

**The Electric Utility Board of
Lubbock Power & Light Agenda
March 17, 2026**

11:00 a.m.

Edwin "Butch" Davis, P.E., Chair
Eddie Schulz, Vice Chair
Gwen Stafford, Secretary
Dr. Solomon Fields
Dr. Gonzalo Ramirez
Dr. Craig Rhyne
Rhea Hill
Mike Stevens
Thomas Parker
Mark McBrayer, Ex-Officio



Joel Ivy, Chief Administrative Officer
Keli Swan, General Counsel

Lubbock Power & Light

www.lpandl.com

Lubbock National Bank
12103 Quaker Ave
Lubbock, TX 79424

OPEN SESSION:
Small Conference Room

EXECUTIVE SESSION:
Large Conference Room

1. Call to Order.
2. Public Comment. Public comment is an opportunity for the public to make comments and express a position on agenda items.
 - a. This period, of up to thirty minutes, is dedicated to public comment. Each member of the public will have three minutes to speak. Any member of the public that requires the assistance of a translator will have six minutes to speak. Comments must be limited to only those items posted on the Electric Utility Board agenda. Any member of the public wishing to speak shall sign up on the public comment sheet on the day of the Electric Utility Board Meeting, prior to the beginning of the meeting. The Electric Utility Board shall follow the order of persons wishing to speak as listed on the sign-up sheet. If everyone who signed up to speak has been given an opportunity to speak and the time designated for public comment has not been exhausted, the Electric Utility Board may, at its discretion, open the floor to anyone else wishing to address the Electric Utility Board, subject to all the same procedures and guidelines.
3. The Electric Utility Board may make any comments related to board member activities, events, community engagement, or current or future agenda items.

Executive Session

4. Hold an executive session in accordance with V.T.C.A. Government Code § 551.086, §552.133, and §552.1331 to discuss and deliberate, on the following competitive matters of Lubbock Power & Light, reasonably related to the following categories:
 - (i) Discussion and deliberation of generation matters, including but not limited to generation unit and/or portfolio sale opportunities including the potential for unused land designated for other uses;
 - (ii) Discussion of risk management, contracts, and strategies, customer billing, and usage information, system load characteristics, and ERCOT power analyses and strategies;
 - (iii) Plans, studies, proposals, and analyses for system improvements, additions, or sales (other than transmission and distribution system improvements inside the service area for which the public power utility is the sole certificated retail provider);
 - (iv) info collected as part of an advanced metering system for usage, services, and billing, including amounts billed or collected for utility usage

5. Hold an executive session in accordance with V.T.C.A. Government Code § 551.071, seeking the advice of legal counsel about pending or contemplated litigation or settlement offers and hold a consultation with the attorney on matters in which the duty of the attorney to the Electric Utility Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Texas Government Code:
 - (i) legal advice regarding issues herein listed on the agenda;
 - (ii) legal advice and counsel regarding contemplated litigation matters;
 - (iii) legal advice and counsel regarding North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) standards;
 - (iv) *Tony Fullen v. City of Lubbock and Lubbock Power and Light*, Cause No. 5:25-CV-055-H, proceeding in the U.S. District Court of the Northern District of Texas, Lubbock Division.
 - (v) *Ajay Mitchell v. City of Lubbock and Lubbock Power and Light*, Cause No. DC-2025-CV-1728, proceeding in the 72nd District Court of Lubbock County, Texas.
 - (vi) *Oncor Electric Delivery Company, LLC v. City of Lubbock and Lubbock Power and Light*, Cause No. DD-1-GN-26-000237, proceeding in the 98th District Court of Austin County, Texas.
 - (vii) *Maria Jesus Tucker v. City of Lubbock and Lubbock Power and Light*, Cause No. DC-2026-CV-0096, proceeding in the 99th District Court of Lubbock County, Texas.

11:30 a.m. – Approximately - Following completion of the Executive Session, the Electric Utility Board will reconvene in open session to discuss the items listed below. It is anticipated that the open session will begin at 11:30 a.m. However, this is an approximation and the Board may begin the open session earlier or later depending on when the Executive Session is complete.

Open Session

6. Approve the minutes from the Regular Electric Utility Board meeting held on February 17, 2026 and the minutes from the Special EUB Meeting held on February 9, 2026.
7. Presentation and discussion of the update/report by the LP&L Chief Administrative Officer, or his designee, regarding strategic planning, board committee reports, association matters, ordinance change requests, EUB policy and procedures, customer service, business center practices, procedures and policies, transition to retail customer choice, customer concerns and complaints, billing system, forms and procedures, status of transmission and distribution projects, generation, mutual aid, weather events, outage and restoration efforts, grid matters, Electric Reliability Council of Texas (“ERCOT”) matters and committee participation, staffing levels, personnel, regulatory matters, training, cybersecurity, mutual aid agreement, and operational performance metrics.
8. Presentation and discussion of financial and capital statements, budget, financing options, audits, and financial policies of Lubbock Power & Light relating to debt issuance issues and historical debt matters, reserve account funding, cost allocation, revenue and expense projections, customer metering, tariff and billing, service and administrative issues, and risk management information including rates.
9. Consider a budget amendment, amending the FY 2025-26 Operating Budget and Capital Program and make appropriate recommendations to the City Council of the City of Lubbock pursuant to §2.03.415(a) of the Code of Ordinances, City of Lubbock, Texas. To create establish Capital Improvement Project #92955 – Feeder Optimization and transfer \$1,700,000.00 from Fund 211 - Electric Operations to Fund 214 - Electric Capital. Additionally, increase Miscellaneous revenue in Fund 211 – Electric Operations by \$1,700,000.00 to reflect the subrogation revenue received from Insurance.
10. Consider a resolution authorizing the Chief Administrative Officer or his designee to execute a Professional Services Agreement by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Aeparmia Engineering, PLLC, , for 1) Wireline and Wireless Pole Attachments Program Management, 2) LP&L Fiber Design and Engineering Services, 3) LP&L Telecommunications Network Engineering Services with Aeparmia Engineering, PLLC. This will be a 3-year agreement with a not-to-exceed of 2.5 Million Dollars (\$2,500,000.00).

Consent

11. Consider a resolution authorizing the LP&L Chief Administrative Officer or his designee to execute a Sixth Amendment to Professional Services Agreement (PSA) dated November 30, 2016, by and between the City of Lubbock, acting by and through LP&L, and KUBRA Data Transfer, Ltd. (KUBRA) to enable the Chief Administrative Officer to approve changes to the scope of work, so long as the Not-to-Exceed amount or term of the Agreement do not change. This Sixth Amendment does not change the Not-to-Exceed amount nor term of the agreement.
12. Consider a resolution authorizing the Chief Administrative Officer or his designee to execute a Settlement Agreement and Release of all Claims by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Tony Fullen regarding claims alleged in *Tony Fullen v. City of Lubbock and Lubbock Power and Light*, Cause No. 5:25-CV-055-H, proceeding in the U.S. District Court of the Northern District of Texas, Lubbock Division.
13. Consider a resolution authorizing the Chief Administrative Officer or his designee to execute that certain Professional Services Agreement by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Electric Power Engineers, Inc., regarding professional services, including transmission studies, planning and modeling, and engineering support services directed from time to time. This agreement is for a term of two (2) years with a not to exceed of Nine hundred and twenty thousand dollars (\$920,000.00).
14. Consider a resolution authorizing the Purchasing Manager, or his designee, to execute Purchase Order, by and between the City of Lubbock, acting by and through Lubbock Power & Light, and SHI Government Solutions of Austin, Texas, OMNIA Partners Cooperative Contract 2024056-02. This Omnia quote for \$138,715.80, will be for Fox Guard Cyber Security Software for a term of 3 years for LP&L's Operations Center.
15. Consider a resolution authorizing the Purchasing Manager, or his designee, to execute Purchase Order, by and between the City of Lubbock, acting by and through Lubbock Power & Light and All-Around Access LLC of Fort Lauderdale, Florida, for \$198,662.00 with a delivery 210 days, Invitation to Bid (ITB) 7119-26-ELD – LP&L Telescoping Handler. This bid is for a Telescoping Handler that will assist in the transport and installation of transformer bushings, PTs/CTs, circuit breakers, and battery banks, lift and stage structures, panels, and cabinets within low clearance areas, and aid in maintenance and equipment change outs as approved in the FY 2025-26 Capital Program budget.
16. Consider a resolution authorizing the Purchasing Manager, or his designee, to execute Purchase Order, by and between the City of Lubbock, acting by and through Lubbock Power & Light and MVA Power Inc. of Montreal, Quebec, Canada for \$401,935.92 with delivery by October 21, 2026, Request for Proposal (RFP) 7115-26-ELD - LP&L Erskine Substation Steel Structures. These steel structures is for Erskine's substation capacity upgrade project
17. Consider a resolution authorizing the Purchasing Manager, or his designee, to reject all proposals for Request for Proposal (RFP) 7112-26-ELD - LP&L 50 MVA Transformers for Collier Substation.

**The Electric Utility Board of
Lubbock Power & Light Minutes
February 17, 2026
11:00 a.m.**

Edwin "Butch" Davis, P.E., Chair
Eddie Schulz, Vice Chair
Gwen Stafford, Secretary
Dr. Solomon Fields
Dr. Gonzalo Ramirez
Dr. Craig Rhyne
Rhea Hill
Mike Stevens
Thomas Parker
Mark McBrayer, Ex-Officio



Lubbock Power & Light

www.lpandl.com

Joel Ivy, Chief Administrative Officer
Keli Swan, General Counsel

CITIZENS TOWER

1314 Ave K

Lubbock, Texas 79401

OPEN SESSION:

City Council Chambers

EXECUTIVE SESSION:

Citizens Tower

Council Workroom 101A

EUB

Butch Davis
Gwen Stafford
Dr. Solomon Fields
Dr. Craig Rhyne
Dr. Gonzalo Ramirez
Rhea Hill
Thomas Parker
Eddie Schulz

City Staff

Matt Wade
Jarrett Atkinson

City Council

Tim Collins

LP&L Staff

Joel Ivy
Keli Swan
Clint Gardner
Beatrice Duenez
Blair McGinnis
Skylar Borunda
Kacey Johnson
Felix Orta
Harvey Hall
Matt Rose
Kody Morris
Chris Sims
Amy Day
Felix Orta
Ashley Busch
Cody Kirk
Daniel Garcia
Magen Moniz
Renee Treat
Camille Powe
Erich Von Heuvel
Michael Winegeart

1. Call to Order.

Board Chair Butch Davis called the meeting to order at 11:01 a.m.

2. Public Comment. Public comment is an opportunity for the public to make comments and express a position on agenda items.
 - a. This period, of up to thirty minutes, is dedicated to public comment. Each member of the public will have three minutes to speak. Any member of the public that requires the assistance of a translator will have six minutes to speak. Comments must be limited to only those items posted on the Electric Utility Board agenda. Any member of the public wishing to speak shall sign up on the public comment sheet on the day of the Electric Utility Board Meeting, prior to the beginning of the meeting. The Electric Utility Board shall follow the order of persons wishing to speak as listed on the sign-up sheet. If everyone who signed up to speak has been given an opportunity to speak and the time designated for public comment has not been exhausted, the Electric Utility Board may, at its discretion, open the floor to anyone else wishing to address the Electric Utility Board, subject to all the same procedures and guidelines.

No members of the public signed up to speak.

3. Consider a resolution accepting the Lubbock Power & Light Annual Financial Report for fiscal year ended September 30, 2025

Weaver auditor Bryant Sanchez presented an overview of audit reports which included assessment of risks, audit strategy, work performed, and audit report. Financial Review Committee Chair Dr. Craig Rhyne updated the Board on the FRC committee's recent meeting, which discussed approval of the audit from the committee.

Dr. Rhyne made a motion to approve the report, which was seconded by Secretary of the Board Gwen Stafford. The Resolution passed by a vote of 8-0.

4. The Electric Utility Board may make any comments related to board member activities, events, community engagement, or current or future agenda items.

No comments made.

Executive Session

The Board recessed for executive session at 11:12 a.m.

5. Hold an executive session in accordance with V.T.C.A. Government Code § 551.086, §552.133, and §552.1331 to discuss and deliberate, on the following competitive matters of Lubbock Power & Light, reasonably related to the following categories:
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6. Hold an executive session in accordance with V.T.C.A. Government Code § 551.071, seeking the advice of legal counsel about pending or contemplated litigation or settlement offers and hold a consultation with the attorney on matters in which the duty of the attorney to the Electric Utility Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Texas Government Code:
 - (i) legal advice regarding issues herein listed on the agenda;
 - (ii) legal advice and counsel regarding contemplated litigation matters;
 - (iii) legal advice and counsel regarding North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) standards;
 - (iv) *Tony Fullen v. City of Lubbock and Lubbock Power and Light*, Cause No. 5:25-CV-055-H, proceeding in the U.S. District Court of the Northern District of Texas, Lubbock Division.
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 - (vi) *Oncor Electric Delivery Company, LLC v. City of Lubbock and Lubbock Power and Light*, Cause No. DD-1-GN-26-000237, proceeding in the 98th District Court of Austin County, Texas.
 - (vii) *Maria Jesus Tucker v. City of Lubbock and Lubbock Power and Light*, Cause No. DC-2026-CV-0096, proceeding in the 99th District Court of Lubbock County, Texas.

Open Session

The Board reconvened in open session at 12:10 p.m.

7. Approve the minutes from the Regular Electric Utility Board meeting held on January 28, 2025 and the minutes from the Special Event Meeting held on February 4, 2026.

Board Member Dr. Gonzalo Ramirez made a correction to the minutes presented. Dr. Solomon Fields made a motion to pass the minutes, as corrected, which was seconded by Vice Chair Eddie Schulz. The Board approved the minutes by a vote of 8-0.

8. Presentation and discussion of the update/report by the LP&L Chief Administrative Officer, or his designee, regarding strategic planning, board committee reports, association matters, ordinance change requests, EUB policy and procedures, customer service, business center practices, procedures and policies, transition to retail customer choice, customer concerns and complaints, billing system, forms and procedures, status of transmission and distribution projects, generation, mutual aid, weather events, outage and restoration efforts, grid matters, Electric Reliability Council of Texas (“ERCOT”) matters and committee participation, staffing levels, personnel, regulatory matters, training, cybersecurity, mutual aid agreement, and operational performance metrics.

LP&L Chief Administrative Officer Joel Ivy recapped the special strategic retreat meeting held on February 9, 2026.

9. Presentation and discussion of financial and capital statements, budget, financing options, audits, and financial policies of Lubbock Power & Light relating to debt issuance issues and historical debt matters, reserve account funding, cost allocation, revenue and expense projections, customer metering, tariff and billing, service and administrative issues, and risk management information including rates.

Director of Finance Kacey Johnson presented LP&L’s December financial statements.

10. Consider and approve a resolution recommending approval by City Council of a resolution authorizing publication of notice of intent to issue Electric Light & Power System Revenue Bonds, Series 2026 (“Bonds”), acting by and through Lubbock Power & Light dated February 17, 2026.

Chief Financial Officer Harvey Hall presented the Board a Bond resolution and briefly explained the need and process of publication and intent for Bond. A motion to approve was made by Mr. Schulz and seconded by Board Member Thomas Parker. The motion passed by vote 8-0.

11. Consider a resolution honoring Christopher E. Sims for his thirty years of valued employment and contributions to the successes of Lubbock Power & Light.

Chair Davis read the proposed resolution to honor Chris Sims. Mrs. Stafford proposed to add the title of “Chief Historian emeritus” to the resolution. The motion to add the language was seconded by Dr. Rhyne. The motion to approve the amended resolution was made by Mr. Schulz and seconded by Dr. Fields. The resolution passed by vote 8-0.

12. Discuss and take possible minuted action to change the date/location of the March 17, 2026 Regular Electric Utility Board Meeting.

The Board discussed the location and date of the next Meeting. Chair Butch Davis will not be available, however the Board decided to move the meeting to Lubbock National Bank and keep the same date and time.

Consent

Mr. Davis asked for a motion to approve the items 13-15 on the consent agenda.

Dr. Ramirez made a motion that was seconded by Mr. Schulz and was passed by a vote of 8-0 to approve consent items

13. Consider a resolution authorizing the Chief Administrative Officer, or his designee, to execute Master Service Agreement by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Schneider Engineering LLC (SEnergy) of Boerne, Texas, Request for Qualification (RFQ) 7101-26-ELD, LP&L Power System Protection Services. This agreement for \$1,000,000.00 will be for a term of 3 years with the option to extend for two additional one-year terms is to ensure that NERC Protection and Control Standards are properly implemented. This will include a systematic review, development, and implementation of a comprehensive PRC-027 Standard Operating Procedure, long-term training for LP&L Engineering, and the development and implementation of an overall LP&L Power System Protection Philosophy.
14. Consider a resolution rejecting an invitation to Bid for ITB# 7113-26-ELD - LP&L Erskine Equipment and Materials.
15. Consider a resolution authorizing the Chief Administrative Officer or his designee to execute a Professional Services Agreement (Agreement) by and between the City of Lubbock, acting by and through Lubbock Power & Light, with CBS Field Services for completion of ongoing ArcFlash (CIP#8707) project, ability to execute Task Authorizations to analyze new substations, and an annual modification clause for changes to our system. This will be a 3-year agreement with a not-to-exceed of \$325,000.00.
16. Adjourn.

Mr. Davis adjourned the meeting at 12:32 p.m.

Prepared by:

Approved by:

Gwen Stafford, Secretary

Butch Davis, Chair



Lubbock Power & Light

Communication with Electric Utility Board
For the Year Ended September 30, 2025



Weaver Team

Lubbock Power & Light Engagement Team

- Jennifer Ripka, CPA
Engagement Partner
- Bryant Sanchez, CPA
Engagement Sr. Manager
- Christian Moreno
Engagement In-Charge Associate

HUB Partner

- Mark Boring
Boring and Company, CPAs

Subject Matter Advisors

- Elisa Gilbertson, CPA
Data Analytics Senior Manager

Associates and Other Supporting Staff Members

2

Government Experience



<p>170+ PROFESSIONALS WITH SIGNIFICANT GOVERNMENT EXPERIENCE</p>	<p>300+ CLIENTS SERVED</p>	 <p>20+ STATE AGENCIES</p>	 <p>40+ CITIES</p>	 <p>50+ SCHOOL DISTRICTS</p>
<p>OFFERINGS</p> <ul style="list-style-type: none"> » External audit » Risk assessment » Internal Audit » Digital transformation » Grant compliance » Performance audit » Business process improvement » IT audit and cybersecurity » Agency restructuring and reorganization » Strategic planning » Organizational development » Valuation » Forensic accounting » Fraud investigation 		 <p>20+ COLLEGES & UNIVERSITIES</p>	 <p>100+ LOCAL & REGIONAL ENTITIES</p>	 <p>50+ GFOA AWARD RECIPIENTS</p>

Overview



AUDIT STRATEGY	RESULTS OF WORK PERFORMED
<ul style="list-style-type: none"> » Performed the audit in accordance with Generally Accepted Auditing Standards (GAAS) and Generally Accepted Government Auditing Standards (GAGAS) » Performed tests of LP&L's compliance with certain provisions of laws, regulations, contracts and grant agreements, as applicable. » There were no changes to our originally identified significant risk. » Significant Risks included: <ul style="list-style-type: none"> » Improper Revenue Recognition - Charges for Services 	<ul style="list-style-type: none"> » During the course of our audit, we identified no uncorrected misstatements. There were also no misstatements identified by us that required correction by management. » There are no identified significant deficiencies or material weaknesses. » There are no independence matters to report.
OUR AUDIT REPORT	OTHER MATTERS
<ul style="list-style-type: none"> » We plan to issue our unmodified audit report on the financial statements. A draft of our report has been provided to you by management. 	<ul style="list-style-type: none"> » As of the date of these communications, there are no outstanding items. » Required inquiries prior to issuance include: <ul style="list-style-type: none"> » Knowledge of fraud, either actual, alleged or suspected » Knowledge of violations, or possible violations, with laws and regulations » Knowledge of subsequent events that require changes to the financial statements.

Significant Risks



The following significant risks were identified during the performance of our risk assessment procedures:

SIGNIFICANT RISK IDENTIFIED	RELATED ASSERTIONS	RESULTS OF WORK PERFORMED
Management Override of Controls <i>(Note: This is a presumed risk on all audit engagements.)</i>	Pervasive	Journal entry testing, incorporating elements of unpredictability into testing, and the review of significant estimates for bias. No audit findings noted.
Risk of Improper Revenue Recognition – • Charges for Services	Accuracy Existence/Occurrence	Analytical procedures and detailed testing items including items that are individually immaterial. No audit findings noted.

Required Communications



REQUIRED COMMUNICATIONS	COMMENTS
Significant Accounting Policies	<p>A summary of the significant accounting policies adopted by LP&L is included in Note 1 to the financial statements.</p> <p>There have been no changes in significant accounting policies, but LP&L did implement GASB Statement 101 (Compensated Absences) which resulted in a restatement of beginning net position of \$312,682, as described in Note 1 of the notes to the basic financial statements. In addition, LP&L implemented GASB 102 (Certain Risk Disclosures), which had no financial impact on the City.</p> <p>No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p>
Significant Accounting Estimates	<p>The most sensitive accounting estimates affecting the financial statements are:</p> <ul style="list-style-type: none"> • Pension and Other Post Employment Benefits (OPEB) liabilities, expenses, and related deferred balances <p>We evaluated the key factors and assumptions used to develop the accounting estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.</p>

Required Communications



 REQUIRED COMMUNICATIONS	 COMMENTS
<i>Financial Statement Disclosures</i>	The most sensitive disclosures affecting LP&L's financial statements relate to: <ul style="list-style-type: none"> • <i>Estimates</i> • <i>Contingencies</i>
<i>Significant Unusual Transactions</i>	No significant unusual transactions were identified during the course of the audit.
<i>Identified or Suspected Fraud</i>	No identified or suspected fraud noted.
<i>Significant Difficulties Encountered during the Audit</i>	We encountered no significant difficulties in dealing with management relating to the performance of the audit.
<i>Disagreements with Management</i>	No such disagreements arose during the course of the audit.

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Required Communications



 REQUIRED COMMUNICATIONS	 COMMENTS
<i>Representations Requested from Management</i>	We have requested and received certain written representations from management in the form of a letter addressed to Weaver and Tidwell, L.L.P.
<i>Management's Consultations with Other Accountant's</i>	Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.
<i>Other Significant Matters, Findings, or Issues</i>	We encountered no other matters that require communication at this time.

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Jennifer Ripka, CPA

Partner, Assurance Services
972-448-9268
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Bryant Sanchez, CPA

Senior Manager, Assurance
Services
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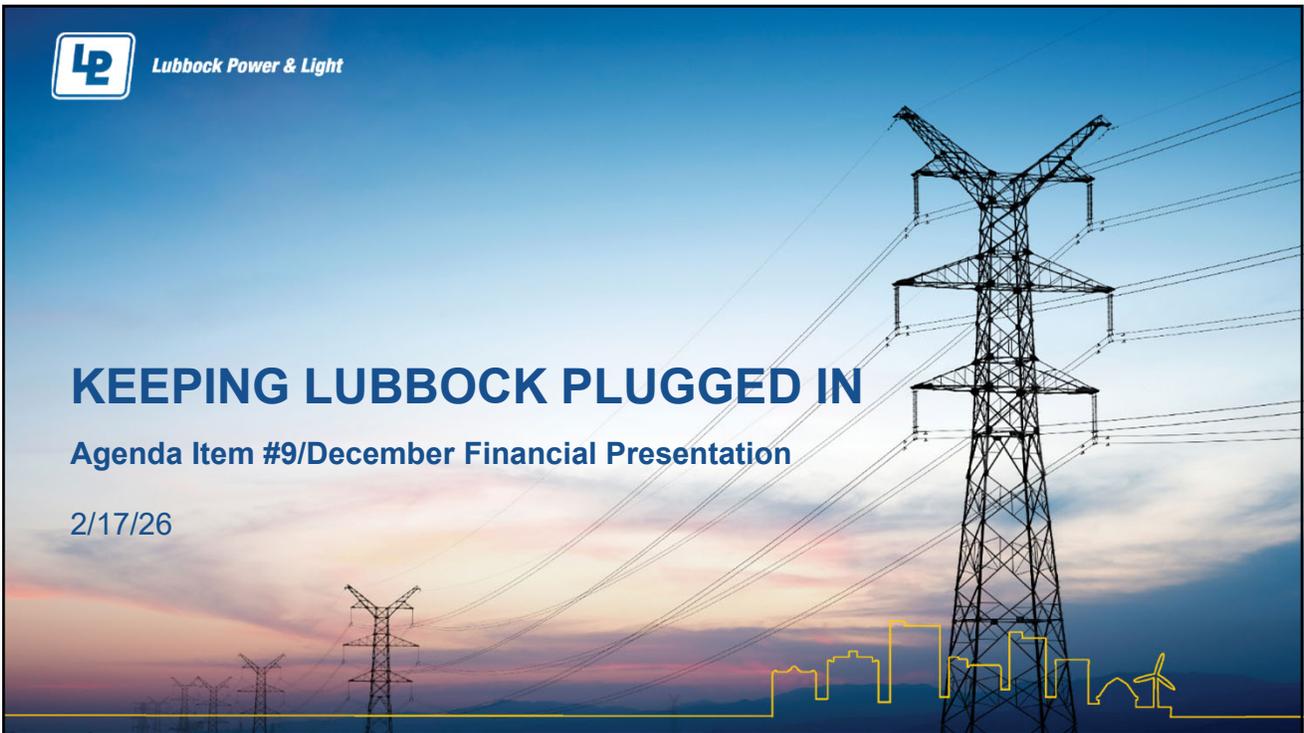


Lubbock Power & Light

KEEPING LUBBOCK PLUGGED IN

Agenda Item #9/December Financial Presentation

2/17/26



Balance Sheet and Cash Flows– December (Pages 33-34 and 36)

	December 2025	November 2025	Variance	December 2025	December FYTD
ASSETS					
Current assets:					
Pooled cash and cash equivalents	\$ 105,176,298	\$ 102,217,040	\$ 2,959,258	\$ 13,386,761	\$ 40,784,864
Receivables-MTM	24,186,104	24,695,781	(509,677)	(6,074,552)	(13,476,783)
Interest Receivable	-	-	-	(2,422,630)	(7,875,289)
Other Current Assets	4,140,142	4,105,309	34,833	(1,163,226)	(3,798,346)
Total current assets	133,502,544	131,018,130	2,484,414	3,726,353	15,634,447
Noncurrent assets:					
Total capital assets	634,187,786	634,307,760	(119,974)		
Total noncurrent assets	680,049,830	679,858,471	191,359		
Total Assets	\$ 813,552,374	\$ 810,876,601	\$ 2,675,773		
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 8,420,894	\$ 9,274,366	(853,472)		
Accrued interest payable	4,199,198	2,543,989	1,655,209		
Other Liabilities	8,118,051	8,077,789	40,262		
Bonds payable	20,135,000	20,135,000	-	(1,207,688)	(15,870,809)
Total current liabilities	40,873,143	40,031,144	841,999		
Noncurrent liabilities:					
Total noncurrent liabilities	519,849,278	519,849,278	-	349,723	1,569,282
Total Liabilities	\$ 560,722,421	\$ 559,880,422	\$ 841,999	2,959,258	1,605,528
Total Net Position	\$ 252,655,555	\$ 251,652,413	\$ 1,003,142	102,217,040	103,570,770
				105,176,298	105,176,298

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 13,386,761	\$ 40,784,864
Payments to suppliers	(6,074,552)	(13,476,783)
Payments to employees	(2,422,630)	(7,875,289)
Other receipts (payments)	(1,163,226)	(3,798,346)
Net cash provided (used) by operating activities	3,726,353	15,634,447

CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES

Net cash provided (used) by noncapital and related financing activities	90,869	272,608
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Net cash provided (used) for capital and related financing activities	(1,207,688)	(15,870,809)
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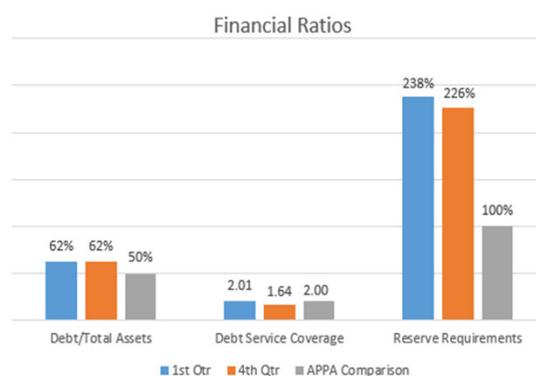
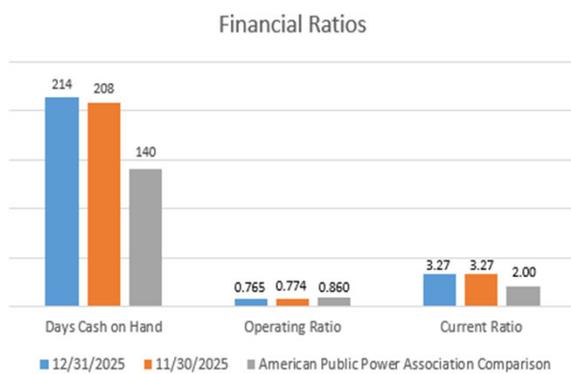
CASH FLOWS FROM INVESTING ACTIVITIES

Net cash provided (used) by investing activities	349,723	1,569,282
Net increase (decrease) in cash and cash equivalents	2,959,258	1,605,528
Cash and cash equivalents - beginning of period	102,217,040	103,570,770
Cash and cash equivalents - end of period	105,176,298	105,176,298

Agenda Item #9/December Financial Presentation



Financial Ratios- December (Page 21)



Agenda Item #9/December Financial Presentation



Income Statement– December (Page 35)

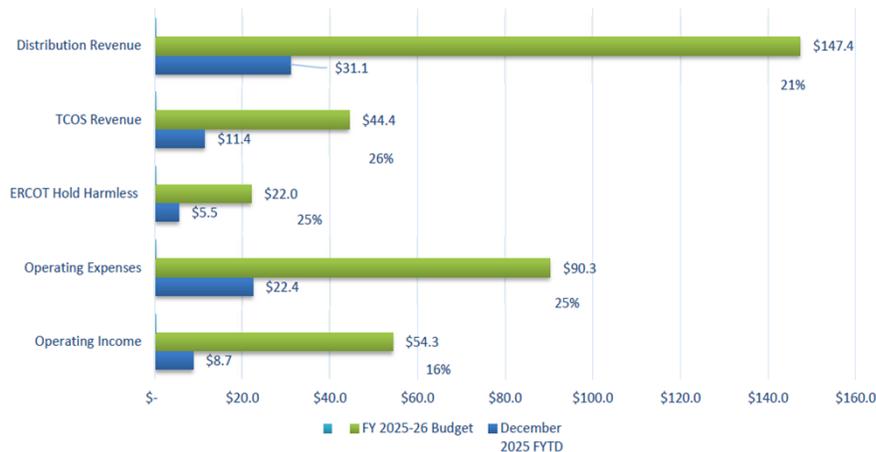
	December 2025	December 2025 Budget	December 2025 FYTD	FY 2025-26 Budget
OPERATING REVENUES				
Distribution Revenue	\$ 10,902,442	\$ 11,329,981	\$ 31,063,530	\$ 147,353,434
TCOS Revenue	3,804,629	3,703,072	11,413,888	44,436,858
ERCOT Hold Harmless	(1,819,936)	(1,833,333)	(5,460,587)	(22,000,000)
Provision for bad debts	(10,050)	-	4,432	-
Total Operating Revenues	12,877,084	13,199,719	37,021,263	169,790,292
OPERATING EXPENSES				
Operating Expenses	7,649,140	7,522,621	22,363,374	90,271,453
Depreciation and amortization	1,983,043	2,100,000	5,949,202	25,200,000
Total Operating Expenses	9,632,183	9,622,621	28,312,576	115,471,453
Operating income	3,244,902	3,577,098	8,708,687	54,318,839

Agenda Item #9/December Financial Presentation



Budget to Actuals – December (Page 43)

Budget vs Actuals (in millions)



FY 2025-26 Distribution Revenue Budget

	Monthly	Cumulative
Oct	\$11,339,638	7.7%
Nov	\$9,828,037	6.7%
Dec	\$11,329,981	7.7%
Jan	\$13,451,510	9.1%
Feb	\$11,087,158	7.5%
Mar	\$11,949,545	8.1%
Apr	\$10,311,298	7.0%
May	\$11,140,330	7.6%
Jun	\$13,354,672	9.1%
Jul	\$17,465,812	11.9%
Aug	\$14,448,744	9.8%
Sep	\$11,646,708	7.9%
Total	\$147,353,434	100.0%

Agenda Item #9/December Financial Presentation





Lubbock Power & Light

Questions?



ELECTRIC UTILITY BOARD MINUTES
SPECIAL MEETING
February 9, 2026
11:00 A.M.
OPEN/EXECUTIVE SESSION
Buddy Holly Center
1300 Mac Davis Ln
Lubbock, Texas 79401
Grand Hall B

1. Call to order.

Chair Butch Davis called the meeting to order at 11:00 a.m.

2. Public Comment. Public comment is an opportunity for the public to make comments and express a position on agenda items. This period, of up to thirty minutes, is dedicated to public comment. Each member of the public will have three minutes to speak. Any member of the public that requires the assistance of a translator will have six minutes to speak. Comments must be limited to only those items posted on the Electric Utility Board agenda. Any member of the public wishing to speak shall sign up on the public comment sheet on the day of the Electric Utility Board meeting. The Electric Utility Board shall follow the order of persons wishing to speak as listed on the sign-up sheet. If everyone who signed up to speak has been given an opportunity to speak and the thirty minutes designated for public comment has not been exhausted, the Electric Utility Board may, at its discretion, open the floor to anyone else wishing to address the Electric Utility Board, subject to all the same procedures and guidelines.

No public comment.

Open Session

3. Presentation and discussion by the Chief Administrative Officer, or his designee, regarding strategic planning for Lubbock Power & Light before, covering all aspects and facets of the utility, including but not limited to, organizational and resource needs and changes, rate structure modifications, strategic goals for transmission and distribution service in the competitive market, occupational, performance, and safety metric goals, and other needs and changes of the electric utility as it exists today.

Topics included in the foregoing discussion may include, but are not limited to, the following:

- Blueprint 2030 Progress
- Enterprise Risk Management Updates
- Customer Value (customer engagement, REP relations, call center performance, AI)
- Financial Resilience (forecast)
- System Modernization (4 kV, 69 kV, Alleys, Technologies (AI))
- Legal Strategic Plan and Updates
- Committee Updates- Plans of action
- Blueprint 2030
- Research on EV opportunities in Lubbock

- Rate reductions vs alternatives
- TTU and Airport LT Parking

Chief Administrative Officer Joel Ivy opened the meeting with an intro to items of discussion. Mr. Ivy gave a blueprint 2030 overview and succession measure and chart of pillars of success.

General Counsel Keli Swan presented LP&L's legal department's strategic plan and presented an overview of types of contracts legal drafts, areas of Energy & Regulatory Compliance, Municipal law including ordinances and Charter, Labor & Employment, and Litigation. Mrs. Swan continued discussion with topics including risk mitigation and real property which include leases and easements. Mrs. Swan gave an annual legal budget update and plans to mitigate costs and presented legal roadmap.

Chief Customer Service Officer Clint Gardner presented on customer service metrics including 2025 monthly averages on calls, revenues, and customer service requests and lobby visits. Mr. Gardner also presented workforce and training investment with cost overview with problems and solutions. Presentation furthered with current and future use of Powerconnect AI and market and retail rep relations overview.

Chief Operating Officer Blair McGinnis presented on system modernization and presented an overview on SAIDI/SAIFI/ and CAIDI metrics and statistics. Mr. McGinnis also presented technology improvements plan and alley modernization progress and chart.

Chief Financial Officer Harvey Hall presented on Financial Resilience including discussion on debt, revenue, rates, and ratings. Mr. Hall's discussion included debt management and managing downside risk and debt reduction. Mr. Hall also discussed revenue and strategic cash reserves and flows.

12:30 Break

12:47 Reconvene

Transmission and Distribution Manager Kody Morris discussed ERM -mitigation strategy.

Director of Performance Improvement Renee Treat- discussed engaging and retaining workforce solutions and employee satisfaction metrics. Topics also included employee retention measures including critical roles and the turnover costs. Mrs. Treat also presented organizational opportunities.

Mr. Ivy closed the meeting out with discussion recaps and questions. Topics of closing discussions included electrification opportunities and Blueprint changes overview. Questions from staff and chiefs with Council and City staff were discussed and answered.

There was no executive session called at this meeting.

Executive Session

4. Hold an executive session in accordance with V.T.C.A. Government Code § 551.086, §552.133, and §552.1331 to discuss and deliberate, on the following competitive matters of Lubbock Power & Light, reasonably related to the following categories:
- (i) Discussion and deliberation of generation matters, including but not limited to generation unit and/or portfolio sale opportunities including the potential for unused land designated for other uses;
 - (ii) Discussion of risk management, contracts, and strategies, customer billing, and usage information, system load characteristics, and ERCOT power analyses and strategies;
 - (iii) Plans, studies, proposals, and analyses for system improvements, additions, or sales (other than transmission and distribution system improvements inside the service area for which the public power utility is the sole certificated retail provider);
 - (iv) info collected as part of an advanced metering system for usage, services, and billing, including amounts billed or collected for utility usage
5. Hold an executive session in accordance with V.T.C.A. Government Code § 551.071, seeking the advice of legal counsel about pending or contemplated litigation or settlement offers and hold a consultation with the attorney on matters in which the duty of the attorney to the Electric Utility Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551 of the Texas Government Code:
- (i) legal advice regarding issues herein listed on the agenda;
 - (ii) legal advice and counsel regarding contemplated litigation matters;
6. Adjourn.

Chair Butch Davis adjourned the meeting at 1:56pm.

Prepared by:

Approved by:

Gwen Stafford, Secretary

Butch Davis, Chair

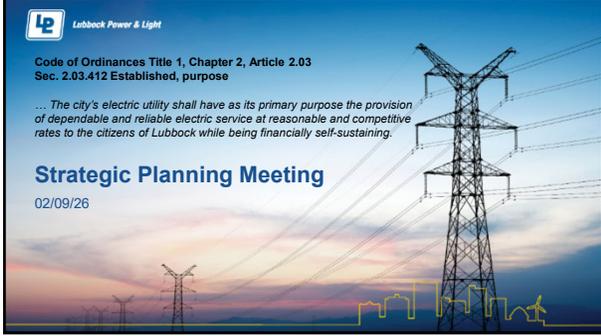


Code of Ordinances Title 1, Chapter 2, Article 2.03
Sec. 2.03.412 Established, purpose

... The city's electric utility shall have as its primary purpose the provision of dependable and reliable electric service at reasonable and competitive rates to the citizens of Lubbock while being financially self-sustaining.

Strategic Planning Meeting

02/09/26

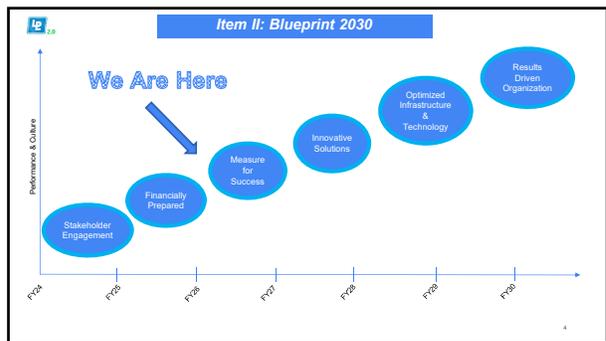


Agenda - Mantra we are doing what we committed to

- I. Open & Call to Order
- II. State of the Business: Blueprint 2030 Progress
Staff Discussions and Updates
- III. Working Lunch
Enterprise Risk Management
- IV. "Open Mic" for Blueprint Changes
Discussions with EUB/Council
- V. Adjourn



Agenda Item II: State of the Business: Blueprint 2030 Progress



Item IV: Blueprint 2030 Changes							
Pillars of Success	Goals	FY25	FY26	FY27	FY28	FY29	FY30
Customer Value	✓ Rates in TDU mid-mkt			Begin rate reduction (5.5%)			Implement up to (12.5%)
	✓ Establish Customer Engagement Programs			Establish customer programs			Deploy customer programs
Financial Resiliency	✓ Debt/Asset Ratio < 50%		1 st debt buydown	2 nd debt buydown	3 rd debt buydown	Reassess	
	✓ Days Cash > 90						Annual Cost of Service Analysis
System Modernization	✓ SAIDI/SAIFI 601.0			Begin 4kV & Dual Pole Alley Modernization			
	✓ Technology Improvements			Create Technology Master Plan			Deploy Technology Master Plan
	✓ Alley modernization			Evaluate 69kV modernization			
	✓ 4kV transition			Evaluate 345kV (or alt) project			Develop & implement Distribution Automation





CALLS		CUSTOMER SERV.	REVENUE
Calls Taken 156,742	Calls Answered <2 Min Goal 90% Actual 89.25%	Online Requests 900 Processed	Bills Sent 90,000
Avg. Call Handle Time Goal 6 Min Actual 5.45 Min	After Hours Dispatch 3,000	Lobby 755 Customers	Avg. Billed \$30 Million
Builder/Property Mgr. Calls 600	Avg. Service Level Goal 90% Actual 91.5%	2025 Monthly Averages	

Workforce & Training Investment	
Category	Key Data Points
Workforce Changes (CSRs)	• In 2025, we hired 21 CSR positions. During 2025, we lost 12 CSRs, or 57%.
What this means in Cost	It cost us \$21,376 per CSR to interview, put through training for 10-13 weeks and reach ~80% productivity level. To replace 12 CSRs, the cost is \$256,512.
What are we doing to address	Developed a CSR Progression wage model which rewards skill acquisition, role differences. Provides validated capability of CSRs and training through approved coursework. This model supports retention, internal advancement, and succession planning for the department.

Current and Future Use of Powerconnect.AI	
Category	Key Details
AI Current Use Phase I	Agent Assist <ul style="list-style-type: none"> Provides consistent, accurate responses by using online COLU training materials, policies and procedures and provide quicker results Results in higher first-call resolution Our time to complete customer inquiry decreased by 20%
AI Future Use Phase II (Waiting for approval of AI Policy)	Agent 360 <ul style="list-style-type: none"> Integration with Customer Information System, outage management system for proactive customer notifications via SMS and Email for Electric Outages, Water Leaks, & Account and billing-related events. Oracle, Kubra, IVR integrations Conversational AI Customer Self Service portal that includes billing and outages.



Market & Retail REP Relations

- 64 Active Retailers, 150 Registered REPS
- Smart Meter Texas initiated which collects data from smart meters to allow REPs and customers to access usage information.
- Retail Account Managers have strengthened relationships with REPs allowing us to address issues efficiently and proactively
- 3.1 million transactions sent to market which includes billing info to REPs, 15 min interval reads, historical usage downloads, automated data exchanges. These transactions is data moving back and forth between us and the Market.
- Retail Market Subcommittee Voting Member



LP Lubbock Power & Light

Questions?



Agenda Item II: System Modernization

- SAIDI / SAIFI
- Technology Improvements
- Alley Modernization / 4kV Transition

SAIDI / SAIFI / CAIDI

	2025-Jan	Customer Count	SAIDI	SAIFI
SL-15-8_FDR	3,569	32700	01300	
SL-15-3_FDR	4,471	14400	01900	
SL-15-4_FDR	4,037	13200	01800	
SL-15-1_FDR	1,203	06800	00600	
SL-15-5_FDR	700	00500	00000	
SL-15-6_FDR	3,029	00400	00000	
SL-15-7_FDR	792	00200	00000	
	17,801	2,16700	07800	

2024-25

- SAIDI of 96,549
- March 2025, SAIDI of 12,891, 40% due to weather, 29% equipment
- April 2025, SAIDI of 14,143, 33% due to equipment, 19% weather
- June 2025, SAIDI of 12,572, 38% due to weather, 15% equipment
- August 2025, SAIDI of 23,391, 46% due to weather, 9% animals

2025-26 at four months in

- SAIDI of 16,088 (Goal of 60)
- SAIFI of 0.26 (Goal of 1)
- CAIDI of 55.96 (Goal avg of 60)

Started at Slaton substation based on data and Reliability Committee

- 31% of duration for January
- 71% of frequency for January

Monthly maintenance and inspections on circuits.
Corrective action on circuits exceeding SAIDI goal.
How sequence of events are handled for outages.
Monitor the ratio of crews to number of outages.

Technology Improvements

- 8711 – Learning Management System
- 92331 – Fiber optic Communication
- 92537 – GIS Software Upgrades and interfaces
- 92605 – Operations System Upgrades
- 92789 – NERC Security for Substations
- 92829 – Work Order System
- 2021071 – Distribution Equipment SCADA Integration
- New equipment is communication ready
- Smart Fault indicators



Alley Modernization / 4kV Transition

Substation	Designs Completed	Total Designs	Issued for Construction	Construction Completed	Total Construction Jobs	Alleys Completed	Total Alleys	Money Spent	Total Money	Year to Complete
Knowville	20	31	16	10	31	26.5	82	\$ 2,649,681.74	\$ 4,885,273.00	2026
Wadley	0	30	0	0	30	0.0	80	\$ 683,754.54	\$ 3,038,000.00	2027
Highland	0	47	0	0	47	0.0	139	\$ -	\$ 2,975,000.00	2028
Junction	0	21	0	0	21	0.0	71	\$ 56,215.20	\$ 2,985,000.00	2028
Jones	0	59	0	0	59	0.0	142	\$ -	\$ 2,995,000.00	2029
Sears	0	50	0	0	50	0.0	112	\$ -	\$ 3,000,000.00	2030
Globe	1	63	1	1	63	3.3	210	\$ 102,729.10	\$ 3,030,000.00	2031
Total	21	301	17	11	301	29.8	836	\$ 3,492,880.98	\$ 22,958,273.00	

- 7% designs complete
- 5.6% issued for construction
- 3.6% 4kV construction complete
- 3.5% alley modernization complete
- 15% of budgeted money spent




Questions?



Agenda Item II: Financial Resilience, Rates, and Revenue

Financial Resilience: Debt, Revenue & Rates

Consistency and Resilience

Strategy of Financial Resilience:

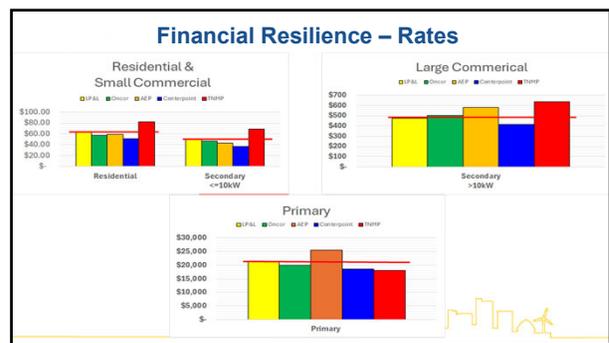
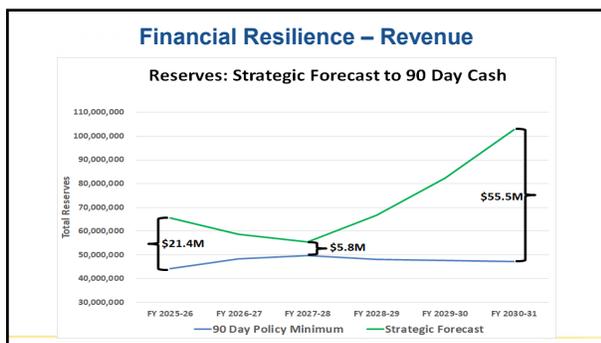
- * Manage down debt
- * Cash funding non-transmission capital projects
- * Managing Downside Risk

Enables Competitive System Delivery Rates



Financial Resilience – Debt Reduction

	Redeem 2028		Redeem 2029		30 Year	30 Year	30 Year	20 Year	20 Year
	20 Year	20 Year	20 Year	20 Year					
Avg Coupon Rate	Series 2016 3.64%	Series 2014 3.51%	Series 2017 4.45%	Series 2018 4.91%	Series 2021 4.05%	Series 2022 4.90%	Series 2023 5.00%		
Avg. Annual Payment	\$389,779	\$727,614	\$889,830	\$4,449,904	\$14,926,548	\$4,419,832	\$4,637,333		
Interest Savings	\$719,750	\$382,181	\$6,490,200	\$27,260,650	\$98,623,250	\$9,925,750	\$8,642,000		
Due at Payoff	\$3,658,988	\$3,983,500	\$13,932,400	\$58,351,300	\$219,125,950	\$38,690,700	\$36,309,000		
Callable Date	4/15/2026	4/15/2024	4/15/2027	4/15/2028	4/15/2031	4/15/2032	4/15/2033		
Fiscal Year	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32		
Total Debt Principle	482,332,988	558,131,850	532,205,943	511,344,461	493,695,939	475,721,069	457,746,198		
Debt/Asset Ratio	59.1%	60.5%	57.3%	54.8%	52.6%	50.7%	48.9%		

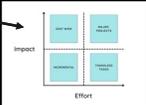







-  **Risk Assessment**
-  **As Is – To Be Mapping**
-  **Root Cause Analysis**
-  **Problem Statement Dev.**
-  **How Might We Ideation**
-  **Effort Impact Weighting**
-  **Selection & Project Scoping**

As Is Current State	How Might We?	To Be Desired State
Root Causes: Why, despite our best efforts, have we failed to achieve our To Be State?		
Problem Statement: LP&L needs a way to _____ so that _____.		
• • •	✓ ✓	• • •



MITIGATION STRATEGY

Risk Area
Root Cause(s)

Starting Line	Milestone	Milestone	Milestone	Finish Line
First Task	Deliverable 1	Deliverable 2	Deliverable 3	Last Task
Must Have Features: <ul style="list-style-type: none"> • • • 				

RISK AREA	PROPOSED PROJECTS MITIGATION STRATEGIES	ROOT CAUSES
Workforce	<ol style="list-style-type: none"> Operationalized Mission, Vision, Values Talent Dev. Strategy with Dept. Flexibility Decision & Task Making Clarity & Exemplars Shared Service Agreement with HR 	Lack of clarity, formalization, accountability, availability & working examples, and alignment
Technology	<ol style="list-style-type: none"> Workforce Readiness (Tech. Training) Enterprise-wide Disaster Recovery Plan Shared Service Agreement with IT 	Unclear service expectations, limited direction & expertise, poor communication exchange
Cyber Security	<ol style="list-style-type: none"> Organized, Repeatable Strategy for Handling Events Across the Organization 	Unclear ownership & governance, disconnected planning & communication, insufficient prep & training
Compliance	<ol style="list-style-type: none"> Digital Management Strategy Operating Model (Structure) Talent Development Leadership Operations 	Unclear ownership, inconsistent interpretation, disconnected support, limited expertise & tenure
Major Weather Events	<ol style="list-style-type: none"> Enterprise-wide Prep and Response Program 	Overreliance on tribal knowledge, unclear ownership & accountability, lack of formal resources and planning

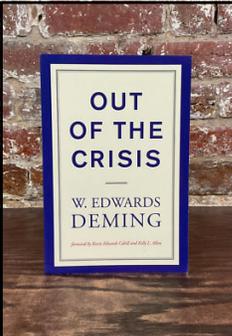
LANSBROCK POWER AND LIGHT 2020-27 RISK MITIGATION GANTT CHART													
Risk Category	Mitigation Strategy / Project	20/20	21/01	21/04	21/07	21/10	22/01	22/04	22/07	22/10	23/01	23/04	
WF	Operational MWH	Start	Milestone & Check list	Complete									
WF	Talent Dev. Strategy	Start	Milestone & Check list	Complete									
WF	Business Making, Curves & Resilience	Start	Milestone & Check list	Complete									
WF	Shared Service Agreement with US	Start			Start		Milestone & Check list	Complete					
T	Workforce Readiness & Dev.	Start	Milestone & Check list	Complete									
T	Disaster Planning			Start	Milestone & Check list	Complete							
T	Shared Service Agreement with IT				Start		Milestone & Check list	Complete					
Comp	Digital Management				Start				Start				
Comp	Integration with Operating Model											Start	
Comp	Workforce Capability & Dev.												Start
Comp	Leadership & Organization								Start		Milestone & Check list	Complete	
Other	Operational & Business Continuity Strategy												Start
SW	Interplay with Community Planning	Start	Milestone & Check list	Complete									





NO BAD APPLES

Most employees come to work wanting to do a good job and to contribute meaningfully to the organization's mission, vision, and values.



94% | 6%
Systems | People

Deming, W. E. (1986). Out of the crisis. Massachusetts Institute of Technology, Center for Advanced Engineering Study.



H+M=
EMPLOYEE
SATISFACTIO
N

Two-Factor | Motivation Hygiene Theory
Frederick Herzberg 1966

Hygiene Factors	Motivation Factors
<p>Hygiene factors are "maintenance factors."</p> <p>They are foundational needs that must be met. When these conditions aren't met, employees feel dissatisfied and want to leave.</p> <ul style="list-style-type: none"> Pay Supervisor Quality Relationships Benefits Resources Procedural Clarity "Progress" Conditions 	<p>Motivators enhance an employee's experience of meaning, growth, and contribution.</p> <p>These factors make employees want to stay.</p> <ul style="list-style-type: none"> Achievement Mission, Vision, Values Recognition Meaningful Work Advancement Learning

BIG AHA!
Hygiene factors must be met before an employee can feel or realize the effects of workplace motivators.



When an employee leaves,
it will cost
50-200% of
their annual salary
when factoring in:

- **Recruitment**, ads, and screening.
- **Time** spent interviewing and onboarding.
- **Training**, certifications, and compliance.
- **Ramp-up period** with reduced productivity.
- **Hidden costs** such as strained staff and lower morale (the shift of work undermines hygiene needs for remaining employees).

(SHRM, 2022)

The average length of service at LP&L is **7.92 years**.

Although this reflects a gradual decline from approximately 9.6 years in 2000, average tenure has largely stabilized over the past five years.

YEAR RANGE	AVERAGE YEARS OF SERVICE
2000	9.58
2005	9.37
2010	9.47
2015	8.55
2020	7.78
2025	7.92

Note: The figures included are based on my best synthesis of the data currently available and should be considered an informed approximation.



COMPANY TENURE

Most Americans are new at their jobs or have been around for 5+ years.

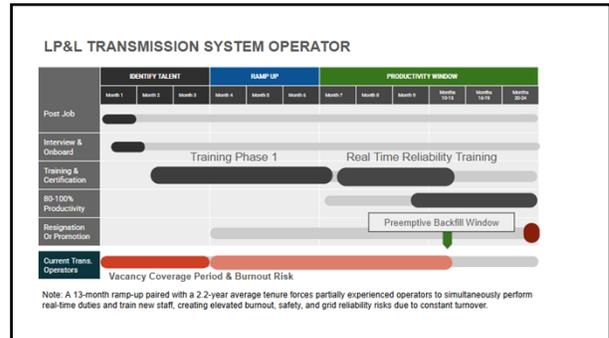
Percentage of wage and salary workers by tenure with current employer, January 2024



USA Facts

CRITICAL ROLES AT RISK: HIGH TURNOVER & RAMP-UP			
CURRENT		CURRENT OR CLOSE	
Role or Department	Avg. Yrs. Service	Role or Department	Avg. Yrs. Service
Utility System Analyst	3.19	Electrical Designer	2.34
Utility Collections Sp.	3.48	Elec Engineering Assoc I,II	2.92
Customer Service Rep.	1.99	Energy Mgmt. Administrator	3.31 1.58 (2022)
		Distribution Operator	0.96 (2022)
		Transmission System Operator	2.21 (2022)

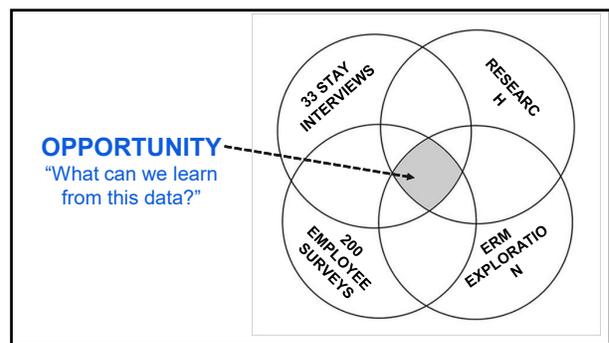
*Date range 2020-2025 | Does not include manager
Note: The figures included are based on my best synthesis of the data currently available and should be considered an informed approximation.



An informal analysis (sampling) of role replacement costs at LP&L in 2025, covering 26 turnover events, found the following:

- **Lowest cost:** \$2,113.67
- **Median cost:** \$25,600.50
- **Average (mean) cost:** \$78,141.76
- **Highest cost:** >\$300,000 (Lineman Journey, Energy Mgmt. System Admin.)
- **Sum:** \$2,031,685

Note: The figures included are based on my best synthesis of the data currently available and should be considered an informed approximation



Organizational STRENGTHS

Strength Area	Key Evidence	Factor Type
Meaning & Purpose	<ul style="list-style-type: none"> Strong identity: "I chose this job to make a difference" Pride in working for LP&L and COL 	Motivation
Benefits & Core Perks	<ul style="list-style-type: none"> Health benefits, TMRS, wellness clinics, uniforms Take-home vehicles (where applicable) Entry-level pay perceived as fair 	Hygiene
Growth & Challenge	<ul style="list-style-type: none"> Investment in training, certifications, and education Challenging, problem-solving work High appetite for learning 	Motivation
Work Environment & Autonomy	<ul style="list-style-type: none"> Relaxed, professional culture Trust and autonomy in how work is performed Work-life balance 	Hygiene
Resources & Safety	<ul style="list-style-type: none"> Strong safety focus Peer expertise and willingness to help Supervisor responsiveness to resource needs 	Hygiene
Collaboration & Momentum	<ul style="list-style-type: none"> Improving cross-department collaboration 	Hygiene

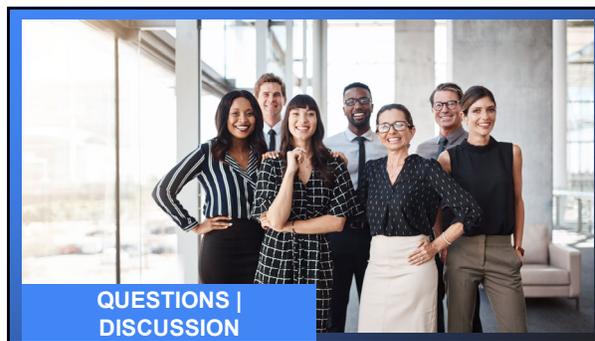
Organizational OPPORTUNITIES

C	Compensation & Progression (Hygiene)	<ul style="list-style-type: none"> Review the City's current salary administration practices against the stated goals in Policy 3.01 Clarify what minimum, midpoint, and maximum actually mean – and how employees move between them based on COL's Policy 3.01 Admin. Program Goals Regularly conduct, publish, and communicate market pay studies Find and fix pay gaps between people doing similar work Consider use of a simple salary calculator within existing pay ranges that incorporate policy-defined pay factors
A	Attentive Leadership & Support (Hygiene + Motivational)	<ul style="list-style-type: none"> Define, model, and teach clear leadership expectations <i>"This is what great leadership at LP&L looks like—and what employees can expect"</i> Establish shared leadership language and standards Equip leaders with consistent tools for hygiene and motivation Monitor, reinforce, and hold leaders accountable to expectations of support
R	Routines & Decision Routes (Hygiene)	<ul style="list-style-type: none"> Standardize and demystify core business processes Provide clear job aids, completed work examples, and decision guidelines Make leadership decision pathways visible, predictable, and efficient (<i>"Domino's Tracker"</i> clarity)
2	Recognition & Affirmation (Motivational)	<ul style="list-style-type: none"> Clearly communicate & operationalize the mission, vision, and operational values Highlight individual and team impact on the community Make recognition a consistent cultural practice (<i>Notice – Affirm – Express Need Z. Mercurio</i>)
E	Environment & Work Context (Hygiene)	<ul style="list-style-type: none"> Surface and remove work context barriers to effectiveness at the C-Suite level Relentlessly seek to improve the daily employee experience Intentionally over-staff mission-critical roles to protect continuity and prevent burnout

Every day, people come to work wanting to do a good job.

When hygiene factors are addressed, employees can fully engage with their roles and experience a sense of progress.
When motivating factors are strengthened, they feel inspired to grow and contribute at their highest level.

Fixing hygiene factors stabilizes the system, allowing motivators to take effect.
Strengthening motivators ensures we retain our best talent.



QUESTIONS | DISCUSSION

3.01 Salary Administration Program Goals
 The City's salary administration program is aimed at accomplishing these goals:
 A. Provide **equitable compensation** for each employee based on the individual's **position and performance**.
 D. Establish methods of wage and **salary progression** or other compensation that provide adequate **reward for employee productivity and performance**.
 E. Give **Department Directors primary responsibility for administration of approved salary schedules** within their departments.

3.02 Authority for Pay Plan
 ...The pay plan may include job classification plans, wage and salary rates or ranges, as well as other types of pay such as incentives, commissions, or awards that are **related to performance, or other measures of productivity and efficiency**.

3.06 Hiring Rates
 B. Starting salaries will be considered based on the length of the experience on a one year of credit for three years of experience, up to a maximum of five years of credit. Each one year of credit will increase the beginning pay by up to 2% with a maximum of 10% over the minimum of the pay range.
 D-E ... **additional considerations for hard to fill**... typically between minimum and midpoint.

COL Supervisor's Procedure Manual, 2016

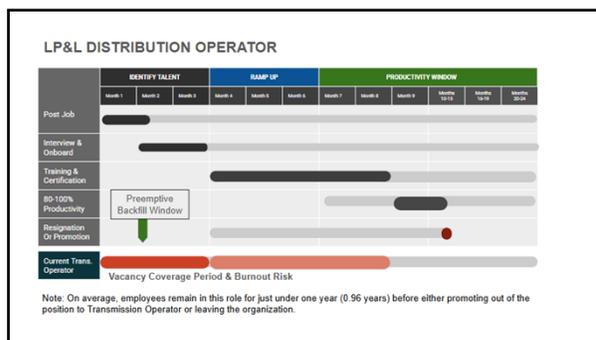
City of Lubbock, TX
Full Time Pay Schedules
FY 2025 - 2026

Pay Grade	FY25-26 Minimum	FY 25-26 Midpoint	FY25-26 Maximum
128 A	66,973.92	88,777.52	110,581.12
128 M	5,581.16	7,385.13	9,215.09
128 B	2,575.50	3,424.52	4,213.12
128 H	32,159	42,688	53,164
129 A	70,322.72	93,216.24	116,109.76
129 M	5,862.23	7,768.02	9,675.81
129 B	2,764.72	3,585.24	4,465.76
129 H	33,809	44,82	55,822
130 A	73,844.16	97,880.64	121,917.12
130 M	6,153.68	8,156.72	10,159.76
130 B	2,840.16	3,764.64	4,689.12
130 H	35,500	47,06	58,628
131 A	77,536.16	102,774.88	128,013.60
131 M	6,462.16	8,564.57	10,667.80
131 B	2,982.16	3,952.88	4,923.60
131 H	37,277	49,41	61,545
132 A	81,413.20	107,911.44	134,411.68
132 M	6,784.27	8,993.62	11,200.97
132 B	3,131.20	4,150.44	5,169.68
132 H	39,140	51,88	64,821

SAMPLE
for discussion purposes only

$$\text{Salary} = \text{Min} + \left(\frac{\text{Composite Score}}{100} \right) * (\text{Max} - \text{Min})$$

Criteria	Weight	Description
Experience	30%	Assesses tenure and relevance of prior work, from developing to expert level.
Education & Certifications	20%	Evaluates formal education and industry-recognized credentials.
Skill Proficiency	20%	Measures demonstrated competency using a skills matrix or job description, from basic to expert.
Market Alignment, Scarcity, Continuity	30%	Rates how rare, in-demand, and operationally critical the role is.





Item IV: Items up for discussion

Electrification Opportunities:

- Seed investment opportunities in chargers
 - In discussions with Airport (Level 2) and TTU (Level 2 and/or 3)
 - Level 2 Bank of 6 chargers \$10,000 including utility infrastructure costs
 - Cost of charging must be capped for affordability
 - If feasible, get started now
- Home charger rebates (remand to Customer Engagement Committee)
 - Need to work with REP's
 - Cost TBD
 - If feasible, write into FY27 budget

Item IV: Item up for discussion -

LP&L Rates vs TDU Average

Year	LP&L Rate	Average Rate
2026	\$55.50	\$55.50
2027	\$54.50	\$55.50
2028	\$53.00	\$56.00
2029	\$53.00	\$56.00
2030	\$53.00	\$56.50

LP&L has options moving forward

- Continue with debt redemption
- Drive to be the lowest rates (2030)
- System investments
- Technological efficiencies

Potential near term considerations

- Need an expansion for T&D Offices
- Need to relocate System Operations
- Concerns about COLU building
- Staffing may need to increase to facilitate critical position turnover (cost increases)
 - Alternative is outsourcing (\$\$\$)

Item IV: Blueprint 2030 Changes		FY25	FY26	FY27	FY28	FY29	FY30
Pillars of Success	Customer Value	<ul style="list-style-type: none"> ✓ Rates in TDU mid-mkt ✓ Establish Customer Engagement Programs 	<ul style="list-style-type: none"> Begin rate reduction (5-5)% ✓ Establish customer programs Deploy customer programs 				<ul style="list-style-type: none"> Implement up to 152-33% (NOT NEEDED?)
	Financial Resiliency	<ul style="list-style-type: none"> ✓ Debt/Asset Ratio < 50% ✓ Days Cash > 90 	<ul style="list-style-type: none"> ✓ 1st debt buydown ✓ Annual Cost of Service Analysis (AS NEEDED) 		<ul style="list-style-type: none"> 2nd debt buydown 3rd debt buydown 		
Pillars of Success	System Modernization	<ul style="list-style-type: none"> ✓ SAIDI/SAIFI 601.0 ✓ Technology Improvements ✓ Alley modernization ✓ 4kV transition 	<ul style="list-style-type: none"> ✓ Begin 4kV & Dual Pole Alley Modernization ✓ Evaluate 69kV modernization ✓ Evaluate 345kV (or alt) project 		<ul style="list-style-type: none"> ✓ Create Technology Plan (DEPERY) ✓ Deploy Technology Plan 		<ul style="list-style-type: none"> DEFER Develop & implement Distribution Automation

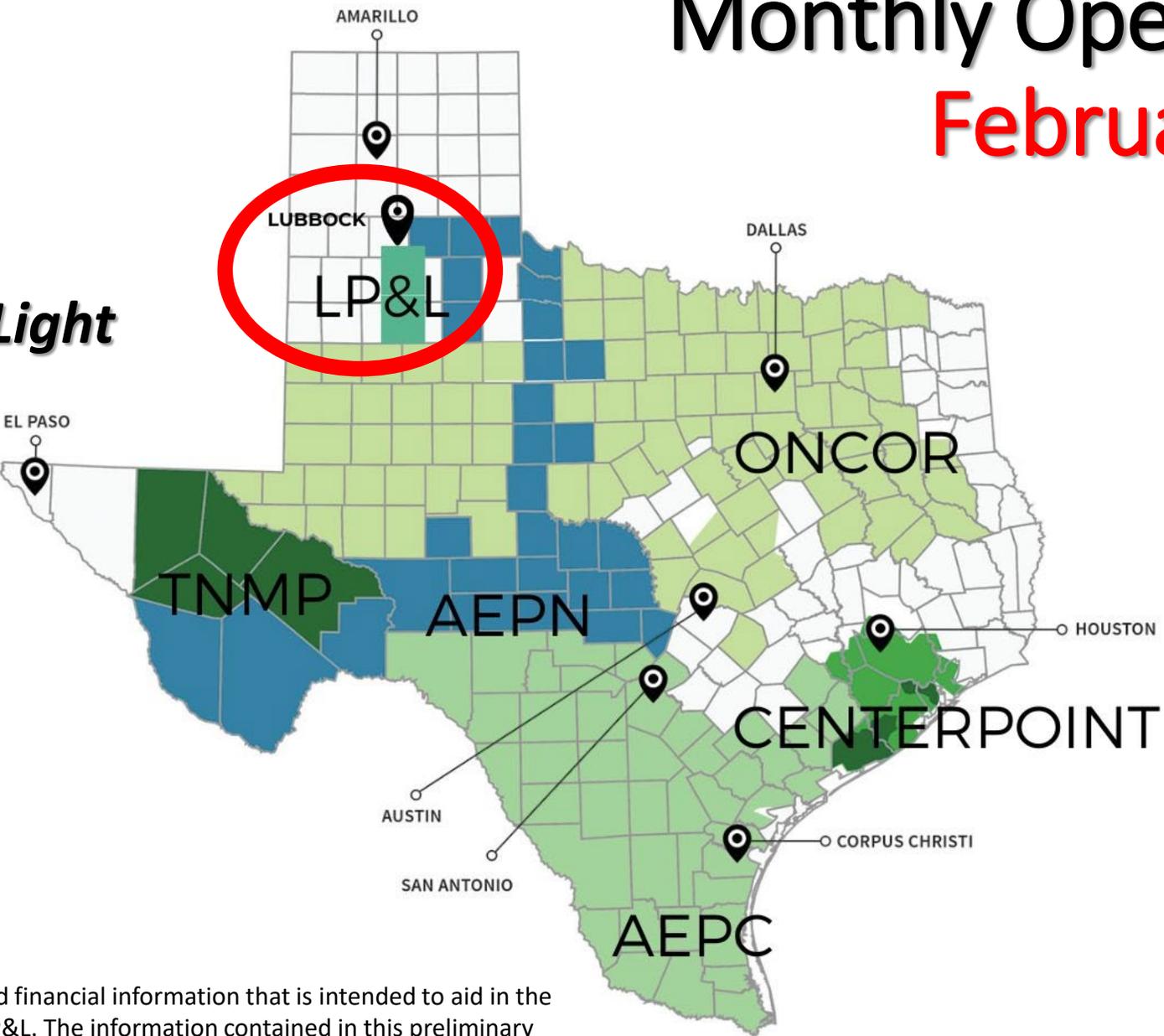


Monthly Operational Report

February 2026



**Lubbock
Power & Light**



This report contains unaudited financial information that is intended to aid in the day-to-day management of LP&L. The information contained in this preliminary report could change materially during the course of the annual financial report.

LP&L's Monthly Operational Report Table of Contents

LP&L's Three Pillars of Success

Safety Performance

Financial Performance Summary

Customer and Sales Summary

Operations and Maintenance Summary

Transmission & Distribution Performance

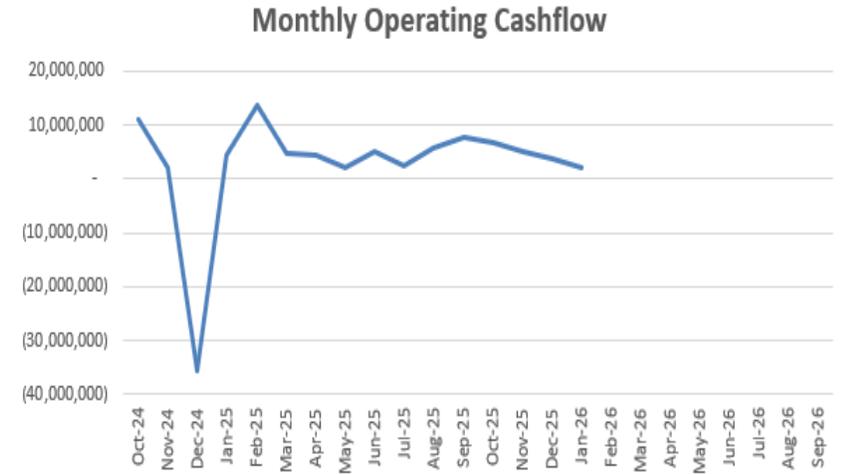
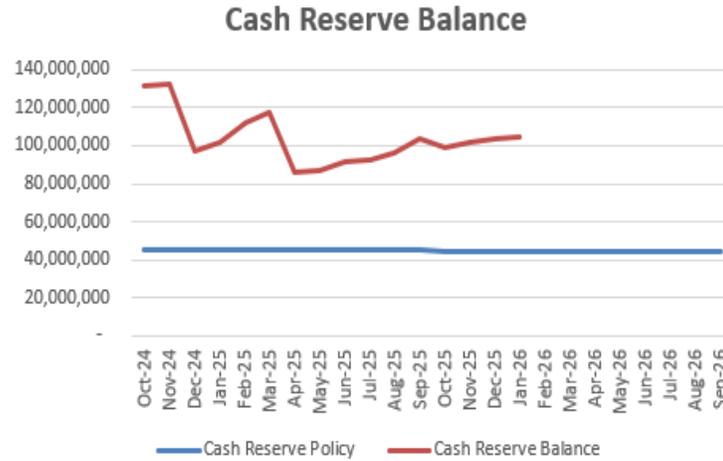
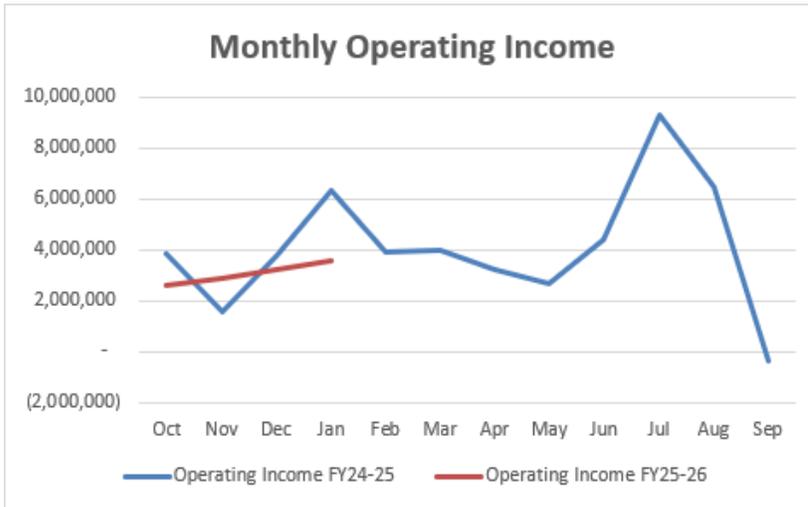
Customer Service Performance

Public Affairs Summary

LP&L's Financial Performance Summary: Financial Metrics - January

<h2><u>Financial Metrics</u></h2>				
<i>Effectively measure and maintain financial risk exposure and performance of LP&L for the ongoing health of the utility and protection of ratepayer assets.</i>				
Operating Ratio	Goal	Actual	Status	Operating Ratio = Operating Expense / Operating Revenue
January	0.860	0.754		For every \$1 of Operating Revenue there is \$X.XX in Operating Expense. A lower number is better.
Current Ratio	Goal	Actual	Status	Current Ratio = Current Assets / Current Liabilities
January	2.00	3.28		For every \$1 of Current Assets there is \$X.XX in Current Liabilities Assets. A higher number is better.
Days Cash	Goal	Actual	Status	Days Cash on Hand = Cash & Cash Equivalents / ((Operating Expenses - Depreciation & Amortization)/30 days)
January	140	213		Number of days operating expenses can be covered by current cash on hand. A higher number is better.

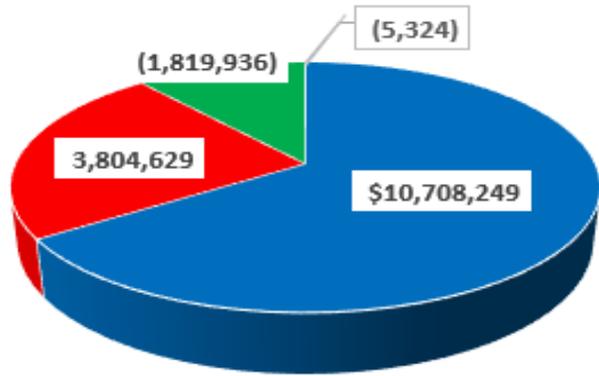
LP&L's Financial Performance Summary



Headlines:

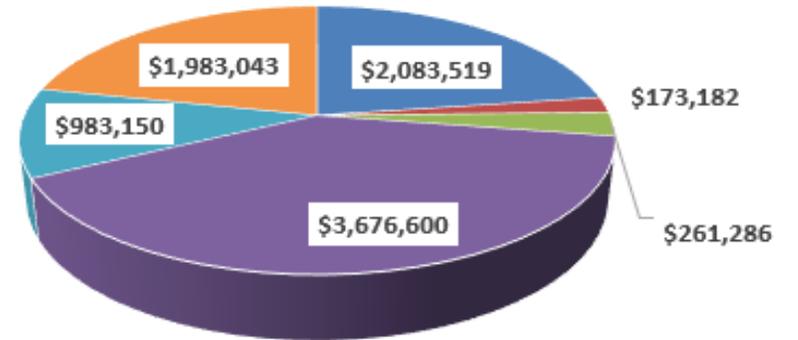
- **Monthly Operating Income**
 - January 25-We have a decrease in operating income over last year due to increased revenues in Jan 24 due to a cold weather event and slightly higher expenses in Jan 25
- **Cash Reserve Balance**
 - We see a slight decrease in our cash reserve from last month due to a decrease in payments from REPs and an increase in CIP spending from December
- **Monthly Operating Cash Flow**
 - We see a decrease in operating cash flow from December, due to a decrease in payments from REPs as a result of lower billed revenues and an increase in expenses paid out in January

Income Statement- Operating Revenue-\$12,687,617



- Distribution Revenue
- TCOS Revenue
- ERCOT Hold Harmless
- Provision for bad debts

Income Statement-Operating Expense-\$9,160,780

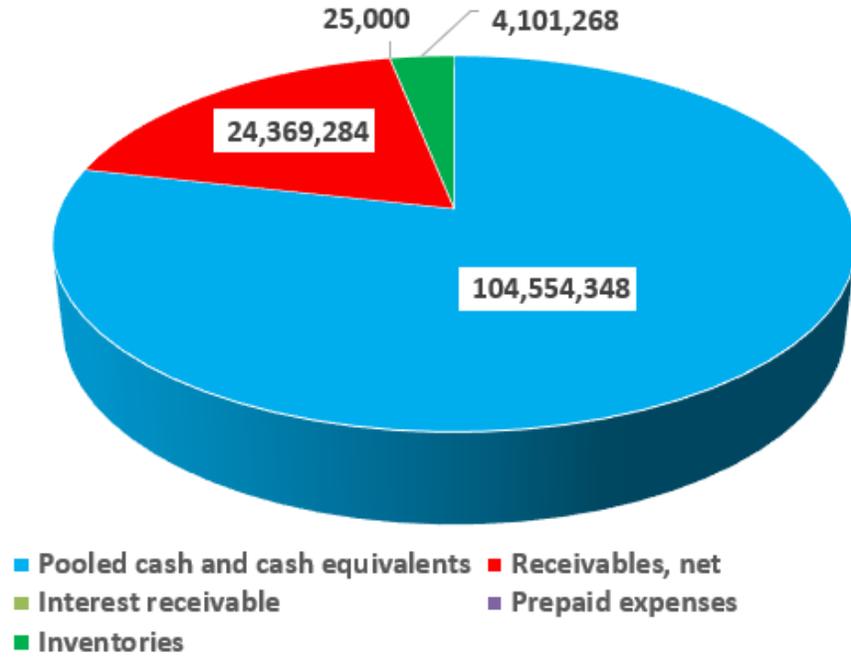


- Personal services
- Maintenance
- Other services and charges
- Supplies
- Transmission Costs
- Depreciation and amortization

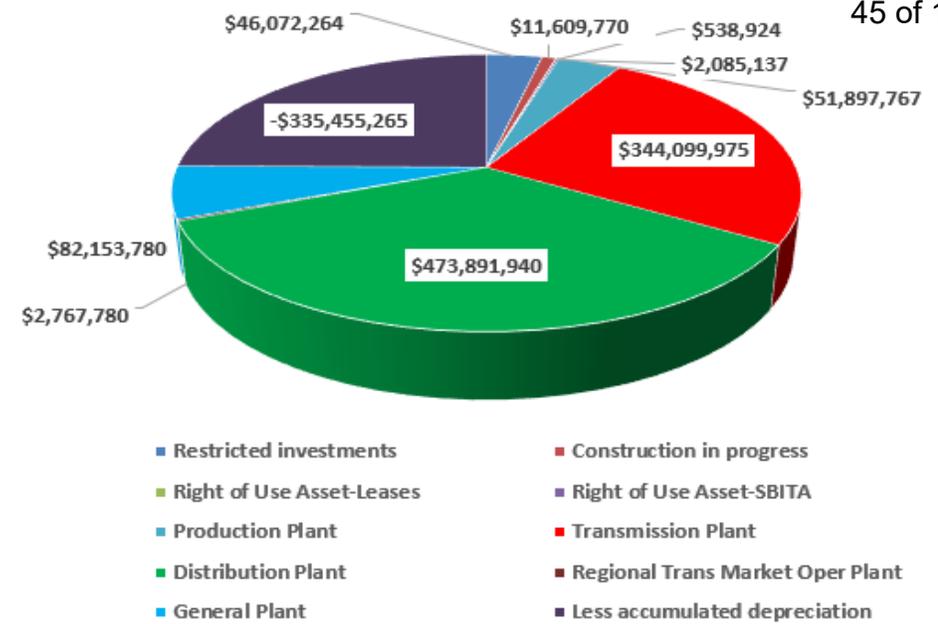
Budget vs Actuals (in millions)



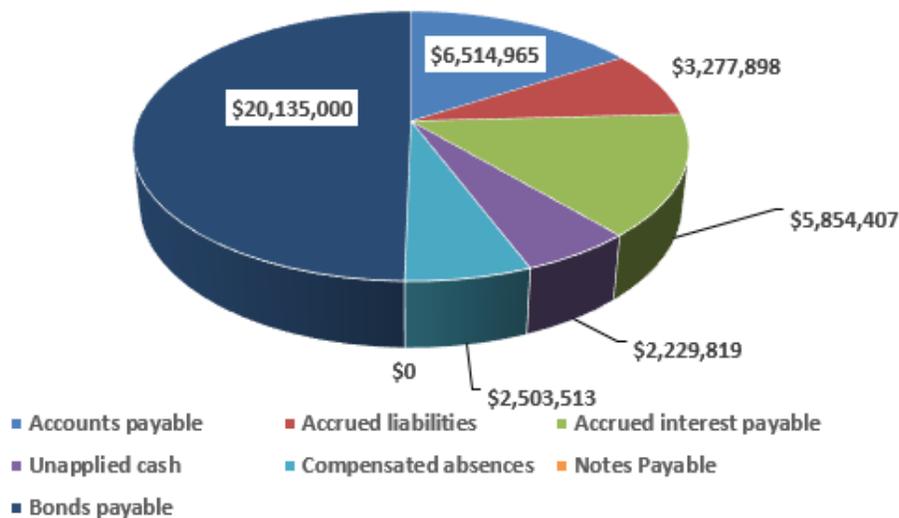
Balance Sheet - Current Assets-\$133,049,899



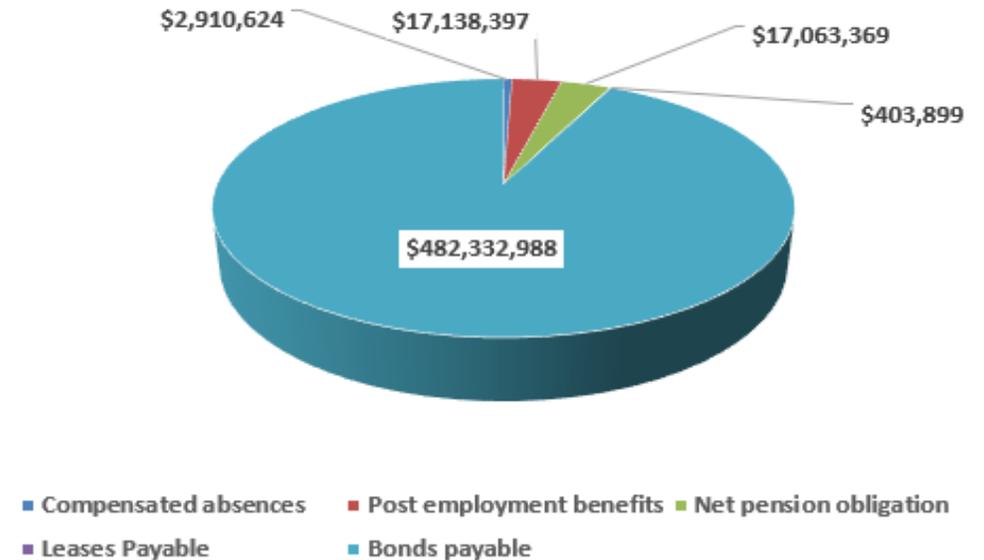
Balance Sheet - Non-Current Assets-\$679,662,071



Balance Sheet - Current Liabilities-\$40,515,601

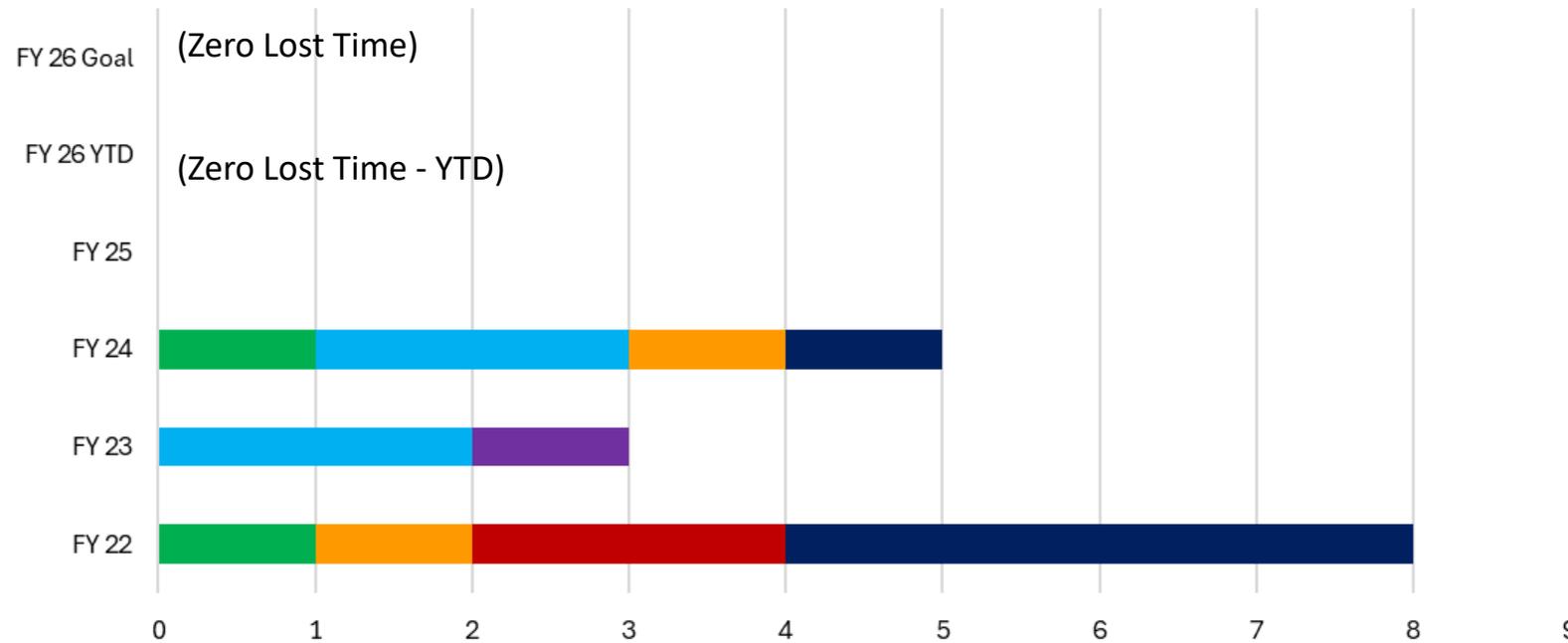


Balance Sheet- Non-Current Liabilities-\$519,849,278



LP&L's Operational Performance - Safety

Lost Time Incidents



	FY 22	FY 23	FY 24	FY 25	FY 26 YTD	FY 26 Goal
■ Production	1	0	1	0	0	0
■ Overhead	0	2	2	0	0	0
■ Under Ground	1	0	1	0	0	0
■ St. Lights	2	0	0	0	0	0
■ Service Dept.	0	1	0	0	0	0
■ Customer Care / Admin	4	0	1	0	0	0

Culture of Zero

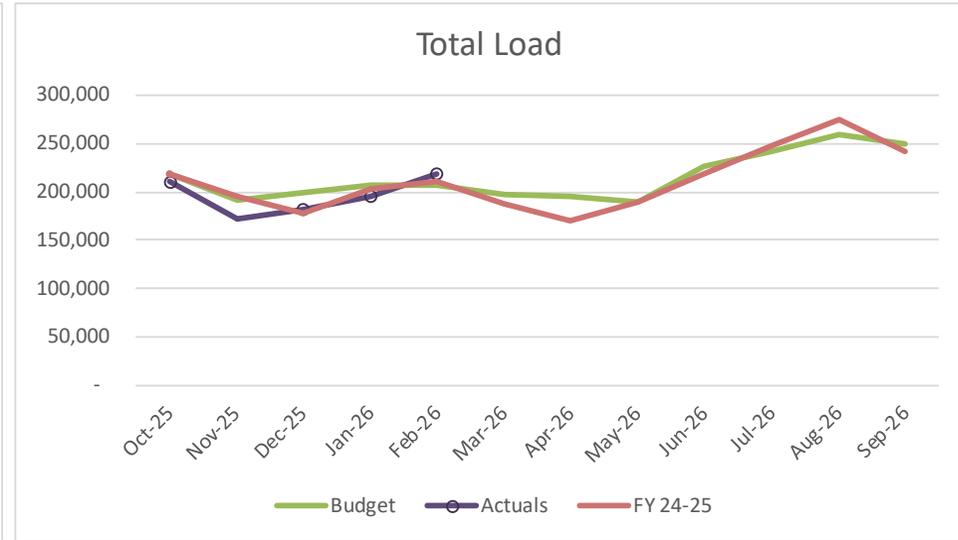
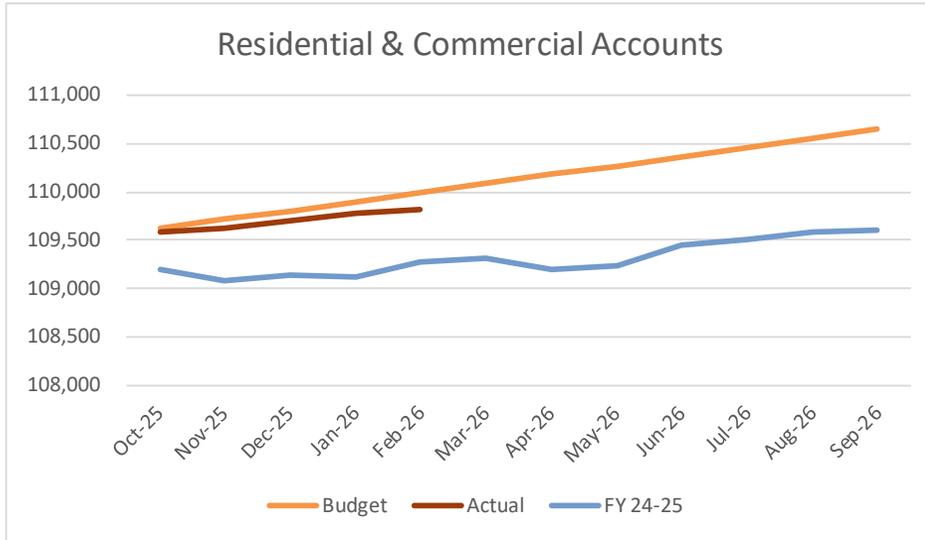
LP&L has adopted a mindset whereby every Accident/incident is preventable.

Our goal for safety centers on 0 (zero) lost time incidents. While this goal seems lofty, we must stay focused on providing a safe and healthy workplace for our employees.

LP&L's T&D Performance: Capital Work – January

Project Type	Appropriation To Date	FY 2025-26 EXPENDITURES & COMMITMENTS				
		Budget	Expenditures & Commitments	Funds Remaining	% Funds Remaining	% of Budget Spent
Substation Projects	31,897,000	33,950,000	1,207,279	32,742,721	96.44	3.56
Transmission Projects	31,897,000	31,897,000	754,228	31,142,772	97.64	2.36
Distribution Projects	11,468,273	4,406,000	209,782	4,192,503	62.72	37.28
Annual Projects	75,838,916	11,940,000	2,055,459	11,317,914	69.05	30.95
Dispatch/GIS/SCADA	10,517,000	5,000,000	280,790	4,965,835	78.95	21.05
Other	2,251,000	2,141,000	1,076,910	1,117,908	98.81	1.19
Grand Total	\$ 163,869,189	\$ 89,334,000	\$ 5,584,448	\$ 85,479,654	95.69	4.31

LP&L's Customers and Load Summary - February

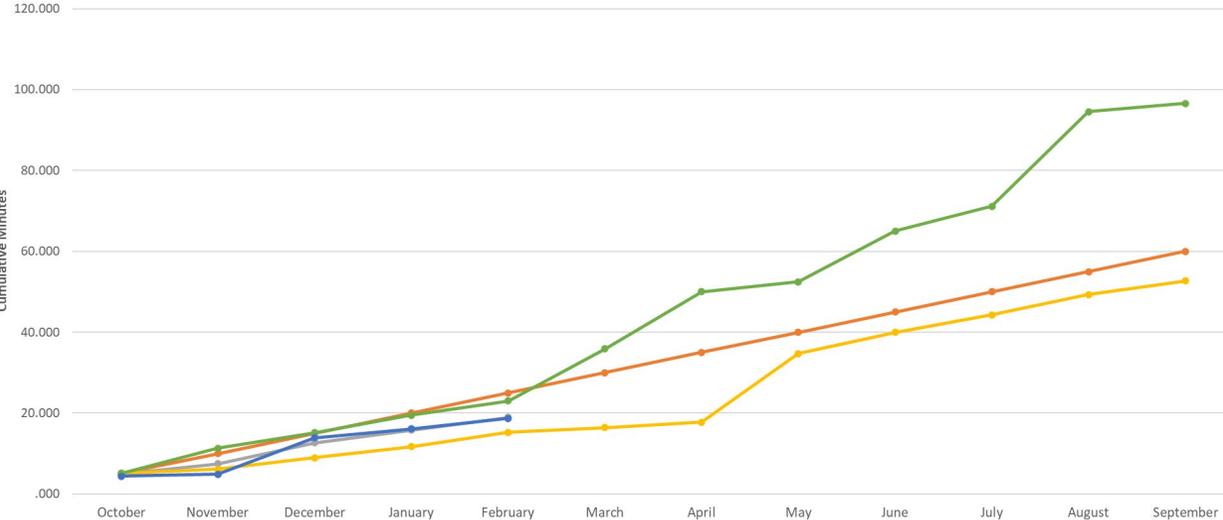


	February				Year-to-Date			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Total Load(MWh)								
Residential	93,025	86,305	6,720	7.8%	370,846	412,199	(41,353)	-10.0%
Commercial & Industrial	125,080	121,106	3,973	3.3%	606,518	612,944	(6,426)	-1.0%
Total	218,105	207,412	10,693	5.2%	977,364	1,025,143	(47,779)	-4.7%
Average Usage (kwh)								
Residential	979	907	72	8.0%	3,906	4,330	(424)	-9.8%
Commercial & Industrial	8,458	8,182	276	3.4%	41,071	41,411	(340)	-0.8%
Total	9,437	9,089	348	3.8%	44,977	45,741	(764)	-1.7%

LP&L's T&D Performance: Reliability - February

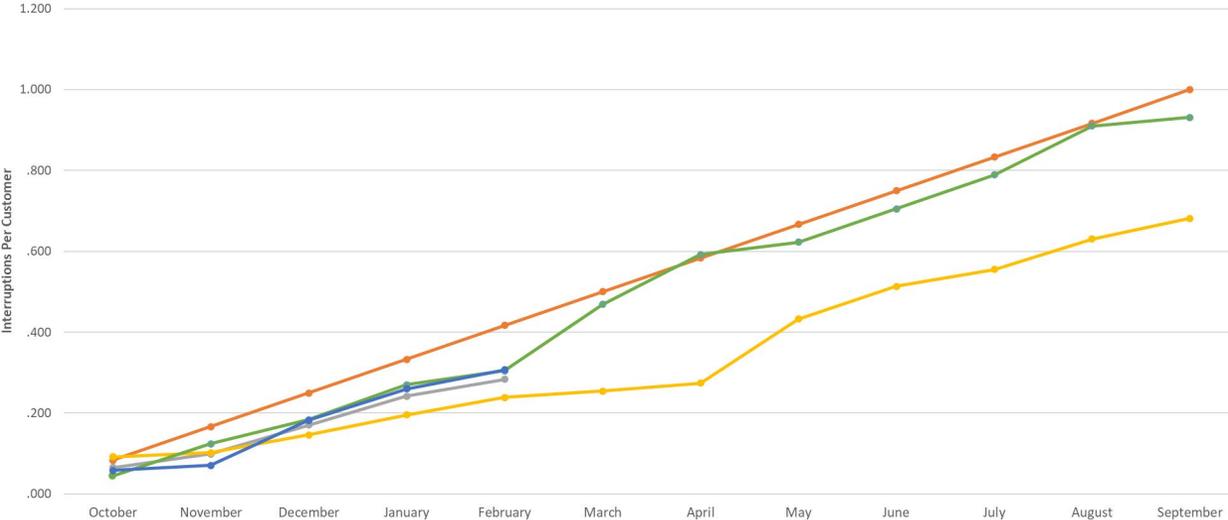
System Average Interruption Duration Index (SAIDI)

GOAL 3YR Avg FY24 Actual FY25 Actual FY26 Actual



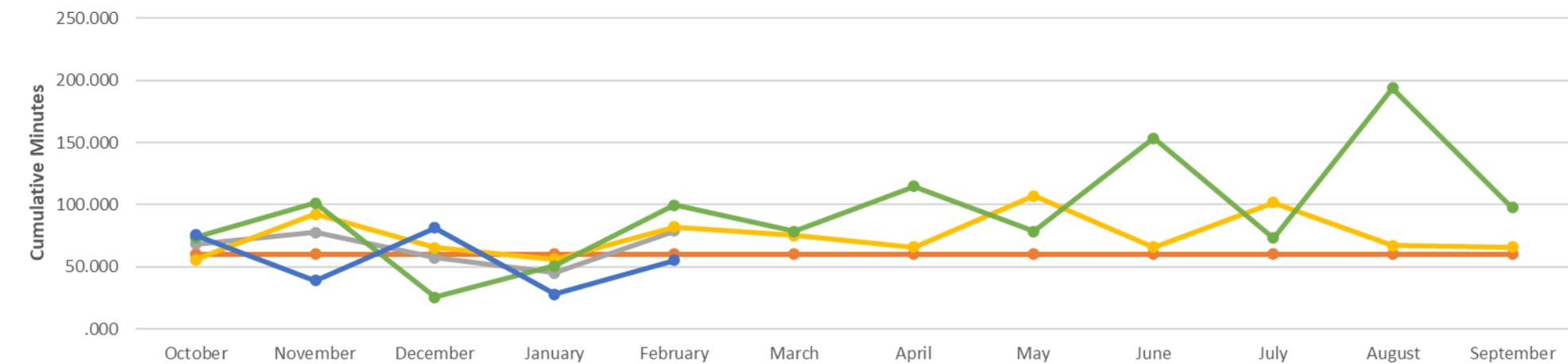
System Average Interruption Frequency Index (SAIFI)

GOAL 3YR Avg FY24 Actual FY25 Actual FY26 Actual



Customer Average Interruption Duration Index (CAIDI)

GOAL 3YR Avg FY24 Actual FY25 Actual FY26 Actual



LP&L's Customer Service Performance: Market Operations - February



REPORT DAY:
2026-03-01



INSTALLED
METERS: 111,697



ONE DAY READ
RATE: 99.32



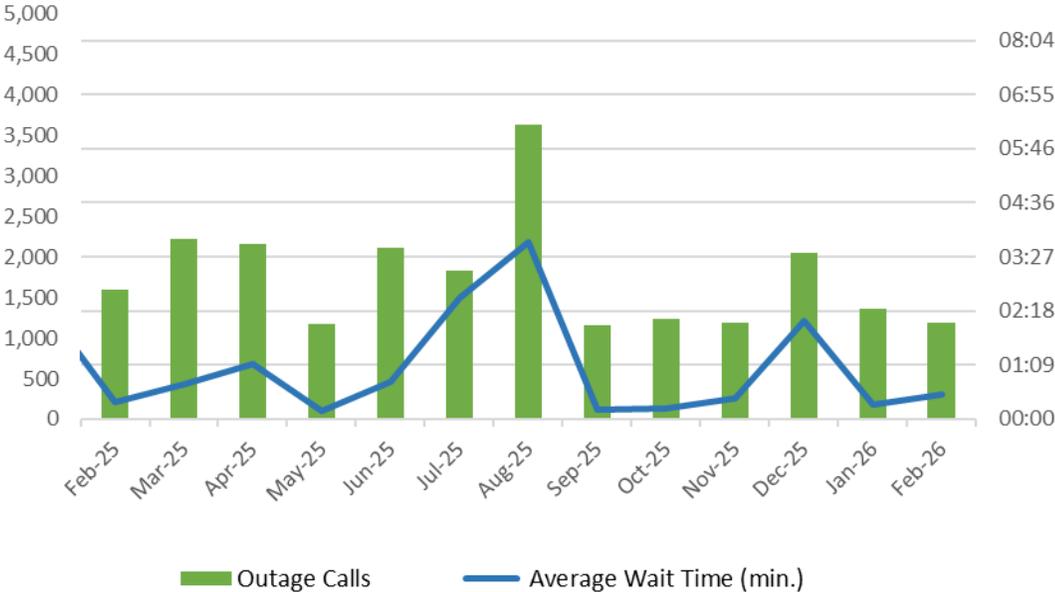
THREE DAY READ
RATE: 99.89

Culture of Zero

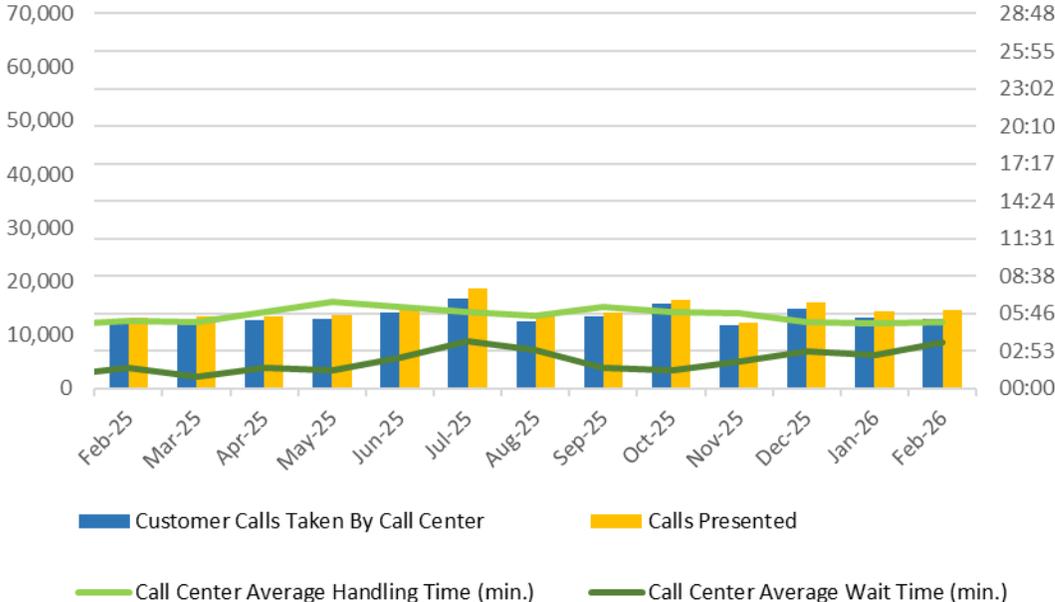
LP&L has adopted a mindset whereby Retail Electric Providers can count on us to deliver high value and accurate information. We will center our performance around attaining 0 (zero) REP complaints by systematically eliminating the leading indicators.

LP&L's Customer Service Performance: Call Activity - February

Outage Calls Activity



Call Center Activity



PUBLIC AFFAIRS UPDATE

State Legislature

- Beginning to see interim charges filed; still waiting for Governor's appointment for final PUC seat

Regulatory

- Closely watching relevant TCOS filings, rulings, and court decisions.
- Working with ERCOT stakeholder groups as they study feasibility of West Loop connection
- Texas Public Power Association (TPPA) Customer Service and Communications Conference March 9-11

Communication Updates

- LP&L's 110th anniversary social media launch (March)
- Continuing to create original content (Feel Good Fridays)

Opportunities

- New scholarships announcements
- Plenty Power assets (activity booklets, videos, etc.)
- Future communications on rates, debt reduction, and long-term CIP program.
- Additional Plugged In stories (business spotlights)



APRIL 2026

SUN	MON	TUE	WED	THU	FRI	SAT
29	30	31	1	2	3 Good Friday CITY HOLIDAY	4
5 EASTER	6	7	8	9	10 LP&L In-House Rodeo Competition	11
12	13	14 City Council Meeting	15	16 Lineman Appreciation Banquet	17	18
19	20	21 EUB Meeting	22	23	24	25
26	27	28 City Council Meeting	29	30	1	2

Holidays and Observances: Easter Sunday (5), Easter Monday (6), Tax Day (15)



MAY 2026

SUN	MON	TUE	WED	THU	FRI	SAT
26	27	28	29	30	1	2
3	4	5	6	7	8	9
10	11	12 City Council Meeting	13	14	15	16
17	18	19 EUB Meeting	20	21	22	23
24	25 Memorial Day City Holiday	26 City Council Meeting	27	28	29	30
31	1	2	3	4	5	6

Holidays and Observances: Cinco de Mayo (5), Mother's Day (10), Memorial Day (25)

**Lubbock Power and Light
Monthly Management Report
Statements of Net Position
January 31, 2026**

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	January 2026	September 2025	Variance
<u>ASSETS</u>			
Current assets:			
Pooled cash and cash equivalents	104,554,348	103,570,770	983,578
Receivables, net	24,369,284	27,949,705	(3,580,421)
Interest receivable	-	703,562	(703,562)
Prepaid expenses	25,000	25,000	-
Inventories	4,101,268	3,478,707	622,561
Total current assets	<u>133,049,899</u>	<u>135,727,744</u>	<u>(2,677,845)</u>
Noncurrent assets:			
Restricted investments	46,072,264	45,253,859	818,405
	<u>46,072,264</u>	<u>45,253,859</u>	<u>818,405</u>
Capital assets:			
Construction in progress	11,609,770	4,151,515	7,458,255
Right of Use Asset-Leases	538,924	538,924	-
Right of Use Asset-SBITA	2,085,137	2,085,137	-
Production Plant	51,897,767	51,897,767	-
Transmission Plant	344,099,975	344,119,415	(19,440)
Distribution Plant	473,891,940	473,857,981	33,959
Regional Trans Market Oper Plant	2,767,780	2,767,780	-
General Plant	82,153,780	82,177,308	(23,528)
Less accumulated depreciation	(335,455,265)	(327,546,548)	(7,908,717)
Total capital assets	<u>633,589,807</u>	<u>634,049,278</u>	<u>(459,471)</u>
Total noncurrent assets	<u>679,662,071</u>	<u>679,303,137</u>	<u>358,934</u>
Total Assets	<u>\$ 812,711,970</u>	<u>\$ 815,030,881</u>	<u>\$ (2,318,911)</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows from pensions	8,520,647	8,520,647	-
Deferred outflows from OPEB	1,916,331	1,916,331	-
Total Deferred Outflows of Resources	<u>\$ 10,436,978</u>	<u>\$ 10,436,978</u>	<u>\$ -</u>

**Lubbock Power and Light
Monthly Management Report
Statements of Net Position
January 31, 2026**

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	January 2026	September 2025	Variance
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 6,514,965	\$ 6,761,527	(246,563)
Accrued liabilities	3,277,898	4,309,809	(1,031,911)
Accrued interest payable	5,854,407	9,021,412	(3,167,005)
Unapplied cash	2,229,819	1,316,360	913,459
Compensated absences	2,503,513	2,503,513	-
Notes Payable	-	-	-
Bonds payable	20,135,000	20,135,000	-
Total current liabilities	40,515,601	44,047,621	(3,532,020)
Noncurrent liabilities:			
Compensated absences	2,910,624	2,910,624	-
Post employment benefits	17,138,397	17,138,397	-
Net pension obligation	17,063,369	17,063,369	-
Leases Payable	403,899	403,899	-
Bonds payable	482,332,988	482,332,988	-
Total noncurrent liabilities	519,849,278	519,849,278	-
Total Liabilities	\$ 560,364,879	\$ 563,896,899	\$ (3,532,020)
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred charge on refunding	511	511	-
TMRS actual vs assumption	4,225,632	4,225,632	-
OPEB actual vs assumption	6,385,232	6,385,232	-
Total Deferred Inflows of Resources	\$ 10,611,375	\$ 10,611,375	\$ -
<u>NET POSITION</u>			
Net investment in capital assets	\$ 148,130,483	\$ 148,637,490	\$ (507,007)
Restricted for:			
Debt Service	28,659,190	27,722,446	936,744
Unrestricted	75,383,022	74,599,649	783,373
Total Net Position	\$ 252,172,694	\$ 250,959,585	\$ 1,213,109

**Lubbock Power and Light
Monthly Management Report
Statements of Net Position
January 31, 2026**

	January 2026	January 2025	January 2026 FYTD	January 2025 FYTD
<u>OPERATING REVENUES</u>				
Distribution Revenue	\$ 10,708,249	\$ 12,991,880	\$ 41,771,778	\$ 44,379,110
TCOS Revenue	3,804,629	3,979,074	15,218,517	15,924,445
ERCOT Hold Harmless	(1,819,936)	(1,820,444)	(7,280,523)	(7,286,237)
Provision for bad debts	(5,324)	87,611	(892)	360,186
Total Operating Revenues	<u>12,687,617</u>	<u>15,238,121</u>	<u>49,708,881</u>	<u>53,377,504</u>
<u>OPERATING EXPENSES</u>				
Personal services	2,083,519	2,184,277	9,005,162	9,659,562
Supplies	173,182	125,096	564,370	523,166
Maintenance	261,286	403,900	1,131,432	1,464,309
Transmission Costs	3,676,600	3,398,447	14,686,157	13,436,353
Other services and charges	983,150	688,429	4,153,989	4,305,971
Depreciation and amortization	1,983,043	2,147,004	7,932,245	8,588,721
Total Operating Expenses	<u>9,160,780</u>	<u>8,947,153</u>	<u>37,473,355</u>	<u>37,978,081</u>
Operating income	<u>3,526,838</u>	<u>6,290,968</u>	<u>12,235,525</u>	<u>15,399,423</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Interest income	497,620	527,751	1,971,525	2,418,183
Disposition of assets	-	-	5,792	1,548,590
Miscellaneous	(1,372,684)	(1,938,538)	(5,696,027)	(8,353,928)
Interest expense on bonds	(1,655,209)	(1,796,785)	(6,621,885)	(7,098,169)
Total Non-Operating Revenues (Expenses)	<u>(2,530,272)</u>	<u>(3,207,572)</u>	<u>(10,340,595)</u>	<u>(11,485,323)</u>
Income(Expenses) before contributions and transfers	<u>996,566</u>	<u>3,083,396</u>	<u>1,894,930</u>	<u>3,914,100</u>
Transfers (In)	90,869	90,411	363,477	361,644
Transfers (Out)	(261,325)	(263,278)	(1,045,298)	(1,053,114)
Transfers, net	<u>(170,455)</u>	<u>(172,867)</u>	<u>(681,821)</u>	<u>(691,470)</u>
Change in Net Position	<u>\$ 826,110</u>	<u>\$ 2,910,529</u>	<u>\$ 1,213,108</u>	<u>\$ 3,222,630</u>
Net Position - beginning			\$ 250,959,586	\$ 235,592,974
Net position, ending			<u>\$ 252,172,694</u>	<u>\$ 238,815,604</u>

**Lubbock Power and Light
Monthly Management Report
Statements of Net Position
January 31, 2026**

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	January 2026	January 2026 FYTD
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Receipts from customers	\$ 12,504,438	\$ 53,289,302
Payments to suppliers	(7,093,094)	(21,523,524)
Payments to employees	(2,083,519)	(9,005,162)
Other receipts (payments)	(1,372,684)	(5,696,027)
Net cash provided (used) by operating activities	1,955,141	17,064,590
<u>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Transfers in from other funds	90,869	363,477
Transfers out to other funds	(261,325)	(1,045,298)
Net cash provided (used) by noncapital and related financing activities	(170,455)	(681,821)
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Purchases of capital assets	(1,361,537)	(7,472,775)
Sale of capital assets	(23,528)	5,792
Principal paid on bonds	-	-
Issuance of bonds	-	-
Bond issuance costs	-	-
Interest paid on bonds and capital leases	-	(9,788,891)
Capital grants and contributions	-	-
Rebatable Arbitrage	-	-
Net cash provided (used) for capital and related financing activities	(1,385,065)	(17,255,874)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Sale (Purchase) of investments	(210,217)	(818,405)
Interest earnings on cash and investments	497,620	2,675,087
Net cash provided (used) by investing activities	287,403	1,856,682
Net increase (decrease) in cash and cash equivalents	687,023	983,578
Cash and cash equivalents - beginning of period	103,867,324	103,570,770
Cash and cash equivalents - end of period	104,554,348	104,554,348
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>		
Operating income (loss)	3,526,838	12,235,525
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	1,983,043	7,932,245
Other income (expense)	(1,372,684)	(5,696,027)
Change in current assets and liabilities:		
Accounts receivable	(183,180)	3,580,421
Deferred Expenses - PPRF	-	-
Inventory	13,874	(622,561)
Prepaid expenses	-	-
Due from other governments	-	-
Accounts payable	(1,905,930)	(246,563)
Deferred Revenues - PPRF	-	-
Hold Harmless Payment	-	-
Due to (from) related party	-	-
Accrued liabilities	(4,166)	(1,031,911)
Customer deposits	(102,655)	913,459
Compensated absences and retirement benefits	-	-
Net cash provided (used) by operating activities	1,955,141	17,064,590

	FYTD Jan 2026	Annual Budget	Variance	% of Budget Realized
FUNDING SOURCES				
Interest earnings	\$ 1,971,525	\$ 1,635,150	\$ 336,375	120.57%
Rentals and recoveries	1,498	192,316	(190,818)	0.78%
Sale of equipment/recycle scrap	5,792	172,318	(166,526)	3.36%
Metered Revenues				
Uncollectable Metered Revenues	(892)	-	(892)	0.00%
Distribution System Revenue	36,340,879	129,543,205	(93,202,326)	28.05%
Franchise Fee Equivalent	3,815,615	15,308,759	(11,493,144)	24.92%
Transmission Cost of Service (TCOS)	15,218,517	44,436,858	(29,218,341)	34.25%
ERCOT Hold Harmless Payment	(7,280,523)	(22,000,000)	14,719,477	33.09%
Fees and charges	795,781	1,800,000	(1,004,219)	44.21%
Outside work orders	819,502	701,470	118,032	116.83%
Miscellaneous	45,617	-	45,617	0.00%
Transfer from Other Funds	363,477	1,090,428	(726,951)	33.33%
TOTAL FUNDING SOURCES	\$ 52,096,790	\$ 172,880,505	\$ (120,783,715)	30.13%
COST CENTER EXPENSES				
Administration				
7111 - Administration	\$ 1,180,602	\$ 3,945,740	\$ (2,765,138)	29.92%
7112 - Regulatory Compliance	346,758	1,053,362	(706,604)	32.92%
7113 - Legal	403,342	1,367,656	(964,314)	29.49%
7211 - Conservation & Education	154,889	727,744	(572,855)	21.28%
Purchased Power				
7315 - Purchased Power	14,686,157	41,619,219	(26,933,062)	35.29%
Production				
7311 - Operations	544,874	1,818,469	(1,273,595)	29.96%
7316 - Cooke Station	-	-	-	0.00%
7317 - Brandon Station	-	-	-	0.00%
7318 - Massengale Station	(0)	-	(0)	0.00%
7711 - Regional Mkt Admin & Compliance	-	-	-	0.00%
Distribution				
7411 - Supervision & Engineering	550,935	1,385,360	(834,425)	39.77%
7412 - Underground Lines	1,261,452	3,889,633	(2,628,181)	32.43%
7413 - Overhead Lines	1,779,871	5,417,294	(3,637,423)	32.86%
7414 - Load Dispatching	711,007	2,266,118	(1,555,111)	31.38%
7415 - Customer Service	1,536,210	5,006,058	(3,469,848)	30.69%
7416 - GIS	301,746	1,048,360	(746,614)	28.78%
7417 - Substations	764,910	2,294,392	(1,529,482)	33.34%
7418 - Engineering & Construction Mgmt	-	-	-	0.00%
7419 - Meter Shop	374,186	1,041,467	(667,281)	35.93%
7421 - Street Lights	723,164	2,425,589	(1,702,425)	29.81%
Transmission				
7611 - Supervision & Engineering	482,190	1,463,884	(981,694)	32.94%
7613 - Overhead Lines	647,379	1,554,088	(906,709)	41.66%
7614 - Load Dispatching	551,991	2,148,314	(1,596,323)	25.69%
7617 - Substations	380,361	1,244,187	(863,826)	30.57%
Customer Service				
7511 - Performance Improvement	148,339	598,105	(449,766)	24.80%
7512 - Customer Information Systems	1,811,689	7,013,083	(5,201,394)	25.83%
7513 - Market Operations Group	464,762	1,717,845	(1,253,083)	27.05%
7514 - Customer Service	1,048,745	3,483,661	(2,434,916)	30.10%
7515 - Collections	979,990	3,074,161	(2,094,171)	31.88%
Reimbursement - City utilities & credit cards	(2,444,112)	(7,332,336)	4,888,224	33.33%
TOTAL COST CENTER EXPENSES	\$ 29,391,437	\$ 90,271,453	\$ (60,880,016)	32.56%
FUND LEVEL EXPENSES				
Debt service	\$ 9,788,891	\$ 40,036,381	\$ (30,247,490)	24.45%
Transfers:				
Indirect cost allocation	665,164	1,995,493	(1,330,329)	33.33%
Payment in lieu of property tax	1,123,433	3,841,551	(2,718,118)	29.24%
Payment in lieu of franchise fee	4,515,615	15,308,759	(10,793,144)	29.50%
Cash funded electric capital	8,847,389	26,542,167	(17,694,778)	33.33%
Transfer to Debt Service for General Fund	380,134	1,140,403	(760,269)	33.33%
Miscellaneous Expense	104,090	65,000	39,090	160.14%
TOTAL FUND LEVEL EXPENSES	\$ 25,424,716	\$ 88,929,754	\$ (63,505,038)	28.59%
TOTAL BUDGET	\$ 54,816,153	\$ 179,201,207	\$ (124,385,054)	30.59%
Budget surplus/(deficit)	\$ (2,719,363)	\$ (6,320,702)	\$ 3,601,339	

LP&L Funds
Finance Department
Budget Comparison
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Description	October-25	November-25	December-25	January-26	FYTD 25-26	Adopted Budget	Funds Remaining	% of Budget Spent	% Remaining
ADMINISTRATION									
ADMINISTRATION									
COMPENSATION	\$ 187,688	\$ 168,528	\$ 162,735	\$ 166,970	\$ 685,921	\$ 2,155,567	\$ 1,469,646	31.82	68.18
BENEFITS	70,888	61,730	60,041	64,465	257,124	845,767	588,643	30.40	69.60
SUPPLIES	2,072	3,150	2,938	2,991	11,150	40,950	29,800	27.23	72.77
MAINTENANCE	2,408	27,734	1,266	2,295	33,703	38,666	4,963	87.16	12.84
PROF. SERVICES/TRAINING	17,653	42,159	24,955	37,223	121,990	661,000	539,010	18.46	81.54
OTHER CHARGES	1,804	1,099	4,415	2,029	9,347	17,500	8,153	53.41	46.59
SCHEDULED CHARGES	16,438	13,960	15,751	15,218	61,366	186,290	124,924	32.94	67.06
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 298,951	\$ 318,359	\$ 272,100	\$ 291,192	\$ 1,180,602	\$ 3,945,740	\$ 2,765,138	29.92	70.08
REGULATORY COMPLIANCE									
COMPENSATION	\$ 29,225	\$ 29,063	\$ 25,469	\$ 25,300	\$ 109,057	\$ 410,546	\$ 301,489	26.56	73.44
BENEFITS	12,008	11,403	10,495	10,450	44,356	132,939	88,583	33.37	66.63
SUPPLIES	811	257	261	685	2,013	7,700	5,687	26.15	73.85
MAINTENANCE	145	174	144	1,009	1,472	4,414	2,942	33.35	66.65
PROF. SERVICES/TRAINING	6,131	32,372	105,415	22,998	166,916	429,218	262,302	38.89	61.11
OTHER CHARGES	19	16	16	16	67	200	133	33.64	66.36
SCHEDULED CHARGES	5,884	5,564	5,691	5,738	22,877	68,345	45,468	33.47	66.53
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 54,222	\$ 78,848	\$ 147,491	\$ 66,196	\$ 346,758	\$ 1,053,362	\$ 706,604	32.92	67.08
LEGAL									
COMPENSATION	\$ 45,311	\$ 26,913	\$ 27,794	\$ 25,981	\$ 125,999	\$ 427,109	\$ 301,110	29.50	70.50
BENEFITS	14,345	7,821	8,286	8,885	39,337	152,422	113,085	25.81	74.19
SUPPLIES	-	521	-	259	780	680	(100)	114.64	(14.64)
MAINTENANCE	-	-	-	-	-	-	-	-	-
PROF. SERVICES/TRAINING	19,914	87,336	112,915	4,712	224,876	747,173	522,297	30.10	69.90
OTHER CHARGES	30	30	30	30	120	3,500	3,380	3.43	96.57
SCHEDULED CHARGES	3,236	2,939	3,012	3,044	12,230	36,772	24,542	33.26	66.74
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 82,836	\$ 125,560	\$ 152,036	\$ 42,910	\$ 403,342	\$ 1,367,656	\$ 964,314	29.49	70.51
CONSERVATION & EDUCATION									
COMPENSATION	\$ 19,288	\$ 17,407	\$ 16,221	\$ 16,320	\$ 69,236	\$ 211,438	\$ 142,202	32.75	67.25
BENEFITS	6,750	6,039	5,738	5,770	24,297	90,086	65,789	26.97	73.03
SUPPLIES	581	208	206	208	1,203	1,950	747	61.71	38.29
MAINTENANCE	-	-	-	49	49	1,500	1,451	3.24	96.76
PROF. SERVICES/TRAINING	14,251	15,002	14,121	15,279	58,653	416,300	357,647	14.09	85.91
OTHER CHARGES	154	-	-	25	178	2,500	2,322	7.14	92.86
SCHEDULED CHARGES	355	281	318	318	1,272	3,970	2,698	32.05	67.95
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 41,378	\$ 38,938	\$ 36,604	\$ 37,969	\$ 154,889	\$ 727,744	\$ 572,855	21.28	78.72
PRODUCTION									
OPERATIONS									
COMPENSATION	\$ 34,169	\$ 32,412	\$ 29,712	\$ 29,712	\$ 126,005	\$ 503,336	\$ 377,331	25.03	74.97
BENEFITS	13,820	12,805	12,116	12,126	50,866	161,540	110,674	31.49	68.51
SUPPLIES	1,107	1,459	874	1,544	4,984	29,350	24,366	16.98	83.02
MAINTENANCE	2,905	3,003	2,913	2,867	11,688	36,778	25,090	31.78	68.22
PROF. SERVICES/TRAINING	755	12,034	9,838	794	23,421	13,700	(9,721)	170.95	(70.95)
OTHER CHARGES	59	1,035	-	131	1,224	-	(1,224)	-	-
SCHEDULED CHARGES	79,680	79,486	84,006	83,513	326,685	1,073,765	747,080	30.42	69.58
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 132,495	\$ 142,234	\$ 139,459	\$ 130,686	\$ 544,874	\$ 1,818,469	\$ 1,273,595	29.96	70.04

LP&L Funds
Finance Department
Budget Comparison
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Description	October-25	November-25	December-25	January-26	FYTD 25-26	Adopted Budget	Funds Remaining	% of Budget Spent	% Remaining
PURCHASED POWER									
COMPENSATION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
BENEFITS	-	-	-	-	-	-	-	-	-
SUPPLIES	3,655,976	3,677,093	3,676,488	3,676,600	14,686,157	41,619,219	26,933,062	35.29	64.71
MAINTENANCE	-	-	-	-	-	-	-	-	-
PROF. SERVICES/TRAINING	-	-	-	-	-	-	-	-	-
OTHER CHARGES	-	-	-	-	-	-	-	-	-
SCHEDULED CHARGES	-	-	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 3,655,976	\$ 3,677,093	\$ 3,676,488	\$ 3,676,600	\$ 14,686,157	\$ 41,619,219	\$ 26,933,062	35.29	64.71
DISTRIBUTION									
DISTRIBUTION SUPERVISION & ENGINEERING									
COMPENSATION	\$ 69,743	\$ 60,988	\$ 75,734	\$ 62,303	\$ 268,769	\$ 608,788	\$ 340,019	44.15	55.85
BENEFITS	27,434	24,760	27,843	24,611	104,648	263,447	158,799	39.72	60.28
SUPPLIES	2,732	1,645	1,872	1,535	7,784	26,289	18,505	29.61	70.39
MAINTENANCE	493	752	1,156	887	3,288	14,656	11,368	22.43	77.57
PROF. SERVICES/TRAINING	17,872	2,314	20,714	8,763	49,664	122,158	72,494	40.66	59.34
OTHER CHARGES	498	37	251	64	851	4,295	3,444	19.81	80.19
SCHEDULED CHARGES	29,555	28,444	28,966	28,967	115,932	345,727	229,795	33.53	66.47
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 148,327	\$ 118,940	\$ 156,536	\$ 127,132	\$ 550,935	\$ 1,385,360	\$ 834,425	39.77	60.23
DISTRIBUTION UNDERGROUND LINES									
COMPENSATION	\$ 119,160	\$ 134,889	\$ 126,015	\$ 128,328	\$ 508,392	\$ 1,607,677	\$ 1,099,285	31.62	68.38
BENEFITS	51,034	55,864	54,567	56,583	218,047	618,378	400,331	35.26	64.74
SUPPLIES	30,120	49,534	21,723	58,349	159,726	322,500	162,774	49.53	50.47
MAINTENANCE	84,211	69,203	48,271	70,398	272,084	925,793	653,709	29.39	70.61
PROF. SERVICES/TRAINING	6,911	6,886	7,264	5,260	26,322	91,620	65,298	28.73	71.27
OTHER CHARGES	382	326	643	431	1,782	3,500	1,718	50.91	49.09
SCHEDULED CHARGES	17,028	16,202	20,514	21,356	75,100	320,165	245,065	23.46	76.54
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 308,847	\$ 332,904	\$ 278,997	\$ 340,704	\$ 1,261,452	\$ 3,889,633	\$ 2,628,181	32.43	67.57
DISTRIBUTION OVERHEAD LINES									
COMPENSATION	\$ 238,417	\$ 212,905	\$ 183,747	\$ 178,418	\$ 813,487	\$ 2,415,035	\$ 1,601,548	33.68	66.32
BENEFITS	94,293	86,277	74,999	72,341	327,911	969,157	641,246	33.83	66.17
SUPPLIES	43,643	37,321	22,644	72,599	176,208	360,870	184,662	48.83	51.17
MAINTENANCE	107,559	60,970	65,120	66,445	300,094	1,151,883	851,789	26.05	73.95
PROF. SERVICES/TRAINING	22,859	12,858	22,939	11,262	69,918	249,916	179,998	27.98	72.02
OTHER CHARGES	831	461	774	803	2,870	3,000	130	95.66	4.34
SCHEDULED CHARGES	22,780	21,934	22,312	22,357	89,383	267,433	178,050	33.42	66.58
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 530,383	\$ 432,727	\$ 392,535	\$ 424,226	\$ 1,779,871	\$ 5,417,294	\$ 3,637,423	32.86	67.14
DISTRIBUTION LOAD DISPATCHING									
COMPENSATION	\$ 107,590	\$ 124,381	\$ 76,223	\$ 77,124	\$ 385,319	\$ 1,152,957	\$ 767,638	33.42	66.58
BENEFITS	39,703	41,968	28,962	29,152	139,785	452,865	313,080	30.87	69.13
SUPPLIES	2,080	653	1,334	453	4,520	15,400	10,880	29.35	70.65
MAINTENANCE	4,565	1,175	25,656	2,511	33,908	62,322	28,414	54.41	45.59
PROF. SERVICES/TRAINING	20,253	21,590	45,105	22,590	109,538	465,000	355,462	23.56	76.44
OTHER CHARGES	458	323	630	469	1,881	11,450	9,569	16.43	83.57
SCHEDULED CHARGES	9,598	8,448	9,011	8,999	36,056	106,124	70,068	33.98	66.02
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 184,248	\$ 198,539	\$ 186,922	\$ 141,299	\$ 711,007	\$ 2,266,118	\$ 1,555,111	31.38	68.62

LP&L Funds
Finance Department
Budget Comparison
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Description	October-25	November-25	December-25	January-26	FYTD 25-26	Adopted Budget	Funds Remaining	% of Budget Spent	% Remaining
DISTRIBUTION CUSTOMER SERVICE									
COMPENSATION	\$ 175,366	\$ 146,629	\$ 156,028	\$ 141,279	\$ 619,302	\$ 1,891,809	\$ 1,272,507	32.74	67.26
BENEFITS	68,190	57,505	61,274	56,592	243,561	750,953	507,392	32.43	67.57
SUPPLIES	16,647	23,031	12,169	8,427	60,274	180,020	119,746	33.48	66.52
MAINTENANCE	51,496	10,107	18,573	37,612	117,788	285,881	168,093	41.20	58.80
PROF. SERVICES/TRAINING	1,329	3,168	2,968	2,087	9,552	33,500	23,948	28.51	71.49
OTHER CHARGES	98,144	74,528	57,889	132,352	362,913	1,405,100	1,042,187	25.83	74.17
SCHEDULED CHARGES	30,245	28,151	32,506	31,918	122,820	458,795	335,975	26.77	73.23
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 441,416	\$ 343,119	\$ 341,407	\$ 410,268	\$ 1,536,210	\$ 5,006,058	\$ 3,469,848	30.69	69.31
LP&L GIS									
COMPENSATION	\$ 52,662	\$ 47,934	\$ 44,959	\$ 43,500	\$ 189,055	\$ 532,043	\$ 342,988	35.53	64.47
BENEFITS	24,270	21,210	20,766	20,028	86,274	234,081	147,807	36.86	63.14
SUPPLIES	417	764	223	218	1,622	15,385	13,763	10.54	89.46
MAINTENANCE	267	19	25	23	334	6,500	6,166	5.14	94.86
PROF. SERVICES/TRAINING	2,418	1,789	1,401	3,618	9,225	213,685	204,460	4.32	95.68
OTHER CHARGES	318	126	301	113	857	3,800	2,943	22.56	77.44
SCHEDULED CHARGES	3,788	3,407	3,517	3,669	14,380	42,867	28,487	33.54	66.46
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 84,139	\$ 75,248	\$ 71,191	\$ 71,168	\$ 301,746	\$ 1,048,361	\$ 746,614	28.78	71.22
DISTRIBUTION SUBSTATION									
COMPENSATION	\$ 80,166	\$ 61,570	\$ 53,580	\$ 52,050	\$ 247,367	\$ 771,471	\$ 524,104	32.06	67.94
BENEFITS	29,956	22,992	21,203	21,546	95,698	310,263	214,565	30.84	69.16
SUPPLIES	5,845	12,541	9,398	4,776	32,559	109,155	76,596	29.83	70.17
MAINTENANCE	4,260	7,617	6,143	3,436	21,456	110,039	88,583	19.50	80.50
PROF. SERVICES/TRAINING	6,142	1,309	15,294	561	23,306	94,781	71,475	24.59	75.41
OTHER CHARGES	46,824	56	184	19,324	66,387	66,575	188	99.72	0.28
SCHEDULED CHARGES	70,050	68,578	68,849	70,660	278,137	832,108	553,971	33.43	66.57
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 243,243	\$ 174,664	\$ 174,651	\$ 172,352	\$ 764,910	\$ 2,294,392	\$ 1,529,482	33.34	66.66
DISTRIBUTION METER SHOP									
COMPENSATION	\$ 60,345	\$ 58,016	\$ 52,109	\$ 51,753	\$ 222,222	\$ 568,211	\$ 345,989	39.11	60.89
BENEFITS	24,959	23,164	21,648	21,568	91,339	236,968	145,629	38.55	61.45
SUPPLIES	13,058	1,874	5,284	1,339	21,557	67,920	46,364	31.74	68.26
MAINTENANCE	517	3,126	1,717	1,600	6,960	28,312	21,352	24.58	75.42
PROF. SERVICES/TRAINING	2,814	140	183	175	3,312	50,490	47,178	6.56	93.44
OTHER CHARGES	318	87	289	458	1,152	3,900	2,748	29.54	70.46
SCHEDULED CHARGES	7,174	6,650	6,910	6,910	27,644	85,666	58,022	32.27	67.73
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 109,186	\$ 93,057	\$ 88,141	\$ 83,803	\$ 374,186	\$ 1,041,467	\$ 667,281	35.93	64.07
DISTRIBUTION STREET LIGHTS									
COMPENSATION	\$ 69,690	\$ 58,531	\$ 59,375	\$ 63,416	\$ 251,011	\$ 855,566	\$ 604,555	29.34	70.66
BENEFITS	30,217	24,724	24,958	27,062	106,960	392,965	286,005	27.22	72.78
SUPPLIES	7,862	15,854	11,462	12,886	48,064	112,100	64,036	42.88	57.12
MAINTENANCE	57,539	89,862	66,473	55,408	269,283	903,404	634,121	29.81	70.19
PROF. SERVICES/TRAINING	415	496	1,325	483	2,719	25,377	22,658	10.71	89.29
OTHER CHARGES	476	34	130	27	668	1,500	832	44.54	55.46
SCHEDULED CHARGES	11,400	10,945	10,945	11,168	44,458	134,677	90,219	33.01	66.99
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 177,600	\$ 200,446	\$ 174,668	\$ 170,450	\$ 723,164	\$ 2,425,589	\$ 1,702,425	29.81	70.19

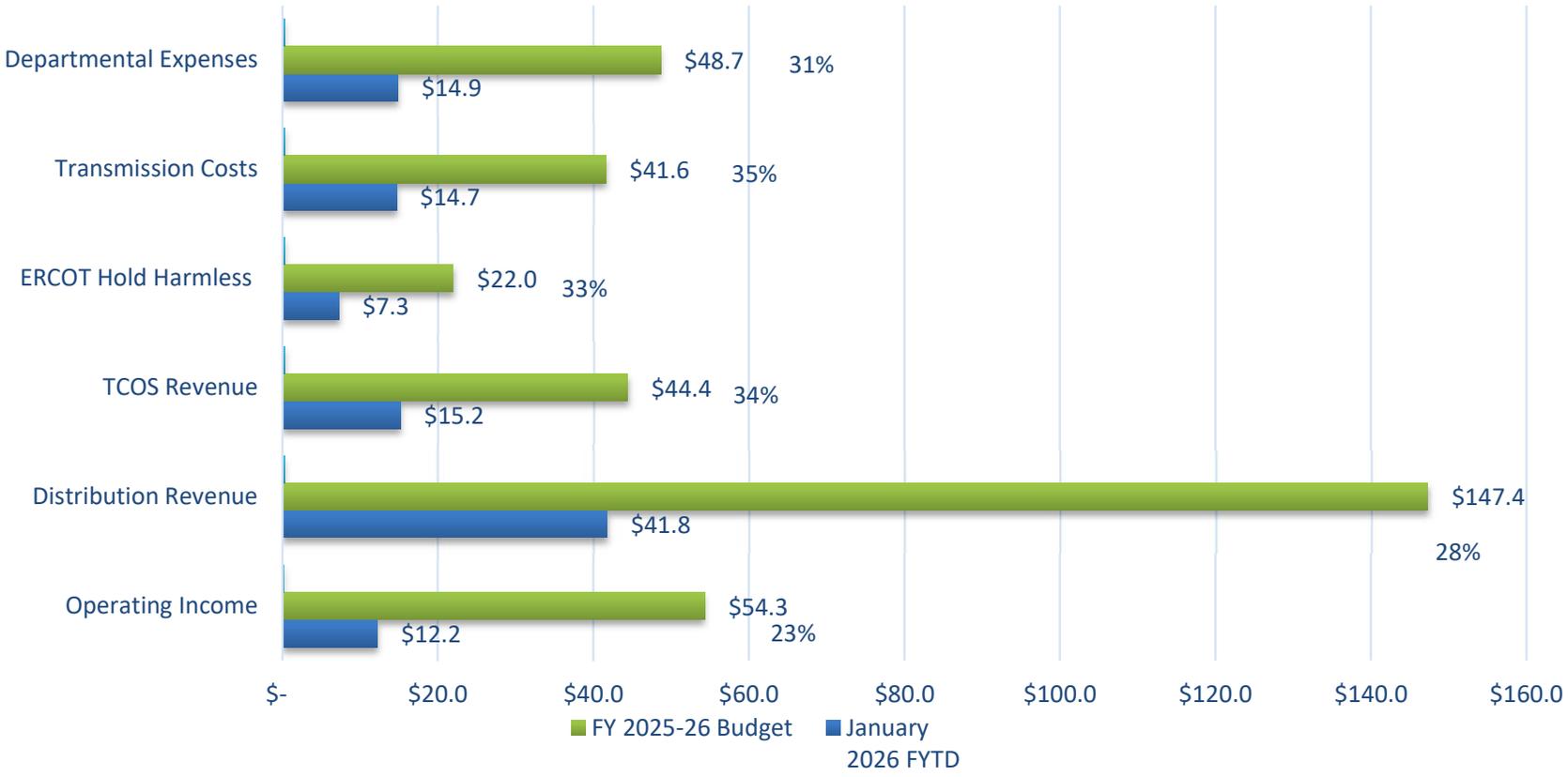
LP&L Funds
Finance Department
Budget Comparison
As of January 31, 2026

Description	October-25	November-25	December-25	January-26	FYTD 25-26	Adopted Budget	Funds Remaining	% of Budget Spent	% Remaining
TRANSMISSION									
TRANSMISSION SUPERVISION & ENGINEERING									
COMPENSATION	\$ 56,650	\$ 53,412	\$ 50,698	\$ 54,256	\$ 215,016	\$ 562,176	\$ 347,160	38.25	61.75
BENEFITS	22,257	20,820	20,208	21,236	84,521	222,397	137,876	38.00	62.00
SUPPLIES	372	337	668	1,923	3,301	10,375	7,074	31.82	68.18
MAINTENANCE	23	46	34	140	243	3,500	3,257	6.95	93.05
PROF. SERVICES/TRAINING	2,116	5,644	9,142	26,430	43,333	501,639	458,306	8.64	91.36
OTHER CHARGES	470	367	351	351	1,538	5,750	4,212	26.75	73.25
SCHEDULED CHARGES	13,316	13,046	13,178	80,178	119,717	158,047	38,330	75.75	24.25
CAPITAL OUTLAY	-	7,260	-	7,260	14,520	-	(14,520)	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 95,205	\$ 100,932	\$ 94,280	\$ 191,774	\$ 482,190	\$ 1,463,884	\$ 981,694	32.94	67.06
TRANSMISSION OVERHEAD LINES									
COMPENSATION	\$ 80,769	\$ 70,956	\$ 62,970	\$ 61,340	\$ 276,035	\$ 765,384	\$ 489,349	36.06	63.94
BENEFITS	28,441	25,339	24,430	23,439	101,649	307,120	205,471	33.10	66.90
SUPPLIES	8,075	4,414	1,628	3,018	17,135	100,650	83,515	17.02	82.98
MAINTENANCE	3,862	2,892	10,549	6,955	24,258	100,696	76,438	24.09	75.91
PROF. SERVICES/TRAINING	1,484	1,931	54,568	150,004	207,987	222,341	14,354	93.54	6.46
OTHER CHARGES	287	193	189	168	838	-	(838)	-	-
SCHEDULED CHARGES	5,155	4,700	4,811	4,811	19,478	57,897	38,419	33.64	66.36
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 128,075	\$ 110,424	\$ 159,145	\$ 249,735	\$ 647,379	\$ 1,554,088	\$ 906,709	41.66	58.34
TRANSMISSION LOAD DISPATCHING									
COMPENSATION	\$ 78,357	\$ 68,794	\$ 63,248	\$ 62,332	\$ 272,731	\$ 1,095,336	\$ 822,605	24.90	75.10
BENEFITS	28,891	25,337	23,872	23,716	101,816	435,736	333,920	23.37	76.63
SUPPLIES	1,027	276	885	40	2,228	13,950	11,722	15.97	84.03
MAINTENANCE	2,778	773	278	869	4,699	7,742	3,043	60.69	39.31
PROF. SERVICES/TRAINING	27,924	46,233	53,585	33,554	161,296	565,000	403,704	28.55	71.45
OTHER CHARGES	426	323	323	554	1,626	10,650	9,024	15.27	84.73
SCHEDULED CHARGES	2,590	1,658	1,658	1,688	7,595	19,900	12,305	38.17	61.83
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 141,994	\$ 143,393	\$ 143,851	\$ 122,753	\$ 551,991	\$ 2,148,314	\$ 1,596,323	25.69	74.31
TRANSMISSION SUBSTATION									
COMPENSATION	\$ 54,876	\$ 55,061	\$ 52,977	\$ 51,319	\$ 214,233	\$ 726,624	\$ 512,391	29.48	70.52
BENEFITS	21,218	21,206	20,591	20,883	83,898	294,388	210,490	28.50	71.50
SUPPLIES	300	664	600	435	1,999	36,150	34,151	5.53	94.47
MAINTENANCE	65	387	590	7,539	8,581	55,000	46,419	15.60	84.40
PROF. SERVICES/TRAINING	2,217	701	145	2,568	5,631	66,050	60,419	8.52	91.48
OTHER CHARGES	46,647	44	74	19,255	66,020	65,975	(45)	100.07	(0.07)
SCHEDULED CHARGES	-	-	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 125,323	\$ 78,062	\$ 74,978	\$ 101,998	\$ 380,361	\$ 1,244,187	\$ 863,826	30.57	69.43
CUSTOMER SERVICE									
PERFORMANCE IMPROVEMENT									
COMPENSATION	\$ 30,416	\$ 22,663	\$ 22,463	\$ 22,463	\$ 98,006	\$ 384,356	\$ 286,350	25.50	74.50
BENEFITS	12,013	8,937	8,893	8,901	38,744	169,601	130,857	22.84	77.16
SUPPLIES	-	49	(709)	-	(659)	5,500	6,159	(11.99)	111.99
MAINTENANCE	-	-	-	-	-	-	-	-	-
PROF. SERVICES/TRAINING	2,749	1,574	43	-	4,366	15,000	10,634	29.10	70.90
OTHER CHARGES	-	-	-	-	-	-	-	-	-
SCHEDULED CHARGES	1,971	1,971	1,971	1,971	7,883	23,648	15,765	33.33	66.67
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 47,149	\$ 35,194	\$ 32,661	\$ 33,335	\$ 148,339	\$ 598,105	\$ 449,766	25	75.20

LP&L Funds
Finance Department
Budget Comparison
As of January 31, 2026

Description	October-25	November-25	December-25	January-26	FYTD 25-26	Adopted Budget	Funds Remaining	% of Budget Spent	% Remaining
CUSTOMER INFORMATION SYSTEMS									
COMPENSATION	\$ 72,169	\$ 69,597	\$ 65,986	\$ 70,011	\$ 277,764	\$ 978,220	\$ 700,456	28.39	71.61
BENEFITS	33,520	31,192	30,272	32,464	127,448	462,644	335,196	27.55	72.45
SUPPLIES	894	452	480	630	2,456	6,150	3,694	39.94	60.06
MAINTENANCE	1,282	1,151	4,606	1,035	8,073	12,422	4,349	64.99	35.01
PROF. SERVICES/TRAINING	169,019	119,868	698,202	100,337	1,087,426	4,578,205	3,490,779	23.75	76.25
OTHER CHARGES	1,074	3,203	-	955	5,232	-	(5,232)	-	-
SCHEDULED CHARGES	91,074	90,578	30,815	90,823	303,291	975,442	672,151	31.09	68.91
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 369,031	\$ 316,041	\$ 830,362	\$ 296,255	\$ 1,811,689	\$ 7,013,083	\$ 5,201,394	25.83	74.17
MARKET OPERATIONS GROUP									
COMPENSATION	\$ 58,590	\$ 53,397	\$ 50,516	\$ 50,781	\$ 213,283	\$ 693,796	\$ 480,513	30.74	69.26
BENEFITS	29,052	25,988	25,262	25,378	105,680	327,221	221,541	32	67.70
SUPPLIES	206	262	784	137	1,390	3,450	2,060	40	59.71
MAINTENANCE	224	105	3,571	-	3,900	-	(3,900)	-	-
PROF. SERVICES/TRAINING	8,589	56,886	37,917	27,036	130,428	662,210	531,782	20	80.30
OTHER CHARGES	-	-	-	-	-	1,000	1,000	-	100.00
SCHEDULED CHARGES	2,725	2,328	2,514	2,514	10,081	30,168	20,087	33	66.58
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 99,387	\$ 138,966	\$ 120,564	\$ 105,845	\$ 464,762	\$ 1,717,845	\$ 1,253,083	27.05	72.95
CUSTOMER SERVICE									
COMPENSATION	126,245	109,533	99,761	89,798	\$ 425,337	\$ 1,778,170	\$ 1,352,833	23.92	76.08
BENEFITS	82,959	70,492	67,295	60,207	280,952	1,023,017	742,065	27.46	72.54
SUPPLIES	1,020	791	1,065	645	3,521	15,600	12,079	22.57	77.43
MAINTENANCE	818	388	3,571	-	4,777	2,600	(2,177)	183.73	(83.73)
PROF. SERVICES/TRAINING	6,875	99,246	6,485	8,331	120,937	38,050	(82,887)	317.84	(217.84)
OTHER CHARGES	1,166	1,661	59	59	2,945	-	(2,945)	-	-
SCHEDULED CHARGES	52,197	51,952	54,044	52,083	210,276	626,224	415,948	33.58	66.42
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 271,280	\$ 334,063	\$ 232,280	\$ 211,123	\$ 1,048,745	\$ 3,483,661	\$ 2,434,916	30.10	69.90
REVENUE MANAGEMENT									
COMPENSATION	150,046	144,227	132,168	142,986	\$ 569,427	\$ 1,805,370	\$ 1,235,943	31.54	68.46
BENEFITS	82,237	75,632	72,511	78,916	309,296	1,010,852	701,556	30.60	69.40
SUPPLIES	1,623	1,090	1,900	1,540	6,153	14,200	8,047	43.33	56.67
MAINTENANCE	101	599	3,887	207	4,794	1,656	(3,138)	289.51	(189.51)
PROF. SERVICES/TRAINING	8,284	8,224	7,199	14,772	38,479	124,950	86,471	30.80	69.20
OTHER CHARGES	1,681	2,133	4,804	1,152	9,770	-	(9,770)	-	-
SCHEDULED CHARGES	11,430	9,582	10,475	10,583	42,070	117,133	75,063	35.92	64.08
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
REIMBURSEMENTS	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 255,403	\$ 241,487	\$ 232,944	\$ 250,157	\$ 979,990	\$ 3,074,161	\$ 2,094,171	31.88	68.12
LP&L FUND OPERATING EXPENSES									
COMPENSATION	1,996,941	1,827,807	1,690,486.68	1,667,738.23	\$ 7,182,973	\$ 22,900,985	15,718,012	31.37	68.63
BENEFITS	848,456	763,206	726,230	726,316.94	3,064,209	9,864,807	6,800,598	31.06	68.94
SUPPLIES	3,796,468	3,834,238	3,774,179	3,851,238.85	15,256,125	43,115,513	27,859,388	35.38	64.62
MAINTENANCE	325,520	280,083	264,543	261,286	1,131,432	3,753,764	2,622,332	30.14	69.86
PROF. SERVICES/TRAINING	368,975	579,760	1,251,721	498,838	2,699,293	10,387,363	7,688,070	25.99	74.01
OTHER CHARGES	202,065	86,081	71,355	178,767	538,267	1,610,195	1,071,928	33.43	66.57
SCHEDULED CHARGES	487,668	470,801	431,776	558,487	1,948,731	5,971,163	4,022,432	32.64	67.36
CAPITAL OUTLAY	-	7,260	-	7,260	14,520	-	(14,520)	-	-
TOTAL EXPENDITURES	\$ 8,026,093	\$ 7,849,236	\$ 8,210,290	\$ 7,749,931	\$ 31,835,549	\$ 97,603,790	\$ 65,768,241	32.62	67.38

Budget vs Actuals (in millions)



**Lubbock Power and Light
Capital Program - Unaudited
Management Report
January 31, 2026**

Project	Appropriation To Date	TOTAL EXPENDITURES & COMMITMENTS				
		Expenditures	Commitments	Funds Remaining	% Funds Remaining	% of Budget Spent
8625 Field Asset Inventory & Data Verification	\$ 2,350,862	\$ 816,256	\$ -	\$ 1,534,606	65.28	34.72
8626 Distribution Planning	480,000	396,465	-	83,535	17.40	82.60
8688 Smart Meter Texas Integration	774,520	672,808	-	101,713	13.13	86.87
8707 Substation Arcflash Study	450,000	281,987	157,791	10,222	2.27	97.73
8711 Learning Management System	68,000	-	-	68,000	100.00	-
92331 Fiberoptic Communications	2,965,000	1,306,609	-	1,658,391	55.93	44.07
92484 Substation Upgrades	5,335,000	4,109,011	720,000	505,989	9.48	90.52
92537 GIS Software Upgrades and Interfaces	5,752,000	1,643,608	284,400	3,823,992	66.48	33.52
92605 Operations System Upgrades	4,765,000	2,048,641	250,524	2,465,835	51.75	48.25
92683 FY 2020-24 Service Distribution Meters	3,043,500	1,490,507	2,756	1,550,237	50.94	49.06
92684 FY 2020-24 Distribution Transformers	18,275,000	13,101,363	993,811	4,179,826	22.87	77.13
92685 FY 2020-24 Distribution System Upgrade	21,085,000	14,660,704	1,040,023	5,384,272	25.54	74.46
92686 FY 2020-24 Overhead Lines	12,690,500	10,856,355	-	1,834,145	14.45	85.55
92687 FY 2020-24 Street Lights	5,727,100	4,489,156	-	1,237,944	21.62	78.38
92688 FY 2020-24 Underground Distribution	20,744,916	17,302,002	-	3,442,914	16.60	83.40
92689 ERCOT Transmission/Distribution Service Provider System	23,881,137	22,149,162	562,384	1,169,591	4.90	95.10
92733 DNV-GL Cascade Upgrades	255,000	249,228	-	5,772	2.26	97.74
92788 4kV Distribution Conversion	7,973,273	3,875,611	-	4,097,662	51.39	48.61
92789 NERC Security for Substation	600,000	22,140	128,760	449,100	74.85	25.15
92790 Security Upgrade for Hill Building	290,000	71,154	25,402	193,445	66.71	33.29
92791 UCSC Expansion	138,000	81,759	-	56,241	40.75	59.25
92829 Work Order System	500,000	-	-	500,000	100.00	-
92834 Substation Capacity Upgrade - Erksine	10,340,000	749,396	5,008,737	4,581,867	44.31	55.69
92836 Overhead/Underground Training Facility	995,000	753,025	67,479	174,496	17.54	82.46
92840 Spare Autotransformer	75,000	12,387	-	62,613	83.48	16.52
92891 FY 2024-25 Vehicles & Equipment	2,340,000	2,317,071	-	22,929	0.98	99.02
92916 115kV Substation- Iola	4,950,000	-	-	4,950,000	100.00	-
92934 FY 2025-26 Vehicles and Equipment	1,743,000	49,510	973,582	719,908	41.30	58.70
92935 West Loop - Mackenzie to Northeast: 115 kV Line Rebuild	6,562,000	-	-	6,562,000	100.00	-
92936 West Loop - 115 kV Line Rebuild: Northeast – Dunbar	8,550,000	-	-	8,550,000	100.00	-
92937 West Loop - Vicksburg to Red Raider: 69/115 kV Line Rebuild	465,000	-	-	465,000	100.00	-
92938 345kV-115kV Substation- Alcove	19,500,000	-	-	19,500,000	100.00	-
92939 West Loop - 115 kV Line Reconductor - Thompson – Vicksburg	1,320,000	-	-	1,320,000	100.00	-
92940 West Loop - 115 kV Lines - Alcove Tie-In	15,000,000	-	-	15,000,000	100.00	-
92941 Texas Tech Feeders	2,500,000	87,993	-	2,412,007	96.48	3.52
92942 Substation Rebuild - Posey T2 Replacement	9,500,000	-	-	9,500,000	100.00	-
92951 Citizens Tower 5th Floor Renovation	150,000	-	-	150,000	100.00	-
	\$ 222,133,808	\$ 103,593,907	\$ 10,215,650	\$ 108,324,253	48.77	51.23

**Lubbock Power and Light
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Project	BOND DETAIL				
	Bond Funds	Bond Expenditures	Bond Commitments	Funds Remaining	% Funds Remaining
8625 Field Asset Inventory & Data Verification	\$ 2,350,862	\$ 816,256	\$ -	\$ 1,534,606	65.28
8626 Distribution Planning	-	-	-	-	-
8688 Smart Meter Texas Integration	-	-	-	-	-
8707 Substation Arcflash Study	-	-	-	-	-
8711 Learning Management System	-	-	-	-	-
92331 Fiber optic Communications	2,600,000	1,306,609	-	1,293,391	49.75
92484 Substation Upgrades	5,335,000	4,109,011	720,000	505,989	9.48
92537 GIS Software Upgrades and Interfaces	1,215,000	1,215,000	-	-	-
92605 Operations System Upgrades	-	-	-	-	-
92683 FY 2020-24 Service Distribution Meters	-	-	-	-	-
92684 FY 2020-24 Distribution Transformers	1,200,000	1,200,000	-	-	-
92685 FY 2020-24 Distribution System Upgrade	-	-	-	-	-
92686 FY 2020-24 Overhead Lines	-	-	-	-	-
92687 FY 2020-24 Street Lights	-	-	-	-	-
92688 FY 2020-24 Underground Distribution	157,916	157,916	-	-	-
92689 ERCOT Transmission/Distribution Service Provider System	16,816,137	16,816,137	-	-	-
92733 DNV-GL Cascade Upgrades	-	-	-	-	-
92788 4kV Distribution Conversion	1,654,273	1,654,273	-	-	-
92789 NERC Security for Substation	-	-	-	-	-
92790 Security Upgrade for Hill Building	-	-	-	-	-
92791 UCSC Expansion	-	-	-	-	-
92829 Work Order System	-	-	-	-	-
92834 Substation Capacity Upgrade - Erksine	5,570,000	749,396	4,820,604	-	-
92836 Overhead/Underground Training Facility	-	-	-	-	-
92840 Spare Autotransformer	-	-	-	-	-
92891 FY 2024-25 Vehicles & Equipment	-	-	-	-	-
92916 115kV Substation- Iola	-	-	-	-	-
92934 FY 2025-26 Vehicles and Equipment	-	-	-	-	-
92935 West Loop - Mackenzie to Northeast: 115 kV Line Rebuild	6,562,000	-	-	6,562,000	100.00
92936 West Loop - 115 kV Line Rebuild: Northeast – Dunbar	8,550,000	-	-	8,550,000	100.00
92937 West Loop - Vicksburg to Red Raider: 69/115 kV Line Rebuild	465,000	-	-	465,000	100.00
92938 345kV-115kV Substation- Alcove	19,500,000	-	-	19,500,000	100.00
92939 West Loop - 115 kV Line Reconstructor - Thompson – Vicksburg	1,320,000	-	-	1,320,000	100.00
92940 West Loop - 115 kV Lines - Alcove Tie-In	15,000,000	-	-	15,000,000	100.00
92941 Texas Tech Feeders	-	-	-	-	-
92942 Substation Rebuild - Posey T2 Replacement	8,465,890	-	-	8,465,890	100.00
92951 Citizens Tower 5th Floor Renovation	-	-	-	-	-
	\$ 96,762,078	\$ 28,024,599	\$ 5,540,604	\$ 63,196,876	65.31

**Lubbock Power and Light
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Project	CASH DETAIL				
	Cash Funds	Cash Expenditures	Cash Commitments	Funds Remaining	% Funds Remaining
8625 Field Asset Inventory & Data Verification	\$ -	\$ -	\$ -	\$ -	-
8626 Distribution Planning	480,000	396,465	-	83,535	17.40
8688 Smart Meter Texas Integration	774,520	672,808	-	101,713	13.13
8707 Substation Arcflash Study	450,000	281,987	157,791	10,222	2.27
8711 Learning Management System	68,000	-	-	68,000	100.00
92331 Fiberoptic Communications	365,000	-	-	365,000	100.00
92484 Substation Upgrades	-	-	-	-	-
92537 GIS Software Upgrades and Interfaces	4,537,000	428,608	284,400	3,823,992	84.28
92605 Operations System Upgrades	4,765,000	2,048,641	250,524	2,465,835	51.75
92683 FY 2020-24 Service Distribution Meters	3,043,500	1,490,507	2,756	1,550,237	50.94
92684 FY 2020-24 Distribution Transformers	17,075,000	11,901,363	993,811	4,179,826	24.48
92685 FY 2020-24 Distribution System Upgrade	21,085,000	14,660,704	1,040,023	5,384,272	25.54
92686 FY 2020-24 Overhead Lines	12,690,500	10,856,355	-	1,834,145	14.45
92687 FY 2020-24 Street Lights	5,727,100	4,489,156	-	1,237,944	21.62
92688 FY 2020-24 Underground Distribution	20,587,000	17,144,086	-	3,442,914	16.72
92689 ERCOT Transmission/Distribution Service Provider System	7,065,000	5,333,025	562,384	1,169,591	16.55
92733 DNV-GL Cascade Upgrades	255,000	249,228	-	5,772	2.26
92788 4kV Distribution Conversion	6,319,000	2,221,338	-	4,097,662	64.85
92789 NERC Security for Substation	600,000	22,140	128,760	449,100	74.85
92790 Security Upgrade for Hill Building	290,000	71,154	25,402	193,445	66.71
92791 UCSC Expansion	138,000	81,759	-	56,241	40.75
92829 Work Order System	500,000	-	-	500,000	100.00
92834 Substation Capacity Upgrade - Erksine	4,770,000	-	188,133	4,581,867	96.06
92836 Overhead/Underground Training Facility	995,000	753,025	67,479	174,496	17.54
92840 Spare Autotransformer	75,000	12,387	-	62,613	83.48
92891 FY 2024-25 Vehicles & Equipment	2,340,000	2,317,071	-	22,929	0.98
92916 115kV Substation- Iola	4,950,000	-	-	4,950,000	100.00
92934 FY 2025-26 Vehicles and Equipment	1,743,000	49,510	973,582	719,908	41.30
92935 West Loop - Mackenzie to Northeast: 115 kV Line Rebuild	-	-	-	-	-
92936 West Loop - 115 kV Line Rebuild: Northeast – Dunbar	-	-	-	-	-
92937 West Loop - Vicksburg to Red Raider: 69/115 kV Line Rebuild	-	-	-	-	-
92938 345kV-115kV Substation- Alcove	-	-	-	-	-
92939 West Loop - 115 kV Line Reconductor - Thompson – Vicksburg	-	-	-	-	-
92940 West Loop - 115 kV Lines - Alcove Tie-In	-	-	-	-	-
92941 Texas Tech Feeders	2,500,000	87,993	-	2,412,007	96.48
92942 Substation Rebuild - Posey T2 Replacement	1,034,110	-	-	1,034,110	100.00
92951 Citizens Tower 5th Floor Renovation	150,000	-	-	150,000	100.00
	\$ 125,371,730	\$ 75,569,308	\$ 4,675,046	\$ 45,127,377	35.99

7141-23-ELD LP&L Supplier Agreement for Electric Utility Equipment
2026- February Order

Order Number	Supplier Name	Order Date	Amount To Receive	Line Description	Cost Center
21115540	Techline Inc	2/12/2026	\$37,530.00	N.Univ.Decoratrice base, N.Univ.Decoratrice led head, N.Univ.Orn.Breakaway Bolts	Warehouse
21115541	KBS	2/12/2026	\$10,233.00	#556.5 AAC, 19W, DAHLIA	Warehouse
21115542	Anixter Inc	2/12/2026	\$9,019.20	Pole Stabilizer 1/0 Elbow Connector, 3/8" Strandvise Long	Warehouse
21115543	Anixter Inc	2/12/2026	\$19,191.60	Bail, Transfer Cluster	Warehouse
21115544	Techline Inc	2/12/2026	\$9,165.00	8ft Double Dead End	Warehouse
21115566	Techline Inc	2/19/2026	\$5,385.00	Spacer Secondary	Warehouse
21115567	KBS	2/19/2026	\$36,448.00	Small J Box-12"X16"X21", Large Enclosure- Primary	Warehouse
21115594	Anixter Inc	2/26/2026	\$3,669.60	Hot Secondary Sectio	Warehouse
21115595	Techline Inc	2/26/2026	\$3,288.00	Anderson 2 Bolt Connector	Warehouse
21115596	KBS	2/26/2026	\$44,032.00	Large Enclosure- Primary	Warehouse
			\$177,961.40		

Summary:

Consider a budget amendment amending the FY 2025-26 Operating Budget and Capital Program and make appropriate recommendations to the City Council of the City of Lubbock pursuant to §2.03.415(a) of the Code of Ordinances, City of Lubbock, Texas. To create and establish Capital Improvement Project #92955 – Feeder Optimization and transfer \$1,700,000.00 from Fund 211 - Electric Operations to Fund 214 - Electric Capital. Additionally, to increase miscellaneous revenue in Fund 211 – Electric Operations by \$1,700,000.00 to reflect the subrogation revenue received from Insurance.

Background/Fiscal Impact:

LP&L Administration is requesting the creation of this CIP to address the need as feeder loading increases and system demands evolve, inefficiencies such as phase imbalance and reduced power factor contribute to elevated system losses and added equipment stress. Proactive feeder optimization is necessary to maintain distribution system performance, improve operational flexibility, and reduce the likelihood of large capital reinforcements in the near term.

The total approximate costs for the work listed above is \$1,700,000.00. A cash transfer from the Operating Fund to the Capital Fund in the amount of \$1,700,000.00 is being requested to be allocated to CIP #92955, Feeder Optimization.

This amendment also increases the miscellaneous revenue to recognize the funds received from insurance for the damages to the Brandon Substation in the amount of \$1,700,000.00.

This budget amendment creates one new capital project and impacts the Operating Budget by increasing the transfer to the Capital Program as well as the miscellaneous revenue line item.

1. CIP– Feeder Optimization

Create the following CIP by appropriating and funding the amount of \$1,700,000.00. The project scope and justification update are as follows:

Project Scope: Evaluate and optimize distribution feeders through phase load balancing, installation of additional reclosers for improved sectionalization, and placement of capacitor banks to enhance power factor and voltage regulation.

Project Justification: As feeder loading increases and system demands evolve, inefficiencies such as phase imbalance and reduced power factor contribute to elevated system losses and added equipment stress. Proactive feeder optimization is necessary to maintain distribution system performance, improve operational flexibility, and reduce the likelihood of large capital reinforcements in the near term.

2. Amend the Operating Budget by increasing the transfer to the Capital Program.

Amend fund 211, "Electric Operating Fund", by increasing the Transfer to the Capital Program in the amount of **\$1,700,000.00**, from **\$26,692,167.00** to **\$28,392,167.00**.

3. Amend the Operating Budget by increasing Miscellaneous Revenue.

Amend Fund 211, "Electric Operating Fund," by increasing the appropriation in the Miscellaneous Revenue by **\$1,700,000.00**, from **\$0.00** to **\$1,700,000.00**, to recognize the Subrogation revenue from insurance for the Brandon Substation damages.

Recommendation:

Staff recommends Board approval of the attached budget amendment and recommendation for approval to the City Council, or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, the City of Lubbock has a responsibility to its citizens to carefully budget and account for the financing and funding of Lubbock Power & Light, prudently manage Lubbock Power & Light's municipal finances, and plan for the adequate funding of services by Lubbock Power & Light;

WHEREAS, the purpose of the budget for Lubbock Power & Light is to achieve the goals outlined above and to achieve a long-term stable and positive financial position of Lubbock Power & Light by exercising integrity, prudence, responsible stewardship, and planning accountability;

WHEREAS, the Electric Utility Board is charged with approving an annual budget and submitting a budget and any amendments thereto for Lubbock Power & Light to the City Council for adoption pursuant to Title I, Chapter 2, Division 12, Section 2.03.415(a) of the Code of Ordinances of the City of Lubbock; NOW THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Electric Utility Board hereby approves the amendment to the City of Lubbock's Budget for Lubbock Power & Light, and requests that the City Council so amend the City of Lubbock's Budget for Lubbock Power & Light, for fiscal year 2025-26, as follows:

- 1) Create CIP #92955, Feeder Optimization with increasing the appropriation and funding in the amount of \$1,700,000.00. The project scope and justification update are as follows:

Project Scope: Evaluate and optimize distribution feeders through phase load balancing, installation of additional reclosers for improved sectionalization, and placement of capacitor banks to enhance power factor and voltage regulation.

Project Justification: As feeder loading increases and system demands evolve, inefficiencies such as phase imbalance and reduced power factor contribute to elevated system losses and added equipment stress. Proactive feeder optimization is necessary to maintain distribution system performance, improve operational flexibility, and reduce the likelihood of large capital reinforcements in the near term.

- 2) Amend fund 211, "Electric Operating Fund", by increasing the Transfer to the Capital Program in the amount of **\$1,700,000.00**, from **\$26,692,167.00** to **\$28,392,167.00**.

Amend Fund 211, "Electric Operating Fund," increasing the appropriation in the Miscellaneous Revenue by **\$1,700,000.00**, from **\$0.00** to **\$1,700,000.00**, to recognize the Subrogation revenue from insurance for the Brandon Substation damages.

The Electric Utility Board hereby directs that this Resolution be filed with the City Secretary of the City of Lubbock.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin "Butch" Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, LP&L Chief Administrative Officer

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17th, 2026

Summary:

Consider a resolution authorizing the Chief Administrative Officer or his designee to execute a Professional Services Agreement (PSA) by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Aeparmia Engineering, PLLC, , for 1) Wireline and Wireless Pole Attachments Program Management, 2) LP&L Fiber Design and Engineering Services, 3) LP&L Telecommunications Network Engineering Services with Aeparmia Engineering, PLLC. This will be a three (3) year agreement with a not-to-exceed of \$2,500,000.00.

Background/Discussion:

The purpose of this PSA is to provide comprehensive fiber services to LP&L, for:

- 1) Wireline and Wireless Pole Attachments Program Management
- 2) LP&L Fiber Design and Engineering Services, and
- 3) LP&L Telecommunications Network Engineering Services with Aeparmia Engineering, PLLC.

Fiscal Impact:

Funds are available in various capital projects and operating accounts for this purpose.

Recommendation:

Staff recommends approval of the PSA with **Aeparmia Engineering, of Austin, Texas** for **\$2,500,000.00**, or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, the City of Lubbock, acting by and through Lubbock Power & Light, desires to enter into a Professional Services Agreement, by and between LP&L and Aeparmia Engineering, PLLC, for professional consulting services related to wireline and wireless installations and program management related to these installations; NOW THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Chief Administrative Officer, BE and is hereby authorized and directed to execute, for and on behalf of the City of Lubbock, acting by and through Lubbock Power & Light, the Professional Services Agreement, by and between LP&L and Aeparmia Engineering, PLLC, attached hereto and incorporated herein, including but not limited to applicable Statements of Work.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chairman

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Director of Electric Utilities

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel

ARTICLE I. TERM

The term of this Contract commences on the Effective Date and continues without interruption for a term of three (3) years, unless sooner terminated as provided herein. If the Consultant determines that additional time is required to complete the Services, the Chief Administrative Officer or his designee may, in his or her discretion, execute an agreement to grant up to an additional two (2) one-year extensions of time so long as the amount of the consideration payable hereunder does not increase. An amendment to this Agreement resulting in an increase of consideration payable must be approved by LP&L, acting through the body wherein jurisdiction of this Agreement, as amended, lies.

ARTICLE II. SERVICES AND COMPENSATION

A. Consultant shall conduct all activities and within such timeframes as set forth in the Statement of Work (herein so called), as attached hereto as Exhibit “A” (the “Services”). Upon written request from LP&L, Parties may include additional professional consulting services related to wireline and wireless attachments in addition to those provided for in Exhibit “A” upon written request of LP&L so long as funds are available under this Agreement. The Director of Electric Utilities, or his or her designee, is delegated to authorize such additional services as provided herein.

B. Consultant shall complete the Services, and shall receive compensation therefor on a time and materials basis, as set forth on Exhibit “B”, attached hereto. The sums due hereunder shall be invoiced to LP&L on a monthly basis as the Services are performed by Consultant. Payments to Consultant for undisputed amounts are due within thirty (30) days of receipt of an invoice.

C. The total sum to be paid hereunder shall not exceed, in any circumstance, the sum of Two Million and Five Hundred Thousand Dollars and Zero Cents (\$2,500,000.00).

D. **Tax-Exempt Entity.** Consultant understands that LP&L is a tax-exempt entity and, as such, shall not be responsible for any applicable taxes to Consultant.

ARTICLE III. TERMINATION

A. General. LP&L may terminate this Contract, for any reason or for convenience, upon thirty (30) days' written notice to Consultant. In the event this Agreement is so terminated, LP&L shall only pay Consultant for pro-rated Services actually performed by Consultant up to the date Consultant is deemed to have received notice of termination.

B. Material Breach. Any failure by Consultant to provide adequate services shall constitute a material breach. If Consultant fails to cure within 30 business days of receiving written notice of the breach, Consultant shall owe a full refund to LP&L, in addition to any other equitable remedies available at law.

C. Termination and Remedies. In the event Consultant breaches any term and/or provision of this Contract, LP&L shall be entitled to exercise any right or remedy available to it by this Contract, at law, equity, or otherwise, including without limitation, termination of this Contract and assertion of an action for damages and/or injunctive relief. The exercise of any right or remedy shall not preclude the concurrent or subsequent exercise of any right or remedy and all rights and remedies shall be cumulative. The maximum remedy shall be limited to the total value of the contract and monies paid.

ARTICLE IV. NON - ARBITRATION

LP&L reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, LP&L shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this Agreement, this provision shall control.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

A. **Existence.** Consultant is a professional limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Texas and is qualified to carry on its business in the State of Texas.

B. **Power.** Consultant has the power and authority to enter into and perform this Contract in accordance with the terms hereof, and lawfully perform all activities contemplated hereby.

C. **Authorization.** Execution, delivery, and performance of this Contract and the activities contemplated hereby have been duly and validly authorized by all requisite action on the part of Consultant. This Contract constitutes legal, valid, and binding obligations of the Consultant and is enforceable in accordance with the terms hereof.

D. **Consultant.** Consultant maintains a professional staff and employs, as needed, other qualified specialists experienced in providing the Services, and is familiar with all laws, rules and regulations, both state and federal, including, without limitation, the applicable laws, regarding the Activities contemplated hereby.

E. **Performance.** Consultant will and shall conduct all activities contemplated by this Contract in accordance with the standard of care, skill and diligence normally provided by a professional person in performance of similar professional consulting services, and comply with all applicable laws, rules, and regulations, both state and federal, relating to professional consulting services, as contemplated hereby.

As to any engineering services provided by a licensed engineer under this Contract, the engineering services must be provided by a licensed engineer with the professional skill and care ordinarily provided by competent engineers practicing under the same or similar circumstances and professional license; and as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer.

F. **Use of Copyrighted Material.** Consultant represents and warrants that any materials provided by Consultant for use by LP&L pursuant to this Contract shall not contain any proprietary material owned by any other party that is protected under the Copyright Act or any other law,

statute, rule, order, regulation, ordinance or contractual obligation relating to the use or reproduction of materials. Consultant shall be solely responsible for ensuring that any materials provided by Consultant pursuant to this Contract satisfy this requirement. Without limiting the general nature of Article X, below, Consultant shall defend and indemnify and hold LP&L and the City of Lubbock (“City”), its elected and appointed officials, officers, agents and employees, harmless from any and all liability, loss, damage or claim of any kind or nature, including attorney’s fees and other costs of litigation, related to Consultant’s failure to perform this duty or breach hereof. The indemnity obligations provided herein shall survive the termination or expiration of this Agreement.

ARTICLE VI. INDEPENDENT CONTRACTOR STATUS

Consultant and LP&L agree that Consultant shall perform the duties under this Agreement as an independent contractor and shall be considered an independent contractor under this Agreement and/or in its activities hereunder for all purposes. Consultant has the sole discretion to determine the manner in which the Services are to be performed. During the performance of the Services under this Agreement, Consultant and Consultant’s employees and/or approved sub-consultants, will not be considered, for any purpose, employees or agents of LP&L and/or the City of Lubbock within the meaning or the application of any federal, state or local law or regulation, including without limitation, laws, rules or regulations regarding or related to unemployment insurance, old age benefits, workers compensation, labor, personal injury or taxes of any kind.

ARTICLE VII. INSURANCE

Consultant shall procure and carry, at its sole cost and expense through the life of this Agreement, except as otherwise provided herein, insurance protection as hereinafter specified, in form and substance satisfactory to LP&L and City, carried with an insurance company authorized to transact business in the State of Texas, covering all aspects and risks of loss of all operations in connection with this Agreement, including without limitation, the indemnity obligations set forth herein. Consultant shall obtain and maintain in full force and effect during the term of this Agreement, and shall cause each approved Sub-consultant of Consultant to obtain and maintain in full force and effect during the term of this Agreement, commercial general liability, professional

liability, automobile liability coverage for any auto with insurance carriers admitted to do business in the state of Texas, employer's liability, and workers compensation coverage. The commercial general liability policy shall include Products-Completion/OP, Personal and Advertising injury, Contractual Liability coverages, Fire Damage (any one fire), and Medical Expense (any one person). The insurance companies must carry an A.M. Best's Rating of A- or better. The policies will be written subject to the following minimum limits of liability:

Commercial General Liability:	
Per Occurrence Single Limit:	\$1,000,000.00
General Aggregate Limit:	\$2,000,000.00
Professional Liability	
Per Occurrence Single Limit:	\$1,000,000.00
General Aggregate Limit:	\$2,000,000.00
Automobile Liability:	
	\$1,000,000.00
Worker's Compensation	
Per Occurrence Single Limit:	Statutory
Employer Liability	
(Required with W.C.)	\$1,000,000.00

Consultant shall further cause any approved Sub-consultant to procure and carry the identical insurance coverage, and for the term, required of Consultant herein, protecting City against losses caused by the professional negligence of the approved Sub-consultant. The City shall be listed as a primary and noncontributory additional insured with respect to Commercial General Liability policy, including products-completed operations/OP AGG, personal and advertising injury, contractual liability coverages, fire damage, and medical expenses for any one person, Automobile Liability, and for Worker's Compensation. The City shall be granted a waiver of subrogation for the commercial general liability, automobile liability and worker's compensation policies. Consultant shall provide a Certificate of Insurance to the City as evidence of coverage.

Consultant shall elect to obtain workers' compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, Consultant shall maintain said coverage throughout

the term of the Agreement and shall comply with all provision of Title 5 of the Texas Labor Code to ensure that the Consultant maintains said coverage. Such Worker's Compensation Insurance shall cover all employees whether employed by the Consultant or any Sub-Consultant on the job with limits of at least \$500,000.00. The Consultant shall also have Employers Liability Insurance with limits of \$1,000,000.00. A copy of the waiver of subrogation attached to the policy shall be included in the Certificate. Any termination of workers' compensation insurance coverage by Consultant or any cancellation or non-renewal of workers' compensation insurance coverage for the Consultant shall be a material breach of the contract.

The Certificate shall provide 30 days' written notice of cancellation, and ten (10) days' written notice for non-payment. If at any time during the life of the Agreement or any extension hereof, Consultant fails to maintain the required insurance in full force and effect, Consultant shall be in breach hereof and all work under the Agreement shall be discontinued immediately. The retroactive date shall be no later than the commencement of the performance of this Contract and the discovery period (possibly through tail coverage) shall be no less than 10 years after the completion of the Services provided for in this Contract. The provisions of this Article VII shall survive the termination or expiration of this Agreement.

Notwithstanding anything contained herein to the contrary, all insurance required herein shall be maintained at Consultant's (and approved Sub-consultant's, as applicable) sole cost and expense.

ARTICLE VIII. RETAINING OF CONSULTANTS

Subject to the terms herein, Consultant may retain consultants, contractors, or other third parties (any of which are referred to herein as "Sub-consultant"), to perform certain duties of Consultant, as set forth on Exhibit "A", attached hereto, under this Contract, provided that LP&L approves the retaining of such Sub-consultants. Consultant is at all times responsible to LP&L to perform the Services as provided in this Agreement and Consultant is in no event relieved of any obligation under this Contract upon retaining of any approved Sub-consultant. Any Sub-consultant retained by Consultant shall be required by Consultant to carry, for the protection and benefit of the City (as defined in Article VII, above) and Consultant and naming said City and Consultant

as additional insureds, insurance, as described above, required to be carried by Consultant in this Contract.

ARTICLE IX. CONFIDENTIALITY

Consultant shall retain all information received from or concerning or related in any way to LP&L and LP&L's business in strictest confidence and shall not reveal such information to third parties without prior written consent of LP&L, unless otherwise required by law. The provisions of this Article IX shall survive the termination or expiration of this Agreement.

ARTICLE X. INDEMNITY

CONSULTANT SHALL INDEMNIFY AND SAVE HARMLESS LP&L, THE CITY, AND THEIR ELECTED AND APPOINTED OFFICIALS, OFFICERS, ATTORNEYS, AGENTS, AND EMPLOYEES FROM AND AGAINST ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY KIND, CHARACTER, TYPE, OR DESCRIPTION, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, TO THE EXTENT ARISING OUT OF, RELATED TO OR OCCASIONED BY, THE INTENTIONAL OR NEGLIGENT ACTS, OF ANY KIND OR TYPE, OF CONSULTANT, ITS AGENTS, EMPLOYEES, AND/OR SUB-CONSULTANTS, OR ANY OTHER PARTY OR ENTITY OVER WHICH CONSULTANT EXERCISES CONTROL, RELATED TO THE PERFORMANCE, OPERATIONS OR OMISSIONS UNDER THIS CONTRACT AND/OR THE USE OR OCCUPATION OF CITY OF LUBBOCK OWNED PROPERTY. THE INDEMNITY OBLIGATIONS PROVIDED HEREIN SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THE CITY OF LUBBOCK'S (ACTING BY AND THROUGH LP&L) AUTHORITY TO INDEMNIFY AND HOLD HARMLESS ANY THIRD PARTY IS GOVERNED BY ARTICLE XI, SECTION 7 OF THE TEXAS CONSTITUTION, AND ANY PROVISION THAT

PURPORTS TO REQUIRE INDEMNIFICATION BY THE CITY IS INVALID. NOTHING IN THIS AGREEMENT REQUIRES THAT THE CITY INCUR DEBT, ASSESS OR COLLECT FUNDS, OR CREATE A SINKING FUND.

ARTICLE XI. COMPLIANCE WITH APPLICABLE LAWS

Consultant shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations relating, in any way, manner or form, to the activities under this Contract, and any amendments thereto.

ARTICLE XII. NOTICE

A. General. Whenever notice from Consultant to LP&L or LP&L to Consultant is required or permitted by this Contract and no other method of notice is provided, such notice shall be given by (1) actual delivery of the written notice to the other party by hand (in which case such notice shall be effective upon delivery); (2) telephonic facsimile or email delivery (in which case such notice shall be effective upon date stated in the delivery confirmation); (3) delivered by over-night service by a nationally recognized courier (in which case notice shall be effective one (1) day following deposit with courier); and (4) by depositing the written notice in the United States mail, properly addressed to the other party at the address provided in this article, registered or certified mail, return receipt requested, in which case such notice shall be effective on the third (3rd) business day after such notice is so deposited.

B. Consultant's Address. Consultant's address and numbers for the purposes of notice are:

Aeparmia Engineering, PLLC
Attn: Mia Diya-Bernhard
13740 Research Blvd., Bldg J, Unit 2, Austin, TX 78750
Telephone: 512-575-3024
Email: mia@aeparmia.com

C. LP&L's Address. LP&L's address and numbers for the purposes of notice are:

Lubbock Power & Light
Attn: Blair McGinnis
402 Municipal Drive
Lubbock, Texas 79403
Telephone: (806) 775-2515
Facsimile: (806) 775-3590
Email: BMcGinnis@mylubbock.us

D. Change of Address. Either party may change its address or numbers for purposes of notice by giving written notice to the other party as provided herein, referring specifically to this Contract, and setting forth such new address or numbers. The address or numbers shall become effective on the 15th day after such notice is effective.

ARTICLE XIII. LP&L-PROVIDED DATA AND RESPONSIBILITIES

A. Provision of Data. LP&L may furnish Consultant non-confidential studies, reports and other available data in the possession of LP&L pertinent to Consultant's Services, so long as LP&L is entitled to rely on such studies, reports and other data for the performance of Consultant's Services under this Contract (the "Provided Data"). Consultant shall be entitled to use and rely, so long as such reliance is reasonable, upon all such Provided Data.

ARTICLE XIV. MISCELLANEOUS

- A. **Captions.** The captions for the articles and sections in this Contract are inserted in this Contract strictly for the parties' convenience in identifying the provisions to this Contract and shall not be given any effect in construing this Contract.
- B. **Audit.** Consultant shall provide access to its books and records to LP&L. LP&L may audit, at its expense and during normal business hours, Consultant's books and records with respect to this Contract between Consultant and LP&L. The provisions of this audit subsection shall survive the termination or expiration of this Agreement.
- C. **Records.** Consultant shall maintain records that are necessary to substantiate the Services provided by Consultant.
- D. **Assignability.** Consultant may not assign this Contract without the prior written approval of LP&L.

- E. **Successor and Assigns.** This Contract binds and inures to the benefit of LP&L (and the City, as applicable) and Consultant, and in the case of LP&L and the City, their respective successors, legal representatives, and assigns, and in the case of Consultant, its permitted successors and assigns.
- F. **Construction and Venue.**

THIS CONTRACT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THIS CONTRACT IS PERFORMABLE IN LUBBOCK COUNTY, TEXAS. THE PARTIES HERETO HEREBY IRREVOCABLY CONSENT TO THE SOLE AND EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS OF COMPETENT JURISDICTION OF THE STATE OF TEXAS, COUNTY OF LUBBOCK, FOR THE PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS CONTRACT OR THE ACTIONS THAT ARE CONTEMPLATED HEREBY.

- G. **Severability.** If any provision of this Contract is ever held to be invalid or ineffective by any court of competent jurisdiction with respect to any person or circumstance, the remainder of this Contract and the application of such provision to persons and/or circumstances other than those with respect to which it is held invalid or ineffective shall not be affected thereby.
- H. **Amendment.** No amendment, modification, or alteration of the terms of this Contract shall be binding unless such amendment, modification, or alteration is in writing, dated subsequent to this Contract, and duly authorized and executed by Consultant and LP&L.
- I. **Entire Agreement.** This Contract, including Exhibits “A” and “B”, attached hereto, contains the entire agreement between LP&L and Consultant, and there are no other written or oral promises, conditions, warranties, or representations relating to or affecting the matters contemplated herein.
- J. **No Joint Enterprise.** Nothing contained herein shall be construed to imply a joint venture, joint enterprise, partnership or principal – agent relationship between Consultant and LP&L.

- K. **Documents Owned by LP&L.** Any and all documents, drawings and specifications prepared by Consultant as part of the Services hereunder, shall become the property of LP&L when Consultant has been compensated as set forth in Article II, above. The Consultant shall make copies of any and all work products for its files.
- L. **Notice of Waiver.** A waiver by either LP&L or Consultant of a breach of this Agreement must be in writing and duly authorized to be effective. In the event either party shall execute and deliver such waiver, such waiver shall not affect the waiving party's rights with respect to any other or subsequent breach.
- M. **Third Party Activities.** Nothing in this Agreement shall be construed to provide any rights or benefits whatsoever to any party other than LP&L and Consultant.
- N. **Force Majeure.** Notwithstanding anything to the contrary contained herein, neither party shall be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, acts of war or terrorism, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties or civil unrest. Notwithstanding anything to the contrary, Force Majeure does not include any delay or inability to perform due to an outbreak of the novel coronavirus (COVID-19). In the event a party claims excuse under Force Majeure as provided herein, each party agrees to make a good faith effort to perform its obligations hereunder.
- O. **Non-Appropriation.** All funds for payment by LP&L under this Contract are subject to the availability of an annual appropriation for this purpose by the City of Lubbock. In the event of non-appropriation of funds by the City Council of the City of Lubbock for the services provided under the Contract, LP&L will terminate the Contract, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the services covered by this Contract is spent, whichever event occurs first (the "Non-Appropriation Date"). If at any time funds are not appropriated for the continuance of this Contract, cancellation shall be accepted by the Consultant on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and LP&L shall not be obligated under this Contract beyond the Non-Appropriation Date.

P. Non-Boycott of Israel. Consultant hereby warrants that it is in compliance with Chapter 2271.002, Texas Government Code, by verifying that: (1) it does not boycott Israel and (2) it will not boycott Israel during the term of this Contract.

Q. Texas Public Information Act. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this Agreement and Consultant agrees that the Agreement can be terminated if Consultant knowingly or intentionally fails to comply with a requirement of that subchapter.

To the extent Subchapter J, Chapter 552, Government Code applies to this Agreement, Consultant agrees to: (1) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the Agreement that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the Agreement that is in the custody or possession of the entity; or (B) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to the governmental body.

R. Ownership Representation and Warranty. To the extent Chapter 2274, Texas Government Code applies to this Agreement, Consultant represents and warrants that it is not, and during the term of this Agreement will not be (1) owned by or the majority of stock or other ownership interest of Consultant, will not be held or controlled by (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country, as defined in Section 2274.0101, Texas Government Code; or (ii) a company or entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country as defined in Section 2274.0101, Texas Government Code; or (2) headquartered in China, Iran, North Korea, Russia, or a designated country as defined in Section 2274.0101, Texas Government Code. Consultant warrants and represents that LP&L's Agreement with

Consultant therefore does not and will not violate Texas Government Code Section 2274.0101, et seq.

- S. **Non-Discrimination against Firearm Entities/Trade Associations.** Consultant hereby warrants that it is in compliance with Chapter 2274, Subtitle F, Title 10 of the Texas Government Code by verifying that: (1) it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and (2) it will not discriminate during the term of the Agreement against a firearm entity or firearm trade association.
- T. **Non-Boycott of Energy Companies.** Consultant hereby warrants that it is in compliance with Chapter 2274, Subtitle F, Title 10 of the Texas Government Code by verifying that: (1) it does not boycott energy companies, and (2) it will not boycott energy companies during the term of this Agreement.
- U. **Disclosure of Interested Parties.** To the extent Section 2252.908 of the Texas Government Code applies to this Agreement, Consultant shall submit a disclosure of Interested Parties (“Disclosure Form”) to LP&L (to the attention of LP&L’s Purchasing Department) at the time Consultant submits the signed Agreement to LP&L. The Disclosure Form may be found here: <https://www.ethics.state.tx.us/filinginfo/1295/> or other webpage as designated by the Texas Ethics Commission from time to time. If Consultant has not submitted a Disclosure Form pursuant to this section, Consultant represents and warrants that Section 2252.908 of the Texas Government Code does not apply to this Agreement.
- V. **Conflict of Terms.** In the event of a conflict between the terms of this Agreement and any attached Exhibits or Appendices, the terms of this Agreement shall control.

EXECUTED as of the Effective Date hereof.

**CITY OF LUBBOCK, acting by and
through Lubbock Power & Light**

Joel Ivy, Director of Electric Utilities

APPROVED AS TO CONTENT:

Blair McGinnis, Chief Operating Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel

**AEPARMIA ENGINEERING, PLLC,
A TEXAS PROFESSIONAL LIMITED
LIABILITY COMPANY**

By:  _____

Name: Mia M. Diya-Bernhard

Title: President & CEO



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17th, 2026

Summary:

Consider a resolution authorizing the LP&L Chief Administrative Officer, or his designee, to execute that certain sixth amendment to Professional Services Agreement (PSA) dated November 30, 2016, by and between the City of Lubbock, acting by and through LP&L, and KUBRA Data Transfer, Ltd. (KUBRA) to enable the Chief Administrative Officer to approve changes to the scope of work, so long as the Not-to-Exceed amount or Term of the Agreement do not change. This sixth amendment does not change the Not-to-Exceed amount nor term of the agreement.

Background/Discussion:

LP&L and KUBRA entered into a PSA with KUBRA Enterprise Services Agreement, dated effective November 30, 2016, Resolution No. EUB 2017-R0002 (the “Original Agreement”), wherein LP&L contracted with KUBRA to provide services, products, and equipment related to data composition, printing, and mailing services, electronic presentment and payment services, and one-time electronic and kiosk payment services, as more particularly described in the Original Agreement (“Services”).

This amendment requests a delegation of authority for the Chief Administrative Officer to approve changes to the scope of work, so long as the Not-to-Exceed amount or term of the agreement does not change.

Fiscal Impact:

This amendment does not change the Not-to-Exceed amount.

Recommendation:

Staff recommends a sixth amendment of the PSA with KUBRA Data Transfer, Ltd. to enable the Chief Administrative Officer to approve changes to the scope of work, so long as the Not-to-Exceed amount or Term of the Agreement do not change, or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, LP&L and KUBRA Data Transfer Services Ltd. (“KUBRA”) entered into a PSA with KUBRA Enterprise Services Agreement, dated effective November 30, 2016, Resolution No. EUB 2017-R0002 (the “Original Agreement”), wherein LP&L contracted with KUBRA to provide services, products, and equipment related to data composition, printing, and mailing services, electronic presentment and payment services, and one-time electronic and kiosk payment services, as more particularly described in the Original Agreement (“Services”);

WHEREAS, LP&L and Kubra seek to enter into a sixth amendment to the Professional Services Agreement to approve changes to the scope of work, so long as the Not-to-Exceed amount or Term of the Agreement do not change; NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the LP&L Chief Administrative Officer or his designee, BE and is hereby authorized and directed to execute, for and on behalf of the City of Lubbock, acting by and through Lubbock Power & Light, this Sixth Amendment to the Professional Services Agreement with KUBRA, as attached hereto and incorporated herein, and any documents related thereto.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrative Officer

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel

SIXTH AMENDMENT
to
KUBRA ENTERPRISE SERVICES AGREEMENT

This Sixth Amendment to KUBRA Enterprise Services Agreement (“Sixth Amendment”), is entered into this 17th day of February, 2026, by and between the City of Lubbock, Texas, a Texas home rule municipal corporation, acting by and through Lubbock Power & Light (“LP&L”), and KUBRA Data Transfer, Ltd. (“KUBRA”).

WITNESSETH

WHEREAS, LP&L and KUBRA entered into a KUBRA Enterprise Services Agreement, dated effective November 30, 2016, Resolution No. EUB 2017-R0002 (the “Original Agreement”), wherein LP&L contracted with KUBRA to provide services, products, and equipment related to data composition, printing, and mailing services, electronic presentment and payment services, and one-time electronic and kiosk payment services, as more particularly described in the Original Agreement (“Services”);

WHEREAS, LP&L and KUBRA entered into a First Amendment to the Original Agreement, effective December 1, 2019, by EUB Resolution No. EUB 2020-R0060 (“First Amendment”) to address additional services needed to interface KUBRA services with Oracle;

WHEREAS, LP&L and KUBRA entered into a Second Amendment to the Original Agreement, effective August 1, 2020, by EUB Resolution Number EUB 2021-R0042, addressing additional services relating to go-live of the billing system and functionality of certain billing services;

WHEREAS, LP&L and KUBRA entered into a Third Amendment to the Original Agreement, effective January 17, 2023, by EUB Resolution Number EUB 2023-R0007, addressing the usage of third-party intellectual property related to digital payment options and additional costs associated with the agreement;

WHEREAS, LP&L and KUBRA entered into a Fourth Amendment to the Original Agreement, effective January 17, 2023, by EUB Resolution Number EUB 2024-R0005, modifying the scope of work and enabling LP&L's Chief Administrative Officer to approve changes to the scope of work except the Not-to-Exceed amount or Term of the Agreement;

WHEREAS, LP&L and KUBRA entered into a Fifth Amendment to the Original Agreement, effective May 13, 2023, authorized under the delegated authority of the LP&L Chief Administrative Officer, to modify the scope of services to provide additional in-person services resulting in a cost savings for LP&L;

WHEREAS, LP&L and KUBRA now desire to further amend the Original Agreement to extend the term of the agreement;

WHEREAS, this will not result in a change to the Not-to-Exceed amount; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, LP&L and KUBRA agree as follows:

1. Attached Item A is hereby incorporated into Schedule A;
2. Except as amended hereby, the terms and conditions of the Original Agreement, as amended, shall remain valid and subsisting as originally provided.

IN WITNESS WHEREOF, the parties have executed this Sixth Amendment to the Original Agreement, as amended, by their duly authorized representatives as of the date first written above.

[SIGNATURE PAGE TO FOLLOW]

CITY OF LUBBOCK, acting by and through
Lubbock Power & Light

Joel Ivy, Chief Administrative Officer

APPROVED AS TO CONTENT:

Clint Gardner, Chief Customer Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel

KUBRA Data Transfer, Ltd.

By: 
7BCDD93C831F4CA...
Tony Dilorio
Chief Operating Officer



Retail Cash Payments (RCP) - The City of Lubbock

Date: January 2026

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Legal

This Statement of Work (“SOW”) between The City of Lubbock and KUBRA Data Transfer Ltd. (KUBRA), is entered into pursuant to the agreement between KUBRA and The City of Lubbock (the “Agreement”), and consists of this SOW, and its applicable attachments and documents referenced herein and is effective as of the date of the last signature below.

The City of Lubbock agrees to the hourly bill rate and any contingencies outlined in the “Pricing section of this SOW. As well, The City of Lubbock agrees to pay KUBRA reasonable out-of-pocket expenses, including travel expenses. All additional expenses require written documentation from KUBRA and must receive prior written approval from The City of Lubbock. The City of Lubbock agrees to pay KUBRA’s fees and expenses within thirty (30) days of The City of Lubbock receipt of KUBRA’s invoice.

All parties acknowledge and understand that the SOW services will not commence until full execution of this SOW. The parties agree that execution and delivery of this SOW via facsimile or scanned PDF is legal, valid, and binding execution and delivery for all purposes.

The individuals executing this SOW on behalf of The City of Lubbock and KUBRA each represent and warrant that they are duly authorized to execute this SOW.

Stakeholder	Action	Name (Print)	Signature	Date
KUBRA COE	Approval	Munawaar Bootwalla	Signed by: <i>Munawaar Bootwalla</i>	2/23/2026
KUBRA Sales	Approval	Tara Mondelli	Signed by: <i>Tara Mondelli</i>	3/2/2026
The City of Lubbock	Authorization and Approval			

Project Objective

The purpose of this statement of work (SOW) is to enable EZ-PAY Retail Cash Payments within the Incomm network of retailers.

Project Scope Statement

KUBRA Responsibilities:

The purpose of the Statement of Work (SOW) is to enable EZ-PAY Retail Cash Payments within the Incomm network of retailers.

- Support for cash payments at over 60,000 participating retail locations.
- Support for non-enrolled, one-time payment models.
- KUBRA User console for payment reporting.
- Facilitation of cash payment using a printed EZ-Payslip, mobile EZ-Payslip, or EZ-Payslip barcode printed on bill (to print barcode on bill provider composition customer data is required).
- RCP Function Utilizing Family Dollar, Dollar General, CVS, Circle k, Kum&Go, Pilot Flying K H.E.B, Walgreens, Speedway, TA, Walmart,; 7/11 at \$1.99 Per Transaction [Customer Funded]
- Consultation on RCP barcode for bill.
 - Where to print on the statement, symbol design, and marketing methods to maximize adoption
 - Please note: the RCP bill barcode must include the following details:
 - KUBRA EZ-PAY logo
 - RCP Partner logo
 - Retailer logos
 - Clerk and customer instructions
- Current KUBRA DocWeb iMail application for Bill will be updated to include the RCP barcode and payment information.
- Near Real-time posting to customer account capability.

- Real-time notification system that provides billers and customers immediate notifications when cash payments have been made at a retailer. API notifications of payment using Lubbock's payment API call to provide the payment details after we have received from RCP payment processor.
- Ongoing cash network expansion and inclusion of new retail locations.
- Automatic settlement directly to the biller's designated bank account.
- Automated consolidated remittance file including cash data provided next business day or as directed by the biller. Current EOD Remittance File data flow will be updated to include the RCP payments.
- Daily gathering of payment order transactions from application, the creation of payment order files in the specified format, and the consolidation of all remittance data into one pre-defined format for A/R posting.
- KUBRA EZ-PAY RCP is a universal walk-in payment service with a distinct integrated back-end system that automates the acceptance and management of cash payments at thousands of retail locations - 24 hours a day, seven days a week.
- Near Real-time notifications to billers and customers of a cash payments.
- Cash payment supported through mobile, desktop or printed on a customer bill.
- Consolidated real-time reporting console supports payment management, payment types, reporting, and payment administration.
- Dynamic mapping tool permits customers and CSR's to select a convenient retail location to make cash payments.
- Provides a variety of online options to support cash payment such as scanning a bar code, QR codes on bills or marketing materials to initiate cash payment
- Real-time payment reporting of cash payment using an API call
- Remittance file provided next business day.

Lubbock Responsibilities:

- Lubbock Team will be involved during the requirements gathering phase and approve the BRD.
- Lubbock Team will be responsible for Testing the solution during the UAT Phase
- Lubbock will update the technical solution on their side to consume the RCP payments that Kubra will send via the Real time Payments API call.
- Lubbock is required to review the End-of-Day (EOD) Remittance file sent by Kubra. Kubra acknowledges that the Lubbock team is not currently consuming this EOD Remittance file, and therefore requests that the Lubbock team be informed of the change to the file and begin reviewing the Remittance file.

Assumptions

- The City of Lubbock will provide KUBRA with test accounts for internal QA testing.
- The City of Lubbock will complete UAT testing prior to Go-live

Schedule

The Project Start Date is contingent upon KUBRA receiving a fully executed SOW by the Signature Expiration Date. KUBRA can not commit to the Project Start date if the SOW is not executed by the Signature Expiration Date. If unsigned by the Signature Expiration Date, then KUBRA will review alternative Project Start Dates.

Signature Expiration Date: March 9, 2026

Project Start Date: April 7, 2026

KUBRA will be required to inform the Client two weeks prior to the Project Start Date in the event that KUBRA is unable to meet the Project Start Date listed above. If this occurs, then an alternative Project Start Date will be provided by KUBRA.

Pricing

SOW Pricing has been calculated based on a professional services rate of \$165 per hour for 130 hours of work. 130 hours, includes, build, testing, UAT support and deployment to lower and prod region. The total cost of this project shall not exceed \$21,450, unless agreed upon in writing by both parties, at which time a Project Change Request (PCr) would be issued by KUBRA to the City of Lubbock.

130 Hours x \$165/hr = \$21,450

Payment Milestone	Amount (\$)
SOW Signed (20%)	\$4,290.00
Project Kick Off (30%)	\$6,435.00
KUBRA Implementation Completed (40%)	\$8,580.00
UAT Complete (10%)	\$2,145.00
Total	\$21,450.00

Terms and Conditions

Terms & Conditions
<ul style="list-style-type: none"> - Hours billed not to exceed the estimated hours without prior written approval - The hourly rate used to calculate the costs are based upon the current professional services rate



Retail Cash Payments (RCP) - The City of Lubbock

Date: January 2026

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Total	\$21,450.00

Terms and Conditions

Terms & Conditions
<ul style="list-style-type: none"> - Hours billed not to exceed the estimated hours without prior written approval - The hourly rate used to calculate the costs are based upon the current professional services rate

Scope Change

In the event that changes are introduced that would alter the project schedule, staffing, scope of work, or project cost outlined and agreed upon within this SOW and its supporting documentation, KUBRA will invoke our Project Change management (PCm) process ensuring all requisite Stakeholders are cognizant of the impact and have accepted the terms of the change.

General Outline of our PCm process:

1. A Change Event Milestone is added to the Project Plan on the day of request or discovery, indicating the existence of the request, not implying the acceptance of the change.
2. A thorough analysis of the requested and/or required change and its impact will be performed and documented within KUBRA's Project Change request (PCr) document. The PCr will describe the change, provide the rationale for the change, and the effects (time, costs, staffing, etc.) the change will have on the project.
3. Acceptance of the Change Event, as documented within the PCr, will require the appropriate level of approval from both KUBRA, our valued Client, and any affected 3rd Parties.
4. Finally, and post-PCr acceptance, the changes will be applied to the requisite project records (plan, work breakdown structure, schedule baseline, project assets, etc...)

With full awareness that the understanding of project contributors increases during the lifecycle of any project, our ability to differentiate between progressive elaboration and changes in the scope of work is paramount to the successful outcome of each project. Early identification, rapid assessment, broad awareness, full acceptance, and an exceptional Client Experience are all tenets of our PCm process.



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2026

SUMMARY:

Consider a resolution authorizing LP&L's General Counsel to execute a Settlement Agreement and Release of all Claims by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Tony Fullen regarding the claims alleged in *Fullen v. City of Lubbock*, Cause No. DC-2025-CV-0064, proceeding in the 99th District Court of Lubbock County, Texas.

BACKGROUND/DISCUSSION:

The resolution and accompanying document resolves, releases, and fully discharges Tony Fullen's claims in *Fullen v. City of Lubbock*, Cause No. DC-2025-CV-0064, proceeding in the 99th District Court of Lubbock County, Texas.

RECOMMENDATION:

Staff recommends approving the resolution as presented.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, in 2024, Tony Fullen was terminated from his employment with the City of Lubbock;

WHEREAS, Plaintiff Tony Fullen filed Claims, herein so called, against the City of Lubbock acting by and through LP&L in *Fullen v. City of Lubbock*, Cause No. DC-2025-CV-0064, proceeding in the 99th District Court of Lubbock County, Texas.

WHEREAS, LP&L denies all wrongdoing and liability related to the Claims;

WHEREAS, LP&L and Plaintiff Tony Fullen have agreed to mutually settle and resolve the contested Claims;

WHEREAS, LP&L has resolved Plaintiff’s Claims in the attached Settlement Agreement and Release of All Claims; NOW, THEREFORE

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the City of Lubbock, acting by and through Lubbock Power & Light’s Chief Administrative Officer or his designee BE and is hereby authorized and directed to execute a Settlement Agreement and Release of All Claims, by and between the City of Lubbock and Tony Fullen, as attached hereto and incorporated herein as though set forth fully herein in detail, and any documents related thereto.

Passed by the Electric Utility Board this 17th day of March, 2026

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrative Officer, LP&L

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel

CAUSE NO. DC-2025-CV-0064

TONY FULLEN,	§	IN THE 99 TH DISTRICT COURT
	§	
Plaintiff,	§	
	§	
v.	§	IN AND FOR
	§	
THE CITY OF LUBBOCK and	§	
LUBBOCK POWER AND LIGHT,	§	
	§	
Defendants.	§	LUBBOCK COUNTY, TEXAS

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

STATE OF TEXAS	§
COUNTY OF LUBBOCK	§

THIS SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS is executed by Tony Fullen. The following terms of this Settlement Agreement (“Agreement”) are agreed to by and between Plaintiff Tony Fullen (“Plaintiff”), and Defendant The City of Lubbock, acting by and through Lubbock Power & Light (collectively, “Defendants” or “Lubbock”) (collectively, the “Parties”) as of the 17th day of March 2026 (the “Effective Date”).

RECITALS

WHEREAS, Lubbock is a home-rule municipality chartered and incorporated in Lubbock County, Texas;

WHEREAS, Plaintiff claimed he was wrongfully terminated by Defendant and filed a Lawsuit (“Lawsuit”) against The City of Lubbock and Lubbock Power & Light; *Fullen v. City of Lubbock and Lubbock Power & Light*, DC-2025-CV-0064;

WHEREAS, Defendants dispute all claims asserted by Plaintiff;

WHEREAS, the Parties agreed to resolve all contested claims, whether or not asserted in the above-styled litigation and end the lawsuit between them;

WHEREAS, Plaintiff is of sound mind and legal capacity, and after consulting with independent counsel, agrees to enter into this settlement agreement to forever discharge and release Defendants, their respective predecessors, successors, assigns, owners, Electric Utility Board, City Council, partners, members, managers, employees, directors, legal representatives, insurers, independent contractors, agents and attorneys, and all persons or parties in privity with them or any of them, from any and all liability and punitive damages, and any and all property damage claims arising out of Plaintiff's employment or termination;

NOW, THEREFORE, for and in consideration of the mutual terms contained herein and other good and valuable consideration, the sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

TERMS

1. Payment and Consideration. As consideration for this Agreement and its terms herein, Defendant agrees to pay Plaintiff the total sum of forty-six thousand, five hundred dollars and zero cents (\$46,500.00) USD within 15 days of the Effective Date of this Agreement. The Settlement Payment shall be made by check to Mr. Tony Fullen and his attorneys McGowan & McGowan, PC.

2. Release. In exchange for the Settlement Payment, Plaintiff Tony Fullen agrees to hereby *release, acquit, and forever discharge* Defendants, and all of their affiliates, subsidiaries, agents, attorneys, officers, directors, members, managers, partners, limited partners, employees, and all those acting on its behalf and/or under Lubbock's control or direction (including Lubbock Power & Light) from any and all legal and equitable claims, causes of action, demands, obligations, debts, liabilities, damages, and attorneys' fees of any kind from the beginning of time until the Effective Date that arise out of or are in any way related to Plaintiff's employment or

termination, including the claims asserted by Plaintiff in the Lawsuit as well as any claims that could have been asserted in the Lawsuit. This release is intended to be as broad as the law allows and encompasses any and all claims or theories of liability (whether in contract, tort, statute, or equity, whether direct or derivative), including any claim for any form of declaratory relief, contribution, and indemnity, no matter what subject or legal principle such claim may include.

3. Releases Not Effective with Respect to Claims over this Agreement. It is agreed that either Party may assert a claim for breach of this Settlement Agreement.

4. No Admission. The Parties acknowledge that the Settlement Payment was agreed upon as a compromise and final settlement of disputed claims and that payment of the Settlement Payment is not, and may not be construed as, an admission of liability or damages by Defendants and is not to be construed as an admission that Defendants engaged in any wrongful or unlawful activity. Defendants specifically disclaim and deny (a) any liability or damages to Plaintiff and (b) engaging in any wrongful or unlawful activity. The mere fact of this Agreement does not mean that Defendants are making an admission as to liability or damages. This Agreement is being made solely to resolve disputed matters and to end the cost and time of continuing with the Lawsuit.

5. Dismissal of Litigation. Within five (5) business days following Defendant making the Settlement Payment, Plaintiff shall file an Agreed Motion to Dismiss all of its Claims against Defendant(s) with Prejudice, with costs of court and attorneys' fees being assessed against the party incurring same.

6. Attorneys' Fees. Each Party is responsible for and shall each pay their own attorneys' fees, cost of court, and expenses incurred in the Lawsuit. Fullen may use some or all of the Settlement Funds to compensate his attorneys, but under no circumstance shall the City be

liable for the payment of such fees or anything else beyond the Settlement Payment described in Paragraph 1 above.

7. **Notice.** Notice as contemplated in this Agreement shall be affected by written or electronic communication to the Parties as follows:

To Plaintiff: Mr. Tony Fullen
c/o Ryan C. Gentry
10933 Wayne Avenue
Lubbock, Texas 79424
(325) 669-9098
RGentry@ns-law.net

To Defendants: Lubbock Power & Light
Legal Department
1314 Avenue K, 5th Floor
Lubbock, Texas 79401
Attn: Keli Swan
E-mail: kswan@mylubbock.us

With a copy to:
Slater C. Elza
P.O. Box 9158
Amarillo, Texas 79105
E-mail: slater.elza@uwlaw.com

8. **Basis for Understanding and No Reliance.** It is understood and agreed that the Parties hereto have carefully reviewed this Agreement, that they fully understand its terms, that they sought and obtained independent legal advice with respect to the negotiation and preparation of this Agreement, that this Agreement has been negotiated by the joint efforts of the respective attorneys for each of the Parties, and that the Parties have relied wholly upon their own judgment and knowledge and the advice of their respective attorneys. The Parties make and enter into this Agreement knowingly and voluntarily and of their own free will in connection with their respective counsel. In entering into this Agreement, no Party is relying on—and disclaims any reliance

upon—any representation or statement made by any other Party or any person representing such other Party that is not set forth in this Agreement.

9. Changes in Facts Known. The Parties understand and agree that, in entering into this Agreement, each of them expressly assumes the risk that a fact now believed to be true may hereafter be found to be other than true, or found to be different in material or immaterial respects from that which is now believed; and each of the Parties further understands and agrees that this Agreement shall be and will remain effective without regard for any differences in fact, or differences in the perception of facts that may hereafter be found.

10. Interpretation; Severability and Savings. This Agreement is the product of mutual negotiation between the Parties and their counsel and no provision of this Agreement shall be construed against or interpreted to the disadvantage of any Party by reason of such Party having, or being deemed to have drafted, such provision. Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, it shall be severed and all of the other provisions hereof shall remain in place be given force and effect.

11. Applicable Law. This Agreement is to be construed under the laws of the State of Texas. Any action to enforce this Agreement may be filed and litigated in the United States District Court for the Northern District of Texas (Lubbock Division).

12. Signatories; Representations and Warranties. Each signatory hereto warrants and represents that:

- a. (s)he or it is fully and completely informed as to the facts relating to the subject matter of this Agreement, and as to the rights and liabilities of the Parties;

- b. (s)he or it has capacity and authority to bind the party or parties for whom such person acts, and no other individual or entities are required to be parties to or execute this Agreement to make any term or provision valid and enforceable;
- c. the claims, suits, rights, and/or interests that are the subject matter hereof are owned by the party asserting same, have not been (in whole or in part) assigned, transferred, or sold, and are free of encumbrance; and
- d. such person has executed the Agreement freely and without duress, knowingly and voluntarily, after having consulted with, or having had the opportunity to consult with, the attorneys of such person's choice.

13. Counterparts. This Agreement may be executed concurrently in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one or the same instrument.

14. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their successors, heirs, and assigns.

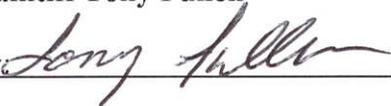
15. Taxes. The Parties acknowledge and agree that the other Parties and their attorneys have not provided them with tax advice; have no obligation to provide them with tax advice; and have not warranted or represented what, if any, tax consequences are associated with this Agreement. The Parties acknowledge and agree that each is relying solely on its own legal or tax advisors in that regard.

16. Entire Agreement; Binding Nature of this Document; Amendment. The Parties agree that this Agreement is binding on all Parties and is not subject to revocation by any Party. This Agreement constitutes the entire agreement and understanding between the Parties with

respect to its subject matter, and there are no representations, understandings, or agreements about that subject matter which are not fully expressed herein. This Agreement supersedes all prior agreements, oral or written, made with respect to the subject matter hereof, and it contains the entire agreement of the parties. This Agreement may not be modified, altered, or amended in whole or in part except by written instrument of a subsequent date executed by each party.

THE UNDERSIGNED HAVE READ AND AGREE TO THE TERMS ABOVE:

Plaintiff Tony Fullen

By: 

Defendant The City of Lubbock acting by and through Lubbock Power & Light

By: _____

Name: _____

Title: _____



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2026

Summary:

Consider a resolution authorizing the Chief Administrative Officer or his designee to execute that certain Professional Services Agreement by and between the City of Lubbock, acting by and through Lubbock Power & Light, and Electric Power Engineers, Inc. (EPE), regarding professional services, including transmission studies, planning and modeling, and engineering support services directed from time to time. This agreement is for a term of two (2) years with a not to exceed of 920,000.00.

Background/Discussion:

As part of the requirements of operating a transmission system in the Electric Reliability Council of Texas (ERCOT), LP&L is obligated to complete requirements related to North American Electric Reliability Corporation (NERC) standards compliance, ERCOT protocols, system reliability studies & planning, and Federal Energy Regulatory Commission (FERC) filings. These activities fall under the professional services for Transmission Planning and Engineering Support included in this PSA.

Renewed services include: (1) reliability studies to evaluate proposed transmission line and substation outage schedules to support ongoing and future projects, (2) NERC Transmission Planning (TPL) Annual Planning Studies w/ FERC 715 Filings, (3) ERCOT operations model development, and (4) ERCOT working group representation and training with related engineering requirements.

A Critical Business Need (CBN) was approved March 5th to continue work on the current Task Authorizations with EPE for the West Loop RPG study.

Fiscal Impact:

Funds are available in account number **7611 (Transmission Supervision and Engineering)** for this purpose.

Recommendation:

Staff recommends approval of the Professional Services Agreement with **Electric Power Engineers LLC, with a not-to-exceed amount of \$920,000.00** or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, LP&L desires to enter into a Professional Services Agreement with Electric Power Engineers, Inc. (“Engineer”), wherein Engineer will perform professional engineering services related to transmission studies, planning and modeling; NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Chief Administrative Officer or his designee be and is hereby authorized and directed to execute for and on behalf of the City of Lubbock, acting by and through Lubbock Power & Light (“LP&L”), a Professional Services Agreement, by and between LP&L and Electric Power Engineers, Inc., as attached hereto and incorporated herein as though set forth fully herein in detail, and any documents related thereto.

Passed by the Electric Utility Board this 17th day of March 2026.

Edwin “Butch” Davis, Chairman

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrative Officer

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel

as the amount of the consideration does not increase. An amendment to this Agreement resulting in an increase of consideration payable must be approved by LP&L, acting through the body wherein jurisdiction of this Agreement, as amended, lies.

ARTICLE II. SERVICES AND COMPENSATION

A. ENGINEER shall accomplish professional engineering services related to the Project as directed by LP&L from time to time during the term hereof (all matters set forth in this Article II, paragraph A, are collectively referred to as the "Services").

B. ENGINEER and LP&L agree ENGINEER will perform the Services as requested by LP&L from time to time. The Services to be provided by ENGINEER shall be agreed to by the parties and authorized in a Task Authorization (herein so called) to this Agreement which sets forth in particular the Services to be performed, including the intended purpose of the Services authorized, along with the schedule, budget, payment provisions, deliverables and other special provisions, if any. Task Authorizations shall be incorporated into this Agreement and subject to its terms and shall be generally in the form shown in Exhibit "A" to this Agreement. ENGINEER shall conduct all Activities in accordance with the Task Authorizations. The Chief Administrative Officer is authorized to execute Task Authorizations for the Services, and may delegate, from time to time, the authority to execute Task Authorizations for and on behalf of LP&L.

C. ENGINEER shall receive as consideration to be paid for the performance of the Services on a time and expense basis, as set forth in Exhibit "B", attached hereto, and invoiced as the Services are performed. The total compensation to be paid to the ENGINEER hereunder shall not exceed the sum of \$920,000.00.

D. Tax-Exempt Entity. Engineer understands that LP&L is a tax-exempt entity and, as such, shall not be responsible for any applicable taxes to Engineer.

ARTICLE III. TERMINATION

A. General. LP&L may terminate this Contract, for any reason or for convenience, upon thirty (30) days' written notice to Engineer. In the event this Agreement is so terminated, LP&L

shall only pay Engineer for pro-rated Services actually performed by Engineer up to the date Engineer is deemed to have received notice of termination.

B. **Material Breach.** Any failure by Engineer to provide adequate services shall constitute a material breach. If Engineer fails to cure within 30 business days of receiving written notice of the breach, Engineer shall owe a full refund to LP&L, in addition to any other equitable remedies available at law.

C. **Termination and Remedies.** In the event Engineer breaches any term and/or provision of this Contract, LP&L shall be entitled to exercise any right or remedy available to it by this Contract, at law, equity, or otherwise, including without limitation, termination of this Contract and assertion of an action for damages and/or injunctive relief. The exercise of any right or remedy shall not preclude the concurrent or subsequent exercise of any right or remedy and all rights and remedies shall be cumulative. The maximum remedy shall be limited to the total value of the contract and monies paid.

ARTICLE IV. NON - ARBITRATION

LP&L reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, LP&L shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this Agreement, this provision shall control.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

A. **Existence.** ENGINEER is a Delaware limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Delaware and is qualified to carry on its business in the State of Delaware.

B. **Power.** ENGINEER has the power and authority to enter into and perform this Contract and all other activities contemplated hereby.

C. **Authorization.** Execution, delivery, and performance of this Contract and the activities contemplated hereby have been duly and validly authorized by all the requisite action on the part of ENGINEER. This Contract constitutes legal, valid, and binding obligations of the ENGINEER and is enforceable in accordance with the terms thereof.

D. **Engineer.** ENGINEER maintains a professional staff and employs, as needed, other qualified specialists experienced in providing the Services, and is familiar with all laws, rules, and regulations, both state and federal, including, without limitation the applicable laws, regarding the Activities contemplated hereby.

E. **Performance.** For any engineering services contemplated herein as Activities, and provided by a licensed engineer under this Contract, the engineering services must be provided by a licensed engineer with the professional skill and care ordinarily provided by competent engineers practicing under the same or similar circumstances and professional license; and as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer. ENGINEER shall further comply with all applicable laws, rules, and regulations, both state and federal, related to engineering services.

F. **Use of Copyrighted Material.** ENGINEER warrants that any materials provided by ENGINEER for use by LP&L pursuant to this Contract shall not contain any proprietary material owned by any other party that is protected under the Copyright Act or any other law, statute, rule, order, regulation, ordinance or contractual obligation relating to the use or reproduction of materials. ENGINEER shall be solely responsible for ensuring that any materials provided by ENGINEER pursuant to this Contract satisfy this requirement and, without limiting the general nature of Article XI, below, ENGINEER agrees to indemnify and hold the City of Lubbock (“City”), its elected and appointed officials, officers, agents and employees harmless from all liability, loss, damage or claim of any kind or nature, and including attorney’s fees and other costs of litigation, related to ENGINEER’s failure to perform this duty or breach hereof.

ARTICLE VI. INDEPENDENT CONTRACTOR STATUS

ENGINEER and LP&L agree that ENGINEER shall perform the duties under this Contract as an independent contractor and shall be considered as independent contractor under this

Agreement and/or in its activities hereunder for all purposes. ENGINEER has the sole discretion to determine the manner in which the Services are to be performed. During the performance of the Services under this Agreement, ENGINEER and ENGINEER'S employees and/or Sub-Contractors, will not be considered, for any purpose, employees or agents of LP&L within the meaning or the application of any federal, state or local law or regulation, including without limitation, laws, rules or regulations regarding or related to unemployment insurance, old age benefits, workers compensation, labor, personal injury or taxes of any kind.

ARTICLE VII. INSURANCE

Engineer shall procure and carry, at its sole cost and expense through the life of this Agreement, except as otherwise provided herein, insurance protection as hereinafter specified, in form and substance satisfactory to LP&L and City, carried with an insurance company authorized to transact business in the State of Texas, covering all aspects and risks of loss of all operations in connection with this Agreement, including without limitation, the indemnity obligations set forth herein. Engineer shall obtain and maintain in full force and effect during the term of this Agreement, and shall cause each approved Sub-Contractor of Engineer to obtain and maintain in full force and effect during the term of this Agreement, commercial general liability, professional liability, automobile liability coverage for any auto with insurance carriers admitted to do business in the state of Texas, employer's liability, and workers compensation coverage. The commercial general liability policy shall include Products-Completion/OP, Personal and Advertising injury, Contractual Liability coverages, Fire Damage (any one fire), and Medical Expense (any one person). The insurance companies must carry an A.M. Best's Rating of A- or better. The policies will be written subject to the following minimum limits of liability:

Commercial General Liability:

Per Occurrence Single Limit:	\$1,000,000.00
General Aggregate Limit:	\$2,000,000.00

Professional Liability

Per Occurrence Single Limit:	\$1,000,000.00
General Aggregate Limit:	\$2,000,000.00

Automobile Liability:

Per Occurrence:	\$1,000,000.00
Worker's Compensation	
Per Occurrence Single Limit:	Statutory
Employer Liability	
(Required with W.C.)	\$1,000,000.00

Engineer shall further cause any approved Sub-Contractor to procure and carry the identical insurance coverage, and for the term, required of Engineer herein, protecting City against losses caused by the professional negligence of the approved Sub-Contractor. The City shall be listed as a primary and noncontributory additional insured with respect to Commercial General Liability policy, including products-completed operations/OP AGG, personal and advertising injury, contractual liability coverages, fire damage, and medical expenses for any one person, Automobile Liability, and for Worker's Compensation. The City shall be granted a waiver of subrogation for the commercial general liability, automobile liability and worker's compensation policies. Engineer shall provide a Certificate of Insurance to the City as evidence of coverage.

Engineer shall elect to obtain workers' compensation coverage pursuant to Section 406.002 of the Texas Labor Code. Further, Engineer shall maintain said coverage throughout the term of the Agreement and shall comply with all provision of Title 5 of the Texas Labor Code to ensure that the Engineer maintains said coverage. Such Worker's Compensation Insurance shall cover all employees whether employed by the Engineer or any Sub-contractor on the job with limits of at least \$500,000.00. The Engineer shall also have Employers Liability Insurance with limits of \$1,000,000.00. A copy of the waiver of subrogation attached to the policy shall be included in the Certificate. Any termination of workers' compensation insurance coverage by Engineer or any cancellation or non-renewal of workers' compensation insurance coverage for the Engineer shall be a material breach of the contract.

The Certificate shall provide 30 days' written notice of cancellation, and ten (10) days' written notice for non-payment. If at any time during the life of the Agreement or any extension hereof, Engineer fails to maintain the required insurance in full force and effect, Engineer shall be in breach hereof and all work under the Agreement shall be discontinued immediately. The retroactive date shall be no later than the commencement of the performance of this Contract and Professional Services Agreement – Electric Power Engineers, LLC

the discovery period (possibly through tail coverage) shall be no less than 10 years after the completion of the Services provided for in this Contract. The provisions of this Article VII shall survive the termination or expiration of this Agreement.

Notwithstanding anything contained herein to the contrary, all insurance required herein shall be maintained at Engineer's (and approved Sub-contractors, as applicable) sole cost and expense.

ARTICLE VIII. EMPLOYMENT OF AGENTS/RETAINING OF ENGINEERS

Subject to the terms herein, ENGINEER may retain Engineers, contractors, or third parties (any of which are referred to herein as "Sub-Contractor"), to perform certain duties of ENGINEER, under this Contract, provided that LP&L approves the retaining of such Sub-Contractors. ENGINEER is at all times responsible to LP&L to perform the Services as provided in this Agreement and ENGINEER is in no event relieved of any obligation under this Contract upon retainage of any approved Sub-Contractor. Any Sub-Contractor retained by ENGINEER shall be required by ENGINEER to carry, for the protection and benefit of the City and ENGINEER and naming said third parties as additional insureds, insurance, as described above, required to be carried by ENGINEER in this Contract.

ARTICLE IX. CONFIDENTIALITY

ENGINEER shall retain all information received from or concerning or related in any way to LP&L and LP&L's business in strictest confidence and shall not reveal such information to third parties without prior written consent of LP&L, unless otherwise required by law. The provisions of this Article X shall survive the termination or expiration of this Agreement.

ARTICLE X. INDEMNITY

ENGINEER SHALL INDEMNIFY AND SAVE HARMLESS LP&L, THE CITY, AND THEIR ELECTED AND APPOINTED OFFICIALS, OFFICERS, ATTORNEYS, AGENTS, AND EMPLOYEES FROM AND AGAINST ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY KIND, CHARACTER, TYPE, OR DESCRIPTION, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE

FOREGOING, ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, TO THE EXTENT ARISING OUT OF, RELATED TO OR OCCASIONED BY, THE INTENTIONAL OR NEGLIGENT ACTS, OF ANY KIND OR TYPE, OF ENGINEER, ITS AGENTS, EMPLOYEES, AND/OR SUB-CONTRACTORS, OR ANY OTHER PARTY OR ENTITY OVER WHICH ENGINEER EXERCISES CONTROL, RELATED TO THE PERFORMANCE, OPERATIONS OR OMISSIONS UNDER THIS CONTRACT AND/OR THE USE OR OCCUPATION OF CITY OF LUBBOCK OWNED PROPERTY. THE INDEMNITY OBLIGATIONS PROVIDED HEREIN SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THE CITY OF LUBBOCK'S (ACTING BY AND THROUGH LP&L) AUTHORITY TO INDEMNIFY AND HOLD HARMLESS ANY THIRD PARTY IS GOVERNED BY ARTICLE XI, SECTION 7 OF THE TEXAS CONSTITUTION, AND ANY PROVISION THAT PURPORTS TO REQUIRE INDEMNIFICATION BY THE CITY IS INVALID. NOTHING IN THIS AGREEMENT REQUIRES THAT THE CITY INCUR DEBT, ASSESS OR COLLECT FUNDS, OR CREATE A SINKING FUND.

ARTICLE XI. COMPLIANCE WITH APPLICABLE LAWS

ENGINEER shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations relating, in any way, manner or form, to the activities under this Contract, and any amendments thereto.

ARTICLE XII. NOTICE

A. General. Whenever notice from ENGINEER to LP&L or LP&L to ENGINEER is required or permitted by this Contract and no other method of notice is provided, such notice shall be given by (1) actual delivery of the written notice to the other party by hand (in which case such notice shall be effective upon delivery); (2) facsimile (in which case such notice shall be effective upon delivery); or (3) by depositing the written notice in the United States mail, properly addressed to the other party at the address provided in this article, registered or certified mail, return receipt

requested, in which case such notice shall be effective on the third business day after such notice is so deposited.

B. ENGINEER 's Address. ENGINEER 's address and numbers for the purposes of notice are:

Electric Power Engineers, LLC
 Attn.: Hugo E. Mena, Chief Growth Officer
 5301 Southwest Parkway, Suite 150
 Austin, Texas 78735
 Telephone: (512) 771-0297
 Email: hmena@epeconsulting.com

C. LP&L's Address. LP&L's address and numbers for the purposes of notice are:

Lubbock Power and Light
 Attn: Blair McGinnis
 402 Municipal Drive
 Lubbock, Texas 79403
 Telephone: (806) 775-3516
 Facsimile: (806) 775-3590
 Email: BMcGinnis@mylubbock.us

D. Change of Address. Either party may change its address or numbers for purposes of notice by giving written notice to the other party as provided herein, referring specifically to this Contract, and setting forth such new address or numbers. The address or numbers shall become effective on the 15th day after such notice is effective.

ARTICLE XIII. LP&L-PROVIDED DATA AND RESPONSIBILITIES

Provision of Data. LP&L may furnish ENGINEER non-confidential studies, reports and other available data in the possession of LP&L pertinent to ENGINEER's Services, so long as LP&L is entitled to rely on such studies, reports and other data for the performance of

ENGINEER's Services under this Contract (the "Provided Data"). ENGINEER shall be entitled to use and rely, so long as such reliance is reasonable, upon all such Provided Data.

ARTICLE XIV. MISCELLANEOUS

- A. **Captions.** The captions for the articles and sections in this Contract are inserted in this Contract strictly for the parties' convenience in identifying the provisions to this Contract and shall not be given any effect in construing this Contract.
- B. **Audit.** Consultant shall provide access to its books and records to LP&L. LP&L may audit, at its expense and during normal business hours, Consultant's books and records with respect to this Contract between Consultant and LP&L. The provisions of this audit subsection shall survive the termination or expiration of this Agreement.
- C. **Records.** Consultant shall maintain records that are necessary to substantiate the Services provided by Consultant.
- D. **Assignability.** Consultant may not assign this Contract without the prior written approval of LP&L.
- E. **Successor and Assigns.** This Contract binds and inures to the benefit of LP&L (and the City, as applicable) and Consultant, and in the case of LP&L and the City, their respective successors, legal representatives, and assigns, and in the case of Consultant, its permitted successors and assigns.
- F. **Construction and Venue.**

THIS CONTRACT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THIS CONTRACT IS PERFORMABLE IN LUBBOCK COUNTY, TEXAS. THE PARTIES HERETO HEREBY IRREVOCABLY CONSENT TO THE SOLE AND EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS OF COMPETENT JURISDICTION OF THE STATE OF TEXAS, COUNTY OF LUBBOCK, FOR THE PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS CONTRACT OR THE ACTIONS THAT ARE CONTEMPLATED HEREBY.

- G. **Severability.** If any provision of this Contract is ever held to be invalid or ineffective by any court of competent jurisdiction with respect to any person or circumstance, the remainder of this Contract and the application of such provision to persons and/or circumstances other than those with respect to which it is held invalid or ineffective shall not be affected thereby.
- H. **Amendment.** No amendment, modification, or alteration of the terms of this Contract shall be binding unless such amendment, modification, or alteration is in writing, dated subsequent to this Contract, and duly authorized and executed by Consultant and LP&L.
- I. **Entire Agreement.** This Contract, including Exhibits “A” and “B”, attached hereto, contains the entire agreement between LP&L and Consultant, and there are no other written or oral promises, conditions, warranties, or representations relating to or affecting the matters contemplated herein.
- J. **No Joint Enterprise.** Nothing contained herein shall be construed to imply a joint venture, joint enterprise, partnership or principal – agent relationship between Consultant and LP&L.
- K. **Documents Owned by LP&L.** Any and all documents, drawings and specifications prepared by Consultant as part of the Services hereunder, shall become the property of LP&L when Consultant has been compensated as set forth in Article II, above. The Consultant shall make copies of any and all work products for its files.
- L. **Notice of Waiver.** A waiver by either LP&L or Consultant of a breach of this Agreement must be in writing and duly authorized to be effective. In the event either party shall execute and deliver such waiver, such waiver shall not affect the waiving party’s rights with respect to any other or subsequent breach.
- M. **Third Party Activities.** Nothing in this Agreement shall be construed to provide any rights or benefits whatsoever to any party other than LP&L and Consultant.
- N. **Force Majeure.** Notwithstanding anything to the contrary contained herein, neither party shall be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, acts of war or terrorism, shortage of supply, breakdowns or malfunctions, interruptions or malfunction of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties or civil unrest. Notwithstanding anything to

the contrary, Force Majeure does not include any delay or inability to perform due to an outbreak of the novel coronavirus (COVID-19). In the event a party claims excuse under Force Majeure as provided herein, each party agrees to make a good faith effort to perform its obligations hereunder.

- O. Non-Appropriation.** All funds for payment by LP&L under this Contract are subject to the availability of an annual appropriation for this purpose by the City of Lubbock. In the event of non-appropriation of funds by the City Council of the City of Lubbock for the services provided under the Contract, LP&L will terminate the Contract, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then-current year for the services covered by this Contract is spent, whichever event occurs first (the “Non-Appropriation Date”). If at any time funds are not appropriated for the continuance of this Contract, cancellation shall be accepted by the Consultant on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and LP&L shall not be obligated under this Contract beyond the Non-Appropriation Date.
- P. Non-Boycott of Israel.** Consultant hereby warrants that it is in compliance with Chapter 2271.002, Texas Government Code, by verifying that: (1) it does not boycott Israel and (2) it will not boycott Israel during the term of this Contract.
- Q. Texas Public Information Act.** The requirements of Subchapter J, Chapter 552, Government Code, may apply to this Agreement and Consultant agrees that the Agreement can be terminated if Consultant knowingly or intentionally fails to comply with a requirement of that subchapter.

To the extent Subchapter J, Chapter 552, Government Code applies to this Agreement, Consultant agrees to: (1) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the Agreement that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the Agreement that is in the custody or

possession of the entity; or (B) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to the governmental body.

- R. Ownership Representation and Warranty.** To the extent Chapter 2274, Texas Government Code applies to this Agreement, Consultant represents and warrants that it is not, and during the term of this Agreement will not be (1) owned by or the majority of stock or other ownership interest of Consultant, will not be held or controlled by (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country, as defined in Section 2274.0101, Texas Government Code; or (ii) a company or entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country as defined in Section 2274.0101, Texas Government Code; or (2) headquartered in China, Iran, North Korea, Russia, or a designated country as defined in Section 2274.0101, Texas Government Code. Consultant warrants and represents that LP&L's Agreement with Consultant therefore does not and will not violate Texas Government Code Section 2274.0101, et seq.
- S. Non-Discrimination against Firearm Entities/Trade Associations.** Consultant hereby warrants that it is in compliance with Chapter 2274, Subtitle F, Title 10 of the Texas Government Code by verifying that: (1) it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and (2) it will not discriminate during the term of the Agreement against a firearm entity or firearm trade association.
- T. Non-Boycott of Energy Companies.** Consultant hereby warrants that it is in compliance with Chapter 2274, Subtitle F, Title 10 of the Texas Government Code by verifying that: (1) it does not boycott energy companies, and (2) it will not boycott energy companies during the term of this Agreement.
- U. Disclosure of Interested Parties.** To the extent Section 2252.908 of the Texas Government Code applies to this Agreement, Consultant shall submit a disclosure of Interested Parties ("Disclosure Form") to LP&L (to the attention of LP&L's Purchasing Department) at the time Consultant submits the signed Agreement to LP&L. The

Disclosure Form may be found here: <https://www.ethics.state.tx.us/filinginfo/1295/> or other webpage as designated by the Texas Ethics Commission from time to time. If Consultant has not submitted a Disclosure Form pursuant to this section, Consultant represents and warrants that Section 2252.908 of the Texas Government Code does not apply to this Agreement.

V. **Conflict of Terms.** In the event of a conflict between the terms of this Agreement and any attached Exhibits or Appendices, the terms of this Agreement shall control.

EXECUTED as of the Effective Date hereof.

**CITY OF LUBBOCK, acting by and
through LUBBOCK POWER & LIGHT**

Joel Ivy, Chief Administrative Officer

APPROVED AS TO CONTENT:

Blair McGinnis, Chief Operating Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel

Electric Power Engineers, LLC

By:  _____

Name: Hugo Mena

Title: Chief Growth Officer

EXHIBIT "A"

TASK AUTHORIZATION

Task Authorization Description:

Effective Date:

Client Name and Number:

Engineer and LP&L agree that this Task Authorization will be governed by the terms and conditions of the Agreement dated February 21, 2023.

Scope of Services

(Detailed tasks to be performed. Include any project locations, deliverables, quantities, assumptions, client deliverables, team member names, roles, and any other pertinent information or detail.)

Schedule

(Provide summary or detail level schedule of milestones.)

Fee for Services

(Provide summary or task level detail of cost. Note if the cost is a maximum not-to-exceed.)

Project Team

(Provide description of project team)

City of Lubbock/Lubbock Power & Light

Electric Power Engineers, LLC

Signature _____

Signature _____

**SAMPLE - NO SIGNATURE
REQUIRED**

EXHIBIT “B”**Professional Service Agreement Rates and Charges****Electric Power Engineers 2026 Hourly Rates**

Description	2026
Sr. Expert Project Advisor	\$500
Expert Project Advisor	\$460
Subject Matter Expert	\$438
Principal Engineer III	\$412
Principal Engineer II	\$360
Principal Engineer I	\$335
Senior Engineer II	\$285
Senior Engineer I	\$260
Staff Engineer III	\$232
Senior GIS Analyst	\$186
Staff Engineer II	\$200
Staff Engineer I	\$170
GIS Analyst II	\$145
Engineering Intern	\$130
GIS Analyst/Drafter	\$125
Administrative	\$100

Hourly rates do not include out-of-pocket expenses such as travel, lodging, or system operator fees for interconnection applications. Such expenses will be separately invoiced after being approved by the Client.

EPE's hourly rates will be adjusted annually in the month of January.

Executed copy of CBN will be
handed out at Board Meeting
on March 17, 2026



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17th, 2026

Summary:

Consider a resolution authorizing the Purchasing Manager, or his designee, to execute Purchase Order, by and between the City of Lubbock, acting by and through LP&L, and SHI Government Solutions of Austin, Texas through OMNIA Partners Cooperative Contract 2024056-02. This Omnia quote for \$138,715.80, will be for Fox Guard Cyber Security Software for a term of three (3) years for LP&L's Operations Center.

Background/Discussion:

LP&L maintains compliance with North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) standards, including requirements under CIP-007 (System Security Management) and CIP-010 (Configuration Change Management and Vulnerability Assessments). A key component of these standards is maintaining an effective, documented, and auditable patch management program for Bulk Electric System (BES) Cyber Systems.

Historically, LP&L has relied on a combination of vendor notifications, City Of Lubbock IT resources, and Emergency Management System (EMS) Administration support to obtain patch intelligence and acquire applicable security updates. This decentralized approach required manual research across multiple sources and dependencies on groups not directly responsible for cybersecurity or NERC CIP patch management. While arguably functional, this process created inefficiencies, documentation challenges, and non-compliance risk under strict NERC audit expectations.

Foxguard's Patchintel solution provides a centralized and secure patch intelligence and acquisition platform specifically designed for Operational Technology (OT) and Industrial Control System (ICS) environments. The solution includes:

- **Patchintel Reports** – Asset-level patch intelligence identifying available vendor patches and relevant vulnerabilities.
- **Patchintel Binaries** – Secure delivery of verified patch binaries with documented supply chain integrity.
- **Secure File Transfer Protocol (SFTP)** - Secure delivery of binaries.
- Implementation and setup services.
- Deployment licenses for workstations and servers.

Together, Patchintel Reports and Binaries streamline patch identification and acquisition, reduce manual research, improve traceability, and strengthen audit defensibility by providing documented evidence of patch availability and secure supply chain integrity. Implementation of this solution centralizes responsibility for patch intelligence within LP&L's cybersecurity and NERC CIP program that enhances our overall compliance posture.

Texas Local Government Code Chapter 271.083 authorizes local governments to acquire hardware, software, and other Information Technology products through Omnia Partners. Pursuant to Texas Government Code Chapter 791.025, purchases from Omnia Partners contracts meet competitive bid requirements.

Fiscal Impact:

A total of **\$4,765,000.00** is appropriated and **\$2,446,604.34** is available in account number **92605 (Operations System Upgrades)** for this purpose.

Recommendation:

Staff recommend award of Omnia quote for LP&L Operations and NERC CIP Compliance, to **SHI Government Solutions of Austin, Texas**, at a cost of **\$138,715.80** for a three (3) year term, or such alternative action as the Electric Utility Board may deem appropriate.

**Lubbock Power and Light
Capital Project
Project Cost Detail
March 17, 2026**

Capital Project Number: 92605
 Capital Project Name: Operations System Upgrades

Total Appropriation **\$ 4,765,000**

Expended	<i>Contract or PO Number</i>		
Inventory/Warehouse		\$	(2,968)
P - Card			(4,698)
ACS			(1,564,985)
Computex			(7,306)
Carahsoft Technology			(1,024)
CTE Networking			(6,539)
Anixter			(258)
Principle Services			(3,729)
Network Perception			(9,600)
Dell Marketing			(145,007)
SHI Government Solutions			(242,149)
ERCOT			(67,883)
Alchemy Technology			(13,473)
Expended to Date		\$	(2,069,620)

Encumbered	<i>Contract or PO Number</i>		
Minsait ACS - Prism Upgrade	21404045	\$	(220,047)
SHI Government Solutions - Software	21404419		(28,729)
Encumbered to Date		\$	(248,776)

Agenda Item March 17, 2026	<i>Contract or PO Number</i>		
SHI Government Solutions - Cyber Security Software		\$	(138,716)
Agenda Items for Consideration		\$	(138,716)

Estimated Costs for Remaining Appropriation		
Dell ECAMS & PACS Server Redundancy / Patcher / Secuirty Server	\$	(300,000)
Consulting Services for ADMS Replacement		(350,000)
ADMS Implementation		(1,288,916)
ADMS Project Contingency		(219,120)
Estimated Costs for Remaining Appropriation	\$	(2,158,037)

Remaining Appropriation **\$ 149,852.02**

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, the City of Lubbock, acting by and through Lubbock Power & Light, desires to award a quote to SHI Government Solutions of Austin, Texas, for Foxguard Patchintel Cyber Security Solution (the “Software”);

WHEREAS, pursuant to Section 16 of LP&L’s Purchasing Procedures, LP&L may make purchases through state or local Government contracts or cooperative purchasing agreements, including Omnia Partners, as applicable with Board approval;

WHEREAS, this purchase was made through OMNIA Partners Cooperative Contract 2024056-02;

WHEREAS, this purchase is allowed pursuant to the Cooperative Purchasing Provisions in LP&L’s Purchasing Procedures; NOW THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Purchasing Manager, BE and is hereby authorized and directed to execute, for and on behalf of the City of Lubbock, acting by and through Lubbock Power & Light (“LP&L”), that certain Purchase Order by and between LP&L and SHI Government Solutions of Austin, Texas, regarding OMNIA Partners Cooperative Contract 2024056-02 for the Software, and any documents related thereto.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrator Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2026

Summary:

Consider a resolution authorizing the Purchasing Manager or his designee to execute Purchase Order, by and between the City of Lubbock, acting by and through Lubbock Power & Light and All Around Access LLC of Fort Lauderdale, Florida, for \$198,662.00 with a delivery 210 days, Invitation to Bid (ITB) 7119-26-ELD – LP&L Telescoping Handler. This bid is for a Telescoping Handler that will assist in the transport and installation of transformer bushings, Potential Transformers (PTs)/Current Transformers (CTs), circuit breakers, and battery banks, lift and stage structures, panels, and cabinets within low clearance areas, and aid in maintenance and equipment change outs.

Background/Discussion:

This resolution is for one (1) Telescoping Handler, which is a heavy-duty construction machinery that integrates multiple functions such as forklift capacity, telescopic boom characteristics of a crane, and some functions of a loader. This purchase will be a new addition to LP&L's substation department as approved in the FY 2025-26 Capital Program budget.

Fiscal Impact:

A total of **\$1,743,000.00** is appropriated and **\$744,663.00** is available in account number **92934 (FY 2025-26 Vehicles & Equipment)** for this purpose.

Recommendation:

Staff recommends award of ITB 7119-26-ELD - LP&L Telescoping Handler, to **All Around Access, LLC, of Fort Lauderdale, Florida** for **\$198,662.00** with a delivery of 210 days, or such alternative action as the Electric Utility Board may deem appropriate.

**Lubbock Power and Light
Capital Project
Project Cost Detail
March 17, 2026**

Capital Project Number: 92934
 Capital Project Name: FY 2025-26 Vehicles and Equipment

	Budget
Total Appropriation	\$ 1,743,000
Expended	<i>Contract or PO Number</i>
Toca	\$ (24,755)
Grapevine CDJ	(104,244)
Expended to Date	\$ (128,999)
Encumbered	<i>Contract or PO Number</i>
Altec - Aerial Trucks	21404383 \$ (240,204)
Caldwell County - Trucks	21404401 (193,200)
Alamex - Turret Trailer	21404413 (95,472)
Sherman - Tensioner	21404416 (110,552)
Malta - Fall Arrest	21404416 (107,053)
Grapevine CDJ - Trucks	21404402 (122,857)
Encumbered to Date	\$ (869,338)
Agenda Item for March 17, 2026	<i>Contract or PO Number</i>
All Around Access - Telescopic Handler	ITB 7119-26-ELD \$ (198,662)
Agenda Items for Consideration	\$ (198,662)
Estimated Costs for Remaining Appropriation	
4 Drum Puller	\$ (405,000)
Contingency	(141,001)
Estimated Costs for Remaining Appropriation	\$ (546,001)
Remaining Appropriation	\$ -

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally owned public power utility of the City of Lubbock (“Lubbock Power & Light”); NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the City of Lubbock, acting by and through Lubbock Power & Light, award ITB #7119-26-ELD (the “Bid”), respecting the project described as Lubbock Power & Light Telescoping Handler, as more particularly described in the Bid (the “Equipment”), to All Around Access, LLC, of Fort Lauderdale, Florida.

BE IT FURTHER RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Lubbock Power & Light Chief Administrative Officer or his designee BE and is hereby authorized and directed to execute for and on behalf of Lubbock Power & Light, the Equipment and any related documents regarding the contracting of the Project pursuant to the Bid, as awarded herein.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrative Officer

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel

Prepared by the Purchasing Department for the March 17, 2026 Electric Utility Board Meeting

ITB 7119-26-ELD - LP&L Telescoping Handler

Closed: Febraury 18, 2026 @ 2:00 p.m. C.S.T.

Item	Qty	Description/Vendor	Location	Unit Cost	Delivery Days ARO
1	1	Telescoping Handler			
		All Around Access, LLC.	Fort Lauderdale, FL	\$ 198,662.00	210
		Big Country Equipment	San Angelo, TX	\$ 177,500.00	NQAS
		Cisco Equipment	Lubbock, TX	\$ 190,000.00	NQAS

NQAS - Not Quoted as Specified

TAB SHEET



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2026

Summary:

Consider a resolution authorizing the Purchasing Manager or his designee to execute Purchase Order, by and between the City of Lubbock, acting by and through Lubbock Power & Light and MVA Power Inc. of Montreal, Quebec, Canada for \$401,311.12 with delivery by October 21, 2026, Request for Proposal (RFP) 7115-26-ELD - LP&L Erskine Substation Steel Structures. These steel structures are for Erskine's substation capacity upgrade project.

Background/Discussion:

LP&L is rebuilding the distribution substation at Erskine substation in order to accommodate the forecasted load growth in the area, increase system capacity, and enhance system flexibility. This proposal is for the substations standard steel structures required for the upgrade. The standard structures include the following items: 115kV high switch stand structure, 23/15kV switch stand with potential transformer mount, 23/15kV distribution bay structure, 23/15kV terminator stand structure, 23/15kV switch stand structure and 23/15kV three (3) phase bus support structure.

The items will be manufactured in accordance with LP&L, American National Standards Institute (ANSI), Institute of Electrical and Electronics Engineers (IEEE), and National Electrical Manufacturers Association (NEMA) specifications.

A proposal evaluation committee was established to evaluate and rank the proposals based on the following five (5) categories: adherence to specifications and terms and conditions, 25 points; cost (including life cycle and maintenance), 25 points; delivery schedule, 30 points; proposal completeness, 10 points; industry references and operational experience with vendor or product, 10 points.

Three (3) offerors responded to the RFP and the committee ranked the companies as follows:

	Score:
MVA POWER INC.	93.13
KBS Electric	71.88
Southland Grid Structures, LLC	51.63

Fiscal Impact:

A total of **\$10,340,000.00** is appropriated and **\$4,529,580.79** is available in account number **92834 (Substation Capacity Upgrade – Erskine)**.

Recommendation:

Staff recommends award of RFP 7115-26-ELD - LP&L Erskine Substation Steel Structures, to **MVA Power Inc., of Montreal, Quebec, Canada** for **\$401,935.92**, or such alternative action as the Electric Utility Board may deem appropriate.

**Lubbock Power and Light
Capital Project
Project Cost Detail
March 17, 2026**

Capital Project Number: 92834
 Capital Project Name: Substation Capacity Upgrade - Erskine

	Budget
Total Appropriation	\$ 10,340,000
Expended	<i>Contract or PO Number</i>
Staff Time	\$ (80,082)
West Texas Title Company	(35,413)
B&V	(682,187)
KBS - PT Transformer	21404347 (25,640)
Ganatra	(4,000)
Expended to Date	\$ (827,322)
Encumbered	<i>Contract or PO Number</i>
GridLink Power - 50 MVA Transformers	21404299 \$ (2,928,000)
KBS - Switcher	21404350 (319,404)
Siemens - Circuit Breaker	21404351 (674,748)
Enclosure - EPPI	21404349 (1,060,945)
Encumbered to Date	\$ (4,983,097)
Agenda Item for March 17, 2026	<i>Contract or PO Number</i>
MVA Power Inc - Substation Steel Structures	7115-26-ELD \$ (401,936)
Agenda Items for Consideration	\$ (401,936)
Estimated Costs for Remaining Appropriation	
Staff Time	\$ (20,744)
Inspection Services RFQ	(241,949)
Construction Contractor RFQ	(3,864,952)
Estimated Costs for Remaining Appropriation	\$ (4,127,645)
Remaining Appropriation	-

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned public power utility of the City of Lubbock (“Lubbock Power & Light”); NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the City of Lubbock, acting by and through Lubbock Power & Light, as concerns RFP #7115-26-ELD (the “Proposal”), respecting the property described as Lubbock Power & Light Erskine Substation Steel Structures, as more particularly described in the Proposal (the “Property”), to MVA Power Inc., of Montreal, Quebec, Canada.

BE IT FURTHER RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Lubbock Power & Light Purchasing Manager or his/her designee, BE and is hereby authorized and directed to execute for and on behalf of Lubbock Power & Light any and all purchase orders and related documents regarding the purchase of the Property pursuant to the Proposal, as awarded herein.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrator Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2026

Summary:

Consider and reject Request for Proposal, (RFP) 7112-26-ELD - LP&L 50 MVA Transformers for Collier Substation.

Background/Discussion:

This request is to reject all proposals received due to the delay of construction lead time for this project. Staff will review and update the timeline, terms and resubmit for bid.

Recommendation:

Staff recommends rejection of the proposal for RFP# 7112-26-ELD - LP&L 50 MVA Transformers for Collier Substation, or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, LP&L solicited proposals pursuant to Request for Proposal #7112-26-ELD (the “RFP”), regarding the LPL 50 MVA Transformers for Collier Substation;

WHEREAS, the proposals received did not meet the needs of LP&L;

WHEREAS, as a result, LP&L staff recommends to the Electric Utility Board that it reject all proposals related to the ITB; NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Electric Utility Board of the City of Lubbock hereby rejects all bids received in the Request for Proposal #7112-26-ELD, regarding the LP&L 50 MVA Transformers for Collier Substation.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrative Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2025

Summary:

Discuss and take action on revised and updated LP&L Purchasing Procedures.

Background/Discussion/Fiscal Impact:

Pursuant to the Lubbock City Charter, the Electric Utility Board (EUB) is charged with governing and managing LP&L, including procurement procedures for the electric utility.

Legislative changes under Texas Senate Bill 1173 has raised the competitive bidding threshold for local governments from \$50,000.00 to \$100,000.00. A redline of the purchasing policies reflecting the updates is attached to these comments which also include title change from Director of Electric Utilities to Chief Administrative Officer and updated interlocal state and interlocal cooperative list.

Recommendation:

Staff recommends approval of the updated and revised Lubbock Power & Light Purchasing Policies, attached to the resolution, or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned public power utility of the City of Lubbock (“Lubbock Power & Light”);

WHEREAS, Texas Senate Bill 1173 increased the competitive bidding threshold for local governments from \$50,000.00 to \$100,000.00;

WHEREAS, Lubbock Power & Light seeks to comply with the Texas Senate Bill 1173 and amend its Purchasing Policy to increase the bidding threshold; NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Chief Administrative Officer or his designee BE and is hereby authorized and directed to amend the Purchasing Policy to incorporate the redlines attached hereto.

Passed by the Electric Utility Board this 17th day of March, 2026.

Edwin “Butch” Davis, Chair

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrator Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel

Lubbock Power & Light Purchasing Procedures

1. PUBLIC PURPOSE

- 1.1. To provide procurement procedures for the public purpose of maintaining at all times, and under all conditions, a continuous supply of goods and services necessary to support the generation, production, transmission, distribution, metering, and customer service functions of electricity by the municipally owned electric utility of the City of Lubbock. These procedures are utilized to obtain the most favorable and cost-effective purchase of goods and services to benefit all ratepayers.

2. SCOPE

- 2.1. These procedures only apply to expenditures by the City of Lubbock's municipally owned electric utility, Lubbock Power & Light (LP&L) and are adopted pursuant to Texas Local Government Code § 252.022(c).
- 2.2. These procedures do not exempt the City of Lubbock or LP&L from any other applicable statute, charter provision, or ordinance.
- 2.3. Procurement of "Professional Services," as defined by Chapter 2254 of the Local Government Code ("Professional Services Procurement Act"), is governed by the Professional Services Procurement Act, and will not be affected by these procedures. "Professional Services," as defined herein, are governed by these procedures.
- 2.4. LP&L employees are employed by the City of Lubbock, because LP&L is a department of the City of Lubbock. The term "LP&L employees" herein means employees that work within LP&L as a department of the City of Lubbock.

3. GENERAL

- 3.1. The ~~Director~~Chief Administrative Officer of Electric Utilities ("~~Director~~Chief Administrative Officer"), or his/her designee, is authorized to approve and execute routine contracts for goods and services involving an expenditure or receipt of \$100,000 or less, or such other amount as may be specified hereafter by applicable provisions of state law, on standard LP&L contract forms or in a form approved by LP&L's General Counsel. All contracts not falling within this policy or that involve the expenditure or receipt of more than \$100,000 shall be approved by the appropriate governing body of LP&L.
- 3.2. The ~~Director~~Chief Administrative Officer, Chief Financial Officer ("CFO"), and LP&L Purchasing Manager are granted the authority and responsibility for the procurement of all materials, equipment, supplies and services necessary to support LP&L. If the LP&L Purchasing Manager shall be unavailable, absent, or unable to perform his or her duties, or if the position of LP&L Purchasing Manager is vacant, the ~~Director~~Chief Administrative Officer or the CFO may delegate the LP&L Purchasing Manager responsibilities as

necessary to accomplish the purposes outlined herein. The LP&L Purchasing Manager may delegate certain duties and responsibilities as outlined herein.

- 3.3. All purchases of equipment, supplies, materials, and services shall be made in a manner that: (1) conforms with the substance of all applicable state procurement laws from which LP&L is not exempt, the City Charter, all applicable City Ordinances, and these procedures; (2) is the most beneficial and cost-effective for LP&L and its customers; and (3) is fair and equitable to suppliers and service providers.

4. QUOTATIONS, COMPETITIVE SEALED BIDS & PROPOSALS, QUALIFICATIONS

- 4.1. The LP&L Purchasing Manager, or his/her designee, will determine the type of solicitation to be used in a procurement, taking into account both the fundamental requirements of fairness in selecting parties to contract with LP&L as well as the competitive needs expressed by LP&L. Normally, an Invitation to Bid (“ITB”) will be used for standard commodity purchases (“Competitive Sealed Bids”) and a Request for Proposal (“RFP”) will be used for procurement of services and equipment, including but not limited to services or equipment that is related to the generation, transmission, distribution, metering, or customer service functions of electricity (“Proposals”). RFPs may be used for procurements that meet the requirements of critical business need as set forth in Section 20 below. A Request for Qualification (“RFQ”) may be used to determine the most qualified respondent for services, generally Professional Services.
- 4.2. The appropriate LP&L department will provide a signed LP&L Request to Purchase Goods or Services form (“Procurement Request Form”), which is attached hereto as Exhibit “A” and incorporated herein, to solicit Competitive Sealed Bids and/or Proposals with plans and specifications to the LP&L Purchasing Manager for purchases over ~~\$50,000~~\$100,000.
- 4.3. Complete information should be provided in the Procurement Request Form including, but not limited to, quantity, description, delivery requirement, special conditions, drawings, specifications, date information required, authorized requisition, etc.
- 4.4. Purchases in amounts up to \$3,000 may be made by either the using department or the LP&L Purchasing Manager on the basis of one (1) quotation or invoice.
- 4.5. Purchases in amounts up to \$3,000 may be made on the basis of one (1) verbal or written quotation through the use of the Purchasing Card (See LP&L’s Purchasing Card Policy, incorporated herein, as it may be amended from time to time).
- 4.6. Multiple purchases or the splitting of purchases into smaller blocks to avoid or otherwise circumvent the delegated purchasing authority limit, is prohibited.
- 4.7. Written quotations must be obtained for expenditures exceeding \$3,000. The LP&L Purchasing Manager reserves the option to use the Competitive Sealed Bid process for goods and services costing less than ~~\$50,000~~\$100,000 when experience indicates this to be a more competitive means of securing lower prices.

- 4.8. The LP&L Purchasing Manager, or his or her designee, solicits competitive sealed bids or proposals for goods, services, and capital improvements involving expenditures of more than ~~\$50,000~~\$100,000.
- 4.9. For Competitive Sealed Bids or Proposals, prior to the response deadline, the LP&L Purchasing Manager may conduct non-mandatory or mandatory pre-bid meetings to help address bidders' questions. These pre-bid meetings may be in person or via video or teleconference, and the information regarding such meetings, including time, place, call-in information, and whether the meeting is mandatory or non-mandatory, shall be included in the bid documents. Sufficient time is allowed between the pre-bid meeting and the bid opening for interested parties to compile the requested documents. Extra time may added to the process when questions or clarifications arise at the pre-bid meetings, or following the pre-bid meetings, which need to be addressed before the due date. The LP&L Purchasing Manager may provide extensions for bid openings if extra time is needed based on the questions or clarifications received by bidders or for any other reason as determined by the LP&L Purchasing Manager. Extensions of bid openings must be documented through an addendum.
- 4.10. As a general rule, any solicitation estimated to be in excess of a total of ~~\$50,000~~\$100,000 will be advertised for a minimum of two consecutive weeks (14 days) in a Lubbock newspaper of general circulation and in such other publications and media as determined necessary by the LP&L Purchasing Manager to reach a wide and diverse number of potential bidders or proposers.
- 4.11. When the procedures utilize sealed responses under these policies, the general business practice will be to require that all responses be submitted as physically sealed responses (either Bids or Proposals), unless the bid documents reflect that the bids or proposals are required to be submitted electronically. For electronic bidding processes, responses are not required to be sealed.
- 4.12. For non-electronic bidding procedures, at the advertised time and place, sealed bids, including public works bids, are received, publicly opened, and read aloud. Sealed bids are held unopened in a locked file, until the time and date stated in the bid documents. The bids are tabulated by the LP&L Purchasing Manager, or his or her designee.
- 4.13. For electronic bidding procedures, at the advertised time and place, a password enabled employee in LP&L's Purchasing Department will open, download, and print all bids and the bid tabulation summary. The printing operation shall occur in the controlled environment of the LP&L Purchasing Department. Further, responses submitted electronically shall remain effectively unopened and confidential until the specified time and date. The LP&L Purchasing Department staff shall then read aloud all bid responses received by closing time and date to any interested parties present at the bid opening. After tabulation of the bids or proposal, bid tabulations shall be posted electronically.
- 4.14. Proposals and Requests for Qualification are opened in a manner that avoids disclosure of the contents to competing respondents and keeps the proposals secret during negotiations. Proposals are open for public inspection after the contract is awarded, to the extent

permitted by law. Trade secrets and other confidential information in the proposals are not open for public disclosure, to the extent permitted by law. Inadvertent disclosure of proposals should be avoided. Overheard phone calls, documents on desks during vendor interviews, and conversations between employees within hearing of vendors in other offices are some examples of potential inadvertent disclosures. An awareness of this sort of situation should be created so that it may be avoided.

4.15. Public works proposals are publicly opened and read aloud. Afterwards, proposals are then evaluated in a manner that avoids disclosure of the contents to competing respondents and keeps the proposals secret during negotiations.

4.16. Vendors providing Responses to an RFP, ITB, or RFQ shall verify the following:

- The vendor is not owned, controlled or actively influenced by any City of Lubbock or LP&L employee or immediate relative of said employee.
- The vendor does not employ in a management, consulting, or sales capacity any person who is a City of Lubbock or LP&L employee.
- The vendor does not employ in any capacity a City of Lubbock or LP&L employee who is in a position to influence the selection of, or conduct business with, such supplier.

5. QUOTATIONS

5.1. When purchasing materials and/or services requiring written quotations, prices are to be solicited from three or more vendors. In the case of proprietary items, more than one price is often not possible and should be so noted on the requisition.

5.2. Quotations will be solicited only from vendors who are qualified or can be qualified to meet all requirements. Such requirements may include the following criteria: the financial condition of a company, its ability to perform, and the condition, quality, and/or compliance of facilities. The LP&L Purchasing Manager is responsible for identifying the requirements for vendors providing Quotations.

5.3. Vendors responding to quotation requests are required to review the City of Lubbock's conflict of interest form, determine whether any conflicts of interest exist, and notify LP&L promptly if any such conflict exists.

5.4. Quotations, unlike sealed bids, are not read aloud.

6. COMPETITIVE SEALED BIDS

6.1. If Competitive Sealed Bids are required, ITBs are sent to appropriate vendors for competitive prices. Bids are received, publicly opened, and the bidder's name, location, and cost are read aloud. The LP&L Purchasing Manager, or his or her designee, tabulates the bids and makes them available that day to the using department for their review and award recommendation.

- 6.2. A Competitive Sealed Bid/ITB is awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for LP&L. ITBs must clarify on which basis the award will be made. The lowest responsive bid is the lowest bid which meets all of the bid specifications, terms, and conditions. In determining best value, LP&L may consider any of the following: (1) the purchase price; (2) the reputation of the bidder and of the bidder's goods or services; (3) the quality of the bidder's goods or services; (4) the extent to which the goods or services meet LP&L's needs; (5) the bidder's past relationship with the municipality; (6) the impact on the ability of LP&L to comply with laws and rules relating to contracting with historically underutilized businesses and nonprofit organizations employing persons with disabilities; (7) the total long-term cost to LP&L to acquire the bidder's goods or services; and (8) any relevant criteria specifically listed in the request for bids or proposals.
- 6.3. If the using department accepts the lowest responsive bid or the best value bid, the LP&L Purchasing Manager prepares a purchase order after securing any necessary approvals pursuant to this policy. Once all necessary price verifications, quotations, bids, or proposals have been obtained and approved, a Purchase Order is entered into LP&L's financial management system. The LP&L Purchasing Manager then submits the Purchase Order to the selected vendor. A sample Purchase Order is attached hereto as Exhibit "H", and incorporated herein.
- 6.4. In the event LP&L awards an ITB to a vendor, who: (i) subsequently cancels the Purchase Order(s) or contract, (ii) fails to deliver or honor its delivery timeline as provided in the ITB, (iii) fails to honor its prices as provided in the Purchase Order or contract, (iv) attempts to unilaterally amend the material terms of the Purchase Order or contract without the consent of LP&L, (v) otherwise defaults on or breaches the Purchase Order and/or contract, or (vi) notifies LP&L of its intent to undertake or attempt to undertake any foregoing, the LP&L Purchasing Manager, in consultation with the ~~Director~~ Chief Administrative Officer and LP&L General Counsel, may take steps to cancel the applicable Purchase Order(s) or applicable contract with the vendor, if any, and determine whether it is in the best interest of the utility to negotiate with and issue any Purchase Order(s) or enter into any contract to the next lowest responsive bid or the next best value bid, after seeking any necessary approvals pursuant to this policy.

7. CASTING OF LOTS FOR IDENTICAL SEALED BIDS

- 7.1. All casting of lots are required to be cast pursuant to § 271.901 of the Local Government Code, and shall be conducted in a manner consistent with § 271.901.

8. PROFESSIONAL SERVICES

- 8.1. Procurement of "Professional Services," as defined by Chapter 2254 of the Local Government Code ("Professional Services Procurement Act"), is governed by the Professional Services Procurement Act, and will not be affected by these procedures.
- 8.2. "Professional Services" under these LP&L purchasing procedures are defined as services that require specialized skill, training and expertise, use of professional

judgment/discretion, and/or a high degree of creativity, and often involve a relationship of personal trust and confidence.

- 8.3. Exempt from this procedure are contracts for outside legal counsel for any necessary legal services, as determined by the LP&L General Counsel. Furthermore, expert witnesses, and any other services associated with litigation or regulatory proceedings are likewise exempt from these procedures.
- 8.4. The LP&L Purchasing Manager, ~~Director~~Chief Administrative Officer, and CFO shall determine the process to be used to allow firms and individuals the opportunity to propose demonstrated competence and qualifications for the type of Professional Services to be performed. The Purchasing Manager, in his or her discretion, may issue RFQs to seek qualified Professional Services.

9. EVALUATION OF STATEMENTS OF QUALIFICATIONS AND COMPETITIVE SEALED PROPOSALS

- 9.1. The evaluation of proposals and statements of qualifications received for professional, personal, or planning services and insurance are made without bias and defensible in the event the decision is questioned or challenged.
- 9.2. A selection committee appointed by the using department evaluates the responses, selects a finalist(s), and makes a recommendation to the LP&L Purchasing Manager for contract award. This recommendation is then approved by the LP&L Purchasing Manager, ~~Director~~Chief Administrative Officer, or the Electric Utility Board, as applicable. This committee includes a minimum of three (3) members and is chaired by an LP&L employee or LP&L Consultant. Committee members are selected on the basis of their knowledge of the particular project being developed and/or on their knowledge of the particular field involved and an ability to engage in contract negotiations. The LP&L Purchasing Manager participates on the committee as an ex-officio member, and does not count toward the minimum number of required committee members.
- 9.3. Committee members on any selection committee will be required to maintain confidentiality regarding respondents and any information provided to them for purposes of the evaluation, to the extent permitted by law. Committee members may not discuss the respondents, the responses, the evaluation, or any other matter regarding the work of the selection committee, to the extent permitted by law, until all committee members' scores are submitted to the LP&L Purchasing Manager. Prior to all committee members' scores being submitted, if committee members have any questions about the process, the respondents, the responses, or the evaluation, those questions must be directed to the LP&L Purchasing Manager.
- 9.4. Each voting committee member is required to attend committee meetings and oral presentations, if committee meetings or oral presentations are deemed necessary for that selection committee. The LP&L Purchasing Manager, in consultation with the Chair of the committee, shall determine whether committee meetings or oral presentations are required. The committee remains intact throughout the evaluation process to avoid unbalanced scoring.

Committee Evaluation Process (chronological order):

- **Develop the Evaluation Form (before proposal due date):** The evaluation form for an RFP or RFQ is developed by the LP&L Consultant, Committee, or Committee Chair, as applicable, for a particular RFP or RFQ. The LP&L Purchasing Manager has discretion to determine whether the evaluation form should be developed by an LP&L Consultant, the Committee Chair, or the committee as a whole. Standard evaluation ranking forms used by the selection committees are adapted and tailored to the specific needs of the solicitation. The evaluation criteria and relative importance of each criteria, published in the RFPs or RFQs, is the only criteria that can be used to evaluate the proposals or submittals.
- **Make Corrections to Deficient Proposals:** To clarify an item in a proposal or to correct technical deficiencies, the LP&L Purchasing Manager, or his or her designee, contacts respondents to ensure basic requirements of the RFP or RFQ have been met. Examples of curable (correctable) technical deficiencies include the respondent's failure to submit the title page of the RFP or RFQ or failure to submit a complete financial statement. To determine whether an item constitutes a curable technical deficiency, the LP&L Purchasing Manager shall consult with LP&L's General Counsel.

If the item is curable, the LP&L Purchasing Manager notifies the respondent in writing by describing the clarification or technical deficiency. Notification is by email, facsimile, or by return receipt requested. The respondent submits clarifications or corrections of technical deficiencies in accordance with the information provided by the LP&L Purchasing Manager, or his or her designee, within a stipulated number of calendar days of the date of receipt of the LP&L Purchasing Manager's or designee's notification. (If the due date falls on a Saturday, Sunday or LP&L holiday, the correction is received by LP&L on the next day that is not a Saturday, Sunday or LP&L holiday.) A deficiency not corrected within the time period indicates the respondent's proposal is incomplete.

- **Distribute RFP, Proposals and Evaluation Forms:** Copies of the RFP or RFQ, respondents' proposals and corrections to deficiencies, and the evaluation form are distributed via email to each committee member. In this email, the LP&L Purchasing Manager explains the evaluation procedures and appropriate guidelines. Proposals are opened in a manner that avoids disclosure of the contents to competing respondents and keeps the proposals secret during negotiations. Committee members may not discuss the proposals with other committee members, LP&L employees, or third parties, until all committee members' scores are submitted to the LP&L Purchasing Manager or his or her designee and tabulated. During the evaluation process, if committee members have questions, they must contact the LP&L Purchasing Manager or his or her designee only.

The LP&L Purchasing Manager, or his or her designee, in consultation with Chair of the applicable committee, may hold an initial committee meeting in lieu of an

email should the circumstances require an initial meeting of the committee prior to evaluations. In any event, if there is an initial meeting of the committee, it is for instructional purposes only and no discussion of the submitted proposals may occur until after all committee members' scores are submitted to the LP&L Purchasing Manager and tabulated.

- **Perform Reference Check of Finalists:** If required by the solicitation, respondents shall submit customer references with their responses. One member of the evaluation committee will be assigned by the Chair to conduct reference check activities. All information obtained during the reference checks must be documented in writing and provided to the LP&L Purchasing Manager or his or her designee for distribution to the committee. The same script or format of questions must be used when conducting reference checks so that the results are consistent and fair to all respondents (*See Reference Check Questionnaire, Exhibit "F"*). If reference checks have been completed for a respondent within the past 180 days, the existing reference check may be used for purposes of the current solicitation.
- **Review of Responses by committee members (usually within five business days after receipt):** Each member independently reviews and scores the respondents' responses and inserts their score for each evaluation criterion in the "Independent Review" column of the evaluation form, along with notes of their observations to defend challenges to their scoring.
- **Review of Responses:** If a committee member scores a respondent unusually high or low when compared with the scores of other committee members, the committee member is encouraged to explain the reason for the unusual score to the LP&L Purchasing Manager. The LP&L Purchasing Manager has discretion to question and discuss a committee member's skewed or otherwise unusual score prior to acceptance as the final score. If the LP&L Purchasing Manager or Chair of the Committee requests a final committee meeting for review, the committee shall meet to discuss the evaluations accordingly.
- **Determine Top Ranked Finalists:** The committee selects, through a calculation of combined committee member scores, the top ranked finalists (usually from two to five) for further evaluation. At this stage, respondents with the lowest scores are eliminated from further consideration.
- **Hear Oral Presentations (if applicable):** The score of a respondents' written proposal, although a good indicator of their capabilities, may not be considered as completely reliable or an absolute indicator of the finalists' ability to perform the work. Thus, oral presentations may be requested from finalists by the ~~Director~~Chief Administrative Officer, CFO, LP&L Purchasing Manager, or Chair of the Committee. When a decision is made to conduct oral presentations, the committee should interview multiple top-ranked respondents. Complete records are kept that reflects the scoring criteria, application thereof, and supports the final award recommendation. All committee members must be present for oral presentations to provide fair and equitable scoring of all presenting finalists. Oral presentations may

not occur unless all committee members can attend. Therefore, should any committee member be unable to attend, he or she should notify the LP&L Purchasing Manager to reschedule the presentation. The presentations shall not include discussion of price or man-hours if prohibited by applicable law for the services being discussed.

- Determine Final Ranking of Finalists (immediately following the last oral presentation, if applicable): Immediately following each oral presentation, committee members discuss respondents' oral presentation and additional written submission. If, because of the discussions, a committee member feels that a previously submitted score for one or more entries requires adjustment, the adjusted score is inserted on the evaluation form in the "Review with Committee" column. The totals of the committee members' evaluation forms establish the finalists' rankings.
- Best and Final Offer for Sealed Proposals: After determining the finalists, the LP&L Purchasing Manager, in consultation with the ~~Director~~Chief Administrative Officer and/or CFO, may request a Best and Final Offer from the finalists. This allows finalists to submit revisions to their proposals, update pricing, and/or add value.
- Submit Committee Documents to the LP&L Purchasing Manager or designee: After the final ranking of the finalists, the committee sends the LP&L Purchasing Manager a recommendation setting forth a summary of the committee's actions. The committee sends the LP&L Purchasing Manager the proposals, evaluation forms, other pertinent documents, and committee members' voting records.
- Negotiate Contract: The entire committee, or a subcommittee completely familiar with the project and the specialty area of the finalists, conducts the negotiation sessions. If a successful contract cannot be negotiated with the highest ranked respondent, the committee terminates the negotiation in writing and continues to move down the list of ranked respondents until successful negotiations are completed.
- In the procurement of architectural, engineering, or land surveying services, a contract for services is negotiated on the basis of a two-step process: 1) LP&L should first select the most highly qualified provider of the services on the basis of demonstrated competence and qualifications. 2) After the firm or individual is selected, LP&L should attempt to negotiate a contract with that provider at a fair and reasonable price. Until the contract is fully approved by the ~~Director~~Chief Administrative Officer or Electric Utility Board, as applicable, and executed by both parties, work is not authorized and shall not begin.
- Submit to LP&L legal counsel: When successful negotiations are completed with a respondent, the Chair of the committee provides a detailed scope of work and the details of the costs to LP&L's Purchasing Manager and General Counsel for inclusion in the contract. The LP&L General Counsel requests a minimum of ten business days prior to the Electric Utility Board ("EUB") meeting date to review all documentation. Failure to submit legal documentation to LP&L's General Counsel ten business days prior to the EUB meeting may delay approval.

9.5. In the event LP&L awards an RFP to a respondent, who: (i) subsequently cancels the contract, (ii) fails to deliver or honor its delivery timeline as provided in the RFP, (iii) fails to honor its prices as provided in the RFP, (iv) attempts to unilaterally amend the material terms of the contract without the consent of LP&L, (iv) otherwise defaults on or breaches any agreement terms with LP&L, or (v) notifies LP&L of its intent to undertake or attempt to undertake any foregoing, the LP&L Purchasing Manager, in consultation with the ~~Director~~ Chief Administrative Officer and LP&L General Counsel, may take steps to cancel the applicable contract with the vendor, and determine whether it is in the best interest of the utility to negotiate with and award the RFP to the respondent with the next highest evaluation score, after seeking any necessary approvals pursuant to this policy.

10. SUPPLIER AGREEMENTS

- 10.1. The LP&L Purchasing Manager, ~~Director~~ Chief Administrative Officer, and CFO shall determine under what circumstances and when Supplier Agreements may be in the best interest of LP&L and its ratepayers.
- 10.2. As used herein, a “Supplier Agreement” is an open agreement between LP&L and one or more vendors whereby the vendor will agree to supply certain equipment that is related to the transmission, distribution, or metering functions of LP&L, and which LP&L can utilize for a stated time period for ongoing needs to achieve efficient and expedited orders to meet its critical infrastructure needs. Supplier Agreements do not have agreed upon pricing at the time the contract is entered into, but pricing will be provided through the process described herein on an as-needed basis.
- 10.3. Supplier Agreements shall be procured through the Competitive Sealed Proposal process provided herein under Section 9. When LP&L needs to procure equipment under Supplier Agreements, it shall use the process for Quotations provided herein under Section 5. When using the Quotations process, the number of vendors to which quotation requests are submitted will be determined by the number of Supplier Agreements in place for the applicable equipment.
- 10.4. Once the Electric Utility Board has approved a Supplier Agreement, notwithstanding anything to the contrary herein, the Purchasing Manager has delegated authority to issue Purchase Order(s), pursuant to the Supplier Agreement, in amounts not to exceed the approved Capital Improvement Project (“CIP”) Budget under the Construction line item for the applicable project and fiscal year.
- 10.5. The ~~Director~~ Chief Administrative Officer of Electric Utilities, or his designee, shall report to the Electric Utility Board monthly regarding all Purchase Orders issued pursuant to Supplier Agreements, and the status of the budget for projects where such Purchase Orders have been issued.
- 10.6. Supplier Agreements entered into hereunder shall be for items that are included in the applicable LP&L budget for the applicable fiscal year, as approved by both the Electric Utility Board and the City Council of the City of Lubbock.

~~10.6.~~

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11. REQUEST FOR INFORMATION

- 11.1. A Request for information (“RFI”) is a solicitation document used to obtain general information about products, services, or suppliers. RFIs are used to develop an appropriate detailed scope of work which may be used in a subsequent solicitation or other procurement process, including but not limited to RFPs, ITBs, RFQs and/or bilateral negotiations, to the extent permitted by or necessitated by these policies. A vendor is not required to respond to the RFI in order to submit a proposal on a subsequent solicitation or other procurement process.
- 11.2. Procedure
 - 11.2.1. The decision to use an RFI is generally made through discussion between the LP&L Purchasing Department, the using department, and other LP&L departments as necessary.
 - 11.2.2. The LP&L Purchasing Department and other relevant departments develop a general description of the products and services that is being contemplated. The RFI process allows LP&L to gather information to develop a subsequent solicitation or other procurement process, should it choose to do so.
 - 11.2.3. LP&L will then identify the team of end users / subject matter experts (“Review Team”) to review vendor submissions and engage with vendors as appropriate to gather additional information. RFIs are not scored or evaluated; they are simply tools to gather information from respondents.
 - 11.2.4. The LP&L Purchasing Department and other relevant LP&L departments and personnel will (a) review the submissions and any additional information gathered by the Review Team and (b) may, but is not required to, use the information to develop a subsequent solicitation or procurement process.
 - 11.2.5. When the RFI is concluded, LP&L may or may not issue a solicitation or engage in another procurement process.

12. ELECTRONIC PROCEDURES

- 12.1. Electronic sealed bids and proposals shall be in accordance with Section 252.0415, Texas Local Government Code, requiring the identification, security, and confidentiality of electronic bids or proposals to remain effectively unopened until the proper time.
- 12.2. The Purchasing Manager may determine whether a particular procurement is best served through an electronic bidding process. If electronic bidding is determined to be utilized for a particular procurement, LP&L shall comply with the following electronic procedures, and those otherwise outlined in these Purchasing Procedures, to ensure the identification,

security, and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time.

- 12.3. Procurement documents that require electronic responses, or provide an option to submit electronic responses, must identify that vendors may, or are required to, as applicable, submit responses electronically via LP&L's service provider at a listed electronic address. For responses to ITBs and RFPs, an automatic email return notification will be sent to the submitting vendor upon receipt of the bid or proposal.
- 12.4. All responses to ITBs and RFPs that are submitted electronically shall use the Advanced Encryption Standard (AES), a Federal Information Processing Standard (FIPS) that specifies a cryptographic algorithm for use by U.S. Government organizations to protective sensitive (unclassified information).
- 12.5. The opening of electronic bids shall be in accordance with these Purchasing Procedures.

13. AWARD POLICY

- 13.1. The Electric Utility Board reserves the right to (1) reject any and all bids; (2) select any lawful bid; and (3) to contract as the best interests of LP&L may require.

14. RECEIVING AND INSPECTION

- 14.1. Using departments are responsible for the receiving and inspection of items, which are the result of duly authorized purchase orders, for damages either obvious or concealed, and to determine if shortages or other imperfections exist.
- 14.2. Critical examination includes, but is not limited to the determination that:
 - The delivery consists of new and unused merchandise unless otherwise specifically ordered;
 - Goods delivered meet the quality, grade, or standard specified in the purchase order;
 - Design, construction, ingredients, size, type, make, color, style, etc. of the goods delivered conform to the requirements of the purchase order;
 - Packing and labeling, marking or other means of identification meet specifications, or conform to the best commercial practices for protecting the items during transportation, storage, handling, and distribution;
 - Goods comply with specification requirements in essential respects and in accordance with the terms and conditions of the purchase order; and
 - Any other examination needed to ensure conformity to LP&L needs, specifications, and/or requirements.

- 14.3. Departments are responsible for ensuring that the proper inspection and critical examination of goods takes place at time of receipt. Delays hamper the effort of the LP&L Purchasing Manager in correcting problems and can cause lost discounts.
- 14.4. When goods received are as ordered, they are deemed “received.” The requesting department then enters the receiving information into the financial management system within five business days after the goods are received as ordered. This includes the receiving of partial receipts.
- 14.5. Receipt information is not withheld in an attempt to delay payment as punitive action against a vendor.

15. INVOICES

- 15.1. Vendors mail invoices directly to the Accounts Payable Department. If the department receives an invoice, the invoice is sent immediately to Accounts Payable. For invoices older than two weeks, Accounts Payable sends a copy of the invoice to the using department requesting follow-up.

16. CONFIDENTIALITY

- 16.1. To the extent permitted by law, LP&L will take reasonable best efforts to ensure the confidentiality of competitive or trade secret information. LP&L employees must use their reasonable best efforts to ensure confidentiality, to the extent permitted by law.
- 16.2. It is recognized that most of the transactions relating to purchasing for LP&L are of a confidential nature, especially with regard to our vendors and our competitors, and there are instances when LP&L's cost of certain goods and services is a competitive matter.
- 16.3. It is considered unethical as well as damaging to LP&L's competitive position to allow LP&L proprietary information about one vendor's quotation to pass to another vendor during the competitive sealed bid and competitive sealed proposal process.
- 16.4. Passage of pricing information to an employee or representative of a competing respondent shall be scrupulously avoided.
- 16.5. All purchasing files within LP&L are to be maintained in an up-to-date and confidential manner. Access to these files and any other purchasing documentation shall be restricted to those authorized by the LP&L Purchasing Manager, ~~Director~~Chief Administrative Officer, or CFO.
- 16.6. Notwithstanding anything herein, LP&L shall comply with the Texas Public Information Act, Section 552.001, *et seq.* of the Texas Government Code (the “Act”). LP&L may assert arguments to the Attorney General, should confidential or competitive information be requested for public disclosure, as permitted by law (or on any other basis provided for in the Act). LP&L must likewise comply with any third-party notice provisions to the extent the proprietary or other protected interests of third parties are involved in requests under the Act.

17. CONTRACT MODIFICATIONS

- 17.1. The LP&L Purchasing Manager, with approval of the CFO, or his or her designee, and the Chief Operating Officer, is authorized to approve routine contract change orders involving an increase or decrease of twenty five percent (25%) or less for contracts that cumulatively total \$100,000 or less, or such other amount as may be specified hereafter by any applicable provisions of state law.
- 17.2. The Electric Utility Board will approve change orders involving an increase or decrease of \$100,000 or more, but in any event such change orders cannot exceed an increase of 25%, and such change orders cannot exceed a decrease of 25% without the consent of the contractor.
- 17.3. The Change Order Forms are attached hereto as Exhibits “D-1” and “D-2”, and incorporated herein.

18. STATE CONTRACTS & INTERLOCAL COOPERATIVE PURCHASING

- 18.1. Whenever found to be to LP&L's advantage, as determined by the LP&L Purchasing Manager, or LP&L's using departments, the LP&L Purchasing Manager or his designee may place orders using state contracts or cooperative purchasing, with appropriate governing body approval, as applicable. Participation in any cooperative purchasing program is approved by the Electric Utility Board or City Council, as applicable. See the following Web sites for ordering instructions:

- Texas Smart Buy - <http://www.txsmartbuy.com/>
- Cooperative purchasing is one of the ways that local governments can save time and money in their purchasing programs. Cooperatives use Internet-based technologies to create a source for product and awarded contract information. Internet websites allow employees to access all the information needed to make confident buying decisions and streamline the purchasing process. Orders may be placed directly by LP&L departments if approved by the LP&L Purchasing Manager, as provided above. See the following Web sites for ordering instructions:

Texas Department of Information Resources - <https://dir.texas.gov/>

TIBH Industries - <http://www.adwizards.com/tibh/catindx.htm>

Texas Local Government Statewide Purchasing Cooperative -

<http://www.buyboard.com>

~~Texas Cooperative Purchasing Network~~ ~~Omnia Partners~~ -
<https://www.omniapartners.com/> ~~<http://www.tepn.org>~~

Texas Correctional Industries -

<http://www.tdcj.state.tx.us/content/tci/tci%20homepage.htm>

Houston-Galveston Area Council – <http://www.hgacbuy.com>

~~U.S. Communities Government Purchasing Alliance~~
The Interlocal Purchasing System - <https://www.tips-usa.com/>

~~<http://www.usecommunities.org>~~

Sourcewell- <https://www.sourcewell-mn.gov/>

~~Allied States Cooperative~~ - <https://www.esc19.net/allied-states-cooperative>

- All items and catalogs posted on these websites have been competitively bid and awarded by the cooperatives based on Texas statutes.
- The City Council or Electric Utility Board, as applicable, may authorize the use of other state contracts or cooperative purchasing contracts not listed herein.

19. INFORMATION TECHNOLOGY AND COMMUNICATIONS DEPARTMENT

19.1. LP&L will consult with the City of Lubbock Information Technology and Communications Department before procurement of computer systems, computer hardware, computer software, other computer peripherals, phones, radios or other communications devices supported by the City of Lubbock Information Technology Department and Communications Department. Notwithstanding the foregoing, the ~~Director~~Chief Administrative Officer may purchase, consistent with the requirements of this policy, any computer systems, computer hardware, computer software, other computer peripherals, phones, radios or other communications devices and computer equipment determined to be in the best interest of LP&L.

20. CRITICAL BUSINESS NEED

20.1. Notwithstanding anything to the contrary herein, the procedures set forth in the above sections may be changed, modified, or waived by the LP&L Purchasing Manager, with the further approval of either the ~~Director~~Chief Administrative Officer or the CFO, on a case-by-case basis as necessary in order to meet a critical business need of LP&L. A non-exclusive list of examples of circumstances that might constitute a critical business need include:

- Emergency situations, including procurements necessary to protect the public health or safety or in response to a public calamity;
- A procurement necessary because of unforeseen damage to public equipment, machinery, or other property;
- A procurement for personal services;

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- A purchase of land or interests in land;
- A procurement of items that are available from only one source;
- A procurement necessary to protect the competitive interests or position of LP&L;
- A procurement necessary to ensure adequate supplies, equipment, and inventory for the operation, maintenance, and/or improvement of LP&L's facilities in times of labor shortages, supply chain volatility and shortages, where sourcing such items is known to be inordinately expensive or scarce;
- A procurement necessary to ensure adequate supplies, equipment, and inventory for the operation, maintenance, and/or improvement of LP&L's transmission and distribution system in times of labor shortages, pricing instability, supply chain volatility, and shortages; and/or.
- Any other basis determined to be a critical business need by the ~~Director~~Chief Administrative Officer, CFO, and LP&L Purchasing Manager.

20.2. Once it has been determined that a procurement is necessary to meet a critical business need of LP&L, the LP&L Purchasing Manager, in consultation with the ~~Director~~Chief Administrative Officer or CFO, will manage the procurement so as to assure that it expeditiously meets the critical business need of LP&L and to assure that the best interest of the citizens of Lubbock and ratepayers of LP&L are protected.

For the acquisition of goods and materials that constitute a critical business need as outlined above, the Purchasing Manager may issue Purchase Orders to acquire such goods or materials. These Purchase Orders for a critical business need may exceed the ~~Director~~Chief Administrative Officer's purchasing authority as outlined in these policies only if (1) such Purchase Order is approved by the ~~Director~~Chief Administrative Officer in consultation with the Chairman of the Electric Utility Board; (2) the Purchase Order is subject to ratification by the Electric Utility Board; and (3) the critical business need supporting the Purchase Order is related to supply chain volatility, labor shortages, or pricing instability.

20.3. Justifications for a critical business need must be provided on the form attached hereto as Exhibit "B", and incorporated herein.

21. SOLE SOURCE PURCHASES

21.1. Sole source purchases should be reviewed by the LP&L Purchasing Manager. Sole source purchases are those that are available from only one source. The LP&L Purchasing Manager will determine whether sole source purchases meet one or more of the criteria identified below. If the sole source does not meet the criteria identified below, then the Purchasing Manager shall consult with the LP&L General Counsel to determine whether the good or services constitutes a sole source.

- Sole source is the original manufacturer or provider, and there are no regional distributors.
- Sole source is for the only greater West Texas area distributor of the original manufacturer or provider.
- The Parts/Equipment are not interchangeable with similar parts of another manufacturer.
- This is the only known item or service that will meet the specialized needs of the department or perform the intended function.
- The Parts/Equipment are required from this source to permit standardization.

21.2. Requests for sole source purchases are submitted to the LP&L Purchasing Manager, which requires a justification to substantiate the request, and identifies that the product or service is sole source. In addition, sole source purchases over \$3,000 require the using department to submit a completed and signed Sole Source Justification form to the LP&L Purchasing Manager, which is attached as Exhibit “C” and incorporated herein. The ~~Director~~Chief Administrative Officer or CFO must also approve any sole source purchases over \$3,000.

21.3. The LP&L Purchasing Manager may also post a notice of intent to award a sole source to ensure no other providers exist.

22. PREVAILING WAGE RATES

22.1. Contractors are required to pay not less than the rates determined using the prevailing wage rate as determined by the United States Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. § 276a *et seq.*), and its subsequent amendments, to a worker employed by it in the execution of a contract for the construction of a public work, including a building, highway, road, excavation, and repair work or other project development or improvement, paid for in whole or in part from public funds, without regard to whether the work is done under public supervision or direction. Contractors are required to comply with Texas Government Code, Chapter 2258, Prevailing Wage Rates. A worker is employed on a public work if the worker is employed by the contractor or any subcontractor in the execution of the contract for the project.

23. BID BOND REQUIRED

23.1. Bid bonds are required for construction projects involving an expenditure of ~~\$50,000~~\$100,000 or more. If a bid bond is required in the specifications, a bid submitted without an original bid bond attached is automatically rejected. The successful respondent will be required to furnish an original performance bond in accordance with Chapter 2253, Government Code, in the amount of 100% of the total contract price in the event that said contract price exceeds \$100,000 and the successful respondent will be required to furnish an original payment bond in accordance with Chapter 2253, Government Code, in the amount of 100% of the total contract price in the event that said contract price exceeds

~~\$50,000~~\$100,000. Said statutory bonds should be issued by a company carrying a current Best Financial Strength Rating of “A” or better.

24. JOB ORDER CONTRACTING

- 24.1. Job Order Contracting (“JOC”) is a procurement method used for maintenance, repair, alteration, renovation, remediation, or minor construction of a facility when the work is of a recurring nature but the delivery times, type, and quantities of work required are indefinite. This applies only to a facility that is a building, the design and construction of which is governed by accepted building codes, or a structure or land, whether improved or unimproved, that is associated with a building.
- 24.2. JOC may never be used for new construction, a highway, road, street, bridge, utility, water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility, wharf, dock, airport runway or taxiway, drainage project, or related type of project associated with civil engineering construction; or a building or structure that is incidental to a project that is primarily a civil engineering construction project.
- 24.3. All JOC Requests are to be submitted in writing to the LP&L Purchasing Manager or the LP&L Purchasing Manager’s designee. The LP&L Purchasing Manager, upon approval by the ~~Director~~Chief Administrative Officer or CFO, will then submit the request through the JOC system. After submittal, a contractor will contact the department for a walkthrough. The contractor will then submit an estimate to the JOC provider. The JOC provider will then submit the estimate to the requesting department and the LP&L Purchasing Manager for review. If accepted, the requesting department will enter a requisition and provide approval to the LP&L Purchasing Manager. Once approvals have been obtained the LP&L Purchasing Manager will issue the purchase order for the JOC. No job order contracts may be started without written authorization.

25. DIRECT PAYMENT REQUEST AND PURCHASE ORDERS

- 25.1. Direct Payment Requests (“DPR”) should be used for payment of non-tangible items; travel advances and reimbursements of travel expenses. A sample DPR is attached as Exhibit “G” and incorporated herein. Examples of items paid for with DPR include:

Subscriptions

Rentals

Professional services

Registration fees

Maintenance fees

Travel related expenses

Utility bills

Contract Items

- 25.2. The user department routes the DPR, invoice, and other supporting documentation to the LP&L Purchasing Manager for vendor number and buyer approval. LP&L generally follows the DPR process outlined in the City of Lubbock Accounting Department Policies and Procedures, as it may be amended from time to time, except that instead of routing through the City's Purchasing Department, LP&L routes DPRs through the LP&L Purchasing Manager.
- 25.3. Purchase Orders are approved in advance of the receipt of goods or services. A sample Purchase Order is attached hereto as Exhibit "H" and incorporated herein. LP&L generally follows the Purchase Order process outlined in the City of Lubbock Accounting Department Policies and Procedures, as it may be amended from time to time, except that the LP&L Purchasing Manager monitors Purchase Orders for LP&L and LP&L's Accounts Payable department processes payment for LP&L matters.
26. RELATIONSHIPS
- 26.1. *Local Businesses*: Lubbock businesses are encouraged to participate in the procurement process to the extent permitted by federal, state, and local laws, regulations, grants, and contracts.
- 26.2. *Minority and Small Businesses*: The LP&L Purchasing Manager actively pursues minority and small business enterprises to participate in the competitive sealed bid process by informing them of solicitations, quantities, specifications, and bonding requirements.
- 26.3. *Vendor Lists*: Departments identify suggested vendors on their requisitions. Vendors register on-line in a place identified by the LP&L Purchasing Manager and are classified according to materials, equipment, supplies, and services they provide.
- 26.4. The LP&L Purchasing Manager shall maintain a vendor list for vendors who have provided goods or services to LP&L, are interested in providing goods or services to LP&L, and/or are qualified to provide goods or services to LP&L. The LP&L Purchasing Manager shall use best efforts maintain a vendor list that provides competitive benefits to LP&L.
- 26.5. The LP&L Purchasing Manager, with approval from the ~~Director~~Chief Administrative Officer and CFO, may remove vendors from the list for one or more of the following reasons:
- Refusing to honor a bid after bid opening;
 - Refusing to honor an awarded contract or lease;
 - Providing repeated poor performance;
 - Violation of anti-lobbying provision;
 - Participating in collusion; or

- Any other reason that threatens the integrity of the competitive bidding process.

26.6. *Disposition of Bids Received After Deadline:* For purposes of establishing fair and equitable competition between vendors, a bid received after the published deadline is not considered. A bid received after the deadline is returned to the vendor unopened.

26.7. *Vendor Assistance:* Vendors are frequently willing to assist using departments in providing information or evaluating the needs of the department at no cost. Such assistance, however valuable, is considered to be normal sales efforts and, in a competitive sealed bid program, does not entitle a vendor to any preference. Notwithstanding anything herein, any and all communication concerning an open bid should be directed to the LP&L Purchasing Manager. Any attempt to contact departments concerning a bid may be cause for disqualification in a bid process.

26.8. *Vendor Performance:* When the using department's first attempt to resolve unacceptable vendor performance fails, the using department documents vendor performance by providing a completed Vendor Performance Form, attached as Exhibit E, to the LP&L Purchasing Manager. The LP&L Purchasing Manager provides a copy to the vendor with an opportunity for the vendor to respond within five business days. This documentation is maintained by the LP&L Purchasing Manager in a vendor file and may be used when evaluating the vendor for future contract awards.

26.9. *Suspension and Debarment:* The LP&L Purchasing Manager, with approval from both the ~~Director~~ Chief Administrative Officer and CFO, may suspend/debar vendors from participating in LP&L's competitive bidding process when the vendor has compromised the competitive bidding process. Such bases for suspension or debarment include, but are not limited to, the following:

- Refusing to honor a bid after bid opening;
- Refusing to honor an awarded contract or lease;
- Violation of anti-lobbying provision;
- Providing confidential information to other vendors;
- Attempting to obtain confidential information from LP&L employees or consultants;
- Engaging in conduct that provides the appearance of impropriety;
- Contacting LP&L employees or consultants during the evaluation process of a bid or proposal;
- Providing repeated poor performance;
- Participating in collusion; or

- Any other conduct or activity that does or could compromise the integrity of the competitive process.

In the event a vendor cancels a contract or Purchase Order with LP&L, other than in accordance with the terms of the applicable contract, or in any way breaches the material terms and conditions of an agreement with LP&L, including but not limited to pricing and delivery terms, LP&L may exercise its rights under the contract, at law, equity, or otherwise, to ensure recovery for any losses or increased costs that result from the vendor's actions. These rights are in addition to vendor performance, and vendor suspension and debarment, as outlined above.

26.10. *Items on Trial Basis:* LP&L may receive goods on a trial basis to determine whether certain products are beneficial and compatible with the LP&L systems. Any such trial must be at no cost to LP&L. At the end of the trial, all items provided must be returned. Departments requisition these items in the same manner as other purchased items. LP&L is not obligated to purchase equipment or accessories delivered for use on a trial basis, and must engage in a competitive bidding processes for the final purchase of any such items in accordance with these procedures. In the competitive process, no preference can be given to entities providing equipment or accessories on a trial basis simply because the trial occurred. Rather, it serves only as a means to determine compatibility and quality of the product.

26.11. *Tax Exemption Status:* LP&L is exempt from Federal excise tax and the State of Texas sales tax. The Purchase Order serves as the required exemption certificate for sales tax. The LP&L Purchasing Manger issues exemption certificates as required.

27. EMPLOYEE CONDUCT

27.1. *Personal Use of Purchasing Prohibited:* LP&L employees are prohibited from purchasing supplies, materials, or equipment of any kind through LP&L for personal use. When an employee or their spouse has a financial or other interest in an LP&L contract, the employee does not participate in selecting, awarding, or administering the contract. LP&L employees must comply with state law and the City of Lubbock's Employee Policy Manual, as it may be amended from time to time, including any conflict of interest provisions included therein.

27.2. *Items Purchased without Proper Authorization:* LP&L reserves the right to refuse payment for items that have been obtained by employees, departments, committees, or boards without proper authorization. An employee making unauthorized purchases is held personally liable for the costs of such orders or contracts.

28. FORMS AND REQUIRED DOCUMENTS

28.1. All forms can be requested from the Purchasing Manager. The forms provided below are attached as exhibits and are incorporated herein.

Procurement Request Form, Exhibit "A"

Critical Business Need Form, Exhibit "B"

Sole Source Justification, Exhibit "C"

Change Order Forms, Exhibits "D-1" and "D-2"

Vendor Performance Form, Exhibit "E"

Reference Check Questionnaire, Exhibit "F"

Direct Payment Request, Exhibit "G"

Purchase Order, Exhibit "H"

28.2. The ~~Director~~Chief Administrative Officer may approve changes to forms attached hereto as the law or business necessity requires. Any changes related to legal matters must also be approved in form by LP&L General Counsel.

29. OTHER POLICIES

29.1. The ~~Director~~Chief Administrative Officer may approve additional policies consistent with the policies and procedures provided for herein.



Lubbock Power & Light

Electric Utility Board

Agenda Item Summary

Meeting Date: March 17, 2025

Summary:

Consider a resolution authorizing the LP&L Chief Administrative Officer or his designee to execute a Second Amendment to the Pipeline Service and Maintenance Agreement by and between the City of Lubbock, acting by and through LP&L, and EverLine Compliance, LLC. The Amendment is to extend the term by two years to account for increased need for services. This Amendment does not change the Not-to-Exceed value of \$350,000.00.

Background/Discussion:

The lateral is a regulated pipeline and authorized for use as a natural gas transmission pipeline by the Railroad Commission of Texas under operator number 511874, permit number 03861 and by the US Department of Transportation Pipeline and Hazardous Materials Safety Administration under operator number 11885. These state and federal regulatory agencies require that only people who have proven qualifications and who work under a drug and alcohol abuse monitoring plan be allowed to perform any task on a regulated pipeline. Under this contract, EverLine furnishes all materials, equipment, supplies, qualified labor, and supervision necessary for the routine operation, inspection, surveillance, maintenance, monitoring, Texas 811 location service, and emergency event response for the lateral.

The original agreement was approved April 19, 2024, the first amendment was required due to the increase development requiring Texas 811 location services around the lateral are exceeding historical costs and was approved September 16, 2025.

The second amendment is now needed to extend the service and maintenance agreement by two (2) years to account for an increased need for services.

Fiscal impact:

Funds are available in cost center **7112 (Regulatory Compliance)** for this purpose.

Recommendation:

Staff recommends approval of the second amendment to the Pipeline Service and Maintenance Agreement with **EverLine Compliance, LLC.**, to extend the term by two (2) years, or such alternative action as the Electric Utility Board may deem appropriate.

RESOLUTION

WHEREAS, Lubbock Power & Light is the municipally-owned electric utility of the City of Lubbock (“LP&L”);

WHEREAS, on April 19, 2024, LP&L entered into a Professional Services Agreement with Everline Compliance, LLC for services related to consulting on gas pipeline maintenance and compliance;

WHEREAS, on September 16, 2025, LP&L and Everline entered into a First Amendment to expand services;

WHEREAS, the Parties now seek to enter into a Second Amendment to extend the Agreement for a period of two years; NOW, THEREFORE:

BE IT RESOLVED BY THE ELECTRIC UTILITY BOARD OF THE CITY OF LUBBOCK:

THAT the Chief Administrative Officer or his designee be and is hereby authorized and directed to execute for and on behalf of the City of Lubbock, acting by and through Lubbock Power & Light (“LP&L”), a Second Amendment to Professional Services Agreement, by and between LP&L and Everline Compliance, LLC, as attached hereto and incorporated herein as though set forth fully herein in detail, and any documents related thereto.

Passed by the Electric Utility Board this 17th day of March 2026.

Edwin “Butch” Davis, Chairman

ATTEST:

Gwen Stafford, Board Secretary

APPROVED AS TO CONTENT:

Joel Ivy, Chief Administrative Officer

APPROVED AS TO FORM:

Keli Swan, LP&L General Counsel

SECOND AMENDMENT
to
EXTEND TERM

This Second Amendment (“Second Amendment”) to Pipeline Service and Maintenance Agreement (the “Original Agreement”), is entered into this 17th day of March, 2026, by and between the City of Lubbock, Texas, a Texas home rule municipal corporation, acting by and through Lubbock Power & Light (“LP&L”), and EverLine Compliance, LLC (“EverLine”), a Texas corporation, 9720 Cypresswood Drive Suite 360, Houston, TX, 77070 (“Everline”).

WITNESSETH

WHEREAS, LP&L and Everline entered into a Pipeline Service and Maintenance Agreement effective April 12, 2025, wherein LP&L contracted with Everline to perform maintenance and monitoring services for pipelines owned by LP&L, as defined in the Original Agreement, and as more particularly described in the Original Agreement (“Compliance Services”);

WHEREAS, LP&L and EVERLINE executed the First Amendment to Professional Services Agreement, on September 16, 2025, to amend the Original Agreement to provide for an increase in the Not to Exceed (NTE) amount to \$350,000.00 dollars and provide funding for the necessary compliance services in resolution EUB 2025-R0040.

WHEREAS, LP&L and Everline now desire to enter this Second Amendment to provide an extension of the term by two years and to update required insurance.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, LP&L and Everline agree as follows:

ARTICLE IV. TERM

Article IV paragraph a., is deleted and replaced with the following:

This Agreement is effective as of April 12th, 2025, and shall continue in full force and effect for three (3) years until April 30th, 2028 ("Primary Term"). This Contract may be extended for one additional year ("Successive Term") if it is determined by the LP&L Chief Administrative Officer that such extension is necessary. The Chief Administrative Officer or his designee may extend this Contract pursuant to the terms herein so long as the consideration paid does not increase.

ARTICLE VI. INSURANCE

Article VI is hereby amended to add the following provision:

Workers Compensation Requirements: Employer Liability (\$1M) is required with Workers Compensation

Except as amended hereby, the terms and conditions of the Original Agreement, as amended, shall remain valid and in force.

EXECUTED as of the Effective Date hereof.

CITY OF LUBBOCK, acting by and through
Lubbock Power & Light

Joel Ivy, Chief Administrative Officer

APPROVED AS TO CONTENT:

Blair McGinnis, Chief Operations Officer

APPROVED AS TO FORM:

Keli Swan, General Counsel

EverLine Compliance, LLC

By: Trent Ackhurst

Name: Trent Ackhurst

Title: VP - Compliance & Integrity