



Meeting Date: October 31, 2024 **Agenda Type:** Action Item

From: Connie Lock
General Counsel & Chief
Ethics Officer **Reviewed by:** Connie Lock
General Counsel & Chief Ethics
Officer

Submitted by: Connie Lock
General Counsel & Chief
Ethics Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Discuss and Consider Approving Proposed Revisions to the NBU Board Governance Policies

BACKGROUND

On January 28, 2010, the New Braunfels Utilities (“NBU”) Board of Trustees approved Governance Policies to establish a framework of how the Board would operate. The Governance Policies were revised on March 31, 2016, May 25, 2021, and June 29, 2023, to reflect organizational changes and the Board’s existing practices.

The Governance Committee (the “Committee”) met on March 6, 2024, July 30, 2024, and September 16, 2024, to review the Governance Policies, evaluate Board comments, and provide recommended revisions. The Committee presented the following recommended changes to the Governance Policies to the Board during its September 26, 2024 meeting:

- update the preface to the Governance Policies to simplify revision history and indicate that the Board follows the Carver Model of governance;
- add references to Carver Model of governance where appropriate;
- include flexibility in the goal measurements in the Strategic Goals Policy to align with NBU’s current strategic plan;
- add a requirement for the Board to complete an annual fiscal year-end report that includes activities and accomplishments of the Board and to share the report publicly;
- update communication protocols with the CEO, Chief of Staff, and General Counsel;
- reduce the timeframe from twenty-one to fourteen days for Board members to request an item be placed on the Board agenda;

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- align Board absence and removal provisions with the City of New Braunfels Code of Ordinances;
 - clarify that the Vice President conducts the annual self-evaluation and collaborates with the President to report the results to the Board;
 - clarify CEO role as Board Secretary;
 - update Board committees and add frequency of expected meetings;
 - include a process for CEO communication to Board members regarding customer concerns;
 - refine CEO evaluation factors and succession requirements;
 - eliminate pre-2021 policy references; and
 - revise vague, unclear, or outdated language.

The Committee requested and received additional feedback to the Governance Policies after its September Board meeting. The Committee met on October 16, 2024, to consider these comments and recommends the following proposed revisions to the Governance Policies:

- insert proposed Board approval date and effective date of the Governance Policies; and
- eliminate communication protocols with the CEO or Chief of Staff in the context of the Public Information Act and the Open Meetings Act as the protocols do not apply.

The Committee is scheduled to present the final draft of the Governance Policies to the Board during its October 31, 2024 meeting.

FINANCIAL IMPACT

None.

LINK TO STRATEGIC PLAN

Customers and Community

Stewardship

EXHIBITS

1. Governance Policies (redline)
2. Governance Policies (clean)