

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

**1:00 P.M.
THURSDAY, June 30, 2022
NBU BOARD ROOM
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Judith Dykes-Hoffmann opened the meeting at 1:03 pm. A quorum of the NBU Board was present.

PRESENT

Board President Judith Dykes-Hoffmann, Board Trustee John Harrell, Board Trustee Yvette Villanueva Barrera, and Mayor Rusty Brockman

ABSENT

Board Vice President Wayne Peters

NBU PERSONNEL

Ian Taylor, Ryan Kelso, Dawn Schriewer, Connie Lock, Melissa Krause, David Hubbard, Greg Brown, and Laura Rivers

NBU CONSULTANTS

Nora Jacobs and Thomas Fladung

PLEDGE AND INVOCATION

Board Trustee Yvette Villanueva Barrera led the pledge of allegiance and offered the invocation.

PUBLIC COMMENT

None

ITEMS FROM THE CHAIR

1. Report from the Investment Committee

Board Trustee John Harrell reported that the Investment Committee met on May 31, 2022, and discussed the proposed changes to the Financial Policy to increase the maximum debt to capitalization ratio allowed from 50% to 55%. The Committee was also notified that NBU is considering potential options to procure additional liquidity in Fiscal Year 2023, upon expiration of the Taxable Note.

ITEMS FROM THE STAFF

1. CEO'S Update

Mr. Taylor shared an updated schedule for the Impact Fee Advisory Committee. NBU hosted an impact fee developer meeting on June 15, 2022, in the New Braunfels Civic Center Ballroom, and about 40 people participated in the meeting. Mr. Taylor shared that the NBU Rate Advisory Committee met on June 1, 2022, with the second meeting scheduled for August 10, 2022. Mr. Taylor shared that NBU held a community meeting on June 14, 2022,

and gave a presentation outlining NBU's resilient water supply, and also updated the board on NBU's current drought restrictions. Additionally, Mr. Taylor shared that two board members and several NBU staff members attended the American Public Power Conference in June. Mr. Taylor shared that NBU is asking local artists to enter into a utility access cover art contest. The contest ends July 31, 2022, and at the conclusion of the contest, a panel of judges will select three winning designs. Mr. Taylor also shared that NBU's drinking water has been rated superior in quality by the Texas Commission of Environmental Quality for the 2021 Water Quality Report. He also reported that NBU's Public Utility Commission of Texas Emergency Operations Plan has been drafted and delivered to the PUCT. Mr. Taylor shared that NBU expects the closing and delivery of the Series 2022 Bonds will occur on July 14, 2022. He also shared that the Power Transformer and Transmission Ring Bus upgrades at Sheriff's Posse Substation are substantially complete and in service.

2. **Financial Update and Report Including Update on Texas Water Development Board (TWDB) Funding and Federal Emergency Management Agency (FEMA) Funding**
Accounting Manager Kimberly Huffman provided an update on the financial status of NBU. Ms. Huffman provided an update on TWDB and FEMA funding.
3. **Water Supply Fee Report**
Finance Manager John Warren updated the board on the Water Supply Fee Report.
4. **Update on Enterprise Risk Management**
Missy Quent and Sherry Kristof updated the board on Enterprise Risk Management.

CONSENT ITEMS FOR ACTION

Mayor Rusty Brockman made a motion and Board Trustee John Harrell 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. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of May 24, 2022
2. Approve Minutes of the NBU Special Board Meeting of June 9, 2022
3. Approve the Change Order Log from April 15, 2022, through May 15, 2022
4. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2021, through May 15, 2022
5. Approve a Public Calamity Declaration Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic for Purchases over \$250,000
6. Authorize Proposed Changes to the NBU Financial Policy
7. Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with Qro Mex Construction Co., Inc. for the Construction of the Gruene Water Reclamation Facility Collector Apartment Complex Relocate Project
8. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Pawelek and Moy, Inc. for the Design of the Sewer Infrastructure Replacement Package Two Project for Four Construction Locations, Including Landa Street, Fredericksburg Road, Sundance Parkway, and Elizabeth Avenue

9. Authorize CEO or His Designee to Negotiate and Execute a Contract with Altec Industries Inc. for the Purchase of Two (2) 60' Reach Bucket Trucks and One (1) 47' Digger Derrick Truck
10. Authorize CEO or His Designee to Execute a Second Amended and Restated Memorandum of Understanding between NBU and the City of New Braunfels for Reimbursement of Funding for a Part-Time Watershed Educator and Educational Materials for the Headwaters at the Comal From August 2020 through August 2022
11. Authorize CEO or His Designee to Execute a Memorandum of Understanding between NBU and the City of New Braunfels for Reimbursement of Funding for a Part-Time Watershed Educator and Educational Materials for the Headwaters at the Comal from September 2022 through February 2026
12. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with AmaTerra Environmental, Inc. for Monitoring Services for the Headwaters at the Comal, Phase II Construction
13. Approve Resolution #2022-160 that Authorizes NBU to Request Approval for Participation in State Cooperation Purchasing Program Texas SmartBuy from the Texas Comptroller of Public Accounts
14. Authorize CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Periscope Holdings, Inc. for Project Management Services and Staff Augmentation for the NBU Purchasing Department

ACTION ITEMS

1. **Discuss and Consider Approval of the Fiscal Year 2023 Budget and Five Year Operating Plan**
Board Trustee John Harrell made a motion and Mayor Rusty Brockman seconded the motion to approve the Fiscal Year 2023 Budget and Five Year Operating Plan
2. **Discuss and Consider Appointing Panel Members to Serve on NBU's Variance Appeals Panel for Drought and Conservation Pursuant to Section 130-218.4 of the City of New Braunfels Code of Ordinances**
Board Trustee John Harrell made a motion and Board Trustee Yvette Villanueva Barrera seconded the motion to appoint panel members to serve on NBU's Variance Appeals Panel for drought and conservation pursuant to Section 130-218.4 of the City of New Braunfels Code of Ordinances

PRESENTATION ITEMS

1. **Presentation on the NBU Customer Satisfaction Survey Results for Fiscal Year 2022 from Great Blue Research**
Nora Jacobs and Thomas Fladung presented on the NBU Customer Satisfaction Survey Results for Fiscal Year 2022 from Great Blue Research
2. **Presentation on the NBU Strategic Communications Initiative**
The NBU executive team presented on the NBU Strategic Communications Initiative

EXECUTIVE SESSION

Board President Judith Dykes-Hoffmann recessed the Open Session at 2:59 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 Pending or Contemplated Litigation, Settlement Offer, or Other Matters Protected by Attorney Client Privilege. The Executive Session was opened at 3:05 pm and closed at 4:15 pm.

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

ADJOURN

There was no further business and Board President Judith Dykes-Hoffmann adjourned the meeting at 4:18 pm.

Attest:

Judith Dykes-Hoffmann, President
Approved

Ian Taylor, Secretary of the Board
Chief Executive Officer

Date Approved: August 25, 2022