

**MINUTES
NEW BRAUNFELS UTILITIES BOARD OF DIRECTORS
REGULAR BOARD MEETING**

1:00 P.M.

Thursday, December 18, 2025

NBU Board Room

263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130

Board President Wayne Peters opened the meeting at 1:00 p.m. A quorum of the NBU Board was present.

PRESENT

Board President Wayne Peters, Board Vice President Judith Dykes-Hoffmann, Board Trustee Yvette Villanueva Barrera, Board Trustee Stuart Blythin, and Mayor Neal Linnartz

ABSENT

None

NBU PERSONNEL

Ryan Kelso, Ragan Dickens, Greg Brown, Jessica Williams, Mark Steelman, Andrew Cummings, David Hubbard

Adriana Sanchez, Ashley Schriewer, Carlos Salas, Darrin Jensen, Jason Theurer, John Warren, Julia Haynes, Justin Green, Kristi Villisana, Mike Short, Rachel Leier, Reagan Pena, Will Riley, Adam Willard, Anna Johnson, Brandon Thomas, Brent Lundmark, Bruce Haby, Coby Henk, David Guerrero, Jr., Doug Clifton, Jacob Tschoepe, James Rammel, Jesse Luna, Jessica Coleman, Jessica Green, Joe Vargas, Justin Stroupe, Katie Storey, Kenneth Allen, Kimberly DeCosta, Missy Quent, Nancy Pappas, Pamela Tarbox, Peter Vanderstoep, Robert Aleman

NBU CONSULTANTS

Aaron Worthman with Baker Tilly

PLEDGE AND INVOCATION

Board Vice President Judith Dykes-Hoffmann led the Pledge of Allegiance and offered the invocation.

NBU EMPLOYEE RECOGNITION

1. Recognizing NBU Employee Doug Clifton for 20 Years of Service

CEO Ryan Kelso recognized Doug Clifton for 20 years of dedicated service to NBU.

PUBLIC COMMENT

There were no public comment requests.

ITEMS FROM THE CHAIR

1. Election of Officers for the NBU Board of Trustees for the Office of Vice President

Trustee Yvette Villanueva Barrera made a motion, and Trustee Stuart Blythin seconded the motion, to elect the following officers to the NBU Board of Trustees: Board Vice President Judith Dykes-Hoffmann for a term of 1 year. The vote was unanimous.

2. Report from the Security Committee

Board Vice President Judith Dykes-Hoffmann provided an update from the Security Committee meeting held on November 20, 2025. Items discussed included the purpose and oversight responsibilities of the group, a briefing on the latest threats and trends in the utility industry, the achievements in the past six months, and both short-term and long-term initiatives.

3. Update from the Records Management Committee

Board Trustee Yvette Villanueva Barrera provided an update from the Records Management Committee meeting held on December 4, 2025. Items discussed included an overview of the Records Management Program, record retention schedules, the Fiscal Year 2025 destruction report, and the proposed modifications to the Records and Information Policy. Proposed revisions to the Policy and resolution will be presented to the Board for approval in January 2026.

4. Update from the Investment Committee

Board Trustee Stuart Blythin provided an update from the Investment Committee meeting held on December 11, 2025. Items discussed included an update on the solicitation for Bank Depository Services, future Financial and Investment Policy updates, an update on upcoming bond issuance with the Texas Water Development Board for the Lead Service Line Replacement Program, and upcoming traditional bond issuance.

5. Update from the Audit Committee

Board Trustee Stuart Blythin provided an update from the Audit Committee meeting held on December 18, 2025. Items discussed included a presentation from Aaron Worthman from Baker Tilly on the Fiscal Year 2025 audit process and results. An unmodified (clean) audit opinion was issued on the financial statements by the auditors. Auditors provided the required communications to the Audit Committee.

6. Any Other Items Permitted Under Section 551.0415 of the Texas Government Code

An updated 2026 Board Meeting calendar was shared with the Board to reflect a change in the May board meeting date from May 28th to May 26th.

ITEMS FROM STAFF

1. CEO Update

CEO Ryan Kelso presented updates on the following events that NBU staff participated in:

- a. **Leadership Announcement of New Hires and Position Changes: Interim Chief Customer Officer Andrew Cummings, Director of Security Joe Vargas, Interim Director of Power Supply Kristi Villasana, Rates and Revenue Manager Azura Kerr, and Community Engagement Manager Nicole Wesley**

NBU has promoted Andrew Cummings to Interim Chief Customer Officer, Kristi Villasana to Interim Director of Power Supply, and Joe Vargas from Security Manager to Director of Security. NBU has hired Azura Kerr as the new Rates and Revenue Manager and Nicole Wesley as the Community Engagement Manager.

- b. **NBU Employees Participate in the 2025 International Lineman's Rodeo**

NBU proudly recognizes our Journeyman and Apprentice Lineworker Teams for representing our organization at the International Lineman's Rodeo in Overland, Kansas. Their focused training, hard work, and commitment to excellence truly reflect the professionalism and pride of NBU's Electric Operations.

- c. **NBU Chief of Staff Rocío G. Hilliard Receives 2025 Rising Star of New Braunfels Award**

NBU Chief of Staff, Rocío G. Hilliard, was named one of the 2025 Rising Stars of New Braunfels.

- d. **New Braunfels Utilities Enterprise Communications Team Earns Excellence in Public Power Communications Award in the Video Category from the American Public Power Association**

The NBU Enterprise Communications team has earned an Excellence in Public Power Communications Award in the Video Category from the American Public Power Association. The winning video, "Electric Exchange: Transformer Easements," informs customers about the required clearance for transformer easements.

- e. **NBU Employees Participate in Ethics Week**

During the week of November 3rd, NBU hosted Ethics Week. This year, the theme was "Ethics on Screen." Each day, an Ethics video was released that emphasized different ethics concepts, including conflicts of interest, gifts, and games of chance.

- f. **NBU Veterans are Honored at NBU Veterans Day Celebration**

On November 6th, NBU proudly held a Veterans Day ceremony and breakfast at the Headwaters at the Comal to honor the dedication and sacrifices of our 57 veteran employees. This special event celebrated their service, highlighting their profound sacrifices and the lasting impact they have had on our nation, as well as their ongoing

commitment to our community. We were also honored to welcome special guest General Tod Wolters.

g. Any Other Items Permitted Under Section 551.0415 of the Texas Government Code

*No additional items were discussed.

- 2. Financial Update and Report, Including an Update on the Impact Fee Program Effective February 1, 2023 (referred to as Program E)**
Accounting Manager Kimberly Huffman provided an update on the financial status of NBU.
- 3. Quarterly Investment Report**
Financial Planning and Analysis Manager Jessica Coleman provided an update on the Quarterly Investment Report.
- 4. Quarterly Drought Update Report**
Interim Chief Customer Officer Andrew Cummings provided the quarterly drought update.
- 5. Quarterly Update on the Headwaters at the Comal**
Headwaters at the Comal Managing Director Nancy Pappas provided an update on the Headwaters at the Comal.
- 6. Quarterly Strategic Plan Update – First Quarter of Fiscal Year 2026**
Director of Enterprise Project Management Office Darrin Jensen provided an update on the quarterly strategic goals and annual priorities.
- 7. Monthly NBU Headquarters Progress Update**
Program Portfolio Manager Jacob Tschoepe provided an update on the progress of the NBU Headquarters project.

CONSENT ITEMS FOR ACTION

Board Vice President Judith Dykes-Hoffmann made a motion, and Board Trustee Yvette Barrera Villanueva seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #7, #8, #9, #10, #11, #12, #13, #14, and #15. The vote was unanimous.

***Consent item #6 was pulled from consent for further discussion and consideration. After discussion, Trustee Stuart Blythin made a motion to approve consent item #6, and Mayor Neal Linnartz seconded the motion. The vote was unanimous.**

1. Approve Minutes of the NBU Regular Board Meeting of October 30, 2025
2. Approve Minutes of the NBU Special Board Meeting of December 11, 2025
3. Approve the Change Order Log from September 15, 2025, through November 15, 2025
4. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2025, through November 15, 2025

5. Approve the Electric Line of Business Alternative Procurements from September 15, 2025, through November 15, 2025
6. Approve the Guadalupe Blanco River Authority Canyon Hydroelectric Cost Reconciliation for Fiscal Year 2025
7. Authorize the CEO or His Designee to Negotiate and Execute a DIR Cooperative Agreement, DIR Contract No. DIR-CPO-5792, with Dell Marketing, LP for the Purchase of Computers and Other Products
8. Authorize the CEO or His Designee to Negotiate and Execute a Construction Contract with Source Power, LLC, for the Completion of the NBU Fiber Build Project to Provide Redundant Fiber Optic Infrastructure to NBU Facilities and Sites
9. Authorize the CEO or His Designee to Negotiate and Execute a DIR Cooperative Agreement, DIR Contract No. DIR-CPO-5832, with Executive Information Systems, LLC for the Statistical Analysis Software (SAS) Data Analytics Enterprise License and Maintenance
10. Authorize the CEO or His Designee to Negotiate and Execute a Master Software License Agreement with Inductive Automation, LLC for Ongoing Licensing and Support Services for the Water/Wastewater Supervisory Control and Data Acquisition (SCADA) System
11. Authorize the CEO or His Designee to Negotiate and Execute a Materials Agreement with D. Reynolds Company, LLC for Programmable Logic Controllers, Input/Output Modules, and Automation Components for the Water/Wastewater Supervisory Control and Data Acquisition (SCADA) System
12. Authorize the CEO or His Designee to Negotiate and Execute a DIR Cooperative Agreement, DIR Contract No. DIR-CPO-5687, with Carahsoft Technology Corporation for Secureworks/Sophos Taegis Security Platform and Subscriptions
13. Authorize the CEO or His Designee to Negotiate and Execute a Memorandum of Understanding with the City of New Braunfels to Coordinate Capital Projects Under the Capital Improvement Program
14. Authorize the CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Freese and Nichols, Inc. for the Design of the FM 1101 Discharge Line Project Located Generally Along FM 1101, Barbarosa Road, and Kohlenberg Road
15. Authorize the CEO or His Designee to Execute a Bank Depository Agreement, Third Party Custodian Agreement, and a Security Agreement with Frost Bank for Bank Depository Services

ACTION ITEMS

1. **Discuss and Consider Accepting the Audit and Annual Comprehensive Financial Report for the Fiscal Year Ended July 31, 2025, performed by Baker Tilly US, LLP**

Trustee Stuart Blythin made a motion, and Trustee Yvette Villanueva Barrera seconded the motion to accept the Audit and Annual Comprehensive Financial Report for the Fiscal Year Ended July 31, 2025, performed by Baker Tilly US, LLP. The vote was unanimous.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 2:25 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included Power Supply Resources – Competitive Matters (Section 551.086 – Texas Government Code).

The Executive Session was opened at 2:30 p.m. and closed at 2:48 p.m.

RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY ACTION RELATING TO THE EXECUTIVE SESSION AS DESCRIBED ABOVE

The Regular Session resumed at 2:50 p.m. Only the matters cited above, and no others, were discussed. The board voted on the competitive matter listed on the agenda; however, no other votes were taken in the Executive Session.

ADJOURN

There was no further business, and Board President Wayne Peters adjourned the meeting at 2:50 p.m.

Attest:

Wayne Peters, President
Approved

Ryan Kelso, Secretary of the Board
Chief Executive Officer

Date Approved: January 29, 2026