



Meeting Date: August 27, 2026 **Agenda Type:** Action Item

From: Bruce Haby **Reviewed by:** Michael Short, P.E.
Real Estate Department Director of Engineering
Manager

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
Chief Operating Officer Chief Executive Officer

RECOMMENDED ACTION: Adopt Resolution #R-2026-221 Recommending Acquisition, By Use of the Power of Eminent Domain, of 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, Assigned Comal Appraisal District Property ID 67480, Owned by The Villa Rio Subdivision Recreation Committee, Operated by the Spanish Colony Property Owners Association DBA Villa Rio Subdivision Recreation Committee, Which is Necessary to Advance and Achieve the Public Use of Expanding and Improving the New Braunfels Utilities' Sewer System to Meet Existing and Future Needs and Ensure Reliability

BACKGROUND

New Braunfels Utilities ("NBU") is seeking to acquire a 0.7402-acre permanent utility easement over, under, upon, and across the property located at 470 Rio Drive, New Braunfels, Texas (the "Easement") to support construction and long-term operation of the IH 35 Interceptor Upgrade Rio Bar Screen (the "Project").

The Project includes demolition of the existing bar screen facilities and associated yard piping, followed by installation of a new bar screen structure, mechanical and manual bar screens, an odor control system, yard piping, and related appurtenances (collectively, the "Facilities"). These improvements are necessary to resolve current odor and operational issues, increase system capacity to accommodate existing and future growth within the North Kuehler sewer shed, and enhance overall system reliability.

NBU has been unable to secure the Easement needed to complete the Project through negotiation, and further discussions have been deemed unproductive. NBU has fulfilled all legal prerequisites and is prepared to proceed with the condemnation process.

NBU staff recommends acquisition of the Easement by eminent domain and submission of the item to the City for its consideration and approval. Board action is required because the acquisition involves the use of eminent domain.

FINANCIAL IMPACT

NBU and the landowner have not been able to reach agreement on the value of the Easement or the damages to the remainder of the property. As a result, the final value of the Easement remains undetermined and will be established through the eminent domain process. The overall property acquisition costs for the IH-35 Interceptor Upgrade Rio Bar Screen have been adequately accounted for in the FY27 Five-Year Capital Improvement Program.

LINK TO STRATEGIC PLAN

Customers and Community

Stewardship

EXHIBITS

1. Resolution #R-2026-221