

**MINUTES  
NEW BRAUNFELS UTILITIES BOARD OF DIRECTORS  
REGULAR BOARD MEETING**

**1:00 P.M.**

**Thursday, December 12, 2024**

**NBU Board Room**

**263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Wayne Peters opened the meeting at 1:00 p.m. A quorum of the NBU Board was present.

**PRESENT**

Board President Wayne Peters, Board Vice President Judith Dykes-Hoffmann, Board Trustee Stuart Blythin

**ABSENT**

Board Trustee Yvette Villanueva Barrera

**NBU PERSONNEL**

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

**NBU CONSULTANTS**

None

**PLEDGE AND INVOCATION**

Board Vice President Judith Dykes-Hoffmann led the pledge of allegiance and offered the invocation.

**PUBLIC COMMENT**

There were no public comment requests.

**ITEMS FROM THE CHAIR**

**1. Introduction of Newly Appointed New Braunfels Utilities (“NBU”) Board Member Stuart Blythin**

Board President Wayne Peters introduced newly appointed Board Member Stuart Blythin. Mr. Blythin was appointed by the New Braunfels City Council at the November 18<sup>th</sup> City Council meeting.

**2. NBU Board Committee Assignments**

This item was tabled and will be discussed at the January Board Meeting.

**3. NBU Board of Trustees Board Calendar Dates for Board Meetings, Board Strategic Workshops, Community Advisory Panel Meetings and Industry Conference Dates**

A list of all board meeting dates, board strategic workshops, community advisory, and industry conference dates was shared with the board.

4. **Election of Officers for the NBU Board of Trustees for the Office of Vice President**  
Board President Wayne Peters made a motion, and Mayor Neal Linnartz seconded the motion, to elect the following officers to the NBU Board of Trustees: Board Vice President Judith Dykes-Hoffmann for a term of 1-year. The vote was unanimous.
5. **Report from the Audit Committee**  
Board Vice President Judith Dykes-Hoffmann reported that the NBU Audit Committee met on December 12, 2024. Wayne Peters, Ryan Kelso, Dawn Schriewer, Connie Lock, Greg Brown, John Warren, Kimberly Huffman, and Laura Ayala were present, in addition to Keith Simovic with Moss Adams. Topics discussed were an audit overview, required audit communications, best practices, upcoming accounting standards, and the red flag and cybersecurity incidents report.
6. **Any Other Items Permitted Under Section 551.0415 of the Texas Government Code**  
Mayor Neal Linnartz acknowledged and expressed gratitude for the NBU article recently published in the New Braunfels Herald Zeitung. President Wayne Peters also acknowledged a follow-up editorial that was published in the New Braunfels Herald Zeitung.

## ITEMS FROM STAFF

1. **CEO Update**  
CEO Ryan Kelso presented updates on the following events that NBU staff participated in:
  - a. **NBU Celebrated One Million Man Hours with No Lost Time Incidents**  
NBU recently celebrated a milestone of one million man-hours without any lost time incidents. This achievement underscores NBU's dedication to maintaining the highest standards of safety.
  - b. **NBU Ethics Week**  
During the week of November 4th, NBU hosted its annual Ethics Week hosted by the Ethics Committee and the legal team. All NBU employees are required to comply with NBU's Ethics Policy, and Ethics Week is a time used by the Committee and the legal team to meet with, offer guidance to, and train NBU employees on the NBU Ethics Policy.
  - c. **Veteran's Day Celebration/Luncheon**  
On November 8th, NBU proudly held a Veterans Day ceremony and luncheon at Krause's Café to honor the dedication and sacrifices of 56 employees who served in the military. This special event celebrated their service, highlighting their profound sacrifice and impact on our nation and now in serving our community.
  - d. **Texas Aquatic Plant Management Society of Texas Event Hosted by Headwaters**  
On November 12th, the *Texas Aquatic Plant Management Society* brought 50 members for a tour of the Headwaters restoration work. They also held their inaugural Arundo (an invasive, water-hogging aquatic plant) Alliance meeting in the Headwaters pavilion.

**e. Hill Country Alliance's and City of Boerne's Leadership Tour of One Water**

On November 13th, the Hill Country Alliance brought the One Water in the Hill Country leadership group to New Braunfels for a tour of the Headwaters at the Comal's One Water features. The group included One Water NB Governance and Working Group members, elected officials, and City Representatives from across the Hill Country to see the transformation of the 16-acre Klingemann tract.

**f. Annual City of New Braunfels Holiday Tree Lighting**

NBU was proud to participate in celebrating this holiday season during the annual Downtown Lighting & Santa's Arrival on November 22<sup>nd</sup>. Each year, NBU works hand-in-hand with the city to ensure the downtown lights shine bright, creating a festive atmosphere for residents and visitors.

**g. Texas Chapter Public Risk Management Association ("PRIMA") 2024 Risk Management Achievement Award for NBU Risk Management Program**

The Finance & Risk team was proud to receive the 2024 Risk Management Achievement Award. Congratulations to our Finance and Risk teams.

**h. NBU and New Braunfels Food Bank Joint Food Drive Partnership & Thanksgiving Meal Distribution Event**

On November 21st, NBU teamed up with the New Braunfels Food Bank to brighten Thanksgiving for local families. NBU volunteers packed, prepared, and distributed holiday meals to assist local families in enjoying their holiday celebrations.

**i. Wassailfest Celebration**

NBU joined the Wassailfest festivities on December 5th for the first time. A team of NBU volunteers served wassail and handled everything from setup to smooth service throughout the night.

**j. Headwaters at the Comal Annual Luminaria Event**

Headwaters at the Comal held its annual Luminaria event on December 11th for Headwaters Members. On December 14th, NBU employees and the general public are invited, free of charge, to enjoy the candlelit site.

**k. NBU Opens Customer Solutions Center Located at 1488 South Seguin, New Braunfels, Texas, 78130**

On November 22<sup>nd</sup>, an open house for employees was held at the new Customer Solutions Center (CSC). Phase 1 of the move took place on November 23<sup>rd</sup>, with no impact to our customers. On December 13<sup>th</sup>, NBU will close the Main Plaza drive-thru, and the lobby will be permanently closed to the public starting January 3<sup>rd</sup>. Phase 2 of the move will begin on January 4<sup>th</sup>, when teams will transition to the CSC, while others will relocate to Main Plaza. Our Customer Service and Communications teams have been actively messaging to the public and customers.

1. **Leadership Announcement of Position Change: Director of Technology, Carlos Salas**

Carlos Salas has been promoted to Director of Technology as of November 1<sup>st</sup>. In his new role, he will lead the Information Technology, Operational Technology, and Data Strategy departments. Let's congratulate Carlos on this well-deserved promotion.

m. **Any other items permitted under Section 55.0415 of the Texas Government Code: No additional items were discussed.**

\*no discussion under this item

2. **Financial Update and Report, Including an Update on the Impact Fee Program Effective February 1, 2023 (referred to as Program E)**

Accounting Manager Kimberly Huffman provided an update on the financial status of NBU. Energy Risk Manager Missy Quent provided an update on residential electric bill and rate comparisons with NBU and surrounding and competitive providers.

3. **Quarterly Investment Report**

Finance and Risk Manager Jessica Coleman provided an update on the Quarterly Investment Report

4. **Quarterly Capital Update**

Program Portfolio Manager Jacob Tschoepe provided an update on the Quarterly Capital Improvement Plan Update.

5. **Drought Update Report**

Conservation and Customer Solutions Manager Andrew Cummings provided a Drought update.

**CONSENT ITEMS FOR ACTION**

Mayor Neal Linnartz made a motion, and Board Trustee Stuart Blything seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #15, #16, #17, #18, #19 and #20. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of October 31, 2024
2. Approve Minutes of the NBU Special Board Meeting of December 5, 2024
3. Approve the Change Order Log from September 15, 2024, through November 15, 2024
4. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2024, through November 15, 2024
5. Approve the Electric Line of Business Alternative Procurements from September 15, 2024, through November 15, 2024

6. Approve the Guadalupe Blanco River Authority Canyon Hydroelectric Cost Reconciliation for Fiscal Year 2024
7. Approve 2024 Second Quarter Charge-Off Accounts
8. Approve Staff Recommendation to Reject All Proposals Submitted for the RFP #25-0005, Gruene Road Sewer Main Rehabilitation/Relocation Solicitation
9. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for the Water and Wastewater Master Plan Project
10. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for the Design of the Well 6 and Loop GST Improvements Project
11. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with CP&Y, Inc. dba STV Infrastructure for the Design of the Barbarosa Waterline Project
12. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with E-Z Bel Construction, LLC, for the Construction of the Landa Street and Elm Street Water Line Improvements Project
13. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with Capital Excavation Company for the Construction of the Goodwin/Conrads Adjustments Project Joint Bid with the City of New Braunfels
14. Authorize the CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Quiddity Engineering, LLC, for the Design of the Western Downtown to Morningside Pressure Zone Conversion Project
15. Authorize the CEO or His Designee to Execute a Professional Services Agreement with Burns & McDonnell Engineering Company, Inc. for Substation Construction Management Services for the Breaker and a Half Upgrades at the Henne Substation
16. Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Doggett Freightliner of South Texas, LLC for the Purchase of One (1) Freightliner Sewer Equipment 900 ECO 12-Yard Combo Unit
17. Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Holt Texas, Ltd. for the Purchase of Two (2) Caterpillar Backhoe Loaders, One (1) Model 420 C4EX and One (1) Model 420 C4SX
18. Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Navistar, Inc. dba International Trucks for the Purchase of Three (3) Dump Trucks and Three (3) Service Trucks

19. Authorize the CEO to Negotiate and Execute a Materials and Ongoing Services Agreement with Anixter, Inc. for the Purchase of Itron Network Integrated Devices, Software Tools, and Software as a Service
20. Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Waypoint Business Solutions, LLC for the Replacement of Servers Within the Consolidated VxRail Cluster

## **ACTION ITEMS**

1. **Discuss and Consider Approval of the NBU Annual Comprehensive Financial Report and Red Flag and Cybersecurity Incidents Report**

Board Vice President Judith Dykes-Hoffmann made a motion and Mayor Neal Linnartz seconded the motion to approve the NBU Annual Comprehensive Financial Report and Red Flag and Cybersecurity Incidents Report. The vote was unanimous.

2. **Discuss Report Relating to the Proposed Integrated Resource Plan for Power Supply Resources for NBU and Consider Approving Proposed Action Plan**

Mayor Neal Linnartz made a motion and Board Trustee Stuart Blythin seconded the motion to approve the Proposed Integrated Power Supply Resources Action Plan. The vote was unanimous.

3. **Discuss and Consider Approval of Guidelines for the Community Advisory Panel (the "CAP") to Contemplate in Developing Recommendations for the Rate Plan Design Process for Water, Wastewater, and Electric Rates**

Mayor Neal Linnartz made a motion and Board Vice President Judith Dykes-Hoffmann seconded the motion to approve the Guidelines for the Community Advisory Panel (the "CAP") to Contemplate in Developing Recommendations for the Rate Plan Design Process for Water, Wastewater, and Electric Rates. The vote was unanimous.

4. **Discuss and Consider Adoption of Resolution #2024-191 Approving the First Amendment to Revolving Credit Agreement and the Second Amendment to Note Purchase Agreement with JPMorgan Chase Bank, National Association in Connection with the "City of New Braunfels, Texas Utility System Commercial Paper Notes, Series 2019A and Series 2019B," and Resolving Other Matters Incident and Related Thereto, Including the First Amendment to Fee Letter Related Thereto**

Mayor Neal Linnartz made a motion and Board Vice President Judith Dykes-Hoffmann seconded the motion to approve the Adoption of Resolution #2024-191 Approving the First Amendment to Revolving Credit Agreement and the Second Amendment to Note Purchase Agreement with JPMorgan Chase Bank, National Association in Connection with the "City of New Braunfels, Texas Utility System Commercial Paper Notes, Series 2019A and Series 2019B," and Resolving Other Matters Incident and Related Thereto, Including the First Amendment to Fee Letter Related Thereto. The vote was unanimous.

**5. Discuss and Consider Adoption of Resolution #2024-192 Approving the Second Amendment to Note Purchase Agreement (Taxable Notes) With JPMorgan Chase Bank, National Association in Connection with the "City of New Braunfels, Texas Utility System Program Notes, Taxable Series 2021," and Resolving Other Matters Incident and Related Thereto, Including the First Amendment to Fee Letter Related Thereto**

Board Vice President Judith Dykes-Hoffmann made a motion and Mayor Neal Linnartz seconded the motion to approve the Adoption of Resolution #2024-192 Approving the Second Amendment to Note Purchase Agreement (Taxable Notes) With JPMorgan Chase Bank, National Association in Connection with the "City of New Braunfels, Texas Utility System Program Notes, Taxable Series 2021," and Resolving Other Matters Incident and Related Thereto, Including the First Amendment to Fee Letter Related Thereto. The vote was unanimous.

**6. Authorize the CEO or His Designee to Negotiate and Execute AIA Document A133—Guaranteed Maximum Price Amendment No. 1 with SpawGlass Contractors, Inc., for the New Braunfels Utilities Headquarters Facility Project Located on a 76-acre Tract of Property at the Intersection of Engel Road and IH-35**

Board Vice President Judith Dykes-Hoffmann made a motion and Mayor Neal Linnartz seconded the motion to Authorize the CEO or His Designee to Negotiate and Execute AIA Document A133—Guaranteed Maximum Price Amendment No. 1 with SpawGlass Contractors, Inc., for the New Braunfels Utilities Headquarters Facility Project Located on a 76-acre Tract of Property at the Intersection of Engel Road and IH-35. The vote was unanimous.

**PRESENTATION ITEMS**

**1. Construction Update and Transition Plan for NBU Customer Solutions Center located at 1488 South Seguin, New Braunfels, Texas**

Jacob Tschoepe presented information on the new New Braunfels Utilities Customer Solutions Center and the transition plan for department relocation.

**EXECUTIVE SESSION**

Board President Wayne Peters recessed the Open Session at 2:26 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included:

Power Supply Resources – Competitive Matters; Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, and/or Matters Protected by Attorney-Client Privilege:  
a. Discuss Legal Matters Relating to Gonzales Carrizo Water Supply Project;

The Executive Session was opened at 2:30 pm and closed at 3:20 pm.

**RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY ACTION RELATING TO THE EXECUTIVE SESSION AS DESCRIBED ABOVE**

**ADJOURN**

There was no further business, and Board President Wayne Peters adjourned the meeting at 3:22 pm.

***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*