

**MINUTES  
NEW BRAUNFELS UTILITIES BOARD OF DIRECTORS  
STRATEGIC WORKSHOP MEETING**

**9:00 AM  
THURSDAY, JANUARY 16, 2025  
NEW BRAUNFELS UTILITIES CUSTOMER SOLUTIONS CENTER  
1488 S. SEGUIN AVENUE, NEW BRAUNFELS, TX 78130**

Board President Wayne Peters opened the meeting at 9:00 a.m. A quorum of the NBU Board was present.

**PRESENT**

Board President Wayne Peters, Board Vice President Judith Dykes-Hoffmann, Board Trustee Stuart Blythin, Board Trustee Yvette Barrera Villanueva, and Mayor Neal Linnartz

**ABSENT**

None

**NBU PERSONNEL**

Ryan Kelso, Mark Steelman, David Hubbard, Connie Lock, Greg Brown, Sheila Lavender, Ragan Dickens, Dawn Schriewer, and Rocio Gallegos

**ITEMS FROM THE CHAIR**

**1. Update on Board Meeting Materials, Including Options to Organize Ancillary Materials for Board Review**

A modification in the way board meeting materials are presented has been requested by the board. While a full packet will remain available for the board to review, a modified version with all ancillary items removed and provided separately will also be available for their review.

**PRESENTATION ITEMS**

**1. Presentation on the New Braunfels Utilities (“NBU”) Strategic Plan and Annual Priorities Overview for Fiscal Year 2026 and Fiscal Year 2027**

Mark Steelman and David Hubbard led the presentation on the Strategic Plan and Annual Priorities Overview for Fiscal Years 2026 and 2027. Executive staff reviewed the goals and annual priorities.

Topics discussed included NBU’s Mission, Vision, and Core Values; Strategic Goals Statement and Summary; Changes in Reporting; Proposed FY 26/27 Strategic Goals; Proposed FY 26/27 Annual Priorities; and Proposed Key Leading and Lagging Indicators.

a. NBU’s Mission, Vision, and Core Values.

b. Strategic Goals Statements and Goal Summaries:

Mark Steelman shared the six Strategic Goal Statements and Goal Summaries. They include:

- Customer and Community: To provide a customer-first focus and commit to innovative solutions to improve the customer experience with the commitment to anticipate and exceed customer expectations.
- People and Culture: Build on our team-oriented culture, promote ethical behavior, and prepare our team to meet the challenges ahead.
- Infrastructure and Technology: Maintain reliable and resilient systems through responsible planning, asset management, and innovative technologies that align with the strategic direction of the company.
- Financial Excellence: Practice sound financial management to be responsible stewards of public funds, which enables NBU to deliver competitive rates and provide reliable service for the benefit of the community.
- Safety and Security: Strive to place safety and security as the highest priorities for every employee and customer through NBU's Speak Up, Lead, and Care for All training for employees at all levels.
- Stewardship: Commit to preserving and protecting community resources through planning, innovation, collaboration, and education through responsible management of the community's resources.

c. Changes in Reporting:

A change in the reporting format was made to better show the leading indicators to highlight potential areas of growth or risk.

d. Proposed Fiscal Year 2026 and Fiscal Year 2027 Strategic Goals and Overview of Revisions:

- Stewardship: to have a 1% reduction of NBU Gallons Per Capita per Day ("GCPD") based on the 10-year average in both FY26 and FY27
- People and Culture: maintain an 85% or higher retention rate for the fiscal year, and implement 50% of the approved action items as presented by the Employee Experience team
- Safety and Security: to have an OSHA incident rate of 3 or less incidents per 100 employees per year; to have a Safety meeting compliance rate of 90% or more for all departments
- Customer and Community: to be at or above industry standard on Customer Satisfaction Survey Benchmark Organizational characteristics

- Financial Excellence: to have a Bond rating of A+/A1 or greater by at least two of the three major rating agencies
- Infrastructure and Technology: a three-year rolling average of less than 52.56 minutes for better reliability; information technology systems reliability of 98% or greater; have an Infrastructure Leakage Index greater than 3% over a three-year rolling average; and wastewater treatment compliance events at greater than 98% compliance

Proposed FY 26/27 Strategic Goal Revision:

- Revisions to the original FY 26/27 goals were shared to reflect the changes in Stewardship, Safety and Security, Financial Excellence, and People and Culture discussed earlier in the meeting. Based on board discussion, adjustments to the HR retention goal and GCPD will be made prior to final board approval.

e. Proposed Annual Priorities FY 2026/2027:

Proposed Annual Priorities for FY 2026:

- Enterprise Asset Management: Establish NBU's Asset Data and Information Standards
- Enterprise Project Management: Implement PMIS for capital projects for support services
- Customer Experience: Implement target optimization CS initiatives that will achieve meaningful experience.
- Technology Modernization: Select Customer Information System

Proposed Annual Priorities for FY 2027:

- Strategic Plan: Update Strategic Plan
- Technology Modernization: Implement Phase 1 of Customer Information System; Select Financial System
- Customer Experience: Implement target optimization CS initiatives that will achieve meaningful improvements

f. Key Performance Indicators: Definitions and examples of Key Performance Indicators ("KPIs") were shared with the board prior to sharing NBU's KPIs for the Proposed FY 2026-2027 Strategic Goals

Proposed KPIs include:

- People and Culture: 85% Retention Rate; 50% Completion of Action Items (Action items include staff recommendations based on feedback submissions that will be reviewed by the Employee Experience Committee)

- Safety and Security: OSHA Incident Rate of 3 or less incident rate per 100 employees per year; Safety meeting compliance rate of 90% or greater
- Customer and Community: Results from Great Blue Survey that reflect response to Speed to Answer rate, real-time customer satisfaction, first contact resolution, and percentage of customers using NBU rebate programs
- Stewardship: 1% reduction in NBU GCPD in FY26 (target of 136) and FY27 (target of 134)
- Financial Excellence: achieve and A+/A1 bond rating
- Infrastructure and Technology: System Average Interruption Duration Index (“SAIDI”) time of less than 52.56 minutes; ITS reliability of 98% or greater; an Infrastructure Leakage Index of less than 3.0, and Wastewater Treatment Comp. Events at 98% or greater.

A new reporting format to share the indices score was shown to the board. Updates on the Strategic Plan will be shared with the board on a quarterly basis.

**The Board recessed for a break at 10:21 am and reconvened at 10:28 am.**

**2. Presentation on the State of NBU to Include Strategic Key Initiatives and Future Outlook**

CEO Ryan Kelso presented the State of NBU. The State of NBU is presented to the New Braunfels City Council annually. This year, we will present it to the Council on February 13, 2025. Topics included in the State of NBU include:

- a. An overview of the Strategic Plan, including the Mission, Vision, Core Values, Strategic Goals, and Fiscal Year 2025 Annual Priorities.
- b. The current Financial Outlook.
- c. An overview of the Electric Services to include the current five-year capital plan, the current status of electric projects, and a comparison of residential electric bills with surrounding utility companies.
- d. An overview of the Water Services to include the current five-year capital plan, the current status of water projects, water supply diversifications in comparison to surrounding water suppliers, and impact fee comparisons to surrounding utility companies.

**ADJOURN**

There was no further business, and Board President Wayne Peters adjourned the Board Strategic Workshop at 11:13 am.

***Attest:***

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*Wayne Peters, President  
Approved*

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*Ryan Kelso, Secretary of the Board  
Chief Executive Officer*

*Date Approved: January 30, 2025*