



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

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

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

RECOMMENDED ACTION: 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

BACKGROUND

The City of New Braunfels, Texas (the “City”) is the record title holder of a 1.043 acre tract of land located at 156 Texas Avenue, New Braunfels, Texas, 78130, Comal County Property ID No. 151576, described in the attached Exhibit 1 (the “Property”). Since approximately 1959, New Braunfels Utilities (“NBU”) has had operational control of the Property and utilized the Property as a water ground storage tank site commonly referenced as the “Texas Tank Site.”

NBU decommissioned the ground storage tank on the Property on or about September 30, 2024. Soil removed from the Property was tested prior to disposal and reflected levels of heavy metal that prompted NBU to engage Freese and Nichols, Inc. (“FNI”) to conduct testing of the soil remaining on the Property. NBU obtained a Phase I Environmental Site Assessment (“Phase I ESA”) of the Property from FNI on June 10, 2025, in which FNI concluded that NBU should conduct a Limited Phase II Environmental Site Assessment. NBU obtained a Limited Phase II Environmental Site Assessment (“Phase II ESA”) from FNI on October 21, 2025. In the Phase II ESA, FNI concluded that although residual lead and arsenic are present in the soil, the levels do not pose a significant risk to human health under current residential land use scenarios. FNI stated that no further environmental testing was recommended. The Property will be sold AS IS, WHERE IS, AND WITH ALL FAULTS, and the Phase I ESA and Phase II ESA will be disclosed to potential buyers without redaction.

NBU, in consultation with the City, has determined neither NBU nor the City has any current or anticipated future use of the Property. NBU staff is recommending that the Board declare the Property surplus.

In accordance with Local Government Code, Section 253.014, NBU staff is further requesting that the Board authorize NBU staff to hire a licensed real estate broker to list the Property for the appraised value for at least thirty (30) days with a multiple-listing service (“MLS”), and (ii) contract to sell the Property to the potential buyer who submits the highest cash offer. The current appraisal, dated March 12, 2026, estimates the market value of the subject property at Two Hundred Forty Thousand Dollars (\$240,000). NBU staff will present the contract negotiated with the potential buyer and the proposed deed to the Board of Trustees for review and approval prior to closing.

Upon receipt of approval of the proposed Resolution by the NBU Board of Trustees, NBU intends to seek City Council’s approval to sell the Property, which is necessitated by the fact that the Property is titled in the name of the City.

This item is being presented to the Board because it involves the sale of real property.

FINANCIAL IMPACT

NBU expects the Property to sell for approximately \$240,000, which is the most recent appraised value. NBU staff will present the specific terms of sale to the Board for approval prior to the closing.

LINK TO STRATEGIC PLAN

Customers and Community

Stewardship

Infrastructure and Technology

EXHIBITS

1. Resolution #2026-208