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**Meeting Date:** January 29, 2026      **Agenda Type:** Consent Items for Action

**From:** Jeff Morriss      **Reviewed by:** Justin Green  
Substation Manager      Director of Electric Operations  
and Compliance

**Submitted by:** Mark Steelman      **Approved by:** Ryan Kelso  
Chief Operations Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Authorize the CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Service Agreement with Schneider Engineering, LLC for Additional Engineering, Design, and Construction Management Services for the Comal T-3 Replacement Project, Freiheit Breaker Additions and Control Enclosure Upgrade Project, Kohlenberg Substation Construction Project, and the Henne Substation Breaker and a Half Upgrade Project

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## BACKGROUND

The Board originally approved a Professional Services Agreement with Schneider Engineering LLC, on August 31, 2023 and June 27, 2024 for the amounts of \$912,000.00 and \$305,000.00, respectively, to support the planning, design, and technical oversight for the following projects: i) Hueco Springs Substation Construction; ii) Freiheit Breaker Additions and Control Enclosure Addition; iii) Comal T3 Replacement and CO33 Addition; iv) Kohlenberg Substation Construction; v) Henne Breaker and a Half Upgrade; and vi) additional projects collectively named Fiscal Year 2024 Projects in the First Amendment. The total amount of both contracts was \$1,217,000.00. The original contract was intended to govern the scope of services to be completed in Fiscal Year 2024. A separate contract for the Comal T3 Replacement and CO33 Addition project and the Freiheit Breaker Additions and Control Enclosure Addition project, executed on June 27, 2024, was intended to govern the scope of services for those two (2) projects, to be completed in Fiscal Year 2025.

The First Amendment to the original contract was approved on June 26, 2025, increasing the compensation amount by \$868,775.00 and extending the contract term through Fiscal Year 2027 for the following projects: i) Hueco Springs Substation Construction; ii) Freiheit Breaker Additions and Control Enclosure Addition; iii) Comal T3 Replacement and CO33 Addition; iv) Kohlenberg Substation Construction project; and v) Henne Substation Breaker and a Half Upgrade.

Since Amendment #1 was approved, project requirements have evolved due to:

- Schedule adjustments to align more efficiently with procurement timelines;
- Redesign and scope changes to meet updated standards;
- Civil redesign due to land and driveway access changes;
- Schedule delay related to the Kohlenberg Substation land acquisition;
- The need to produce multiple stand-alone materials bid packages for long lead time items;
- LCRA-driven reviews and revisions identified in late stages of various projects; and
- Contractor-initiated questions and design adjustments.

The proposed Second Amendment includes additional engineering design, analysis, and technical support resulting from the scope adjustments detailed above. The Second Amendment will authorize \$647,000.00 in additional funding and extend the contract term through November 2027, which aligns with updated project schedules. The total amount of all a contracts and amendments as proposed will be \$2,732,775.00, which provides Engineering Services for ten (10) capital improvement projects over the course of NBU Fiscal Years 2024 through 2028. The key deliverables include updated design packages, technical specifications, and ongoing coordination with construction and operations teams.

To continue the progress of ongoing capital improvement projects without interruption, staff recommends amending the contract to incorporate these additional services in the amount of \$647,000.00.

This item is being presented to the Board because the total amount of this contract exceeds \$500,000.00.

## **FINANCIAL IMPACT**

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The total financial impact for the Second Amendment is \$647,000.00. The total contract amount for the duration of the Professional Services Agreement with Schneider Engineering, LLC, for the identified projects is \$2,427,775.00. The projects are currently budgeted within Fiscal Years 2024 through 2027 and will be proposed to be budgeted through the NBU Fiscal Year 2028 Capital Improvement Budget.

## **LINK TO STRATEGIC PLAN**

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**Infrastructure and Technology**

**Safety and Security**

## **EXHIBITS**

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1. Schneider Engineering Services Original Contract
2. Schneider Engineering Services Contract First Amendment
3. Engineering Services Contract for Freiheit and Comal
4. Schneider Engineering Services Contract Second Amendment