

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

**1:00 P.M.
Thursday, September 28, 2023
NBU Board Room
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Judith Dykes-Hoffmann opened the meeting at 1:01 p.m. A quorum of the NBU Board was present.

PRESENT

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

ABSENT

None

NBU PERSONNEL

Ryan Kelso, Dawn Schriewer, Connie Lock, Melissa Krause, Greg Brown, and Laura Rivers

NBU CONSULTANTS

None

PLEDGE AND INVOCATION

Board Vice President Wayne Peters led the pledge of allegiance and offered the invocation.

PUBLIC COMMENT

None

AWARDS AND RECOGNITION

1. Texas Water Utility Association Annual Awards for Exemplary Service Leadership, Outstanding New Professional, Doc Mallard Meritorious Service, and Best Tasting Surface Water

Interim Several team members from our Water Treatment and Compliance department were recognized by the Texas Water Utilities Association (TWUA) on September 18th. Included were Jason Rosales (TWIA Exemplary Service Leadership Award), Rudy Silva (Outstanding New Professional Award), John Krause (Doc Mallard Meritorious Service Award), and New Braunfels Utilities was awarded the Best Tasting Surface Water.

2. Recognition of the Substation Team Maintenance Testing Program

Interim CEO Ryan Kelso recognized the Substation team who successfully implemented an in-house maintenance testing program, creating a more proactive process.

NBU EMPLOYEE RECOGNITIONS

1. Presentation of Service Pins

Interim CEO Ryan Kelso recognized Juan “Johnny” Hernandez with 20 years of dedicated service to NBU.

ITEMS FROM THE CHAIR

1. NBU Board Meeting Calendar

The NBU Board of Trustees reviewed and approved the calendar of board meetings for 2024.

2. Report from the Governance Committee

Board Vice President Wayne Peters reported that the Governance Committee met on September 18, 2023 regarding Board self-evaluations and the form of the CEO executive agreement. The committee has evaluated different formats for a Board self-evaluation. At the September 19 committee meeting, the committee discussed and agreed on the content of a proposed self-evaluation form to present to the Board for discussion and a related schedule to complete the self-evaluation form. The committee proposed a schedule for the Board to review the proposed self-evaluation form and provide input, approve, distribute, complete, review the results and determine a plan of action based on the summarized results.

3. Report from the Records and Information Management (RIM) Committee

Board Trustee Yvette Villanueva Barrera reported that the Records & Information Management Committee met on September 19, 2023. Pamela Tarbox introduced the current RIM team and provided an overview of the transition of the responsibilities of RIM from the Finance Department to the Legal Department. Due to the transition, proposed minor changes to the RIM policy will be presented at the October Board Meeting. The Committee received an overview of the Texas State Library and Archives Commission Record Retention schedules that NBU adheres to. The Committee received an explanation on the physical records destruction process, and the RIM Committee approved the FY 2023 records destruction list.

ITEMS FROM THE STAFF

1. Interim CEO’S Update

Ryan Kelso shared information on the following programs and events. NBU has implemented a new communication initiative for employees call Friday Flash. This email platform shares concise updates to all employees. Additionally, Koffee with Kelso employee engagement meetings have begun. Small group meetings with staff allow for employee dialogue. The NBU Health Fair was held on September 14th, with almost 75% employee participation. On September 19th, ERCOT did weatherization inspections at NBU facilities and found all was in good order with the exception of on transformer temperature gauge that needs repair. The United Way giving campaign kicked off in August and will continue through September 30th. On September 14th, NBU held an Employee Picnic featuring activities for employees and their families. Lastly, Interim CEO Road Show presentations were held for the following

organizations: Downtown Rotary Club of New Braunfels, Greater New Braunfels Chamber of Commerce Board of Directors, Council Connect with Councilman Willis, City of New Braunfels, City Council, Greater New Braunfels Homebuilders Association with more meetings to be held with the New Braunfels Downtown Association and various radio programs.

2. Financial Update and Report

Accounting Manager Kimberly Huffman provided an update on the financial status of NBU.

3. Quarterly Investment Report

Finance Manager John Warren updated the board on the quarterly Investment Report.

4. Quarterly Capital Update

Program Portfolio Manager Jacob Tschoepe updated the board on the Quarterly Capital Update.

5. Quarterly Power Supply Update

Power Supply Manager Bob Figuly provided an update on NBU's power supply program.

6. 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.

CONSENT ITEMS FOR ACTION

Board Trustee John Harrell made a motion and Mayor Neal Linnartz seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, and #14.

1. Approve Minutes of the NBU Special Board Meeting of August 29, 2023
2. Approve Minutes of the NBU Regular Board Meeting of August 31, 2023
3. Approve Minutes of the NBU Special Board Meeting of September 12, 2023
4. Approve the Change Order Log from July 15, 2023, through August 15, 2023
5. Approve the Reports for Water and Electric Engineering Contracts from July 15, 2023, through August 15, 2023
6. Approve the Electric Line of Business Alternative Procurements from July 15, 2023, through August 15, 2023
7. Approve 2023 First Quarter Charge-Off Accounts
8. Approve the Proposed Changes to the New Braunfels Utilities Service Conditions Policy
9. Authorize Interim CEO or His Designee to Negotiate and Execute a Construction Contract with MGC Contractors, Inc. for the Construction of the Sam C. McKenzie Water Reclamation Facility Expansion – Package 2 Project
10. Authorize Interim CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Quiddity Engineering, LLC for the Design of the South Kuehler Interceptor Phase 1 Project

11. Authorize Interim 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 306 Pump Station and Discharge Line Project
12. Authorize Interim CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Alan Plummer and Associates, Inc. for the Design of the McQueeney Road Water Main Project
13. Authorize Interim CEO of His Designee to Negotiate and Execute an Interlocal Purchasing Agreement with the City of San Marcos to Contract Directly with OPIN, LLC dba American FR and Safety for Use of Web-Based Uniform Purchase Program
14. Authorize Interim CEO or His Designee to Approve Resolution #2023-177 Granting an Easement to the Guadalupe Blanco River Authority for a Portion of the Property Located at 1670 Weltner Road (Lot 1, Block 1, Nolte Subdivision), New Braunfels, Texas 78130 and Other Matters in Connection Therewith

ACTION ITEMS

1. **Discuss and Consider Adoption of Resolution #2023-178 (I) Accepting the Assignment of Earnest Money Contract to Acquire Approximately 76.618 Acres of Real Property (the “Property”) Located South of the Intersection of Krueger Canyon Road and FM 482 and Northwest of the Intersection of Engel Road and IH-35 in Comal County, Texas; (II) Authorizing the Expenditure of Not to Exceed \$12,006,000 Plus Closing Costs for the Property; (III) Approving Execution of Any and All Documents Necessary to Purchase the Property; and (IV) Approving Other Matters in Connection Therewith**

Board Trustee John Harrell made a motion and Mayor Neal Linnartz seconded the motion to approve Resolution #2023-178 accepting the assignment of earnest money contract to acquire approximately 76.618 acres of real property located south of the intersection of Krueger Canyon Road and FM 482 and northwest of the intersection of Engel Road and IH-35 in Comal County, Texas and authorized the expenditure of not to exceed \$12,006,000 plus closing costs for the property and approving execution of any and all documents necessary to purchase the property and approving other matters in connection therewith

EXECUTIVE SESSION

Board President Judith Dykes-Hoffmann recessed the Open Session at 2:40 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included Power Supply Resources – Competitive Matters; Consultation with Attorney Regarding Matters Protected by Attorney Client Privilege; and Personnel Matters. The Executive Session was opened at 2:45 pm and closed at 4:31 pm.

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

ACTION ITEMS

- 1. Discuss and Consider Authorizing the Interim CEO or His Designee to Negotiate and Execute a Letter Agreement Extending Developer Payment Deadlines for Certain Improvements Outlined in the Utility Construction Cost Sharing Agreement Dated February 8, 2022, and the related First Amendment all among New Braunfels Utilities, Southstar at Mayfair, LLC, MNB Real Estate Investments, LLC, Southstar at Mayfair Developer, LLC, and Beaverhead NB, LLC**

Board Trustee John Harrell made a motion and Mayor Neal Linnartz seconded the motion to approve authorization to negotiate and execute a letter of agreement extending developer payment deadlines for certain improvement outlined in the Utility Construction Cost Sharing Agreement dated February 8, 2022, and the related First Amendment all among New Braunfels Utilities, Southstar and Mayfair, LLC, MNB Real Estate Investments, LLC, Southstar at Mayfair Developer, LLC, and Beaverhead NB, LLC

ADJOURN

There was no further business and Board President Judith Dykes-Hoffmann adjourned the meeting at 4:33 pm.

Attest:

Judith Dykes-Hoffmann, President
Approved

Ryan Kelso, Secretary of the Board
Interim Chief Executive Officer

Date Approved: