



Meeting Date: June 27,2024 **Agenda Type:** Consent Items for Action

From: Nancy Pappas **Reviewed by:** Dawn Schriewer
Managing Director, Chief Financial Officer
Headwaters at the Comal

Submitted by: _____ **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Authorize CEO or His Designee to Negotiate and Execute a Grant Agreement for Fiscal Year 2025 between New Braunfels Utilities and Headwaters at the Comal

BACKGROUND

In keeping with NBU’s longstanding commitment to the environment and community and delivering on the Master Plan for the Comal Headwaters Conservation Center (Headwaters), and NBU’s conservation legacy project, NBU desires to grant public money and administrative support to Headwaters through a grant contract to assist NBU in the process of restoring the site (the “Agreement”).

Article III, Section 52 of the Texas Constitution prohibits a municipal owned utility from lending its credit or granting public money or other things of value to an individual, association, or corporation to prevent the gratuitous application of public funds for private use. However, the Texas Constitution provides an exception to Article III, Section 52, when an expenditure benefits a private interest if made for the direct accomplishment of a legitimate public interest.

The Headwaters is willing to accept the grant of public money and administrative support for the development of the cultural and environmental history of the site and encouraging future stewardship of the environment, water, and community as provided for within the Agreement.

Under the Agreement, the grant shall be used for the following purposes:

1. Programs that promote the safe and efficient use of water;
2. Programs that promote water education;
3. Programs that promote and/or provide education regarding environmental preservation and conservation;
4. Programs that enhance NBU’s support for and standing in the national, state, and regional water utility industry;
5. Programs that include NBU’s participation in professional association events offering information exchanges and educational benefits;
6. Maintenance of the Headwaters site; or

7. Promotion and/or administrative support of the aforementioned items.

NBU staff requests that the Board of Trustees approve the Agreement with the Headwaters.

This item is being presented to the Board because the total amount of the Agreement equals \$250,000.

FINANCIAL IMPACT

The total financial impact of the Agreement with the Headwaters is \$250,000, which was approved in the Fiscal Year 2025 Operations and Maintenance Budget.

LINK TO STRATEGIC PLAN

Stewardship

EXHIBITS

1. Grant Agreement (Fiscal Year 2024)