

April 4, 2025

**OFFICIAL NOTICE
OF A
SPECIAL CALLED JOINT MEETING**

The Kerrville Public Utility Board (KPUB) will hold a Special Called Joint Meeting with the Kerrville Public Utility Board Public Facility Corporation (KPFC) on Wednesday, April 9, 2025, beginning at 8:30 a.m. 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
REGULAR MONTHLY MEETING
WEDNESDAY, APRIL 9, 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.

CALL TO ORDER (KPUB and KPFC):

INVOCATION AND PLEDGE OF ALLEGIANCE:

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

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

2. ANNOUNCEMENTS OF COMMUNITY INTEREST:

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

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

- *Wednesday, May 21, 2025 at 8:30 a.m.*
- *Wednesday, June 18, 2025 at 8:30 a.m.*
- *Wednesday, July 16, 2025 at 8:30 a.m.*
- *Wednesday, August 20, 2025 at 8:30 a.m. (possible change to August 27)*

3. AWARDING OF KPUB SCHOLARSHIPS FOR 2024-2025 SCHOOL YEAR – ALLISON BUECHÉ, DIRECTOR OF CUSTOMER & COMMUNITY RELATIONS (KPUB):

4. CONSENT AGENDA (KPUB):

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 March 19, 2025, Regular Monthly Board Meeting Minutes and March 26, 2025 Special Called Board Meeting Minutes,	2
4B.	RESOLUTION NO. 25-07 – AMY DOZIER, ASSISTANT GENERAL MANAGER. A Resolution approving payment to various providers of services or supplies	9
5.	<u>FINANCIAL REPORT (KPUB) – AMY DOZIER, ASSISTANT GENERAL MANAGER: ...</u>	12
6.	<u>CONSIDERATION AND POSSIBLE ACTION ON SCHEDULING REGULAR BOARD MEETINGS FOR THE KERRVILLE PUBLIC UTILITY BOARD PUBLIC FACILITY CORPORATION – MIKE WITTLER, CEO (KPFC):</u>	
7.	<u>MOTION TO VOTE AND RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION (KPUB and KPFC):</u>	

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. Duties and Compensation Benefits for the General Manager and CEO, and the Assistant General Manager

II. EXECUTIVE CLOSED SESSION - DELIBERATION REGARDING REAL PROPERTY:

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

- A. Consideration and action on the purchase of real estate – Tony Perez, Director of Engineering

III. 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

IV. 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 Activities, Wholesale Power Contracts and Generation – Mike Wittler, CEO

V. EXECUTIVE CLOSED SESSION - DELIBERATIONS REGARDING SECURITY DEVICES OR SECURITY AUDITS:

In accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.076, the Kerrville Public Utility Board will recess to discuss and take any necessary action on the following “Deliberations Regarding Security Devices or Security Audits”:

- A. Cybersecurity Overview – Robby McCutcheon, Director of Information Technology

8. CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSIONS (KPUB and KPFC):

9. ADJOURNMENT (KPUB and KPFC)

MEMORANDUM

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

From: Allison Bueché

Date: April 2, 2025

Re: Agenda Item No. 3—Awarding of KPUB Scholarships for 2024-2025 Year

This year marks the 13th 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 28, 2025, at 5 p.m. We are proud to share that we received 39 qualified applications—our highest number to date in the program's history. However, we did not receive any applications for KPUB's trade and technical school scholarship this year.

Each undergraduate application was thoroughly reviewed by the KPUB Scholarship Selection Committee, composed of Larry Howard, Holly Lambert (Ingram ISD), and Lauren Jette (KISD). Applicants were evaluated based on academic achievement, financial need, participation in school activities, work history, community service, and a short essay.

We are pleased to announce the two top-scoring applicants and recipients of this year's undergraduate scholarships: Bo Hardy and Abigail Anson.

Bo Hardy, a senior at Ingram Tom Moore High School, has been accepted to Texas Tech University, where he plans to major in Agribusiness and pursue a career in agricultural real estate. Abigail Anson, a senior at Tivy High School, has been accepted to Tarleton State University, where she will major in Nursing with a goal of working in Pediatric Oncology.

Each KPUB Scholarship is valued at \$1,500 per year and is renewable for up to four years, totaling \$6,000. We congratulate all of our scholarship recipients and wish them continued success in their academic and professional journeys.

Sincerely,



Allison Bueché
Director of Customer & Community
Relations

**MINUTES OF THE
KERRVILLE PUBLIC UTILITY BOARD
REGULAR MONTHLY MEETING
WEDNESDAY, MARCH 19, 2025, AT 8:30 A.M.
KPUB CONFERENCE ROOM
KERRVILLE PUBLIC UTILITY BOARD OFFICES
2250 MEMORIAL BLVD.
KERRVILLE, TEXAS**

TRUSTEES PRESENT:

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

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Assistant General Manager
Tony Perez, Director of Engineering
Annette Gonzales, Director of Human Resources
Allison Bueché, Director of Customer and Community Relations
Howard Hall, Field Services Supervisor
Jill Cook, Accounting Supervisor
Mark Alejandro, IT Supervisor (*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 (*via teleconference*)
Randall Bird, Sky Global Partners, LLC (*via teleconference*)

CALL TO ORDER:

Mr. Larry Howard, Chairman, called the Regular Monthly Meeting to order at 8:31 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

1. CITIZEN/CONSUMER OPEN FORUM:

There were no citizens/consumers to speak.

2. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Ms. Bueché highlighted employee anniversaries for March with a combined service of 30 years. Employees celebrated Engineers Week on February 17 – 21. A Solar Field Tour was given to the Leadership Kerr County Group for Environmental Services Day on February 18th. Employees volunteered at a Food

Pantry event on February 24th. KPUB participated at the Tally Elementary School Career day on March 7th; and will be participating in upcoming Science Day, Career Day, and Safety Day at various school and 4-H classes. Ms. Bueché advised that KPUB hosted an Employee Appreciation Day Luncheon on March 7th. She added that KPUB now has one easy-to-use phone number for customers to report outages, make payments, receive service calls for past due bills, get text communications and more at 855.959.2496. KPUB will be hosting a Blood Drive on March 27th; KPUB Power Hour on April 24th; and Community Weatherization Event on May 9th. Ms. Bueché also advised that a customer satisfaction survey will be done with GreatBlue Research starting on April 15th. Mr. Wittler noted the following upcoming board meetings tentatively scheduled for:

- *Wednesday, March 26, 2025 at 8:30 a.m.*
- *Wednesday, April 9, 2025 at 8:30 a.m. (preferred)*
- *Wednesday, May 21, 2025 at 8:30 a.m.*

3. CONSENT AGENDA:

Bill Thomas, Vice Chairman, made a motion to accept items in the consent agenda as presented. Rachel Johnston, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

3A. APPROVAL OF MINUTES.

3B. RESOLUTION NO. 25-06 – AMY DOZIER, ASSISTANT GENREAL MANAGER. A Resolution approving payment to various providers of services or supplies.

END OF CONSENT AGENDA

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

Ms. Dozier presented the final financial statements for the month of February 2025. Ms. Dozier noted a \$222K increase in net position; \$4.9M in operating revenue; \$4.8M in operating expense; \$144K in operating income; \$6K in net nonoperating revenue; \$21.2M in over collection of power cost adjustment as of February 28, 2025; and \$45.5M invested in municipal investment pools and an account at Happy State Bank. The portfolio of investment accounts earned a blended rate of 4.43% in February. Ms. Dozier also provided a power point presentation with highlights and financial metrics from her memo.

5. 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) Discussion on Hedging Activities, ERCOT Activities, Wholesale Power Contracts and Generation – Mike Wittler, CEO

III. 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
- B. Duties and Compensation Benefits for the General Manager and CEO, and the Assistant General Manager

Staff asked the Board of Trustees if there was a motion that the Board convene in Executive Closed Session to discuss “Consultation With Attorney” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.071, “Competitive Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.086, and “Personnel Matters” in accordance with Texas Statutes Subchapter D, Chapter 551, Government Code Section §551.074. Glenn Andrew, Secretary, so moved. Mr. Thomas seconded the motion. Vote was by show of hands. Motion carried 5 – 0.

The Board entered Executive Closed Session at 8:47 a.m. Chairman Howard adjourned the Executive Closed Session and reconvened into Open Session at 12:05 p.m.

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

No action taken by the Board.

13. ADJOURNMENT

Chairman Howard adjourned the Regular Board Meeting at 12:05 a.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 (KPFC)
FRIDAY, MARCH 26, 2025, AT 8:00 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 (*via teleconference*)
Mayor Joe Herring, Jr.

STAFF PRESENT:

Mike Wittler, General Manager and CEO
Amy Dozier, Assistant General Manager
Tony Perez, Director of Engineering
Allison Bueché, Director of Customer and Community Relations
Robby McCutcheon, Director of Information Technology
(*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 (*via teleconference*)
Randall Bird, Sky Global Partners, LLC (*via teleconference*)

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 8:00 a.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

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

There were no citizens/consumers to speak.

2. CONSENT AGENDA (KPFC):

Glenn Andrew, Secretary for KPUB, made a motion to accept items in the consent agenda as presented. Bill Thomas, Vice Chairman for KPUB, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0. Glenn Andrew, Secretary for KPFC, made a motion to accept items in the consent agenda as presented. Bill Thomas, Vice Chairman for KPFC, seconded the motion. Vote was by a show of hands. Motion carried 5 – 0.

2A. APPROVAL OF MINUTES.

END OF CONSENT AGENDA

3. **MOTION TO VOTE AND RECESS THE PUBLIC MEETING AND RECONVENE IN AN EXECUTIVE CLOSED SESSION (KPUB AND KPFC):**

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) Discussion and Possible Action on Hedging Activities, ERCOT Activities, Wholesale Power Contracts and Generation – 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. Thomas so moved for KPUB. Mr. Andrew seconded the motion for KPUB. Vote was by a show of hands. Motion carried 5 – 0. Rachel Johnston, Treasurer for KPFC so moved. Mr. Thomas seconded the motion for KPFC. Vote was by show of hands. Motion carried 5 – 0.

KPUB and KPFC Boards entered Executive Closed Session at 8:04 a.m. Chairman and President Howard adjourned the Executive Closed Session for both Boards and reconvened into Open Session at 9:47. a.m.

4. **CONSIDERATION AND ACTION AS A RESULT OF EXECUTIVE CLOSED SESSIONS
(KPUB AND KPFC:**

No action taken as a result of Executive Session.

5. **ADJOURNMENT**

Chairman and President Howard adjourned the Special Called Joint Board Meeting for both Boards at 9:48 a.m.

Date Approved: _____

Larry Howard, Chairman and President

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: April 2, 2025

Re: Agenda Item No. 4B – Resolution No. 25-07

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 March 13, 2025 and April 4, 2025 for Board approval:

	Vendor	Description	Amount	Date
Purchased Power:				
1	Concho Bluff	February 2025	30,478.26	03/19/2025
2	NextEra	February 2025	438,144.00	03/19/2025
3	CPS	February 2025	1,127,962.48	03/20/2025
4	DG Solar	February 2025	36,681.13	03/25/2025
5	Engie	February 2025	70,027.04	03/28/2025
6	Garland	February 2025	2,249.19	03/31/2025
7	LCRA	February 2025	654,459.10	04/03/2025
Payroll:				
1	Payroll	Pay period ending 3/08/2025	164,904.58	03/14/2025
2	Payroll	Pay period ending 3/01/2025	72,515.77	03/17/2025
3	Payroll	Pay period ending 3/22/2025	166,035.56	03/28/2025
4	Payroll Taxes	Pay period ending 3/08/2025	58,155.52	03/19/2025
5	Payroll Taxes	Pay period ending 3/01/2025	41,081.32	03/21/2025
6	Payroll Taxes	Pay period ending 3/22/2025	58,879.34	04/02/2025
Employee Benefits:				
1	TX Health Benefits	Health Insurance - April	97,420.27	04/01/2025
Investment Transfers:				
1	Happy State Bank	Investment Transfer	500,000.00	03/17/2025
2	Happy State Bank	Investment Transfer	500,000.00	03/21/2025
3	Happy State Bank	Transfer from Texas Class to Happy	7,000,000.00	03/26/2025
4	Happy State Bank	Investment Transfer	700,000.00	03/28/2025
5	Happy State Bank	Investment Transfer	650,000.00	03/31/2025

In addition, several payments related to confidential competitive matters were made during the specified time frame. Those payments will be reported separately to the Board in an Executive Session memo.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Amy Dozier", is centered on the page.

Amy Dozier
Assistant General Manager

RESOLUTION NO. 25-07

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 9th day of April, 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: April 3, 2025

Re: Agenda Item No. 5 – Financial Report

Due to the early meeting date in April, financial results as well as the quarterly payment and investment reports are not yet available. However, I would like to report that beginning on April 10th, the power cost adjustment factor will change from 1.673645 to 1.796798. The new factor equates to a billed rate of \$105.00 for 1,000 kWh of residential power.

Natural gas prices have remained above \$3.00 (Henry Hub spot price per MMBtu) since December 2024, with prices settling at a high of \$4.49 on March 10, 2025. Analysts cite increased demand related to exporting liquified natural gas (LNG) as new export facilities have recently opened. In addition, worries about increased demand due to high summer temperatures associated with drought patterns currently in place have driven futures prices over \$4.00 for all summer months.

The March monthly survey of 28 Central and South Texas utilities shows an average rate of \$128.22. KPUB's \$100.00 rate was the lowest. At \$105.00, KPUB's rate would rank as the third lowest.

I am happy to answer any questions regarding this report.

Sincerely,



Amy Dozier
Assistant General Manager