



**Meeting Date:** April 24, 2025      **Agenda Type:** Consent Items for Action

**From:** Jesse Luna      **Reviewed by:** David Hubbard  
Purchasing Manager      Chief Administrative Officer

**Submitted by:** David Hubbard      **Approved by:** Ryan Kelso  
Chief Administrative Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Approve the Electric Line of Business Alternative Procurements from February 15, 2025, through March 15, 2025

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## **BACKGROUND**

Section 252.022(c) of the Texas Local Government Code provides that a municipally owned electric utility may define, by resolution, an alternative procurement procedure for the purchase of goods and services related to the electric utility. On June 28, 2018, the Board of Trustees approved the NBU Purchasing Policy, by resolution, which defined a procedure for procurement of goods and services for NBU’s electric line of business. The Purchasing Policy was later revised and approved on October 31, 2019. Among other conditions, the Purchasing Policy requires NBU staff to notify the Board of Trustees of any procurement over \$250,000 that uses the electric line of business procurement procedure.

Listed below are the procurements, in excess of \$250,000.00, submitted to the Purchasing Manager for the period of February 15, 2025, through March 15, 2025, using the electric line of business alternative procurement process.

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## **FINANCIAL IMPACT**

Electric Line of Business purchases more than \$250,000.00:

- Integrated Risk Management and Settlements Software - Power Costs Inc. (PCI): Implementation and license fees for software to support the Power Supply and Energy Risk Management departments; five-year term; Cost of \$1,327,284.00.
- Stuart C. Irby: Cost of \$391,942.74 for Electric Inventory Materials (see Exhibit A, Quote E1811XLS, for reference).
- In October 2022, the Board authorized the purchase of two power transformers (PWTs) from Virginia Transformer for \$2,884,698.00. Since that time, the Hueco Springs Substation schedule has changed, and the site will not be ready to accept the new transformer until October 2025 instead of August 2024, as originally specified. At the regular Board meeting in July 2024, the Board

authorized an additional \$164,234.90 for storage fees due to these delays. Due to the continued construction delays, NBU staff is seeking authorization for an additional \$288,469.80 in storage fees through October 2025. The new total for this procurement will be \$3,337,402.70.

## **LINK TO STRATEGIC PLAN**

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### **Infrastructure and Technology**

#### **Stewardship**

## **EXHIBITS**

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1. Exhibit A - Electric Inventory Quote E1811XLS