

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

**1:00 P.M.
Thursday, June 25, 2026
NBU Board Room
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Wayne Peters opened the meeting at 1:00 pm. A quorum of the NBU Board was present.

PRESENT

Board President Wayne Peters, Board Vice President Judith Dykes-Hoffmann, Board Trustee Stuart Blythin, and Board Trustee Yvette Barrera Villanueva

ABSENT

Mayor Michael French

NBU PERSONNEL

Ryan Kelso, Ragan Dickens, Greg Brown, Connie Lock, Rocio G. Hilliard, Mark Steelman, David Hubbard, Amanda Collins, Rebekah Llamas

Adriana Sanchez, Carlos Salas, Darrin Jensen, Joe Vargas, John Warren, Justin Green, Mike Short, Rachel Leier, Reagan Pena, Will Riley, Anna Melton, Azura Kerr, Brandon Thomas, Brent Lundmark, Bruce Haby, Daniel Mendez, David Guerrero, Jr., Doug Clifton, Gregory Thomas, Jacob Tschoepe, Jeffrey Morriss, Jenna Mathis, Jesse Luna, Jessica Coleman, Jessica Green, Justin Stroup, Kenneth Allen, Kimberly DaCosta, Kristi Villasana, Mike Penshorn, Pamela Tarbox, Peter Vanderstoep, Robert Aleman

NBU CONSULTANTS

None

CALL TO ORDER

PLEDGE OF ALLEGIANCE AND INVOCATION

Board Vice President Judith Dykes-Hoffmann led the Pledge of Allegiance and offered the invocation.

RECOGNITIONS

1. Recognition of Mayor Neal Linnartz

CEO Ryan Kelso presented Mayor Neal Linnartz with a Resolution #2026-218 and thanked him for his leadership during his term as Mayor of New Braunfels.

2. Resolution Recognizing Charles Schoening for his Years of Service with Arcadis

CEO Ryan Kelso presented Charles Schoening of Arcadis with a Resolution #2026-217 and thanked him for his contributions and partnership with NBU during his tenure at Arcadis.

PUBLIC COMMENT

There were no public comment requests.

ITEMS FROM THE CHAIR

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

Board President Wayne Peters wanted to congratulate staff on the new NBU website, the NBU Communications team that recently received an APPA award, thanked the staff for working with the board to answer any questions they have on the board agenda, and announced the newly appointed City of New Braunfels Mayor Michael French who was unable to attend the June meeting, but will be formally introduced at an upcoming board meeting.

ITEMS FROM STAFF

1. CEO's Update

a. **NBU Staff Attends 3rd Annual Texas Public Power Corridor (TxPPC) Technology Symposium**

NBU Technology and Security teams participated in the 3rd annual Texas Public Power Corridor Technology Symposium. The coalition membership consists of Austin Energy, CPS Energy, LCRA, and NBU.

b. **NBU Water Operations Team Completes Fire Hydrant Bonnet Painting Project**

The Water Operations team successfully completed the Fire Hydrant Bonnet Painting Project. The project began on January 5th, 2026, and was completed on May 14th, 2026.

Two 2-man crews worked on the project as schedules and weather permitted, while an additional 2-man crew supported evening and weekend efforts when needed. In total, 42 employees contributed to the project, dedicating 2,692 man-hours to repainting a total of 5,065 NBU-owned fire hydrant bonnets across the service area.

c. **NBU Community Engagement Team Volunteers at Local Community Events and Participates in Community Career Fairs, Leaders Camps, Mock Interviews, Job Fairs, and Expositions at Local School District Campuses**

Team members participated in ISD career fairs, leadership camps, mock interviews, and job fairs, helping students explore the utility industry through hands-on demonstrations, bucket trucks, and water operations. Team members also volunteered at local events and community initiatives that support families across the community.

d. **Headwaters at the Comal Hosts a Two-Week Summer Camp for Elementary Students**

The Headwaters at the Comal hosted a two-week summer camp where students learned about the local watershed and springs, archaeology, habitats, and native plants through a variety of hands-on activities. The groups were also able to observe the Hawk nestlings in the nest above the well yard.

e. **NBU Employees Andrew Cummings and Jason Theurer Selected to Attend University of Idaho Energy Executive Course**

Andrew Cummings, Director of Customer Service, and Jason Theurer, Director of Water Operations and Compliance, were recently accepted to participate in the University of Iowa's Energy Executive Course this summer.

- f. **NBU Earns a First Place TAMI Award from the Texas Association of Municipal Information Officers (TAMIO) for the “News Flush” Internal Signage Campaign**
NBU earned a First-Place Texas Association of Municipal Information (TAMI) Award for our "News Flush" internal signage campaign, receiving top honors in the Internal Communications category among organizations serving communities with populations over 50,000.

- g. 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. Monthly NBU Backup Operations Center and Headquarters Progress Update

Program Portfolio Manager Jacob Tschoepe provided an update on the progress of the NBU Backup Operations Center and Headquarters projects.

CONSENT ITEMS FOR ACTION

Board Trustee Yvette Villanueva Barrera made a motion, and Board Trustee Stuart Blythin seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #15, #16, #17, #18, #19, #20, #21, #22, #23, #24, #25, and #26. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of May 26, 2026
2. Approve Minutes of the NBU Board Workshop of June 11, 2026
3. Approve the Change Order Log from April 15, 2026, through May 15, 2026
4. Approve the Electric Line of Business Alternative Procurements from April 15, 2026, through May 15, 2026
5. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2025, through May 15, 2026
6. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Arcadis, U.S., Inc. for Water Resource Planning for Fiscal Years 2027 and 2028
7. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with Associated Construction Partners, Ltd for the Construction of the Well 6 Improvements Project
8. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with Argo Utilities, LLC, for the Construction of the Emergency Preparedness Plan Generators, Phase 2 Project, as Required by Senate Bill 3, Acts 2021, 87th Texas Legislature, Regular Session
9. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract Between NBU and the City of New Braunfels, Jointly, and Pesado Construction Company, Inc. for the Coll Street Drainage and Reconstruction Improvements Project

10. Authorize the CEO or His Designee to Negotiate and Execute a Second Amendment to the Amended and Restated Professional Services Agreement with Quiddity Engineering, LLC, d/b/a Jones and Carter, Inc., for the Design of the Sam C. McKenzie, Jr. Water Reclamation Facility Expansion Project
11. Authorize the CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Garver, LLC for the Design of the Gruene Lift Station Expansion Project
12. Authorize the CEO or His Designee to Negotiate and Execute a Letter of Agreement for Custom Work with AT&T for Conduit Bank Realignment Related to the South Kuehler Interceptor Phase 1 Project
13. Authorize the CEO or His Designee to Negotiate and Execute a Third Amended and Restated Utility Construction Cost Sharing Agreement Among New Braunfels Utilities, Southstar at Mayfair, LLC, MNB Real Estate Investments, LLC, Southstar at Mayfair Developer, LLC, and Beaverhead NB, LLC Related to the Mayfair Development
14. Authorize the CEO or His Designee to Negotiate and Execute an Interlocal Agreement Between New Braunfels Utilities and Comal County Water Improvement District No. 3 Master District for Wastewater Billing Services
15. Authorize the CEO or His Designee to Negotiate and Execute a Transmission Operating Agreement between New Braunfels Utilities and Lower Colorado River Authority Transmission Services Corporation for Transmission Operator Services
16. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with National Electrical Services, Inc., d/b/a IPS PowerServe, for Substation Acceptance and Relay Testing Services
17. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with LND Technical Services, LLC for Substation Acceptance and Relay Testing Services
18. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with RMS Energy Co., LLC for Substation Acceptance and Relay Testing Services
19. Authorize the CEO or His Designee to Negotiate and Execute a Sourcewell Cooperative Agreement, Sourcewell Contract No. 030122-MAG, with Merchants Automotive Group, LLC, d/b/a Merchants Fleet, for Fuel Card Services
20. Authorize the CEO or His Designee to Negotiate and Execute a Master Software Subscription and Licensing Agreement with Sentient Energy, Inc. for Ample Grid Analytics System Hosting, Support, and Line Sensors
21. Authorize the CEO or His Designee to Negotiate and Execute a Naming Rights and License Agreement among H-E-B LP, Headwaters at the Comal (“Headwaters”), and NBU to Recognize a Charitable Gift to Headwaters with Signage at the Picnic Commons at the Headwaters Site, 333 E. Klingemann Street

22. Authorize the CEO or His Designee to Negotiate and Execute a Grant Agreement for Fiscal Year 2027 between New Braunfels Utilities and Headwaters at the Comal
23. Authorize the CEO or His Designee to Negotiate and Execute a First Interlocal Agreement Extension Among New Braunfels Utilities, City of New Braunfels, and Guadalupe-Blanco River Authority for the One Water Program
24. Revoke the Power Stabilization Fund Policy with an Effective Date of May 31, 2024
25. Approve Proposed Changes to the New Braunfels Utilities Financial Policy, Including the Addition of the Power Stabilization Fund
26. Adopt Resolution R-2026-219 Approving Revisions to the New Braunfels Utilities Investment Policy and Other Matters in Connection Therewith

ACTION ITEMS

1. **Discuss and Consider Authorizing the CEO or His Designee to Execute a First Amended and Restated Professional Services Agreement with the San Antonio Food Bank d/b/a New Braunfels Food Bank for the Utility Bill Assistance Program**

Trustee Stuart Blythin made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve First Amended and Restated Professional Services Agreement with the San Antonio Food Bank d/b/a New Braunfels Food Bank for the Utility Bill Assistance Program. The vote was unanimous.

2. **Discuss and Consider Approval of the Proposed Fiscal Year 2027 Strategic Indicators**

Board Vice President Judith Dykes-Hoffmann made a motion, and Trustee Stuart Blythin seconded the motion to approve the Proposed Fiscal Year 2027 Strategic Indicators. The vote was unanimous.

3. **Discuss and Consider Approval of the Proposed Fiscal Year 2027 Budget**

Trustee Stuart Blythin made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve the Proposed Fiscal Year 2027 Budget. The vote was unanimous.

4. **Discuss and Consider Approval of the Proposed Fiscal Year 2028 Through Fiscal Year 2038 Strategic Plan Framework, Goals, Focus Areas, and Timelines**

Board Vice President Judith Dykes-Hoffmann made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to approve the Proposed Fiscal Year 2028 Through Fiscal Year 2038 Strategic Plan Framework, Goals, Focus Areas, and Timelines. The vote was unanimous

PRESENTATION ITEMS

1. **Presentation and Update on May 2026 Storm Event, Resulting Electric Outages, and Sanitary Sewer Overflow**

Mark Steelman, Chief Operations Officer, presented information on the May 2026 storm event. Information included details on the Rio Bar Screen and Lift Station power failure, completed corrective action steps, and improvement opportunities.

Public comments from David Marks and John Ivy were provided during this portion of the meeting, addressing communication with Lake Dunlap residents during this weather event.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 3:00 pm and announced that the Board would go into an Executive Session meeting. The Board of Trustees may recess into Executive Session for any purpose permitted by the Texas Open Meetings Act, including but not limited to:

1. Power Supply Resources – Competitive Matters
(Section 551.086 – Texas Government Code)
 - a. Discuss and Consider International Swaps and Derivatives Association, Inc. (ISDA) Resolution Allowing NBU to Enter into a Master Agreement Related to Power Supply Transactions
 - b. Discuss the 2026 Request for Proposals for ERCOT Energy from Physical Resources
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)
2. 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 Easement for the IH 35 Interceptor Upgrade Rio Bar Screen Project:

- a. a 0.7402-Acre Permanent Utility Easement Out of the A.M. Esnaurizar Survey, Abstract 98, Comal County, Texas, Being All of Lot 8, Block 4, Resubdivision of Villa Rio, According to the Plat of Record in Volume 129, Page 312, of the Deed Records of Comal County, Texas, Located at 470 Rio Drive, New Braunfels, Texas 78130, and Assigned Comal Appraisal District Property ID 67480

The Executive Session was opened at 3:12 pm and closed at 4:02 pm.

The Board of Trustees, upon reconvening in Open Session, will discuss and consider any necessary action regarding closed session items.

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

The Regular Session resumed at 4:03 p.m. Only the matters cited above, and no others, were discussed.

ADJOURN

There was no further business, and Board President Wayne Peters adjourned the meeting at 4:03 p.m.

*Wayne Peters, President
Approved*

Attest:

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

Date Approved: August 27, 2026