and exercise Landis+Gyr's, its Subcontractors' and the Landis+Gyr Personnel's rights and perform Landis+Gyr's, its Subcontractors' and the Landis+Gyr Personnel's obligations hereunder as well as to use and display Customer Data incorporated within the Aggregated Statistics.
- 7.4 Feedback. At its option, Customer may provide feedback and suggestions about Services to Landis+Gyr ("**Feedback**"). If Customer provides Feedback, then Landis+Gyr and its Affiliates may use the Feedback without restriction and obligation to Customer.

8. Confidentiality

- 8.1 Confidential Information. From time to time during the Term of this Agreement, either Party (as the "**Disclosing Party**") may disclose or make available to the other Party (as the "**Receiving Party**") non-public, proprietary, confidential information about its business affairs, products, services, confidential intellectual property, trade secrets, third party confidential information, source code and other sensitive or proprietary information in oral, written, electronic or other intangible form marked or indicated as "**Confidential**" or "**Proprietary**" at the time of disclosure (collectively, "**Confidential Information**"). Confidential Information, however, will not include: (a) Information which is already generally available to the public; (b) Information which hereafter becomes generally available to the public, except as a result of the direct or indirect action of the Receiving Party in breach of this Agreement; (c) Information known to the Receiving Party or its Representatives on a non-confidential basis prior to receipt by the disclosing party; (d) Information that is independently developed without access to the Disclosing Party's Confidential Information; and (e) Information disclosed under legal compulsion; provided, however, that prior to a disclosure pursuant to an order or applicable law, the Receiving Party, to the extent permitted by law, promptly provides the other party written notice of such proposed disclosure and reasonably cooperates with the other party in its attempts to limit or prevent such disclosure. The Receiving Party will use the Confidential Information solely for the performance of this Agreement and will not disclose or permit access to Confidential Information other than to its Affiliates and its or their employees, officers, directors, attorneys, accountants and financial advisors (including insurers) (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the performance of this Agreement; (b) know of the existence and terms of this Agreement and (c) are bound by

confidentiality obligations no less protective of the Confidential Information than the terms contained herein. These non-disclosure obligations will survive the termination of this Agreement and will continue for a period of five (5) years thereafter. Information need not be marked “Confidential” to be considered Confidential Information. “Confidential Information” includes any Confidential Information disclosed prior to the effective date of this Agreement. Any subcontractor retained pursuant to Section 2.6 will adhere to this Section 8 as it regards to Confidential Information that comes into its possession.

- 8.2 **Protection of Confidential Information.** The Receiving Party will safeguard the Confidential Information from unauthorized use, access or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. The Receiving Party will promptly notify Disclosing Party of any unauthorized use or disclosure of Confidential Information and take all reasonable steps to cooperate with Disclosing Party to prevent further use or disclosure. The Receiving Party will be responsible for any breach of this Agreement caused by its Representatives. Neither party will disclose the terms of this Agreement or any Service Order to any third party other than to its Affiliates, legal counsel and accountants without the other party’s prior written consent, provided that a party that makes any such disclosure to its affiliate, legal counsel or accountants will remain responsible for such affiliate’s, legal counsel’s or accountant’s compliance with this Section 8.2.
- 8.3 **No Rights in Confidential Information.** Customer and Landis+Gyr hereby acknowledge and agree that all Confidential Information of the other party will remain the sole and exclusive property of such other party and that the receiving party will have no proprietary rights, title or interests therein except as otherwise provided in this Agreement.

9. Personal Data Privacy

- 9.1 **Personal Data Privacy.** Customer acknowledges that Landis+Gyr may, where Customer acts as a data controller and Landis+Gyr as data processor in relation to any Personal Data under this Agreement, processes Personal Data in accordance with Landis+Gyr Cloud Data Processing available at <https://www.landisgyr.com/landisgyr-data-processing-terms/>.

10. Security Requirements; Audits

- 10.1 **Security Requirements.** Landis+Gyr will employ security measures in accordance with Landis+Gyr’s security requirements available at <https://www.landisgyr.com/securityterms>. The process described therein will be used when there are Security Incidents or critical vulnerabilities discovered that impacts or potentially impacts Landis+Gyr or Customer.
- 10.2 **Audits.**
- 10.2.1 Landis+Gyr shall provide to Customer, on at least an annual basis, Landis+Gyr’s review of the controls placed in operation and a test of operating effectiveness, as defined by Statement of Standards for Attestation Engagement No. 18, Reporting on Controls at Service Organizations (“SSAE-18”), or any standards amending or replacing SSAE 18 for covered Services defined by Landis+Gyr for or on behalf of Customer and issue SOC 1 (Type II) report and SOC 2 (Type II) reports thereon (collectively, “SOC Reports”).
- 10.2.2 Landis+Gyr shall provide to Customer Landis+Gyr ISO Certifications for Information Security Management Systems standards (ISO/IEC 27001).

10.2.3 Reports and certification audits shall be performed by Landis+Gyr's external auditors. Landis+Gyr shall address and rectify any deficiencies found in any SOC Report review.

11. Disaster Recovery

11.1 Disaster Recovery. Landis+Gyr will maintain reasonably prudent business resumption and disaster recovery plans and procedures. Upon request, Customer will have the right to review a summary of Landis+Gyr's then current plan. Landis+Gyr will test the operation and effectiveness of the plan at least annually. Upon request, Landis+Gyr will provide Customer with an annual summary audit report for disaster recovery effectiveness. If such tests reveal material deficiencies in the plan Landis+Gyr will respond with steps that will be taken to mitigate recovery deficiencies within a reasonable time frame. Landis+Gyr reserves the right to make the changes as required to the Disaster Recovery plan.

12. Mutual Indemnification

12.1 Indemnification by Landis+Gyr. Subject to this Agreement, Landis+Gyr shall defend and indemnify Customer against any loss or damage (including reasonable attorneys' fees) incurred in connection with claims, demands, suits, or proceedings ("**Claims**") made or brought against Customer by a third party alleging that the use of the base SaaS Services as contemplated hereunder infringes a United States patent or copyright of a third party and pay all damages finally awarded by a court of competent jurisdiction attributable to such claim, or agreed to in a settlement by Landis+Gyr; provided, that Customer (a) promptly gives written notice of the Claim to Landis+Gyr; (b) gives Landis+Gyr sole control of the defense and settlement of the Claim; and (c) provides to Landis+Gyr all available information, assistance and authority to defend; and (d) not have compromised or settled such proceeding without Landis+Gyr's prior written consent. Should the SaaS Services become, or in Landis+Gyr's opinion be likely to become, the subject of a claim for which indemnity is provided hereunder, Landis+Gyr will in its sole discretion either: (a) obtain for Customer the right to use the SaaS Services; or (b) replace or modify the SaaS Services so that it becomes non-infringing.

12.2 Indemnification by Customer. Subject to this Agreement, Customer shall defend and indemnify Landis+Gyr against any loss or damage (including reasonable attorneys' fees) incurred in connection with Claims made or brought against Landis+Gyr by a third party alleging that the Customer Data, the intellectual property rights of, or has otherwise harmed, a third party or breaches of the policy governing the acceptable use of the systems and the use restrictions listed in Section 4.2; provided, that Landis+Gyr (a) promptly gives written notice of the Claim to Customer; (b) gives Customer sole control of the defense and settlement of the Claim (provided that Customer may not settle or defend any Claim unless it unconditionally releases Landis+Gyr of all liability); and (c) provides to Customer, at Customer's cost, all reasonable assistance.

12.3 Exceptions from Indemnification. Landis+Gyr will have no liability for any infringement or claim which results from: (a) use of the SaaS Services in combination with any non-Landis+Gyr-provided or -recommended hardware, software, or data if such infringement or claim would not have occurred but for such combination; (b) Landis+Gyr's development of any Customer-specific changes or modifications to the SaaS Services or Other Services at Customer's request or instruction; or (c) use of the SaaS Services in a manner prohibited under this Agreement, in a manner for which the Cloud Software was not designed, or in a manner not in accordance with the Documentation if such infringement or claim would not have occurred but for such use. This Section states Landis+Gyr's entire liability, and Customer's sole remedy, with respect to any claim of infringement.

13. Limitations of Liability

- 13.1 EXCLUSION OF DAMAGES. EXCEPT AS OTHERWISE PROVIDED IN SECTION 13.3, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, PUNITIVE DAMAGES, OR DAMAGES FOR LOSS OF PROFITS/REPUTATIONAL HARM, REVENUE, DATA OR USE INCURRED BY THE OTHER PARTY OR ANY THIRD PARTY WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 13.2 CAP ON MONETARY LIABILITY. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT, WHETHER ARISING UNDER OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EXCEED ONE (1) TIMES TOTAL AMOUNTS ACTUALLY PAID TO LANDIS+GYR UNDER THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.
- 13.3 Exceptions. The exclusions and limitations in Section 13.1 and Section 13.2 do not apply to:
- 13.3.1 Losses arising out of or relating to a party's failure to comply with its obligations under Section 7 (Intellectual Property Rights) or Section 8 (Confidentiality); or
- 13.3.2 Losses arising out of or relating to a party's gross negligence or more culpable conduct, including any willful misconduct or intentional wrongful acts.

14. Warranties; Disclaimer

- 14.1 Mutual warranty. Each party warrants that it has the status, authority and capacity to enter into this Agreement.
- 14.2 Landis+Gyr Warranty. Landis+Gyr warrants that (i) it will provide the Services in a professional workmanlike manner consistent with general industry standards reasonably applicable to the provision thereof; (ii) that the SaaS Services will perform materially in accordance with the Documentation, and be available in accordance with the SaaS Services Availability Target, and (iii) it owns or otherwise has sufficient rights to the SaaS Services to grant the rights and licenses granted herein.
- 14.3 Additional Customer Warranty. Customer represents, warrants and covenants to Landis+Gyr that:
- (a) Customer owns or otherwise has and will have the necessary rights, legal grounds and consents in and relating to the Customer Data so that, as received by Landis+Gyr and processed in accordance with this Agreement, Customer does not and will not infringe, misappropriate or otherwise violate any Intellectual Property Rights, or any Applicable Data Privacy Laws or other rights of any third party or violate any applicable Law; and
- (b) prior to Customer's delivery to Landis+Gyr of any Customer Data that is outside of the Landis+Gyr Systems, Customer will implement and maintain current industry state-of-the-

art IT security and anti-virus measures to detect, prevent and remove Harmful Code, and to prevent the spread of Harmful Code between the Parties when accessing and/or exchanging data or software through the Interfaces or any other network connectivity.

14.4 DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED HEREIN, LANDIS+GYR MAKES NO REPRESENTATIONS, WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. LANDIS+GYR HEREBY SPECIFICALLY DISCLAIMS ALL IMPLIED REPRESENTATIONS WARRANTIES, OR CONDITIONS INCLUDING ANY REPRESENTATION, WARRANTY OR CONDITION OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. LANDIS+GYR DOES NOT WARRANT THAT THE OPERATION OF THE SAAS SERVICES OR CLOUD SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE OR THAT THEY WILL BE SUITABLE FOR OR MEET THE REQUIREMENTS OF CUSTOMER.

15. General Provisions.

15.1 Force Majeure Events. Neither party will be liable in damages or have the right to terminate this Agreement for any reasonable delay or default in performing under this Agreement if such delay or default is caused by conditions beyond the party's reasonable control, including without limitation acts of God, natural disasters, pandemics, war or other hostilities, labor disputes, civil disturbances, governmental acts, orders or regulations or failures or fluctuations in electrical power, heat, lights, air conditioning or telecommunications equipment (each of the foregoing, a "**Force Majeure Event**"), provided that the non-performing party is without fault in causing such condition. Subject to the party so delaying promptly notifying the other party in writing of the reason for the delay and the likely duration of the delay, the performance of the delaying party's obligations, to the extent affected by the delay, will be temporarily suspended during the reasonable period of time that the cause persists, provided that if performance is not resumed within thirty (30) days after that notice, the non-delaying party may by notice in writing immediately terminate this Agreement.

15.2 Export. Each party shall comply with all Export Control Laws, executive orders or regulations applicable to its performance under this Agreement.

15.3 Independent Contractor. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement will be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party will have authority to contract for or bind the other party in any manner whatsoever.

15.4 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder, other than routine communications having no legal effect, will be in writing and addressed to the parties as follows (or as otherwise specified by a party in a notice given in accordance with this Section):

If to Landis+Gyr:

Landis+Gyr Technology, Inc.
30000 Mill Creek Avenue, Suite 100
Alpharetta, GA 30022
Attn: Legal Department

If to Customer:

Kerrville Public Utility Board
2250 Memorial Blvd.
Kerrville, TX 78029
Attn: Howard Hall

Facsimile: 830-257-8078

Notices sent in accordance with this Section 15.4 will be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile with confirmation of transmission, if sent during normal business hours of the recipient, and on the next business day, if sent after normal business hours of the recipient; or (d) on the fifth (5th) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

- 15.5 Headings. The headings in this Agreement are for reference only and will not affect the interpretation of this Agreement.
- 15.6 Entire Agreement. This Agreement (including all Service Orders and other Schedules and Exhibits) contains the entire agreement of the parties and supersedes all previous oral and written communications by the parties, concerning the subject matter of this Agreement. This Agreement may be amended solely in a writing signed by both parties. Standard or printed terms contained in any purchase order or sales confirmation are deemed rejected and shall be void unless specifically accepted in writing by the party against whom their enforcement is sought; mere commencement of work or payment against such forms shall not be deemed acceptance of the terms.
- 15.7 Assignment. Neither party will assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Agreement without the other party's prior written consent, which consent will not unreasonably be withheld or delayed. Any purported assignment, delegation or transfer in violation of this Section 15.7 is void. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective permitted successors and assigns.
- 15.8 No Third-party Beneficiaries. This Agreement is an agreement between the parties, and confers no rights upon either party's employees, agents, contractors, partners of customer or up any other person or entity.
- 15.9 Waiver. No waiver shall be effective unless it is in writing and signed by the waiving party. The waiver by either party of any breach of this Agreement shall not constitute a waiver of any other or subsequent breach.
- 15.10 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable, that term shall be reformed to achieve as nearly as possible the same effect as the original term, and the remainder of this Agreement shall remain in full force.
- 15.11 Governing Law; Submission to Jurisdiction. This Agreement shall be governed by the laws of the State of Georgia, without regard to Georgia's conflict of laws principles and each party irrevocably submits to the exclusive jurisdiction and venue of the federal and state courts located Fulton County. The Uniform Computer Information Transactions Act does not have any application to

this Agreement. The parties expressly exclude the United Nations Convention on Contracts for the International Sale of Goods from application to this Agreement.

- 15.12 Waiver of Jury Trial. Each party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.
- 15.13 Equitable Relief. The Parties will be entitled to seek injunctive or other equitable relief whenever the facts or circumstances would permit a party to seek equitable relief in a court of competent jurisdiction.
- 15.14 Attorneys' Fees. In the event that any action, suit, or other legal or administrative proceeding is instituted or commenced by either party hereto against the other party arising out of or related to this Agreement, the prevailing party will be entitled to recover its reasonable attorneys' fees, expert witness fees and out-of-pocket and court costs from the non-prevailing party.
- 15.15 Limitations on Actions. No actions, regardless of form, arising from the transactions under this Agreement, may be brought by either party more than two (2) years after the cause of action has accrued.
- 15.16 Schedules and Exhibits. All Schedules that are referenced herein and attached hereto, or are signed by both parties on or after the Effective Date, are hereby incorporated by reference. The following Schedules and Exhibits are attached hereto and incorporated herein:

Schedule A Service Level Agreement and Support Services

Schedule B Service Order; Pricing

Landis+Gyr may update the terms set forth in Schedules A and B provided the updates do not (a) result in a material degradation of the overall security of the SaaS Service; (b) expand the scope of or remove any restrictions on Landis+Gyr's Processing of Customer Data as described in the Landis+Gyr Cloud Data Processing and Security Terms, or (c) have a material adverse impact on Customer's rights in this Agreement. Such updates may be sent via a customer information letter (CIL).

- 15.17 Landis+Gyr is and shall remain in compliance with all of the laws and Executive Orders prohibiting discrimination, including but not limited to Title VII of the Civil Rights Act of 1964 as amended, the Civil Rights Act of 1991, 42 USC 2000(e), et seq., and all applicable state and local laws against discrimination.
 - 15.17.1 Landis+Gyr and Subcontractor, if any, shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to regard to race, color, sex, gender, sexual orientation, LGBTQ+ status, gender identity, gender expression, pregnancy, marital status, religion, creed, national origin, ancestry, age, mental or physical disability, genetic information, medical condition, military or veteran status, or any other class or status protected by law.

15.18 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement and will become effective and binding upon the parties as of the Effective Date at such time as all the signatories hereto have signed a counterpart of this Agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission (to which a signed PDF copy is attached) will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date by their duly authorized representatives.

Landis+Gyr Technology, Inc.

Kerrville Public Utility Board

By:

By:

Name:

Name: Mike Wittler

Title:

Title: General Manager & CEO

Date:

Date: 04/19/2023

Landis+Gyr Technology, Inc.

By:

Name:

Title:

Date:

SCHEDULE A
SERVICE LEVEL AGREEMENT
AND
SUPPORT SERVICES

All capitalized terms that are not defined in this Schedule will have the respective meanings given to such terms in the SaaS Agreement.

1. Definitions. For purposes of this Schedule the following terms have the meanings set forth below.

“**Error**” means any reproducible material error or defect in the SaaS Services that causes it not to conform in material respects to the Documentation.

“**Error Corrections**” means modifications that correct Errors.

“**Service Levels**” means the defined Error severity levels and corresponding required service level responses and response times referred to in the Service Level Table.

“**Service Level Table**” means the table set out in Section 2.4.

“**Support Period**” means the Service Order Term as set forth in the applicable Service Order.
2. Availability Requirement. Subject to the terms and conditions of the SaaS Agreement and this Schedule, Landis+Gyr will use commercially reasonable efforts to make the SaaS Services Available, as measured over the course of each calendar month during the Support Period and any additional periods during which Landis+Gyr does or is required to perform any SaaS Services(each such calendar month, a “**Service Period**”), at least 99.5% of the time, excluding only the time the SaaS Services are not Available solely as a result of one or more Exceptions (“**Availability Requirement**”). “**Available**” means the SaaS Services are available and operable for normal access and use by Customer and its Authorized Users over the Internet in material conformity with the Documentation.
- 2.1 Exceptions. No period of SaaS Service degradation or inoperability will be included in calculating Availability Requirement to the extent that such downtime or degradation is due to any of the following (“**Exceptions**”):
 - (a) Customer's use of the SaaS Services not in accordance with Permitted Uses;
 - (b) failures of Customer's or its Authorized Users' Internet connectivity;
 - (c) internet or other network traffic problems other than problems arising in or from networks actually or required to be provided or controlled by Landis+Gyr or its Subcontractor;
 - (d) Customer's or any of its Authorized Users' failure to meet any minimum hardware or software requirements set forth in the Documentation;
 - (e) Force Majeure Event;

- (f) Failure, interruption, outage or other problem with any software, hardware, system, network, facility or other matter not supplied by Landis+Gyr pursuant to the SaaS Agreement or this Schedule.
- (g) Scheduled Downtime;
- (h) Suspension or termination of the SaaS Services pursuant to Section 3.4 of the SaaS Agreement; or
- (i) Time down required to install an emergency patch for a security vulnerability or similar emergency.

3. Support and Maintenance Services. Landis+Gyr will provide Landis+Gyr’s standard maintenance and support services for the SaaS Services (collectively, “**Support Services**”) during the support hours throughout the Support Period in accordance with the terms and conditions of this Schedule and the SaaS Agreement. The Support Services are included in the Services, and Landis+Gyr will not assess any additional fees, costs or charges for such Support Services.

3.1 Support Service Responsibilities. Landis+Gyr will:

- (a) respond to Support Requests in accordance with the Service Levels;
- (b) provide responsive telephone or email support as set forth in Section 3.6.
- (c) Provide online access to technical support bulletins and other user support information and forums, to the full extent Landis+Gyr makes such resources available to its other customers.

3.2 Service Monitoring and Management. Landis+Gyr will continuously monitor and manage the SaaS Services to optimize Availability (defined herein) that meets or exceeds the Availability Requirement. Such monitoring and management will include:

- (a) proactively monitoring on a twenty-four (24) hour by seven (7) day basis all SaaS Service, infrastructure and other components of SaaS Service security;
- (b) if such monitoring identifies, or Landis+Gyr otherwise becomes aware of, any circumstance that is reasonably likely to threaten the Availability of the SaaS Service, taking all necessary and reasonable remedial measures to eliminate such threat and ensure Availability;
- (c) if Landis+Gyr receives knowledge that the SaaS Service or any SaaS Service function or component is not Available (including by notice from Customer pursuant to the procedures set forth herein or in the applicable Service Order):
 - i. Landis+Gyr will confirm the outage by a direct check of the associated facility or facilities;
 - ii. if Landis+Gyr's facility check in accordance with clause (i) above confirms a SaaS Service outage in whole or in part: (A) notifying Customer pursuant to the procedures set forth herein or in the applicable Service Order that an outage has occurred, providing such details as may be available, including a Landis+Gyr trouble ticket number, if appropriate, and time of outage; and (B) working all problems causing and

caused by the outage until they are resolved as Critical Service Errors in accordance with the Support Request Classification set forth in the Service Level Table.

- iii. Landis+Gyr will continuously maintain the SaaS Services to optimize Availability that meets or exceeds the Availability Requirement. Such maintenance services will include providing to Customer and its Authorized Users:
 - a. such updates, bug fixes, enhancements, new releases, new versions and other improvements to the SaaS Service, that Landis+Gyr provides at no additional charge to Landis+Gyr's other similarly situated customers. Specific upgrades are set forth in the applicable Service Order; and
 - b. all such services and repairs as are required to maintain the SaaS Services or are ancillary, necessary or otherwise related to Customer's or its Authorized Users' access to or use of the SaaS Service, so that the SaaS Services operate properly in accordance with this Agreement and the Documentation.

3.3 Scheduled Downtime. Landis+Gyr will use commercially reasonable efforts to: (a) schedule downtime for routine maintenance of the Services outside of the hours of 7:00 AM – 7:00 PM Central Standard Time, Monday – Friday and (b) notify Customer at least 48 hours (via email) prior notice of all scheduled outages of the Services (“**Scheduled Downtime**”).

3.4 Service Levels.

Response times will be measured from the time Landis+Gyr receives a Support Request until the respective times Landis+Gyr has responded to that Support Request. Landis+Gyr will respond to all Support Requests within the following times based on Landis+Gyr's designation of the severity of the associated Error, in accordance with the Table below, subject to the parties' written agreement to revise such designation after Landis+Gyr's investigation of the reported Error and consultation with Customer:

Description of Incident	Supported	Initial Response	Subsequent Response	Target Restoration	Escalation
<p>Severity 1 (Critical)</p> <ul style="list-style-type: none"> Production system is completely down or unavailable. Business critical applications or service severely impacted for which there is no reasonable work-around an error with no reasonable work-around that results in a complete disruption of daily work during a project or upgrade, a non-production environment issue that severely impacts system use and jeopardizes the ability to meet project schedule. <p>Severity Level 1 issues must be reported by phone.</p>	Non-stop 24/7/365	Within 60 minutes	every 2 hours	24 hours	<p>Supervisor: Immediately Manager: 30 minutes Director: 1 hour VP: at Director's discretion</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>

Description of Incident	Supported	Initial Response	Subsequent Response	Target Restoration	Escalation
<p>Severity 2 (High)</p> <ul style="list-style-type: none"> production system is functioning/available but significantly impacted with limited capabilities, or is unstable with major periodic interruptions significant degradation in performance major system feature/function failure for which there is no reasonable work-around during a project or upgrade, a non-production environment issue that meets the above definitions where resolution is needed to meet business objectives and the ability to meet project schedule. 	<p>As needed</p> <p>24/7/365</p>	<p>Within 4 hours</p>	<p>1 calendar day</p>	<p>7 calendar days</p>	<p>Supervisor: 1 hour Manager: 2 hours Director: at Manager's discretion VP: at Director's discretion</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>
<p>Severity 3 (Medium)</p> <ul style="list-style-type: none"> production system is still functioning but capabilities are moderately impacted, or the system is unstable with minor periodic interruptions or a minor loss of product functionality there is a low to medium impact to business functions but it is manageable using a reasonable work-around. 	<p>During business hours</p>	<p>1 Business Day</p>	<p>3 Business Days</p>	<p>15 Business days</p>	<p>If unable to be resolved, Severity 3 issues will be escalated to appropriate levels of leadership at the utilities request</p> <p>Customer may escalate at any time it feels unacceptable progress is being made.</p>

Description of Incident	Supported	Initial Response	Subsequent Response	Target Restoration	Escalation
Severity 4 (Low) <ul style="list-style-type: none"> general usage question, request for information, reporting of a documentation error, or recommendation for a future product enhancement or modification. There is low-to-no impact on the business or the performance or functionality of the system. 	During business hours	3 Business Days	5 Business Days	As decided jointly between the business and utility	If unable to be resolved, Severity 4 issues will be escalated to appropriate levels of leadership at the utilities request. Customer may escalate at any time it feels unacceptable progress is being made.

In order for Landis+Gyr to meet Target Response Times outlined above, Landis+Gyr customers should make contact via telephone to report Severity 1 (Critical) or Severity 2 (High issues). Any resolution of such Cases may take the form of a written response, supplementary documentation, work-around, coding change, product patch, or other correctional aids, which Landis+Gyr will provide to Customer. Landis+Gyr will respond to and investigate any suspected Incident in the Cloud Software within the time provided above. Resolution of such Incidents may take the form of a written response, supplementary documentation, work-around, coding change, product patch, or other correctional aids, which Landis+Gyr will provide to Customer.

Should business requirements call for a more customized level of support, Landis+Gyr also offers Premium Support packages, which include dedicated technical support, client management and executive dashboard views to open technical views and more. Premium Support includes discounted rates for additional Smart Grid service offerings as well. Pricing for Premium Support is based on an agreed scope of work based on the options selected and can be quoted upon request.

3.5 Support Requests and Customer Obligations.

- (a) Support Requests. Customer may request Support Services by way of a Support Request. Customer will classify its requests for Error corrections in accordance with the severity levels classifications and definitions of the Service Level Table set forth in Section 3.4 (“**Support Request**”). Customer will notify Landis+Gyr of each Support Request by e-mail, telephone or such other means as the parties may agree to in writing. Customer will include in each Support Request a description of the reported Error and the time Customer first observed the Error. Customer agrees that Landis+Gyr may transfer Customer Data to any of Landis+Gyr’s Affiliates subsidiaries or group entities for customer support purposes even when such entities may be located outside the United States or Canada.
- (b) Customer Obligations. Customer will, by and through its employee or consultants provide Landis+Gyr with:
 - i. prompt notice of any Errors; and
 - ii. each of the following to the extent reasonably necessary to assist Landis+Gyr to reproduce operating conditions similar to those present when Customer detected the relevant Error and to respond to the relevant Support Request:
 - a. direct access to the Customer Systems and the Customer’s files and personnel;
 - b. output and other data documents and information, each of which is deemed Customer’s Confidential Information as defined in the SaaS Agreement; and
 - c. such other reasonable cooperation and assistance as Landis+Gyr may request.

3.6 Service Desk Contact Information. Landis+Gyr will provide Customer with access to the Service Desk. Landis+Gyr’s current Service Desk business hours are 7:00 AM to 6:00 PM Central Time, Monday through Friday, excluding Landis+Gyr observed holidays (available upon request) and weekends (“**Business Hours**”). In addition, emergency access to on-call personnel via Landis+Gyr’s Emergency Dispatch Service will be provided by Landis+Gyr from 6:01 PM through 6:59 AM, and 24 hours per day on weekends and holidays. Landis+Gyr will provide advanced

troubleshooting, via telephone or e-mail, as deemed necessary by qualified Landis+Gyr Personnel, to resolve Customer issues.

3.7 Submission Method. Customer can contact the Service Desk through:

- i. Telephone direct dial-in at 888.390.5733;
- ii. Customer support portal, or
- iii. E-mail at support.na@landisgyr.com

All contact information is subject to change and update by delivery of notice and by posting on the Landis+Gyr Website at www.landisgyr.com.

4. Backup and Recovery. The SaaS Services do not replace the need for Customer to maintain regular data backups or redundant data archives. Landis+Gyr will conduct or have conducted at minimum, daily backups of Customer Data and perform or cause to be performed other periodic backups (snapshots, differential backups, etc.). At least one (1) backup will be stored online (directly accessible). Such copy will be less than one (1) week old and may be overwritten as it is replaced with newer backups. Weekly backups are stored for a minimum of one (1) month. Monthly backups are stored in a separate location for a minimum of one (1) year.

5. Business Continuity and Disaster Recovery Protection. Landis+Gyr will maintain an ongoing Business Continuity (“**BC**”) program (that includes Risk Assessment) and Disaster Recovery (“**DR**”) program for the SaaS Services and implement such plan in the event of unplanned interruption of the SaaS Service.

6. Communications. In addition to the mechanisms for giving notice specified in the SaaS Agreement, unless expressly specified otherwise in this Schedule or the SaaS Agreement, the parties may use e-mail for communications on any matter referred to herein.

SCHEDULE B
RESTATED
SERVICE ORDER NO. 1 AND PRICING

This Restated Service Order No. 1 (this “Service Order”) is part of and incorporated into the Amended and Restated SaaS Agreement. All capitalized terms that are not defined in this Schedule will have the respective meanings given to them in the SaaS Agreement. In the event of any conflict between the body of the SaaS Agreement and this Service Order B, the terms of this Service Order will govern.

SCOPE OF SERVICE. Landis+Gyr will provide Customer with access to Services on the terms and conditions set forth in the SaaS Agreement. Landis+Gyr will provide Services that will enable Customer to access the Cloud Software.

1. **Service(s) Description**

The Cloud Software provided to Customer consists of the following items:

- Command Center Production Environment (or its successor)
- Advanced Security
- Command Center Disaster Recovery Environment (or its successor)
- Command Center Test/Dev Environment (or its successor)

2. **Service Term**

The initial term for this Service Order begins on the Effective Date and ends sixty (60) months thereafter (the “**Initial Service Order Term**”).

Upon expiration of the Initial Service Order Term, this Schedule B will automatically renew for successive three (3) year periods (each a “**Renewal Term**” and together with the Initial Service Order Term, the “**Service Order Term**”), unless a party provides the other party with written notice of its intent not to renew this Service Order at least ninety (90) days prior to the expiration of the then current term.

3. **Service Fee**

- 3.1 The SaaS Services Fees, payable by Customer to Landis+Gyr, for the duration provided are shown in the table(s) below (the “**Initial Service Fees**”):

Command Center Pricing Table RF MESH

Command Center Pricing up to 25,000 Endpoints	Monthly Fee Year 1	Year 2	Year 3	Year 4	Year 5
10k-25k	\$1,995.00	\$2,850.00	\$3,705.00	\$3,705.00	\$3,705.00

For endpoints over 25,000 monthly SaaS Services Fees will be invoiced as shown below:

Tier	Price / Month
25,000 – 50,000	\$5,955.00
50,000 – 100,000	\$9,455.00

Should Customer’s Endpoint population exceed 100,000 Endpoints, the parties will define an applicable SaaS Services Fee.

4. Price Increases

Following the Initial Service Fee duration, Landis+Gyr is entitled to increase its Fees annually, with the policy to follow the amount of increase in the Consumer Price Index – All Urban Consumers of the Bureau of Labor Statistics of the U.S. Department of Labor for U.S. for All Items with Base Years 1982-1984=100. Those increases will be measured applying the twelve (12) month period ending in the month for which the most recent index results are available as of that anniversary of the Effective Date. In addition to this, Landis+Gyr is entitled to increase Fees once a year with an additional percentage on top of it with a maximum of 5%. Not raising fees is not a waiver of Landis+Gyr’s right to do so.

If Customer does not agree with this additional percentage, Customer has the possibility to object in writing within 30 days of receiving notice of this additional increase in Fees. Should Customer object timely, the Parties will discuss solutions.

5. Summary of Services Included in Service Order

Services are detailed in the SaaS Agreement. Services specific to this Service Order are detailed below:

- 5.1 Project Coordination. To the extent applicable, Landis+Gyr will provide a project coordinator to provide direction to Customer relating to Services such as during an Upgrade deployment. Customer to provide primary point of contact to work with the project coordinator.
- 5.2 Installation and Configuration. Installing the Cloud Software in the cloud setup with standard configurations. Custom configurations are available for an additional fee as detailed in an applicable SOW.

- 5.3 Upgrades; End of Support. Landis+Gyr and Customer will mutually agree on an Upgrade schedule for Cloud Software. Services include at least one (1) Cloud Software Upgrade per calendar year. Customer agrees to remain on a Supported Release of Cloud Software. Cloud Software DOES NOT INCLUDE any application or tools software running on local Customer computers or other Customer equipment. Customer acknowledges that new features may be added to the SaaS Services based on market demand and technological innovation. Accordingly, as Landis+Gyr develops enhanced versions of the SaaS Service, Landis+Gyr may cease to maintain and support older versions of the Cloud Software (“**EOS**”). Landis+Gyr will use commercially reasonable efforts to provide Support Services with respect to older version of the Cloud Software that may accompany the SaaS Service. Landis+Gyr shall have no obligation to support Cloud Software outside of Landis+Gyr’s stated EOS policy for the applicable Cloud Software. Such EOS policies shall be made available to Customer either in the accompanying Documentation or upon request and are subject to update from time to time in Landis+Gyr’s reasonable discretion with no less than a twelve (12) month EOS notification period.
- 5.4 Integration(s). Landis+Gyr will provide integrations to third party systems for an additional fee as detailed in the applicable SOW.
- 5.5 Data Availability. Landis+Gyr will make available on a live basis at least 45 days of Customer Data. Data older than 45 days will be archived and available to Customer upon request (additional fees may apply). Archive data will be retained for a minimum of one (1) year unless otherwise mutually agreed upon.
- 5.6 Process Pass Through Fees. Landis+Gyr will process and invoice Customer for any mutually agreed upon pass through fees as applicable such as communication fees.

6. **Customer Responsibilities:**

- 6.1 Conduct Network Gateway Field Maintenance. Customer will perform field maintenance work on the Meters/modules and Network Gateways. This includes, but is not limited to, updating the Network Gateway, and Field Tools software to the latest version.
- 6.2 Interface Billing data to Customer Billing System. Customer is responsible for executing the Billing Extract file utilizing the functionality built into the Cloud Software and loading it into Customer’s billing system. Customer is also responsible for any exception processing that is associated with endpoints that do not have billing data available for a particular billing cycle window.
- 6.3 Provide Network Gateway Communication. Customer is responsible for purchasing and physically maintaining all Network Gateway communications infrastructure as applicable.
- 6.4 Administer Login and Passwords. Customer is responsible for assigning security officer(s), administering all Software logins and passwords, to provide Customer-selected configurations and to maintain access rights for the Customer’s employees.
- 6.5 Support Utility Consumer. Customer is responsible for handling all support for Customer’s own end-use consumers. Landis+Gyr will not provide any support regarding billing inquiries or any other matter for end-use consumers.
- 6.6 Install and Upgrade Endpoint Programmer Software. Customer is responsible to load and maintain Endpoint Programmer Software on desired hardware at Customer’s location including Tech Studio and other field tools.

- 6.7 Loading Files. Customer is responsible for loading MMF (Meter Manufacture Files), IIF (Interchange File Format) and CIF (Customer Information Files) files to Cloud Software.
- 6.8 Application Administration. Customer is responsible to provide Customer-selected configurations and maintain access rights.
- 6.9 Application Operations. Customer is responsible to provide daily business operations of the Cloud Software monitoring jobs; reporting; coordination of issues, etc.
- 6.10 IT coordination. Customer is responsible to coordinate management of interfaces to connected Customer Systems.
- 6.11 Upgrades. Customer is responsible to validate upgrades to Cloud Software.
- 6.12 No Collection or Storage of PII. The Services under this Service Order does not collect nor store Personal Data (also referred to as PII). Customer agrees that it will not send or provide Landis+Gyr access to any PII, whether in data or any other form. Customer agrees to be fully responsible for reasonable costs and other amounts that Landis+Gyr may incur relating to any such information mistakenly provided to Landis+Gyr or the loss or disclosure of such information by Landis+Gyr, including those arising out of any third-party claims. Should Customer mistakenly provide PII to Landis+Gyr, Customer will immediately notify Landis+Gyr in writing in accordance with the notice provisions herein, and reasonably cooperate with Landis+Gyr to take any mitigating actions deemed necessary to remove such PII from the Landis+Gyr Systems. Should Customer wish to utilize PII, it will enter into a separate Service Order for Landis+Gyr's Meter Data Management System Cloud Software.

MEMORANDUM

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

From: Robby McCutcheon

Date: April 10, 2023

Re: Agenda Item No. 7C.4—Approval and Reporting of Purchases and Sales

E. Backup Operations Center Dell Servers and Storage Area Network

Submitted for your consideration and review is the recommendation to purchase four new Dell PowerEdge R650 servers, a Dell PowerStore 1000T storage area network (SAN), and VMware vCenter Server Standard. This equipment will replace the current virtual environment at the Backup Operations Center (BOC). This equipment is compatible with what we have at the main office and will provide the ability to replicate data between the two locations. The proposal utilizes the National Cooperative Purchasing Alliance Contract (NCPA) and includes five years of support and implementation services. Staff recommends the issuance of a purchase order in the amount of \$140,207.00. This project is budgeted for \$250,000.

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

Sincerely,



Robby McCutcheon
Director of Information Technology

Project Proposal

Disaster Recovery Quote
Quote # 3154, Version 1



Prepared by

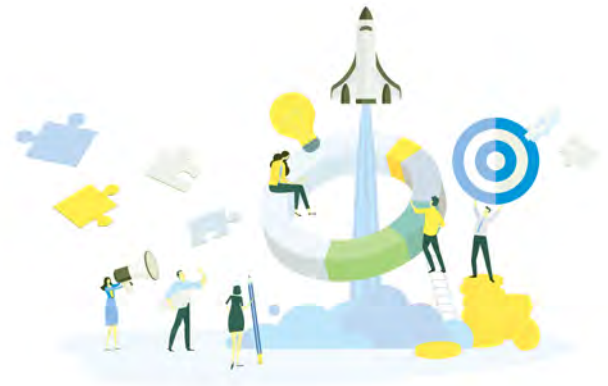
Luke Leger
Regional Sales Director
The [RE]DESIGN Group
lleger@redesign-group.com

Prepared for

Robby McCutcheon
Manager of IT
Kerrville PUB
rmccutcheon@kpub.com

[RE]DESIGN

The Future Belongs to the Curious



Kerrville PUB | Disaster Recovery Quote
Quote # 3154, Version 1

Delivered: April 5, 2023
Valid through: May 3, 2023



Prepared by
Luke Leger
The [RE]DESIGN Group
2629 Manhattan Ave, Suite 307
Hermosa Beach, CA 90254
lleger@redesign-group.com

Prepared for
Robby McCutcheon
Manager of IT
Kerrville PUB
rmccutcheon@kpub.com

Contract Code

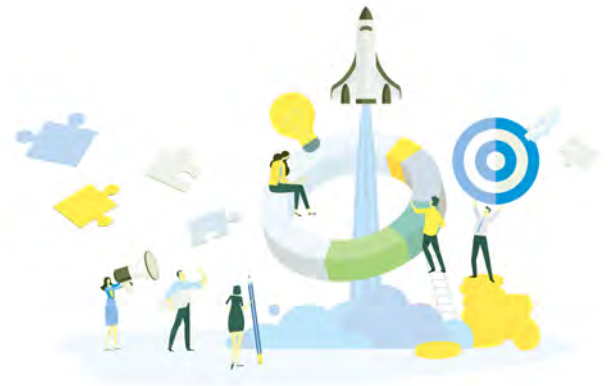
Description	Qty
Contract Code: NCPA 01-42 - C000000978662	

Servers

Description	Price	Qty	Ext. Price
BUILD (4) Poweredge R650 + 60M ProSupport	\$51,067.00	1	\$51,067.00
210-AYJZ PowerEdge R650 Server		4	
379-BEIC 8x2.5 Front Storage		4	
379-BDSS SAS/SATA Backplane		4	
379-BDTE No Rear Storage		4	
461-AAIG Trusted Platform Module 2.0 V3		4	
321-BGHM 2.5" Chassis with up to 8 Hard Drives (SAS/SATA), 1 PCIe Slot, 1 CPU		4	
338-CBXH Intel Xeon Gold 6336Y 2.4G, 24C/48T, 11.2GT/s, 36M Cache, Turbo, HT (185W) DDR4-3200		4	
374-BBBX No Additional Processor		4	
412-AAVN Heatsink for 1 CPU configuration (CPU more than 165W)		4	

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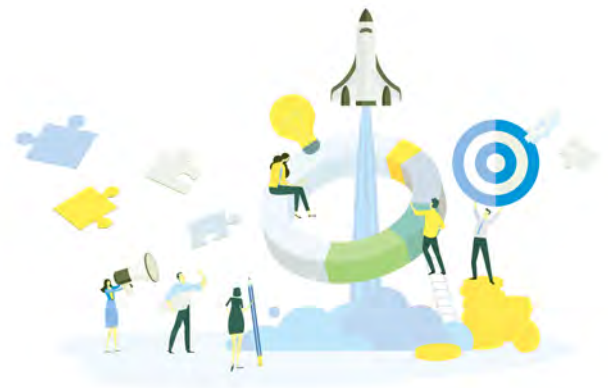


Servers

Description	Price	Qty	Ext. Price
370-AAIP	Performance Optimized	4	
370-AEVR	3200MT/s RDIMMs	4	
780-BCDS	Unconfigured RAID	4	
405-AAUZ	PERC H745 Controller, Front	4	
750-ACFR	Front PERC Mechanical Parts, front load	4	
384-BBBL	Performance BIOS Settings	4	
800-BBDM	UEFI BIOS Boot Mode with GPT Partition	4	
750-ADIF	3 High Performance Fans for 1 CPU	4	
450-AIQX	Dual, Hot-plug, Power Supply Redundant (1+1), 800W, Mixed Mode, NAF	4	
330-BBRQ	Riser Config 0, 1CPU, Half Length, Low Profile, 1 x16 Slot	4	
329-BFGW	PowerEdge R650 Motherboard with Broadcom 5720 Dual Port 1Gb On-Board LOM	4	
528-CRVW	iDRAC9 Datacenter 15G	4	
528-CTZH	OpenManage Enterprise Advanced Plus	4	
540-BCOC	Broadcom 57414 Dual Port 10/25GbE SFP28, OCP NIC 3.0	4	
325-BECJ	LCD Bezel	4	
350-BCEI	Luggage Tray x8 and x10 Chassis, R650	4	
403-BCMB	BOSS-S2 controller card + with 2 M.2 480GB (RAID 1)	4	
403-BCNP	BOSS Cables and Bracket for R650	4	
350-BBXM	No Quick Sync	4	
379-BCSG	iDRAC,Legacy Password	4	

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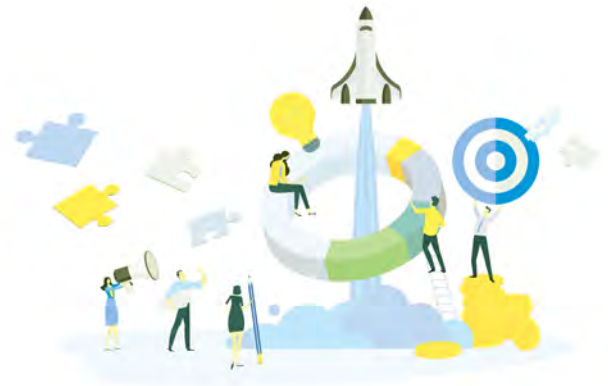


Servers

Description	Price	Qty	Ext. Price
379-BCQY	iDRAC Group Manager, Disabled	4	
634-BWZG	VMware ESXi 7.0 U3 Embedded Image (License Not Included)	4	
605-BBFN	No Media Required	4	
770-BDMT	Cable Management Arm	4	
770-BECD	ReadyRails Sliding Rails Without Cable Management Arm or Strain Relief Bar	4	
631-AACK	No Systems Documentation, No OpenManage DVD Kit	4	
340-CUQR	PowerEdge R650 Shipping	4	
340-CUQO	R650 Ship 8x2.5	4	
343-BBQY	R650 Dell/EMC label (BIS) for 2.5" Chassis	4	
389-DYHX	PowerEdge R650 CCC Marking, No CE Marking	4	
817-BBBB	Custom Configuration	4	
366-0192	Std Bios Setting A/C Power Recovery On	4	
366-0193	Std Bios Setting Power Management* - Maximum Performance	4	
853-2137	Dell Hardware Limited Warranty Plus Onsite Service	4	
853-2140	ProSupport Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 3 Years	4	
853-2144	ProSupport Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 2 Years Extended	4	
853-2159	ProSupport Mission Critical 7x24 Technical Support and Assistance 5 Years	4	
975-3462	Dell Limited Hardware Warranty Plus Service, Extended Year(s)	4	
989-3439	Thank you choosing Dell ProSupport. For tech support, visit //www.dell.com/support or call 1-800- 945-3355	4	

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Servers

Description	Price	Qty	Ext. Price
825-8623		4	
366-8125		4	
370-AEVP		32	
400-AXSW		4	
492-BBDI		8	
540-BDGV		4	
210-BFMR		1	
528-CUXG		1	
883-0876		1	
808-4210		1	
929-3709		1	
935-6720		1	

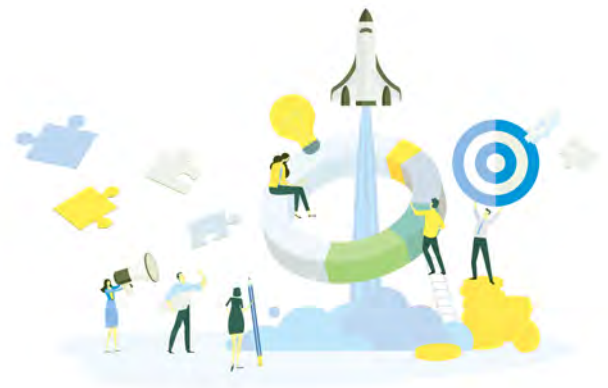
Subtotal: **\$51,067.00**

Storage

Description	Price	Qty	Ext. Price
BUILD			
(1) Powerstore 1000T NVMe Array + 60M ProSupport Mission Critical	\$89,140.00	1	\$89,140.00
210-ASTZ		1	
370-AEZP		1	
379-BEIQ		1	

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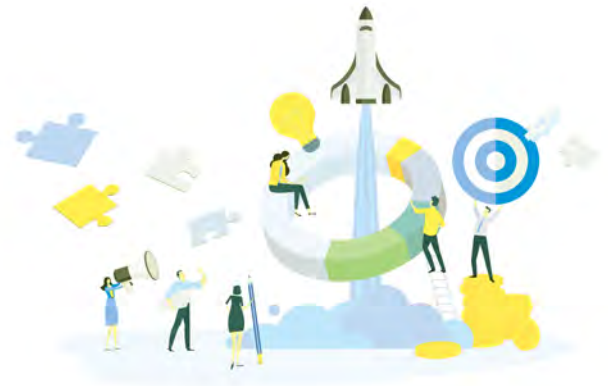


Storage

Description	Price	Qty	Ext. Price
528-BTZK PowerStore Base SW		1	
406-BBOO 25GBE OPTICAL 4 PORT CARD PAIR		1	
450-AIOO Dual 2200W (100-120V) PSU, incl C19/C20 PWR Cords, Requires Cust Supplied Step Up Transformer		1	
343-BBMR BASE UNIT CONFIG KIT		1	
800-BBQV Informational Purposes Only		1	
379-BDPD ISG Product (info)		1	
800-BBQV Informational Purposes Only		1	
876-2885 Dell Hardware Limited Warranty		1	
876-2892 ProSupport Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 3 Years		1	
876-2894 ProSupport Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 2 Years Extended		1	
876-2897 ProSupport Mission Critical 7x24 Technical Support and Assistance 5 Years		1	
955-9041 Dell Hardware Limited Warranty Plus On Site Service Extended Year		1	
989-3439 Thank you choosing Dell ProSupport. For tech support, visit //www.dell.com/support or call 1-800- 945-3355		1	
825-8623 Certified Deployment Partner T1 or Distributors		1	
400-BGGI P1 25X2.5 NVME SED SSD 1.92TB		11	
470-ADUI 3M PASSIVE 25G TWINAX CABLE QTY 2		7	
828-4821 ProSupport: Mission Critical 4-Hour 7x24 On-Site Low Capacity SSD Add -On, 5 Years		11	
210-ATXO AppSync for PowerStore		1	

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Storage

Description	Price	Qty	Ext. Price
900-9997 On-Site Installation Declined		1	
828-5768 ProSupport Mission Critical for AppSync Starter Pack Software Support Contract 5 Years		1	
528-BYHF AppSync Str Pk for PowerStore=CB		1	
828-5724 ProSupport Mission Critical for AppSync Starter Pack Software Support Maintenance 5 Years		1	
		Subtotal:	\$89,140.00

Implementation

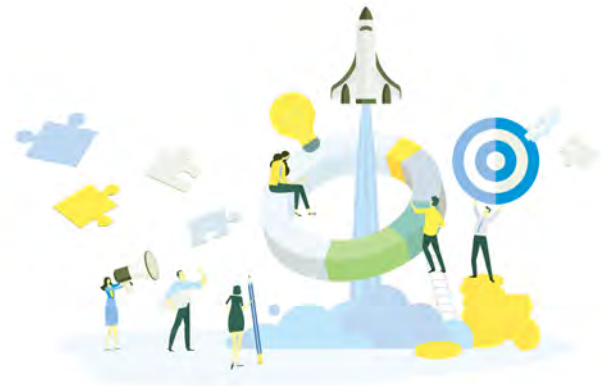
Description	Price	Qty	Ext. Price
IMPLEM (1) Onsite Resource for Comprehensive, White-Glove Implementation - Included	\$0.00	1	\$0.00
		Subtotal:	\$0.00

Contract Code

Description	Qty
Contract Code: NCPA 01-42 - C000000978662	

[RE]DESIGN

The Future Belongs to the Curious



Kerrville PUB | Disaster Recovery Quote

Quote # 3154, Version 1

Delivered: April 5, 2023
Valid through: May 3, 2023

Quote Summary

Description	Amount
Servers	\$51,067.00
Storage	\$89,140.00
Implementation	\$0.00
Total: \$140,207.00	

Acceptance of this Quote is binding and the above item(s) will be purchased in reliance thereon. All sales are final. After orders are placed, a final invoice will be provided that shall include all applicable taxes, shipping charges, and payment terms not included herein. Any invoice amounts not timely paid will be subject to a daily interest charge, at the prorated amount of 1.5% per month, or at the highest interest rate allowable under California law. By signing below, the above-named Company, acting under due and proper authority, hereby agrees that this Quote constitutes a binding Agreement with The [RE]DESIGN Group.

The [RE]DESIGN Group

Kerrville PUB

Signature: _____

Signature: _____

Name: Phil Sanginario

Name: _____

Title: _____

Date: _____

Date: _____

MEMORANDUM

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

From: Mike Wittler

Date: April 12, 2023

Re: Item 7C.5 — EPC Purchase for Hunt Radio Tower Civil Work

Staff is recommending the approval of a purchase order to Schneider Engineering for a total of \$75,000 to:

- Provide engineering and drawings for three foundations at the Hunt radio site.
- Provide project management over and take responsibility for the construction of the foundations.

LCRA approached KPUB and Schneider to see if we could take care of the foundation installations to help keep the radio system project on schedule. We have made an agreement with LCRA to remove these costs from our agreement with them to provide radio services. This will provide us with good experience with the EPC concept which may be useful for future substation projects. EPC means Schneider Engineering accepts all the responsibility on a project including project management, engineering, material and quality control, procurement, warranty, expediting, construction and construction oversight.

For the construction work Schneider contacted Power Standard, Lambda Construction and Packett Construction and selected Power Standard based on cost and availability.

I will be happy to address any questions from the Board regarding the recommended purchase order to Schneider Engineering.

Thanks,



Mike Wittler, P.E.



PROPOSAL
COMMUNICATIONS FOUNDATIONS
ENGINEERING, PROJECT MANAGEMENT & CONSTRUCTION

PREPARED FOR
Kerrville Public Utility Board
2250 Memorial Blvd, Kerrville, Texas 78028

MARCH 22, 2023

CLIENT:	Kerrville Public Utility Board
PROJECT:	Communications Foundations

SCOPE OF WORK:

Schneider Engineering, LLC (SE) is pleased to present this proposal to provide turnkey engineering, project management and construction for each foundation to support 1 – 10 x 10 communication shelter, 1 – 3 x 6 propane generator and 1 – 3 x 8 propane tank.

Services / tasks associated with the engineering services will include the following:

Engineering

SE to provide:

- Updated layouts showing added foundations and added ground tails for the equipment to be installed
- Foundation details for the equipment enclosure, backup generator, and fuel tank
- Delivery of IFC drawings within 3 weeks of receipt of information required from Kerrville Public Utility Board and notice to proceed
- Additional details can be furnished at additional cost on a per-project basis (Fence and gate updates, conduit and cable additions, etc.)

Required from Kerrville Public Utility Board for each installation:

- Existing drawings affected by the additions in CAD format (station layout, foundation layout, grounding layout, etc.)
- Any available soil borings/geotechnical information for the site
- Any required conduit penetrations for the foundations

Project Management & Construction

SE to provide:

- Project management
- Clear and stockpile top rock from approximately 50’ x 50’ work area
- Install foundations for communications enclosure, backup generator, and fuel tank
- Locate existing ground grid and install two ground tails at each foundation. Connect to grid using compression or exothermic weld connectors
- Restore site and spread stockpiled top rock over the work area

Required from Kerrville Public Utility Board for each installation:

- Kerrville Public Utility Board to provide reasonable access to the station
- Kerrville Public Utility Board to locate and mark existing underground utilities
- SE to follow 811 notification protocols

CLARIFICATIONS / EXCEPTIONS:

- Pricing assumes all excavation in fill material or existing soil material. No rock excavation is included, but can be performed at additional cost
- Pricing assumes existing ground grid is within 20' of each foundation. Longer ground tails can be installed at additional cost
- Pricing assumes installation site is within 100 mile radius of Austin, Tx
- Pricing assumes ready-mix concrete is available within 30 miles of the job site
- Pricing assumes working at a single site with one mobilization and one de-mobilization
- If multiple sites are awarded in close proximity to each other, mobilization costs can be reduced.
- If requested, Schneider Engineering can provide 1 – 10 x 10 communication shelter, 1 – 3 x 6 propane generator and 1 – 3 x 8 propane tank, for cost of the equipment + 17%

COST PROPOSAL:

Schneider Engineering, LLC will perform the services under this agreement and further described in the above referenced Scope of Work. SE will provide itemized invoices for services performed. Services will be billed on an hourly/work performed basis, plus reimbursable expenses. Fees will be based on actual work performed. The total price to complete the above referenced Scope of Work is **\$75,000** with the following breakdown:

Engineering: \$8,000
Project Management & Construction: \$67,000

Schneider Engineering appreciates the opportunity to provide the Kerrville Public Utility Board with our proposal to engineer, project manage and construct the foundations for the communication shelter and associated equipment as referenced above.

Regards,

David T. Jenkins, '79
V.P. Business Development

djenkins@se-texas.com

(281) 615-5683

Schneider Engineering, LLC

TX Reg. #F-1594

191 Menger Springs Parkway – Boerne, TX 78006

830.249.3887 | www.se-texas.com



MEMORANDUM

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

From: Amy Dozier

Date: April 12, 2023

Re: Agenda Item No. 8 – Financial Report

Attached please find financial statements for the month of March 2023.

Highlights include:

- **\$82K increase in net position** for the month, **\$1.1M increase** in net position on a year-to-date (YTD) basis, which is \$434K better than budget. Operating income is slightly better than budget (\$35K). The majority of the positive variance is due to better than budgeted investment income (\$320K) and higher than anticipated capital contributions (\$69K).
- **\$4.0M in operating revenue** for the month, **\$23.3M** on a YTD basis.
 - Halfway through the fiscal year, operating revenue is 1.75% lower than expected. This is due to lower than expected kWh sales (4.1% lower) caused by mild weather offset by slightly higher than expected cost per kWh.
- **\$3.9M in operating expense** for the month, **\$22.4M** on a YTD basis.
 - Halfway through the fiscal year, operating expense is 1.97% better than budget due to slightly higher than budgeted purchased power costs offset by lower than budgeted costs in all other operating expense categories. Staffing vacancies, mutual aid deployments (New Smyrna Beach and CTEC), and timing of several large expenses (tree trimming and radio purchases) are contributing to the positive variance.
- **\$8K in operating income** for the month, **\$873K in operating income** on a YTD basis.
- **\$4.0M in over collection of power cost adjustment** as of 3/31/2023, a **decrease of \$450K** from the prior month, but still up \$198K for the year.
- **\$32.2M invested** in investment pools and an investment account at Happy State Bank. The investment account at Happy State Bank is completely liquid, fully collateralized, and earning 4.85% as of April 12, 2023. Rates on the investment pool accounts have risen with LOGIC currently earning 4.98% and TexPool earning 4.80%.

The Power Cost Adjustment (PCA) was set at \$102.50 in November. On a YTD basis, actual power costs equate to a power cost adjustment factor of \$100.06. Management recommends keeping the PCA at \$102.50 for April due to ongoing price volatility and continued pending litigation.

Also attached for your review are the following reports:

- Quarterly listing of vendor payments over \$10,000
- Quarterly listing of payments to a single vendor that have totaled over \$10,000 in the past 12 months
- Listing of surplus items sold through online auctions from June 2022 through March 2023. These items primarily became surplus as a result of the building remodel project.

Sincerely,

A handwritten signature in black ink that reads "Amy Dozier". The signature is written in a cursive style and is placed on a light gray rectangular background.

Amy Dozier
Director of Finance

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended March 31, 2023
(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	\$ 2,266,161	\$ 2,177,866	\$ 88,294	4.05%	\$ 2,731,024	\$ (464,864)	-17.02%
Commercial/Industrial	1,623,529	1,371,010	252,519	18.42%	1,602,108	21,421	1.34%
Sales to Public Authorities	21,763	21,500	263	1.22%	21,581	182	0.84%
Other	42,679	65,092	(22,413)	-34.43%	39,901	2,777	6.96%
TOTAL OPERATING REVENUES	3,954,131	3,635,468	318,663	8.77%	4,394,615	(440,484)	-10.02%
OPERATING EXPENSES:							
Purchased Power	2,875,566	2,567,758	(307,808)	-11.99%	3,107,443	231,877	7.46%
Distribution	363,942	369,921	5,979	1.62%	309,946	(53,996)	-17.42%
Customer Accounts	45,058	64,733	19,675	30.39%	36,692	(8,366)	-22.80%
Customer Service, Informational & Sales	17,312	35,157	17,845	50.76%	28,815	11,503	39.92%
Administrative Expenses	323,537	355,583	32,047	9.01%	300,821	(22,715)	-7.55%
Depreciation & Amortization	320,791	324,735	3,945	1.21%	312,078	(8,713)	-2.79%
TOTAL OPERATING EXPENSES	3,946,206	3,717,888	(228,317)	-6.14%	4,095,795	149,590	3.65%
OPERATING INCOME (LOSS)	7,926	(82,420)	90,346	-109.62%	298,820	(290,894)	-97.35%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	135,056	60,417	74,639	123.54%	10,773	124,283	1153.69%
Interest Income - City of Kerrville	13,929	13,929	0	0.00%	15,000	(1,071)	-7.14%
Interest Expense	(9,112)	(9,986)	874	-8.75%	(9,620)	508	-5.28%
City of Kerrville - General Fund Transfer	(122,676)	(110,877)	(11,799)	10.64%	(132,161)	9,485	-7.18%
City of Ingram - Franchise Fee	(2,516)	(3,105)	589	-18.96%	(3,199)	682	-21.33%
Other - Net	6,575	2,667	3,909	146.57%	3,483	3,092	88.78%
TOTAL NONOPERATING REVENUES (EXP)	21,256	(46,956)	68,211	-145.27%	(115,723)	136,979	-118.37%
INCOME BEFORE CONTRIBUTIONS	29,181	(129,376)	158,557	122.56%	183,096	(153,915)	-84.06%
CAPITAL CONTRIBUTIONS	52,729	25,000	27,729	110.91%	12,410	40,318	324.88%
CHANGE IN NET POSITION	\$ 81,910	\$ (104,376)	\$ 186,286	178.48%	\$ 195,507	\$ (113,597)	58.10%
NET POSITION AT BEGINNING OF MONTH	\$ 74,977,771				\$ 72,762,534		
NET POSITION AT END OF MONTH	\$ 75,059,681				\$ 72,958,041		

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended March 31, 2023
(Unaudited)

	Comparison to Budget				Comparison to Last Year		
	Year to Date	Year to Date Budget Amount	Variance		Year to Date Last Year Amount	Variance	
			Favorable (Unfavorable)	Percentage Variance		Favorable (Unfavorable)	Percentage Variance
OPERATING REVENUES:							
Residential	\$ 13,410,323	\$ 13,678,247	\$ (267,923)	-1.96%	\$ 12,755,704	\$ 654,620	5.13%
Commercial/Industrial	9,316,442	9,515,637	(199,194)	-2.09%	8,682,654	633,788	7.30%
Sales to Public Authorities	127,014	129,000	(1,986)	-1.54%	129,524	(2,510)	-1.94%
Other	447,048	392,888	54,160	13.79%	445,864	1,184	0.27%
TOTAL OPERATING REVENUES	23,300,828	23,715,772	(414,944)	-1.75%	22,013,746	1,287,082	5.85%
OPERATING EXPENSES:							
Purchased Power	16,135,180	15,772,186	(362,994)	-2.30%	14,713,553	(1,421,627)	-9.66%
Distribution	1,736,173	2,201,183	465,011	21.13%	1,736,168	(5)	0.00%
Customer Accounts	311,173	362,781	51,608	14.23%	272,099	(39,073)	-14.36%
Customer Service, Informational & Sales	153,587	208,770	55,183	26.43%	145,592	(7,995)	-5.49%
Administrative Expenses	2,171,351	2,392,996	221,645	9.26%	2,034,085	(137,266)	-6.75%
Depreciation & Amortization	1,920,807	1,940,465	19,658	1.01%	1,851,457	(69,350)	-3.75%
TOTAL OPERATING EXPENSES	22,428,269	22,878,380	450,111	1.97%	20,752,954	(1,675,315)	-8.07%
OPERATING INCOME (LOSS)	872,559	837,391	35,167	4.20%	1,260,792	(388,233)	-30.79%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	682,701	362,500	320,201	88.33%	43,277	639,424	1477.52%
Interest Income - City of Kerrville	87,857	87,857	0	0.00%	90,000	(2,143)	-2.38%
Interest Expense	(53,861)	(59,339)	5,478	-9.23%	(59,254)	5,393	-9.10%
City of Kerrville - General Fund Transfer	(719,506)	(722,348)	2,842	-0.39%	(661,711)	(57,795)	8.73%
City of Ingram - Franchise Fee	(16,990)	(20,293)	3,302	-16.27%	(16,852)	(138)	0.82%
Other - Net	14,125	16,000	(1,875)	-11.72%	16,424	(2,299)	-14.00%
TOTAL NONOPERATING REVENUES (EXP)	(5,674)	(335,622)	329,949	-98.31%	(588,116)	582,443	-99.04%
INCOME BEFORE CONTRIBUTIONS	866,885	501,769	365,116	72.77%	672,675	194,210	28.87%
CAPITAL CONTRIBUTIONS	219,094	150,000	69,094	46.06%	175,030	44,064	25.17%
CHANGE IN NET POSITION	\$ 1,085,979	\$ 651,769	\$ 434,210	66.62%	\$ 847,706	\$ 238,273	28.11%
NET POSITION AT BEGINNING OF YEAR	\$ 73,973,702				\$ 72,110,335		
NET POSITION AT END OF MONTH	\$ 75,059,681				\$ 72,958,041		

Kerrville Public Utility Board
Balance Sheet
As of March 31, 2023

Assets and Deferred Outflows	March 31, 2023 (Unaudited)		September 30, 2022	Net Position, Liabilities and Deferred Inflows	March 31, 2023 (Unaudited)		September 30, 2022		
Utility Plant:									
Utility Plant in Service	\$	95,648,363	\$	93,982,686	Total Net Position	\$	75,059,681	\$	73,973,702
Less: Accumulated Depreciation		(47,382,245)		(46,827,910)					
Net Utility Plant in Service		48,266,118		47,154,776					
Construction Work in Progress		1,874,202		1,834,762	Liabilities:				
Total Utility Plant		50,140,320		48,989,538	Current Liabilities:				
Restricted and Noncurrent Assets:					Current Maturities of Long-Term Liabilities	449,108		437,108	
Customer Deposits		475,044		463,149	Accrued Interest Payable	43,847		48,046	
Interest and Sinking Fund		223,861		434,802	Accounts Payable - Purchased Power	10,817,424		10,817,424	
Emergency, Repair, Replace, Contingency Fund		3,663,378		3,585,091	Accounts Payable - Other	741,553		1,369,794	
Advance to City of Kerrville, net of current portion		5,892,858		6,428,572	Over Collection of Power Cost Adjustment	4,043,954		3,846,149	
Net Pension Asset		677,020		677,020	Total Current Liabilities	16,095,886		16,518,522	
Total Restricted and Noncurrent Assets		10,932,161		11,588,634	Noncurrent Liabilities:				
Current Assets:					2013 Revenue Bonds, net of current portion	2,413,000		2,847,000	
Revenue Fund:					Lease Liability	108,000		108,000	
Cash and Cash Equivalents		534,401		606,004	Customer Deposits	475,044		463,149	
Investments		23,092,550		23,084,450	Interest on Customer Deposits	2,502		2,437	
Less: Customer Deposits		(475,044)		(463,149)	Total OPEB Liability	382,619		382,619	
Total Revenue Fund		23,151,908		23,227,305	Total Long-Term Liabilities	3,381,165		3,803,205	
Construction Fund:					Total Liabilities	19,477,051		20,321,726	
Cash and Cash Equivalents		5,249		5,135	Deferred Inflows of Resources - Pension & OPEB	2,044,144		2,044,144	
Investments		1,488,801		1,456,985					
Total Construction Fund		1,494,049		1,462,120					
Rate Stabilization Fund:									
Investments		1,959,257		1,917,388					
Total Rate Stabilization Fund		1,959,257		1,917,388					
Long Term Rate Stabilization Fund:									
Investments		1,749,809		1,094,339					
Total Rate Stabilization Fund		1,749,809		1,094,339					
Customer Accounts Receivable, net of allowance		3,010,053		4,055,633					
Current Portion - Advance to City of Kerrville		1,071,428		1,071,428					
Materials and Supplies		1,279,892		1,135,750					
Other		890,227		895,666					
Total Current Assets		34,606,624		34,859,629					
Deferred Outflow of Resources - Pension & OPEB		901,771		901,771					
Total Assets and Deferred Outflows	\$	96,580,876	\$	96,339,572	Total Net Position, Liabilities and Deferred Inflows	\$	96,580,876	\$	96,339,572

Kerrville Public Utility Board
Invested Funds Detail
For the Month Ended March 31, 2023

	Date	Revenue Fund	Restricted					Total Funds Invested	
			Construction Fund	Rate Stabilization Fund	Long Term Rate Stabilization Fund	Debt Reserve Fund	Interest & Sinking Fund		Emergency Repair, Replacement & Contingency Fund
Beginning Fund Balance		\$ 23,000,964	\$ 1,482,743	\$ 1,951,286	\$ 1,742,689	\$ -	\$ 179,089	\$ 3,648,473	\$ 32,005,244
Withdrawals:									
Happy Investment - TML	03/01/23	(75,102)							(75,102)
Happy Investment - ERCOT	03/06/23	(108,100)							(108,100)
Happy Investment - TMRS	03/08/23	(74,774)							(74,774)
Happy Investment - ERCOT	03/14/23	(183)							(183)
Happy Investment - NextEra	03/16/23	(438,144)							(438,144)
Happy Investment - CPS	03/21/23	(1,349,384)							(1,349,384)
Happy Investment - DG Solar	03/23/23	(44,232)							(44,232)
Happy Investment - Concho Bluff	03/27/23	(36,911)							(36,911)
Happy Investment - Engie	03/28/23	(59,069)							(59,069)
Happy Investment - LCRA	03/29/23	(651,009)							(651,009)
Happy Investment - Garland	03/29/23	(323,372)							(323,372)
Investments:									
Happy Investment	03/06/23	600,000							600,000
Happy Investment	03/10/23	350,000							350,000
Happy Investment	03/14/23	500,000							500,000
Happy Investment	03/17/23	350,000							350,000
Happy Investment	03/20/23	500,000							500,000
Happy Investment	03/24/23	400,000							400,000
Happy Investment	03/31/23	500,000							500,000
Fund Balance after Withdrawals & Investments		23,040,685	1,482,743	1,951,286	1,742,689	-	179,089	3,648,473	32,044,965
Allocation of:									
Interest Income	03/31/23	95,900	6,057	7,972	7,119	-	737	14,905	132,691
Total Interest Allocation		95,900	6,057	7,972	7,119	-	737	14,905	132,691
Fund Balance After Allocations		23,136,585	1,488,801	1,959,257	1,749,809	-	179,827	3,663,378	32,177,657
Interfund Transfers :									
Debt Service	03/31/23	(44,035)					44,035		-
Ending Fund Balance		\$ 23,092,550	\$ 1,488,801	\$ 1,959,257	\$ 1,749,809	\$ -	\$ 223,861	\$ 3,663,378	\$ 32,177,657

Kerrville Public Utility Board
 Computation of the Monthly and Annual Debt Service Coverage
 For the Month Ended March 31, 2023

Description	Current Month	Fiscal Year	Previous 12 Months
CHANGE IN NET POSITION	\$ 81,910	\$ 1,085,979	\$ 2,087,898
PLUS:			
Interest Expense (net of amortizations)	9,112	53,861	114,927
Depreciation & Amortization Expense	320,791	1,920,807	3,823,684
Numerator	<u>411,813</u>	<u>3,060,646</u>	<u>6,026,509</u>
DIVIDED BY:			
Interest Expense (net of amortizations)	9,112	53,861	114,927
Principal Payment Due	36,167	216,000	427,000
Denominator	<u>\$ 45,279</u>	<u>\$ 269,861</u>	<u>\$ 541,927</u>
DEBT SERVICE COVERAGE RATIO	<u>9.10</u>	<u>11.34</u>	<u>11.12</u>

Minimum Requirement per Bond Covenant	1.35	times Debt Service
Minimum Requirement Established by KPUB Board for Good Business Practices	1.65	times Debt Service

KERRVILLE PUBLIC UTILITY BOARD
 PAYMENT REGISTER (EXCLUDES WIRES)
 INDIVIDUAL PAYMENTS > \$10,000
 JANUARY 1, 2023 TO MARCH 31, 2023

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
1	2572	1/26/2023 DD	13409	ALTEC INDUSTRIES, INC.	UNIT#3271 DIGGER DERRICK-REPLACE #3207	\$ 256,308.00
2	2656	3/9/2023 DD	628	JK BERNHARD CONSTRUCTION	KPUB WAREHOUSE REMODEL	218,303.50
3	2609	2/16/2023 DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-JANUARY	132,353.27
4	2653	3/9/2023 DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-FEBRUARY	124,670.74
5	2703	3/30/2023 DD	1147	LINETEC SERVICES LLC	OSMOSE REPLACEMENTS-WO#23002754	110,726.79
6	2595	2/2/2023 DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FRANCHISE FEE-DECEMBER	103,684.00
7	2538	1/5/2023 DD	17273	STUART C. IRBY COMPANY	URD 15KV SWITCHGEAR PADMOUNT(4)	96,649.44
8	2586	2/2/2023 DD	628	JK BERNHARD CONSTRUCTION	KPUB WAREHOUSE REMODEL=APPLICATION#2	83,527.19
9	2536	1/5/2023 DD	628	JK BERNHARD CONSTRUCTION	KPUB REMODEL-PROGRESS BILLING	83,390.91
10	2671	3/9/2023 DD	77	WESCO DISTRIBUTION, INC.	WIRE / CABLE	82,500.00
11	2612	2/16/2023 DD	1147	LINETEC SERVICES LLC	KPUB MISCELLANEOUS-WO4213613 CAMP MTG	78,759.32
12	2618	2/16/2023 DD	17273	STUART C. IRBY COMPANY	TRANSFORMERS	75,557.32
13	2713	3/30/2023 DD	77	WESCO DISTRIBUTION, INC.	TRANSFORMERS	73,351.52
14	2660	3/9/2023 DD	1702	OFFICESOURCE LTD	WAREHOUSE REMODEL-FURNITURE	68,315.23
15	2560	1/19/2023 DD	1147	LINETEC SERVICES LLC	KPUB MISCELLANEOUS-WO4107381 FLASHER/BB	60,335.45
16	2581	1/26/2023 DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	40FT CL 3 WOOD CREOSOTE POLES(29)	56,293.65
17	2594	2/2/2023 DD	77	WESCO DISTRIBUTION, INC.	SOCKETMETER W/ TEST SWITCH	40,863.04
18	135161	1/5/2023 CHK	110	LOWER COLORADO RIVER AUTHORITY	TRANSFORMERS	36,100.00
19	2681	3/16/2023 DD	17273	STUART C. IRBY COMPANY	114KVA VR RR50 REPLACEMENT(1)	36,044.80
20	135153	1/5/2023 CHK	426	CITY OF INGRAM	2% FRANCHISE/SURCHARGE FEES	35,922.04
21	2613	2/16/2023 DD	25169	NISC, INC.	SOFTWARE/ENGINEERING SUPPORT	31,600.43
22	2677	3/16/2023 DD	25169	NISC, INC.	MISCELLANEOUS BILLING SERVICES	30,476.85
23	2629	2/23/2023 DD	70	TECHLINE INCORPORATED	CABLE, CONNECTORS, INVENTORY ITEMS	26,639.26
24	2682	3/16/2023 DD	70	TECHLINE INCORPORATED	50' CL3 STEEL POLES(5)	26,365.10
25	2694	3/23/2023 DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	CREOSOTE POLES 60FT CL3(4)	24,853.50
26	2711	3/30/2023 DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	POLES, METERS, INVENTORY ITEMS	24,650.05
27	2705	3/30/2023 DD	52	MAXEY ENERGY COMPANY	FLEET DIESEL FUEL(3500)/UNLEADED(4499)	24,595.65
28	135245	2/9/2023 CHK	8804	DELL MARKETING L.P.	MANAGED DETECTION & RESPONSE 1YR	23,940.00
29	2706	3/30/2023 DD	1702	OFFICESOURCE LTD	KPUB WAREHOUSE REMODEL-FURNITURE	23,675.35
30	2628	2/23/2023 DD	17273	STUART C. IRBY COMPANY	TRANSFORMERS	22,155.66
31	2539	1/5/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	21,686.20

KERRVILLE PUBLIC UTILITY BOARD
 PAYMENT REGISTER (EXCLUDES WIRES)
 INDIVIDUAL PAYMENTS > \$10,000
 JANUARY 1, 2023 TO MARCH 31, 2023

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
32	2649	3/2/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	21,371.68
33	2647	3/2/2023 DD	70	TECHLINE INCORPORATED	BOX HANDHOLE W/PENTA HEAD	20,897.39
34	2627	2/23/2023 DD	45	KBS ELECTRICAL DISTRIBUTORS INC.	FUSELINK TYPE X 37.5	20,157.00
35	2664	3/9/2023 DD	17273	STUART C. IRBY COMPANY	TRIPLEX CABLE	20,016.00
36	135198	1/19/2023 CHK	15227	KERRVILLE RANCH AND PET CENTER	KPUB OPERATIONS-FR APPAREL SHIRTS/JEANS	19,954.05
37	135358	3/9/2023 CHK	1703	FSG, INC.	KPUB WAREHOUSE REMODEL-IT SERVICES	18,395.00
38	2601	2/9/2023 DD	17273	STUART C. IRBY COMPANY	3PH TRANSFORMER PADMOUNT 225KVA(1)	17,968.54
39	135431	3/27/2023 CHK	1715	RIVER CITY HYDRAULICS EQUIPMENT SALES	UNIT#3261-1 BOOM REPAIRS	17,852.27
40	2561	1/19/2023 DD	25169	NISC, INC.	ENGINEERING/SOFTWARE SUPPORT-DECEMBER	17,424.90
41	135365	3/9/2023 CHK	13717	SHI GOVERNMENT SOLUTIONS, INC.	KNOWBE4 TRAINING PLATFORM	16,591.46
42	2695	3/23/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	16,574.70
43	2648	3/2/2023 DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	POLES	16,167.80
44	2552	1/12/2023 DD	17273	STUART C. IRBY COMPANY	900A VBS 25KV VECTOR BRIDGES	15,680.88
45	2598	2/9/2023 DD	1568	BRYCOMM, LLC	BOC GATE ACCESS SYSTEM INSTALLATION BCLM	12,810.93
46	2617	2/16/2023 DD	5415	SCHNEIDER ENGINEERING, LLC	GENERAL SUBSTATION ENGINEERING	12,253.50
47	2632	2/23/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	12,082.80
48	2712	3/30/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	11,824.24
49	2548	1/12/2023 DD	25169	NISC, INC.	MISCELLANEOUS BILLING SERVICES-DECEMBER	11,614.47
50	2685	3/16/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	11,537.52
51	2569	1/19/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	11,454.72
52	2593	2/2/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	11,314.80
53	2555	1/12/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	10,540.50
54	2578	1/26/2023 DD	8601	SO FAST PRINTING, INC.	KPUB QUARTERLY NEWSLETTER	10,472.79
55	2534	1/5/2023 DD	8808	D L T SOLUTIONS, INC.	AUTOCAD-3 YR RENEWAL	10,291.10
56	2620	2/16/2023 DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	10,277.44
57	2576	1/26/2023 DD	45	KBS ELECTRICAL DISTRIBUTORS INC.	HOTLINE STIRRUP	10,042.00
TOTAL						<u>\$ 2,519,862.74</u>

KERRVILLE PUBLIC UTILITY BOARD
VENDOR PAYMENTS TOTALING OVER \$10,000
ROLLING 12 MONTHS ENDED MARCH 31, 2023

	VENDOR NAME	APR-JUNE 2022	JULY-SEPT 2022	OCT-DEC 2022	JAN 2023	FEB 2023	MAR 2023	GRAND TOTAL
1	CITY OF KERRVILLE	\$ 346,378.68	\$ 364,399.76	\$ 397,797.82	\$ 154.35	\$ 236,136.19	\$ 125,006.46	\$ 1,469,873.26
2	JK BERNHARD CONSTRUCTION	-	263,384.92	253,561.18	83,390.91	83,527.19	218,303.50	902,167.70
3	LINETEC SERVICES LLC	212,387.68	157,225.97	255,191.68	60,335.45	86,741.28	110,726.79	882,608.85
4	TEXAS ELECTRIC COOPERATIVES, INC.	278,750.57	93,708.29	99,967.14	57,028.65	2,266.45	83,181.59	614,902.69
5	STUART C. IRBY COMPANY	90,728.61	156,593.40	58,244.87	114,880.96	115,681.52	59,058.00	595,187.36
6	TOWNSEND TREE SERVICE COMPANY LLC	139,197.40	153,404.12	106,211.34	49,469.02	43,495.00	67,485.98	559,262.86
7	TECHLINE INCORPORATED	125,630.39	95,144.94	152,543.65	8,908.22	31,081.73	54,067.84	467,376.77
8	ALTEC INDUSTRIES, INC.	182,044.62	-	-	257,058.00	-	1,384.17	440,486.79
9	LOWER COLORADO RIVER AUTHORITY	15,209.26	2,661.59	363,573.99	36,100.00	6,334.18	6,000.00	429,879.02
10	NISC, INC.	95,075.66	92,388.48	109,053.86	29,039.37	31,600.43	31,726.85	388,884.65
11	WESCO DISTRIBUTION, INC.	13,461.17	14,280.02	36,371.94	-	40,863.04	156,417.52	261,393.69
12	TEXAS WILSON OFFICE FURNITURE	76,577.92	35,090.74	84,475.62	300.00	-	-	196,444.28
13	KBS ELECTRICAL DISTRIBUTORS INC.	34,723.75	39,254.95	48,774.78	21,748.05	20,157.00	1,463.00	166,121.53
14	OFFICESOURCE LTD	-	-	67,729.45	-	-	91,990.58	159,720.03
15	COMPUTER SOLUTIONS	49,709.16	27,284.23	76,253.78	125.00	-	-	153,372.17
16	TML INTERGOVERNMENTAL RISK POOL	-	-	147,903.80	-	-	-	147,903.80
17	SCHNEIDER ENGINEERING, LLC	34,798.74	39,455.01	28,274.59	14,141.97	12,253.50	11,948.75	140,872.56
18	MAXEY ENERGY COMPANY	34,652.41	30,355.13	28,210.91	-	-	24,595.65	117,814.10
19	OSMOSE UTILITIES SERVICES, INC	56,707.60	60,406.59	-	-	-	-	117,114.19
20	DELL MARKETING L.P.	1,441.63	77,759.73	-	-	26,240.00	-	105,441.36
21	PRIESTER-MELL & NICHOLSON, INC.	7,995.90	40,393.00	22,360.60	-	-	7,457.50	78,207.00
22	CITY OF INGRAM	-	34,447.34	-	35,922.04	-	-	70,369.38
23	KERRVILLE ECONOMIC DEVELOPMENT CORP.	-	-	62,500.00	-	-	-	62,500.00
24	COOPERATIVE RESPONSE CENTER, INC.	14,501.02	14,171.54	13,981.74	4,822.29	5,148.19	4,977.31	57,602.09
25	USIC LOCATING SERVICES, INC.	12,656.30	14,170.22	10,996.18	4,488.76	3,627.58	3,482.60	49,421.64
26	SO FAST PRINTING, INC.	9,813.36	10,392.82	10,811.86	12,822.79	-	-	43,840.83
27	LANDIS+GYR TECHNOLOGY INC	9,418.68	9,719.25	9,907.25	6,878.93	3,442.41	3,444.11	42,810.63
28	KRAUSS GARAGE	10,467.56	3,999.09	16,671.04	-	2,331.76	8,158.35	41,627.80
29	FIRETROL PROTECTION SYSTEMS	9,876.40	14,782.80	16,150.80	-	-	-	40,810.00
30	AMERICAN FIDELITY ASSURANCE CO	7,821.36	10,237.98	8,722.64	-	-	11,263.44	38,045.42
31	BOLINGER, SEGARS, GILBERT & MOSS,LLP	-	-	32,500.00	-	5,000.00	-	37,500.00
32	PROGRESSIVE EMERGENCY PRODUCTS	36,187.00	-	-	-	-	-	36,187.00
33	CONVERGINT TECHNOLOGIES LLC	31,576.40	88.20	-	3,433.50	-	-	35,098.10
34	THE SEGAL COMPANY(WESTERN STATES), INC.	-	-	35,000.00	-	-	-	35,000.00
35	SOLID BORDER, INC.	-	34,878.48	-	-	-	-	34,878.48

KERRVILLE PUBLIC UTILITY BOARD
VENDOR PAYMENTS TOTALING OVER \$10,000
ROLLING 12 MONTHS ENDED MARCH 31, 2023

	VENDOR NAME	APR-JUNE 2022	JULY-SEPT 2022	OCT-DEC 2022	JAN 2023	FEB 2023	MAR 2023	GRAND TOTAL
36	A3 STUDIO	15,550.00	17,011.21	1,880.00	-	-	-	34,441.21
37	FORD OF BOERNE	-	34,000.00	-	-	-	-	34,000.00
38	VERIZON WIRELESS	8,231.23	7,737.74	8,141.75	2,495.14	2,877.41	2,433.58	31,916.85
39	JUAN J MARTINEZ JR	7,380.00	7,895.00	7,810.00	2,925.00	2,740.00	2,940.00	31,690.00
40	METROPOLITAN LIFE INS. CO.	9,144.29	7,037.17	7,042.79	-	2,365.06	4,757.21	30,346.52
41	DAVIDSON TROILO REAM & GARZA	7,752.99	6,220.40	4,552.50	1,426.00	5,455.00	4,341.60	29,748.49
42	POWER QUALITY SALES	-	28,140.00	-	-	-	-	28,140.00
43	RAPID7 LLC	-	-	27,588.79	-	-	-	27,588.79
44	SURVALENT TECHNOLOGY INC	-	26,765.00	-	-	-	-	26,765.00
45	NATURESCAPE HILL COUNTRY LLC	11,194.50	5,528.00	4,899.00	-	1,480.00	410.00	23,511.50
46	KERRVILLE RANCH AND PET CENTER	503.65	343.00	-	22,086.05	-	-	22,932.70
47	ECOMPLIANCE INC	22,766.55	-	-	-	-	-	22,766.55
48	WILLIAMS SCOTSMAN, INC.	4,973.07	4,973.07	6,216.36	2,072.12	2,072.12	2,072.12	22,378.86
49	EDISTO BUSINESS RESOURCES	-	18,874.65	2,915.00	427.50	-	-	22,217.15
50	TEXAS PUBLIC POWER ASSOC.	5,000.00	16,928.00	-	-	-	-	21,928.00
51	GTS TECHNOLOGY SOLUTIONS, INC	-	18,595.97	-	-	-	-	18,595.97
52	FSG, INC.	-	-	-	-	-	18,395.00	18,395.00
53	HILL COUNTRY TELEPHONE COOPERATIVE, INC.	4,571.34	4,588.89	4,605.81	1,529.38	1,529.38	1,529.38	18,354.18
54	RIVER CITY HYDRAULICS EQUIPMENT SALES	-	-	-	-	-	17,852.27	17,852.27
55	SHI GOVERNMENT SOLUTIONS, INC.	-	-	-	-	-	16,591.46	16,591.46
56	RICHARD C DREISS	3,900.00	-	1,050.00	-	-	9,900.00	14,850.00
57	EDM INTERNATIONAL, INC	-	14,100.00	436.00	-	-	-	14,536.00
58	REPUBLIC SERVICES #859, INC.	3,900.33	3,241.60	2,933.77	1,202.64	1,156.97	1,201.73	13,637.04
59	BRYCOMM, LLC	-	-	-	-	12,810.93	-	12,810.93
60	ALL POINTS COMMUNICATIONS, INC.	5,522.75	2,221.07	394.00	472.60	2,046.36	2,048.05	12,704.83
61	D W ELECTRIC CO., INC.	7,467.00	4,152.00	-	-	-	908.39	12,527.39
62	THE BOOT STORE ON WHEELS	5,234.72	799.96	-	-	-	6,439.89	12,474.57
63	ALAMO 1	5,100.00	-	6,944.00	-	-	-	12,044.00
64	KERRVILLE DAILY TIMES, INC.	3,420.00	1,927.50	2,071.62	1,167.92	-	2,210.85	10,797.89
65	CARAHSOFT TECHNOLOGY CORPORATION	-	10,500.00	-	-	-	-	10,500.00
66	PAUL MARTINEZ	-	10,500.00	-	-	-	-	10,500.00
67	GREATBLUE RESEARCH, INC.	5,000.00	5,375.00	-	-	-	-	10,375.00
68	D L T SOLUTIONS, INC.	-	-	-	10,291.10	-	-	10,291.10
	TOTAL	\$ 2,074,401.65	\$ 2,147,533.82	\$ 2,643,223.90	\$ 847,143.71	\$ 790,460.68	\$ 1,176,171.52	\$ 9,678,935.28

Kerrville Public Utility Board
Surplus Items Sold Report
June 2022 to March 2023

	Description	Category	Buyer	Starting Bid	Sold Amount	Bids	Auction End Date	Paid
1	6 high back, 1 lower back meeting chairs	Furniture/Furnishings	Donald Schwarz	\$20.00	\$20.00	1	06/19/22	06/24/22
2	68 Guest/waiting room stackable chairs	Furniture/Furnishings	Ian Haliscak	\$1.00	\$52.00	13	07/05/22	07/05/22
3	Metal flat file cabinet for building plans, maps	Furniture/Furnishings	eric orr	\$10.00	\$10.00	1	06/19/22	06/20/22
4	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/26/22	06/26/22
5	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Howard Hall	\$1.00	\$1.00	1	06/26/22	07/07/22
6	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Howard Hall	\$1.00	\$1.00	1	06/26/22	07/07/22
7	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Howard Hall	\$1.00	\$1.00	1	06/26/22	07/07/22
8	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/26/22	06/26/22
9	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/26/22	06/26/22
10	5 Remote gate openers Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/28/22	06/28/22
11	5 Remote gate openers Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/28/22	06/28/22
12	5 Remote gate openers Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/28/22	06/28/22
13	Remote gate opener Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/28/22	06/28/22
14	5 Remote gate openers Brand: Nice Model ON2E/A	Vehicle Equipment/Parts	Ian Haliscak	\$1.00	\$1.00	1	06/28/22	06/28/22
15	Two drawer vertical filing cabinet	Furniture/Furnishings	ken becker	\$5.00	\$15.00	7	07/07/22	07/08/22
16	Adjustable metal shelves	Furniture/Furnishings	ken becker	\$5.00	\$40.00	12	07/07/22	07/08/22
17	Adjustable metal shelves	Furniture/Furnishings	ken becker	\$5.00	\$40.00	12	07/07/22	07/08/22
18	8 Particle board and laminate folding tables	Furniture/Furnishings	Grover Hawkins	\$20.00	\$20.00	1	07/14/22	07/14/22
19	Rolling Adjustable Stool	Furniture/Furnishings	Grover Hawkins	\$1.00	\$5.00	3	07/20/22	07/21/22
20	Older heavy wood office desk	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/20/22	07/24/22
21	Task Chair	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/23/22	07/24/22
22	Task Chair	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/23/22	07/24/22
23	Task Chair	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/23/22	07/24/22
24	Task Chair	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/23/22	07/24/22
25	Task Chair	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/23/22	07/24/22
26	Task Chair	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	07/23/22	07/24/22
27	Glass panel from cubicle system	Furniture/Furnishings	Grover Hawkins	\$1.00	\$1.00	1	08/03/22	08/03/22
28	4 drawer lateral file cabinet	Furniture/Furnishings	Grover Hawkins	\$1.00	\$3.00	2	08/03/22	08/03/22
29	4 drawer lateral file cabinet	Furniture/Furnishings	tommy goodman	\$1.00	\$1.00	1	08/03/22	08/03/22
30	Lot of 7 rolling Chairs	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	08/03/22	08/06/22
31	Office Credenza	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	08/03/22	08/06/22
32	Office Credenza with glass top	Furniture/Furnishings	Darrell Barker	\$1.00	\$1.00	1	08/03/22	08/06/22
33	Sentry Fireproof 4 drawer lateral file	Office Equipment/Supplies	Grover Hawkins	\$100.00	\$220.00	5	08/16/22	08/16/22

Kerrville Public Utility Board
 Surplus Items Sold Report
 June 2022 to March 2023

Description	Category	Buyer	Starting Bid	Sold Amount	Bids	Auction End Date	Paid
34 Metal shelf unit	Furniture/Furnishings	Grover Hawkins	\$1.00	\$1.00	1	08/17/22	08/17/22
35 Metal shelf unit with faux wood top	Furniture/Furnishings	Grover Hawkins	\$1.00	\$1.00	1	08/17/22	08/17/22
36 Mosler Safe	General Merchandise	Darrell Barker	\$50.00	\$210.00	7	09/29/22	10/02/22
37 Storage shelves, had been used for mail slots	Furniture/Furnishings	BILL harriss	\$5.00	\$13.00	4	10/31/22	10/31/22
38 Honeywell 20x30x1 A/C Filters	General Merchandise	BILL harriss	\$20.00	\$20.00	1	11/02/22	11/02/22
39 Laminate and particle wood book case	Furniture/Furnishings	GLYN Bittick	\$1.00	\$1.00	1	11/15/22	11/15/22
40 Laminate and particle wood book case	Furniture/Furnishings	GLYN Bittick	\$1.00	\$1.00	1	11/15/22	11/15/22
41 Laminate and particle wood book case	Furniture/Furnishings	GLYN Bittick	\$1.00	\$1.00	1	11/15/22	11/15/22
42 Laminate and particle wood book case	Furniture/Furnishings	GLYN Bittick	\$1.00	\$1.00	1	11/15/22	11/16/22
		TOTAL	\$302.00	\$887.00			

MEMORANDUM

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

From: Amy Dozier

Date: April 13, 2023

Re: Agenda Item No. 9 – Line Extension Policy

During the February 22, 2023 Board meeting we discussed recent material price increases, especially price increases related to transformers. This led to the Board requesting a review of KPUB's current line extension policy. Since that time, we have reviewed KPUB's policy, surveyed other utilities and consulted with a rate analyst at UFS. As a result of this analysis, we are proposing changes to KPUB's policy.

Significant changes to the current policy include:

1. The cost of transformers will now be included as part of the project cost estimate. This addresses the issue of the rising transformer costs as well as customers requesting larger transformers than required.
2. Rather than basing pricing on a certain number of free feet of overhead line extension, the pricing will be based on total estimated cost in excess of an allowance amount. Allowance amounts were determined using an approach that considers future distribution and customer charge revenue based on expected energy use.
3. Residential extension – Customer pays estimated costs in excess of \$2,000.
4. Single-phase commercial extension – Customer pays estimated costs in excess of \$3,000.
5. Three-phase commercial extension – Customer pays estimated costs in excess of either:
a) up-front \$3,000 allowance or b) a bill credit equal to \$3.50 per kW of monthly billed demand for 36 months.
6. Residential development (single-family and multi-family) – Customer pays estimated costs in excess of \$1,500 allowance per dwelling unit.
7. No changes to outdoor lighting or temporary service policy.

A summary of our survey of 12 nearby utilities is also included. Policies at other utilities vary. Three of the utilities (Austin Energy, City of Georgetown and Pedernales Electric Co-op) require the customer/member to pay all costs. Eight of the utilities offer an allowance generally ranging from \$1,500 to \$3,000 depending on the type of extension. Most utilities include the cost of the transformer as part of the estimated extension cost.

KPUB's proposed policy is not an outlier on either end. The proposed residential and single-phase commercial allowances are similar to other utilities that offer allowances. KPUB's proposed bill credit based on billed demand for large commercial customers is unique among utilities that offer an allowance. Demand for these customers is often hard to estimate, so we feel a credit based on billed demand is the most fair way to offer a revenue-based allowance for large customers.

Please find the following documents attached to this memo:

1. Resolution 23-06
2. Proposed policy - no mark up
3. Proposed policy – redline version
4. Line extension survey summary
5. UFS (rate analyst) recommendations

I am happy to answer any questions regarding the proposal.

Staff recommends approval of Resolution No. 23-06.

Sincerely,

A handwritten signature in black ink that reads "Amy Dozier". The signature is written in a cursive style and is placed on a light gray rectangular background.

Amy Dozier
Director of Finance

RESOLUTION NO. 23-06

A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD APPROVING AND ADOPTING THE LINE EXTENSION POLICY.

WHEREAS, the Kerrville Public Utility Board desires to provide reliable, safe and cost-effective electric service; and

WHEREAS, the Kerrville Public Utility Board extends service to customers within our service area at the request of the customer; and

WHEREAS, KPUB's current line extension policy is based on the LCRA policy in place when KPUB was purchased in 1987; and

WHEREAS, recent material price increases combined with an outdated methodology has created a need to revise KPUB's line extension policy; and

WHEREAS, management has surveyed area electric utility extension policies and engaged an independent rate consultant in order to prepare an updated Line Extension Policy to address these concerns;

BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:

Section 1. The Board approves and adopts the updated Line Extension Policy.

Section 2. By approval of this Resolution management is directed to implement the updated Line Extension Policy.

Section 3. This Resolution shall take effect on June 1, 2023.

PASSED, APPROVED AND ADOPTED on this 19th day of April, 2023

Mark Cowden, Chairman

ATTEST:

Larry Howard, Vice Chairman

EXTENSION OF ELECTRIC SERVICE

Line extensions are designed and installed on a case-by-case basis to accommodate the unique circumstances of each request. Construction allowances described below are developed by considering future revenue generated from projected energy use patterns over an expected length of service.

Ownership

KPUB shall have, at all times, complete ownership and control of the entire line constructed to serve any Customer, and shall have the right to serve other Customers from said line and/or any extension thereof, without obligation to refund any part of the payment for Contribution In Aid of Construction (CIAC) paid by Customer.

All meters, transformers, regulators, services, fixtures, etc., which are installed by KPUB upon the Customer's premises for the purpose of delivering electricity to the Customer remain the property of KPUB and may be repaired, replaced or removed by KPUB at any time.

Contribution in Aid of Construction (CIAC)

KPUB may require additional charges, prior to providing electric service, if the electric service requested by the Customer is not available at the service location, is other than that which KPUB usually provides, or if the service requested is not adequately compensated for by the applicable rate schedule.

CIAC Determination

The total estimated cost for an extension or expansion to include engineering, primary and secondary extension, transformers, materials, labor, right of way clearing, and any other costs associated with the extension shall be determined by KPUB based on an analysis of each project. KPUB's standard of service is based on the extension of overhead facilities. In cases where the Customer desires or is required to extend underground facilities, the Customer shall be responsible for the installation of trenches and conduit and the associated costs of such installation shall be fully paid by the customer. Any allowance for extension under this policy will not be applied to the cost of trenches and conduit.

Following a detailed analysis of the project, the total estimated cost will be provided to the Customer in a cost estimate letter, which is valid for 90 days. Prices and rates used to prepare the cost estimate shall be reviewed and adjusted at least annually. Any amount determined to be the Customer's responsibility shall be paid to KPUB in advance of construction.

CIAC shall be calculated without regard to other utilities or parties joint use of the extension or facilities provided to extend service to Customer.

KPUB may at its discretion construct system additions or improvements of greater capacity than that required to serve Customer, except that the Customer will only be required to pay the CIAC for those facilities required to provide adequate service for the Customer's requested electrical service.

In certain areas of KPUB's distribution system, extension of overhead service is impractical and would nullify the benefits of substantial past investments in underground facilities. In such areas KPUB reserves the right to limit extensions of electric service to Customer from KPUB's existing underground distribution system.

Right of Way

In all cases, the facilities of KPUB which are to be constructed on privately owned property shall be constructed only on, along and/or across rights-of-way which permit ready access from public roads and shall be covered by properly executed standard easements or platted subdivision easements legally recorded which, among other things, grant KPUB the right to construct, operate and maintain said facilities, and along with the right to rebuild, replace or remove the same.

Customer's Electrical Installation

Customer's electrical installation for receiving electrical service is to be in accordance with KPUB Electric Service Policy which is available at KPUB's offices. In those locations where an ordinance requires Customer to obtain a certificate of inspection and acceptance or a permit, KPUB will not provide electric service to Customer until KPUB receives notification of approval of Customer's electrical installation from the authority having jurisdiction.

KPUB does not assume any duty of inspecting Customer's electrical installation and is not responsible therefor. Without limiting the foregoing, KPUB may refuse electrical service to a Customer whose electrical installation, in KPUB's sole judgement, is considered to be hazardous or of such character that satisfactory service cannot be provided.

The providing of electric service by KPUB does not indicate that KPUB has inspected Customer's electrical installation and deemed it safe or adequate.

Point of Delivery and Metering Equipment

Location

Customer's electrical installation must be arranged so that the location of the point of delivery is acceptable to KPUB, taking into consideration location of existing KPUB facilities and construction required to connect to KPUB system.

Any change from the KPUB designated point of delivery is subject to payment by Customer to KPUB the added costs to extend service facilities to alternate locations or other than that specified by KPUB.

The location of the meter shall be as near as possible to the point of delivery.

Space Requirements

Customer grants to or secures for KPUB, at no charge to KPUB whatsoever, a suitable space that is easily accessible and permits ready access on Customer's premises for the installation of facilities necessary to provide electric service to Customer and for installation of KPUB's metering facilities. The location for meters and associated equipment shall be suitable to KPUB and provide for clear working space on all sides as specified in KPUB Electric Service Policy.

Ownership

All meters are furnished, installed and maintained by KPUB. All meter enclosures and other meter equipment are normally furnished and owned by KPUB, and Customer installs and maintains these facilities, including replacement due to overload or damage.

Service Connections

Only KPUB authorized personnel are permitted to connect the Customer's electrical installation to, or disconnect the same from, KPUB's electrical facilities and system.

Requirement to Take Electrical Service

Customer shall be obligated to take service within 30 days after it is made available. If after this period of time the Customer fails to take service, KPUB may impose the minimum monthly charge under the appropriate rate schedule each month until service is taken.

Relocation or Removal of KPUB Facilities

Facilities of KPUB may be relocated or removed at the request of Customer or a property owner if:

1. Service to other Customers, both present and prospective, will not be adversely affected, and
2. Easements for rights-of-way for the relocated facilities have been granted to KPUB covering their new location, and
3. The requesting party agrees to pay KPUB the actual cost of removing or relocating and advances to KPUB the estimated cost of the removal or relocation including appropriate overheads.

Construction in Flood Areas

KPUB shall not extend electric service into areas below the maximum pool level of lakes or in the flood plain of rivers and streams as established by the authority having jurisdiction.

Residential Service

The Customer shall be responsible for any cost exceeding \$2,000 associated with a residential extension to include engineering, primary and secondary line extensions, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately.

Residential Development (Single-Family or Multi-Family)

The Developer shall be responsible for any cost exceeding \$1,500 per dwelling unit associated with a residential development (single or multi-family) extension to include engineering, primary and secondary extensions, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately.

Single-Phase Commercial Service

The Customer shall be responsible for any cost exceeding \$3,000 associated with a single-phase commercial service extension to include engineering, primary and secondary extensions, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately.

Three-Phase Commercial Service

The Customer shall be responsible for all costs associated with a three-phase commercial service extension to include engineering, primary and secondary extensions, transformers, materials, labor, right of way clearing and other costs associated with the extension.

Customers can offset a portion of the extension cost by selecting one of the following options:

1. A \$3,000 up-front construction allowance, or
2. Future bill credits based on usage - Customers in good standing are eligible to receive credits equal to \$3.50 per kW of monthly billed demand for 36 months following the commencement of service. The credit will be applied to a Customer's account annually. Credits may be applied to future service only and are not eligible to be paid as a refund.

A new service charge still applies and will be billed separately.

Lighting

KPUB will construct permanent extensions of, or additions to, existing overhead facilities of KPUB which provide electric service for the municipal lighting systems under the appropriate schedules where the annual revenue justifies the costs of such extensions.

KPUB will install individual outdoor area lights on existing overhead facilities at the request of a Customer receiving full time electric service in accordance with the contract provisions specified in the applicable rate schedule. Where additional pole(s) or transformer(s) are required and requested by the applicant for the installation of lights, a charge will be made to defray any additional costs incident thereto.

Where primary voltage facilities are not installed, street lighting for subdivisions will only be installed, without cost to applicant, as primary voltage facilities are extended to serve permanent residences or businesses in a subdivision.

Special Facilities - Residential and Commercial

The Customer shall be responsible for all costs associated with a special facilities extension to include engineering, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately. Special facilities include but are not limited to accessory dwelling units, wells, barns, signs, seasonal facilities, etc.

Non-Standard and Customer Convenience Service- The Customer shall pay for any special installation necessary to meet a particular requirement for service other than that normally provided. Alternate voltage levels, tight voltage regulation, minimum line noise, and other special requirements shall be the responsibility of the Customer. The Customer may be required to share in a portion of the estimated construction cost for extending service where

such service is not normally provided, or for additional meter or transformer installations to provide separate electric service such as to X-ray machines.

Intermittent loads- KPUB reserves the right to require that the customer furnish and install any suitable or special equipment necessary to reasonably limit the adverse effects created by the Customer-owned equipment such as process furnaces, arc welders, resistance welders, and large motors.

Temporary Service

Extensions of overhead facilities required to serve Customers on a temporary basis will be installed only if the applicant for temporary service pays KPUB, in advance, the full estimated cost of installing and removing all facilities expressly required for such temporary service.

In situations where a temporary service is required for construction purposes, and such temporary line extension results in a permanent meter upon completion of the construction, KPUB will extend such temporary service which contributes to a permanent electric service, at its option, under the appropriate rule for permanent extensions.

EXTENSION OF ELECTRIC SERVICE

Line extensions are designed and installed on a case-by-case basis to accommodate the unique circumstances of each request. Construction allowances described below are developed by considering future revenue generated from projected energy use patterns over an expected length of service.

Ownership

KPUB shall have, at all times, complete ownership and control of the entire line constructed to serve any Customer, and shall have the right to serve other Customers from said line and/or any extension thereof, without obligation to refund any part of the payment for Contribution In Aid of Construction (CIAC) paid by Customer.

All meters, transformers, regulators, services, fixtures, etc., which are installed by KPUB upon the Customer's premises for the purpose of delivering electricity to the Customer remain the property of KPUB and may be repaired, replaced or removed by KPUB at any time.

Contribution in Aid of Construction (CIAC)

KPUB may require additional charges, prior to providing electric service, if the electric service requested by the Customer is not available at the service location, is other than that which KPUB usually provides, or if the service requested is not adequately compensated for by the applicable rate schedule.

CIAC Determination

~~When a line extension for electric service exceeds the maximum length provided as a standard by KPUB, the Customer will be required to pay KPUB, in advance of any construction of the extension, an amount to be determined as follows:~~

~~The total estimated cost for an extension or expansion to include engineering, primary and secondary extension, transformers, materials, labor, right of way clearing, and any other costs associated with the extension shall be determined by KPUB based on an analysis of each project. KPUB's standard of service is based on the extension of overhead facilities. In cases where the Customer desires or is required to extend underground facilities, the Customer shall be responsible for the installation of trenches and conduit and the associated costs of such installation shall be fully paid by the customer. Any allowance for extension under this policy will not be applied to the cost of trenches and conduit.~~

~~Following a detailed analysis of the project, the total estimated cost will be provided to the Customer in a cost estimate letter, which is valid for 90 days. Prices and rates used to prepare the cost estimate shall be reviewed and adjusted at least annually. Any amount determined to be the Customer's responsibility shall be paid to KPUB in advance of construction. required length of the extension shall be established by a field survey performed by KPUB. The total length of the extension will be reduced by the maximum allowed for the type of service to obtain the excess construction required stated in feet. The number of feet of excess construction will then be multiplied by KPUB's Standard Construction Cost for the type of extension~~

~~required to obtain the amount of the required payment.~~

~~Where it can be demonstrated that the expected annual revenues (derived from base rates, exclusive of purchased power) to be paid by the prospective Customer will generate the~~

~~required revenue to cover the total cost of constructing the extension, disregarding any allowance, KPUB may, at its option, extend service without a CIAC payment by the Customer.~~

CIAC shall be calculated without regard to other utilities or parties joint use of the extension or facilities provided to extend service to Customer.

KPUB may at its discretion construct system additions or improvements of greater capacity than that required to serve Customer, except that the Customer will only be required to pay the CIAC for those facilities required to provide adequate service for the Customer's requested electrical service.

In certain areas of KPUB's distribution system, extension of overhead service is impractical and would nullify the benefits of substantial past investments in underground facilities. In such areas KPUB reserves the right to limit extensions of electric service to Customer from KPUB's existing underground distribution system.

Right of Way

In all cases, the facilities of KPUB which are to be constructed on privately owned property shall be constructed only on, along and/or across rights-of-way which permit ready access from public roads and shall be covered by properly executed standard easements or platted subdivision easements legally recorded which, among other things, grant KPUB the right to construct, operate and maintain said facilities, and along with the right to rebuild, replace or remove the same.

Customer's Electrical Installation

Customer's electrical installation for receiving electrical service is to be in accordance with KPUB Electric Service Policy which is available at KPUB's offices. In those locations where an ordinance requires Customer to obtain a certificate of inspection and acceptance or a permit, KPUB will not provide electric service to Customer until KPUB receives notification of approval of Customer's electrical installation from the authority having jurisdiction.

KPUB does not assume any duty of inspecting Customer's electrical installation and is not responsible therefor. Without limiting the foregoing, KPUB may refuse electrical service to a Customer whose electrical installation, in KPUB's sole judgement, is considered to be hazardous or of such character that satisfactory service cannot be provided.

The providing of electric service by KPUB does not indicate that KPUB has inspected Customer's electrical installation and deemed it safe or adequate.

Point of Delivery and Metering Equipment

Location

Customer's electrical installation must be arranged so that the location of the point of delivery is acceptable to KPUB, taking into consideration location of existing KPUB facilities and construction required to connect to KPUB system.

Any change from the KPUB designated point of delivery is subject to payment by Customer to KPUB the added costs to extend service facilities to alternate locations or other than that specified by KPUB.

The location of the meter shall be as near as possible to the point of delivery.

Space Requirements

Customer grants to or secures for KPUB, at no charge to KPUB whatsoever, a suitable space that is easily accessible and permits ready access on Customer's premises for the installation of facilities necessary to provide electric service to Customer and for installation of KPUB's metering facilities. The location for meters and associated equipment shall be suitable to KPUB and provide for clear working space on all sides as specified in KPUB Electric Service Policy.

Ownership

All meters are furnished, installed and maintained by KPUB. All meter enclosures and other meter equipment are normally furnished and owned by KPUB, and Customer installs and maintains these facilities, including replacement due to overload or damage.

Service Connections

Only KPUB authorized personnel are permitted to connect the Customer's electrical installation to, or disconnect the same from, KPUB's electrical facilities and system.

Requirement to Take Electrical Service

Customer shall be obligated to take service within 30 days after it is made available. If after this period of time the Customer fails to take service, KPUB may impose the minimum monthly charge under the appropriate rate schedule each month until service is taken.

Relocation or Removal of KPUB Facilities

Facilities of KPUB may be relocated or removed at the request of Customer or a property owner if:

1. Service to other Customers, both present and prospective, will not be adversely affected, and
2. Easements for rights-of-way for the relocated facilities have been granted to KPUB covering their new location, and
3. The requesting party agrees to pay KPUB the actual cost of removing or relocating and advances to KPUB the estimated cost of the removal or relocation including appropriate overheads.

Construction in Flood Areas

KPUB shall not extend electric service into areas below the maximum pool level of lakes or in the flood plain of rivers and streams as established by the authority having jurisdiction.

Residential Service

The Customer shall be responsible for any cost exceeding \$2,000 associated with a residential extension to include engineering, primary and secondary line extensions, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately. KPUB will construct an overhead primary line extension to provide service to a residential Customer requiring full-time service at the regular established rates and minimum monthly charges under the following conditions:

1. ~~Permanent Residence: A standard overhead line extension (single phase) up to 1200 feet will be provided for a residence occupied on a full-time basis and which is constructed on a permanent foundation. Non-standard facilities and extensions in excess of 1200 feet may require the Customer to pay a CIAC prior to construction.~~
2. ~~Multiple Dwellings: A standard overhead line extension will be extended for service to multiple dwellings on the same basis as for a Permanent Residence, with consideration being given for the number of dwelling units and the expected occupancy ratio. Three phase electric service may also be extended where deemed desirable by KPUB, with the stipulation that a maximum of 400 feet of three phase line shall be equivalent of 1200 feet of single phase for the purpose of determining the length of extension.~~
3. ~~Mobile Homes: Electric service will be provided to a customer owned meter pole from KPUB's existing electrical system. In situations where the extension of primary voltage facilities is required to serve a mobile home, the applicant will be required to pay the estimated cost in advance for constructing the extension.~~
4. ~~Subdivisions, Mobile Home Parks and Mobile Home Subdivisions: Electrical service will be provided only after the subdivision is platted and filed for record in the county in which it is located, and if located in an incorporated city, filed and approved by the appropriate city officials. The plat shall have adequate easements dedicated for the construction of electric utility lines, and such easements shall allow access for the construction of electrical lines to all lots and allowing room for anchors, guys and other appurtenances. At the request of the applicant, KPUB may, at its option, construct facilities within a platted subdivision, provided the applicant advances the total cost of such facilities. Otherwise, KPUB will extend primary voltage lines to serve individual customers as provided for elsewhere in this section.~~
5. ~~Seasonal Facilities: A permanent electric service will be provided from KPUB's existing electrical system. Where extension of primary voltage facilities is required to serve weekend or resort homes, cabins, and other domestic facilities which are not utilized on a full-time basis, the applicant will be required to bear the actual cost for constructing the entire extension.~~

Residential Development (Single-Family or Multi-Family)

The Developer shall be responsible for any cost exceeding \$1,500 per dwelling unit associated with a residential development (single or multi-family) extension to include engineering, primary and secondary extensions, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately.

Single-Phase Commercial Service

~~The Customer shall be responsible for any cost exceeding \$3,000 associated with a single-phase commercial service extension to include engineering, primary and secondary extensions, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately. KPUB will construct an overhead primary voltage line extension to provide permanent electrical service to a commercial facility requiring full-time service at the regular established rates and minimum monthly charges under the following conditions:~~

~~1. A standard overhead line extension of up to 1200 feet for single phase service or 400 feet for three phase service will be provided for Commercial Service Customers requiring full-time service to shops, stores, offices and other similar facilities. Non-~~

~~standard installations and extensions in excess of the above stated footage will only be made if the Customer pays the additional cost incident thereto.~~

~~Electric service will be provided to water wells, barns, signs and other non-residential locations from KPUB's existing primary voltage lines. In situations where the extension of primary voltage facilities is required, the applicant will be required to pay the estimated cost in advance for constructing the extension.~~

Three-Phase Commercial Service

The Customer shall be responsible for all costs associated with a three-phase commercial service extension to include engineering, primary and secondary extensions, transformers, materials, labor, right of way clearing and other costs associated with the extension.

Customers can offset a portion of the extension cost by selecting one of the following options:

1. A \$3,000 up-front construction allowance, or
2. Future bill credits based on usage - Customers in good standing are eligible to receive credits equal to \$3.50 per kW of monthly billed demand for 36 months following the commencement of service. The credit will be applied to a Customer's account annually. Credits may be applied to future service only and are not eligible to be paid as a refund.

A new service charge still applies and will be billed separately.

~~2. —~~

Lighting

KPUB will construct permanent extensions of, or additions to, existing overhead facilities of KPUB which provide electric service for the municipal lighting systems under the appropriate schedules where the annual revenue justifies the costs of such extensions.

KPUB will install individual outdoor area lights on existing overhead facilities at the request of a Customer receiving full time electric service in accordance with the contract provisions specified in the applicable rate schedule. Where additional pole(s) or transformer(s) are required and requested by the applicant for the installation of lights, a charge will be made to defray any additional costs incident thereto.

Where primary voltage facilities are not installed, street lighting for subdivisions will only be installed, without cost to applicant, as primary voltage facilities are extended to serve permanent residences or businesses in a subdivision.

Special Facilities - Residential and Commercial

The Customer shall be responsible for all costs associated with a special facilities extension to include engineering, transformers, materials, labor, right of way clearing and any other costs associated with the extension. A new service charge still applies and will be billed separately. Special facilities include but are not limited to accessory dwelling units, wells, barns, signs, seasonal facilities, etc. KPUB will extend only those overhead facilities which are deemed necessary to render service in accordance with the Tariffs for Electric Service. Where a Customer requires facilities which are in addition to, or in substitution for, the standard facilities which KPUB would normally install, the extra cost thereof shall be paid.

~~by the Customer.~~

Non-Standard and Customer Convenience Service- The Customer shall pay for any special installation necessary to meet a particular requirement for service other than that normally provided. Alternate voltage levels, tight voltage regulation, minimum line noise, and other special requirements shall be the responsibility of the Customer. The Customer may be required to share in a portion of the estimated construction cost for extending service where such service is not normally provided, or for additional meter or transformer installations to provide separate electric service such as to X-ray machines.

Intermittent loads- KPUB reserves the right to require that the customer furnish and install any suitable or special equipment necessary to reasonably limit the adverse effects created by the Customer-owned equipment such as process furnaces, arc welders, resistance welders, and large motors.

Temporary Service

Extensions of overhead facilities required to serve Customers on a temporary basis will be installed only if the applicant for temporary service pays KPUB, in advance, the full estimated standard cost of installing and removing all facilities expressly required for such temporary service.

In situations where a temporary service is required for construction purposes, and such temporary line extension results in a permanent meter upon completion of the construction, KPUB will extend such temporary service which contributes to a permanent electric service, at its option, under the appropriate rule for permanent extensions.

Line Extension Survey Summary

Utility	Residential	Commercial	Subdivision Development	Transformer
1. Austin Energy	100% of cost paid by requesting party. Waivers for Affordable Housing projects.	100% of cost paid by requesting party. Waivers for Affordable Housing projects.	100% of cost paid by requesting party. Waivers for Affordable Housing projects.	Transformer paid for by customer.
2. Bandera Electric Cooperative	Estimated cost after \$2,500 allowance for single family residential, \$750 allowance for temporary, \$0 for upgrade.	Same concept and allowances as residential \$2,500 allowance for permanent or \$750 allowance for temporary.	Developer pays all costs. BEC does all installation to metering points.	Transformer paid for by BEC.
3. Bluebonnet Electric Cooperative	Estimated cost after \$1,950 allowance for single family residential. \$350 allowance for barns, wells, etc. \$0 allowance for temporary service. Multifamily (more than 4 units) allowance is on a case by case basis based on projected usage.	Same concept as residential. \$1,950 allowance for single-phase small commercial. Sliding scale for 3 phase allowance based on size of project, type of business, projected load. \$0 allocation for oil wells, food trucks, seasonal businesses, etc.	Developer pays all costs after allowance of \$1,950 per lot.	Transformer paid for by customer.
4. Central Texas Electric Co-op	Estimated cost after \$2,000 allowance. Credits for up to 2 meters. \$0 allowance for temporary service.	Same \$2,000 allowance as residential. If transformer size is unique to the system, then member pays for it.	CTEC pays for underground service in subdivisions with at least 20 lots, served by water and wastewater utilities, with density of at least 30 residences per mile. Developer digs trenches.	Transformer paid for by CTEC. Transformer installation paid by member.
5. City of Boerne	Utility pays for first 100 feet of primary line extension. Remainder is billed at actual cost.	Utility pays for first 100 feet of primary line extension. Remainder is billed at actual cost.	Same as residential. City of Boerne electric service territory is compact and mostly built-out.	
6. City of Georgetown	Application fee - \$260 (single lot residential) Fixed fee per dwelling unit - \$4,460 includes labor, material, engineering Fixed fee per Multi-Family unit - \$1,100 + items listed as Additional Costs such as pro rata costs for AMI	Application Fee of \$2,500 + cost estimate that includes engineering, labor, material, conductor, transformers, metering equipment, etc. + Additional Costs + Connect Fees	Flat \$4,460 cost per subdivision unit. Same as commercial for other developments.	Transformer paid for by customer.
7. City of San Marcos	Estimated cost after \$1,500 allowance. No allowance for temporary / seasonal dwellings.	Estimated cost after \$1,500 allowance.	Estimated cost after \$1,500 allowance.	
8. City of Seguin	Estimated cost after \$1,500 allowance for single family residential, \$750 for temporary.	Same concept as residential. Allowances as follows: \$1,500 for <200 amp 3 phase, \$2,250 for 200 to 800 amp 3 phase, \$3,000 for > 800 amp 3 phase.	100% of cost including engineering, transformers, material, labor, right of way clearing, and all other costs paid by developer. Includes development of RV Parks.	Transformer paid for by customer.

Line Extension Survey Summary

Utility	Residential	Commercial	Subdivision Development	Transformer
9. CPS Energy	Estimated cost less allowance of \$767 per residential unit . 100 feet of standard OH service cable included.	Estimated cost less allowance equal to \$100 per kW of the Customer's estimated maximum demand . Customer pays for service installation. No allowance on service installation.		OH transformers paid for by CPS. Padmount transformers - customer pays the difference between OH and padmount cost.
10. Guadalupe Valley Electric Coop	Estimated cost after \$3,000 allowance for single family residential.	Estimated cost after allowance based on 2 year estimated ROI from projected load for non-oil 3 phase commercial. No allowance for line extension to oil well or 3 phase water well.	OH - Developer pays 50% of construction costs (materials and labor) Underground - \$3,125 per lot, \$1,250 per light, lots over 60' subject to extra cost of \$35/ft.	Transformer paid for by customer.
11. New Braunfels Utilities	NBU pays for transformer and secondary extensions, including temporary. Customer pays for primary extension.	Commercial customer pays for primary and secondary extension.	Developer pays for primary extension.	NBU pays transformers.
12. Pedernales Electric Coop	Estimated cost paid by member.	Estimated cost paid by member.	Estimated cost, including site work and connection at edge of property paid by developer.	Transformer paid for by member.

Maximum Contribution alternatives toward line extension for Kerrville TX

Significant assumptions

	Recovery Customer Charge	Average Distribution Contribution (excluding contribution to city)	Average Contribution (excluding contribution to city) VALUED	Monthly Average Usage	Valued Units	Years	Discount Rate / ROR	Year1	Year2	Year3	Year4	Year5	Year6	Year7
Residential	\$ 0.01284	\$ 0.01336	\$ 0.02619	1,159 kWh		7	6.0%	\$ 364	\$ 364	\$ 364	\$364	\$364	\$364	\$364
Outdoor Area Lighting	\$ 0.05943	\$ 0.01345	\$ 0.07288	58 kWh		5	6.0%	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51		
Street Lighting	\$ 0.16559	\$ 0.19755	\$ 0.36314	57 kWh		5	6.0%	\$ 250	\$ 250	\$ 250	\$250	\$250		
Commercial Service	\$ 2.54455	\$ 6.08585	\$ 8.63039	12 kW		3	6.0%	\$ 1,248	\$ 1,248	\$ 1,248				
Large Commercial Service Primary	\$ 0.28133	\$ 4.49016	\$ 4.77149	1,372 kW		3	6.0%	\$ 78,558	\$ 78,558	\$ 78,558				
Large Commercial Service Secondary	\$ 0.86386	\$ 4.49919	\$ 5.36305	576 kW		3	6.0%	\$ 37,050	\$ 37,050	\$ 37,050				
Contract Secondary	\$ 0.88916	\$ 4.16804	\$ 5.05720	187 kW		3	6.0%	\$ 11,348	\$ 11,348	\$ 11,348				
Contract Primary	\$ 0.43286	\$ 3.77238	\$ 4.20523	633 kW		3	6.0%	\$ 31,939	\$ 31,939	\$ 31,939				

Summary Results

Class	Maximum if credited monthly for three years / monthly U/M (all costs paid up front by customer)	Maximum \$ if credited monthly for three years (all costs paid up front by customer)	Maximum Line Extension Contribution \$ by Utility @ NPV per Annual U/M per rate class (or credited monthly U/M for one year)	U/M	Maximum Line Extension Contribution \$ by Utility @ NPV (if paid one time)	
Residential	\$0.04874	\$ 56.49	\$0.14621	Per Annual kWh	\$ 2,034	
Outdoor Area Lighting	\$0.10233		\$0.30700	Per Annual kWh	\$ 214	
Street Lighting	\$0.50990		\$1.52969	Per Annual kWh	\$ 1,054	
Commercial Service	\$7.69		\$23.07	Per Annual kW	\$ 3,335	
Large Commercial Service Primary	\$4.25		\$12.75	Per Annual kW	\$ 209,986	
Large Commercial Service Secondary	\$4.78		\$14.34	Per Annual kW	\$ 99,036	
Contract Secondary	\$4.51		\$13.52	Per Annual kW	\$ 30,334	
Contract Primary	\$3.75		\$11.24	Per Annual kW	\$ 85,374	
Class Grouping						
Large Commercial Service & Contract Service - Primary	\$ 4.01		\$ 12.03	Per Annual kW		
Large Commercial Service & Contract Service - Secondary	\$ 4.59		\$ 13.76	Per Annual kW		
Residential Development (3 year phase in)	\$0.04066	\$ 47.12	\$0.12197	Per Annual kWh	\$ 1,696	Maximum Contribution per Residential Development Lot
					\$ 250	Less future Service drop Residential Development if Paid by Utility (pedestal to home - use actual amount estimated per lot per development)
					\$ 1,446	Value per lot (max utility contribution per lot, developer pays rest)
			Prefer			
			Ok but prefer Green			
			Not recommended			

MEMORANDUM

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

From: Ricardo Berrios

Date: April 12, 2023

Re: Agenda Item No. 11 – Projects and Capital Budget Report

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

Second Quarter FY23 Major Projects Update:

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

Second Quarter FY23 Capital Budget Report:

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

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

Sincerely,



Ricardo Berrios
Distribution Engineer

Project Reference Name	Tech	WO	# Units	Approximate Location	Date/Short Status
Subdivision / Apartment Buildings					
Blue Bell Estates - Responded to initial design			42	Creek Run / Elm Ridge connection	Early design.
Brinks/Creek Estate OH Line Relocation	John	23001554		Just north of Camp Meeting off 16	Sent CIAC to Owner
Brinks Crossing (Apartments)	John		156	Just north of Camp Meeting off 16	10/27 - Update Electric Routing Information with Cameron.
Brinks/Creek Estate Crossing Apartments	John		876	Camp Meeting off 16	Early design. Coordinating design with developer team.
Cibola Trails			44	Coronado and Mountain Laurel	Early design.
Comanche Trace 12A and 12B	Guy		25	Comanche Trace Dr. toward Lower 2771	Need to resolve conflict with primary line acrossing the two lots.
Mystic Ridge	John	4216842	23	Behind ball fields off Spur 100 (20 ac/lot)	On 11/3022 Sent CIAC. Waiting on payment to start the construction. Laid out path. (CTEC asked us to take all lots; working on official)
Reserves at Holdsworth (2) Apartments Buildings	Tom	23005757	41	Pascal and Holdsworths	Designed, CIAC needs to be paid.
Residences at The Landing (Phase II)	Guy	23002098	96	Next to existing apartments	Sent Conduit layout. Waiting on Scott Gain to start Ph II.
Ridgeland	Tom	4111290	127	Off of Olympic next to New Middle School	DONE: Primary lines completed and all the transformers are installed.
Riverside Health Care and Rehab Center			100	Across from movie theater	Early design
Schmidt Hill	Walt	4215682	12	Harper and Jefferson	Customer claims 6 month delay due to supply shortages (HH)
Sendero Ridge Phase II	Tom		312	Sendero Ridge and 534	Early design.
Steel Creek Estates (Eden Farms Re-Do)	John		19 -20	HWY 27 and Willow Bend Center Point	10/27 /2023- Waiting on New Design with Pole Information
The Reserve at Kerrville			1822	Between 16 and 173	Early design
The Retreat at the Landing			49	NW corner of field next to existing apts	Early design
Weston Place			45	Weston Loop and Bow Dr (Bhnd Scrhnr)	Early design
		Total Units	3770		
Commercial Business / Special Project					
3 Building Commercial Development	Tom		3	Commerce and 27	Waiting on application. Early design.
Airport Project	Guy	4213639	1	New hangar at airport	Waiting on Airport to dig a ditch for New hanger
Davita Dialysis			1	Near PRMC	Early design
Kerrville State Hospital			2	State Hospital	Released to Construction for the Laundry Building (New Service).
KFC			1	Harper Rd and HWY 27 (Next to Moore)	Early design
LCRA Circuit T368 (Harper Road to Jack Furman)	Brian		0	Few spans WNW out of Harper Sub	Rerouting existing infrastructure
Peterson ASC (Pole Relocation)	Ricardo	23001450	1	Hill Country Drive side of PRMC	Finalizing equipment locations.
Peterson ASC (New Service)	Guy	23006232			Design State/ Waiting in dig inspection.
Peterson Parking Lot	John		1	Lehmann side of PRMC	Mid construction for new parking lot. Getting ready to install SWGear
RB50	Ricardo	4103407	2	Next to Airport	On Hold per Mike; Need easement to proceed
SMITHERS MERCHANT BUILDERS LP	Tom	23003646	1	1555 BANDERA HWY	Design State
Ford Dealer -Stoepel EV Chargers	John	23007602		Ford Dealer	Design State
TACO BELL			1	Harper Rd and HWY 27 (Next to Moore)	Early design
USDA	John		4	SH16 just north of I10	Wanting Service to Building 997 and 998. Waiting on customer (files, civil and transformer pads).
VA Hospital			1	534 and 27 (Near Kitchen)	Redoing kitchen, will need temporary pad for renovations
School / Church					
125 Brave Run Ingram Elementary School – Gym HVAC unit	Tom	23000615		Ingram	Transformer Pad needs to be installed, add mule tap, waiting City Clearance
Ingram High School- Softball Field	Tom	23000627		Ingram	Early design
700 Highway Ingram High School – New Welding Shop	Tom	23006443		Ingram	Early design
Quarter 2: Project Completed					
Service Completed					
Ingram High School – Auxilliary Gym/Baseball	Tom	23000624		39 and Tomahawk Trail	Done
Ridgehill	Tom	4212862	43	170 Lehmann Drive West of Sidney Baker	Done
Water Street Lofts	Tom	4213321	14	Water Street between C and D	Done
Oreilys	Tom	4216794	1	110 Goat Creek Cutoff and Hwy 27	Done
Meecker Development	John	23001676	9	Meecker Road near 27	Done
GRAMATIKAKIS FAMILY INVESTMENT	Guy	23001960	1	1121 BROADWAY, KERRVILLE, TX	Done
Squirrel Car Wash	Guy	4212128	1	301 Sidney Baker Near little HEB	Done
By the River Rebuild	Guy	4216491	3	Guadalupe River at Goat Creek Cutoff	Done
Westminster Street (City Project)	Logan	23004714		Westminster- Relocating 11 Service for New Sidewalk (City Project)	Done
Texas Lions Camp	Logan	4212089	1	27 and Happiness	Done
Eterneva	Tom	4204452	1	2845 JUNCTION HWY	Done

CAPITAL BUDGET REPORT
FISCAL YEAR OCTOBER 1, 2022 - SEPTEMBER 30, 2023

Budget No.	Description	Budget Amount	Jan. Actual	Feb. Actual	March Actual	Qtr 2 (Jan-Mar)	YTD Total
23700	Enterprise Backup Solutions Upgrade	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
23701	Existing AMR Systems	\$ 190,000	\$ -	\$ -	\$ 7,250.00	\$ 7,250.00	\$ 7,250.00
23714	Customer Extensions	\$ 1,470,820	\$ 160,794.60	\$ 160,702.09	\$ 117,267.69	\$ 438,764.38	\$ 752,616.26
23721	Street Lights	\$ 15,840	\$ -	\$ -	\$ -	\$ -	\$ -
23722	Clay Street Improvements	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
23723	Power Factor Improvement	\$ 42,833	\$ -	\$ -	\$ -	\$ -	\$ -
23724	KPD/Sheriff's Off./KPUB Reliability Proj	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
23725	Digger/Derrick (Rep.Unt. 3207)	\$ 250,134	\$ 256,682.10	\$ -	\$ -	\$ 256,682.10	\$ 256,682.10
23726	Ford F-150 Sing. Cab (Rep. Unt. 3233)	\$ 40,341	\$ -	\$ -	\$ -	\$ -	\$ -
23727	Ford F-350 Ext. Cab (Rep. Unt. 3241)	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
23728	Ford F-150 Ext. Cab (Rep. Unt. 3240)	\$ 46,588	\$ -	\$ -	\$ -	\$ -	\$ -
23729	Ford F-150 Sing. Cab (Rep. Unt.)	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
23730	Ordinary Replacements	\$ 110,382	\$ 1,685.98	\$ 1,142.05	\$ 9,476.21	\$ 12,304.24	\$ 23,698.26
23731	System Improvements	\$ 233,700	\$ 32,066.20	\$ 46,807.32	\$ (17,529.33)	\$ 61,344.19	\$ 90,374.94
23732	Contingency Development	\$ 110,382	\$ -	\$ -	\$ -	\$ -	\$ -
23733	Pole Inspection Replacements	\$ 620,400	\$ 39,935.89	\$ 28,478.82	\$ 130,514.52	\$ 198,929.23	\$ 226,777.34
23748	DA Equipment Deployment	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
23749	SCADA Upgrades	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -
23750	Minor Improvements	\$ 150,000	\$ 4,715.00	\$ 2,627.50	\$ 4,205.00	\$ 11,547.50	\$ 11,547.50

CAPITAL BUDGET REPORT
FISCAL YEAR OCTOBER 1, 2022 - SEPTEMBER 30, 2023

Budget No.	Description	Budget Amount	Jan. Actual	Feb. Actual	March Actual	Qtr 2 (Jan-Mar)	YTD Total
23751	Jack Furman T2	\$ 197,000		\$ -	\$ -	\$ -	\$ -
23760	It Normal Replacements	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
23761	Upgrade Network Devices	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -
23763	BOC Servers & Storage-Virtual Envir.	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
23764	Wireless Network Upgrade	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -
23766	Asset Management System	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
23769	Fiber Optic Communications	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
23774	Office Furniture	\$ 50,000	\$ -	\$ -	\$ 23,675.35	\$ 23,675.35	\$ 23,675.35
23775	Facilities Improvements	\$ 655,000	\$ 83,799.57	\$ 84,848.88	\$ 319,320.33	\$ 487,968.78	\$ 582,060.28
23776	Radio System Upgrade at Hunt Sub	\$ 762,372		\$ -	\$ -	\$ -	\$ 238,683.25
23778	Demonstration EE Projects	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -
23779	Misc. Capital Tools/Radios	\$ 50,000	\$ -	\$ -	\$ (798.00)	\$ (798.00)	\$ -
23902	Education & Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43903	Education & Training FY23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Totals:	\$ 6,065,792	\$ 579,679	\$ 324,607	\$ 593,382	\$ 1,497,668	\$ 2,213,365

MEMORANDUM

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

From: Tammye Riley

Date: April 14, 2023

Re: Agenda Item No. 12 – Reliability Report

Attached for your review is the second quarter Reliability Report for FY 2022-2023.

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

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

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

Thank you,



Tammye Riley
Director of Operations



KPUB Reliability Report

Substation		FY23 Q1	FY23 Q2	Trend	FY Totals 10/1/22-9/30/23	Noted Significant Events
Hunt (Hunt)	w/o ME	38.36	21.46		59.82	1/24/2023 - OCR HN5003: Unknown Cause, Probably due to storm that had rolled through earlier that day. 336 customers affected
	w/ ME	38.36	21.46		59.82	
Ingram (Ingram)	w/o ME	4.80	2.77		7.58	
	w/ ME	4.80	2.77		7.57	
Jack Furman (Kerrville/Ingram)	w/o ME	32.71	0.42		33.13	
	w/ ME	32.71	0.42		33.13	
Rim Rock (Kerrville South)	w/o ME	0.70	6.00		6.70	1/10/2023 - RR 50 Lockout: Contractor crew had a mechanical that broke. 1474 customers affected
	w/ ME	0.70	6.00		6.70	
Harper (West Kerrville)	w/o ME	21.03	2.25		23.28	
	w/ ME	21.03	2.25		23.28	
Stadium (Central Kerrville)	w/o ME	38.66	0.54		39.20	
	w/ ME	38.66	0.54		39.20	
Travis (Center East Kerrville)	w/o ME	1.92	14.62		16.54	1/29/2023 - KT60 Lockout: Bad order lightening arrester on an air switch. 603 customers affected
	w/ ME	1.92	14.62		16.54	
Legion (East Kerrville)	w/o ME	1.89	15.03		16.93	1/24/2023 - LE20: Crossarm caught on fire, blew 2 line fuses. 164 customers affected
	w/ ME	1.89	15.03		16.92	
R. F. Barker (Center Point)	w/o ME	0.61	36.48		37.09	3/24/2023 - RB20 Lockout: Capacitor bank had a bad order cut out. 1013 customers affected
	w/ ME	0.61	36.48		37.09	
Total	w/o ME	16.08	8.98		25.06	
	w/ ME	16.08	8.98		25.06	

* ME: Major Event Days

10/1 - 12/31

1/1 - 3/31

Annualized