

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

**1:00 P.M.
Thursday, December 14, 2023
NBU Board Room
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Wayne Peters opened the meeting at 1:03 p.m. A quorum of the NBU Board was present.

PRESENT

Board President Wayne Peters, Board Vice President Judith Dykes-Hoffmann, 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, David Hubbard, Greg Brown, and Laura Rivers

NBU CONSULTANTS

None

PLEDGE AND INVOCATION

Board Vice President Judith Dykes-Hoffmann led the pledge of allegiance and offered the invocation.

PUBLIC COMMENT

Mr. Al Kaufman addressed the Board to show support and gratitude to Gretchen Reuwer for her years of service to New Braunfels Utilities.

NBU EMPLOYEE RECOGNITIONS

1. Presentation of Service Pins

Interim CEO Ryan Kelso recognized Teresa Bracey with 20 years and Gretchen Reuwer with 25 years of dedicated service to New Braunfels Utilities.

2. Recognition of Kevin Self for Assisting a Community Member

Interim CEO Ryan Kelso recognized employee Kevin Self for assisting a senior citizen who was in distress this summer.

3. Recognition of the 2023 Rising Star Recipients

Interim CEO Ryan Kelso recognized 2023 Rising Star Recipient Liz Waller. Recipient Brian McClure will be recognized at a future Board meeting.

4. **Recognition of the 2023 Innovation Award Recipient**
Interim CEO Ryan Kelso recognized 2023 Innovation Award Recipient Erin Cleland.
5. **Recognition of the 2023 Ian Taylor Ethics Award Recipient**
Interim CEO Ryan Kelso recognized 2023 Ian Taylor Ethics Award Recipient Jesse Luna.
6. **Recognition of the 2023 Outstanding Achievement Recipient**
Interim CEO Ryan Kelso recognized 2023 Outstanding Achievement Recipient Jeff Morriss.

ITEMS FROM THE CHAIR

1. **Dissolution of NBU Board Committee – Ad hoc Committee – Board Compensation Committee**
The Board dissolved the Board Compensation Ad hoc Committee.
2. **NBU Board Committee Assignments**
Board President Wayne Peters reviewed and presented the list of committee assignments. They include: Audit Committee (John Harrell, Yvette Villanueva Barrera), Budget Committee (Judith Dykes-Hoffmann, Wayne Peters), Investment Committee (John Harrell, Yvette Villanueva Barrera), Legislative Committee (John Harrell, Yvette Villanueva Barrera), Public Information Act Committee (John Harrell, Judith Dykes-Hoffmann), Records Management Committee (Yvette Villanueva Barrera), Water Infrastructure Maintenance Committee (Judith Dykes-Hoffmann, Yvette Villanueva-Barrera), Ad hoc Community Advisory Panel Board Committee (Wayne Peters, Neal Linnartz, Chair of Community Advisory Panel), Ad hoc Facilities Master Plan Committee (John Harrell, Wayne Peters), Ad hoc Governance Committee (Judith Dykes-Hoffmann, Wayne Peters).
3. **Report from the Audit Committee**
Board Trustee Yvette Villanueva Barrera reported that the NBU Audit Committee met on December 14, 2023, and John Harrell, Yvette Villanueva Barrera, Ryan Kelso, Dawn Schriewer, Connie Lock, Greg Brown, Ashley VanBooven and Kimberly Huffman were present in addition to Keith Simovic with Moss Adams. Topics discussed were an audit overview, required audit communications, best practices, upcoming accounting standards, and the red flag and cybersecurity incidents report.
3. **Report from the Investment Committee**
Board Trustee John Harrell reported that the NBU Audit Committee met on December 14, 2023, and John Harrell, Yvette Villanueva Barrera, Ryan Kelso, Dawn Schriewer, Connie Lock, Ashley VanBooven, John Warren, Thomas Varner and Amy Chapple were present in addition to Duane Westerman with SAMCO. Topics discussed were a market update, proposed updates to the Financial Policy and the proposed Series 2024 bond issuance.
3. **Report from the Community Advisory Panel Board Committee**
Board President Wayne Peters reported that the NBU CAP Board Committee met on December 7, 2023, and Wayne Peters, Mayor Neal Linnartz, Ryan Kelso, Laura Rivers, Laura Ayala, Darla Arnold, CAP Chair Justin Meadows, and CAP member Stuart Blythin were

present. Topics discussed were CAP roles and responsibilities of the board committee and the panel, the preliminary meeting agenda for the first meeting, tentative meeting schedule. The committee is also recommending Stuart Blythin as Vice Chair.

ITEMS FROM STAFF

1. Interim CEO Update

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

- a. 2023 Downtown Spooktacular: NBU participated in this year's event and 30 employees volunteered and welcomed over 2,000 visitors.
- b. Pumpkin Patch Community Resource Fair: NBU Customer Service collaborated with the New Braunfels Food Bank and other local non-profits to support and assist over 185 customers with Utility Bill Assistance inquiries.
- c. Government Finance Officers Association (GFOA) Certificate of Achievement Award: NBU received the GFOA Certificate of Achievement Award for Excellence for the 33rd year in a row.
- d. New Braunfels Utilities and New Braunfels Food Bank Joint Food Drive Partnership & Thanksgiving Meal Distribution Event: 30 NBU Employees volunteered their time to assist the NB Food Bank. NBU collected 63 pounds of food donations and assisted in distributing 950 meals and delivering 180 meals.
- e. Emergency Management Tabletop Exercise: NBU Leadership participated in an Emergency Management Tabletop Exercise aimed at enhancing our preparedness and response capabilities in potential emergencies.
- f. New Braunfels Utilities Ethics Week: Ethics was held in November to highlight the significance of ethics in every role within NBU.
- g. Community Road Show Update: Mr. Kelso presented to the New Braunfels Downtown Association.
- h. Veterans Day Celebration and Parade: NBU employees volunteered to participate in the New Braunfels Veterans Day parade. In addition to the parade, a NBU Veterans Day celebration was held to honor the 45 Veterans that work for NBU.
- i. American Public Power Association - Excellence in Communication Web Social Submittal Award: The NBU Communications and External Affairs team was awarded the Excellence in Communication Award by the APPA for the 6th consecutive year.
- j. State of NBU Presentation to New Braunfels City Council: Mr. Kelso presented the State of NBU to the New Braunfels City Council on November 16th.
- k. Annual Holiday Tree Lighting: NBU crews assisted in installing holiday lights on the Main Plaza and Melissa Krause offered the opening remarks for the Tree Lighting ceremony.

- l. New Braunfels Food Bank Volunteer Activity for NBU Leadership Team: NBU Leadership staff assembled 472 bags of food for families for the holidays.
 - m. NBU University Update: NBU University will begin in January. This 5-month program is an opportunity for community members to learn more about NBU.
 - n. One Water Logo Winners: Angi Cure and Jada Boesch were recognized for their artwork for the One Water logo text and logo graphic designs.
 - o. Leadership Announcements: David Guerrero, Jr has joined NBU as the Resource Strategy Manager.
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 Update on the Headwaters at the Comal**
Headwaters at the Comal Managing Director Nancy Pappas provided an update on the Headwaters at the Comal.
 5. **NBU Winter Weather Preparedness and Regulatory Update**
Energy Analytics Supervisor Kristi Villasana provided an update on NBU's power supply program and a Winter weather update.

CONSENT ITEMS FOR ACTION

Board Trustee John Harrell made a motion and Board Vice President Judith Dykes-Hoffman 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, #14, #15, #16, #17, #18, #19, #20, #21, #22, #23 and #24. The vote was unanimous.

1. Approve Minutes of the NBU Special Board Meeting of October 19, 2023
2. Approve Minutes of the NBU Regular Board Meeting of October 26, 2023
3. Approve Minutes of the NBU Special Board Meeting of November 29, 2023
4. Approve the Change Order Log from September 15, 2023, through November 15, 2023
5. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2023, through November 15, 2023
6. Approve the Electric Line of Business Alternative Procurements from September 15, 2023, through November 15, 2023
7. Approve 2023 Second Quarter Charge-Off Accounts

8. Approve the Guadalupe-Blanco River Authority Canyon Hydroelectric Cost Reconciliation for Fiscal Year 2023
9. Authorize Proposed Changes to the NBU Financial Policy
10. Authorize Interim CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Arcadis U.S., Inc. for the Water Resource Planning Project
11. Authorize Interim CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Arcadis U.S., Inc for the Design of Phase 4 - Aquifer Storage and Recovery Support Project
12. Authorize Interim CEO or His Designee to Negotiate and Execute a Cooperative Contract with Holt Texas, Ltd., to Purchase One (1) Skid Steer Loader; One (1) Excavator; Three (3) Backhoe Loaders; and Two (2) Backhoe Loaders with Extended Boom
13. Authorize Interim CEO or His Designee to Negotiate and Execute a Cooperative Contract with Reliance Truck and Equipment, LLC. for One (1) Prebuilt 1050 TVO 2024 Closed Circuit TV Truck
14. Authorize Interim CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for Program Management and Staff Augmentation for Engineering and Engineering Related Services in Support of New Braunfels Utilities' Water and Wastewater Capital Improvement Plan
15. Authorize Interim CEO or His Designee to Negotiate and Execute a Reuse Water Supply Contract with Sundance Property Owners Associations, Inc. for the Use of Reuse Water Provided by New Braunfels Utilities
16. Authorize Interim CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Wallgren Environmental Service, Inc. DBA Pollution Control Services for Laboratory Testing Services for New Braunfels Utilities' Water and Wastewater Facilities in Connection with Regulatory and Compliance Testing Requirements
17. Authorize Interim CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Guadalupe-Blanco River Authority for Biomonitoring Testing Services for New Braunfels Utilities' Water and Wastewater Facilities in Connection with Regulatory and Compliance Testing Requirements
18. Authorize Interim CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Freese and Nichols, Inc. for Owner's Representative Services for the New Braunfels Utilities' Headquarters Project
19. Authorize Resolution #2023-180 Approving Revisions to the Records and Information Management Policy, Appointing the New Braunfels Utilities Records Manager as Records

Management Officer Pursuant to the Local Government Records Act, and Approving Other Matters in Connection Therewith

20. Authorize Interim CEO or His Designee to Negotiate and Execute an AIA Amendment to the Professional Services Agreement with Marmon Mok Architecture for Architectural Design Services for the New Braunfels Utilities' Headquarters Project
21. Authorize Interim CEO or His Designee to Negotiate and Execute an AIA Agreement with SpawGlass Contractors, Inc., Including Contingency, for the NBU Annex Facility Renovation Design Build
22. Authorize Interim CEO or His Designee to Negotiate and Execute a Cooperative Contract with Waypoint Business Solutions, LLC for the Replacement of Servers Within the Consolidated VxRail Cluster and the Backup System
23. Authorize Interim CEO or His Designee to Negotiate and Execute a Cooperative Agreement with SHI International Corp. for the Renewal of Microsoft EA Licensing to Maintain Critical Software Usage for NBU Staff
24. Approve Appointment of Stuart Blythin as Vice Chair of the Community Advisory Panel and Other Matters in Connection Therewith

ACTION ITEMS

1. **Discuss and Consider Approval of the NBU Annual Comprehensive Financial Report and Red Flag and Cybersecurity Incidents Report**

Board Vice President Judith Dykes-Hoffmann made a motion and Board Trustee Yvette Villanueva Barrera seconded the motion to approve the NBU Annual Comprehensive Financial Report and Red Flag and Cybersecurity Incidents Report. The vote was unanimous.

2. **Discuss and Consider Adopting Resolution #2023-181 Relating to the Issuance of the "City of New Braunfels, Texas Utility System Revenue and Refunding Bonds, Series 2024" and Resolving Other Matters Related Thereto**

Mayor Neal Linnartz made a motion and Board Trustee John Harrell seconded the motion to adopt resolution #2023-181 relating to the issuance of the "City of New Braunfels, Texas Utility System Revenue and Refunding Bonds, Series 2024" and resolving other matters related thereto. The vote was unanimous.

3. **Discuss and Consider Approval and Authorization to Select the Underwriting Team for the City of New Braunfels, Texas, Utility System Revenue and Refunding Bonds, Series 2024**

Board Vice President made a motion and Mayor Neal Linnartz seconded the motion to approve the authorization to select the underwriting team for the City of New Braunfels, Texas, Utility System Revenue and Refunding Bonds, Series 24. The vote was unanimous.

4. Discuss and Consider Approval of a Professional Service Agreement with GHD, Inc DBA GHD Consulting Inc. for Asset Management Support Services

Board Trustee John Harrel made a motion and Mayor Neal Linnartz seconded the motion to approve the Professional Services Agreement with GHD, Inc DBA GHD Consulting Inc. for Asset Management Support Services. The vote was unanimous.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 3:07 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 3:11 pm and closed at 5:04 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 an Amended and Restated Utility Construction Cost Sharing Agreement Among New Braunfels Utilities, Southstar at Mayfair, LLC, MNB Real Estate Investments, LLC, Southstar at Mayfair Developer, LLC, and Beaverhead NB, LLC, Amending Provisions of the Utility Construction Cost Sharing Agreement Dated February 8, 2022, Among the Same Parties

Mayor Neal Linnartz made a motion and Board Vice President Judith Dykes-Hoffmann seconded the motion to approve authorizing the Interim CEO or His Designee to negotiate and execute an amended and restated utility Construction Cost Sharing Agreement among New Braunfels Utilities, Southstar at Mayfair, LLC, MNB Real Estate Investments, LLC, Southstar at Mayfair Developer, LLC, and Beaverhead NB, LLC, amending provisions of the Utility Construction Cost Sharing Agreement Dated February 8, 2022, among the same parties. The vote was unanimous.

2. Discuss and Consider Authorizing the Interim CEO or His Designee to Negotiate and Execute a Construction Contract with Landmark Structure I, L.P. for the Construction of the Conrads Elevated Storage Tank Project

Board Vice President Judith Dykes-Hoffmann made a motion and Board Trustee John Harrell seconded the motion to approve authorizing the Interim CEO or His Designee to negotiate and execute a construction contract with Landmark Structure I, L.P for the construction of the Conrads Elevated Storage Tank Project. The vote was unanimous.

ADJOURN

There was no further business and Board President Wayne Peters adjourned the meeting at 5:10pm pm.

Attest:

*Wayne Peters, President
Approved*

*Ryan Kelso, Secretary of the Board
Interim Chief Executive Officer*

Date Approved: January 18, 2024