

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

**1:00 P.M.
Thursday, April 25, 2024
NBU Board Room
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Wayne Peters opened the meeting at 1:02 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, and Board Trustee Yvette Barrera Villanueva

ABSENT

Mayor Neal Linnartz

NBU PERSONNEL

Ryan Kelso, Dawn Schriewer, Connie Lock, David Hubbard, Greg Brown, and Laura Rivers

NBU CONSULTANTS

John Miri

PLEDGE AND INVOCATION

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

NBU CORE VALUE: Safety

Chief Administrative Officer Dave Hubbard spoke to one of New Braunfels Utilities' Core Values. This month the focus was on the NBU Core Value Safety.

PUBLIC COMMENT

There were no public comment requests.

ITEMS FROM THE CHAIR

- 1. Any Other Items Permitted Under Section 551.0415 of the Texas Government Code**
Board President Wayne Peters shared that the Department of Energy finalized energy efficiency standards for transformers. Approximately 75% can maintain the current steel standards with 25% use of new steel material standards.

ITEMS FROM STAFF

1. CEO Update

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

- a. New Braunfels Utilities ("NBU") Employees Attend the Texas Water Conference and Participate in the Meter Madness Competition and One Water Panel

New Braunfels Utilities had two employees who participated in this year's Texas Water Conference Meter Madness Competition. Out of 19 competitors, they placed 4th and 17th.

Also featured was the One Water New Braunfels Program. The program was showcased alongside other state initiatives.

- b. NBU Employee Invited to Participate in the University of Iowa's Energy Executive Course
Electric Operations Manager Justin Green has been chosen to participate in the Energy Executive Course.

- c. CEO Roadshow: Reliance Residential Realtors

CEO Ryan Kelso presented the state of NBU to the Reliance Residential Realtor group.

- d. New Braunfels City Council Approves Ordinance for Annexation and Zoning of Property for Future NBU Headquarters Site

On April 8, 2024, the New Braunfels City Council unanimously approved the annexation and zoning of the future NBU headquarters property.

- e. Presentation to New Braunfels City Council for Five-Year Water Conservation Plan

On April 15, 2024, NBU staff presented an informational overview of the adopted NBU Five-Year Water Conservation Plan to the New Braunfels City Council.

- f. Headwaters at the Comal Earth Day Event on April 20, 2024

On April 20, 2024, Headwaters at the Comal hosted their 6th Annual Earth Day event. Over 300 attendees attended the event.

- g. Communication Rollout Plan for Summer Base Electric Generation Rate Effective June 1, 2024, and Previously Approved Rate Increase Effective August 1, 2024

NBU electric customers will see summer rates for June through September beginning on June 1st. Additionally, beginning on August 1st, the average NBU bill will increase by approximately 6.4% for fiscal year 2025.

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

2. Financial Update and Report

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

3. NBU Community Advisory Panel Update Regarding the Integrated Resource Plan Process

Chief of Staff Laura Rivers introduced Kimberly Britton from Britton Strategies and Justin Meadows, who serves as the NBU Community Advisory Panel Chair, to provide an update to the Board on the progress the Panel has made in discussion of the Integrated Resource Plan.

4. Quarterly Capital Improvement Plan Update

Program Portfolio Manager Jacob Tschoepe updated the board on the Quarterly Capital Improvement Plan Update.

CONSENT ITEMS FOR ACTION

Board Trustee Yvette Barrera Villanueva made a motion, and Board Trustee John Harrell seconded the motion to approve the Consent Items for Action, with the exception of item #6, as follows: #1, #2, #3, #4, #5, #7, #8, #9, #10, #11, #12, #13 and #14. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of March 28, 2024
2. Approve the Change Order Log from February 15, 2024, through March 15, 2024
3. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2023, through March 15, 2024
4. Approve the Electric Line of Business Alternative Procurements from February 15, 2024, through March 15, 2024
5. Approve the Appointment of Elizabeth Bowerman as a Community Member of the Headwaters at the Comal Board of Directors
6. Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with Skyblue Utilities, Inc. for the Construction of the Infrastructure Replacement Package 1 Project ***pulled from consent, no action taken**
7. Authorize Resolution #2024 -183 Approving (i) The Conveyance of 1.209 Acres Being Lot 1, Block 36, Veramendi Est No. 1 Subdivision From Veramendi PE-Brisbane, LLC To New Braunfels Utilities, together With The Elevated Storage Tank Located Thereon and an Access Easement For Ingress and Egress; (ii) Execution of Any and All Related Documents Associated with Closing the Transaction; and (iii) Other Matters In Connection Therewith
8. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Merrick & Company for the Design of the Solms Pump Station and Ground Storage Tank Project
9. Authorize CEO or His Designee to Negotiate and Execute a Cooperative Services Agreement with Gartner, Inc. for Financial Maturity Assessment
10. Authorize CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Gartner, Inc. for IT Research and Advisory Subscription Services

11. Authorize CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with B Comm Constructors L.L.C. for Fiber Optic Outside Plant Maintenance and Emergency Services
12. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Paloma Blanca Enterprises, Inc., for Construction, Maintenance, and Site Work of All Right-of-Ways for New Braunfels Utilities
13. Authorize CEO or His Designee to Negotiate and Execute an Electric Service Agreement Between Veramendi Development Company, LLC and NBU Concerning the Construction of an Underground Electric Feeder to Supply Electric Service to NBU Customers
14. Authorize CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Public Relations Advertising Company doing business as Vladimir Jones for a Three-Year Strategic Communication and Marketing Plan

ACTION ITEMS

1. **Reject All Proposals Submitted for the Purchase and Development of the Real Property and Improvements Located at 263 Main Plaza In Connection with RFQ# 02601 and RFP# 02601-2 and Authorize the CEO or His Designee to Terminate the Memorandum of Understanding Dated February 25, 2022, Between NBU and Seals Family Properties, LLC, Regarding the Same**
Board Trustee Yvette Barrera Villanueva made a motion, and Board Trustee John Harrell seconded the motion reject All Proposals Submitted for the Purchase and Development of the Real Property and Improvements Located at 263 Main Plaza In Connection with RFQ# 02601 and RFP# 02601-2 and Authorize the CEO or His Designee to Terminate the Memorandum of Understanding Dated February 25, 2022, Between NBU and Seals Family Properties, LLC, Regarding the Same. The vote was unanimous.
2. **Discuss and Consider Resolution #2024-184 Approving (i) the Transfer of Approximately 1.126 Acres of Real Property Located at 263 Main Plaza, New Braunfels, Texas (the “Main Plaza Property”), to the City of New Braunfels; (ii) the Lease of the Main Plaza Property from the City of New Braunfels to New Braunfels Utilities; (iii) Execution of Any and All Documents Necessary to Convey and Lease the Main Plaza Property; and (iv) Other Matters in Connection Therewith**
Board Trustee John Harrell made a motion, and Board Trustee Yvette Barrera Villanueva seconded the motion to approve (i) the Transfer of Approximately 1.126 Acres of Real Property Located at 263 Main Plaza, New Braunfels, Texas (the “Main Plaza Property”), to the City of New Braunfels; (ii) the Lease of the Main Plaza Property from the City of New Braunfels to New Braunfels Utilities; (iii) Execution of Any and All Documents Necessary to Convey and Lease the Main Plaza Property; and (iv) Other Matters in Connection Therewith
The vote was unanimous.

PRESENTATION ITEMS

- 1. Presentation and Discussion of a Three-Year Strategic Communication and Marketing Plan from Public Relations Advertising Company doing business as Vladimir Jones**
Bryan Glasshagel, with Vladimir Jones, presented information on a Strategic Communication and Marketing review of NBU. The presentation included information on the employee, stakeholder, and community survey results.
- 2. Presentation on the Guadalupe-Blanco River Authority's Drought Contingency Plan for Wholesale Customers and its Impact on NBU**
Mike Short presented information on the Guadalupe-Blanco River Authority's Drought Contingency Plan and the potential impact it would have on NBU.
- 3. Presentation on the Revised Water Engineering Design Standards Effective June 2024**
Adam Willard presented information on the revised water engineering design standards that will become effective in June 2024 for new projects.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 4:06 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included Deliberations Regarding Security Devices or Security Audits (TGC Section 551.089) to include discussion regarding network security information and discussion regarding security assessments of deployments relating to information resoruces technology.
The Executive Session was opened at 4:06 pm and closed at 4:52 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 4:56 p.m.

Attest:

Wayne Peters, President
Approved

Ryan Kelso, Secretary of the Board
Chief Executive Officer

Date Approved: May 30, 2024