

R-2026-223

A RESOLUTION OF THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES RECOMMENDING AND REQUESTING THAT THE NEW BRAUNFELS CITY COUNCIL ISSUE A RESOLUTION DECLARING EXPECTATION TO REIMBURSE EXPENDITURES RELATED TO THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF NBU CAPITAL IMPROVEMENT PROJECTS PAID IN FISCAL YEAR 2027 WITH PROCEEDS OF FUTURE DEBT; AND RESOLVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, pursuant to the authority contained in Texas Government Code, Section 1502.051 et seq. and by the Charter of the City of New Braunfels, Texas (the "City"), the complete management and control of the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems (the "System"), during such time as the net revenues of the System may be encumbered pursuant to the ordinances authorizing the issuance of the City's outstanding revenue bonds, are vested in the Board of Trustees of the System (the "Board of Trustees"); and

WHEREAS, by virtue of the authority and power vested in the Board of Trustees with reference to the expenditure and application of the revenues of the System, it is necessary and proper for the Board of Trustees to formally request the City Council of the City to approve a resolution related to the reimbursement of capital expenditures with respect to the acquisition, construction, and equipping of capital improvement projects paid in fiscal year 2027 in an amount not to exceed \$155,000,000 (collectively, the "Project") and to fund such reimbursement with the proceeds of tax-exempt obligations; and

WHEREAS, the Board of Trustees hereby finds and determines the best interest of the City and the System would be served by proceeding with the request to the City Council to proceed with the adoption of a reimbursement resolution.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES:

SECTION 1: The City Council of the City of New Braunfels, Texas is hereby formally requested to authorize and approve the reimbursement resolution described in the preamble hereof by adopting a Resolution in substantially the form attached hereto as Exhibit A.

SECTION 2: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the Board of Trustees.

SECTION 3: It is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at said meeting, including this Resolution, was given, all as required by Texas Government Code, Chapter 551, as amended.

SECTION 4: This Resolution shall be in force and effect from and after its passage on the date shown below.

PASSED, APPROVED, AND ADOPTED, this 22nd day of September, 2026.

NEW BRAUNFELS UTILITIES

Wayne Peters,
President, Board of Trustees
New Braunfels Utilities

ATTEST:

Ryan Kelso,
Secretary to the Board
New Braunfels Utilities

EXHIBIT A

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS DECLARING EXPECTATION TO REIMBURSE EXPENDITURES RELATED TO THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF NBU CAPITAL IMPROVEMENT PROJECTS PAID IN FISCAL YEAR 2027 WITH PROCEEDS OF FUTURE DEBT AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of New Braunfels, Texas (the "Issuer") owns electric, water and wastewater systems, which are managed and operated by New Braunfels Utilities ("NBU"), a component unit of the Issuer;

WHEREAS, the Issuer intends to issue utility system revenue bonds (the "Obligations") for the acquisition, construction, and equipping of capital improvement projects paid in fiscal year 2027 (collectively, the "Project") to be occupied and used by NBU;

WHEREAS, NBU has made and will make certain capital expenditures with respect to the Project and desires and expects to reimburse the capital expenditures with proceeds of the Obligations;

WHEREAS, under Treas. Reg. § 1.150-2 (the "Regulation"), to fund such reimbursement with proceeds of tax-exempt obligations, the Issuer must declare its expectation to make such reimbursement; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS THAT the Issuer reasonably expects to reimburse capital expenditures made by NBU with respect to the Project with proceeds of Obligations hereafter to be incurred by the Issuer, and that this resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Project is \$155,000,000.

PASSED AND ADOPTED this _____ day of _____, 2026.

CITY OF NEW BRAUNFELS, TEXAS

MICHAEL FRENCH, Mayor

ATTEST:

GAYLE WILKINSON, City Secretary

APPROVED AS TO FORM:

_____, City Attorney