



Meeting Date: August 29, 2024 **Agenda Type:** Item for Future Action

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: Review and Discuss 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, and July 30, 2024, to review the Governance Policies and provide recommended revisions. The Committee recommends the following changes to the Governance Policies:

- update the preface to the Governance Policies to indicate that the Board follows the Carver Model of governance;
- 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;
- clarify the process for reporting a potential or perceived conflict of interest;
- reduce the timeframe from twenty-one to fourteen days for Board members to request an item be placed on the Board agenda;

- align Board resignation requirements 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;
- update Board committees;
- include a process for CEO communication to Board members regarding customer concerns; and
- revise vague, unclear, or outdated language.

The Committee proposes the following schedule to review and discuss the revisions to the Governance Policies:

- August 23—proposed Governance Policies provided to the Board in the August Board materials for review and input;
- September 11—Board members to provide comments to General Counsel to facilitate the review process with the Governance Committee;
- September 16—the Governance Committee will review the Board’s feedback and legal counsel will revise the Governance Policies;
- September 26—the proposed Governance Policies will be presented to the Board for discussion;
- week of October 14—Governance Committee to meet to discuss changes from the Board discussion, if necessary; and
- October 31—the proposed final drafts of the Governance Policies will be presented to the Board for approval.

If the schedule is agreeable to all Board members, NBU staff will calendar these dates on the Board of Trustees’ calendars.

FINANCIAL IMPACT

None

LINK TO STRATEGIC PLAN

Customers and Community

Stewardship

EXHIBITS

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