

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

**1:00 P.M.
Thursday, April 30, 2026
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, Board Trustee Yvette Barrera Villanueva, and Mayor Neal Linnartz

ABSENT

None

NBU PERSONNEL

Ryan Kelso, Ragan Dickens, Greg Brown, Jessica Williams, Connie Lock, Rocio G. Hilliard, Mark Steelman, Andrew Cummings, David Hubbard

Adriana Sanchez, Carlos Salas, Darrin Jensen, Jason Theurer, Joe Vargas, John Warren, Julia Haynes, Justin Green, Mike Short, Rachel Leier, Reagan Pena, Will Riley, Anna Melton, Brandon Thomas, Brent Lundmark, Bruce Haby, Coby Henk, Daniel Mendez, Doug Clifton, Gregory Thomas, Jacob Tschoepe, Jason Rammel, Jeffrey Jones, Jeffrey Morriss, Jenna Mathis, Jesse Luna, Jessica Coleman, Jessica Green, Katie Storey, Kimberly DaCosta, Kristi Villasana, Mike Penschorn, Missy Quent, Nancy Pappas, Nicole Wesley, Peter Vanderstoep, Robert Aleman

NBU CONSULTANTS

None

PLEDGE OF ALLEGIANCE AND INVOCATION

Board President Wayne Peters led the Pledge of Allegiance and offered the invocation.

NBU EMPLOYEE RECOGNITIONS

1. Retirement Recognition of Todd Kelley

CEO Ryan Kelso recognized Todd Kelley, who retired with 24 years of dedicated service to NBU.

PUBLIC COMMENT

There were no public comment requests.

ITEMS FROM THE CHAIR

1. **Update from the Investment Committee**

Board Member Stuart Blythin provided an update from the Investment Committee meeting held on April 7th, 2026. Items discussed included a safety minute, an update on the NBU Reimbursement Resolution scheduled to go before the City Council on April 13, 2026, an update on the bond related items scheduled to go before the Board on April 2026, including the Series 2026 Bond Issuance, the Texas Water Development Board Lead Service Line Replacement Program Issuance, the Commercial Paper Program Capacity Increase, and the Texas Water Development Board Water Supply and Infrastructure Grant Program Application, and update on the ERCOT Letter of Credit that is scheduled to go before the Board in May 2026.

2. **Update from the Security Committee**

Board Vice President Judith Dykes-Hoffmann provided an update from the Security Committee meeting held on April 30th, 2026. Items discussed included a brief on the initiatives that align with the company's enterprise Strategy, discussion of the latest threats and trends related to the Iran War and Artificial Intelligence, and the need to enhance existing Machine Learning capabilities as well as AI adoption to strengthen NBU's security posture, goals and accomplishments achieved in the past six months, which included expanding the vulnerability management program, completing the risk assessment, AI Governance, and enhancing security at the Customer Solution Center and Headwaters, and short and long-term initiatives that included expanding network segmentation, increasing program maturity, upscaling edge security, and incorporating managed security services for the Headquarters.

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

No additional comments were made.

ITEMS FROM STAFF

1. **CEO's Update**

a. **Leadership Announcement of Position Changes: Interim Director of Financial Services, Kimberly DaCosta**

Kimberly DaCosta has been named the Interim Director of Financial Services.

b. **NBU Receives American Public Power Association Diamond Safety Award**

NBU has been awarded the American Public Power Association's Safety Award of Excellence for a second year in a row. Our teams achieved Diamond status, the highest level of recognition, in the utilities category with 250,000 to 999,999 worker hours of annual exposure.

c. **NBU Community Engagement Team Participates in Community Career Days at Local Elementary Schools, High Schools, Texas State University, and Local Community Expositions**

Our Community Engagement Team participated in Career Fairs at County Line Elementary Career Day, Walnut Springs Elementary Career Day, Voss Farms Elementary Careers on Wheels Day, New Braunfels High School Career Fair, and Texas State University McCoy College of Business Spring Career Fair. They also participated in the Vintage Oaks Spring Home and Garden Expo and Texas Homeschool Expo.

d. Headwaters at the Comal Hosts Activities on Connecting the Community to Nature and Showcasing the Significance of the Comal Springs

Headwaters at the Comal hosted the Native Plant Sale, a partnership with the Native Plant Society of Texas, as well as tours of the grounds. They also hosted over 400 pre-K students from New Braunfels ISD for educational field trips. The month wrapped up with a field trip of members from the American Horticultural Society, as part of their Live Series "Behind the Scenes Garden Tours".

e. Official Launch of 2026 KinderKraft Program in Partnership with Communities in Schools

The second annual KinderKraft benefiting Communities in Schools of South Central Texas officially launched. This initiative addresses the most basic needs that help local kids.

f. NBU Hosts Trinity Wells Tour for the Enclave at WestPointe Village Homeowners Association

Our Water Treatment and Compliance team hosted a tour of the Trinity Wells facility for the Enclave at West Point Village HOA. During the visit, the team answered questions about system capacity, the plant's filtration processes, and the opportunity to view one of our newest wells ahead of its launch.

g. NBU Conservation Team Participates in City of New Braunfels Thru the Chute Event

During the recent City of New Braunfels' Thru the Chute event, our Conservation team engaged the community with a standout Jurassic Park-themed float, highlighting sustainability. Our team also won the Most Creative Concept Award. Congratulations, Conservation.

h. Headwaters at the Comal Hosts Earth Day Event

In celebration of Earth Day, the City of New Braunfels partnered with NBU's Headwaters at the Comal to host a community-focused event that welcomed more than 500 visitors.

i. CEO Roadshow: New Braunfels Councilmember District 3 Forum

CEO Ryan Kelso presented at a District 3 City Hall forum, focusing on water. Key highlights in the presentation covered water supply, preparedness, and conservation.

j. CEO Roadshow: Comal County Commissioners' Court Water Workshop

CEO Ryan Kelso presented at the second annual water workshop hosted by the Comal County Commissioners' Court. This presentation echoed the message we aim to share with our customers about NBU's stance on water supply and preparedness, as well as conservation.

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

*No additional items were discussed.

2. Financial Update and Report

Interim Director of Financial Services Kimberly DeCosta provided an update on the financial status of NBU.

3. Quarterly Capital Update – Fiscal Year 2026 Second Quarter

Program Portfolio Manager Jacob Tschoepe provided an update on the FY26 Second Quarter Capital Update.

4. Monthly NBU Headquarters Progress Update

Program Portfolio Manager Jacob Tschoepe provided an update on the progress of the NBU Headquarters project.

CONSENT ITEMS FOR ACTION

Trustee Stuart Blythin made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, and #5. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of March 26, 2026
2. Approve the Change Order Log from February 15, 2026, through March 15, 2026
3. Approve the Electric Line of Business Alternative Procurements from February 15, 2026, through March 15, 2026
4. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2025, through March 15, 2026
5. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with Capital Excavation Company for the Construction of the Western Downtown to Morningside Pressure Zone Conversion Project

ACTION ITEMS

1. **Provide an Update on the Certificate of Convenience and Necessity Project and Discuss and Consider Adoption of Resolution #2026-207 Authorizing the CEO or His Designee to Submit an Application to the Public Utility Commission of Texas to Decertify From Its Water Certificate of Convenience and Necessity the Following Tracts of Real Property in Comal County, Texas (I) an Approximately 1.58 Acre Tract Generally Located Immediately West of the Intersection of FM 306 and Hoffman Lane, (II) an Approximately 0.62 Acre Tract Generally Located on the West Side of FM 306 Approximately 0.3 Miles South of the Intersection of Hoffman Lane and FM 306, and (III) an Approximately 97.68 Acre Tract Generally Located East of Shady Hollow and Northeast of Cambridge Drive (Comal Appraisal District Parcel No. 73415), and Other Matters in Connection Therewith**

Trustee Yvette Villanueva Barrera made a motion, and Board Vice President Judith Dykes-Hoffmann seconded the motion to approve the Adoption of Resolution #2026-207 Authorizing the CEO or His Designee to Submit an Application to the Public Utility Commission of Texas to Decertify From Its Water Certificate of Convenience and Necessity the Following Tracts of Real Property in Comal County, Texas (I) an Approximately 1.58 Acre Tract Generally Located Immediately West of the Intersection of FM 306 and Hoffman Lane, (II) an Approximately 0.62 Acre Tract Generally Located on the West Side of FM 306 Approximately 0.3 Miles South of the Intersection of Hoffman Lane and FM 306, and (III) an Approximately 97.68 Acre Tract Generally Located East of Shady Hollow and Northeast of Cambridge Drive (Comal Appraisal District Parcel No. 73415), and Other Matters in Connection Therewith.

The vote was unanimous.

2. Discuss and Consider Adoption of Resolution #2026-208 Declaring as Surplus a 1.043 Acre Tract of Land Located at 156 Texas Avenue, New Braunfels, Texas, 78130, Comal County Property ID No. 151576; Authorizing the Sale of Said Property in Accordance with State Law; and Authorizing Other Matters in Connection Therewith

Board Vice President Judith Dykes-Hoffmann made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve the Adoption of Resolution #2026-208 Declaring as Surplus a 1.043 Acre Tract of Land Located at 156 Texas Avenue, New Braunfels, Texas, 78130, Comal County Property ID No. 151576; Authorizing the Sale of Said Property in Accordance with State Law; and Authorizing Other Matters in Connection Therewith. The vote was unanimous.

3. Discuss and Consider Adoption of Resolution #2026-210 Relating to the Issuance of “City of New Braunfels, Texas, Utility System Revenue and Refunding Bonds, Series 2026,” and Resolving Other Matters Incident and Related Thereto

Trustee Stuart Blythin made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve the Adoption of Resolution #2026-210 Relating to the Issuance of “City of New Braunfels, Texas, Utility System Revenue and Refunding Bonds, Series 2026,” and Resolving Other Matters Incident and Related Thereto. The vote was unanimous.

4. Discuss and Consider Adoption of Resolution #2026-211 Relating to the Issuance of “City of New Braunfels, Texas, Utility System Revenue Bonds, Taxable Series 2026A (Texas Water Development Board - Drinking Water State Revolving Fund Lead Service Line Replacement Program),” and Resolving Other Matters Incident and Related Thereto

Trustee Yvette Villanueva Barrera made a motion, and Trustee Stuart Blythin seconded the motion to approve the Adoption of Resolution #2026-211 Relating to the Issuance of “City of New Braunfels, Texas, Utility System Revenue Bonds, Taxable Series 2026A (Texas Water Development Board - Drinking Water State Revolving Fund Lead Service Line Replacement Program),” and Resolving Other Matters Incident and Related Thereto. The vote was unanimous.

5. Discuss and Consider Adoption of Resolution #2026-212 Relating to the Principal Forgiveness Agreement with the Texas Water Development Board in the Amount of \$510,000 and Resolving Other Matters Incident and Related Thereto

Trustee Stuart Blythin made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve the Adoption of Resolution #2026-212 Relating to the Principal Forgiveness Agreement with the Texas Water Development Board in the Amount of \$510,000 and Resolving Other Matters Incident and Related Thereto. The vote was unanimous.

6. Discuss and Consider Adoption of Resolution #2026-213 Relating to the Issuance of “City of New Braunfels, Texas, Utility System Revenue Commercial Paper Notes, Series 2026A and Series 2026B” and Resolving Other Matters Incident and Related Thereto

Trustee Yvette Villanueva Barrera made a motion, and Trustee Stuart Blythin seconded the motion to approve the Adoption of Resolution #2026-213 Relating to the Issuance of “City of New Braunfels, Texas, Utility System Revenue Commercial Paper Notes, Series 2026A and

Series 2026B” and Resolving Other Matters Incident and Related Thereto. The vote was unanimous.

7. Discuss and Consider Adoption of Resolution #2026-214 Recommending and Requesting that the New Braunfels City Council Take Certain Actions with Respect to an Application to the Texas Water Development Board’s Water Supply and Infrastructure Grant Program and Resolving Other Matters Incident and Related Thereto

Mayor Neal Linnartz made a motion, and Board Vice President Judith Dykes-Hoffmann seconded the motion to approve the Adoption of Resolution #2026-214 Recommending and Requesting that the New Braunfels City Council Take Certain Actions with Respect to an Application to the Texas Water Development Board’s Water Supply and Infrastructure Grant Program and Resolving Other Matters Incident and Related Thereto. The vote was unanimous.

PRESENTATION ITEMS

1. Presentation and Update on the NBU Billing Assistance Program

Interim Chief Customer Officer Andrew Cummings provided an update on the NBU Billing Assistance Program. Information included current voucher counts, program continuity, additional resources for customers, and current and proposed program budgets.

2. Presentation and Update on the NBU Customer Round Up Program

Interim Chief Customer Officer Andrew Cummings provided an update on the NBU Customer Round Up Program. Information included a history of the program, its current state, options for contributing, and potential avenues to continue and expand the program.

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:

1. Power Supply Resources – Competitive Matters
(Section 551.086 – Texas Government Code)
2. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offers, and/or Other Matters Protected by Attorney-Client Privilege (Section 551.071 – Texas Government Code) pertaining to the following:
 - a. Discuss *MMF NBTX LAND, LLC v. City of New Braunfels, New Braunfels Utilities, and Ryan Kelso, in his official capacity as Chief Executive Officer of New Braunfels Utilities*, Cause No. C2025-1252D (433rd District Court, Comal County, Texas)
 - b. Discuss *New Braunfels Utilities v. TRC Engineers, Inc.*, Cause No. C2024-1980D (433rd District Court, Comal County, Texas)
3. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offers, and/or Matters Protected by Attorney-Client Privilege (Section 551.071 – Texas Government Code); Real Property (Section 551.072 – Texas Government Code)

Discuss Legal Matters Relating to Potential Eminent Domain Action to Secure the Following Easements for the Western Downtown to Morningside Pressure Zone Conversion Project:

- a. a 0.005 Acre (220 sq. ft) Permanent Utility Easement and a 0.042 Acre (1,821 sq. ft) Temporary Construction Easement out of Lot 13, Pleasant View Subdivision in Comal County, Texas, according to the plat thereof recorded in Volume 4, Page 54, of the Map and Plat Records of Comal County, Texas, as conveyed to Leonardo Hernandez III, Herman G. Hernandez, Yvette Hernandez Rodriguez, Yvonne Hernandez Garcia, and Michael R. Hernandez by Gift Deed recorded in Document No. 201706012849, Official Public Records, Comal County, Texas, as it may have been modified by Affidavit of Correction Concerning Instrument recorded in Document No. 202006016641, Official Public Records, Comal County Texas, also known as Comal County Parcel No. 44948

*Board Trustee Yvette Villanueva Barrera recused herself from Executive Session at 3:20 pm.

The Executive Session was opened at 2:41 pm and closed at 3:27 pm.

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

The Regular Session resumed at 3:28 p.m. Only the matters cited above, and no others, were discussed. The board voted on the competitive matter listed on the agenda; however, no other votes were taken in the Executive Session.

The following actions were taken relating to the Executive Session as described above.

1. Trustee Stuart Blythin made a motion, and Board Vice President Judith Dykes-Hoffmann seconded the motion to approve Resolution #2026-209 Recommending the Acquisition of a Permanent Utility Easement Containing 0.005 Acres and a Temporary Construction Easement Containing 0.042 Acres on a Tract of Real Property Owned by Leonardo Hernandez III, Herman G. Hernandez, Yvette Hernandez Rodriguez, Yvonne Hernandez Garcia, and Michael R. Hernandez, Located on the Corner of Rusch Lane and the I35 N. Frontage Road, Comal County Parcel Number 44948, Which are Necessary to Advance and Achieve the Public Use of Expanding the New Braunfels Utilities' Water System to Increase Water Capacity to Meet Existing and Future Needs and Ensure Reliability. The vote passed 4 – 0. Trustee Yvette Villanueva Barrera abstained from the vote.

ADJOURN

There was no further business, and Board President Wayne Peters adjourned the meeting at 3:30 p.m.

*Wayne Peters, President
Approved*

Attest:

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

Date Approved: May 26, 2026