

REGULAR BOARD OF DIRECTORS *Meeting Notes*

September 10, 2018

Consideration to Approve Revised Power Supply Adjustments, Regulatory Charges, the Renewable Rate Rider, and Review Fuel & Regulatory Recoveries

Mr. Doug Lyles, Chief Risk Officer, provided an update on the fuel and regulatory recovery projections, as well as proposed revisions to the Power Supply Adjustment (PSA) and Regulatory Charges, and the calculation of the new Renewable Energy Rider. The board voted to approve revised rates for the Power Supply Adjustment, the Renewable Rate Rider, the City System Regulatory Charges and the Rural System rate class discount factors.

Consideration to Approve the BTU Portion of the Construction of Graham Road Substation

Mr. Randy Trimble, Executive Director of Energy Delivery, presented bids for the BTU portion of the construction of Graham Road Substation. Of the five bids received, BTU and the City of College Station selected Primoris Services Corporation (Chapman Construction Company) for the construction of the entire substation. The Board approved a contract in the amount of \$2,497,252.51 for the construction of BTU's portion.

Consideration to Approve a Contract for BTU Field Asset Inventory

Mr. Trimble presented a proposal to perform a territory-wide audit of all BTU field assets. This process will include collecting, validating, and recording GPS coordinates, attribute details, and assembly units for all of BTU's field equipment. It will also include information regarding third party joint use facilities attached to all BTU poles. Seven responses were received from the Request for Proposal, with Davey Resources Group (DRG) being selected by staff. The Board approved a contract with DRG in the amount of \$1,563,486.43 to complete this work.

Consideration to Approve a Contract for CIP Projects for FY19

Mr. Trimble presented a bid for an overhead pole line contractor to assist with the construction of eleven capital improvement projects in FY19. The Board approved a contract with Echo Powerline in the amount of \$2,202,623.51.

Consideration to Approve a Contract for BTU Line Clearance and Tree Trimming

Mr. Trimble presented the bid results for a one-year contract for the annual right of way line clearance and tree trimming in FY19. This contract includes the clearing of 17 feeders, emergency afterhours line clearance work, and right of way (ROW) clearing for new construction projects. The Board approved a contract with Nelson Tree Service, Inc. in the amount of \$2,981,216.40.

Consideration to Approve a Master Agreement for Software License, Support, and Maintenance for a Mobile Work Force Management Solution

Mr. Trimble presented bid results for a Mobile Workforce Management Solution that enables field crews to connect with office supervisors and System Operators in real-time from the field for more efficient operations. The Board approved a contract with Clevest Solutions, Inc. in the amount of \$650,260 for this project.

Consideration to Approve an Engineering Services Contract for the Conversion of Electrical Facilities from Overhead to Underground

Mr. Trimble presented a contract for engineering services for the conversion of overhead electrical facilities to underground, for William J. Bryan Parkway from Texas Ave. to Highway 6. The Board approved a contract with Binkley & Barfield, Inc. in the amount of \$621,319.84.

SOCIAL MEDIA



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BRYAN TEXAS UTILITIES
205 East 28th Street • Bryan, TX 77803
email: ContactBTU@btutilities.com

www.btutilities.com

Hours of Operation

Monday - Friday, 8 a.m. - 5 p.m.

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Doug Lyles, Chief Risk Officer
Wes Williams, Regulatory Compliance Officer

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Kean Register, City Manager
Joe Hegwood, Chief Financial Officer
Bernie Acre, Chief Information Officer

IMPORTANT NUMBERS

Billing/Collections/Connects
(979) 821-5700

Electrical Outage/Lines Down
(979) 822-3777

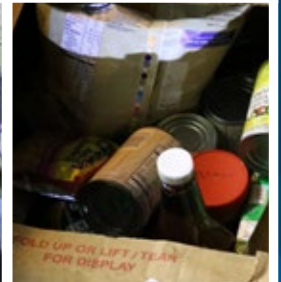
Distribution/Line Design
(979) 821-5770

FOOD FOR FAMILIES

Hunger is a reality that many in the Brazos Valley community do not realize is a problem in our schools, among our elderly, and maybe even in some of our own homes. The vision of the Brazos Valley Food Bank (BVFB) is to have a hunger-free Brazos Valley but this can only be accomplished through the service and support of others in the community. Each year, KBTX hosts the Food for Families Food Drive in December. This day-long event provides locations across the Brazos Valley where volunteers receive non-perishable food, monetary, and/or toiletry donations for the BVFB to distribute to food banks in the six-county area, all reported on live by KBTX from the donation sites.

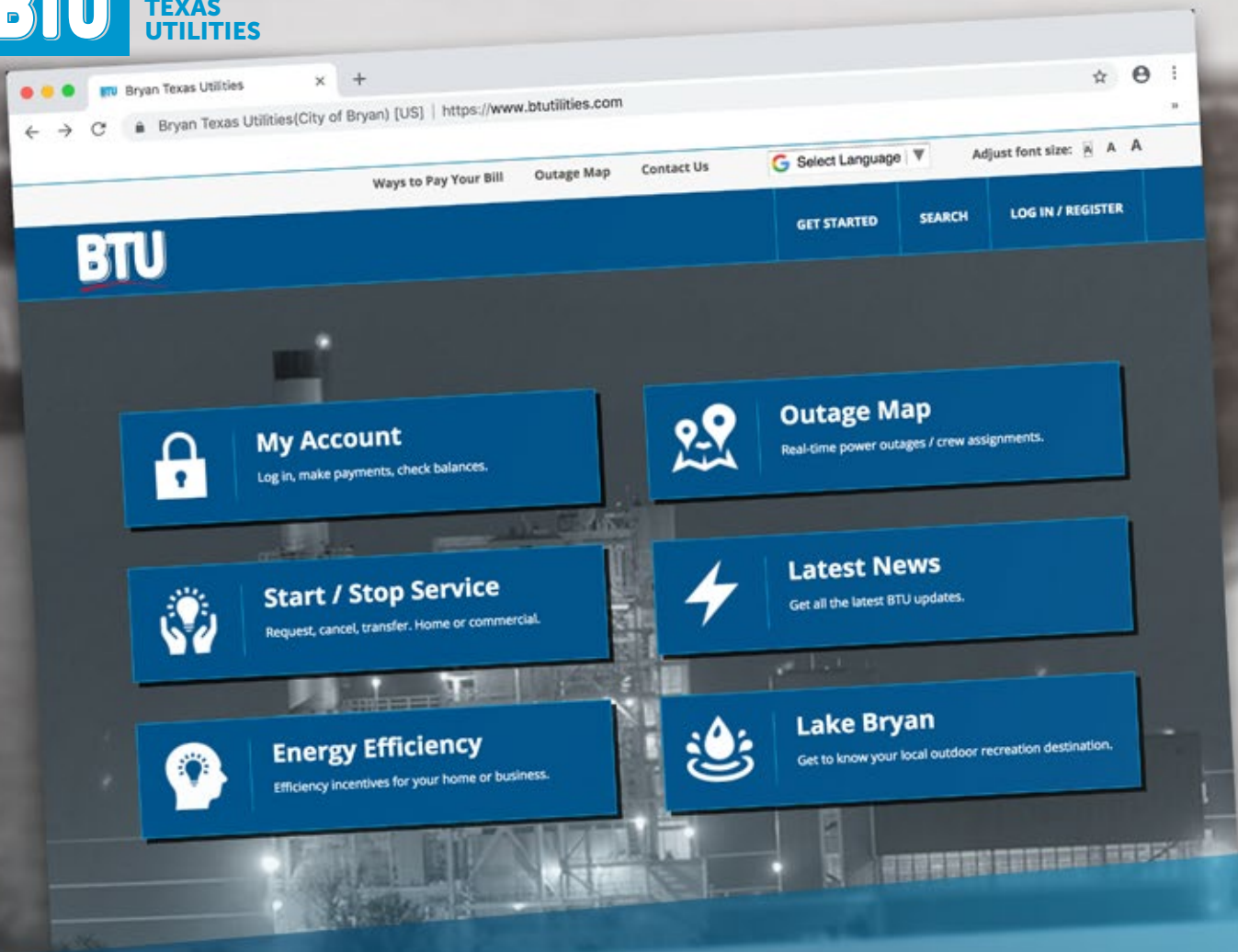
Bryan Texas Utilities has been a longtime supporter of the vision of the BVFB in creating a hunger-free Brazos Valley. BTU employees volunteer to take the first shift of sorting and unloading donations beginning at 5 AM at the Brazos Center followed by the presentation of a monetary donation. December weather can be unpredictable in Texas, but the show must go on. Therefore, the Food for Families Food Drive has been successful throughout the years despite rain, sleet, and snow. The dedication to service and care for fellow citizens that our community exhibits is unmatched and drives BTU to continue to serve our community. Please join us in alleviating hunger in the Brazos Valley at the 23rd Annual Food for Families Food Drive on December 5, 2018.

Visit KBTX's website at kbtx.com for additional information about the event and for a list of needed items.



The following locations will be accepting donations on December 5th:

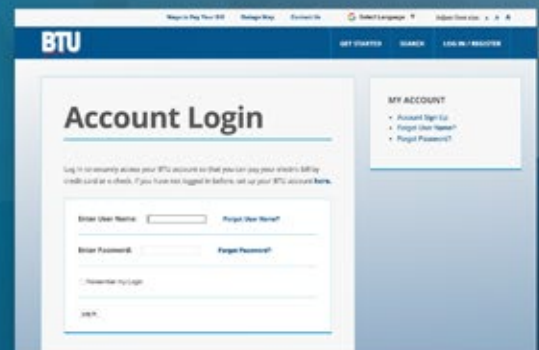
- **Brazos Center (Bryan)**
– 5 AM - 7 PM
- **Kimbro Center (Madisonville)**
– 6 AM - 7 PM
- **Mid-South Synergy (Navasota)**
– 6 AM - 7 PM
- **Navasota Valley Electric Coop (Franklin)**
– 6 AM - 7 PM
- **St. Mary's Parish Gym (Caldwell)**
– 6 AM - 7 PM



OUR WEBSITE... REDESIGNED WITH YOU IN MIND

Welcome to the newly redesigned Bryan Texas Utilities website! The new look and feel aims to make doing business with BTU even easier for our 58,000+ customers throughout our service area, which includes Brazos, Robertson, and Burleson counties.

In addition to the features you have become accustomed to such as making an online payment, starting and stopping service, and accessing the outage map, you can now enjoy an “app-like” mobile experience that puts each of these options and much more right at your fingertips.



You can also access past editions of Texas Co-Op Power Magazine, the monthly utility bill insert "Plug In," and reports/financials as well as apply for rebates, view your personal consumption history, and learn more about BTU sponsored activities and programs.

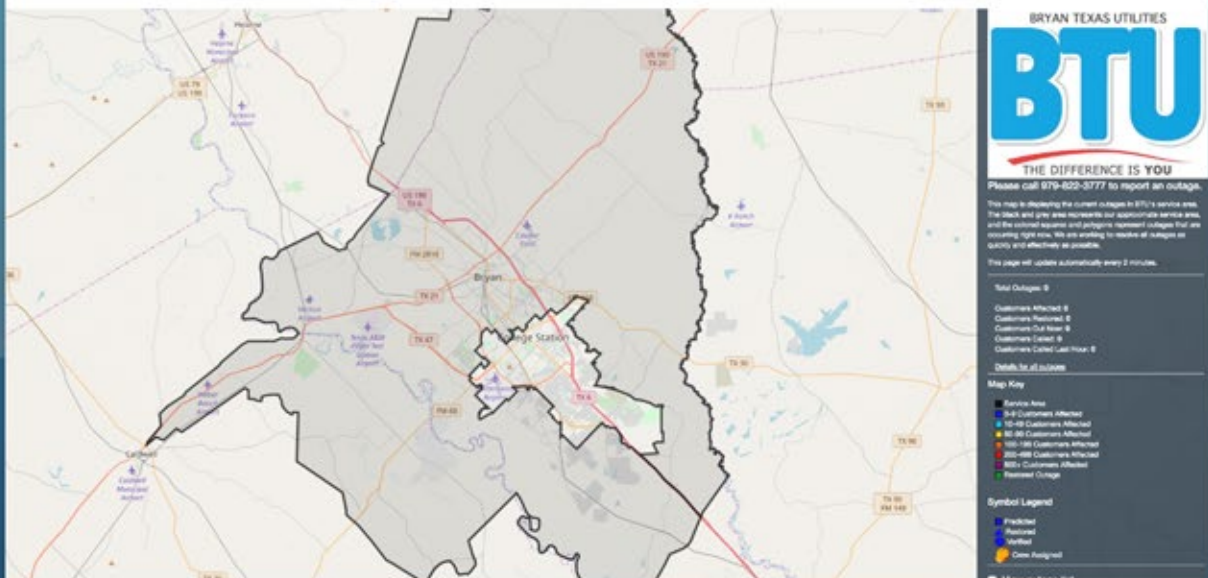
Visit btutilities.com to view the new site. Be sure to follow us on Facebook (@BryanTexasUtilities) and Twitter (@BTU_BryanTX) for important news and updates!



The BTU Outage Map. Real Info in Real Time.

Did you know that your meter tells us when you lose power? Unlike with old meter technology, BTU gets a signal from your meter when power is lost, allowing our staff to begin investigating the problem quickly. Through our website, you can access our outage map that will tell you where an outage has occurred and if a crew has been assigned.

This technology has dramatically decreased outage times for our customers. In fact, in 2017 BTU's average outage duration was less than 20 minutes, compared to the national average of more than an hour and a half!



NEW EVENT LIGHTING *is Coming to* DOWNTOWN BRYAN (And It's Pretty Spectacular!)

If you think Downtown Bryan is a recreational destination now, just wait until November 16. This year's downtown Lights On! event will be something you won't want to miss. And then you can return to downtown on December 14 for the downtown lighted Christmas parade.

"Our holiday lights were aging, they had lost their luster, and we thought maybe it was time to add a new sparkle to the holidays," says Hugh Walker, City of Bryan Deputy City Manager. "And members of the City Council and the city manager asked, 'Well, how about lighting that can be used year-round?' That's when we got pretty excited."

For Walker and Council, it wasn't just a question of adding some sparkle to the downtown holidays. "We knew the old, incandescent lighting was expensive and inefficient—prone to shorting out, and laborious in putting up and taking down—versus the technology available now," says Walker.

The City issued a Request for Proposals in October 2017 for a company to propose a design and installation. Premier Christmas, a Texas based firm that designs and installs large scale lighting and decor projects, was chosen.

Eleven thousand feet of Generation 3 Inception RGB LED ("pebble lights") lighting will be installed on the top most edges of downtown buildings on Main

Street and Bryan Avenue. The LEDs are fairly simple to mount and more easily maintained; the contract calls for Premier to do quarterly maintenance.

Presently, the City is in a race with technology, as new controllers are being developed, possibly in time for Christmas 2018. If the new automated (smart phone controlled) controllers are not available for 2018, the lights will be controlled manually at several locations. The lights will be used frequently throughout the year and, because they can be virtually any color in the spectrum, holidays with traditional color themes may be highlighted downtown—red for Valentine's Day, for instance, green for St. Patrick's Day.

"We are so pleased and excited that the City of Bryan has invested in the new LED lighting for downtown," shares Sandy Farris, the Executive Director for the Downtown Bryan Association. "We have seen similar projects in other downtowns, and have been told the lights are almost an attraction just by themselves. They will add so much to the atmosphere not only for the holiday season, but year-round."

As technology advances, future uses for the lights could be for public safety and other notification alerts. For example, the lights could flash and turn a certain color to signify impending danger.



And the really exciting thing about these LED lights? Cost. Electricity to operate the lights year-round will cost approximately \$1,320—versus the cost to operate the older incandescent lights, \$30,800.

Also included are street light pole décor, wash lights (uplighting), branch wrap lighting on two large trees near the Palace Theater, and two seven-foot ornaments.

The City expects the lights to be one more Bryan attraction enticing folks to visit the community and downtown. Just as the old incandescent lights were up for about a decade, the new technology is expected to function for many years.

“It’s a terrific holiday gift for our citizens, we think,” says Mayor Andrew Nelson. “This will be a great addition to our already exciting downtown, a year-round addition.”

Upcoming Holiday Events - Downtown Bryan

Lights On! – Gloria Sale Park – November 16th

November Art Step – November 15th – 6 PM

Wine & Wassail Walk – November 24th – 4 PM

Downtown Bryan Lighted Christmas Parade – December 14th – 6:30 PM

December Art Step – December 20th – 6 PM

Queen’s Ball – December 31st – 9 PM

BTU Holiday Classics at The Queen

• Begins November 16 through December 22 • Movie prices - \$4.00 per ticket

Are You “Energy Smart”?

Household Appliances—New or Old—Can Save You Money

Consumers are more aware than ever about conserving energy and lowering their monthly costs—and appliances are “smarter” than ever, too. From electric water heaters to washing machines to programmable thermostats, our household appliances can do more for us at less cost.

With Black Friday sales approaching, if you’ve been thinking of updating any of your appliances, this might be the time. Consumers need to keep in mind there are actually TWO costs to any appliance: the purchase price and the operation cost. Often, paying a little more for a highly efficient appliance is the smart thing to do. Many appliances now available can pay for themselves within just a few years with the energy savings they generate.

Look for the Energy Star tag on any new appliance—that’s a guarantee that you are purchasing one of the most efficient appliances on the market. And look closely at the yellow tag on large appliances which approximates annual operating costs and provides efficiency ratings; compare the labels among appliances.

On average, half of the annual home’s energy use goes to cooling and heating, so it’s a good place to start your energy savings. Homeowners can also do some basic home maintenance to enhance efficiency:

- Leakage in the duct system can cause as much as 30 percent loss of cooling and heating, so find any leaks and seal them.
- Changing the system’s air filters (filters in the ceiling or walls, as well as the larger filter in the unit itself) greatly enhances its efficiency; during heavy use periods like summer, change the filters monthly; during the rest of the year, every three months.
- Have your HVAC system inspected twice a year, in the Spring and Fall.
- Consider installing a programmable thermostat, to avoid running your system when it’s not needed.

If your heating and cooling system is more than ten years old, you might consider replacing it with an Energy Star qualified system, installed by a licensed professional.

The laundry room is another big energy user. For your washing machine:

- Use cold water—it cleans just as well as hot water (there are many high quality cold water detergents);
- Wash full loads—you will use the same amount of water and energy on a small load as you will on a full load.
- If you have the option, use the extended spin cycle to get more moisture out of the clothes. This will lessen your drying time.

The dryer is a big-time energy user, so try these steps if you don’t already:

- Air dry when you can, hanging clothes in the fresh air;
- Don’t overload the dryer, and dry “like” things, towels in one load, cotton clothes in another;
- Use a lower heat setting; it may take a little longer to dry, but it will use less energy;
- Cleaning the filter regularly will help the dryer run more efficiently and safely.

In the kitchen, the dishwasher and electric stove are the large energy consumers. During the summer, you can save energy by grilling outdoors. As with a washing machine, make sure the dishwasher is full when you use it.

A water heater, whether gas or electric, is typically set at about 140 degrees when it comes out of the factory; that’s too hot. Set the water temperature to 120 degrees; use the vacation setting if you are away for a period of time.

One other appliance that needs to be mentioned: the home computer. It uses a lot of energy, so turn it off when it’s not in use!

For more ideas, go to www.energy.gov. You will find a list of appliances with the wattage and annual energy use. You can also monitor your energy consumption through your online profile at www.btutilities.com.

For your holiday gift giving, you might want to consider energy efficient appliances and lights. They’re gifts that keep giving are great for the home, and for the environment.



YOUTH TOUR: *Washington, D.C.*

You're a local high school student. You're smart. You have big dreams. Maybe you've never been out of the state or maybe you've never flown on a plane but you want to travel—experience a big city, visit historic landmarks and meet people and not just fellow high school students, but influential public figures like U.S. Representatives.

If that describes you, then you may be a candidate to apply for the Government-in-Action Youth Tour, an all-expense-paid trip to Washington, D.C. from June 12 through 21, 2019, sponsored by Bryan Texas Utilities and organized by Texas Electric Cooperatives.

The Youth Tour is an action-packed trip to Washington, D.C. with about 150 of your peers and chaperones from across Texas. You will visit the Washington National Cathedral, Arlington National Cemetery, Mount Vernon, Smithsonian institution, monuments, memorials, and more. Activities include learning about rural electrification, seeing a performance at the Kennedy Center, going on a boat cruise with dinner and dancing, and meeting elected officials.

You could be part of this legacy shared by nearly 4,000 past Texas Youth Tour alumni since the program's inception in 1965. To apply, submit your application online. This year's contest topic is to discuss challenges currently facing the electric industry.

ELIGIBLE ENTRANTS MUST:

- Be a sophomore, junior or senior in high school;
- Be a dependent of a Bryan Texas Utilities customer, or attend a school served by BTU; and
- Submit an application and essay on the topic: Challenges Facing the Electric Industry.

Applications open November 1, 2018 and can be found at btutilities.com. The deadline to apply for this once-in-a-lifetime adventure is February 4, 2019. For more information about Youth Tour, visit YouthTour.org and TexasYouthTour.com or contact Elisabeth Reyes at 979-821-5772 or ereyes@btutilities.com.



Congratulations to James Bodine Jr., son of BTU's Division Manager of Distribution James Bodine!

James Bodine Jr., a Centerville High School student, has recently been awarded the prestigious Presidential Volunteer Service Award (Gold Level). Last year, James volunteered over 100+ hours to his community. The President's Volunteer Service Award is presented to students that better communities and our world.

James was also selected as a Top 25 prospect to participate in the USSSA All American Games for the Southeast Region. He joined other players from across the region which included Arkansas, Tennessee, Alabama, Mississippi, and Louisiana to play baseball in the All-American games at the Space Coast Center in Viera, Florida.