

JANUARY 10, 2025

OFFICIAL NOTICE

OF

THE ANNUAL SYSTEM USERS MEETING

AND

THE REGULAR MONTHLY MEETING

The Kerrville Public Utility Board will hold its Annual System Users Meeting and its Regular Monthly Meeting on Wednesday, January 15, 2025, beginning at 8:30 a.m. The Annual System Users Meeting will be held prior to the Regular Monthly Meeting. The meetings will be held in the KPUB Conference Room at the Utility Board offices located at 2250 Memorial Blvd. The meeting site is accessible to handicapped persons. A copy of the agenda is attached to this notice.



Lidia S. Goldthorn, Assistant Secretary

AGENDA
KERRVILLE PUBLIC UTILITY BOARD
ANNUAL SYSTEM USERS MEETING
WEDNESDAY, JANUARY 15, 2025, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS

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

CALL TO ORDER:

INVOCATION AND PLEDGE OF ALLEGIANCE:

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

Presentation of the FY2024 Annual Audit by BSGM, L.L.P., Certified Public Accountants

2. CONSIDERATION AND ACTION ON RESOLUTION NO. 25-01 – AMY DOZIER, ASSISTANT GENERAL MANAGER:

Discussion and consideration of a Resolution accepting the Annual Audit by BSGM, L.L.P., Certified Public Accountants

3. ANNUAL GENERAL MANAGER’S REPORT – MIKE WITTLER, CEO:

The General Manager and CEO will provide an annual report on the condition of the electric system, financial status, employees and rates

4. CITIZEN/CONSUMER OPEN FORUM:

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

5. ADJOURNMENT

AGENDA
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, JANUARY 15, 2025, 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS

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

1. CALL TO ORDER

2. CITIZEN/CONSUMER OPEN FORUM:

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

3. ANNOUNCEMENTS OF COMMUNITY INTEREST:

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

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

- *Wednesday, February 19, 2025 at 8:30 a.m.*
- *Wednesday, March 19, 2025 at 8:30 a.m.*
- *Wednesday, April 16, 2025 at 8:30 a.m.*

4. CONSENT AGENDA:

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

- 4A. APPROVAL OF MINUTES – Approval of the December 12, 2024, Special Called Board Meeting Minutes and the December 18, 2024, Regular Monthly Board Meeting Minutes ..
- 4B. RESOLUTION NO. 25-02 – AMY DOZIER, ASSISTANT GENERAL MANAGER. A Resolution approving payment to various providers of services or supplies

4C. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. Interlocal Purchasing Agreement (Amy Dozier, Assistant General Manager)
2. Jack Furman T2 Addition Engineering Contract (Tony Perez, Director of Engineering)

5. **CONSIDERATION AND ACTION ON RESOLUTION NO. 25-03 – AMY DOZIER, ASSISTANT GENERAL MANAGER:**

A Resolution amending and restating Board Policy No. 47, Days Cash on Hand

6. **FINANCIAL REPORT – AMY DOZIER, ASSISTANT GENERAL MANAGER:**

7. **ENGINEERING AND OPERATIONS PROJECTS AND CAPITAL BUDGET REPORT – TONY PEREZ, DIRECTOR OF ENGINEERING:**

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

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

10. **REVIEW OF PROCESS ON POTENTIAL CANDIDATES FOR BOARD POSITION #2 – MIKE WITTLER, CEO:**

Review of process for determining potential candidates for Board Position #2 to submit to City Council. No action to be taken

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

I. EXECUTIVE CLOSED SESSION – PERSONNEL MATTERS:

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

- A. Annual Performance Appraisal for Michael Wittler, General Manager and CEO

II. EXECUTIVE CLOSED SESSION – CONSULTATION WITH ATTORNEY:

In accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, the Kerrville Public Utility Board will recess for the purpose of “Consultation With Attorney” regarding the following matter:

- A. Consultation with Attorney Regarding Pending or Contemplated Litigation – Mike Wittler, CEO

- B. Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter – Mike Wittler, CEO

III. EXECUTIVE CLOSED SESSION – COMPETITIVE MATTERS:

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

- A. Bidding and pricing information for purchased power, general and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies; Risk management information, contracts, and strategies, including fuel hedging and storage;
 - (1) Discussion and Possible Action on Hedging Activities, ERCOT Invoicing and Purchased Power Contracts – Mike Wittler, CEO

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

13. ADJOURNMENT

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING (KPUB) and
SPECIAL CALLED JOINT MEETING (KPFC)
THURSDAY, DECEMBER 12, 2024, AT 1:30 P.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

Larry Howard
Bill Thomas
Glenn Andrew
Rachel Johnston
Mayor Joe Herring, Jr.
Dalton Rice (KPFC)

STAFF PRESENT:

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

TRUSTEES ABSENT:

OTHERS PRESENT:

Stephen Schulte, Legal Counsel
John Bonnin
Frank Rotondi, Sky Global Partners, LLC
Randall Bird, Sky Global Partners, LLC
Kent McKinney, City Councilman

CALL TO ORDER:

Mr. Larry Howard, Chairman of the Kerrville Public Utility Board and President of the Kerrville Public Utility Board Public Facility Corporation, called the Special Called Joint Meeting to order at 1:32 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

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

I. EXECUTIVE CLOSED SESSION – CONSULTATION WITH ATTORNEY:

In accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, the Kerrville Public Utility Board will recess for the purpose of “Consultation With Attorney” regarding the following matter:

- A. Consultation with Attorney Regarding Pending or Contemplated Litigation – Mike Wittler, CEO
- B. Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter – Mike Wittler, CEO

II. EXECUTIVE CLOSED SESSION – COMPETITIVE MATTERS:

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

- A. Bidding and pricing information for purchased power, generation and fuel, and Electric Reliability Council of Texas bids, prices, offers, and related services and strategies; Risk management information, contracts, and strategies, including fuel hedging and storage;
 - (1) Deliberation of competitive matters regarding wholesale market activities to include power supply projects – Mike Wittler, CEO

Staff asked for a motion that both Boards convene in Executive Closed Session to discuss “Consultation with Attorney” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, and “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086. Glenn Andrew, Secretary, so moved. Bill Thomas, Vice Chairman, seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

KPUB and KPFC Boards entered Executive Closed Session at 1:34 p.m. Chairman (KPUB) and President (KPFC) Howard adjourned the Executive Closed Session for both Boards and reconvened into Open Session at 4:12 p.m.

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

3. ADJOURNMENT

Chairman (KPUB) and President (KPFC) Howard adjourned the Special Called Joint Board Meeting for both Boards at 4:12 p.m.

Date Approved: _____

Larry Howard, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING (KPUB) and
SPECIAL CALLED JOINT MEETING with the
KERRVILLE PUBLIC UTILITY BOARD
PUBLIC FACILITY CORPORATION (KPFC)
WEDNESDAY, DECEMBER 18, 2024, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

Larry Howard
Bill Thomas
Glenn Andrew
Rachel Johnston

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Assistant General Manager
Tony Perez, Director of Engineering
Annette Gonzales, Director of Human Resources
Jill Cook, Accounting Supervisor
Howard Hall, Field Services Supervisor
Damon Richardson, Purchasing Agent
Lidia S. Goldthorn, Assistant Secretary to the Board

TRUSTEES ABSENT:

Mayor Joe Herring, Jr.

OTHERS PRESENT:

Stephen Schulte, Legal Counsel
John Bonnin

CALL TO ORDER:

Mr. Larry Howard, Chairman of the Kerrville Public Utility Board and President of the Kerrville Public Utility Board Public Facility Corporation, called the Special Called Joint Meeting to order at 8:34 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

1. CITIZEN/CONSUMER OPEN FORUM (KPUB and KPFC):

There were no citizens/consumers to speak.

2. ANNOUNCEMENTS OF COMMUNITY INTEREST (KPUB):

Mr. Wittler highlighted employee anniversaries for December. Larry Lee (40 years) and Kenneth Becker (39 years) were honored as KPUB’s longest-serving employees. Employees volunteered with Thanksgiving Meal Prep and Bell Ringing for the Salvation Army. KPUB hosted a Blood Drive on December 12th, and participated in the annual Holiday Lighted Parade. Mr. Wittler also announced that scholarship applications are now open for 2025 applicants. Mr. Wittler noted the following upcoming board meetings tentatively scheduled for:

- *Wednesday, January 15, 2025 at 8:30 a.m.*
- *Wednesday, February 19, 2025 at 8:30 a.m.*
- *Wednesday, March 19, 2025 at 8:30 a.m.*

3. CONSENT AGENDA (KPUB):

Rachel Johnston, Treasurer, made a motion to approve items on the consent agenda. Bill Thomas, Vice Chairman, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

3A. APPROVAL OF MINUTES.

3B. RESOLUTION NO. 24-20 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution approving payment to various providers of services or supplies.

3C. RESOLUTION NO. 24-21 – AMY DOZIER, DIRECTOR OF FINANCE. A Resolution for the annual approval of the Board’s Investment Policy and Strategy, which also includes authorized brokers and dealers.

3D. APPROVAL OF INTERLOCAL AGREEMENT – AMY DOZIER, ASSISTANT GENERAL MANAGER. Approval of an interlocal agreement with The Local Government Purchasing Cooperative (known as BuyBoard) to allow membership in a purchasing cooperative.

3E. APPROVAL AND REPORTING OF PURCHASES AND SALES:

1. Tree Trimming Services Renewal (Howard Hall, Field Services Supervisor)
2. Fleet Sales (Howard Hall, Field Services Supervisor)
3. Professional Services, SEnergy (Mike Wittler, CEO)

END OF CONSENT AGENDA

4. FINANCIAL REPORT (KPUB) – AMY DOZIER, ASSISTANT GENERAL MANAGER:

Ms. Dozier presented the financial statements for the month ended November 30, 2024. Ms. Dozier noted a \$27K decrease in net position; \$3.1M in operating revenue; \$3.3M in operating expense; \$168K in operating loss; \$97K in net nonoperating revenue; \$20.2M in over collected power cost adjustment as of November 30, 2024; and \$50.8M invested in municipal investment pools and an account at Happy State Bank. She added that a listing of recently sold surplus items was provided as a report to the Board in

accordance with KPUB's Purchasing Policy. Ms. Dozier also provided a power point presentation with the mentioned highlights.

5. **RESOLUTION NO. 24-22 (KPUB), RESOLUTION NO. 24-05 (KPFC) AND RELATED MEMORANDUM OF UNDERSTANDING (KPUB AND KPFC) – AMY DOZIER, ASSISTANT GENERAL MANAGER:**

Ms. Dozier presented KPUB Resolution No. 24-22, KPFC Resolution No. 24-05 and a Memorandum of Understanding for the Board's approval. She advised the documents were prepared by Norton Rose Fulbright to memorialize KPUB's intent to be reimbursed from the proceeds of debt obligations for certain project related expenditures paid by KPUB on behalf of KPFC. In addition, the Memorandum of Understanding is a related agreement regarding administrative services and other matters to be performed by KPUB for KPFC's benefit related to the construction of an electric power supply facility. Staff recommended approval of both resolutions by the respective Boards.

Glenn Andrew, Secretary, motioned for approval of KPUB Resolution No. 24-22. Rachel Johnston, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

Glenn Andrew, Secretary, motioned for approval of KPFC Resolution No. 24-05. Rachel Johnston, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

6. **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
- B. Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter – Mike Wittler, CEO

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

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

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

- (1) Deliberation of competitive matters regarding wholesale market activities to include power supply projects – Mike Wittler, CEO

Staff asked for a motion that both Boards convene in Executive Closed Session to discuss “Consultation with Attorney” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, and “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086. Mr. Andrew so moved. Ms. Johnston seconded the motion. Vote was by show of hands. Motion carried 4 – 0.

KPUB and KPFC Boards entered Executive Closed Session at 8:49 a.m. Chairman (KPUB) and President (KPFC) Howard adjourned the Executive Closed Session for both Boards and reconvened into Open Session at 10:36 a.m.

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

No action taken by the Boards.

9. ADJOURNMENT

Chairman (KPUB) and President (KPFC) Howard adjourned the Special Called Joint Board Meeting for both Boards at 10:36 a.m.

Date Approved: _____

Larry Howard, Chairman

ATTEST

Lidia S. Goldthorn, Assistant Secretary to the Board

MEMORANDUM

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

From: Amy Dozier

Date: January 8, 2025

Re: Agenda Item No. 4B – Resolution No. 25-02


In accordance with Board Resolution No. 10-06 that requires monthly reporting of wire transfers exceeding \$20,000, this memo reports the following transfers between December 12, 2024 and January 8, 2025 for Board approval:

	Vendor	Description	Amount	Date
Purchased Power:				
1	Concho Bluff	November 2024	49,729.50	12/19/2024
2	NextEra	November 2024	470,092.00	12/19/2024
3	CPS	November 2024	332,947.14	12/20/2024
4	Garland	November 2024	209,271.93	12/27/2024
5	Engie	November 2024	61,708.96	12/30/2024
6	DG Solar	November 2024	39,672.87	12/31/2024
7	LCRA	November 2024	706,431.81	01/03/2025
Payroll:				
1	Payroll	Pay period ending 12/14/2024	166,438.29	12/20/2024
2	Payroll	Pay period ending 12/28/2024	161,456.97	01/03/2025
3	Payroll Taxes	Pay period ending 12/14/2024	54,508.33	12/24/2024
4	Payroll Taxes	Pay period ending 12/28/2024	55,020.71	01/08/2025
Employee Benefits:				
1	TX Health Benefits	Health Insurance - January	100,064.38	01/02/2025
2	TMRS	Pension - December Payroll	94,379.54	01/03/2025
Investment Transfers:				
1	Happy State Bank	Investment Transfer	500,000.00	12/13/2024
2	Happy State Bank	Investment Transfer	800,000.00	12/18/2024
3	Happy State Bank	Transfer from LOGIC to Happy	7,000,000.00	12/18/2024
4	Happy State Bank	Investment Transfer	300,000.00	12/27/2024
5	Happy State Bank	Investment Transfer	700,000.00	12/31/2024
6	Happy State Bank	Investment Transfer	400,000.00	01/07/2025

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>	<u>Date</u>
KPFC:				
1	Development Svcs Co.	Earnest Money	20,000.00	12/18/2024
2	Abstract Company	Real Estate	2,072,246.08	12/19/2024
3	MAN Energy Solutions	Reservation Fee	4,000,000.00	12/19/2024

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

Sincerely,



Amy Dozier
Assistant General Manager

RESOLUTION NO. 25-02

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 15th day of January, 2025

Larry Howard, Chairman

ATTEST:

Glenn Andrew, Secretary

MEMORANDUM

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

From: Amy Dozier

Date: January 8, 2025

Re: Agenda Item No. 4.C.1. – Purchasing Cooperative

A purchasing cooperative is an organization of government entities that have joined together to take advantage of economies of scale that may increase the members' purchasing power, result in better pricing, and simplify the purchasing process. The purchasing cooperative takes care of bidding for commonly purchased items. Then, cooperative members can purchase those items using the pricing negotiated by the cooperative. Items purchased through a purchasing cooperative are specifically exempted from additional bid requirements per Chapter 252 of the Texas Local Government Code.

The Houston-Galveston Area Council is the largest of 24 Councils of Government (COGs) in Texas. It is a political subdivision of the State of Texas and has been serving local governments for more than 40 years. The Council's cooperative purchasing program, known as HGACBuy, was established pursuant to the Texas Interlocal Cooperation Act. The Act allows local governments to make purchases using the contract terms established by another government if an interlocal agreement is in place. All contracts available to participating members of HGACBuy have been awarded by virtue of a public, competitive procurement process compliant with state statutes. There are no fees or annual membership dues associated with HGACBuy.

The interlocal agreement is attached. Staff recommends approval.

Sincerely,



Amy Dozier
Assistant General Manager



**INTERLOCAL CONTRACT FOR
COOPERATIVE PURCHASING**

ILC No.:
ILC25-15087
Permanent Number assigned
by H-GAC

THIS INTERLOCAL CONTRACT ("Contract"), made and entered into pursuant to the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code (the "Act"), by and between the Houston-Galveston Area Council, hereinafter referred to as "H-GAC," having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, and **Kerrville Public Utility Board**, a local government, a state agency, or a non-profit corporation created and operated to provide one or more governmental functions and services, hereinafter referred to as "End User," having its principal place of business at **2250 Memorial Blvd. Kerrville, TX 78028**.

WITNESSETH

WHEREAS, H-GAC is a regional planning commission and political subdivision of the State of Texas operating under Chapter 391, Texas Local Government Code; and

WHEREAS, pursuant to the Act, H-GAC is authorized to contract with eligible entities to perform governmental functions and services, including the purchase of goods and services; and

WHEREAS, in reliance on such authority, H-GAC has instituted a cooperative purchasing program under which it contracts with eligible entities under the Act; and

WHEREAS, End User has represented that it is an eligible entity under the Act, that its governing body has authorized this Contract on **01/15/2025** (Date), and that it desires to contract with H-GAC on the terms set forth below;

NOW, THEREFORE, H-GAC and the End User do hereby agree as follows:

ARTICLE 1: LEGAL AUTHORITY

The End User represents and warrants to H-GAC that (1) it is eligible to contract with H-GAC under the Act because it is one of the following: a local government, as defined in the Act (a county, a municipality, a special district, or other political subdivision of the State of Texas or any other state), or a combination of two or more of those entities, a state agency (an agency of the State of Texas as defined in Section 771.002 of the Texas Government Code, or a similar agency of another state), or a non-profit corporation created and operated to provide one or more governmental functions and services, and (2) it possesses adequate legal authority to enter into this Contract.

ARTICLE 2: APPLICABLE LAWS

H-GAC and the End User agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, and ordinances and laws in effect or promulgated during the term of this Contract.

ARTICLE 3: WHOLE AGREEMENT

This Contract and any attachments, as provided herein, constitute the complete contract between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein.

ARTICLE 4: PERFORMANCE PERIOD

The period of this Contract shall be for the balance of the fiscal year of the End User, which began **10/01/2024** and ends **09/30/2025**. This Contract shall thereafter automatically be renewed annually for each succeeding fiscal year, provided that such renewal shall not have the effect of extending the period in which the End User may make any payment due an H- GAC contractor beyond the fiscal year in which such obligation was incurred under this Contract.

ARTICLE 5: SCOPE OF SERVICES

The End User appoints H-GAC its true and lawful purchasing agent for the purchase of certain products and services through the H- GAC Cooperative Purchasing Program. End User will access the Program through HGACBuy.com and by submission of any duly executed purchase order, in the form prescribed by H-GAC to a contractor having a valid contract with H-GAC. All purchases hereunder shall be in accordance with specifications and contract terms and pricing established by H-GAC. Ownership (title) to products purchased through H-GAC shall transfer directly from the contractor to the End User.

ARTICLE 6: PAYMENTS

H-GAC will confirm each order and issue notice to contractor to proceed. Upon delivery of goods or services purchased, and presentation of a properly documented invoice, the End User shall promptly, and in any case within thirty (30) days, pay H-GAC’s contractor the full amount of the invoice. All payments for goods or services will be made from current revenues available to the paying party. In no event shall H-GAC have any financial liability to the End User for any goods or services End User procures from an H- GAC contractor.

ARTICLE 7: CHANGES AND AMENDMENTS

This Contract may be amended only by a written amendment executed by both parties, except that any alterations, additions, or deletions to the terms of this Contract which are required by changes in Federal and State law or regulations are automatically incorporated into this Contract without written amendment hereto and shall become effective on the date designated by such law or regulation.

H-GAC reserves the right to make changes in the scope of products and services offered through the H-GAC Cooperative Purchasing Program to be performed hereunder.

ARTICLE 8: TERMINATION PROCEDURES

H-GAC or the End User may cancel this Contract at any time upon thirty (30) days written notice by certified mail to the other party to this Contract. The obligations of the End User, including its obligation to pay H-GAC’s contractor for all costs incurred under this Contract prior to such notice shall survive such cancellation, as well as any other obligation incurred under this Contract, until performed or discharged by the End User.

ARTICLE 9: SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 10: FORCE MAJEURE

To the extent that either party to this Contract shall be wholly or partially prevented from the performance within the term specified of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed; provided, however, force majeure shall not excuse an obligation solely to pay funds. Determination of force majeure shall rest solely with H-GAC.

ARTICLE 11: VENUE

Disputes between procuring party and Vendor are to be resolved in accord with the law and venue rules of the State of purchase.

THIS INSTRUMENT HAS BEEN EXECUTED BY THE PARTIES HERETO AS FOLLOWS:

Kerrville Public Utility Board
Name of End User (local government, agency, or non-profit corporation)

2250 Memorial Blvd.
Mailing Address

Kerrville, TX 78028
City, State ZIP Code

Signature of chief elected or appointed official | **Date**

Mike Wittler, General Manager and CEO
Typed Name & Title of Signatory

Houston-Galveston Area Council
3555 Timmons Lane, Suite 120, Houston, TX
77027

By: _____
Executive Director

Date: _____



END USER DATA

Please sign and return the Interlocal Contract, along with this completed form, to H-GAC by emailing it to cpcontractfax@h-gac.com or by faxing it to 713-993-2424. The contract may also be mailed to:

H-GAC Cooperative Purchasing Program
P.O. Box 22777, Houston, TX 77227-2777

Name of End User Agency: **Kerrville Public Utility Board** County Name: **Kerr**

Mailing Address: **2250 Memorial Blvd. Kerrville, TX 78028**

Main Telephone Number: **830-257-3050** FAX Number: **830-257-8078**

Physical Address: **2250 Memorial Blvd. Kerrville, TX >78028**

Web Site Address: **kpub.com**

Official Contact: Amy Dozier

Mailing Address: **2250 Memorial Blvd.
Kerrville, TX 78028**

Title: **Assistant General Manager**

Ph No.: **830-792-8267**

FX No.: **830-792-8259**

E-Mail Address: **adozier@kpub.com**

Authorized Official: Mike Wittler

Mailing Address: **2250 Memorial Blvd.
Kerrville, TX 78028**

Title: **General Manager and CEO**

Ph No.: **830-257-3050**

FX No.: **830-257-8078**

E-Mail Address: **mwittler@kpub.com**

Authorized Official: Jill Cook

Mailing Address: **2250 Memorial Blvd.
Kerrville, TX 78028**

Title: **Accounting Supervisor**

Ph No.: **830-792-8276**

FX No.: **830-792-8259**

E-Mail Address: **jscook@kpub.com**

Authorized Official: Damon Richardson

Mailing Address: **2250 Memorial Blvd.
Kerrville, TX 78028**

Title: **Purchasing Agent**

Ph No.: **830-792-8239**

FX No.: **830-257-8078**

E-Mail Address: **drichardson@kpub.com**

MEMORANDUM

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

From: Tony Perez

Date: January 6, 2025

Re: Agenda Item No. 4C.2 – Jack Furman T2 Addition Engineering Contract

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

Schneider Engineering (SEnergy) is currently under contract for engineering on the Jack Furman T2 addition project. To date, SEnergy has completed major portions of the project, but has incurred additional costs associated with scoping changes that were not identified when the project was originally planned. A summary of these changes and estimated costs are listed below:

- Addition of a new feeder breaker and associated relay panel design (\$41,650)
- Addition of a new mobile tie switch (\$7,700)
- Addition of a new meter CT (\$8,300)

The Jack Furman T2 Addition engineering agreement was approved in December of 2022 with a not to exceed total of \$152,000. Engineering is requesting board authorization to increase this agreement by \$57,650 for a total not to exceed cost of \$209,650. I have reviewed the overall substation engineering costs and recommend approval of this increase.

Please let me know if you have any questions or need additional information on this.

Thank you,



Tony Perez
Director of Engineering

MEMORANDUM

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

From: Mike Wittler

Date: December 8, 2022

Re: Item 6. D.—Professional Services Schneider Engineering

Staff is recommending the approval of the following purchase orders to Schneider Engineering for professional services:

- Power Supply Planning and ERCOT Market Support: The attached proposal outlines the ERCOT support services that Schneider has normally been providing to KPUB. The total for this purchase is not to exceed \$85,000.
- Feasibility Study for Municipal Power Agency Development: We have been exploring the possibility of aligning with other municipal and cooperative distribution utilities to procure power as a group to realize savings and improve our negotiating power. We are now planning to shift this effort towards exploring the possibility of joint development of peaking generation resources. The total for this purchase is not to exceed \$35,000.
- Regulatory Support Services: For a number of years Schneider has been tracking regulatory agency changes, supporting the submission of reports to regulatory agencies and supporting North American Electric Reliability Corporation (NERC) reliability compliance programs and audits for a group of its clients. We would like to continue receiving this support. The total for this purchase is not to exceed \$18,000.
- Engineering and Procurement Services for the Jack Furman Substation Transformer Addition. The attached proposal outlines the procurement, engineering design, construction bidding and contracting, and construction coordination services that Schneider has proposed to support the installation of a KPUB owned transformer at the Jack Furman Substation. We are planning to install the foundations in early 2023, then pause the project, and restart it in 2024 with the transformer installation scheduled for May 2026. The total for this purchase is not to exceed \$152,000.

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

Thanks,



Mike Wittler, P.E.

CHANGE ORDER NUMBER:	CO-1114-001 KPUB Jack Furman T2 Addition		
PROJECT NAME/NUMBER:	KPUB Jack Furman / R-1114		
ISSUE DATE:	12/20/2024	CUSTOMER CONTACT:	Tony Perez / Brian Mikulencak
EFFECTIVE BY:	12/20/2024	SUBMITTED BY:	Moe Perez

Scope of Work:

1. Additional Engineering costs
 - a. JF 50 feeder breaker addition (\$41,650)
 1. Review breaker specs and drawing submittals
 2. Update E&S / P&C design
 3. Provide breaker relay settings
2. Mobile tie switch addition (\$7,700)
 - a. Update E&S design
3. Metering CT addition (\$8,300)
 - a. Update E&S / P&C design
 - b. Coordination with LCRA
4. **Total Additional Cost: \$57,650**

Attachments: NA.

		ORIGINAL CONTRACT PRICE:		\$152,000.00
ITEM	DESCRIPTION	QTY	PRICE	EXTENDED
1.	Additional Engineering Cost	1		\$41,650.00
2.	Additional Mobile Tie Switch Addition	1		\$7,700.00
3.	Metering CT Addition	1		\$8,300.00
4.				\$0.00
5.				\$0.00
6.				\$0.00
7.				\$0.00
8.				\$0.00
9.				\$0.00
		TOTAL CHANGE IN CONTRACT PRICE:		\$57,650.00
		NEW CONTRACT TOTAL:		\$209,650.00

CUSTOMER PRINT NAME: _____

CUSTOMER SIGNATURE: _____

MEMORANDUM

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

From: Amy Dozier

Date: January 8, 2025

Re: Agenda Item No. 5 – Resolution 25-03

In preparation for our upcoming debt issuance, our Financial Advisor, Specialized Public Finance, asked us to review our financial policies. In particular, rating agencies view strong policies regarding cash on hand and fixed charge coverage ratios as an important indicator of strong financial management, which corresponds to lower risk for investors and stronger credit ratings.

KPUB's current Board Policy 47 – Days Cash on Hand, was last updated in 2012, prior to our last bond issuance. It recommends 120 days cash on hand and does not address fixed charge coverage. Current best practices advised by Specialized Public Finance include setting minimum days cash on hand at 175 days, with a target of 300 days. In addition, the policy should address KPUB's ability to pay for fixed charges. For the purpose of comparison among entities, fixed charges are defined in a unique way by rating agencies. The proposed policy uses the rating agency definition that includes 50% of power purchase agreements and 100% of debt service on a cash basis as fixed costs. The policy outlines maintaining a fixed cost coverage ratio of 1.2x with a target of 1.5x coverage.

The proposed policy notes that the metrics will be reported to the Board on a monthly basis as part of the monthly financial report.

A clean and redline copy are attached for your review. Staff recommends approval of Resolution 25-03, which authorizes the update of Board Policy 47.

Sincerely,



Amy Dozier
Assistant General Manager

RESOLUTION NO. 25-03

A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD AUTHORIZING AMENDMENT OF BOARD POLICY 47: "DAYS CASH ON HAND AND FIXED CHARGE COVERAGE RATIO"

WHEREAS, the Board had adopted a Policies and Procedures Manual to maintain policies and procedures established by the Board of Trustees and the General Manager and Chief Executive Officer to direct the action of the Trustees, Officers and Staff; and

WHEREAS, the Board's General Manager and Chief Executive Officer, and Assistant General Manager recommend the Board of Trustees approval of amended Board Policy 47, titled "Days Cash on Hand and Fixed Charge Coverage Ratio" effective date of January 15, 2025, a copy of which is attached hereto; and

WHEREAS, Kerrville Public Utility Board's General Counsel has reviewed the policy for legality and content with respect to the law; now, therefore,

BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:

Section 1. The General Manager and Chief Executive Officer is authorized to implement the Policy in accordance with the provisions of the Policy and applicable law.

Section 2. This Resolution shall take effect immediately from and after its passage.

PASSED, APPROVED AND ADOPTED on this 15th day of January, 2025

Larry Howard, Chairman

ATTEST:

Glenn Andrew, Secretary

KERRVILLE PUBLIC UTILITY BOARD	
BOARD POLICY 47	
Title: Days Cash On Hand and Fixed Charge Coverage Ratio	
Effective Date: January 15, 2025	Resolution No. 25-03
Replaces: May 17, 2012	Resolution No. 12-09

47.00 Purpose

Although the Kerrville Public Utility Board continually monitors its cash reserve position and ability to pay for fixed costs, bond rating agencies view favorably financial policies that have been formalized in writing and approved by the Board. Accordingly, this policy formally establishes a policy for days cash on hand and a fixed cost coverage ratio. The General Manager and Chief Executive Officer recommends the following policy be adopted:

47.10 General Provisions

1. That the Board consider adopting a policy establishing a minimum days cash on hand standard for operation of the utility of 175 days unrestricted cash and investments, with a target of 300 days, recognizing that the actual level may dip below such level in times of cost volatility.
2. That the definition of the Days Cash on Hand policy be defined as the unrestricted cash and investments being held by KPUB, divided by the operating expenses, less depreciation, times the number of days elapsed in the current fiscal year.
3. That the definition of “unrestricted cash and investments” shall include all KPUB funds not restricted in use by the City of Kerrville Ordinance No. 87-45 creating KPUB as well as provisions of the trust indenture executed in conjunction with the issuance of revenue bonds, namely the Bond Reserve and the Interest and Sinking Fund, as well as the funds being held each month as customer deposits for electric service.
4. All other funds, currently including but not necessarily limited to the Revenue Fund, the Construction Fund, the Rate Stabilization Fund, the Long-Term Rate Stabilization Fund, and the Emergency Repair, Replacement and Contingency Fund, although they may be designated by the Board for specific purposes, are controlled by the Board and may be used for other purposes as may be deemed necessary in a volatile market.

5. If the actual level of the days cash on hand falls below the minimum target level of 175 days at the end of a reporting period, staff shall make every effort to replenish the level in a reasonable period of time.
6. The Fixed Charge Coverage Ratio measures a utility's ability to service both its total debt and debt-like obligations and is based on the following calculation:

Operating Income + Depreciation + Non-Operating Revenue (Expense) + Capital Contributions

divided by

Fixed Costs + Imputed Charges

For the purposes of this calculation, Power Purchase Agreements (PPAs) should be included as 50% operating expense and 50% fixed charge. Transmission costs are included as 100% operating expense. City of Kerrville debt service payment (cash basis) to KPUB will reduce the fixed costs. KPUB and KPFC debt service (cash basis) are both included as fixed cost amounts.

KPUB's policy is to maintain fixed cost coverage at 1.2x with a target of 1.5x coverage.

7. If the actual level of fixed cost coverage falls below the minimum target level of 1.2x at the end of a reporting period, staff shall make every effort to replenish the level in a reasonable period of time.
8. The days cash on hand and fixed cost coverage ratio for the month, fiscal year-to-date and previous twelve months shall be included in monthly financial reporting to the Board.

Approved as to Form

Steve Schulte, Counsel

Recommended for Board Approval

Mike Wittler, General Manager & CEO

PASSED, APPROVED AND ADOPTED the 15th day of January, 2025

Larry Howard, Chairman

ATTEST:

Glenn Andrew, Secretary

KERRVILLE PUBLIC UTILITY BOARD BOARD POLICY 47	
Title: Days Cash On Hand <u>and Fixed Charge Coverage Ratio</u>	<u>Resolution No. 12-0925-03</u> <u>Resolution No. 25-03</u> <u>Resolution No. 12-09</u> <u>Resolution No. 12-09</u>
Effective Date: <u>January 15, 2025</u> May 17, 2012	
<u>Replaces: May 17, 2012</u>	

47.00 Purpose

Although the Kerrville Public Utility Board ~~continually monitors~~has been monitoring its cash reserve position ~~and ability to pay for fixed costs each quarter for the last ten years,~~ the bond rating agencies view favorably ~~financial cash reserve~~ policies that have been formalized ~~in by being committed to~~ writing and approved by the Board. Accordingly, this policy formally establishes a policy for days cash on hand and a fixed cost coverage ratio. The General Manager and Chief Executive Officer recommends the following policy be adopted: The Board has directed staff to recommend a days cash on hand policy formally establishing a target for monitoring the cash reserve position while ensuring a prudent level of cash reserves is maintained providing for the utility's continuing quality operation.

~~As a result of the Board's request, the General Manager and Chief Executive Officer and the Chief Financial Officer recommend the following Days Cash on Hand policy be adopted:~~

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47.10 General Provisions

1. That the Board consider adopting a policy establishing a minimum days cash on hand standard for operation of the utility of ~~175~~20 days unrestricted cash and investments, with a target of 300 days, recognizing that the actual level may dip below such level in times of cost volatility.
2. That the definition of the Days Cash on Hand policy be defined as the unrestricted cash and investments being held by KPUB, divided by the operating expenses, less depreciation, times the number of days elapsed in the current fiscal year.

3. That the definition of “unrestricted cash and investments” shall include all KPUB funds not restricted in use by the City of Kerrville Ordinance No. 87-45 creating KPUB as well as provisions of the trust indenture executed in conjunction with the issuance of revenue bonds, namely the Bond Reserve and the Interest and Sinking Fund, as well as the funds being held each month as customer deposits for electric service.

4. All other funds, currently including but not necessarily limited to the Revenue Fund, the Construction Fund, the Rate Stabilization Fund, the Long Term Rate Stabilization Fund, the Equipment Replacement Fund, and the Emergency Repair, Replacement and Contingency Fund, although they may be designated by the Board for specific purposes, are controlled by the Board and may be used for other purposes as may be deemed necessary in a volatile market.

5. If the actual level of the days cash on hand falls below the minimum target level of 175 days at the end of a reporting period, staff shall make every effort to replenish the level in a reasonable period of time.

6. The Fixed Charge Coverage Ratio measures a utility’s ability to service both its total debt and debt-like obligations and is based on the following calculation:

Operating Income + Depreciation + Non-Operating Revenue (Expense) + Capital Contributions

divided by

Fixed Costs + Imputed Charges

For the purposes of this calculation, KPUB-Power Purchase Agreements (PPAs) with entities other than KPFC should be included at 50% operating expense and 50% fixed charge. Transmission costs are included as 100% operating expense. City of Kerrville debt service (cash basis) will reduce the fixed costs. KPUB and KPFC debt service (cash basis) are both included as fixed cost amounts.

KPUB’s policy is to maintain fixed cost coverage at 1.2x with a target of 1.5x coverage.

4. If the actual level of fixed cost coverage falls below the minimum target level of 1.2x at the end of a reporting period, staff shall make every effort to replenish the level in a reasonable period of time.

7.

5-8. The reporting of the actual level of the days cash on hand and fixed cost coverage ratio for the month, fiscal year-to-date and previous twelve months shall be included in monthly financial reporting to the Board the quarterly report to the Board on the Summary of Selected Financial and Operating Ratios.

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~~6. Assuming the actual level of the days cash on hand falls below the minimum target level of 17520 days at the end of a reporting period, staff shall make every effort to replenish the level in a reasonable period of time.~~

Approved as to Form

~~Steve Schulte~~Dwaine Machann, Counsel

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Recommended for Board Approval

~~Tracy L. McCuan~~Mike Wittler, General

Manager & CEO

~~Scott McGough~~Chief Financial Officer

PASSED, APPROVED AND ADOPTED the 15⁷~~th~~ day of ~~January, 2025~~May, 2012.

Chairman

~~John E. Sample~~Larry Howard, Vice

ATTEST:

~~Fred Gamble~~Glenn Andrew, Secretary

MEMORANDUM

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

From: Amy Dozier

Date: January 8, 2025

Re: Agenda Item No. 6 – Financial Report

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

Highlights include:

- **\$108K increase in net position** for the month, **\$280K increase** in net position on a year-to-date (YTD) basis, which is \$85K less than budget.
- **\$2.9M in operating revenue** for the month, **\$9.3M** on a YTD basis.
 - Through December, operating revenue is 14.8% lower than expected due primarily to low purchased power cost as explained in the operating expense bullet below and kWh sales that are 4.1% lower than forecast. The sales variance occurred primarily in December, which had especially mild weather. In particular, the average low temperature in December was 43.3°, which is 7.1° higher than the average low.
- **\$3.1M in operating expense** for the month, **\$9.7M** on a YTD basis.
 - YTD operating expense is 11.1% lower than budget due primarily to low purchased power expense resulting from low natural gas prices. All other expense categories also have favorable variances. Distribution and administration expenses are lower than budget due mostly to mutual aid costs in October that were billed to the utilities requesting aid. In December, Administrative Expenses were more than budget due to the additional D&O insurance policy purchase.
- **\$175K in operating loss** for the month, **\$367K in operating loss** on a YTD basis.
- **\$100K in net nonoperating revenue** for the month, **\$297K** on a YTD basis.
 - Nonoperating revenue is \$93K better than budget for the year. The favorable performance is driven by interest income that is better than budget due to a higher than forecast investment balance as well as a lower than budget transfer to the City of Kerrville driven by lower revenues previously discussed.
- **\$20.6M in over collection of power cost adjustment** as of 12/31/2024, an **increase of \$447K** from the prior month. The billed rate remains at \$100.00 for 1,000 kWh of residential power. In the December monthly survey of 28 Central and South Texas utilities, only Karnes Electric Coop had a lower rate (\$95.18). The overall average rate for the 28 utilities is \$124.88.
- **\$45.6M invested** in municipal investment pools and an account at Happy State Bank. The portfolio of investment accounts earned a blended rate of 4.63% in December.

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

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

I am happy to answer any questions regarding this report.

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
Assistant General Manager

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended December 31, 2024
(Unaudited)

	Comparison to Budget				Comparison to Last Year		
	Current Month	Current Month Budget Amount	Variance Favorable (Unfavorable)	Percentage Variance	Current Month Last Year Amount	Variance Favorable (Unfavorable)	Percentage Variance
OPERATING REVENUES:							
Residential	\$ 1,633,825	\$ 2,005,302	\$ (371,476)	-18.52%	\$ 1,948,323	\$ (314,497)	-16.14%
Commercial/Industrial	1,254,098	1,430,141	(176,043)	-12.31%	1,371,580	(117,482)	-8.57%
Sales to Public Authorities	21,835	21,500	335	1.56%	21,794	42	0.19%
Other	37,241	49,195	(11,954)	-24.30%	37,727	(486)	-1.29%
TOTAL OPERATING REVENUES	2,947,000	3,506,137	(559,137)	-15.95%	3,379,423	(432,423)	-12.80%
OPERATING EXPENSES:							
Purchased Power	1,817,146	1,993,617	176,471	8.85%	2,216,203	399,057	18.01%
Distribution	321,038	398,981	77,943	19.54%	541,836	220,799	40.75%
Customer Accounts	55,316	70,195	14,879	21.20%	82,600	27,284	33.03%
Customer Service, Informational & Sales	21,511	52,676	31,165	59.16%	35,061	13,550	38.65%
Administrative Expenses	524,240	497,692	(26,548)	-5.33%	472,977	(51,263)	-10.84%
Depreciation & Amortization	382,588	388,354	5,766	1.48%	359,280	(23,309)	-6.49%
TOTAL OPERATING EXPENSES	3,121,839	3,401,516	279,677	8.22%	3,707,957	586,118	15.81%
OPERATING INCOME (LOSS)	(174,839)	104,622	(279,461)	-267.12%	(328,534)	153,695	-46.78%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	196,141	183,333	12,808	6.99%	201,039	(4,898)	-2.44%
Interest Income - City of Kerrville	10,714	10,714	(0)	0.00%	12,857	(2,143)	-16.67%
Interest Expense	(8,513)	(11,219)	2,705	-24.11%	(9,141)	628	-6.87%
City of Kerrville - General Fund Transfer	(94,565)	(111,103)	16,538	-14.89%	(107,868)	13,303	-12.33%
City of Ingram - Franchise Fee	(2,381)	(3,035)	654	-21.53%	(2,647)	266	-10.04%
Other - Net	(1,679)	3,250	(4,929)	-151.65%	967	(2,646)	-273.57%
TOTAL NONOPERATING REVENUES (EXP)	99,717	71,941	27,775	38.61%	95,207	4,510	4.74%
INCOME BEFORE CONTRIBUTIONS	(75,122)	176,563	(251,685)	142.55%	(233,326)	158,205	-67.80%
CAPITAL CONTRIBUTIONS	183,491	41,667	141,825	340.38%	68,971	114,521	166.04%
CHANGE IN NET POSITION	\$ 108,370	\$ 218,229	\$ (109,860)	50.34%	\$ (164,355)	\$ 272,725	165.94%
NET POSITION AT BEGINNING OF MONTH	\$ 80,764,063				\$ 78,357,086		
NET POSITION AT END OF MONTH	\$ 80,872,433				\$ 78,192,731		

Kerrville Public Utility Board
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Month Ended December 31, 2024
(Unaudited)

	Comparison to Budget				Comparison to Last Year		
	Year to Date	Year to Date Budget Amount	Variance		Year to Date Last Year Amount	Variance	
			Favorable (Unfavorable)	Percentage Variance		Favorable (Unfavorable)	Percentage Variance
OPERATING REVENUES:							
Residential	\$ 5,038,955	\$ 6,008,996	\$ (970,041)	-16.14%	\$ 4,820,653	\$ 218,303	4.53%
Commercial/Industrial	4,068,765	4,674,887	(606,122)	-12.97%	3,624,503	444,262	12.26%
Sales to Public Authorities	65,290	64,500	790	1.23%	65,141	150	0.23%
Other	114,825	147,415	(32,590)	-22.11%	115,205	(380)	-0.33%
TOTAL OPERATING REVENUES	9,287,836	10,895,799	(1,607,963)	-14.76%	8,625,501	662,335	7.68%
OPERATING EXPENSES:							
Purchased Power	5,736,958	6,509,546	772,588	11.87%	5,210,447	(526,510)	-10.10%
Distribution	955,448	1,196,944	241,496	20.18%	1,201,102	245,654	20.45%
Customer Accounts	202,166	210,585	8,419	4.00%	183,585	(18,581)	-10.12%
Customer Service, Informational & Sales	107,168	158,028	50,860	32.18%	140,550	33,382	23.75%
Administrative Expenses	1,511,675	1,621,825	110,150	6.79%	1,389,552	(122,123)	-8.79%
Depreciation & Amortization	1,141,532	1,162,063	20,531	1.77%	1,080,489	(61,043)	-5.65%
TOTAL OPERATING EXPENSES	9,654,946	10,858,991	1,204,045	11.09%	9,205,726	(449,220)	-4.88%
OPERATING INCOME (LOSS)	(367,111)	36,808	(403,919)	-1097.37%	(580,225)	213,115	-36.73%
NONOPERATING REVENUES (EXP):							
Interest Income - Investments	614,663	550,000	64,663	11.76%	591,577	23,086	3.90%
Interest Income - City of Kerrville	32,143	32,143	(0)	0.00%	38,571	(6,429)	-16.67%
Interest Expense	(27,719)	(34,885)	7,165	-20.54%	(27,139)	(580)	2.14%
City of Kerrville - General Fund Transfer	(298,221)	(344,631)	46,410	-13.47%	(277,762)	(20,459)	7.37%
City of Ingram - Franchise Fee	(7,714)	(9,094)	1,380	-15.18%	(8,212)	498	-6.06%
Other - Net	(16,647)	9,750	(26,397)	-270.73%	3,083	(19,729)	-640.03%
TOTAL NONOPERATING REVENUES (EXP)	296,506	203,283	93,222	45.86%	320,119	(23,613)	-7.38%
INCOME BEFORE CONTRIBUTIONS	(70,605)	240,091	(310,697)	-129.41%	(260,107)	189,502	-72.86%
CAPITAL CONTRIBUTIONS	350,317	125,000	225,317	180.25%	118,697	231,620	195.14%
CHANGE IN NET POSITION	\$ 279,711	\$ 365,091	\$ (85,380)	23.39%	\$ (141,410)	\$ 421,121	297.80%
NET POSITION AT BEGINNING OF YEAR	\$ 80,592,721				\$ 78,334,141		
NET POSITION AT END OF MONTH	\$ 80,872,433				\$ 78,192,731		

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

ASSETS & DEFERRED OUTFLOWS	December 31, 2024	September 30, 2024	LIABILITIES, DEFERRED INFLOWS & NET POSITION	December 31, 2024	September 30, 2024
CURRENT ASSETS			CURRENT LIABILITIES		
Revenue Fund:			Current Maturities of Long-Term Liabilities	\$ 812,655	\$ 770,063
Cash and Cash Equivalents	\$ 335,798	\$ 399,285	Accounts Payable - Purchased Power	10,650,544	9,944,112
Investments	33,900,539	37,482,858	Accounts Payable and Accrued Liabilities	1,077,537	1,396,696
Less: Customer Deposits	(517,224)	(537,816)	Over Collection of Power Cost Adjustment	20,643,802	18,865,662
Total Revenue Fund	<u>33,719,112</u>	<u>37,344,328</u>	TOTAL CURRENT LIABILITIES	<u>\$ 33,184,538</u>	<u>\$ 30,976,533</u>
Construction Fund:			NONCURRENT LIABILITIES		
Cash and Cash Equivalents	5,745	5,681	2013 Revenue Bonds, net of current portion	\$ 1,501,000	\$ 1,965,000
Investments	1,632,227	1,612,773	Lease Liability	44,254	48,042
Total Construction Fund	<u>1,637,972</u>	<u>1,618,454</u>	Subscription Liability	687,023	733,880
Rate Stabilization Fund:			Customer Deposits	517,224	537,816
Investments	2,148,006	2,122,404	Net Pension Liability	2,715,291	2,715,291
Total Rate Stabilization Fund	<u>2,148,006</u>	<u>2,122,404</u>	Total OPEB Liability	<u>281,043</u>	<u>281,043</u>
Long Term Rate Stabilization Fund:			TOTAL NONCURRENT LIABILITIES	<u>\$ 5,745,835</u>	<u>\$ 6,281,072</u>
Investments	3,848,494	3,802,625	DEFERRED INFLOWS - PENSION AND OPEB	<u>\$ 226,425</u>	<u>\$ 226,425</u>
Total Rate Stabilization Fund	<u>3,848,494</u>	<u>3,802,625</u>	TOTAL LIABILITIES AND DEFERRED INFLOWS	<u>\$ 39,156,797</u>	<u>\$ 37,484,030</u>
Customer Accounts Receivable, net of allowance	1,577,481	1,929,338	TOTAL NET POSITION	<u>\$ 80,872,433</u>	<u>\$ 80,592,721</u>
Receivable from KPFC	6,468,646	303,389			
Unbilled Revenue	2,244,875	2,244,875			
Materials and Supplies	1,260,181	1,203,625			
Other Current Assets	1,462,509	1,416,738			
Current Portion - Advance to City of Kerrville	1,071,428	1,071,428			
TOTAL CURRENT ASSETS	<u>\$ 55,438,705</u>	<u>\$ 53,057,204</u>			
NONCURRENT ASSETS					
Customer Deposits	\$ 517,224	\$ 537,816			
Interest and Sinking Fund	89,860	435,292			
Emergency, Repair, Replace, Contingency Fund	4,016,296	3,968,427			
Advance to City of Kerrville, net of current portion	4,285,715	4,285,715			
Capital Assets, net of Accum Depreciation	52,550,257	52,686,916			
Right to Use Assets, Net of Accum Amortization	57,230	61,318			
Subscription Assets, Net of Accum Amortization	1,251,767	1,221,889			
TOTAL NONCURRENT ASSETS	<u>\$ 62,768,350</u>	<u>\$ 63,197,373</u>			
DEFERRED OUTFLOWS - PENSION AND OPEB	<u>\$ 1,822,175</u>	<u>\$ 1,822,175</u>			
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 120,029,230</u>	<u>\$ 118,076,751</u>	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	<u>\$ 120,029,230</u>	<u>\$ 118,076,751</u>

Kerrville Public Utility Board
Invested Funds Detail
For the Month Ended December 31, 2024

		Restricted							
	Date	Revenue Fund	Construction Fund	Rate Stabilization Fund	Long Term Rate Stabilization Fund	Debt Reserve Fund	Interest & Sinking Fund	Emergency Repair, Replacement & Contingency Fund	Total Funds Invested
Beginning Fund Balance		\$ 39,199,515	\$ 1,625,834	\$ 2,139,592	\$ 3,833,420	\$ -	\$ 44,930	\$ 4,000,565	\$ 50,843,856
Withdrawals:									
Happy Investment - TXHB	12/01/24	(97,871)							(97,871)
Happy Investment - LCRA	12/04/24	(650,942)							(650,942)
Happy Investment - TMRS	12/05/24	(93,431)							(93,431)
Happy Investment - ERCOT	12/13/24	(91)							(91)
Happy Investment - Generation Project	12/18/24	(20,000)							(20,000)
Happy Investment - Concho Bluff	12/19/24	(49,730)							(49,730)
Happy Investment - Generation Project	12/19/24	(2,072,246)							(2,072,246)
Happy Investment - Generation Project	12/19/24	(4,000,000)							(4,000,000)
Happy Investment - NextEra	12/19/24	(470,092)							(470,092)
Happy Investment - CPS	12/20/24	(332,947)							(332,947)
Happy Investment - Garland	12/27/24	(209,272)							(209,272)
Happy Investment - Engie	12/30/24	(61,709)							(61,709)
Happy Investment - DG Solar	12/31/24	(39,673)							(39,673)
Investments:									
Happy State Bank	12/06/24	400,000							400,000
Happy State Bank	12/13/24	500,000							500,000
Happy State Bank	12/18/24	800,000							800,000
Happy State Bank	12/27/24	300,000							300,000
Happy State Bank	12/31/24	700,000							700,000
Fund Balance after Withdrawals & Investments		33,801,511	1,625,834	2,139,592	3,833,420	-	44,930	4,000,565	45,445,853
Allocation of:									
Interest Income	12/31/24	143,775	6,393	8,413	15,074	-	182	15,731	189,569
Total Interest Allocation		143,775	6,393	8,413	15,074	-	182	15,731	189,569
Fund Balance After Allocations		33,945,286	1,632,227	2,148,006	3,848,494	-	45,112	4,016,296	45,635,422
Interfund Transfers :									
Debt Service Accrual	12/31/24	(44,748)					44,748		-
Ending Fund Balance		\$ 33,900,539	\$ 1,632,227	\$ 2,148,006	\$ 3,848,494	\$ -	\$ 89,860	\$ 4,016,296	\$ 45,635,422

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

Description	Current Month	Fiscal Year	Previous 12 Months
CHANGE IN NET POSITION	\$ 108,370	\$ 279,711	\$ 2,679,701
PLUS:			
Interest Expense (net of amortizations)	8,513	27,719	138,005
Depreciation & Amortization Expense	382,588	1,141,532	4,504,336
Numerator	499,471	1,448,962	7,322,042
DIVIDED BY:			
Interest Expense (net of amortizations)	8,513	27,719	138,005
Principal Payment Due	65,505	196,516	786,063
Denominator	\$ 74,018	\$ 224,235	\$ 924,068
DEBT SERVICE COVERAGE RATIO	6.75	6.46	7.92
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
OCTOBER 1, 2024 TO DECEMBER 31, 2024

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
1 3957	12/27/24	DD	13409	ALTEC INDUSTRIES, INC.	NEW BUCKET TRUCK TO REPLACE UNIT 3234	263,727.26
2 3817	10/10/24	DD	5921	TML INTERGOVERNMENTAL RISK POOL	WC/CYBER-GEN.-AUTO-E&O LIABILITY/REAL	156,797.06
3 3837	10/24/24	DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-SEPTEMBER 2024	120,926.56
4 3880	11/14/24	DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-OCTOBER 2024	103,893.52
5 3936	12/12/24	DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-NOVEMBER 2024	99,809.13
6 3935	12/12/24	DD	1325	ALLIANT INSURANCE SERVICES INC	DIRECTORS & OFFICERS LIABILITY PREMIUM	99,190.54
7 3964	12/27/24	DD	1147	LINETEC SERVICES LLC	HARPER 30 UNDERBUILD	91,103.76
8 137207	10/17/24	CHK	25172	KERRVILLE ECONOMIC DEVELOPMENT CORP.	FUNDING REQUEST-FY2025	68,750.00
9 3927	12/05/24	DD	17989	PRIESTER-MELL & NICHOLSON, INC.	30FT CONCRETE DECORATIVE LIGHT POLES(14)	68,642.00
10 3889	11/14/24	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	URD TRANSFORMER PAD 167KVA 1PH(8)	65,128.00
11 137254	11/07/24	CHK	273	COMPUTER SOLUTIONS	ARCTIC WOLF MDR 1 YEAR SUBSCRIPTION	58,783.19
12 3934	12/10/24	DD	1578	SOLID BORDER, INC.	IDENTITY THREAT PROTECTION-FALCON	53,144.43
13 3954	12/19/24	DD	17273	STUART C. IRBY COMPANY	VOLTAGE REGLATOR 150A, 114.3KV (2)	47,906.46
14 3865	11/07/24	DD	110	LOWER COLORADO RIVER AUTHORITY	CIRCUIT BREAKER TESTING, FIBER SEGMENT	42,742.20
15 137391	12/27/24	CHK	1747	KNIGHT OFFICE SOLUTIONS INC	SHARP COLOR COPIER, 4 SHARP PRINTERS	39,994.00
16 137376	12/19/24	CHK	273	COMPUTER SOLUTIONS	NETWORK SWITCHES UPGRADE	37,809.49
17 3824	10/17/24	DD	25169	NISC, INC.	MISCELLANEOUS BILLING-SEPTEMBER 2024	35,425.15
18 3795	10/03/24	DD	66	MGT IMPACT SOLUTIONS LLC	WIRELESS NETWORK-ARUBA APS & CLEARPASS	32,482.72
19 3891	11/14/24	DD	77	WESCO DISTRIBUTION, INC.	TRANSFORMER PAD MT 3PH 225KVA(1)	31,235.50
20 137212	10/17/24	CHK	225	SURVALENT TECHNOLOGY INC	ANNUAL PLATINUM SUPPORT PLAN-SCADA	30,074.00
21 3879	11/14/24	DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEES-SEPTEMBER 2024	28,637.08
22 3965	12/27/24	DD	5415	SCHNEIDER ENGINEERING, LLC	KPFC RIG	27,018.88
23 137170	10/03/24	CHK	92	PEAK SUBSTATION SERVICES	DOUBLE CROSSARMS-HARPER 30 UNDERBUILD	26,050.00
24 3794	10/03/24	DD	110	LOWER COLORADO RIVER AUTHORITY	CIRCUIT BREAKER TESTING, OIL DIAGNOSTICS	24,338.80
25 3966	12/27/24	DD	17273	STUART C. IRBY COMPANY	REGULATOR 150A, 114.3 KV	23,953.23
26 3900	11/21/24	DD	52	MAXEY ENERGY COMPANY	FUEL UNLEADED(4587GAL)/DIESEL(3504GAL)	21,634.18
27 3951	12/19/24	DD	25169	NISC, INC.	SOFTWARE/MAPPING&STAKING/MKTG SUPPORT	20,166.38
28 3901	11/21/24	DD	25169	NISC, INC.	SOFTWARE MGMT/MAPPING&STAKING/MKTG	20,134.13

KERRVILLE PUBLIC UTILITY BOARD
PAYMENT REGISTER (EXCLUDES WIRES)
INDIVIDUAL PAYMENTS > \$10,000
OCTOBER 1, 2024 TO DECEMBER 31, 2024

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
29 3819	10/17/24	DD	1771	APOGEE INTERACTIVE, INC.	ENERGY EFFICIENCY SOFTWARE 11/24-10/25	20,000.00
30 3904	11/21/24	DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	19,807.20
31 3838	10/24/24	DD	110	LOWER COLORADO RIVER AUTHORITY	RADIO SERVICE AIR TIME 9/24-8/25	19,260.00
32 3821	10/17/24	DD	91	E3 CONSULTING SERVICES LLC	ENGINEERING SERVICES	18,555.00
33 3815	10/10/24	DD	5415	SCHNEIDER ENGINEERING, LLC	POWER SUPPLY PLANNING/ERCOT MKT SUPPORT	18,040.07
34 137195	10/10/24	CHK	1657	NEWGEN STRATEGIES & SOLUTIONS, LLC.	DUE DILIGENCE PROFESSIONAL SERVICES	17,932.68
35 3816	10/10/24	DD	70	TECHLINE INCORPORATED	600V VOLTAGE TRANSFORMER	17,770.65
36 3826	10/17/24	DD	5415	SCHNEIDER ENGINEERING, LLC	JACK FURMAN T2 ADDITION	17,423.44
37 3952	12/19/24	DD	5415	SCHNEIDER ENGINEERING, LLC	JACK FURMAN T2 ADDITION	16,922.71
38 3950	12/19/24	DD	1147	LINETEC SERVICES LLC	INSTALL STEEL POLE	16,303.54
39 137213	10/17/24	CHK	117	TRINITY CONSULTANTS INC	AIR PERMIT CONSULTING SERVICES	15,999.26
40 3920	12/05/24	DD	1425	BOLINGER, SEGARS, GILBERT & MOSS,LLP	AUDIT PROGRESS BILLING #2	15,000.00
41 3955	12/19/24	DD	70	TECHLINE INCORPORATED	DEADEND FIBERGLASS 12' ARMS	14,128.65
42 3890	11/14/24	DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	13,154.24
43 137249	10/31/24	CHK	1814	SABRE INDUSTRIES INC	SELF SUPPORTING STEEL POLE WO#24006990	13,107.00
44 3956	12/19/24	DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	13,082.72
45 3886	11/14/24	DD	25169	NISC, INC.	BILL PRINTING SERVICES-OCTOBER 2024	13,050.09
46 3916	11/27/24	DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	12,867.20
47 137191	10/10/24	CHK	1532	FORVIS MAZARS LLP	TRANSACTION REVIEW SERVICES	12,600.00
48 3928	12/05/24	DD	17273	STUART C. IRBY COMPANY	KPUB APPAREL-OPERATIONS FR JEANS	12,240.57
49 3938	12/12/24	DD	25169	NISC, INC.	BILL PRINTING SERVICES-NOVEMBER 2024	11,999.05
50 3798	10/03/24	DD	99263	PROLEC-GE WAUKESHA, INC.	42/88 POLYMER ARRESTER/MVN ARRESTER/EVP	11,840.00
51 3834	10/24/24	DD	1166	ANIXTER INC	CABLE TRPLX 2/0 RUNCINA	11,700.00
52 3902	11/21/24	DD	5415	SCHNEIDER ENGINEERING, LLC	JACK FURMAN T2 ADDITION	11,581.76
53 3932	12/05/24	DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	11,552.00
54 3968	12/27/24	DD	1531	TOWNSEND TREE SERVICE COMPANY LLC	TREE TRIMMING SERVICES	11,404.64
55 137333	12/05/24	CHK	1765	RITZ SAFETY LLC	KPUB FR APPAREL(SHIRTS)	11,203.50
56 137261	11/07/24	CHK	135	JOHN C BONNIN SME, LLC	CONSULTING SUPPORT SERVICES-OCTOBER 2024	10,446.60

KERRVILLE PUBLIC UTILITY BOARD
 PAYMENT REGISTER (EXCLUDES WIRES)
 INDIVIDUAL PAYMENTS > \$10,000
 OCTOBER 1, 2024 TO DECEMBER 31, 2024

CHECK/ TRANS #	DATE	PMT TYPE	VENDOR #	VENDOR NAME	REFERENCE	AMOUNT
57 137316	11/27/24	CHK	273	COMPUTER SOLUTIONS	PROFESSIONAL SERVICES-PREPAID BLOCK	10,375.00
58 137184	10/03/24	CHK	135	JOHN C BONNIN SME, LLC	CONSULTING SUPPORT-SEPTEMBER 2024	10,167.96
59 3808	10/10/24	DD	1425	BOLINGER, SEGARS, GILBERT & MOSS,LLP	AUDIT PROGRESS BILLING #1	10,000.00
60 3925	12/05/24	DD	110	LOWER COLORADO RIVER AUTHORITY	6.6A CIRCUIT SWITCH	10,000.00
						<u>\$ 2,189,013.18</u>

KERRVILLE PUBLIC UTILITY BOARD
VENDOR PAYMENTS TOTALING OVER \$10,000
ROLLING 12 MONTHS ENDED DECEMBER 31, 2024

	VENDOR NAME	JAN-MAR 2024	APR-JUNE 2024	JUL-SEP 2024	OCT 2024	NOV 2024	DEC 2024	GRAND TOTAL
1	CITY OF KERRVILLE	\$ 381,428.67	\$ 305,597.86	\$ 396,273.95	\$ 120,965.04	\$ 132,904.21	\$ 100,249.95	\$ 1,437,419.68
2	WESCO DISTRIBUTION, INC.	50,519.17	104,713.50	562,548.00	-	31,235.50	-	749,016.17
3	VIRGINIA TRANSFORMER CORP	372,154.50	-	372,154.50	-	-	-	744,309.00
4	TOWNSEND TREE SERVICE COMPANY LLC	154,503.59	151,312.53	153,129.06	23,567.32	59,206.24	42,727.52	584,446.26
5	TECHLINE INCORPORATED	168,892.90	161,959.47	118,862.43	26,357.14	4,694.58	25,059.46	505,825.98
6	TEXAS ELECTRIC COOPERATIVES, INC.	6,544.25	221,435.04	163,420.65	6,814.25	65,128.00	1,992.25	465,334.44
7	SCHNEIDER ENGINEERING, LLC	49,657.50	141,814.80	142,907.95	35,463.51	20,336.14	43,941.59	434,121.49
8	LINETEC SERVICES LLC	174,231.28	145,392.58	-	-	-	107,407.30	427,031.16
9	NISC, INC.	103,660.09	98,939.06	101,205.61	50,950.15	33,184.22	32,165.43	420,104.56
10	LOWER COLORADO RIVER AUTHORITY	76,051.77	56,074.76	74,134.85	43,598.80	43,408.20	10,000.00	303,268.38
11	ALTEC INDUSTRIES, INC.	4,199.90	3,905.51	1,300.00	191.96	-	263,727.26	273,324.63
12	STUART C. IRBY COMPANY	69,500.49	1,585.52	6,545.54	3,275.16	3,722.12	84,100.26	168,729.09
13	TML INTERGOVERNMENTAL RISK POOL	-	4,747.00	-	156,797.06	-	-	161,544.06
14	COMPUTER SOLUTIONS	6,002.50	6,939.52	27,124.22	3,204.00	70,662.09	47,039.79	160,972.12
15	ALLIANT INSURANCE SERVICES INC	-	-	-	-	-	99,190.54	99,190.54
16	MAXEY ENERGY COMPANY	22,928.80	24,858.25	22,189.04	-	21,634.18	-	91,610.27
17	CITY OF INGRAM	40,032.04	-	35,032.76	-	-	-	75,064.80
18	KERRVILLE ECONOMIC DEVELOPMENT CORP.	-	-	-	68,750.00	1,000.00	-	69,750.00
19	PRIESTER-MELL & NICHOLSON, INC.	-	-	-	-	-	68,642.00	68,642.00
20	COOPERATIVE RESPONSE CENTER, INC.	16,018.81	16,903.28	17,291.51	5,595.19	5,609.70	5,849.43	67,267.92
21	KBS ELECTRICAL DISTRIBUTORS INC.	4,758.70	30,005.05	21,245.80	2,685.00	570.00	-	59,264.55
22	USIC LOCATING SERVICES, INC.	15,572.75	15,060.06	12,486.02	4,508.58	5,148.05	4,205.14	56,980.60
23	ALAMON INC	48,638.50	5,894.00	-	-	-	-	54,532.50
24	SOLID BORDER, INC.	-	-	-	-	-	53,144.43	53,144.43
25	ANIXTER INC	458.75	20,431.20	12,299.55	14,310.08	4,487.68	594.00	52,581.26
26	KEN STOEPPEL FORD	-	-	51,985.55	-	-	-	51,985.55
27	CENTRAL TEXAS RANCH SERVICES	-	18,500.00	30,800.00	-	-	-	49,300.00
28	AMERICAN FIDELITY ASSURANCE CO	12,204.55	16,272.72	7,931.04	7,922.04	3,974.52	-	48,304.87
29	PROLEC-GE WAUKESHA, INC.	-	21,650.00	13,681.43	11,840.00	-	-	47,171.43
30	FORD OF BOERNE	-	46,853.38	-	-	-	-	46,853.38
31	DAVIDSON TROILO REAM & GARZA	12,673.38	21,771.06	7,037.00	757.00	899.50	2,309.50	45,447.44
32	JOHN C BONNIN SME, LLC	-	-	16,426.54	10,167.96	10,446.60	5,978.64	43,019.74
33	KRAUSS GARAGE	7,614.10	16,280.82	6,255.47	7,775.23	1,419.51	1,444.22	40,789.35
34	ECKOH, INC.	266.72	369.61	35,293.31	126.18	120.66	4,206.32	40,382.80

KERRVILLE PUBLIC UTILITY BOARD
VENDOR PAYMENTS TOTALING OVER \$10,000
ROLLING 12 MONTHS ENDED DECEMBER 31, 2024

	VENDOR NAME	JAN-MAR 2024	APR-JUNE 2024	JUL-SEP 2024	OCT 2024	NOV 2024	DEC 2024	GRAND TOTAL
35	KNIGHT OFFICE SOLUTIONS INC	-	-	-	-	-	39,994.00	39,994.00
36	SHI GOVERNMENT SOLUTIONS, INC.	11,156.25	28,317.89	-	-	-	-	39,474.14
37	VERIZON WIRELESS	10,108.36	9,990.52	9,212.68	3,393.26	3,153.82	3,504.59	39,363.23
38	PICTOMETRY INTERNATIONAL CORP	-	-	38,097.00	-	-	-	38,097.00
39	NEWGEN STRATEGIES & SOLUTIONS, LLC	-	-	17,580.00	17,932.68	-	-	35,512.68
40	DELL MARKETING L.P.	-	2,193.57	27,231.14	4,828.59	1,218.95	-	35,472.25
41	METROPOLITAN LIFE INS. CO.	10,730.80	8,048.10	5,279.53	5,361.08	2,871.06	2,798.48	35,089.05
42	EN ENGINEERING, LLC	-	35,000.00	-	-	-	-	35,000.00
43	MGT IMPACT SOLUTIONS LLC	-	-	-	32,482.72	-	-	32,482.72
44	SO FAST PRINTING, INC.	10,798.00	9,827.00	11,482.00	-	-	52.00	32,159.00
45	APOGEE INTERACTIVE, INC.	-	-	11,000.00	20,000.00	-	-	31,000.00
46	SURVALENT TECHNOLOGY INC	-	-	-	30,074.00	-	-	30,074.00
47	VC3 INC	26,000.00	-	3,000.00	-	-	-	29,000.00
48	RAPID7 LLC	28,968.13	-	-	-	-	-	28,968.13
49	ZONES, LLC.	28,761.41	-	-	-	-	-	28,761.41
50	LANDIS+GYR TECHNOLOGY INC	9,309.80	1,995.00	11,400.00	5,700.00	-	-	28,404.80
51	BOLINGER, SEGARS, GILBERT & MOSS,LLP	2,500.00	-	-	10,000.00	-	15,000.00	27,500.00
52	ECOMPLIANCE INC	-	26,309.03	-	-	-	-	26,309.03
53	PEAK SUBSTATION SERVICES	-	-	-	26,050.00	-	-	26,050.00
54	SCHWEITZER ENGINEERING LABS, INC.	-	25,676.56	-	-	-	-	25,676.56
55	FORVIS MAZARS LLP	-	-	10,500.00	12,600.00	-	-	23,100.00
56	MCGINNIS LOCHRIDGE, LLP	-	5,000.00	17,396.00	449.00	-	-	22,845.00
57	AMERICAN PUBLIC POWER ASSN. CORP.	-	21,221.11	-	-	-	-	21,221.11
58	HILL COUNTRY TELEPHONE COOPERATIVE	8,663.67	3,980.52	3,077.54	2,466.82	24.72	2,467.06	20,680.33
59	TEXAS PUBLIC POWER ASSOC.	-	2,500.00	18,162.86	-	-	-	20,662.86
60	SUNBELT SOLOMON SERVICES, LLC	-	20,231.98	-	-	-	-	20,231.98
61	ENTERPRISE FM TRUST	5,025.42	5,025.42	5,025.42	1,675.14	1,675.14	1,675.14	20,101.68
62	JUAN J MARTINEZ JR	6,520.00	6,645.00	6,560.00	-	-	-	19,725.00
63	E3 CONSULTING SERVICES LLC	-	-	-	18,555.00	-	-	18,555.00
64	TEXAS METER & DEVICE COMPANY	3,214.84	2,742.12	2,259.17	-	-	9,224.63	17,440.76
65	WHITENTON GROUP INC	-	-	-	8,682.76	-	8,300.00	16,982.76
66	IMPROV ENGINEERS LLC	16,450.00	-	-	-	-	-	16,450.00
67	TRINITY CONSULTANTS INC	-	-	-	15,999.26	-	-	15,999.26
68	NATURESCAPE HILL COUNTRY LLC	2,171.35	3,697.00	6,087.00	2,474.80	501.00	514.00	15,445.15

KERRVILLE PUBLIC UTILITY BOARD
VENDOR PAYMENTS TOTALING OVER \$10,000
ROLLING 12 MONTHS ENDED DECEMBER 31, 2024

VENDOR NAME	JAN-MAR 2024	APR-JUNE 2024	JUL-SEP 2024	OCT 2024	NOV 2024	DEC 2024	GRAND TOTAL
69 CDW GOVERNMENT, INC.	1,762.03	3,364.82	799.17	344.34	8,787.80	317.51	15,375.67
70 BAT CITY, INC.	-	2,380.86	8,331.98	3,869.00	-	-	14,581.84
71 STROEHER & OLFERS, INC.	1,221.28	4,480.20	-	-	3,993.20	3,502.56	13,197.24
72 SABRE INDUSTRIES INC	-	-	-	13,107.00	-	-	13,107.00
73 ONLINE INFORMATION SERVICES, INC	3,297.83	4,149.06	2,297.56	660.42	1,210.21	764.00	12,379.08
74 STEPHEN B. SCHULTE, P.C.	1,375.00	3,475.00	3,037.50	1,837.50	2,587.50	-	12,312.50
75 MILEPOST CONSULTING SPC	-	-	11,625.00	-	-	-	11,625.00
76 IFS CANADA, INC.	-	-	9,925.13	-	-	1,582.00	11,507.13
77 RITZ SAFETY LLC	-	-	-	-	-	11,203.50	11,203.50
78 FLYIN DIESEL PERFORMANCE	-	-	-	-	10,744.34	425.00	11,169.34
79 CARAHSOFT TECHNOLOGY CORPORATION	-	-	11,025.00	-	-	-	11,025.00
80 WINDSTREAM COMMUNICATIONS	1,758.70	-	4,500.00	3,931.00	402.98	403.48	10,996.16
81 KERRVILLE DAILY TIMES, INC.	3,871.34	796.95	4,708.23	621.00	538.20	382.95	10,918.67
82 LONE STAR FIELD SERVICES	5,994.00	4,884.00	-	-	-	-	10,878.00
83 REPUBLIC SERVICES #859, INC.	3,684.59	2,437.81	2,518.43	1,209.78	370.76	483.66	10,705.03
84 TUCKER'S MOBILE SERVICE LLC	2,132.68	2,333.17	2,029.90	575.07	3,115.76	-	10,186.58
TOTAL	\$ 2,003,989.19	\$ 1,905,969.27	\$ 2,673,710.02	\$ 850,501.87	\$ 560,987.14	\$ 1,106,569.59	\$ 9,101,727.08

MEMORANDUM

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

From: Howard Hall

Date: January 9, 2025

Re: Agenda Item No. 8 – Reliability Report

Attached for your review is the first quarter Reliability Report for FY 2025-2026.

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

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

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

Sincerely,



Howard Hall
Supervisor, Field Services



KPUB Reliability Report

Substation		FY 25 Q1	FY 25 Q2	FY 25 Q3	FY 25 Q4	Trend	FY Totals 10/1/24-9/30/2025	Noted Significant Events
Hunt (Hunt)	w/o ME	0.90	-	-	-		0.90	
	w/ ME	0.90	-	-	-		0.90	
Ingram (Ingram)	w/o ME	4.67	-	-	-		4.67	
	w/ ME	4.67	-	-	-		4.67	
Jack Furman (Kerrville/Ingram)	w/o ME	3.44	-	-	-		3.44	
	w/ ME	3.44	-	-	-		3.44	
Rim Rock (Kerrville South)	w/o ME	2.66	-	-	-		2.66	
	w/ ME	2.66	-	-	-		2.66	
Harper (West Kerrville)	w/o ME	0.88	-	-	-		0.88	
	w/ ME	0.88	-	-	-		0.88	
Stadium (Central Kerrville)	w/o ME	0.68	-	-	-		0.68	
	w/ ME	0.68	-	-	-		0.68	
Travis (Center East Kerrville)	w/o ME	5.08	-	-	-		5.08	
	w/ ME	5.08	-	-	-		5.08	
Legion (East Kerrville)	w/o ME	2.14	-	-	-		2.14	
	w/ ME	2.14	-	-	-		2.14	
R. F. Barker (Center Point)	w/o ME	1.26	-	-	-		1.26	
	w/ ME	1.26	-	-	-		1.26	
Total	w/o ME	2.68	-	-	-		2.68	
	w/ ME	2.68	-	-	-		2.68	

* ME: Major Event Days

10/1 - 12/31

1/1-3/31

4/1-6/30

7/1-9/30

FY 25 Annualized

MEMORANDUM

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

From: Allison Bueché

Date: January 9, 2025

Re: Agenda Item No. 9–Update on Annual Community Report

KPUB's fifth annual Community Report, highlighting our key accomplishments and community impact during FY 2024, will be presented at the January Board Meeting.

The report will be distributed to our customers through multiple channels throughout the month, including mail, email, e-bill links, KPUB's website and newspaper and social media advertisements.

Sincerely,



Allison Bueché
Director of Customer & Community
Relations

MEMORANDUM

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

From: Mike Wittler

Date: January 6, 2025

Re: Agenda Item No. 10 – Consideration and Action on Potential Candidates
for Board Position No. 2

The term for Kerrville Public Utility Board Position No. 2, presently filled by Mr. Larry Howard, Chairman, will expire on April 21, 2025. Thus, the Board will need to send three nominations to the Kerrville City Council during February for consideration. The attached Public Notice has been posted at the KPUB office and at City Hall, as well as on KPUB's and the City's websites. The notice also has been issued to all media outlets in the area and will run in the Kerrville Daily Times two times per week for four weeks and the Hill Country Community Journal once a week for four weeks.

Also attached for your information are a listing of the previous nominations dating back to 1989 and a listing of the current committee assignments, terms, and officer positions of the Board.

Please let me know if I can answer any questions or provide additional information.

Sincerely,



Mike Wittler, P.E.

January 6, 2025

PUBLIC NOTICE

The Kerrville Public Utility Board and the City of Kerrville are accepting applications for appointment to the Kerrville Public Utility Board of Trustees, Position Number Two. The Board of Trustees consists of five citizens of the United States of America who reside in or conduct business on a full-time basis in Kerr County, Texas, and who use the System for personal, residential, business, and/or company use. The Mayor of the City of Kerrville is an ex-officio voting member of the Board of Trustees. The term of the office begins on or after April 21, 2025, for a five-year term. The City Council of Kerrville will fill the vacancy by appointment from nominations submitted by the Kerrville Public Utility Board of Trustees. An application form may be obtained from the Kerrville Public Utility Board (KPUB) at 2250 Memorial Blvd. or City Hall at 701 Main Street. You may also contact the KPUB Executive Assistant to the CEO, at 792-8255 or the Kerrville City Secretary at 257-8000. For consideration by KPUB at its February Board Meeting, please submit your application by February 3, 2025.

**INDIVIDUALS NOMINATED
TO THE KERRVILLE CITY COUNCIL
TO SERVE AS A KPUB TRUSTEE**

Year		Board Position		Individual
1989		1		Larry Adams Mike Allen Louis Romero*
1990		2		Larry Allen W.D. Compton Lester Whitton*
1991		3		Richard Eastland Jack Parks* Ray Rothwell
1992		4		Billie Davis* Victor Dietzel Veter Joiner
1993		-		-
1994		1		Phil Grouthes Louis Romero* Charles Whelan, Jr.
1995		2		Ted Burkhart Jack Furman* William Rector
1996		3		Richard Eastland John Mildford Mosty Jack Parks*
1997		4		Billie Davis* Dennis Glenewinkel Carol Nagle
1998		-		-

*** Confirmed**

Year		Board Position		Individual
1999		1		Cecil R. Atkission Harvey Brinkman Nowlin McBryde*
2000		2		Mike Baumann Jack Furman* Doug Sundberg
2001		3		Dennis Glenewinkel* Gerald Griffin Doug Sundberg
2002		4		Harvey Brinkman Diane Green Blake Smith*
2003		-		-
2004		1		Carl Browning John Miller, Jr Patrick Murray*
2005		2		Harvey Brinkman* Carl Browning Diane Green
2006		3		Stephen Fine* Dennis Glenewinkel Lamar Smith
2007		4		Diane Green Blake Smith* Philip Stacy
2008		-		-
2009		1		Shawna Huser John E. Sample* Eugene C. Smith

*** Confirmed**

Year		Board Position		Individual
2010		2		Fred Gamble* Larry Howard John Rich
2011		3		Stephen Fine* Larry Howard Beck Gipson
2012		4		Jeffrey Krebs Ward Jones Philip Stacy*
2013		-		-
2014		1		Neva Pratt Clay Robertson John E. Sample*
2015		2		Fred Gamble* David Rittenhouse John Sheehan
2016		3		John Hewitt John Sheehan Bill Thomas*
2017		4		Cameron Paul Hinson Truman Martin Philip Stacy*
2018		-		-
2019		1		Mark Cowden* Larry Howard Greg Shrader
2020		2		Larry Howard* Pat Murray Mindy Wendele

* Confirmed

2021		3		Toby Appleton T. Beck Gipson Bill Thomas*
2022		4		Glenn Andrew* James Pat Murray John E. Sample
2023		-		-
2024		1		Cody Brian Mark Haufler Rachel Johnston*

*** Confirmed**

KERRVILLE PUBLIC UTILITY BOARD
(APRIL 22, 2024 – APRIL 21, 2025)

Trustee Terms

<u>Name</u>	<u>Position</u>	<u>Expiration</u>
Rachel Johnston	1	April 21, 2029
Larry Howard	2	April 21, 2025
Bill Thomas	3	April 21, 2026
Glenn Andrew	4	April 21, 2027

Officer Positions

Larry Howard	Chairman
Bill Thomas	Vice Chairman
Glenn Andrew	Secretary
Rachel Johnston	Treasurer
Joe Herring, Jr.	Mayor

Committees

Personnel Committee	Chairman, Vice Chairman, CEO
Investment Committee	Vice Chairman, Treasurer, CEO, Director of Finance
Budget & Audit Committee	Vice Chairman, Treasurer, CEO, Director of Finance
Power Supply Committee	Glenn Andrew, Bill Thomas, CEO, Director of Finance
Economic Development Committee	Larry Howard, Glenn Andrew

May, 2024