

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

**1:00 P.M.
Thursday, May 30, 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, Dawn Schriewer, Connie Lock, David Hubbard, and Laura Rivers

NBU CONSULTANTS

None

PLEDGE AND INVOCATION

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

NBU MISSION, VISION, CORE VALUES

Chief of Staff Laura Rivers shared examples of NBU staff exemplifying the NBU Mission, Vision, and Core Values. The NBU Operations team had dedicated crews working around the clock to restore power to customers affected by widespread power outages after storms on May 9th. Additionally, NBU extended support to our neighboring city of San Marcos to assist with restoring their power after a storm went through their city, causing heavy damage.

PUBLIC COMMENT

There were no public comment requests.

NBU EMPLOYEE RECOGNITIONS

1. Presentation of Service Pins

- a. Recognizing Gus Lara and Michael (Mike) Vineyard with 25 Years of Service

CEO Ryan Kelso recognized Gus Lara and Michael (Mike) Vineyard with 25 years of dedicated service to New Braunfels Utilities.

2. Retirement Recognition of Jimmy Quiroz

CEO Ryan Kelso recognized Jimmy Quiroz, who retired with 34 years of dedicated service to NBU.

ITEMS FROM THE CHAIR

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

None

ITEMS FROM STAFF

1. CEO Update

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

a. Safety Update: 365 Days of Work Performed with No Lost Time Incidents

As of March 31, 2024, NBU had performed 365 days of work with no lost time incidents. Not a single NBU employee experienced a work-related injury that prevented them from coming to work the next day for an entire year.

b. NBU Conservation Team's Participation in the City of New Braunfels' "Thru the Chute" Competition

On April 27, NBU's Conservation and Customer Solutions department participated in the City of New Braunfels' 11th Annual Thru the Chute Boat Race and River Expo. This year, the boat theme parodied the most recent Superbowl under the banner of "In Our Conservation Era" to tie in NBU's water conservation efforts.

c. Community Outreach: Career Day Visits at Local Elementary Schools

Since March, our Community Outreach team has had the fantastic opportunity to participate in Career Days at nine local elementary schools. We've shared insights about our professions through interactive presentations, hoping to inspire the next generation of leaders and thinkers.

d. CEO Roadshow: Participating in the New Braunfels Economic Development Foundation's All-Board Members Luncheon Water Panel Discussion on the Future of Water in New Braunfels

On April 30, NBU led an informative panel discussion at the well-attended quarterly New Braunfels EDF All-Member Luncheon. Titled "Flowing Forward: Planning for the Future of Water in New Braunfels," the panel discussion was moderated by Sarah Richards and featured leaders from three water agencies– NBU CEO Ryan Kelso, GRBA CEO and General Manager Darrell Nichols, and EAA General Manager Roland Ruiz. The discussion explored water supply planning efforts, highlighting how they ensure the resilience of regional water supplies. Leaders also emphasized the importance of water conservation and a One Water approach for the long-term sustainability of our local water supplies.

e. Texas Public Power Corridor Academy Graduation

The TxPPC Leadership Training Academy celebrated its graduation on May 2, 2024, marking the end of an extensive, multi-month program that connected leaders from CPS Energy, LCRA, and NBU. Congratulations to NBU's own Adam Willard, Kenneth Allen, Kristen Garza, Peter Vanderstoep, and Robert Aleman, who now emerge as stronger leaders equipped with advanced communication, decision-making, and team leadership skills.

f. Public Service Recognition Week

New Braunfels Utilities celebrated Public Service Week 2024, May 6 through May 10, honoring our employees' tireless dedication and invaluable contributions. We hold dear the importance of honoring the commitment of those who work tirelessly to serve their communities, often behind the scenes, in roles ranging from frontline workers to policymakers. Public Service Week is our opportunity to express gratitude and appreciation for their unwavering service and commitment to the greater good.

g. Tour of Interim Waste Water Treatment Plant at Mayfair

NBU employees Ryan Kelso, Mike Short, Dawn Schriever and Brent Lundmark joined Southstar's Mayfair team of Chip Mills, Jim Vater, James Tipton and Mike Meek, Pape Dawson's Todd Blackmon, Cloacina's Chris Nalley, and JA Wastewater Engineer Jaime Miller from JA Wastewater toured the Interim Wastewater Facility at Mayfair on April 18. The onsite sewer system, which was built by Cloacina, will provide sewer treatment for a total of 1500 homesites at Mayfair. This gives Southstar and NBU time to get the infrastructure in place for the ultimate sewer treatment at NBU's McKenzie Plant. The final buildout for Mayfair will include approximately 5,800 homes.

h. NBU University Graduation

NBU University is a comprehensive program crafted to enhance our knowledge of the inner workings of our municipally owned utility. The graduation ceremony, which took place on May 7, 2024, marked the end of this engaging initiative. The NBU University graduating class of 2024 included: Neil Rose, Mark Reber, Crissy Harris, Taylor Cano, Stacy Garrett, Delene Cornel, Rachel Behnke, Dr. Larry Johnson, Phillip Nickel, Larry Wicker, Katherine Crowe, Stacy Thigpen, Allyson Janzen, John Moss, William Joe Turner, Serena Morris, and Laura Ayala.

i. NBU Employees Graduate from Leadership New Braunfels

Leadership New Braunfels (LNB) offers unique opportunities for business leaders to connect, develop leadership skills, and engage deeply with the community. This year's graduating class, which included NBU employees Greg Brown and Ashley Van Booven, was celebrated on May 14, 2024.

j. Leadership Announcements: New Hire Joe Vargas, Security Manager

Joe Vargas was introduced as the new Physical Security Manager. He comes to NBU after serving 34 years with the New Braunfels Police Department.

- k. 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 Filing of the NBU Transmission Cost of Service Application with the Public Utility Commission of Texas**
Accounting Manager Kimberly Huffman provided an update on the financial status of NBU. Energy Risk Manager Missy Quent provided an update on the Transmission Cost of Service application with the Public Utility Commission of Texas that was filed in April 2024.
 3. **Quarterly Power Supply Report to Include a Power Stabilization Fund Update**
Energy Risk Manager Missy Quent provided the quarterly power supply update.
 4. **Quarterly Investment Report**
Finance Manager John Warren provided an update on the quarterly Investment Report.
 5. **Quarterly NBU Headquarters and Annex Progress Update**
Program Portfolio Manager Jacob Tschoepe provided an update on the progress of the NBU Headquarters and Annex building.
 6. **Quarterly Update on the Headwaters of the Comal**
Headwaters at the Comal Managing Director Nancy Pappas provided an update on the Headwaters at the Comal.
 7. **Fiscal Year 2024 Strategic Plan Update**
Director of Business Planning Shawn Schorn provided

CONSENT ITEMS FOR ACTION

Board Trustee Yvette Villanueva Barrera 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, #10, and #11. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of April 25, 2024
2. Approve the Change Order Log from March 15, 2024, through April 15, 2024
3. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2023, through April 15, 2024
4. Approve the Electric Line of Business Alternative Procurements from March 15, 2024, through April 15, 2024
5. Approve 2023 Fourth Quarter Charge-Off Accounts
6. Approve the Appointment of Gretchen Reuwer as an NBU Member of the Headwaters at the Comal Board of Directors
7. Authorize CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Merrick & Company for the Development Plan Review Project for Water and Wastewater Construction

8. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Pawelek & Moy, Inc. for the Design of the North Kuehler Interceptor Segment 3 Project
9. Authorize CEO or His Designee to Negotiate and Execute a Fourth Amendment to the Professional Services Agreement with Arcadis U.S., Inc. for the Design of Phase 4 of the Aquifer Storage and Recovery Project
10. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for Environmental Services for the Water and Wastewater Capital Improvements Program
11. Authorize CEO or His Designee to Negotiate and Execute an Interlocal Agreement with the Edwards Aquifer Authority for Operation of a Water Level Observation Well at Comal Plant No. 3 Adjacent to Comal Springs, New Braunfels, Texas

PRESENTATION ITEMS

1. **Presentation on the New Braunfels Utilities (NBU) Customer Satisfaction Survey Results for Fiscal Year 2024 from Great Blue Research**

Catherine Veschi with Great Blue Research presented the results from this year's Customer Satisfaction Survey, including commercial and residential surveys. Customer Service Manager Vania Fuentes-Caballero presented next-step options for addressing the survey results.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 2:44 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included Power Supply Resources – Competitive Matters: a. Power Supply Update including Changes to the Power Stabilization Fund and b. Discuss Generation Capacity Opportunities; Consultation with Attorney Regarding Matters Protected by Attorney Client Privilege: Discuss the Effects of the San Antonio Water System's Application for Water Use Permit No. 13098 on NBU's Water Rights in the Guadalupe River Basin; and Personnel Matters: Deliberate the Employment, Evaluation, and Duties of the Chief Executive Officer.

The Executive Session was opened at 2:51 pm and closed at 4:18 pm.

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

The Regular Session resumed at 4:19 pm. Mayor Neal Linnartz made a motion and Board Trustee John Harrell seconded the motion to authorize the CEO of NBU or his designee to file a judicial appeal of the Texas Commission on Environmental Quality's decision and order issuing water use permit No. 13098 to the San Antonio Water System and TCEQ's decision to deny NBU's request to participate in the contested case hearing relating to the same permit. The vote was unanimous.

ADJOURN

There was no further business, and Board President Wayne Peters adjourned the meeting at 4:20 p.m.

Attest:

*Wayne Peters, President
Approved*

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

Date Approved: June 27, 2024