

# CIP Update



- FY2026 Q1

January 29, 2026

**NBU** NEW BRAUNFELS UTILITIES

# Overview

- ❑ Portfolio Status through October 2025
- ❑ Performance & Accomplishments for each line of business

## Mission

Strengthening our community by providing resilient essential services

## + Vision

Be a trusted community partner dedicated to excellence in service

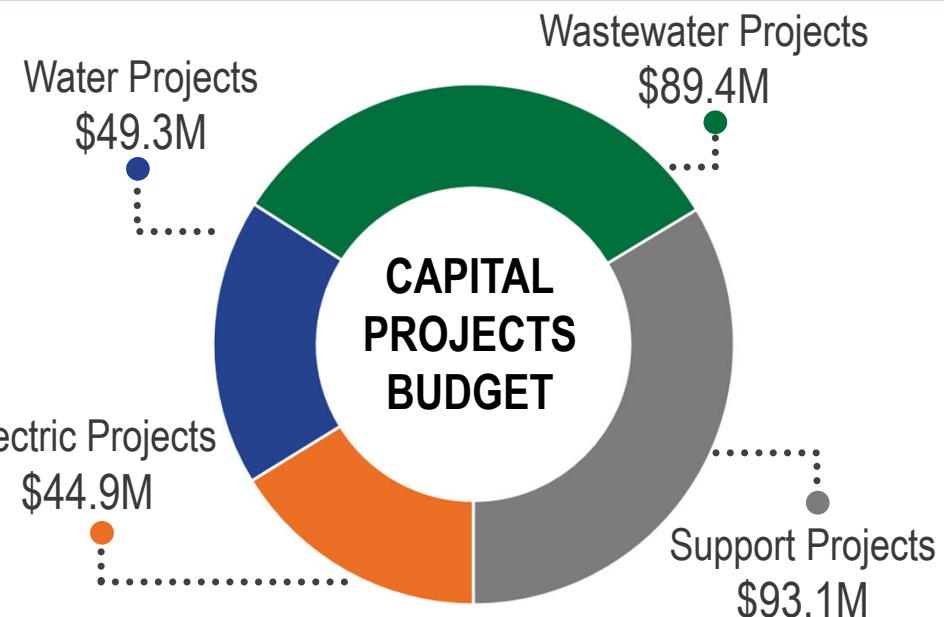
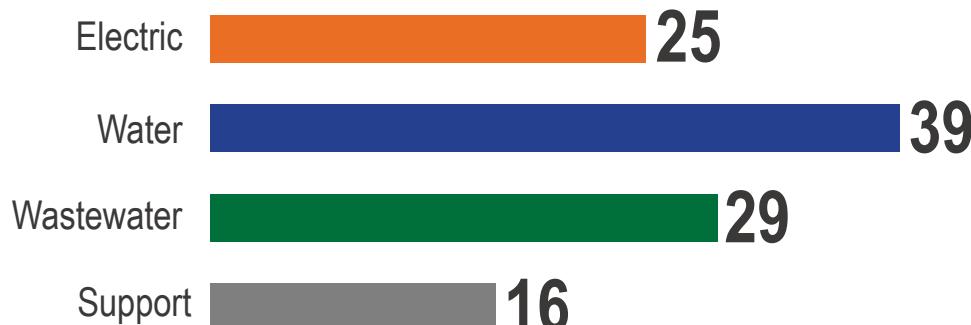
## + Core Values

Safety, Team, Integrity, Culture, and Stewardship



# FY 2026 Capital Projects

## PROJECT COUNT



## **BUDGET**

Developed in February 2025  
based on expected  
project costs

**\$276,789,087**

## **Actual**

Year-to-date project  
spending through  
October 2025

**\$27,049,663**

## **YTD %**

Year-to-date project  
spending versus budget  
(October 2025)

**10%**

## **Balance**

Difference between  
budget and  
actual costs

**\$249,739,424**

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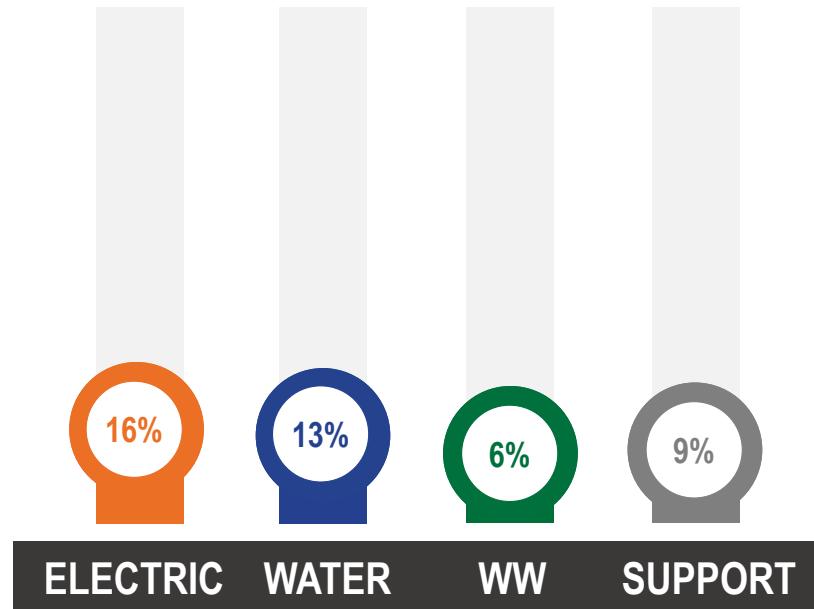
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# FY 2026 Actual vs Budget

## YTD Actual vs Budget



- All lines of business are less than 25% through Q1
- 2025 average 10.75% across all lines of business, same as this year
- Considerable month-over-month increase in spending, showing a promising trend

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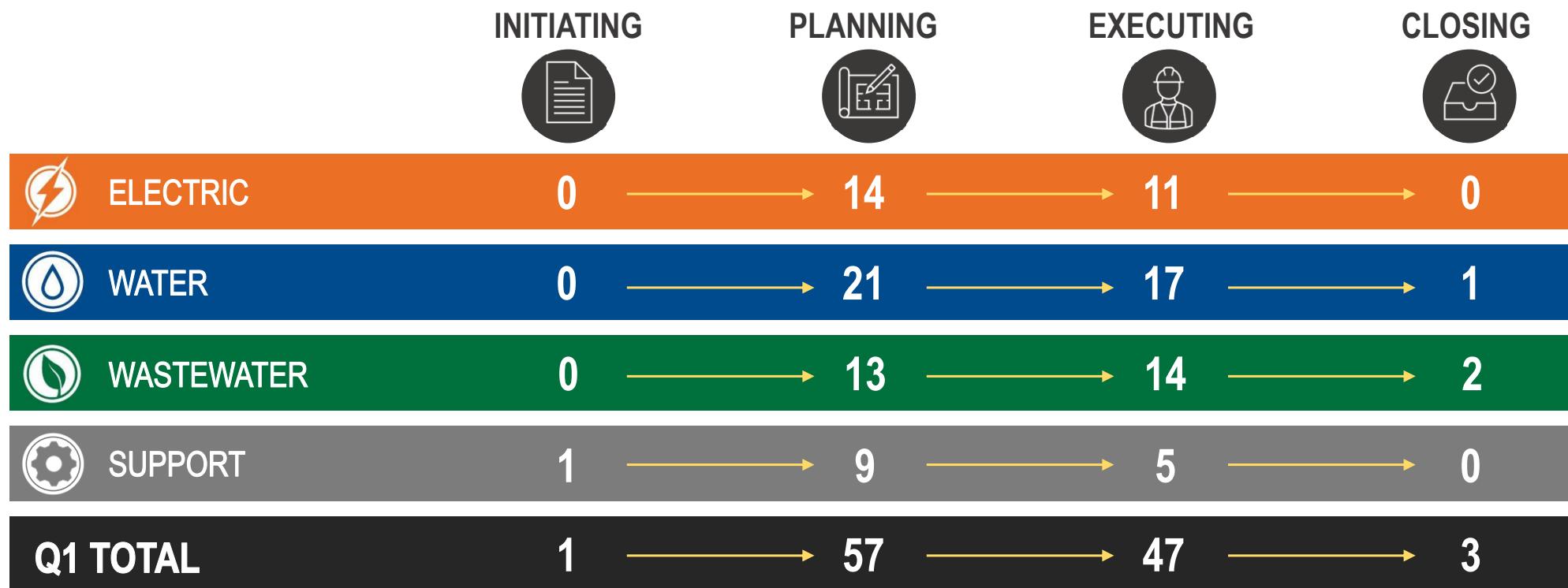
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# Project Stage



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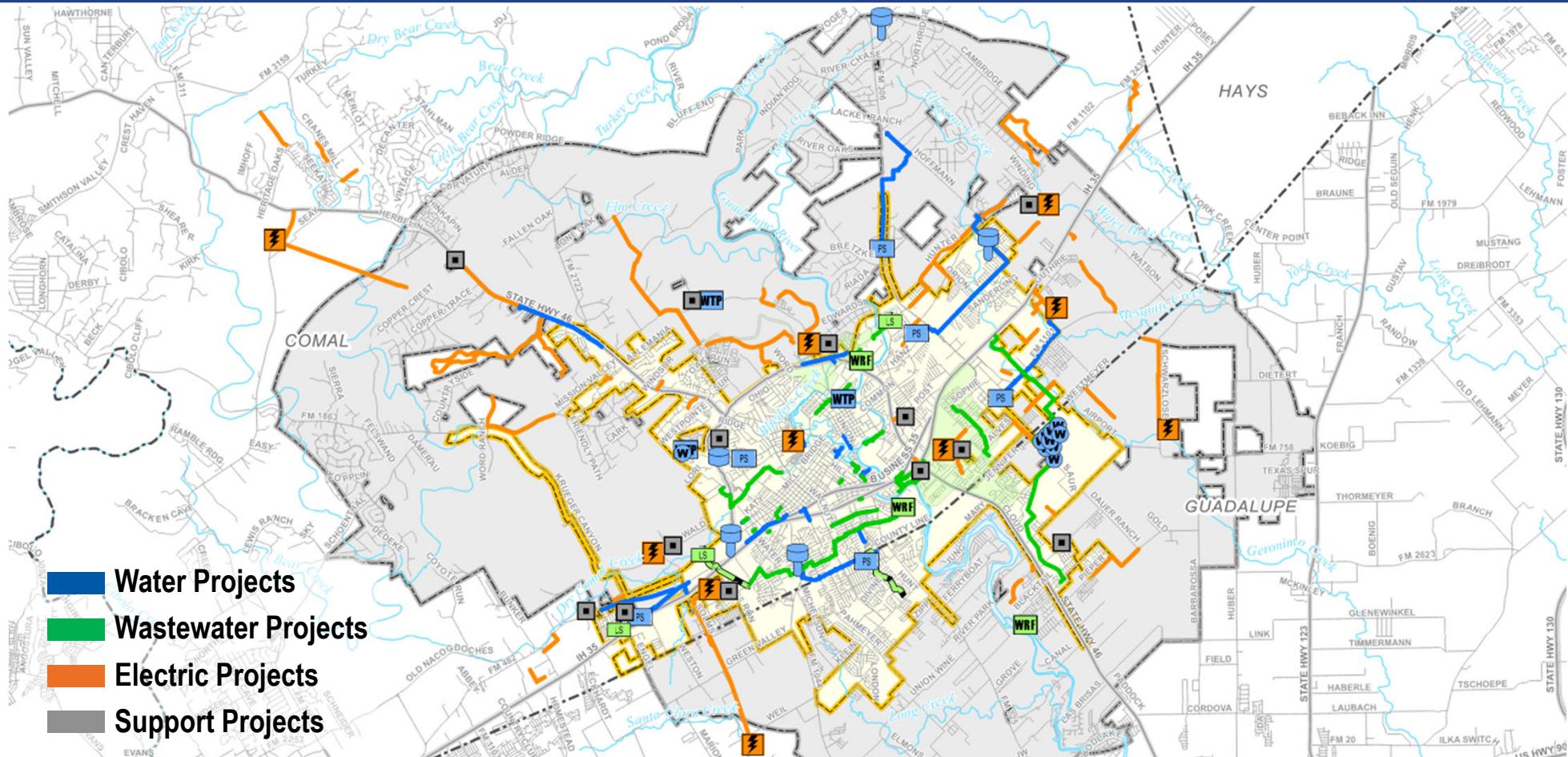
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# Capital Projects (FY26 5-Year Plan)



**Water Projects**

**Wastewater Projects**

**Electric Projects**

**Support Projects**

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# Traffic Impacts

## — Current Traffic Impacts

## — Traffic Impacts Expected in the next 6 months

### Infrastructure Replacement Package 3

- Minor Residential Lane and Road Closures (Mulberry/Grant/Market/Coll/Katy/Jackson/Marigold)
- Schedule: March – November 2026

### Gruene Road Sewer Main Rehab/Relocation

- Lane and road closures and minor detours

### Backup Operations Center Utility Tie-In

- Lane and road closures and minor detours
- Schedule: January – March 2026

### South Kuehler Interceptor Phase 1

- Road Closures and Minor Detours (McQueeney Rd)
- Schedule: February – March 2026

### Turn Lane / Entrance to HQ Property

- Lane closure September 2025-March 2026

### FM 1044 EST

- Minor construction traffic, no closures
- Expected Completion: Mid-2026

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# CIP Performance and Accomplishments



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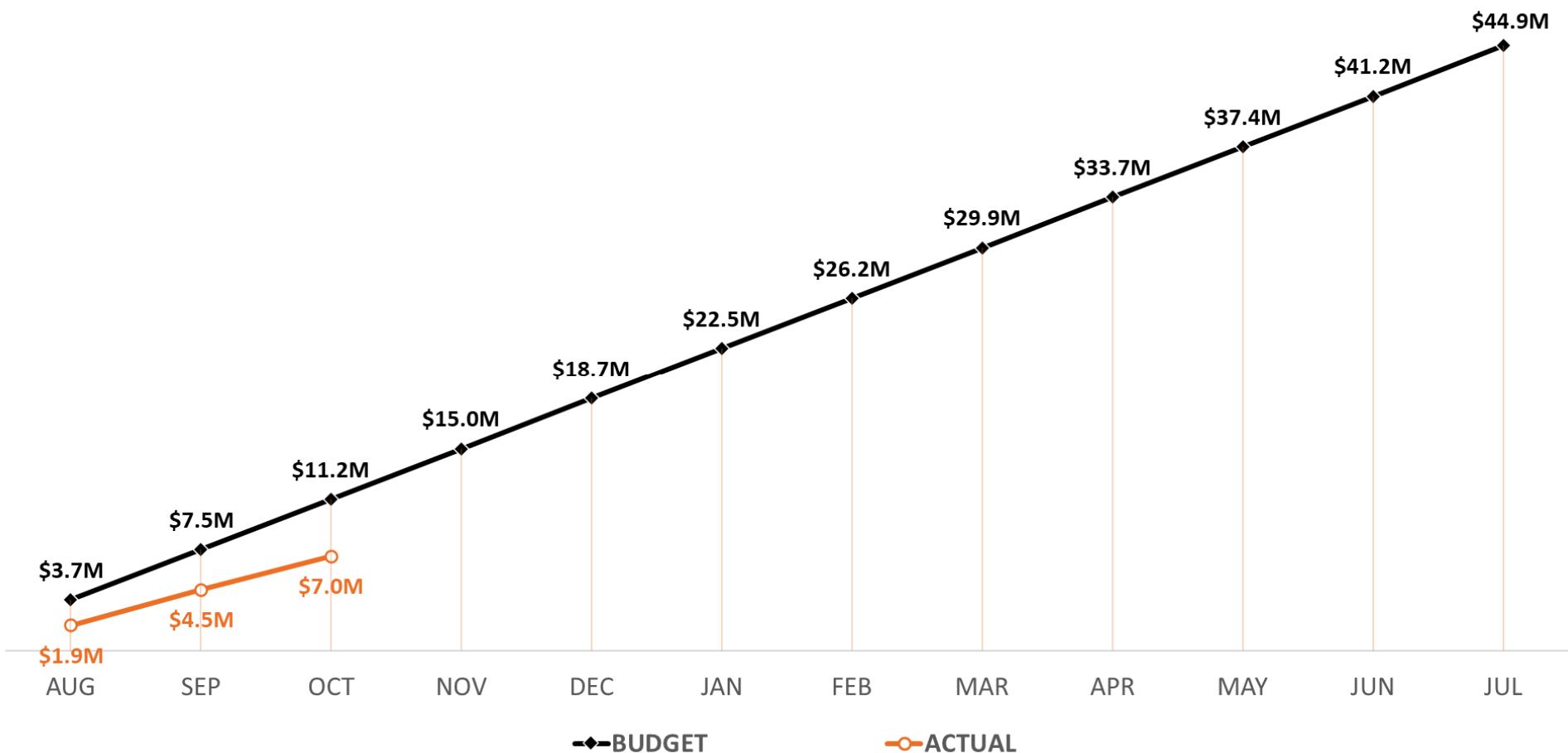
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# Electric – Budget to Actual



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# Q1 Electric Accomplishments

- Added 1,021 metered customers in Q1 FY26, within previously completed developments and wholly new developments.
- 1,500' Three-Phase overhead extension on Solms Rd. completed to serve Steelwood Trail Unit 6 & Unit 7.
- Significant progress made on the Hueco Springs Substation project, estimated in-service date May 2026.
- Significant progress made on the HW23 feeder extension from Hwy. 46 Substation to the Purlsong Development, double-circuit and “alley-arm” construction (for clearance to billboards).
- Energized service to 2 single-family-for-rent projects and 2 single-family projects. Major projects include
  - Sunflower Ridge, Unit 1C
  - Town Creek Townhomes, Phase 2
  - Village at Mayfair, Units 1-4
  - Weltner Farms, Unit 4



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# Feature Projects - Electric



## DISTRIBUTION



## TRANSMISSION



## SUBSTATION



### Village at Mayfair

Completion: September 2025

Project: Systems Extensions

Purpose: NBU crews completed Underground Residential Distribution (URD) extension within the Village at Mayfair community. It is a Single Family for Rent (SFR) community, totaling 217 units. 2,100' three-phase URD was installed and 5,300' of single-phase URD was installed. Other recent SFR communities include Collection at Gruene, Equinox, Town Creek Townhomes, and Villas at Creekside.

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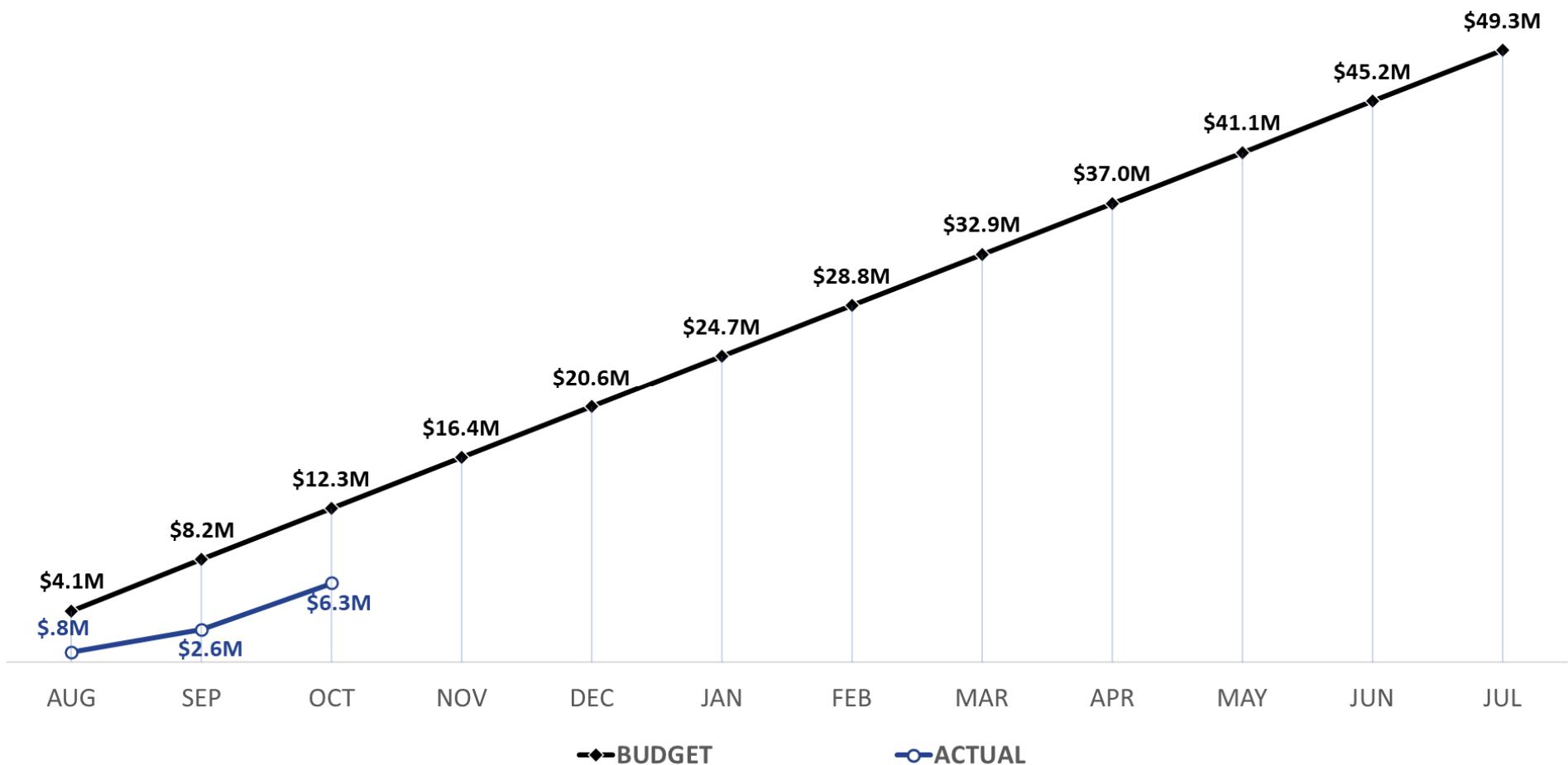
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# Water – Budget to Actual



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# Q1 Water Accomplishments

- Bid Process Complete:
  - Western Downtown to Morningside Rusch Lane PRV (Phase 1)
  - Solms Pump Station & GST
- Design Complete
  - Well 6 Improvements
  - Loop GST Improvements
  - Western Downtown to Morningside Pressure Zone Conversion (Phase 2)
- Completed Wood Meadows Waterline Construction



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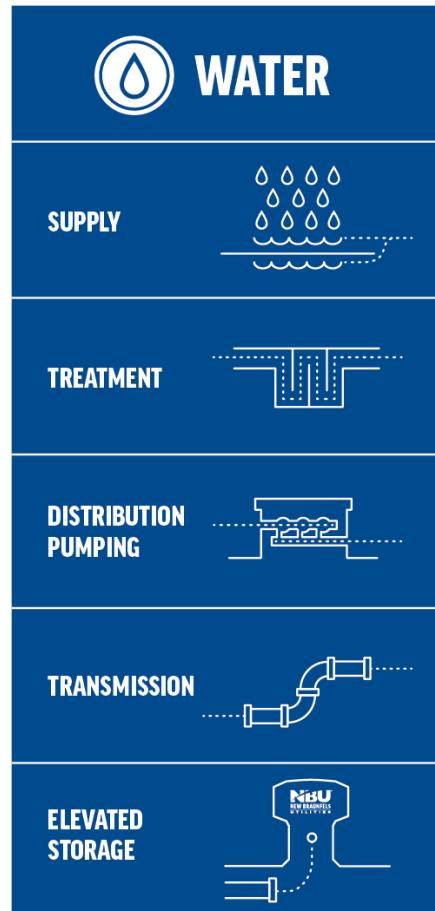
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# Feature Projects - Water



## Wood Meadows Waterline

Completion: Q1 2025

Scope: Installation of a new 16" waterline under the Guadalupe River, replacing an old 8" and 12" that have reached the end of their service life. The new waterline provides reliability to the area by restoring this critical river crossing.

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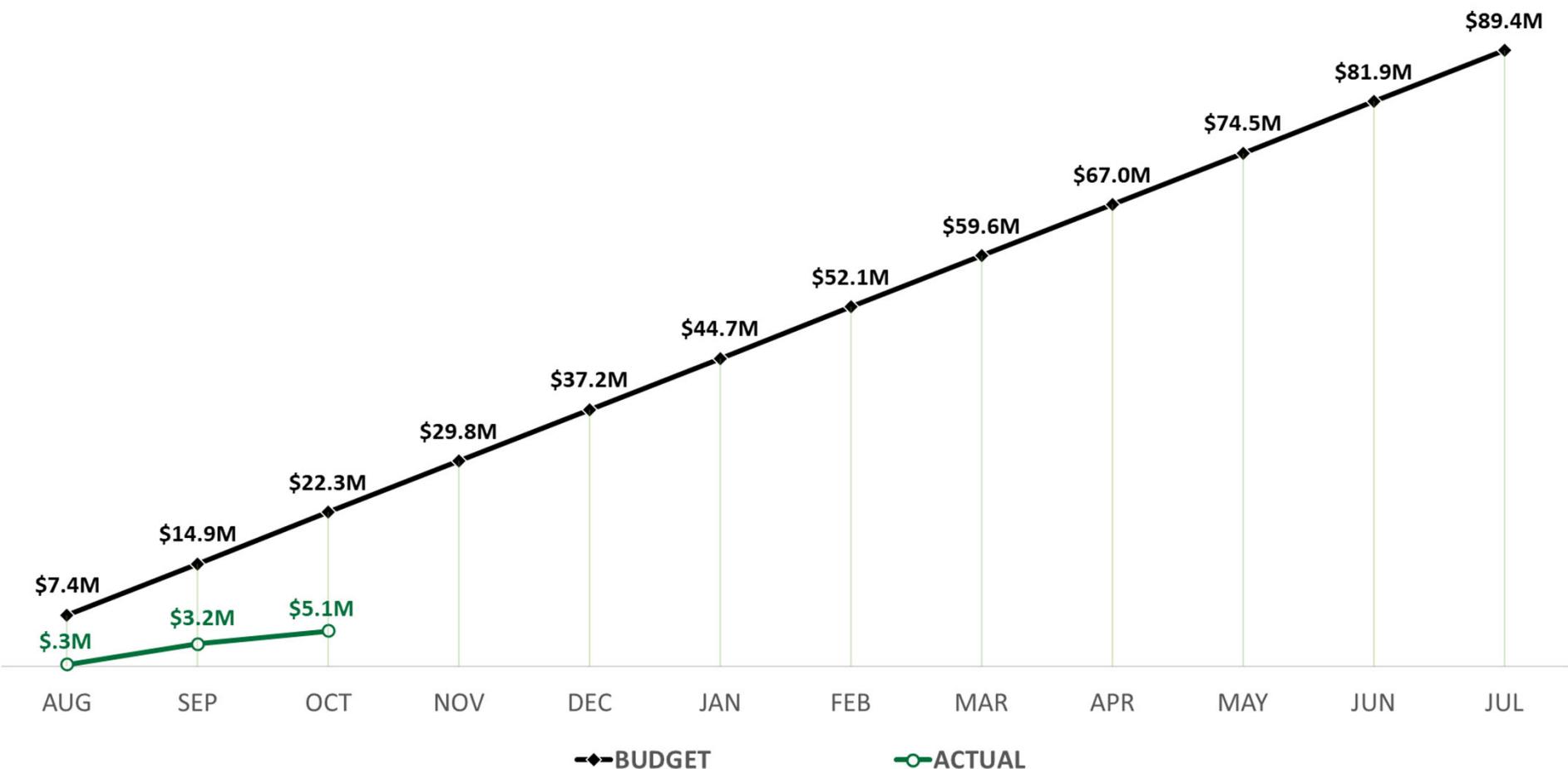
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# Wastewater – Budget to Actual



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# Q1 Wastewater Accomplishments

- Bid Process Complete
  - Saengerhalle North Interceptor
  - Infrastructure Replacement Pkg 3
- Construction Complete
  - Sewer Infrastructure Replacement Pkg 2 Phase 1
- Heavy Construction Ongoing on McKenzie Interceptor and McKenzie WRF Expansion
  - Interceptor: 18% Complete thru Q1
  - WRF Expansion: 63% Complete thru Q1
- Gruene WRF Expansion Design Firm Selected



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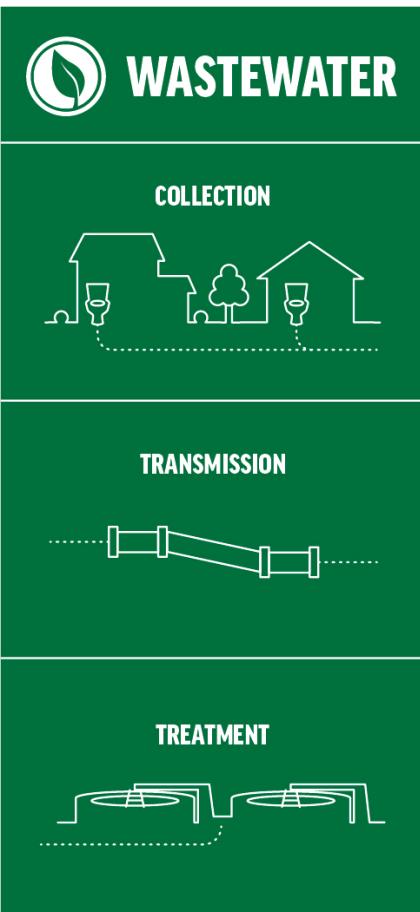
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# Feature Projects - Wastewater



## Saengerhalle North Interceptor

Expected NTP: February 2026

Expected Completion: October 2026

Scope: Replace the existing 10/12" sewer main with a 12/18/21" pipe between FM 1101 and Alves Lane to increase capacity for future growth in the McKenzie sewer shed.

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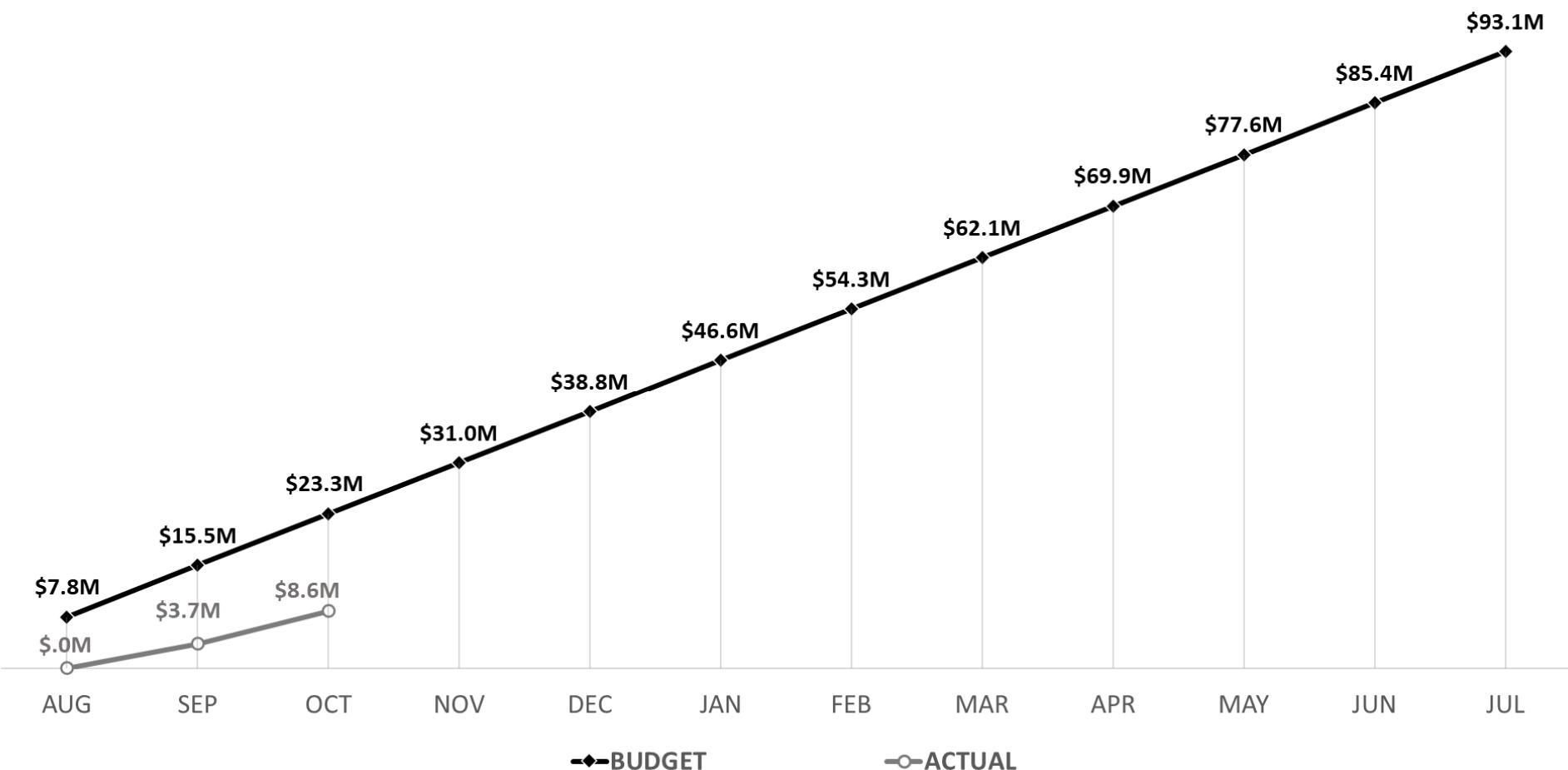
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# Support Services – Budget to Actual



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# Q1 Support Accomplishments

## OT Network Segmentation:

- Initiative to enhance the security posture of the electric network in Phase I
- All required equipment is on-site, and segmentation design is in progress



## Resilient Fiber Distribution Network:

- Supports the goals of the organization for infrastructure resiliency to reduce outages and enhance customer experience
- Construction is scheduled to begin in Q3 of FY26
- The fiber network will support the Backup Operation Center (BOC) and Headquarters (HQ)



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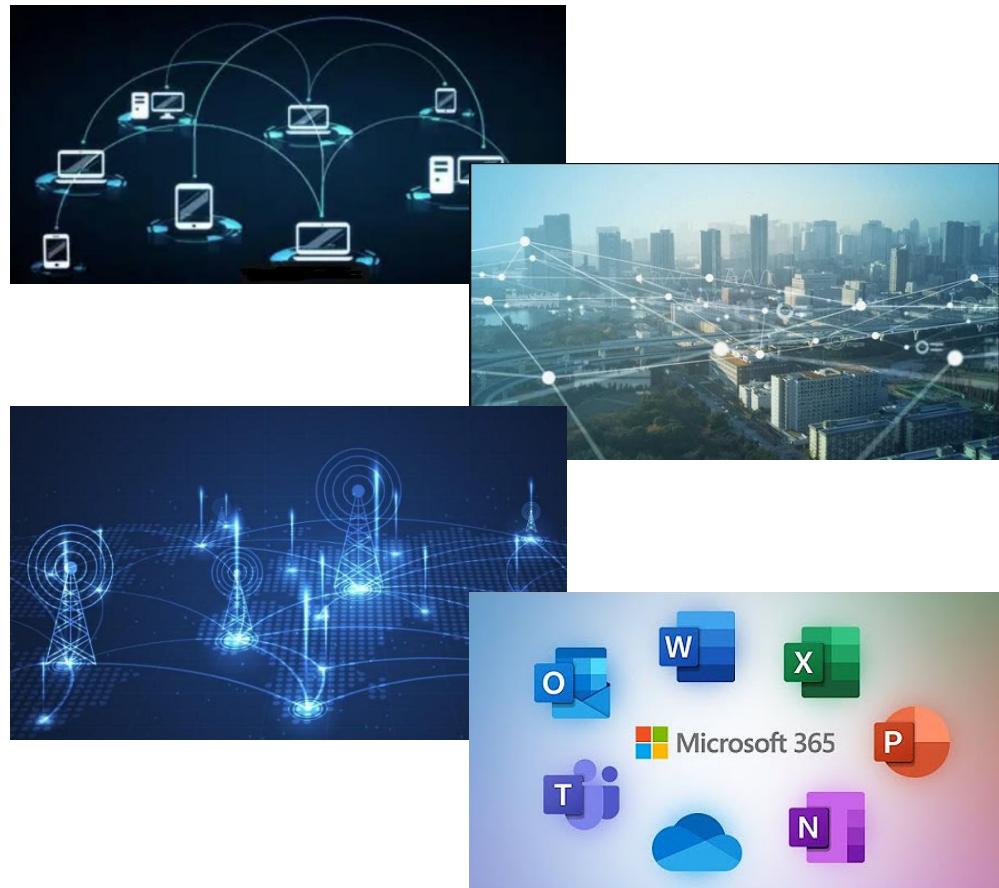
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# Q1 Support Accomplishments (continued)

## Cellular router installation:

- The solution increases the reliability of communication with the Control Center and remote sites, as well as enhances security by encrypting information sent to internal critical systems
- This project is 90% complete



## Microsoft 365

- M365 is the gateway platform for future transformational software adoption and existing solution enhancements
- Phase I of the project is in progress and scheduled for completion at the end of January. This phase included the migration and deployment of Outlook (email) cloud services and Office cloud applications

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# Feature Projects - Support

## SUPPORT

### FLEET & FACILITIES



### TECHNOLOGY SYSTEMS



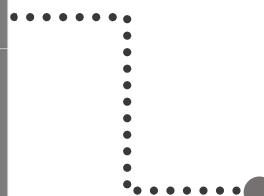
### OPERATIONAL TECHNOLOGY



### DATA STRATEGY



### SECURITY / CYBERSECURITY



### Feature Project: Backup Operations Center

Completion: November 2026

Purpose: Construct facility to improve the reliability and safety of NBU's infrastructure and operational systems. Includes facilities for personnel in the event of a system outage or continued weather event for uninterrupted service monitoring.

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## QUESTIONS?

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