

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

**1:00 P.M.
Thursday, May 29, 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, Dawn Schriewer, Rocio Gallegos, Connie Lock, Rocio G. Hilliard, Mark Steelman, Sheila Lavender, David Hubbard
Adriana Sanchez, Andrew Cummings, Ashley VanBooven, Bob Figuly, Carlos Salas, Jason Theurer, John Warren, Julia Haynes, Justin Green, Mike Short, Rachel Leier, Reagan Pena, Adam Willard, Becca Graham, Beth Perez, Billy Shearer, Brent Lundmark, Bruce Haby, Coby Henk, Doug Clifton, Gregory Thomas, Jacob Tschoepe, James Rammel, Jeffrey Jones, Jenna Mathis, Jesse Luna, Jessica Green, Joe Vargas, Justin Stroupe, Kenneth Allen, Kimberly Huffman, Larry Aguilar, Missy Quent, Nancy Pappas, Pamela Tarbox, Peter Vanderstoep, Robert Aleman

NBU CONSULTANTS

None

PLEDGE AND INVOCATION

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

NBU EMPLOYEE RECOGNITION

1. Presentation of Service Pin

CEO Ryan Kelso recognized Robert Pineda for 45 years of dedicated service to NBU. He currently serves as NBU's longest tenured employee.

PUBLIC COMMENT

There were no public comment requests.

ITEMS FROM THE CHAIR

1. Update from the Audit Committee

Board Trustee Stuart Blythin provided an update from the Audit Committee meeting that took place on May 15, 2025. Items discussed included the results of a recently issued request for proposals for external audit services and the proposals received. Staff recommended the selection of Baker Tilly US, LLP. It is best to rotate audit firms every five years. Fiscal year 2025 will be the first year of contracted external audit services, with four optional one-year extensions subject to mutual consent. The audit committee approved staff to present this item at the May board meeting for consideration and approval.

2. Report from the Legislative Committee

Board Trustee Yvette Villanueva Barrera provided an update from the Legislative Committee meeting that took place on May 29, 2025. Items discussed included a current legislative session update, committee assignments of bills and the potential impacts on utility space at large and an in-depth review of particular bills that may impact MOU's and/or NBU's three lines of businesses/services.

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

*No additional items were discussed.

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: Director of External Relations, Julia Haynes, and Senior Attorney - Manager of Legal Department, Jason Rammel

NBU has hired Julia Haynes as its new Director of External Relations and Jason Rammel as its new Senior Attorney – Manager of Legal Department.

b. KinderKraft Service Project Final Results

We wrapped up our inaugural KinderKraft drive, which included nearly 900 essential items donated by NBU employees and the community for students in our service area. KinderKraft continues our 20-year partnership with Communities in Schools.

c. Texas Public Power Leadership Academy (TxPPLA) Graduation

Texas Public Power Leadership Academy celebrated the graduation of its third cohort. We recognized six NBU leaders—Paul Mata, Jenna Mathis, Nick Puckett, Kristi Villasana, Samara Hernandez, and Nick Haughton—who joined peers from LCRA and CPS Energy.

d. Career Days at Goodwin Frazier Elementary, Lamar Elementary, and Voss Farms Elementary Schools

NBU participated in three Career Days in May at Goodwin Frazier, Lamar, and Voss Farms Elementary Schools.

e. NBU Observes Public Service Week

NBU celebrated Public Service Recognition Week, May 5th - 9th, with activities to recognize our employees for their outstanding service.

f. NBU University Graduation

We concluded our last NBU University on May 6th. During the five-month program, community participants received a first-hand look at all three lines of business, met our teams, and learned about conservation.

g. CEO Roadshow: Presentation at the New Braunfels Chamber Government Affairs Committee Meeting

CEO Ryan Kelso presented to the New Braunfels Chamber of Commerce Government Affairs Committee and provided an overview of the alignment of NBU's Strategic Goals, the work and efforts from the Community Advisory Panel, and rates.

h. NBU Employee Mark Steelman Graduates from Leadership New Braunfels

Mark Steelman graduated from Leadership New Braunfels, an eight-month program that develops informed, engaged community leaders.

i. NBU Customer Contact Center Hold Times Reach New Lows

Recent Customer Service hires completed six weeks of classroom training and are now taking calls with continued support. This added capacity has reduced average wait times from 45 minutes to 2 minutes, with some periods at zero wait. The improved customer experience also supports progress toward our Best-In-Class goal of a 3-minute or less average wait and 80% of calls answered within 30 seconds.

j. NBU Earns National Recognition for Electric Reliability in 2024

NBU has been nationally recognized by the American Public Power Association for achieving top-tier electric reliability in 2024, outperforming all utilities of our size and regional class. This recognition reflects the outstanding work of our Electric Operations, Substations, and Control Center teams and affirms our continued commitment to system reliability and service excellence.

k. 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

Director of Finance John Warren provided an update 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. Quarterly Drought Update Report**
Director of Customer Solutions Andrew Cummings provided the quarterly drought update.
- 6. Quarterly Strategic Goals and Annual Priorities Update**
Program Portfolio Manager Jacob Tschoepe 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

Trustee Stuart Blythin 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, #6, #7, #8, #9, #10, #11 and #12. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of April 24, 2025
2. Approve Minutes of the NBU Special Board Meeting of May 15, 2025
3. Approve the Change Order Log from March 15, 2025, through April 15, 2025
4. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2024, through April 15, 2025
5. Approve the Electric Line of Business Alternative Procurements from March 15, 2025, through April 15, 2025
6. Authorize the CEO to Negotiate and Execute an Engagement Letter with Baker Tilley US, LLP for External Audit Services
7. Authorize the CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Schneider Engineering, LLC for Substation and Transmission Engineering Services
8. Authorize the CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with CB Solutions, LP for Inspection, Maintenance, Repair, and Replacement of Water and Wastewater Magnetic Meters
9. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Schneider Engineering, LLC, DBA SEnergy for Distribution System Planning

10. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with M&S Engineering, LLC for Distribution Engineering
11. Authorize the CEO or His Designee to Negotiate and Execute an AIA Document A133—Guaranteed Maximum Price Amendment No. 5 with SpawGlass Contractors, Inc., for the New Braunfels Utilities Headquarters Facility Project Located on a 76-acre Tract of Property at the Intersection of Engel Road and IH 35 for Pre-Engineered Metal Buildings, Foundations, Exterior Framing, and Vehicle Bridge
12. Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with SHI Government Solutions, Inc. for Microsoft Enterprise Agreement Licensing to Maintain and Upgrade Critical Software Usage

ACTION ITEMS

1. **Discuss and Consider Receiving the Electric, Water, and Wastewater Utility Revenues, Revenue Requirements, and Rates Report, Including Community Advisory Panel Feedback from Raftelis Financial Consultants, Inc., and Britton Strategies LLC**

Board Vice President Judith Dykes-Hoffmann made a motion, and Mayor Neal Linnartz seconded the motion to receive the Electric, Water, and Wastewater Utility Revenues, Revenue Requirements, and Rates Report, Including Community Advisory Panel Feedback from Raftelis Financial Consultants, Inc., and Britton Strategies LLC. The vote was unanimous.

2. **Discuss and Consider Approval of the Fiscal Year 2026 Budget and Five-Year Operating Plan**

Trustee Yvette Barrera Villanueva made a motion, and Board Vice President Judith Dykes-Hoffmann seconded the motion to Approve the Fiscal Year 2026 Budget and Five-Year Operating Plan. The vote was unanimous.

3. **Discuss and Consider Adopting Resolution #2025-196 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article III, Sections 130-56, 130-57, and 130-58 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Electric Rates and Charges for Fiscal Year 2026; (ii) Providing for Adjustments of Electric Rates and Charges for Fiscal Year 2027; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation of Same to the City Council of New Braunfels for Its Consideration and Passage**

Trustee Yvette Barrera Villanueva made a motion, and Trustee Stuart Blythin seconded the motion to Approve Adopting Resolution #2025-196 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article III, Sections 130-56, 130-57, and 130-58 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Electric Rates and Charges for Fiscal Year 2026; (ii) Providing for Adjustments of Electric Rates and Charges for Fiscal Year 2027; (iii) Resolving Other Matters Incident and

Related Thereto; and (iv) Authorizing Presentation of Same to the City Council of New Braunfels for Its Consideration and Passage. The vote was unanimous.

4. **Discuss and Consider Adopting Resolution #2025-197 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article IV, Section 130-167 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Water Rates and Charges for Fiscal Year 2026; (ii) Providing for Adjustments of Water Rates and Charges for Fiscal Year 2027; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation of Same to the City Council of New Braunfels for Its Consideration and Passage**

Board Vice President Judith Dykes-Hoffmann made a motion, and Trustee Yvette Barrera Villanueva seconded the motion to Approve Adopting Resolution #2025-197 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article IV, Section 130-167 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Water Rates and Charges for Fiscal Year 2026; (ii) Providing for Adjustments of Water Rates and Charges for Fiscal Year 2027; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation of Same to the City Council of New Braunfels for Its Consideration and Passage. The vote was unanimous.

5. **Discuss and Consider Adopting Resolution #2025-198 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article V, Section 130-257 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Sewer Rates and Charges for Fiscal Year 2026; (ii) Providing for Adjustments of Sewer Rates and Charges for Fiscal Year 2027; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation of Same to the City Council of New Braunfels for Its Consideration and Passage**

Mayor Neal Linnartz made a motion, and Trustee Stuart Blythin seconded the motion to Approve Adopting Resolution #2025-198 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article V, Section 130-257 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Sewer Rates and Charges for Fiscal Year 2026; (ii) Providing for Adjustments of Sewer Rates and Charges for Fiscal Year 2027; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation of Same to the City Council of New Braunfels for Its Consideration and Passage. The vote was unanimous.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 2:19 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): a. Discuss and Consider International Swaps and Derivatives Association, Inc. (ISDA) Resolution allowing NBU to enter into a Master Agreement related to power supply transactions.

The Executive Session was opened at 2:25 p.m. and closed at 2:57 p.m.

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

The Regular Session resumed at 3:26 p.m. Only the matters cited above, and no others, were discussed. The board voted on the competitive matter listed on the agenda, but no other votes were taken in Executive Session.

ADJOURN

There was no further business, and Board President Wayne Peters adjourned the meeting at 3:00 p.m.



Wayne Peters, President
Approved

Attest:



Ryan Kelso, Secretary of the Board
Chief Executive Officer

Date Approved: June 26, 2025