

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

**1:00 P.M.
Thursday, October 31, 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 John Harrell, Board Trustee Yvette Barrera Villanueva, and Mayor Neal Linnartz

ABSENT

None

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 Trustee John Harrell led the pledge of allegiance and offered the invocation.

PUBLIC COMMENT

Thad Rutherford, with Mayfair Communities, addressed the Board and shared project and community updates on the Mayfair project

David Block, resident, addressed the board and complimented the Board, CEO, and staff for their excellent leadership and services.

ITEMS FROM THE CHAIR

1. Resolution and Recognition of John Harrell for 15 Years of Service on the NBU Board of Trustees

In recognition and honor of Board Trustee John Harrell's 15 years of service and contributions to the New Braunfels Utilities Board of Trustees, Board President Wayne Peters presented a resolution recognizing John Harrell. During his tenure, Mr. Harrell served as President and Vice President and sat on several board committees.

2. Report from the Investment Committee

Board Trustee John Harrell reported that the NBU Audit Committee met on October 31, 2024, and John Harrell, Yvette Villanueva Barrera, Ryan Kelso, Dawn Schriever, Connie Lock, John Warren, Jessica Coleman, Thomas Varner and Amy Chapple were present in addition to Duane Westerman and Nick Westerman with SAMCO. Topics discussed were a market update, NBU's investment portfolio, proposed updates to the Financial Policy, proposed Commercial Paper Program Extension and Taxable Note Extension, proposed updates to the Days Cash on Hand requirements, potential Texas Water Development Board Lead Service Line Replacement funding, and the authorized representatives for the Texas Local Government Investment Pool.

3. Review of the NBU 2025 Board Meeting Calendar

The NBU 2025 Board Meeting calendar was presented for review. No changes were made to the calendar.

4. Any Other Items Permitted Under Section 551.0415 of the Texas Government Code

No additional comments were made.

ITEMS FROM STAFF

1. CEO Update

CEO Ryan Kelso presented updates on the following events that NBU staff participated in:

a. Update on the NBU Marketing Campaign and Communication Plan

The three-year communication plan with Vladimir Jones is progressing on schedule. The campaign launched in the first two weeks of October, and NBU advertisements will be shared on multiple platforms moving forward.

b. NBU Participates with the New Braunfels Chamber of Commerce on Intercity Visit to Franklin, Tennessee

Board President Wayne Peters and CEO Ryan Kelso attended the New Braunfels Chamber of Commerce Intercity Visit to Franklin, Tennessee. This trip connects local business and community leaders with counterparts from other communities.

c. United Way Employee Giving Campaign Results

We shared the final results from our Employee Giving Campaign benefitting the United Way. The total financial commitment by NBU employees is \$58,306.

d. NBU Participates in National Night Out in Magnolia Springs Neighborhood

NBU participated in National Night Out in the Magnolia Springs Neighborhood. The new NBU headquarters will be located adjacent to this community.

e. Headwaters at the Comal Hosts Community Preview Event

On Friday, October 4th, the Headwaters at the Comal team held a Preview Event of the new Center at the Headwaters for donors, volunteers, and friends of the project. Over 150 people attended the event.

- f. National Customer Service Week Observed
NBU celebrated our Customer Service team, the heart of NBU. They serve our customers with patience, professionalism, and a commitment to making a difference.
- g. Public Power Week Observed
We celebrated the American Public Power Association's Public Power Week from October 6th to 12th. NBU highlighted the importance of Public Power on social media, sharing the benefits of public utility services and our linemen, who work tirelessly every day, regardless of the weather, to keep our community-powered.
- h. Cybersecurity Awareness Month Observed
As part of our commitment to protecting the critical infrastructure at NBU, we launched Cybersecurity Awareness Month in October. Throughout the month, we shared weekly messages on topics such as using strong passwords, updating software, recognizing and reporting phishing, and holiday online shopping.
- i. NBU Hosts Employee Health Fair
NBU hosted its Annual Health Fair on October 9th. This event brought together a variety of local wellness companies as vendors.
- j. Winter Weatherization Preparation Presentation
On Thursday, October 10th, members of the NBU Conservation and Customer Solutions team presented a winter preparation presentation to community members at the New Braunfels Public Library.
- k. NBU Employees Participate in 2024 International Lineman's Rodeo in Overland Park, Kansas
New Braunfels Utilities (NBU) Journeyman and Apprentice linemen showcased their skills against top competitors from around the globe at the International Lineman's Rodeo (ILRA) in Overland Park, Kansas, from October 16-19, 2024.

The NBU Journeyman team, consisting of Bradley Dietert, Ty McFarlin, and Chris Gavigan, participated in various challenging events, including the Best of the Best, Hurtman Rescue, Pole Climb, Cutout Change, and Insulator Change, achieving impressive scores across the board.

Representing the apprentice team were Nate Wallsmith, Klayton Rothrock, Brenner Magott, and Chance Miller. They competed in events such as Best of the Best, Pole Climb, two Apprentice Mystery Events, and Hurtman Rescue. Notably, Nate Wallsmith secured 3rd place among 380 participants in Apprentice Mystery Event #1.

Other NBU team members, including Mike Hardick, Austin Klaerner, Ryan Jenkins, and Michael Najera, served as judges at this year's event. A special thank you goes to Ryan Voges, Justin Green, and Gretchen Reuwer for their support of our teams in Kansas. We are incredibly proud of this exceptional group of professionals.

Lastly, we want to extend our gratitude to the crews who remained behind to ensure our community's daily electric operations continued seamlessly.

- l. Leadership Team Participates in Annual Strategic Planning Meeting
On Thursday, October 17th, our Leadership Team convened for our Annual Strategic Planning Meeting. Strategic goals, annual priorities, and adjustments to the organizational structure were discussed.
- m. NBU Presents at the Water Environment Association of Texas Operational Preparedness Symposium
NBU's Justin Stroupe was a featured speaker at the Operational Preparedness Symposium hosted by the Water Environment Association of Texas.
- n. NBU Participates in City of New Braunfels Spooktacular Community Event
On October 24th, our team had a great time participating in the annual Downtown Spooktacular.
- o. New Braunfels Chamber of Commerce 2024 NB Gives Honoree
NB Gives, an initiative by the New Braunfels Chamber of Commerce, champions corporate philanthropy in the New Braunfels area. This year, NBU proudly stood out as one of just 24 nominees, showcasing its commitment to giving back and fostering a brighter future for the community.
- p. Leadership Announcement of New Hires and Position Changes: Finance and Risk Manager Jessica Coleman, Interim Cybersecurity Manager Larry Aguilar
Larry Aguilar has been named Interim Cyber Security Manager, effective immediately. Larry will serve as the Interim Cyber Security Manager as he continues to fulfill his current role as Network and Security Engineer.

Jessica Colman's promotion to Finance & Risk Manager from Budget Supervisor.
- q. Any Other Items Permitted Under Section 551.0415 of the Texas Government Code
*No additional comments were made

2. **Financial Update and Report**

Accounting Manager Kimberly Huffman provided an update on the financial status of NBU.

CONSENT ITEMS FOR ACTION

Trustee John Harrell made a motion, and Mayor Neal Linnartz seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #6, #7, #8, #9, and #10. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of September 26, 2024
2. Approve the Change Order Log from August 15, 2024, through September 15, 2024
3. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2023, through September 15, 2024

4. Approve the Electric Line of Business Alternative Procurements from August 15, 2024, through September 15, 2024
5. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Weston Solutions, Inc. for the Design of the Dove Crossing Force Main Project
6. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Garver, LLC, for the Design of the Gruene Lift Station Expansion Project
7. Authorize the CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with Droptine Utility Construction, LLC for Manhole Rehabilitation Services
8. Approve Resolution #2024-189 Authorizing and Approving (i) the Purchase of 4.87 Acres of Unimproved Real Property Commonly Known As 778 Barbarosa Road, New Braunfels, Texas (the "Property") in Connection with the FM 1101 Pump Station and Ground Storage Tank Project in an Amount Not to Exceed \$2,230,000.00 Plus Closing Costs; (ii) the CEO or His Designee to Execute Any and All Documents Necessary to Purchase the Property or, if the CEO Deems Necessary, Terminate the Subject Transaction; and (iii) Other Matters in Connection Therewith
9. Approve Resolution #2024-190 By The Board Of Trustees Of New Braunfels Utilities Approving (i) A Water Certificate Of Convenience And Necessity ("CCN") Transfer Agreement Removing 8.422 Acres Of Real Property Near The Intersection Of FM 725 And East County Line Road (The "Property") From Green Valley Special Utility District's Water CCN And Adding It To New Braunfels Utilities' Water CCN; (ii) A Sewer CCN Transfer Agreement Removing The Property From Guadalupe-Blanco River Authority's Sewer CCN And Adding It To New Braunfels Utilities' Sewer CCN; And (iii) Other Matters In Connection Therewith
10. Authorize the CEO or His Designee to Execute a Guaranteed Maximum Price Amendment with Thos. S. Byrne, Inc. for the Headwaters at the Comal Master Plan, Phase 2 for Building Interior Finish Out and Additional Landscaping

ACTION ITEMS

1. Provide Governance Committee Report and Discuss and Consider Approving Proposed Revisions to the NBU Board Governance Policies

Board Vice President Judith Dykes-Hoffmann reported that the NBU Governance Committee met on October 16, 2024, and Wayne Peters, Judith Dykes-Hoffmann, Ryan Kelso, Connie Lock, and Rocio Gallegos were present in addition to outside counsel Christine Reinhard. Topics discussed were revisions being made to the Governance Policies, reviewed the completed self-evaluation forms and identified themes and trends to share with the Board.

Board Vice President Judith Dykes-Hoffmann also shared the final proposed revisions to the NBU Board Governance Policies for approval.

Trustee John Harrell made a motion, and Trustee Yvette Barrera Villanueva seconded the motion to Approve the Proposed Revisions to the NBU Board Governance Policies. The vote was unanimous.

PRESENTATION ITEMS

1. Report Related to the NBU Board Annual Self-Evaluation

Board Vice President Judith Dykes-Hoffmann shared information on the NBU Board Annual Self-Evaluation, including scores on the categories. NBU Board members spend approximately 100 hours per month on NBU activities. A focus for the upcoming year is to continue with additional training and education on the utility business while utilizing each board member's diverse skill sets and dedication.

2. One Water Program – Year in Review

Robin Gary presented the annual report on One Water New Braunfels. One Water is a collaboration between NBU, the city of New Braunfels, and the Guadalupe-Blanco River Authority. It is an integrated planning and implementation approach to managing water resources. The five key goals and associated action plans were shared with the Board.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 2:13 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included: Power Supply Resources – Competitive Matters (Section 551.086 – Texas Government Code); Deliberations Regarding Security Devices or Security Audits (Section 551.089 – Texas Government Code) a. Discussion Regarding Network Security Information, b. Discussion Regarding Security Assessments or Deployments Relating to Information Resources Technology

The Executive Session was opened at 2:23 pm and closed at 3:17 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 3:17 p.m.

Attest:

*Wayne Peters, President
Approved*

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

Date Approved: December 12, 2024