



# Huntsville, Alabama

305 Fountain Circle  
Huntsville, AL 35801

## Cover Memo

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**Meeting Type:** City Council Regular Meeting **Meeting Date:** 9/11/2025

**File ID:** TMP-5960

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**Department:** Huntsville Utilities

**Subject:**

**Type of Action:** Approval/Action

Resolution authorizing the Mayor to approve Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Electric Department for the Fiscal Year 2026 at a total estimated cost of \$64,473,985. (Utilities: Electric)

Choose an item.

**Finance Information:**

**Account Number:** N/A

**City Cost Amount:** \$ N/A

**Total Cost:** \$ N/A

**Special Circumstances:**

**Grant Funded:** \$ N/A

**Grant Title - CFDA or granting Agency:** N/A

**Resolution #:** N/A

**Location: (list below)**

**Address:** N/A

**District:** District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

**Additional Comments:** N/A



## RESOLUTION 25- \_\_\_\_\_

**WHEREAS**, on August 27, 2025, the City of Huntsville Electric Utility Board has approved the Budget for the Electric Department for the Fiscal Year of 2026, which includes Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Electric Department for the Fiscal Year 2026 at a total estimated cost of \$64,473,985; and

**WHEREAS**, the Budget Work Orders and Project Work Orders relevant to the Fiscal Year 2026 Budget for the Electric Department Budget are described as follows:

**Budget Work Order 351-2026 –New Construction.** Materials, outside services, and labor for new construction items for the Electric, Fiber, and Joint Departments for fiscal year 2026. These items include system improvements and capital projects at an estimated cost of \$16,015,000.00.

**Budget Work Order 352-2026 –Renewals and Replacements.** Materials for renewal and replacement items for the Electric, Fiber, and Joint Departments for fiscal year 2026. These items include miscellaneous renewals, replacements, and relocation work at an estimated cost of \$2,800,000.00.

**Budget Work Order 370-2026 – Land.** Land as outlined in the budget for the Electric and Joint Departments for fiscal year 2026. This includes the purchase of land for substation construction at an estimated cost of \$200,000.00.

**Budget Work Order 371-2026 –Office Furniture & Equipment.** Office furniture and equipment as outlined in the budget for the Electric, Fiber, and Joint Departments for fiscal year 2026. This includes the items too large or costly to be included in the operating expense budget at an estimated cost of \$220,000.00

**Budget Work Order 372-2026 –Tools & Work Equipment.** Request approval to purchase work equipment as outlined in the budget for the Electric, Fiber, and Joint Departments for fiscal year 2026. This includes the items too large or costly to be included in the operating expense budget at an estimated cost of \$353,185.00.

**Budget Work Order 373-2026 –Transportation and Equipment.** New transportation items as outlined in the budget for the Electric, Fiber, and Joint Departments for fiscal years 2026 through 2028. This includes new and replacement vehicles and other miscellaneous items at an estimated cost of \$8,520,300.00.

**Budget Work Order 374-2026–Communications Equipment.** New communications equipment as outlined in the budget for the Electric and Joint Departments for fiscal year

2026. These items include upgrades, RTUs, and radios at an estimated cost of \$260,000.00.

**Budget Work Order 375-2026 –Computer Equipment.** New computer equipment and support as outlined in the budget for the Electric and Joint and Fiber Departments for fiscal year 2026. These items include hardware, software, licensing, etc. at an estimated cost of \$955,000.00.

**Budget Work Order 376-2026 –Metering Equipment.** New metering equipment as outlined in the budget for the Electric and Joint Departments for fiscal years 2026 and 2027. These items include electric meters at an estimated cost of \$3,467,786.00.

**Budget Work Order 377-2026 –Transformers.** New transformers as outlined in the budget for the Electric and Joint Departments for fiscal years 2026 and 2027. These items include distribution transformers at an estimated cost of \$12,000,000.00.

**Project Work Order –Fleet High Bay Addition.** Materials, outside services, and labor to complete the Fleet High Bay Addition 6,600 square feet and site improvements at an estimated cost of \$3,850,000.00.

**Project Work Order – Northwest Substation Expansion -AMENDED.** Materials, outside services, and labor to expand the Northwest Substation in the northwest area of Madison County at an estimated cost of \$3,700,000.00.

**Project Work Order – Battery Energy Storage System at Stringfield Substation No. 2.** Outside services and labor to design and install systems to shave off peak demand on distribution circuits at Stringfield Subdivision in the northwest area of Madison County at an estimated cost of \$1,900,000.00.

**Project Work Order – Spragins Improvements Phase 2-4.** Materials, outside services, and labor to make improvements to our Spragins Facility at an estimated cost of \$1,650,000.00.

**Project Work Order – Downtown Switchgear Revitalization-Zone 1.** Outside services and labor to replace obsolete and/or end of life switchgear in Downtown Huntsville at an estimated cost of \$1,500,000.00.

**Project Work Order –Moontown Circuit 244 Reconducting and Multi-Phasing.** Materials, outside services, and labor to perform the work to enable an interconnection between the new Moontown 244 and Deposit 224 circuits in the east area of Madison County at an estimated cost of \$1,250,000.00.

**Project Work Order – Elkwood Section Delivery Substation 161kV/46kV - AMENDED.** Materials, outside services, and labor to construct a new electric substation due to growth and capacity needs in the northwest area of Madison County at an estimated cost of \$1,150,000.00.

**Project Work Order – Meridianville Bottom Road Tie.** Materials, outside services, and labor to provide a connection between Walker Lane and Steger Road substations in the northeast area of Madison County at an estimated cost of \$750,000.00.

**Project Work Order – Northwest 25kV Conversion.** Materials, outside services, and labor to convert the Northwest substation in the northeast area of Madison County at an estimated cost of \$750,000.00.

**Project Work Order – West Huntsville Substation Transformer Replacement.** Outside services and labor to replace existing transformer at the West Huntsville Substation with a new transformer at an estimated cost of \$750,000.00.

**Project Work Order –Dispatch Renovations.** Purchase materials, outside services, and labor to renovate the Dispatch center at an estimated cost of \$650,000.00.

**Project Work Order – Chase Building’s Garage Door Replacements.** Materials, outside services, and labor to replace the garage doors at the Chase building at an estimated cost of \$620,000.00.

**Project Work Order – Chiller Replacements-- Amended.** Materials, outside services, and labor to replace chillers in the Spragins building which are at the end of their life expectancy at an estimated cost of 225,000.00.

**Project Work Order – OneStream SaaS Platform.** Materials, outside services, and labor to implement a budgeting and forecasting SaaS system at an estimated cost of \$211,714.00.

**Project Work Order – Reclosers for Charity Lane 25kV Distribution Protection.** Materials, outside services, and labor to add reclosers that will improve the isolation of faults, thereby improving the reliability of the system in the northwest area of Madison County at an estimated cost of \$200,000.00.

**Project Work Order – Chase Truck Bay Tube Heaters Replacement.** Materials, outside services, and labor to replace the truck bay’s tube heaters at an estimated cost of \$185,000.00.

**Project Work Order – Northwest Substation Additions/Replace Security.** Materials, outside services, and labor to replace and add additional security at the Northwest Substation at an estimated cost of \$100,000.00.

**Project Work Order – Signage for Chase and Drive Through.** Materials, outside services, and labor to add signage to the Chase facility and drive through at an estimated cost of \$75,000.00.

**Project Work Order – Maga Arm Replacement Downtown and Drive Through.** Materials, outside services, and labor to replace the parking lot arm for downtown and drive through at an estimated cost of \$70,000.00.

**Project Work Order – Elkwood Section Delivery Substation Security.** Materials, outside services, and labor to add to the security at the Elkwood section substation in the northwest area of Madison County at an estimated cost of \$60,000.00.

**Project Work Order – Substation HVAC Units Perimeter, Charity, and Garth.** Materials, outside services, and labor for HVAC units at three substations in various locations in Madison County at an estimated cost of \$36,000.00.

**WHEREAS**, the estimated cost of said Purchases is in excess of \$25,000.00 and requires the consent and approval of the City Council of the City of Huntsville, Alabama;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Huntsville, Alabama that the Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Electric Department for the Fiscal Year 2026 and listed above at a total estimated cost of \$\_64,473,985 be, and the same is hereby approved and the written consent or approval of the City Council of the City of Huntsville is hereby granted to the City of Huntsville Electric Utility Board for the expenditure of sufficient funds from the proper fund belonging to the City of Huntsville Electric Utility Board for the payment of the cost thereof.

**ADOPTED** this the \_\_\_\_ day of \_\_\_\_\_, 2025.

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President of the City Council of  
the City of Huntsville, Alabama

**APPROVED** this the \_\_\_\_ day of \_\_\_\_\_, 2025.

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Mayor of the City of Huntsville,  
Alabama



# Huntsville Utilities

ELECTRICITY • NATURAL GAS • WATER

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## MEMORANDUM

To: Huntsville City Council

From: Wes Kelley, President & CEO

Date: August 29, 2025

Subject: Huntsville Utilities Item for City Council Agenda September 11, 2025

Resolution authorizing the Mayor to approve Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Electric Department for the Fiscal Year 2026 at a total estimated cost of \$64,473,985. (Utilities: Electric)

Approval of the resolution authorizing the Mayor to approve Budget Work Orders and Project Work Orders for new construction for system improvements, capital projects including material purchasing, outside services, and labor, transportation, and other expenses, as outlined in the Budget for the Electric Department for the Fiscal Year 2026 at a total estimated cost of \$64,473,985. (Utilities: Electric)

# **HUNTSVILLE UTILITIES ELECTRIC BOARD**

## **CAPITAL EXPENDITURES FOR APPROVAL**

### **AUGUST 2025**

The following **Budget Work Orders** submitted for approval are Huntsville Utilities capital expenditures over \$25,000. The total estimated cost shown for these items is expected to be incurred in the FY26-27 budget years.

**Item #1      Budget Work Order 351-2026 –New Construction**

Request approval to purchase materials, outside services, and labor for new construction items for the Electric, Fiber, and Joint Departments for fiscal year 2026. These items include system improvements and capital projects and are 2025-2026 budgeted items, budget code 51.

**Total Estimated Cost: \$16,015,000**

**Item #2      Budget Work Order 352-2026 –Renewals and Replacements**

Request approval to purchase materials for renewal and replacement items for the Electric, Fiber, and Joint Departments for fiscal year 2026. These items include miscellaneous renewals, replacements, and relocation work and are 2025-2026 budgeted items, budget code 52.

**Total Estimated Cost: \$2,800,000**

**Item #3      Budget Work Order 370-2026 – Land**

Request approval to purchase land as outlined in the budget for the Electric, Fiber and Joint Departments for fiscal year 2026. This includes the purchase of land for substation construction. This is a 2025-2026 budgeted item, budget code 70.

**Total Estimated Cost: \$200,000**

**Item #4      Budget Work Order 371-2026 –Office Furniture and Equipment**

Request the approval to purchase materials, outside services, and labor for office furniture and equipment to include the front offices at Chase as outlined in the budget for the Electric, Fiber, and Joint Departments for fiscal year 2026. These are 2026 budgeted items, budget code 71.

**Total Estimated Cost: \$220,000**

**Item #5      Budget Work Order 372-2026 –Tools & Work Equipment**

Request approval to purchase work equipment as outlined in the budget for the Electric, Fiber, and Joint Departments for fiscal year 2026. This includes the items too large or costly to be included in the operating expense budget. These are 2025-2026 budgeted items, budget code 72.

**Total Estimated Cost: \$353,185**

**Item #6      Budget Work Order 373-2026 –Transportation and Equipment**

Request approval to purchase new transportation items as outlined in the budget for the Electric, Fiber, and Joint Departments for fiscal years 2026 through 2028. This includes new and replacement vehicles and other miscellaneous items. These are 2025-2028 budgeted items, budget code 73.

**Total Estimated Cost: \$8,520,300**



- Item #7      Budget Work Order 374-2026 –Communications Equipment**  
Request approval to purchase new communications equipment as outlined in the budget for the Electric, Fiber and Joint Departments for fiscal year 2026. These items include upgrades, RTUs, and radios. These are 2025-2026 budgeted items, budget code 74.
- Total Estimated Cost: \$260,000**
- Item #8      Budget Work Order 375-2026 –Computer Equipment**  
Request approval to purchase new computer equipment and support as outlined in the budget for the Electric, Fiber and Joint Departments for fiscal year 2026. These items include hardware, software, licensing, etc. These are 2025-2026 budgeted items, budget code 75.
- Total Estimated Cost: \$955,000**
- Item #9      Budget Work Order 376-2026 –Metering Equipment**  
Request approval to purchase new metering equipment as outlined in the budget for the Electric, Fiber and Joint Departments for fiscal years 2026-2027. These items include electric meters. These are 2025-2027 budgeted items, budget code 76.
- Total Estimated Cost: \$3,467,786**
- Item #10     Budget Work Order 377-2026 –Transformers**  
Request approval to purchase new transformers as outlined in the budget for the Electric, Fiber and Joint Departments for fiscal years 2026-2027. These items include distribution transformers. These are 2025-2027 budgeted items, budget code 77.
- Total Estimated Cost: \$12,000,000**

The following **Project Work Orders** submitted for approval are Huntsville Utilities projects with a defined life cycle that include multiple work phases. In many cases the project is expected to extend beyond the current budget year. The total estimated cost is based on current estimates of what is needed to complete the project unless otherwise noted.

- Item #11     Project Work Order – Fleet High Bay Addition**  
Request approval to purchase materials, outside services, and labor to complete the Fleet High Bay Addition 6,600 square feet and site improvements. This project is a budgeted item, budget code 51.
- Total Estimated Cost: \$3,850,000**

- Item #12     Project Work Order – Northwest Substation Expansion – AMENDED**

Request approval to purchase materials, outside services, and labor to expand the Northwest Substation in the northwest area of Madison County. This project is a budgeted item, budget code 52.

**Total Estimated Cost: \$3,700,000**

- Item #13      Project Work Order – Battery Energy Storage System at Stringfield Substation #2**  
Request approval to purchase materials, outside services, and labor to design and install systems to shave off peak demand on distribution circuits at Stringfield Substation in the northwest area of Madison County. This project is a budgeted item, budget code 51.

**Total Estimated Cost: \$1,900,000**

- Item #14      Project Work Order – Spragins Improvements-Phase 2-4**  
Request approval to purchase materials, outside services, and labor to make improvements to our Spragins Facility. This project is a budgeted item, budget code 52.

**Total Estimated Cost: \$1,650,000**

- Item #15      Project Work Order – Downtown Switchgear Revitalization - Zone 1**  
Request approval to purchase materials, outside services, and labor to replace obsolete and/or end of life switchgear in Downtown Huntsville. This project is a budgeted item, budget code 52.

**Total Estimated Cost: \$1,500,000**

- Item #16      Project Work Order – Moontown Circuit 244 Reconducting and Multi-phasing**  
Request approval to purchase materials, outside services, and labor to perform the work to enable an interconnection between the new Moontown 244 and Deposit 224 circuits in the east area of Madison County. This project is a budgeted item, budget code 52.

**Total Estimated Cost: \$1,250,000**

- Item #17      Project Work Order – Elkwood Section Delivery Substation 161-25kV-AMENDED**  
Request approval to purchase materials, outside services, and labor to construct a new substation to serve growth needs in the northwest area of Madison County. This project is a budgeted item, budget code 51.

**Total Estimated Cost: \$1,150,000**

- Item #18      Project Work Order – Meridianville Bottom Road Tie**  
Request approval to purchase materials, outside services, and labor to provide a connection between Walker Lane and Steger Road substations in the northeast area of Madison County. This project is a budgeted item, budget code 51.

**Total Estimated Cost: \$750,000**

- Item #19**      **Project Work Order – Northwest 25kV Conversion**  
Request approval to purchase materials, outside services, and labor to perform the conversion of the Northwest substation in the northeast area of Madison County. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$750,000**
- Item #20**      **Project Work Order – West Huntsville Substation Transformer Replacement**  
Request approval to purchase materials, outside services, and labor to replace the existing transformer with a new one. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$750,000**
- Item #21**      **Project Work Order – Dispatch Renovations**  
Request approval to purchase materials, outside services, and labor to renovate the Dispatch center. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$650,000**
- Item #22**      **Project Work Order – Chase Building's Garage Door Replacements**  
Request approval to purchase materials, outside services, and labor to replace the garage doors at the Chase building. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$620,000**
- Item #23**      **Project Work Order – Chiller Replacements - AMENDED**  
Request approval to purchase materials, outside services, and labor to replace chillers in the Spragins building which are at the end of their life expectancy. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$225,000**
- Item #24**      **Project Work Order – OneStream SaaS Platform**  
Request the approval to for materials, outside services, and labor to implement a budgeting and forecasting SaaS system. This project is a budgeted item, budget code 51.
- Total Estimated Cost \$211,714**
- Item #25**      **Project Work Order – Reclosers for Charity Lane 25 kV Distribution Protection**  
Request approval to purchase materials, outside services, and labor to add reclosers that will improve the isolation of faults, thereby improving the reliability of the system in the northwest area of Madison County. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$200,000**
- Item #26**      **Project Work Order – Chase Truck Bay's Tube Heaters Replacement**  
Request approval to purchase materials, outside services, and labor to replace the truck bay's tube heaters. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$185,000**

- Item #27**      **Project Work Order – NW Substation - Additions / Replace Security**  
Request approval to purchase materials, outside services, and labor to replace and add addition security at the Northwest Substation in the northwest area of Madison County. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$100,000**
- Item #28**      **Project Work Order – Signage for Chase & Drive Thru**  
Request approval to purchase materials, outside services, and labor to add signage to the Chase facility and drive through. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$75,000**
- Item #29**      **Project Work Order – Maga Arm Replacement Downtown & Drive Through**  
Request approval to purchase materials, outside services, and labor to replace the parking lot arm for downtown and drive through. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$70,000**
- Item #30**      **Project Work Order – Elkwood Section Delivery Substation Security**  
Request approval to purchase materials, outside services, and labor to add to the security at the Elkwood section substation in the northwest area of Madison County. This project is a budgeted item, budget code 51.
- Total Estimated Cost: \$60,000**
- Item #31**      **Project Work Order – Substation HVAC units Perimeter, Charity, and Garth**  
Request approval to purchase materials, outside services, and labor for HVAC units at the three substations in various locations in Madison County. This project is a budgeted item, budget code 52.
- Total Estimated Cost: \$36,000**