NEW BRAUNFELS UTILITIES

Meeting Date:	August 29, 2024	**Agenda Type:**	Consent Items for Action
From:	Jesse Luna Purchasing Manager	**Reviewed by:**	David Hubbard Chief Administrative Officer
Submitted by:	David Hubbard Chief Administrative Officer	**Approved by:**	Ryan Kelso Chief Executive Officer

RECOMMENDED ACTION: Approve the Electric Line of Business Alternative Procurements from May 15, 2024, through July 15, 2024

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, submitted to the Purchasing Manager for the period of May 15, 2024, through July 15, 2024, using the electric line of business alternative procurement process.

FINANCIAL IMPACT

Electric Line of Business purchases more than $250,000:

- Substation Capacity Additions (Hueco Springs) Power Transformer Procurement, for the purchase of two (2) substation power transformers from Virginia Transformer Corporation. This purchase was originally reported to the board in March of 2023, with a cost of $2,884,698.00. Due to unanticipated construction delays, one NBU site will not be ready to accept a new transformer for an additional five months past the original scheduled date. This delay has caused a need for additional storage and equipment handling fees totaling $164,234.90. The new total sum of the procurement is $3,048,932.90.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

Stewardship

EXHIBITS

None