



**Meeting Date:** April 30, 2026      **Agenda Type:** Action Items

**From:** Jessica Coleman  
Financial Planning and  
Analysis Manager      **Reviewed by:** John Warren  
Director of Financial Planning  
and Analysis

**Submitted by:** Jessica Williams  
Chief Financial Officer      **Approved by:** Ryan Kelso  
Chief Executive Officer

**RECOMMENDED ACTION:** 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

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## **BACKGROUND**

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In May of 2023, NBU submitted a Project Information Form (“PIF”) to the Texas Water Development Board (“TWDB”) Drinking Water State Revolving Fund (“DWSRF”) for the Lead Service Line Replacement (LSLR) program.

Under the DWSRF, the TWDB provides low-cost financial assistance for planning, acquisition, design, and construction of water infrastructure. The Infrastructure Investment and Jobs Act (“IIJA”) appropriated funds through the DWSRF for LSLR projects and associated activities directly connected to the identification, planning, design, and replacement of lead service lines. The TWDB LSLR program funding includes a 51% forgivable loan and a 49% low-interest loan.

In January 2025, the NBU Board approved a resolution authorizing the submittal of an application requesting financial assistance under the TWDB’s Drinking Water State Revolving Fund (DWSRF) Program for the Lead Service Line Replacement (LSLR) program.

In December 2025, NBU received a DWSRF loan commitment from the TWDB for \$24.3 Million. The commitment includes an issuance for Inventory that has an expiration date of August 31, 2026, for \$1M, whereby \$510,000 is a principal forgiveness loan and \$490,000 is a zero-interest loan. The second commitment includes an issuance for \$23.3 Million that has an expiration date of August 31, 2027, whereby \$11.4 Million is forgivable and \$11.9 Million is a low interest loan. At this time, NBU staff is seeking approval for the inventory portion of the zero-interest loan amount of \$490,000. The second commitment will be brought to the NBU Board prior to the expiration date of August 31, 2027.

NBU staff recommend that the Board approve NBU staff, municipal advisor (SAMCO Capital Markets, Inc.), and bond counsel (Norton Rose Fulbright US LLP) proceed with the pricing and sale of the Series 2026A Bonds to the TWDB. The proposed timeline includes City Council authorization of the issuance of the bonds in May 2026 and the closing of the bonds in June 2026.

## **FINANCIAL IMPACT**

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The total financial impact of issuing the Series 2026A Bonds is \$490,000 in principle to be paid over five (5) years.

## **LINK TO STRATEGIC PLAN**

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### **Financial Excellence**

## **EXHIBITS**

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1. Resolution #2026-211