



**NOTICE OF OPEN MEETING**  
**APRIL BOARD OF TRUSTEES**  
GoToMeeting - <https://global.gotomeeting.com/join/529546853>  
April 29, 2021 at 1:00 PM  
[www.nbutexas.com](http://www.nbutexas.com)

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## AGENDA

**NOTICE:** Governor Abbott has temporarily suspended certain requirements of the Open Meetings Act in response to the COVID-19 public health disaster. Specifically, governmental entities are permitted to meet by telephone or video conference provided the meetings are audible to members of the public and allow for two-way communication. The suspension of certain requirements of the Open Meetings Act is intended to reduce in-person meetings and the spread of COVID-19, while maintaining government transparency.

The NBU Board of Trustees' meeting scheduled for April 29, 2021, at 1:00 p.m. will be held by video conference. Members of the public may join the meeting from a computer, tablet, or smartphone at <https://global.gotomeeting.com/join/529546853>. Members of the public may also participate in the video conference by telephone at (866) 899-4679. The access code for the video conference link and dial-in telephone number is 529-546-853. Both the link and telephone number are free of charge. Members of the public will be allowed to participate during the Public Comment period and discuss any item on the Agenda. Public comment will not be allowed during any other part of the meeting unless approved by the Board President.

A recording of the video conference will be made available to the public on NBU's website at <http://www.nbutexas.com/About-Us/Schedule-of-Meetings-and-Agendas> after the meeting.

### PLEDGE OF ALLEGIANCE AND INVOCATION

Board President John Harrell

### PUBLIC COMMENT

### ITEMS FROM THE CHAIR

1. Report from Investment Committee

### ITEMS FROM STAFF

1. CEO's Update
  - a. Proposed NBU Headquarters and Access Related Thereto

2. Financial Update and Report

### CONSENT ITEMS FOR ACTION

1. Approve Minutes of the NBU Regular Board Meeting of March 25, 2021
2. Approve Minutes of the NBU Special Board Meeting of March 31, 2021

- [3.](#) Approve the Change Order Log from February 15, 2021, through March 15, 2021
- [4.](#) Approve the Reports for Water and Electric Engineering Contracts from August 1, 2020, through March 15, 2021
- [5.](#) Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with D Guerra Construction LLC for the Construction of the Castell Avenue Rehabilitation Project
- [6.](#) Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for the Design of the McKenzie Interceptor Upgrade Project
- [7.](#) Authorize the CEO or His Designee to Execute and/or File (i) a Water CCN Transfer Agreement among NBU, Green Valley Special Utility District, and SA Given to Fly, LLC for the Morningside Hills Development and (ii) any Documents Related to Such Transfer with the Texas Public Utility Commission
- [8.](#) Authorize CEO or His Designee to Negotiate and Execute a Contract with Altec Industries Inc. for the Purchase of a 60' Reach Bucket Truck and a 55' Articulating Telescopic Aerial Device Truck
- [9.](#) Authorize CEO or His Designee to Negotiate and Execute an Equipment Rental Agreement with Herc Rentals Inc. and Rocky Hill Equipment Rental

#### **ITEMS FOR FUTURE ACTION**

- [1.](#) Review and Discuss Proposed Revisions to the NBU Board Governance Policies

#### **ACTION ITEMS**

- [1.](#) Discuss and Consider Authorizing Proposed Changes to the New Braunfels Utilities Financial Policy

#### **EXECUTIVE SESSION**

The Board of Trustees may recess into Executive Session for any purpose permitted by the Texas Open Meetings Act, including but not limited to:

1. Power Supply Resources – Competitive Matters  
(Section 551.086 – Texas Government Code)
2. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, or Other Matters Protected by Attorney Client Privilege; Power Supply Resources – Competitive Matters  
(Section 551.071 – Texas Government Code; Section 551.086 – Texas Government Code)
  - a. Consider Matters Associated with Pricing Information, Risk Management, Claims Notices, Contracts Relating to, and Actions Taken by ERCOT in Response to the February 2021 Winter Storm

3. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, or Other Matters Protected by Attorney Client Privilege  
(Section 551.071 – Texas Government Code)
  - a. Discuss the Utility Construction Cost Sharing Agreement for the Copper Ridge Subdivision and Related Amendments and Modifications, all among NBU, Southerland Communities NB Land Properties, Ltd., and Southerland Copper Ridge, LLC
4. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, or Other Matters Protected by Attorney Client Privilege  
(Section 551.071 – Texas Government Code)
  - a. *City of New Braunfels acting by and through the Board of Trustees of New Braunfels Utilities v. Myrtle Marie Properties, L.L.C.*, No. 2020CVA0161 (Co. Ct. at Law No. 1, Comal County, Tex. Apr. 3, 2020)
  - b. *City of New Braunfels acting by and through the Board of Trustees of New Braunfels Utilities v. Joshua Wesley Owens*, No. 2020CVB0160 (Co. Ct. at Law No. 2, Comal County, Tex. Apr. 3, 2020)
5. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, or Other Matters Protected by Attorney Client Privilege; Personnel Matters  
(Section 551.071 – Texas Government Code; Section 551.074 – Texas Government Code)
  - a. Deliberate Plan and Strategy for Implementation of Executive Agreement for Chief Executive Officer

The Board of Trustees upon reconvening in Open Session will discuss and consider any action if necessary regarding closed session items.

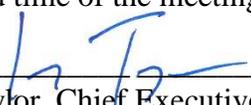
**RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY ACTION RELATING TO THE EXECUTIVE SESSION AS DESCRIBED ABOVE**

**ADJOURN**

If you require assistance in participating at a public meeting due to a disability as defined under the Americans with Disabilities Act, reasonable assistance, adaptations or accommodations will be provided upon request. Please contact the Board’s Executive Assistant at least three (3) days prior to the scheduled meeting date, at (830) 629-8400, or NBU Main Office at 263 Main Plaza, New Braunfels, Texas, for additional information.

**CERTIFICATE OF POSTING**

I, Ian Taylor, Secretary to the Board of Trustees, do hereby certify that this Notice of Meeting was posted at the City of New Braunfels City Hall, 550 Landa Street, New Braunfels, Texas, and New Braunfels Utilities Main Office, 263 Main Plaza, New Braunfels, Texas, on the **23rd day of April, 2021**, and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

  
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 Ian Taylor, Chief Executive Officer  
 Secretary to the Board of Trustees



budget. Impact fees were greater than budget by \$40,000, services income was greater than budget by \$217,000, and capital participation fees were less than budget by \$68,000. March 2021 Year-to-Date (YTD) CNPAC was (\$880,000), which was \$3,304,000 greater than the budgeted amount of (\$4,184,000).

## **FINANCIAL IMPACT**

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### **Electric**

The Electric Line of Business reported total operating revenues of (\$7,163,000), a \$16,169,000 decrease, or 180%, from the March budgeted amount of \$9,006,000. The net rate realized per kWh was (\$0.0520), which was 176% less than the budgeted rate of \$0.0687. The net effect of the reversal entry of \$24.9M for the PSF is a reduction of electric revenues. When excluding this entry, the Electric Line of Business reported total operating revenues of \$12,253,039 for the month. March kWh sales were 135.7 million kWh, a 9.6 million kWh increase, or 8%, in comparison to the budgeted amount of 126.1 million kWh. Purchased power costs totaled \$16,180,000, which was \$10,586,000 greater than the budgeted amount of \$5,594,000. Other operating expenses were less than budget by \$620,000. These items resulted in the Electric Line of Business reporting net operating income of (\$25,603,000), which was \$26,135,000 less than the budgeted amount of \$532,000. Net non-operating items provided an unfavorable variance from budget of \$119,000. Services income was greater than budget by \$199,000. The Electric Line of Business reported March 2021 CNPAC of (\$26,182,000) and YTD CNPAC of (\$12,786,000). These amounts were \$26,055,000 and \$15,743,000 less than their respective March 2021 Month-to-date (MTD) and March 2021 YTD budget amounts.

### **Water**

The Water Line of Business reported total operating revenues of \$1,517,000, a \$276,000 decrease, or 15%, from the March budgeted amount of \$1,793,000. In March, water gallons sold of 299,858,000 was greater than the budgeted amount of 262,746,000 (a 37,112,000 gallon variance from budget, or 14%). NBU's net realized price per 1,000 gallons in March was \$4.94, which was less than the budgeted amount of \$6.66. Operating expenses for March were \$2,554,000, which was \$133,000 less than the budgeted amount of \$2,687,000. The net effect of lower revenues and lower operating expenses contributed to Water's net operating income of (\$1,037,000) being \$143,000 less than the budgeted amount of (\$894,000). Net non-operating items provided a favorable variance of \$163,000 from budget. Impact fees of \$459,000 were greater than budget by \$41,000, and services income was greater than budget by \$6,000. The Water Line of Business reported March 2021 CNPAC of (\$786,000) and YTD CNPAC of \$8,607,000. These amounts were \$67,000 and \$12,434,000 greater than their respective March 2021 MTD and March 2021 YTD budget amounts. As reported out in February 2021, NBU applied a credit to all residential and commercial water and wastewater customer accounts as a one-time adjustment to aid customers who may have higher bills due the freeze-related leaks or unusually higher usage for faucet dripping. These credits are an offset to the total operating revenue amount.

### **Wastewater**

The Wastewater Line of Business reported total operating revenues of \$1,816,000, a \$43,000 decrease, or 2%, from the March budgeted amount of \$1,859,000. Total operating expenses of \$1,726,000 were \$636,000 less than the budgeted amount of \$2,362,000. As a result, the Wastewater Line of Business reported net operating income of \$90,000, which was \$593,000 greater than the budgeted amount of (\$503,000). Net non-operating items provided an unfavorable variance of \$100,000 from budget. Impact fees were less than budget by \$1,000, and since we did not receive any capital participation fees in the month, they were less than budget by \$68,000. The Wastewater Line of Business reported March 2021 CNPAC of (\$19,000) and YTD CNPAC of \$3,299,000. These amounts were \$436,000 and \$6,613,000 greater than their respective March 2021 MTD and March 2021 YTD budget amounts.

**LINK TO STRATEGIC PLAN**

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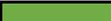
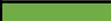
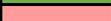
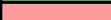
**Maintain a Competitive Bond Rating**

**EXHIBITS**

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1. YTD Overview Comparison to Budget and Prior Fiscal Year
2. Financial Statements
3. Capital Expenditure Summary
4. Statistics - Electric (Provided separately due to competitive matters)
5. Statistics -Water
6. Statistics-Wastewater

**NEW BRAUNFELS UTILITIES  
OVERVIEW COMPARISON TO BUDGET & PRIOR FISCAL YEAR  
MARCH 2021 YTD**

		<u>AMOUNT</u>	<u>VARIANCE*</u>	<u>% CHANGE</u>	<u>FAV/UNFAV</u>
<b>ELECTRIC</b>					
Sales Volume (MWh)	Actual	1,134.2			
	Budget	1,153.3	(19.1)	-2%	
	Prior Year	1,127.7	6.5	1%	
Revenues (\$M)	Actual	\$ 150.5			
	Budget	\$ 87.3	\$ 63.2	72%	
	Prior Year	\$ 89.7	\$ 60.8	68%	
Gross Margin (\$M)	Actual	\$ 5.5			
	Budget	\$ 29.0	\$ (23.5)	-81%	
	Prior Year	\$ 22.9	\$ (17.4)	-76%	
Operating Income (\$M)	Actual	\$ (9.1)			
	Budget	\$ 8.2	\$ (17.3)	*	
	Prior Year	\$ 8.4	\$ (17.5)	*	
<b>WATER</b>					
Sales Volume (Million Gallons)	Actual	3.1			
	Budget	2.7	0.3	11%	
	Prior Year	3.0	0.0	1%	
Revenues (\$M)	Actual	\$ 16.1			
	Budget	\$ 16.0	\$ 0.1	0%	
	Prior Year	\$ 14.2	\$ 1.9	13%	
Gross Margin (\$M)	Actual	\$ 12.4			
	Budget	\$ 11.4	\$ 1.0	9%	
	Prior Year	\$ 11.0	\$ 1.5	13%	
Operating Income (\$M)	Actual	\$ 0.4			
	Budget	\$ (4.2)	\$ 4.5	*	
	Prior Year	\$ 0.3	\$ 0.1	35%	
<b>WASTEWATER</b>					
Revenues (\$M)	Actual	\$ 13.8			
	Budget	\$ 14.4	\$ (0.7)	-5%	
	Prior Year	\$ 11.8	\$ 1.9	16%	
Operating Income (\$M)	Actual	\$ 2.2			
	Budget	\$ (3.7)	\$ 5.9	*	
	Prior Year	\$ 1.3	\$ 0.8	64%	
<b>COMBINED</b>					
Operating Expenses (\$M)**	Actual	\$ 22.5			
	Budget	\$ 33.4	\$ (10.9)	-33%	
	Prior Year	\$ 20.7	\$ 1.8	9%	
Operating Income (\$M)	Actual	\$ (6.6)			
	Budget	\$ 0.4	\$ (6.9)	*	
	Prior Year	\$ 10.0	\$ (16.5)	*	
Change in Net Position Before Contributions (\$M)	Actual	\$ (16.6)			
	Budget	\$ (11.3)	\$ (5.3)	-47%	
	Prior Year	\$ 2.8	\$ (19.4)	*	
Impact Fees (\$M)	Actual	\$ 12.3			
	Budget	\$ 5.2	\$ 7.1	*	
	Prior Year	\$ 12.4	\$ (0.1)	-1%	
Change in Net Position After Contributions (\$M)	Actual	\$ (0.9)			
	Budget	\$ (4.2)	\$ 3.3	-79%	
	Prior Year	\$ 17.2	\$ (18.1)	*	

\*Note: Variances are based on rounding of actual numbers and not summary numbers in previous column.

\*\*Note: Operating expenses less purchased power, purchased water, and depreciation & amortization.

<b>LEGEND</b>			
<b>Favorable</b>		<b>Unfavorable</b>	
Within +10%		Within -10%	
Exceeds +10%		Exceeds -10%	

## NEW BRAUNFELS UTILITIES

## Balance Sheet

MARCH 31, 2021

Amounts Shown in Thousands

	MARCH 31 2021	FEBRUARY 28 2021	Variance	% Change
<b>ASSETS</b>				
<b>UTILITY PLANT</b>				
Utility Plant in Service	\$ 762,573	\$ 759,685	\$ 2,888	0%
Less: Accumulated Depreciation	(283,372)	(281,346)	(2,026)	1%
Construction in Progress	212,097	200,469	11,628	6%
<b>TOTAL UTILITY PLANT</b>	<b>\$ 691,299</b>	<b>\$ 678,809</b>	<b>\$ 12,490</b>	<b>2%</b>
<b>CURRENT &amp; ACCRUED ASSETS</b>				
Cash & Temporary Investments	\$ 56,838	\$ 26,911	\$ 29,926	111%
Accounts Receivable - Customers (Net of Allowance for Bad Debt)	8,718	9,993	(1,275)	-13%
Accounts Receivable - Other	13,191	13,868	(677)	-5%
Accrued Unbilled Revenue	10,639	9,225	1,413	15%
Inventory	3,163	3,070	93	3%
Prepaid Expenses	9,991	10,385	(395)	-4%
Accrued Interest Receivable	40	33	8	23%
Rents Receivable	246	-	246	100%
<b>TOTAL CURRENT &amp; ACCRUED ASSETS</b>	<b>\$ 102,825</b>	<b>\$ 73,486</b>	<b>\$ 29,339</b>	<b>40%</b>
<b>RESTRICTED ASSETS &amp; DEFERRED DEBITS</b>				
Restricted Funds	\$ 24,762	\$ 24,762	\$ -	0%
Designated Funds	17,648	17,766	(118)	-1%
Long-Term Investments	-	-	-	0%
Pension Deferred Outflows	6,144	6,144	-	0%
Power Cost Adjustments - Under-Recovered	47,197	66,670	(19,472)	0%
Mid-Basin Regulatory Asset	1,290	1,193	97	8%
Other Deferred Debits	-	-	-	#DIV/0!
<b>TOTAL RESTRICTED ASSETS &amp; DEFERRED DEBITS</b>	<b>\$ 97,041</b>	<b>\$ 116,533</b>	<b>\$ (19,493)</b>	<b>-17%</b>
<b>TOTAL ASSETS</b>	<b>\$ 891,164</b>	<b>\$ 868,828</b>	<b>\$ 22,336</b>	<b>3%</b>
<b>LIABILITIES &amp; NET POSITION</b>				
<b>BONDS PAYABLE</b>				
Long-Term Debt	\$ 210,737	\$ 210,725	\$ 12	0%
Unamortized Bond Discount/Premium	14,722	14,864	(142)	-1%
<b>TOTAL BONDS PAYABLE</b>	<b>\$ 225,459</b>	<b>\$ 225,589</b>	<b>\$ (130)</b>	<b>0%</b>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>				
Accounts Payable	\$ 8,325	\$ 5,335	\$ 2,990	56%
Accrued Purchased Power	39,186	37,053	2,133	6%
Commercial Paper Payable	45,250	45,250	-	0%
Note Purchase Payable	50,000	-	50,000	100%
Customer Deposits	8,553	8,478	76	1%
Accrued Payroll & Benefits (Including Compensated Absences)	3,124	2,660	464	17%
Accrued Interest Expense	2,179	1,444	734	51%
Current Portion of Long Term Debt	5,030	5,030	-	0%
Other Payables	1,788	1,940	(152)	-8%
<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>\$ 163,435</b>	<b>\$ 107,190</b>	<b>\$ 56,245</b>	<b>52%</b>
<b>NONCURRENT LIABILITIES &amp; DEFERRED CREDITS</b>				
Accumulated Provision for Pension	\$ 14,400	\$ 14,400	\$ -	0%
Pension & OPEB Deferred Inflows	2,595	2,595	-	0%
Power Cost Adjustments - Over-Recovered	1,002	1,169	(167)	-14%
Other Deferred Credits	78	74	4	5%
<b>TOTAL NONCURRENT LIABILITIES &amp; DEFERRED CREDITS</b>	<b>\$ 18,075</b>	<b>\$ 18,238</b>	<b>\$ (163)</b>	<b>-1%</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 406,968</b>	<b>\$ 351,017</b>	<b>\$ 55,952</b>	<b>16%</b>
<b>NET POSITION</b>				
Reserve for Restricted Assets	\$ 22,945	\$ 16,251	\$ 6,695	41%
Reserve for Intergovernmental	10,017	10,638	(621)	-6%
Unrestricted Assets	249,441	282,501	(33,060)	-12%
Contributed Capital	201,794	201,728	66	0%
<b>TOTAL NET POSITION</b>	<b>\$ 484,196</b>	<b>\$ 511,117</b>	<b>\$ (26,921)</b>	<b>-5%</b>
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$ 891,164</b>	<b>\$ 862,133</b>	<b>\$ 29,031</b>	<b>3%</b>

**NEW BRAUNFELS UTILITIES**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2021**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	% Variance
<b>VOLUME/RATES</b>								
Electric Sales kWh	135,736	126,099	9,637	8%	1,134,170	1,153,283	(19,114)	-2%
Electric Sales Rate Per kWh	\$ (0.0520)	\$ 0.0687	\$ (0.1206)	*	\$ 0.1306	\$ 0.0733	\$ 0.0573	78%
Purchased kWh	139,602	130,374	9,228	7%	1,196,138	1,165,248	30,890	3%
Purchased Rate per kWh	\$ 0.1159	\$ 0.0429	\$ 0.0730	*	\$ 0.1212	\$ 0.0500	\$ 0.0712	*
Gallons Sold	299,858	262,746	37,112	14%	3,059,162	2,748,933	310,228	11%
Rate per Gallon Sold	\$ 4.94	\$ 6.66	\$ (1.72)	-26%	\$ 5.15	\$ 5.71	\$ (0.56)	-10%
<b>OPERATING REVENUES</b>								
<b>SERVICE REVENUE</b>								
Electric Service	\$ (7,053)	\$ 8,661	\$ (15,714)	*	\$ 148,127	\$ 84,525	\$ 63,602	75%
Water Service	1,482	1,751	(269)	-15%	15,741	15,690	51	0%
Wastewater Service	1,797	1,844	(47)	-3%	13,613	14,314	(701)	-5%
<b>TOTAL SERVICE REVENUE</b>	<b>\$ (3,774)</b>	<b>\$ 12,256</b>	<b>\$ (16,030)</b>	<b>*</b>	<b>\$ 177,481</b>	<b>\$ 114,529</b>	<b>\$ 62,952</b>	<b>55%</b>
<b>OTHER OPERATING REVENUE</b>								
Electric Other	\$ 81	\$ 83	\$ (2)	-2%	\$ 655	\$ 667	\$ (12)	-2%
Water Other	26	34	(8)	-24%	282	267	15	6%
Wastewater Other	19	15	4	27%	153	119	34	29%
Transmission System Revenue	217	216	1	0%	1,664	1,726	(62)	-4%
Electric Pole Attachments	(408)	46	(454)	*	30	367	(337)	-92%
Water Tower Antenna Lease	9	8	1	13%	67	66	1	2%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>\$ (56)</b>	<b>\$ 402</b>	<b>\$ (458)</b>	<b>*</b>	<b>\$ 2,851</b>	<b>\$ 3,212</b>	<b>\$ (361)</b>	<b>-11%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$ (3,830)</b>	<b>\$ 12,658</b>	<b>\$ (16,488)</b>	<b>*</b>	<b>\$ 180,332</b>	<b>\$ 117,741</b>	<b>\$ 62,591</b>	<b>53%</b>
<b>OPERATING EXPENSES</b>								
<b>ELECTRIC</b>								
Purchased Power	\$ 16,180	\$ 5,594	\$ 10,586	*	\$ 144,972	\$ 58,292	\$ 86,680	*
Electric O&M Expenses	501	1,063	(562)	-53%	2,807	7,272	(4,465)	-61%
Electric Depreciation & Amortization	889	859	30	3%	6,709	6,873	(164)	-2%
Electric Support Services Allocated Operating Expenses	870	958	(88)	-9%	5,087	6,619	(1,532)	-23%
<b>TOTAL ELECTRIC OPERATING EXPENSE</b>	<b>\$ 18,440</b>	<b>\$ 8,474</b>	<b>\$ 9,966</b>	<b>*</b>	<b>\$ 159,575</b>	<b>\$ 79,056</b>	<b>\$ 80,519</b>	<b>*</b>
<b>WATER</b>								
Purchased Water	\$ 490	\$ 579	\$ (89)	-15%	\$ 3,666	\$ 4,634	\$ (968)	-21%
Water O&M Expenses	893	782	111	14%	4,101	5,758	(1,657)	-29%
Water Depreciation & Amortization	520	600	(80)	-13%	4,132	4,801	(669)	-14%
Water Support Services Allocated Operating Expenses	651	726	(75)	-10%	3,821	4,984	(1,163)	-23%
<b>TOTAL WATER OPERATING EXPENSE</b>	<b>\$ 2,554</b>	<b>\$ 2,687</b>	<b>\$ (133)</b>	<b>-5%</b>	<b>\$ 15,720</b>	<b>\$ 20,177</b>	<b>\$ (4,457)</b>	<b>-22%</b>
<b>WASTEWATER</b>								
Wastewater O&M Expenses	\$ 619	\$ 650	\$ (31)	-5%	\$ 3,740	\$ 4,995	\$ (1,255)	-25%
Wastewater Depreciation & Amortization	617	1,167	(550)	-47%	4,908	9,339	(4,431)	-47%
Wastewater Support Services Allocated Operating Expenses	490	545	(55)	-10%	2,962	3,799	(837)	-22%
<b>TOTAL WASTEWATER OPERATING EXPENSE</b>	<b>\$ 1,726</b>	<b>\$ 2,362</b>	<b>\$ (636)</b>	<b>-27%</b>	<b>\$ 11,610</b>	<b>\$ 18,133</b>	<b>\$ (6,523)</b>	<b>-36%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 22,720</b>	<b>\$ 13,523</b>	<b>\$ 9,197</b>	<b>68%</b>	<b>\$ 186,905</b>	<b>\$ 117,366</b>	<b>\$ 69,539</b>	<b>59%</b>
<b>NET OPERATING INCOME</b>								
ELECTRIC	\$ (25,603)	\$ 532	\$ (26,135)	*	\$ (9,099)	\$ 8,229	\$ (17,328)	*
WATER	\$ (1,037)	\$ (894)	\$ (143)	16%	\$ 370	\$ (4,154)	\$ 4,524	*
WASTEWATER	\$ 90	\$ (503)	\$ 593	*	\$ 2,156	\$ (3,700)	\$ 5,856	*
<b>TOTAL NET OPERATING INCOME</b>	<b>\$ (26,550)</b>	<b>\$ (865)</b>	<b>\$ (25,685)</b>	<b>*</b>	<b>\$ (6,573)</b>	<b>\$ 375</b>	<b>\$ (6,948)</b>	<b>*</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ (101)	\$ 60	\$ (161)	*	\$ (368)	\$ 477	\$ (845)	*
Intergovernmental Expense	(724)	(697)	(27)	4%	(5,718)	(5,574)	(144)	3%
Interest and Amortization Expense	(836)	(921)	85	-9%	(5,085)	(7,365)	2,280	-31%
Other	147	100	47	47%	1,160	797	363	46%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (1,514)</b>	<b>\$ (1,458)</b>	<b>\$ (56)</b>	<b>4%</b>	<b>\$ (10,011)</b>	<b>\$ (11,665)</b>	<b>\$ 1,654</b>	<b>14%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (28,064)</b>	<b>\$ (2,323)</b>	<b>\$ (25,741)</b>	<b>*</b>	<b>\$ (16,584)</b>	<b>\$ (11,290)</b>	<b>\$ (5,294)</b>	<b>\$ 0</b>
<b>CAPITAL CONTRIBUTIONS</b>								
Impact Fees	\$ 688	\$ 648	\$ 40	6%	\$ 12,267	\$ 5,187	\$ 7,080	*
Services	389	172	217	*	2,314	1,375	939	68%
GBRA Capital Participation Fee	-	68	(68)	-100%	0	544	(544)	-100%
Developer Contributions	-	0	-	0%	1,123	0	1,123	0%
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>\$ 1,077</b>	<b>\$ 888</b>	<b>\$ 189</b>	<b>21%</b>	<b>\$ 15,704</b>	<b>\$ 7,106</b>	<b>\$ 8,598</b>	<b>*</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (26,987)</b>	<b>\$ (1,435)</b>	<b>\$ (25,552)</b>	<b>*</b>	<b>\$ (880)</b>	<b>\$ (4,184)</b>	<b>\$ 3,304</b>	<b>-79%</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**ELECTRIC LINE OF BUSINESS**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2021**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance		YTD Actual	YTD Budget	Variance	% Variance
<b>ELECTRIC OPERATING REVENUES</b>									
<b>ELECTRIC SERVICE REVENUE</b>									
Electric Service	\$ (7,053)	\$ 8,661	\$ (15,714)	*		\$ 148,127	\$ 84,525	\$ 63,602	75%
<b>TOTAL ELECTRIC SERVICE REVENUE</b>	<b>\$ (7,053)</b>	<b>\$ 8,661</b>	<b>\$ (15,714)</b>	<b>*</b>		<b>\$ 148,127</b>	<b>\$ 84,525</b>	<b>\$ 63,602</b>	<b>75%</b>
<b>OTHER ELECTRIC OPERATING REVENUE</b>									
Electric Other	\$ 81	\$ 83	\$ (2)	-2%		\$ 655	\$ 667	\$ (12)	-2%
Transmission System Revenue	217	216	1	0%		1,664	1,726	(62)	-4%
Electric Pole Attachments	(408)	46	(454)	*		30	367	(337)	-92%
<b>TOTAL OTHER ELECTRIC OPERATING REVENUE</b>	<b>\$ (110)</b>	<b>\$ 345</b>	<b>\$ (455)</b>	<b>*</b>		<b>\$ 2,349</b>	<b>\$ 2,760</b>	<b>\$ (411)</b>	<b>-15%</b>
<b>TOTAL ELECTRIC OPERATING REVENUE</b>	<b>\$ (7,163)</b>	<b>\$ 9,006</b>	<b>\$ (16,169)</b>	<b>*</b>		<b>\$ 150,476</b>	<b>\$ 87,285</b>	<b>\$ 63,191</b>	<b>72%</b>
<b>ELECTRIC OPERATING EXPENSES</b>									
Purchased Power & Other Power Supply	\$ 16,180	\$ 5,594	\$ 10,586	*		\$ 144,972	\$ 58,292	\$ 86,680	*
Transmission & Distribution	468	799	(331)	-41%		2,559	5,167	(2,608)	-50%
Customer Service	1	247	(246)	-100%		135	1,977	(1,842)	-93%
Administrative & General	32	17	15	88%		113	128	(15)	-12%
Depreciation & Amortization	889	859	30	3%		6,709	6,873	(164)	-2%
Support Services Allocated Operating Expenses	870	958	(88)	-9%		5,087	6,619	(1,532)	-23%
<b>TOTAL ELECTRIC OPERATING EXPENSE</b>	<b>\$ 18,440</b>	<b>\$ 8,474</b>	<b>\$ 9,966</b>	<b>*</b>		<b>\$ 159,575</b>	<b>\$ 79,056</b>	<b>\$ 80,519</b>	<b>*</b>
<b>ELECTRIC NET OPERATING INCOME</b>	<b>\$ (25,603)</b>	<b>\$ 532</b>	<b>\$ (26,135)</b>	<b>*</b>		<b>\$ (9,099)</b>	<b>\$ 8,229</b>	<b>\$ (17,328)</b>	<b>*</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>									
Interest Income	\$ (44)	\$ 28	\$ (72)	*		\$ (167)	\$ 220	\$ (387)	*
Intergovernmental Expense	(601)	(579)	(22)	4%		(4,758)	(4,628)	(130)	3%
Interest and Amortization Expense	(345)	(302)	(43)	14%		(1,059)	(2,413)	1,354	-56%
Other	90	72	18	25%		727	574	153	27%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (900)</b>	<b>\$ (781)</b>	<b>\$ (119)</b>	<b>-15%</b>		<b>\$ (5,257)</b>	<b>\$ (6,247)</b>	<b>\$ 990</b>	<b>16%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (26,503)</b>	<b>\$ (249)</b>	<b>\$ (26,254)</b>	<b>*</b>		<b>\$ (14,356)</b>	<b>\$ 1,982</b>	<b>\$ (16,338)</b>	<b>*</b>
<b>ELECTRIC CAPITAL CONTRIBUTIONS</b>									
Services	\$ 321	\$ 122	\$ 199	*		\$ 1,570	\$ 975	\$ 595	61%
Developer Contributions	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
<b>TOTAL ELECTRIC CAPITAL CONTRIBUTIONS</b>	<b>\$ 321</b>	<b>\$ 122</b>	<b>\$ 199</b>	<b>*</b>		<b>\$ 1,570</b>	<b>\$ 975</b>	<b>\$ 595</b>	<b>61%</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (26,182)</b>	<b>\$ (127)</b>	<b>\$ (26,055)</b>	<b>*</b>		<b>\$ (12,786)</b>	<b>\$ 2,957</b>	<b>\$ (15,743)</b>	<b>*</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**WATER LINE OF BUSINESS**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2021**  
Amounts Shown in Thousands

	MTD				YTD			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
<b>WATER OPERATING REVENUES</b>								
<b>WATER SERVICE REVENUE</b>								
Water Service	\$ 1,482	\$ 1,751	\$ (269)	-15%	\$ 15,741	\$ 15,690	\$ 51	0%
<b>TOTAL WATER SERVICE REVENUE</b>	<b>\$ 1,482</b>	<b>\$ 1,751</b>	<b>\$ (269)</b>	<b>-15%</b>	<b>\$ 15,741</b>	<b>\$ 15,690</b>	<b>\$ 51</b>	<b>0%</b>
<b>OTHER WATER OPERATING REVENUE</b>								
Water Other	\$ 26	\$ 34	\$ (8)	-24%	\$ 282	\$ 267	\$ 15	6%
Water Tower Antenna Lease	9	8	1	13%	67	66	1	2%
<b>TOTAL OTHER WATER OPERATING REVENUE</b>	<b>\$ 35</b>	<b>\$ 42</b>	<b>\$ (7)</b>	<b>-17%</b>	<b>\$ 349</b>	<b>\$ 333</b>	<b>\$ 16</b>	<b>5%</b>
<b>TOTAL WATER OPERATING REVENUE</b>	<b>\$ 1,517</b>	<b>\$ 1,793</b>	<b>\$ (276)</b>	<b>-15%</b>	<b>\$ 16,090</b>	<b>\$ 16,023</b>	<b>\$ 67</b>	<b>0%</b>
<b>WATER OPERATING EXPENSES</b>								
Purchased Water	\$ 490	\$ 579	\$ (89)	-15%	\$ 3,666	\$ 4,634	\$ (968)	-21%
Supply Source	10	8	2	25%	63	68	(5)	-7%
Transmission & Distribution	502	305	197	65%	1,695	2,215	(520)	-23%
Pumping	151	204	(53)	-26%	1,185	1,428	(243)	-17%
Water Treatment	221	211	10	5%	1,049	1,436	(387)	-27%
Customer Service	(1)	45	(46)	*	30	357	(327)	-92%
Administrative & General	10	9	1	11%	79	254	(175)	-69%
Depreciation & Amortization	520	600	(80)	-13%	4,132	4,801	(669)	-14%
Support Services Allocated Operating Expenses	651	726	(75)	-10%	3,821	4,984	(1,163)	-23%
<b>TOTAL WATER OPERATING EXPENSE</b>	<b>\$ 2,554</b>	<b>\$ 2,687</b>	<b>\$ (133)</b>	<b>-5%</b>	<b>\$ 15,720</b>	<b>\$ 20,177</b>	<b>\$ (4,457)</b>	<b>-22%</b>
<b>WATER NET OPERATING INCOME</b>	<b>\$ (1,037)</b>	<b>\$ (894)</b>	<b>\$ (143)</b>	<b>16%</b>	<b>\$ 370</b>	<b>\$ (4,154)</b>	<b>\$ 4,524</b>	<b>*</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ (27)	\$ 15	\$ (42)	*	\$ (96)	\$ 123	\$ (219)	*
Intergovernmental Expense	(62)	(58)	(4)	7%	(481)	(468)	(13)	3%
Interest and Amortization Expense	(222)	(409)	187	-46%	(1,817)	(3,272)	1,455	-44%
Other	35	13	22	*	289	106	183	*
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (276)</b>	<b>\$ (439)</b>	<b>\$ 163</b>	<b>-37%</b>	<b>\$ (2,105)</b>	<b>\$ (3,511)</b>	<b>\$ 1,406</b>	<b>-40%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (1,313)</b>	<b>\$ (1,333)</b>	<b>\$ 20</b>	<b>-2%</b>	<b>\$ (1,735)</b>	<b>\$ (7,665)</b>	<b>\$ 5,930</b>	<b>-77%</b>
<b>WATER CAPITAL CONTRIBUTIONS</b>								
Impact Fees	\$ 459	\$ 418	\$ 41	10%	\$ 8,441	\$ 3,343	\$ 5,098	*
Services	68	62	6	10%	778	495	283	57%
Developer Contributions	0	0	-	0%	1,123	0	1,123	0%
<b>TOTAL WATER CAPITAL CONTRIBUTIONS</b>	<b>\$ 527</b>	<b>\$ 480</b>	<b>\$ 47</b>	<b>10%</b>	<b>\$ 10,342</b>	<b>\$ 3,838</b>	<b>\$ 6,504</b>	<b>*</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (786)</b>	<b>\$ (853)</b>	<b>\$ 67</b>	<b>-8%</b>	<b>\$ 8,607</b>	<b>\$ (3,827)</b>	<b>\$ 12,434</b>	<b>*</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**WASTEWATER LINE OF BUSINESS**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2021**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance	YTD Actual	YTD Budget	Variance	% Variance
<b>WASTEWATER OPERATING REVENUES</b>								
<b>WASTEWATER SERVICE REVENUE</b>								
Wastewater Service	\$ 1,797	\$ 1,844	\$ (47)	-3%	\$ 13,613	\$ 14,314	\$ (701)	-5%
<b>TOTAL WASTEWATER SERVICE REVENUE</b>	<b>\$ 1,797</b>	<b>\$ 1,844</b>	<b>\$ (47)</b>	<b>-3%</b>	<b>\$ 13,613</b>	<b>\$ 14,314</b>	<b>\$ (701)</b>	<b>-5%</b>
<b>OTHER WASTEWATER OPERATING REVENUE</b>								
Wastewater Other	\$ 19	\$ 15	\$ 4	27%	\$ 153	\$ 119	\$ 34	29%
<b>TOTAL OTHER WASTEWATER OPERATING REVENUE</b>	<b>\$ 19</b>	<b>\$ 15</b>	<b>\$ 4</b>	<b>27%</b>	<b>\$ 153</b>	<b>\$ 119</b>	<b>\$ 34</b>	<b>29%</b>
<b>TOTAL WASTEWATER OPERATING REVENUE</b>	<b>\$ 1,816</b>	<b>\$ 1,859</b>	<b>\$ (43)</b>	<b>-2%</b>	<b>\$ 13,766</b>	<b>\$ 14,433</b>	<b>\$ (667)</b>	<b>-5%</b>
<b>WASTEWATER OPERATING EXPENSES</b>								
Transmission & Distribution	3	-	\$ 3	100%	7	0	\$ 7	100%
Wastewater Operations & Maintenance	607	599	8	1%	3,542	4,358	(816)	-19%
Wastewater Treatment	-	-	-	0%	-	0	-	0%
Customer Service	-	40	(40)	-100%	30	321	(291)	-91%
Administrative & General	9	11	(2)	-18%	161	316	(155)	-49%
Depreciation & Amortization	617	1,167	(550)	-47%	4,908	9,339	(4,431)	-47%
Support Services Allocated Operating Expenses	490	545	(55)	-10%	2,962	3,799	(837)	-22%
<b>TOTAL WASTEWATER OPERATING EXPENSE</b>	<b>\$ 1,726</b>	<b>\$ 2,362</b>	<b>\$ (636)</b>	<b>-27%</b>	<b>\$ 11,610</b>	<b>\$ 18,133</b>	<b>\$ (6,523)</b>	<b>-36%</b>
<b>WASTEWATER NET OPERATING INCOME</b>	<b>\$ 90</b>	<b>\$ (503)</b>	<b>\$ 593</b>	<b>*</b>	<b>\$ 2,156</b>	<b>\$ (3,700)</b>	<b>\$ 5,856</b>	<b>*</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ (30)	\$ 17	\$ (47)	*	\$ (105)	\$ 134	\$ (239)	*
Intergovernmental Expense	(61)	(60)	(1)	2%	(479)	(478)	(1)	0%
Interest and Amortization Expense	(269)	(210)	(59)	28%	(2,209)	(1,680)	(529)	31%
Other	22	15	7	47%	144	117	27	23%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (338)</b>	<b>\$ (238)</b>	<b>\$ (100)</b>	<b>42%</b>	<b>\$ (2,649)</b>	<b>\$ (1,907)</b>	<b>\$ (742)</b>	<b>39%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (248)</b>	<b>\$ (741)</b>	<b>\$ 493</b>	<b>-67%</b>	<b>\$ (493)</b>	<b>\$ (5,607)</b>	<b>\$ 5,114</b>	<b>91%</b>
<b>WASTEWATER CAPITAL CONTRIBUTIONS</b>								
Impact Fees	\$ 229	\$ 230	\$ (1)	0%	\$ 3,826	\$ 1,844	\$ 1,982	*
Services	-	(12)	12	-100%	(34)	(95)	61	-64%
GBRA Capital Participation Fee	-	68	(68)	-100%	-	544	(544)	-100%
Developer Contributions	-	-	-	0%	-	-	-	100%
<b>TOTAL WASTEWATER CAPITAL CONTRIBUTIONS</b>	<b>\$ 229</b>	<b>\$ 286</b>	<b>\$ (57)</b>	<b>-20%</b>	<b>\$ 3,792</b>	<b>\$ 2,293</b>	<b>\$ 1,499</b>	<b>65%</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (19)</b>	<b>\$ (455)</b>	<b>\$ 436</b>	<b>-96%</b>	<b>\$ 3,299</b>	<b>\$ (3,314)</b>	<b>\$ 6,613</b>	<b>*</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**Statement of Cash Flows**  
**For the Period Ending March 31, 2021**  
 Amounts Shown in Thousands

	<u>MTD</u>	<u>YTD</u>
<b>NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (28,064)</b>	<b>\$ (16,584)</b>
<i>Operating activities, cash flows provided by or used in:</i>		
Depreciation	\$ 2,026	\$ 15,749
Decrease (increase) in accounts receivable	539	8,207
Decrease (increase) in inventories	(93)	(570)
Decrease (increase) in other assets	14,219	(20,396)
Increase (decrease) in current liabilities	57,759	124,213
Increase (decrease) in other liabilities	(163)	(13,535)
<b>Net Cash Flow from Operating Activities</b>	<b><u>\$ 46,222</u></b>	<b><u>\$ 97,084</u></b>
<i>Investing activities, cash flows provided by or used in:</i>		
Capital Expenditures	\$ (14,516)	\$ (66,489)
Investments	118	14,046
Rents/Interest Receivable	(253)	(258)
<b>Net Cash Flow from Investing Activities</b>	<b><u>\$ (14,652)</u></b>	<b><u>\$ (52,702)</u></b>
<i>Financing activities, cash flows provided by or used in:</i>		
Transfers to City of New Braunfels	\$ (1,514)	\$ (10,011)
Increase (decrease) in long-term debt	(130)	(1,042)
<b>Net Cash Flow from Financing Activities</b>	<b><u>\$ (1,644)</u></b>	<b><u>\$ (11,053)</u></b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b><u>\$ 29,926</u></b>	<b><u>\$ 33,329</u></b>

**CAPITAL EQUIPMENT SUMMARY - FY 2021**  
**YTD for the Period Ending March 31, 2021**


Department	Capital Equipment Description	YTD Actual	FY 2021 Budget	Budget Remaining
<b>ELECTRIC</b>				
117	Replace Unit 1121 (1999 Kenworth Aerial Unit Bucket Truck)	-	260,000	260,000
117	Proposed Large Bucket (addition to fleet)	-	260,000	260,000
117	Replace Unit 1132 (F-650 Service Truck)	-	175,000	175,000
117	URD Wire Pulling Machine	-	160,000	160,000
117	Replace Unit 1136 (2005 F-350 Diesel 4X4 Truck)	-	65,000	65,000
117	Supervisor Truck (addition to fleet)	-	45,000	45,000
119	Replace Instrument Meter Test Set	-	85,000	85,000
119	Replace Unit 1133 (2007 Freightliner Sprinter Van)	-	55,000	55,000
	<b>TOTAL ELECTRIC</b>	<b>\$ -</b>	<b>\$ 1,105,000</b>	<b>\$ 1,105,000</b>
<b>WATER</b>				
220	Proposed F-150 Extended Cab Truck for Assistant Manager Position	-	30,000	30,000
	<b>TOTAL WATER</b>	<b>\$ -</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
<b>SHARED WATER/WASTEWATER</b>				
217/317	Replace Unit 216 (2020 International Camel Truck)	-	575,000	575,000
217/317	Proposed New CCTV Van	-	185,000	185,000
217/317	Replace Unit 213 (International 4900-6 ton Dump Truck)	-	105,000	105,000
217/317	Replace Unit 235 (1999 Freightliner FL80 Diesel Dump Truck)	-	105,000	105,000
217/317	Replace Unit 534 (2003 Cat Backhoe/Loader)	99,600	90,000	(9,600)
217/317	Replace Unit 208 (2005 Freightliner M2-70 Crewcab Service Truck)	-	65,000	65,000
217/317	Replace Unit 211 (Four-Door Repair Truck)	-	60,000	60,000
	<b>TOTAL SHARED WATER/WASTEWATER</b>	<b>\$ 99,600</b>	<b>\$ 1,185,000</b>	<b>\$ 1,085,400</b>
<b>PURCHASING</b>				
527	Pallet Racks	-	10,000	10,000
	<b>TOTAL PURCHASING</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>
<b>FLEET/FACILITIES</b>				
528	Lift Installation and Repair	28,181	68,000	39,819
528	New Fleet Service Truck	-	65,000	65,000
528	Refurbish HVAC Systems at Main Office & Service Center	-	50,000	50,000
528	New Facilities Van	-	45,000	45,000
528	Pool Vehicle	-	33,000	33,000
528	Pool Vehicle	-	33,000	33,000
528	Outfitting of Service Trucks	-	22,000	22,000
528	Used Laymore Broom SM300	-	18,000	18,000
528	Welding Equipment Update	13,785	14,000	215
528	Gruene Road Tank Fencing	-	13,500	13,500
	<b>TOTAL FLEET/FACILITIES</b>	<b>\$ 41,966</b>	<b>\$ 361,500</b>	<b>\$ 319,534</b>
<b>TECHNOLOGY</b>				
531	Dell Nodes	-	400,008	400,008
531	PC Replacements	121,479	200,000	78,521
531	Server Replacements	-	200,000	200,000
531	Network Equipment Replacements	26,138	90,000	63,862
531	Copier and HighEnd Printer and Plotter Replacements	-	36,500	36,500
	<b>TOTAL TECHNOLOGY</b>	<b>\$ 147,617</b>	<b>\$ 926,508</b>	<b>\$ 778,891</b>
<b>SYSTEM CONTROL</b>				
532	Replace Unit 480 (2007 Ford F150 Pickup)	-	30,000	30,000
	<b>TOTAL SYSTEM CONTROL</b>	<b>\$ -</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
	<b>TOTAL CAPITAL EQUIPMENT</b>	<b>\$ 289,184</b>	<b>\$ 3,648,008</b>	<b>\$ 3,358,825</b>

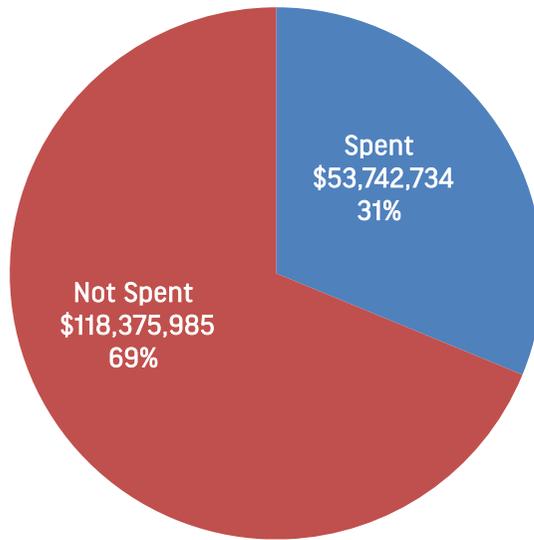
**UNBUDGETED ITEMS:**

<b>FLEET/FACILITIES</b>				
528	Shop Fans	10,497	-	(10,497)
	<b>TOTAL FLEET/FACILITIES</b>	<b>\$ 10,497</b>	<b>\$ -</b>	<b>\$ (10,497)</b>
<b>TECHNOLOGY</b>				
531	Bid Data Analytics On-Premise Platform	249,763	-	(249,763)
	<b>TOTAL TECHNOLOGY</b>	<b>\$ 249,763</b>	<b>\$ -</b>	<b>\$ (249,763)</b>
	<b>TOTAL UNBUDGETED CAPITAL EQUIPMENT</b>	<b>\$ 260,260</b>	<b>\$ -</b>	<b>\$ (260,260)</b>

## FY 2021 Capital Expenditure Summary As of March 31, 2021

67% of Year  
Completed

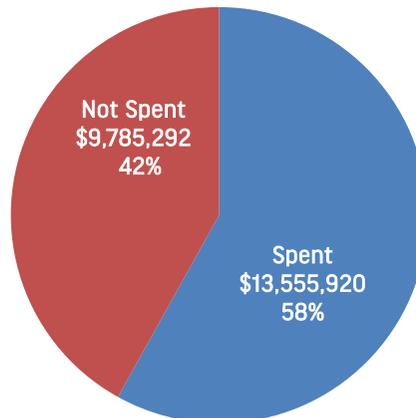
		<u>Spent</u>		<u>Not Spent</u>		<u>Total Budget</u>		<u>% of Total Budget Spent</u>
Electric	\$	13,555,920	\$	9,785,292	\$	23,341,212		58%
Water		19,994,014		52,934,347		72,928,361		27%
Wastewater		19,291,879		41,927,081		61,218,960		32%
Support Services		900,920		13,729,265		14,630,185		6%
<b>TOTAL</b>	<b>\$</b>	<b>53,742,734</b>	<b>\$</b>	<b>118,375,985</b>	<b>\$</b>	<b>172,118,718</b>		
		<i>31%</i>		<i>69%</i>		<i>100%</i>		



**Electric Line of Business  
FY 2021 Capital Expenditure Summary  
As of March 31, 2021**

67% of Year  
Completed

Project	<sup>1</sup>	<sup>2</sup>			<sup>(1)/(2)</sup>	
	Total Spent YTD	FY21 Project Budget	FY21 Budget Remaining	Project Life Total Budget	% Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
System Extensions	\$ 2,621,380	\$ 3,221,870	\$ 600,490	\$ 3,221,870	81%	67%
Distribution Transformers	1,664,294	1,023,760	(640,534)	1,023,760	163%	67%
Electric Meters	932,138	685,745	(246,393)	685,745	136%	67%
Electric Aging Infrastructure	1,209,903	2,127,158	917,255	2,127,158	57%	67%
Electric Technology Upgrades	7,461	152,192	144,731	152,192	5%	10%
System Equipment Additions	-	75,370	75,370	550,241	0%	0%
TxDOT Road Widening	6,085	289,870	283,785	289,870	2%	5%
Substation Security	-	86,967	86,967	86,967	0%	0%
Three-Phase Extensions	125,826	261,363	135,537	1,922,774	48%	40%
Fiber Optic Extensions	61,010	243,128	182,118	930,819	25%	25%
Hortontown T2 (Power Transformer Replacement)	281,522	425,474	143,952	1,414,782	66%	80%
Sheriff's Posse to Marion, T-340 Upgrade	88,434	1,082,184	993,750	1,103,347	8%	15%
Pole Replacements	149,257	680,759	531,502	680,759	22%	40%
Sheriff's Posse T3 Addition	1,777,787	5,545,747	3,767,960	5,964,644	32%	50%
E.C. Morhinweg T2 & Feeders	96,545	976,231	879,686	5,697,528	10%	10%
Freiheit Feeder 11, Alves Ln	81,567	1,066,593	985,026	1,066,593	8%	10%
Goodwin & Conrads Adjustments	152,913	1,124,467	971,554	1,124,467	14%	10%
Industrial Substation PWT Replacement (TXI T1)	67,183	1,164,108	1,096,925	1,164,108	6%	5%
Sheriff's Posse Feeder, 31 & 32	40,601	1,041,637	1,001,036	1,041,637	4%	10%
Rivertree UD Conversion	-	1,641,115	1,641,115	1,641,115	0%	5%
Weltner Rd Feeder 13, Clear Springs	42,426	425,474	383,048	425,474	10%	10%
<b>Total Budgeted Projects</b>	<b>\$ 9,406,332</b>	<b>\$ 23,341,212</b>	<b>\$ 13,934,880</b>	<b>\$ 32,315,850</b>	<b>40%</b>	
<b>Unbudgeted Projects:</b>						
Transmission Breaker Replacements	\$ 87,993	\$ -	\$ (87,993)	\$ 4,479,788	0%	100%
Loop 337 T2 & Feeder Exits	2,780,288	-	(2,780,288)	4,218,228	0%	95%
Comal Substation T1 Replacement	260,381	-	(260,381)	1,080,253	0%	100%
Hueco Springs Substation	1,020,926	-	(1,020,926)	-	0%	100%
<b>Total Unbudgeted Projects</b>	<b>\$ 4,149,589</b>	<b>\$ -</b>	<b>\$ (4,149,589)</b>	<b>\$ 9,778,269</b>		
<b>TOTAL</b>	<b>\$ 13,555,920</b>	<b>\$ 23,341,212</b>	<b>\$ 9,785,292</b>	<b>\$ 42,094,119</b>	<b>58%</b>	



**Water Line of Business  
FY 2021 Capital Expenditure Summary  
As of March 31, 2021**

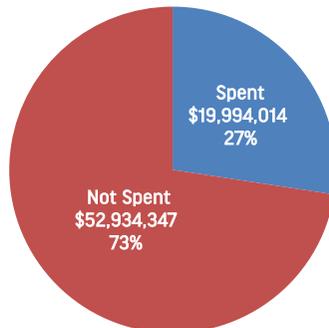
67% of Year  
Completed

Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY21 Project Budget	FY21 Budget Remaining	Project Life Total Budget	<sup>(1)+(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
System Extensions	\$ 319,886	\$ 318,343	\$ (1,543)	\$ 318,343	100%	67%
Water Meters	991,316	2,769,262	1,777,946	2,769,262	36%	67%
Water Technology Upgrades	6,963	355,259	348,296	355,259	2%	67%
Aging System Replacements	445,356	964,347	518,991	964,347	46%	67%
MSR Reconstruction(CNB)	749,005	1,393,407	644,402	4,174,983	54%	56%
ASR Feasibility Dev (IF)	966,260	1,726,671	760,411	9,759,100	56%	74%
Castell Ave Rehabilitation (CNB)	243,727	4,553,752	4,310,025	5,800,721	5%	11%
Avery Park 30" Water Main	5,427,576	7,556,672	2,129,096	16,258,288	72%	68%
Well 4 Discharge Line	35,023	2,914,851	2,879,828	3,090,528	1%	17%
Copper Ridge Ground Storage Tank Oversize	-	366,793	366,793	419,485	0%	75%
12-Inch Waterline River Crossing Evaluation	-	196,980	196,980	228,359	0%	6%
San Antonio St Rehabilitation Phase 2 (CNB)	382,995	696,647	313,652	1,752,972	55%	83%
Replacement of Clarifier Drive #1 at SWTP	498,356	1,083,304	584,948	2,126,177	46%	82%
Veramendi EST Oversize/Flow Control Valve	41,373	153,132	111,759	292,309	27%	13%
Water Plant Pump #5	789,207	41,059	(748,148)	6,052,940	1922%	94%
Weltner Rd Ground Strg Tank & Pump Station-Ph 1	2,726,171	3,997,037	1,270,866	12,159,100	68%	85%
2.5 MG Bretzke EST and 24-inch Bretzke Waterline	517,934	9,585,333	9,067,399	11,198,435	5%	18%
Grandview Pump Station Exp	1,082,249	4,847,857	3,765,608	5,315,947	22%	13%
I-35 Water Line (Downtown)	147,060	79,188	(67,872)	7,943,325	186%	4%
Infrastructure Replacement Package 1-W	-	404,023	404,023	404,497	0%	1%
Infrastructure Replacement Package 2-W	86,650	731,769	645,119	731,769	12%	0%
Infrastructure Replacement Package 3-W	-	689,685	689,685	712,734	0%	3%
24-inch McQueeney Road Parallel Water Line (Downtown)	152,769	4,878,397	4,725,628	7,343,157	3%	17%
Oakbrook EST, FCV, 24" Ext	110,147	3,932,894	3,822,747	7,770,114	3%	7%
1.00MG Solms Ground Storage Tank and Flow Control Valve	80,612	2,996,600	2,915,988	3,051,134	3%	4%
Replacement of Clarifier Drive #2 at SWTP	915,455	1,445,229	529,774	1,540,838	63%	36%
30/24-inch SWTP Discharge Line (Downtown)	230,961	348,736	117,776	10,307,170	66%	11%
SWTP Expansion - Water Supply Facilities	1,606,625	2,932,780	1,326,155	39,651,120	55%	3%
Western Downtown to Morningside PZ Conversion	180,390	2,358,242	2,177,852	2,701,105	8%	15%
FM 306 Pump Station & Discharge Pipeline	313,728	697,426	383,698	6,792,934	45%	0%
Cibolo Interconnect	-	602,635	602,635	602,635	0%	0%
Goodwin Lane EST	32,258	1,492,113	1,459,855	8,723,278	2%	0%
Goodwin Lane Water Main	253,040	1,087,710	834,670	6,142,320	23%	0%
Grandview Discharge Line Upgrades	35,343	387,023	351,680	2,343,569	9%	0%
Trinity Expansion- Water Supply Facilities	49,090	3,493,692	3,444,602	6,269,803	1%	1%
Well 4 Pump & Discharge Line Upgrades	35,343	359,430	324,087	1,932,196	10%	6%
Weltner Road Repaving	44,337	490,083	445,746	529,986	9%	0%

<b>Total Budgeted Projects</b>	<b>\$ 19,497,203</b>	<b>\$ 72,928,361</b>	<b>\$ 53,431,158</b>	<b>\$ 198,530,240</b>	<b>27%</b>
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<b>Unbudgeted Projects:</b>						
Alves Ln Improvements(CNB)	\$ 100,951	\$ -	\$ (100,951)	\$ 1,742,342		100%
Live Oak & Katy St Improvements(CNB)	3,198	-	(3,198)	678,573		100%
San Antonio St Rehabilitation (CNB)	23	-	(23)	1,215,560		100%
Old FM 306 Ground Storage Tank	(679)	-	679	3,353,369		100%
AC Pipe Replacement - Balcones	1,024	-	(1,024)	1,050,641		100%
Trinity Aquifer Well Field Treatment Addition	2,560	-	(2,560)	16,938,033		100%
Bretzke Water Supply & Country Hills Ground Storage Tank	1,519	-	(1,519)	5,287,630		100%
SWTP High Service Pump #4 & Water Line Connections	17,348	-	(17,348)	1,887,896		100%
Green Valley Pump Station	272,950	-	(272,950)	1,802,623		94%
Klein Rd Reconstruction Phase 2 (water aging)	5,217	-	(5,217)	4,695		0%
Landa Pump Station Imp Phase 1 (water aging)	92,700	-	(92,700)	82,725		0%
Landa Pump Station Phase 2/Well 5 (water aging)	-	-	-	-		0%

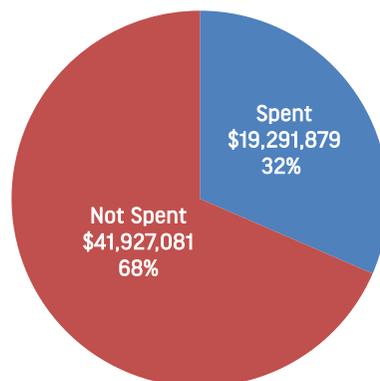
<b>Total Unbudgeted Projects</b>	<b>\$ 496,811</b>	<b>\$ -</b>	<b>\$ (496,811)</b>	<b>\$ 34,044,087</b>	
<b>TOTAL</b>	<b>\$ 19,994,014</b>	<b>\$ 72,928,361</b>	<b>\$ 52,934,347</b>	<b>\$ 232,574,327</b>	<b>27%</b>



**Wastewater Line of Business  
FY 2021 Capital Expenditure Summary  
As of March 31, 2021**

67% of Year  
Completed

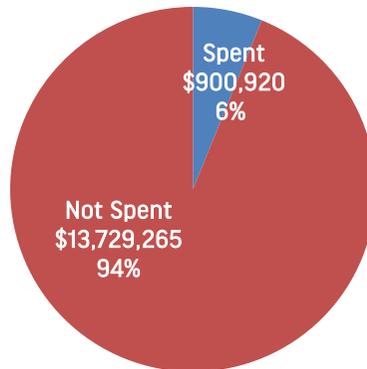
Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY21 Project Budget	FY21 Budget Remaining	Project Life Total Budget	<sup>(1)/(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
System Extensions	\$ 198,199	\$ 183,103	\$ (15,096)	\$ 183,103	108%	67%
Aging System Replacements	172,661	940,842	768,181	940,842	18%	67%
Castell Ave Rehabilitation (CNB)	55,535	1,528,557	1,473,022	2,148,696	4%	11%
Greene W/W Treatment Plant Relocation & Expansion	2,933,842	2,592,532	(341,310)	61,656,561	113%	98%
MSR Reconstruction (CNB)	536,940	626,296	89,356	2,523,707	86%	73%
Wastewater Technology Upgrades	6,745	361,240	354,495	361,240	2%	100%
Manhole Rehabilitation	-	562,444	562,444	562,444	0%	100%
North Kuehler 42" Interceptor Upgrade	3,188,007	12,834,032	9,646,025	14,736,125	25%	19%
North & South Kuehler WWTP Expansion	1,189,668	791,784	(397,884)	5,009,890	150%	7%
North & South Kuehler WWTP Major Permit Amend	8,969	60,494	51,525	168,278	15%	69%
So. Kuehler Sanitary Interceptor SK-20 Relo/Expansion	57,512	1,087,252	1,029,740	6,500,223	5%	6%
North Kuehler 30 and 33-inch Interceptor Upgrade	9,199,774	14,408,758	5,208,984	16,468,886	64%	16%
San Antonio St Rehabilitation Phase 2 (CNB)	372,798	1,012,186	639,388	2,065,310	37%	80%
Greene Rd Sewer Main Rehabilitation Relocation	31,178	279,058	247,880	2,346,902	11%	10%
Infrastructure Replacement Package 1-WW	11,518	1,946,000	1,934,482	2,049,127	1%	5%
Infrastructure Replacement Package 2-WW	83,459	1,206,966	1,123,507	1,206,966	7%	0%
Infrastructure Replacement Package 3-WW	-	1,301,520	1,301,520	1,340,381	0%	3%
McKenzie WWTP Expansion	722,867	2,767,801	2,044,934	44,175,395	26%	2%
Nautilus Off-site Sewer Ext	57,002	2,076,985	2,019,983	2,377,589	3%	14%
Sewer Rehab Package 1	33,080	111,508	78,428	1,252,693	30%	2%
Rio Lift Station Expansion	43,525	2,609,811	2,566,286	3,147,255	2%	16%
Saengerhalle Lift Station Expansion & Force Main	107,123	3,743,818	3,636,695	4,114,199	3%	9%
Solms Lift Station Expansion	152,439	1,118,132	965,693	1,233,610	14%	13%
I-35 Interceptor Upgrade	-	549,864	549,864	2,039,924	0%	0%
McKenzie Interceptor Upgrade	5,120	4,412,811	4,407,691	35,069,614	0%	0%
North & South Kuehler Rehabilitation	(32,126)	836,207	868,333	43,608,677	-4%	2%
Sewer Infrastructure Replacement Package 1	2,288	440,827	438,539	440,827	1%	0%
Sewer Infrastructure Replacement Package 2	-	466,959	466,959	466,959	0%	0%
Saengerhalle North Interceptor	113,649	361,173	247,524	746,473	31%	0%
<b>Total Budgeted Projects</b>	<b>\$ 19,251,773</b>	<b>\$ 61,218,960</b>	<b>\$ 41,967,187</b>	<b>\$ 258,941,897</b>	<b>31%</b>	
<b>Unbudgeted Projects:</b>						
Alves Ln Improvements(CNB)	\$ 13,074	\$ -	\$ (13,074)	\$ 1,208,920		100%
Live Oak Ave&Katy St Improvements(CNB)	812	-	(812)	648,366		100%
San Antonio St Rehabilitation (CNB)	544	-	(544)	1,099,562		100%
Sam C. McKenzie Jr. Water Reclamation Facility	39	-	(39)	36,998,104		100%
North Kuehler WWTP Rehabilitation	6,753	-	(6,753)	217,683		7%
South Kuehler 18/24" Interceptor Replacement	1,679	-	(1,679)	2,144,434		100%
South Kuehler WWTP Rehabilitation	17,205	-	(17,205)	435,477		7%
Schmidt IH35 N Sewer Main Replacement(sewer aging)	-	-	-	-		0%
<b>Total Unbudgeted Projects</b>	<b>\$ 40,106</b>	<b>\$ -</b>	<b>\$ (40,106)</b>	<b>\$ 42,752,545</b>		
<b>TOTAL</b>	<b>\$ 19,291,879</b>	<b>\$ 61,218,960</b>	<b>\$ 41,927,081</b>	<b>\$ 301,694,443</b>	<b>32%</b>	



**Support Services Line of Business  
FY 2021 Capital Expenditure Summary  
As of March 31, 2021**

67% of Year  
Completed

Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY21 Project Budget	FY21 Budget Remaining	Project Life Total Budget	<sup>(1)/(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
Headwaters at the Comal	\$ 59,674	\$ 5,243,368	\$ 5,183,694	\$ 22,852,799	1%	60%
Personnel Workstations	1,283	30,000	28,717	30,000	4%	100%
Cyber Security System	44,309	402,817	358,508	402,817	11%	15%
Physical Security Systems	-	120,000	120,000	120,000	0%	90%
Software Replacement and Enhancements	14,700	125,000	110,300	125,000	12%	10%
NBU Headquarters, Maint & Support Facility	639,586	4,900,000	4,260,414	48,674,447	13%	100%
EDRMS Software	-	50,000	50,000	321,808	0%	20%
Update Backup and Disaster Recovery	36,959	1,321,000	1,284,041	2,467,288	3%	15%
Data Strategy Upgrades - BDAP	87,530	60,000	(27,530)	640,227	146%	0%
Cyber Security Penetration Testing	-	100,000	100,000	400,000	0%	0%
Domain Controllers for SCADA	-	25,000	25,000	25,000	0%	0%
Enterprise Ticketing Software	-	20,000	20,000	80,000	0%	0%
Kerlick Tower	-	760,000	760,000	1,520,097	0%	15%
Data Strategy Upgrades - Models	7,506	200,000	192,494	1,200,000	4%	0%
Network Virtualization	-	350,000	350,000	430,000	0%	0%
PCI Compliance	-	200,000	200,000	200,000	0%	0%
Data Strategy Upgrades - GIS Portal	-	75,000	75,000	75,000	0%	0%
System Technology Upgrades - Monitoring	9,374	648,000	638,626	648,000	1%	10%
<b>Total</b>	<b>\$ 900,920</b>	<b>\$ 14,630,185</b>	<b>\$ 13,729,265</b>	<b>\$ 80,212,483</b>	<b>6%</b>	



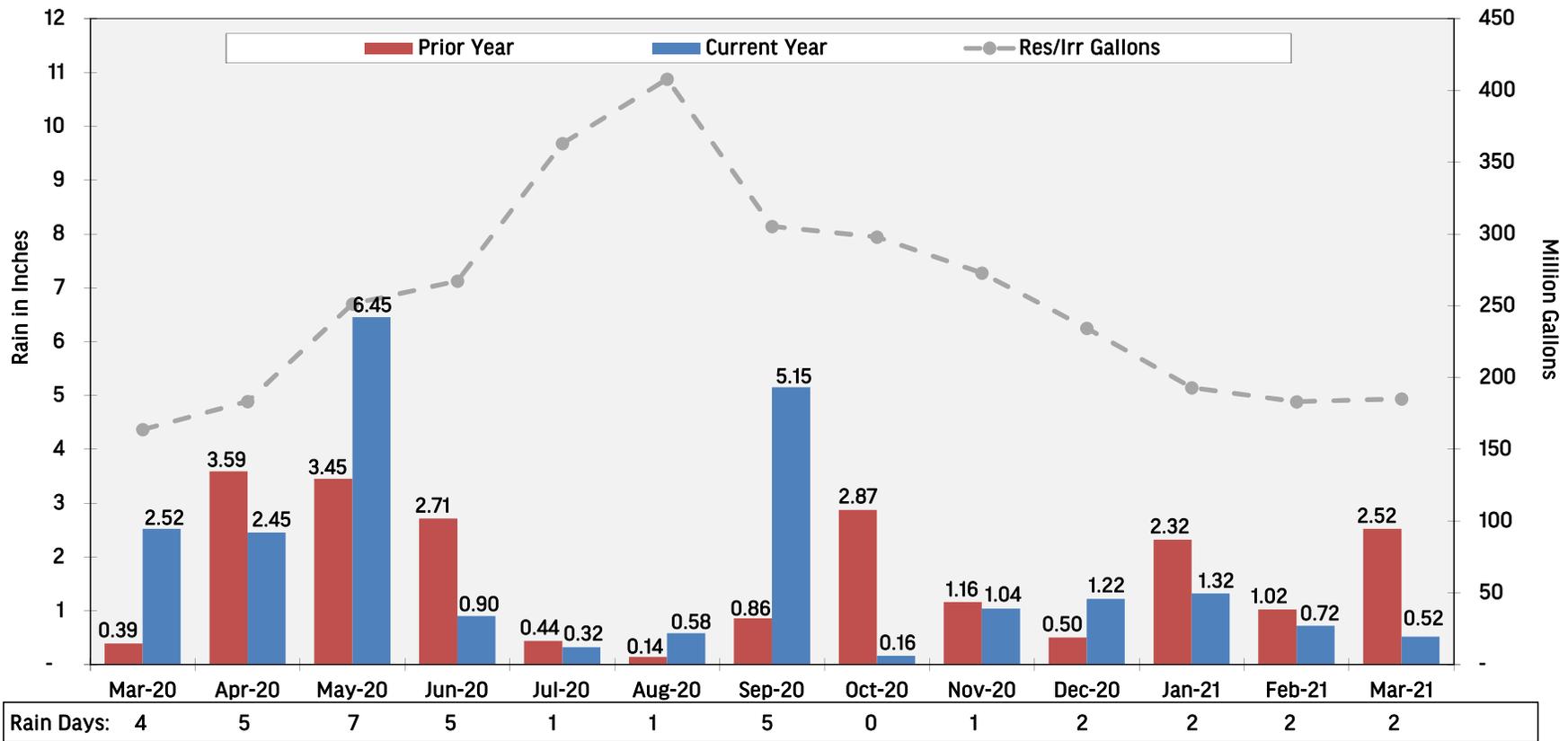
Electric Statistics are provided separately due to competitive matters.

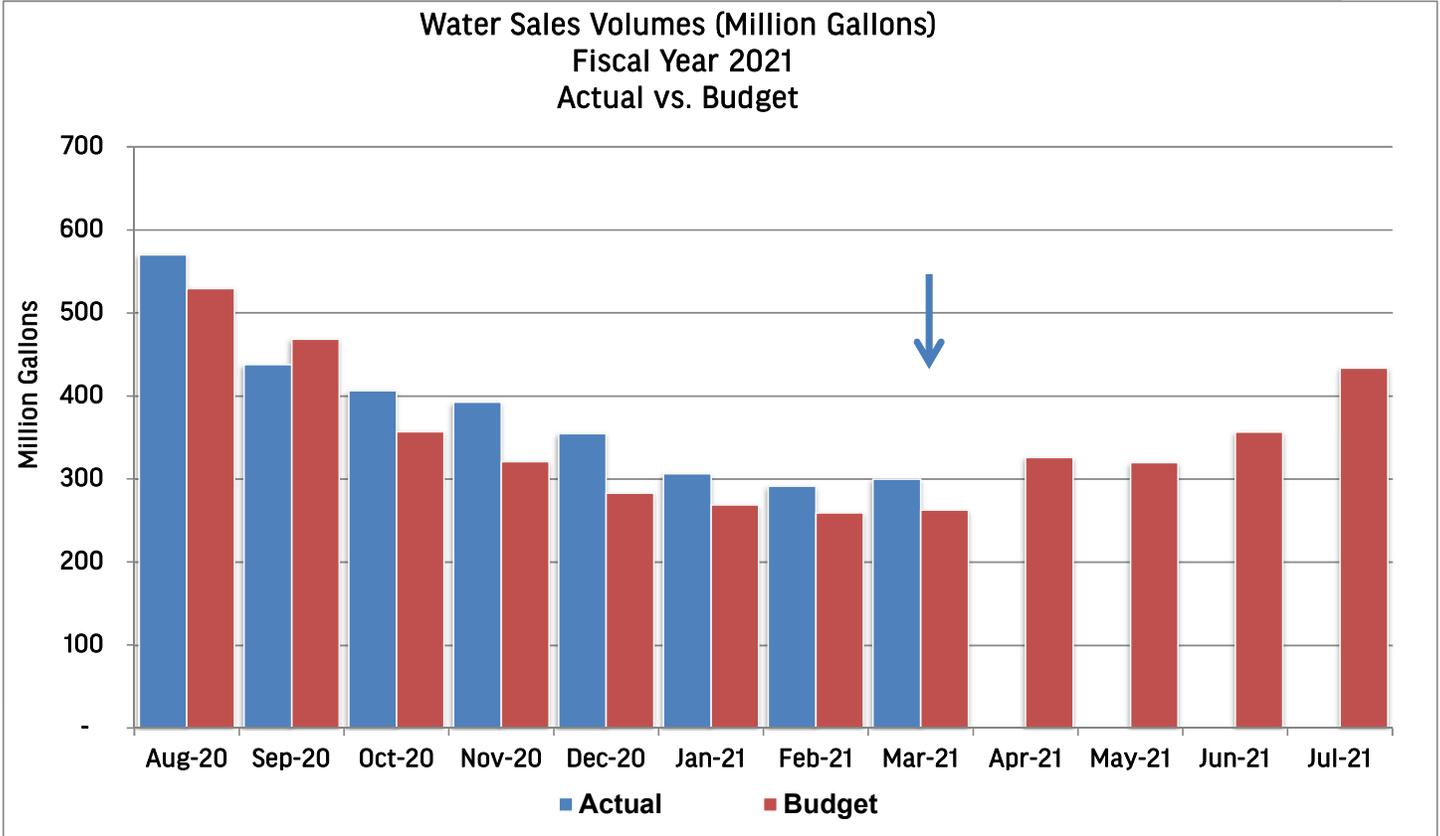
# WATER STATISTICS

**NEW BRAUNFELS UTILITIES  
WATER STATISTICS  
HIGHLIGHTS OVERVIEW**

- March MTD rainfall was less than the prior year rainfall, totaling 0.52 inches for the month. The March rainfall total of 0.52 inches was 1.68 inches less than the historical average rainfall of 2.20 inches. For March 2021, there were two rain days during the month compared to four rain days in March 2020.
- March YTD rainfall totaled 10.71 inches compared to the prior year total of 11.39 inches, which is a decrease of 0.68 inches compared to prior year YTD. For YTD, there have been 14 rain days compared to 23 rain days for prior year YTD.
- Average MTD consumption by residential water customer in March 2021 was **5,069 gallons** compared to **4,626 gallons** in March 2020, reflecting a 9.6% increase.
- Average YTD consumption by residential water customer through March 2021 was **51,705 gallons** compared to **53,221** for YTD through March 2020, reflecting a decrease of 2.8%.
- Overall trend for fiscal year-to-date in total water sales volume is greater than the sales volume over the same period for the previous year with the change being 40.2 million gallons, or 1.3% (3,059.2 million gallons for FY 2021 YTD vs. 3,019 million gallons for FY 2020 YTD).
- Actual total water sales volume for year-to-date FY 2021 is 3,059.2 million gallons, which is 310.2 million more than the budgeted amount of 2,749 million gallons for the same time period.
  - The following are major contributors, by rate classification, towards the 310.2 million gallon change from budget:
    - Residential Domestic – increase of 157.4 million gallons (up 10.7% from budget)
    - Multi-Unit 2-4 - increase of 4.2 million gallons (up 33.4% from budget)
    - Multi-Unit 5+ - increase of 11.4 million gallons (up 6.1% from budget)
    - Residential Irrigation – increase of 62.4 million gallons (up 17.1% from budget)
    - Commercial Irrigation – increase of 48.9 million gallons (up 30.8% from budget)
    - Small General Service – decrease of 8.7 million gallons (down 1.6% from budget)
    - Other Sales – increase of 15.1 million gallons (up 72.5% from budget)
    - ReUse Water – increase of 19.5 million gallons (up 415.0% from budget)

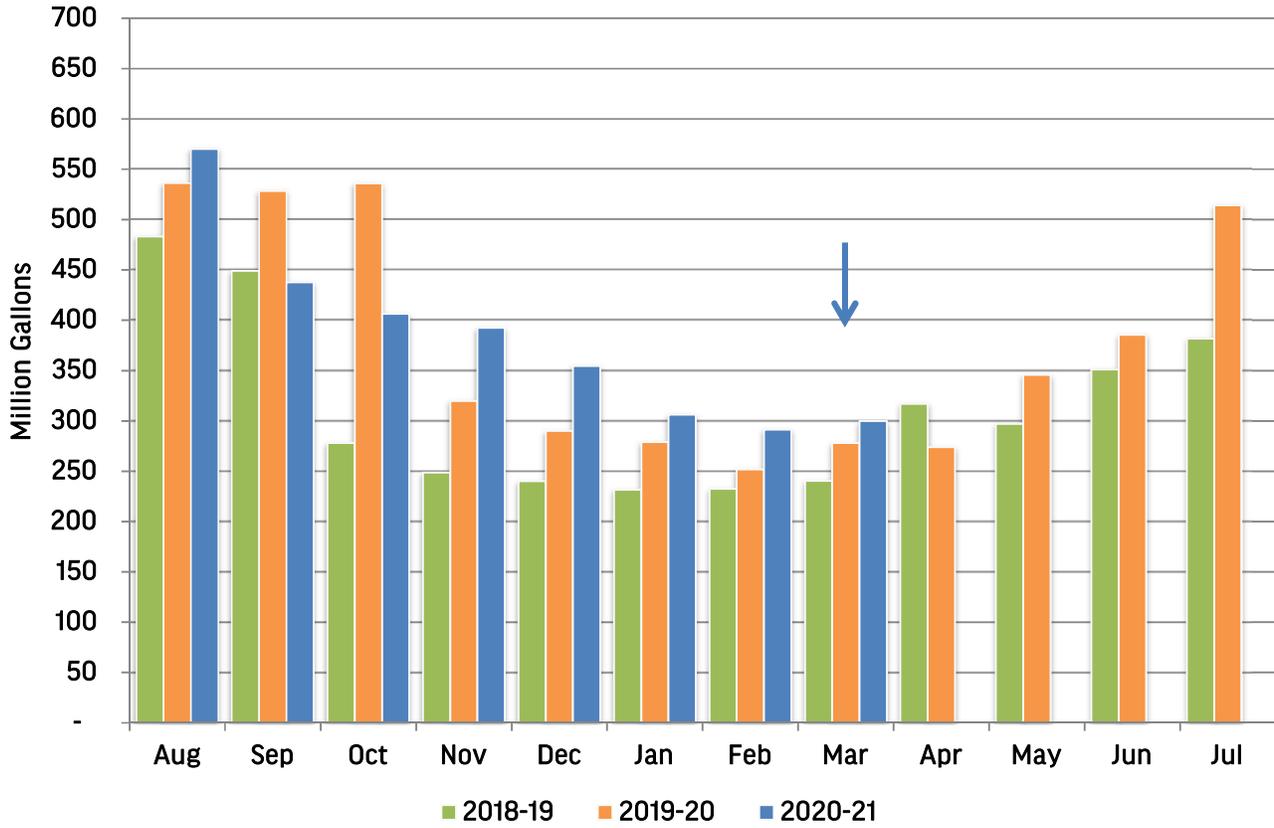
Monthly Rain Data  
 Prior Year vs. Current Year  
 Rolling 13 Months





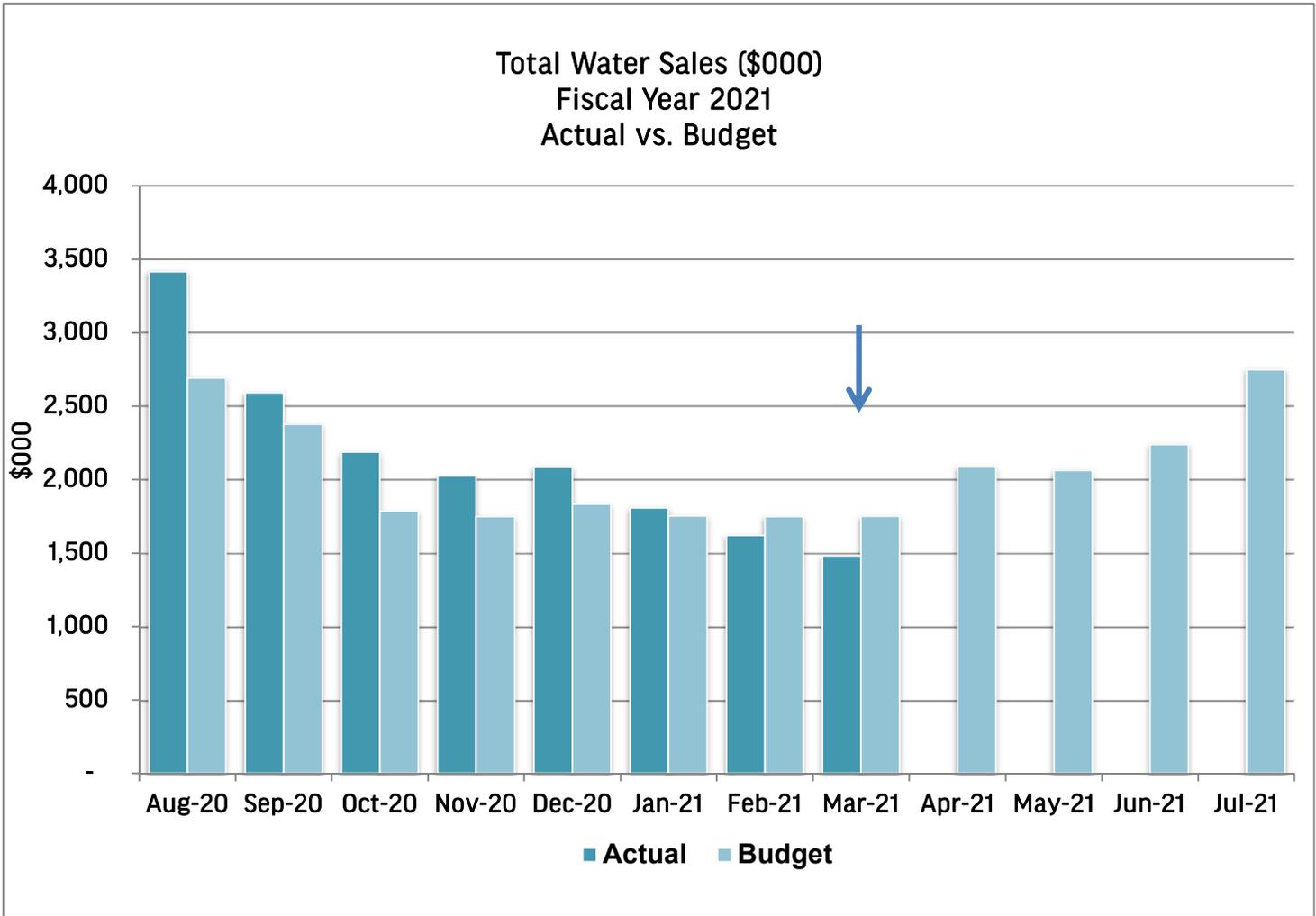
Month	Actual	Budget
Aug-20	570	529
Sep-20	438	468
Oct-20	407	357
Nov-20	393	321
Dec-20	354	283
Jan-21	306	269
Feb-21	292	259
Mar-21	300	263
Apr-21	-	326
May-21	-	320
Jun-21	-	357
Jul-21	-	434
<b>TOTAL</b>	<b>3,059</b>	<b>4,185</b>

**Water Sales Volumes (Million Gallons)  
3-Year Comparison of Actuals by Month**



Month	Water Sales Volumes (Million Gallons)		
	2018-19	2019-20	2020-21
Aug	483	536	570
Sep	449	528	438
Oct	278	536	407
Nov	249	320	393
Dec	240	290	354
Jan	232	279	306
Feb	233	252	292
Mar	240	278	300
Apr	317	274	-
May	297	346	-
Jun	351	386	-
Jul	382	514	-
<b>TOTAL</b>	<b>3,751</b>	<b>4,539</b>	<b>3,059</b>

Meter Count	FY 2019	% Change 2019-2020	FY 2020	% Change 2020-2021	FY 2021
Residential	29,197	4.02%	30,372	5.28%	31,977
Irrigation	8,460	12.61%	9,527	14.96%	10,952
Other	5,109	-43.88%	2,867	2.16%	2,929
<b>TOTAL</b>	<b>42,766</b>	<b>0.00%</b>	<b>42,766</b>	<b>7.23%</b>	<b>45,858</b>



Month	Total Water Sales (\$000)	
	Actual	Budget
Aug-20	\$ 3,415	\$ 2,692
Sep-20	\$ 2,592	\$ 2,376
Oct-20	\$ 2,188	\$ 1,786
Nov-20	\$ 2,026	\$ 1,748
Dec-20	\$ 2,084	\$ 1,833
Jan-21	\$ 1,807	\$ 1,753
Feb-21	\$ 1,620	\$ 1,750
Mar-21	\$ 1,482	\$ 1,751
Apr-21	\$ -	\$ 2,086
May-21	\$ -	\$ 2,064
Jun-21	\$ -	\$ 2,239
Jul-21	\$ -	\$ 2,747
<b>TOTAL</b>	<b>\$ 17,213</b>	<b>\$ 24,827</b>

# WATER SUPPLEMENTAL INFORMATION

**NEW BRAUNFELS UTILITIES**  
**Water Volume (Gallons)**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020 AUG	2020 SEP	2020 OCT	2020 NOV	2020 DEC	2021 JAN	2021 FEB	2021 MAR	FY 2021 YTD	
									ACT	AVG
<b>Residential</b>										
Actuals	310,207,613	231,742,511	207,289,872	208,441,775	186,398,715	163,558,742	158,403,396	162,086,806	1,628,129,430	203,516,179
Budget	283,141,464	245,363,860	185,972,686	167,890,373	152,931,600	151,797,046	142,715,288	140,880,967	1,470,693,284	183,836,661
Prior Year	287,377,090	291,255,156	266,172,478	161,799,580	150,924,313	146,177,288	133,564,246	140,498,754	1,577,768,903	197,221,113
<b>Multi-Unit 2-4</b>										
Actuals	2,643,169	2,157,262	2,059,153	2,029,089	1,943,018	1,766,625	1,910,498	2,320,495	16,829,309	2,103,664
Budget	2,139,541	2,020,293	1,646,844	1,477,857	1,379,787	1,448,962	1,294,595	1,208,175	12,616,054	1,577,007
Prior Year	2,248,322	2,493,271	2,235,385	1,591,791	1,536,657	1,717,155	1,334,676	1,296,753	14,454,010	1,806,751
<b>Multi-Unit 5+</b>										
Actuals	26,535,315	23,186,521	25,545,143	23,589,215	24,218,835	25,386,569	24,598,076	26,149,636	199,209,310	24,901,164
Budget	24,842,318	26,010,193	24,403,995	23,019,872	22,460,538	22,760,645	22,665,368	21,643,672	187,806,601	23,475,825
Prior Year	23,827,921	23,170,884	24,569,252	20,736,432	22,418,922	22,010,703	20,468,274	21,534,406	178,736,794	22,342,099
<b>Residential Irrigation</b>										
Actuals	97,615,251	73,449,944	66,250,690	64,302,260	47,902,212	29,438,630	24,856,003	23,056,485	426,871,475	53,358,934
Budget	93,593,130	78,665,896	55,257,313	43,555,789	29,643,485	20,249,896	19,271,533	24,249,401	364,486,442	45,560,805
Prior Year	95,030,608	89,193,003	100,169,970	44,330,514	29,329,813	22,836,013	17,865,592	23,279,931	422,035,444	52,754,431
<b>Commercial Irrigation</b>										
Actuals	43,071,476	36,092,539	33,497,462	28,557,495	23,477,719	18,092,778	13,700,335	10,940,754	207,430,558	25,928,820
Budget	33,241,355	33,557,105	22,616,484	19,655,029	15,547,131	12,203,941	10,097,041	11,638,888	158,556,975	19,819,622
Prior Year	36,583,358	47,336,338	48,519,498	25,412,227	17,009,316	15,788,709	11,861,725	11,582,342	214,093,516	26,761,689
<b>SGS</b>										
Actuals	80,997,800	66,359,285	66,308,932	61,366,237	58,845,476	58,254,266	59,668,834	68,793,496	520,594,325	65,074,291
Budget	84,822,878	76,486,484	63,873,614	63,307,234	60,310,296	58,917,563	60,939,478	60,616,028	529,273,575	66,159,197
Prior Year	81,234,953	75,577,767	76,136,491	61,141,425	63,860,872	62,054,657	60,060,973	74,376,014	554,443,150	69,305,394
<b>Other Sales</b>										
Actuals	8,894,936	4,776,217	5,462,619	4,278,486	3,975,137	939,235	2,825,503	4,724,976	35,877,109	4,484,639
Budget	5,745,802	5,338,839	2,874,427	1,191,427	221,025	1,097,596	2,039,833	2,288,756	20,797,704	2,599,713
Prior Year	7,401,287	534,601	17,604,773	3,277,276	3,401,580	2,797,804	3,259,936	3,008,979	41,286,236	5,160,780
<b>ReUse Water</b>										
Actuals	-	-	93,123	93,991	7,734,448	8,961,457	5,551,556	1,785,506	24,220,081	3,027,510
Budget	1,812,650	949,121	324,645	634,700	442,163	235,575	84,025	219,800	4,702,678	587,835
Prior Year	2,418,200	(1,436,800)	377,829	1,644,807	1,508,606	5,535,253	3,498,337	2,553,091	16,099,323	2,012,415
<b>Total Sales</b>										
Actuals	569,965,560	437,764,279	406,506,994	392,658,548	354,495,560	306,398,302	291,514,201	299,858,154	3,059,161,597	382,395,200
Budget	529,339,137	468,391,791	356,970,007	320,732,281	282,936,024	268,711,224	259,107,161	262,745,688	2,748,933,313	343,616,664
Prior Year	536,121,739	528,124,220	535,785,676	319,934,052	289,990,079	278,917,582	251,913,759	278,130,270	3,018,917,376	377,364,672

**NEW BRAUNFELS UTILITIES**  
**Water Volume (Gallons) Variance**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	310,207,613	231,742,511	207,289,872	208,441,775	186,398,715	163,558,742	158,403,396	162,086,806	<b>1,628,129,430</b>	<b>203,516,179</b>
Actual vs Budget	27,066,149	(13,621,349)	21,317,186	40,551,401	33,467,116	11,761,696	15,688,109	21,205,839	<b>157,436,146</b>	<b>19,679,518</b>
Actual vs Prior Year	22,830,523	(59,512,645)	(58,882,606)	46,642,194	35,474,403	17,381,455	24,839,151	21,588,053	<b>50,360,527</b>	<b>6,295,066</b>
<b>Multi-Unit 2-4</b>										
Actuals	2,643,169	2,157,262	2,059,153	2,029,089	1,943,018	1,766,625	1,910,498	2,320,495	<b>16,829,309</b>	<b>2,103,664</b>
Actual vs Budget	503,628	136,969	412,309	551,232	563,231	317,663	615,903	1,112,320	<b>4,213,255</b>	<b>526,657</b>
Actual vs Prior Year	394,847	(336,009)	(176,232)	437,298	406,361	49,470	575,822	1,023,742	<b>2,375,299</b>	<b>296,912</b>
<b>Multi-Unit 5+</b>										
Actuals	26,535,315	23,186,521	25,545,143	23,589,215	24,218,835	25,386,569	24,598,076	26,149,636	<b>199,209,310</b>	<b>24,901,164</b>
Actual vs Budget	1,692,997	(2,823,672)	1,141,148	569,343	1,758,297	2,625,924	1,932,708	4,505,964	<b>11,402,709</b>	<b>1,425,339</b>
Actual vs Prior Year	2,707,394	15,637	975,891	2,852,783	1,799,913	3,375,866	4,129,802	4,615,230	<b>20,472,516</b>	<b>2,559,065</b>
<b>Residential Irrigation</b>										
Actuals	97,615,251	73,449,944	66,250,690	64,302,260	47,902,212	29,438,630	24,856,003	23,056,485	<b>426,871,475</b>	<b>53,358,934</b>
Actual vs Budget	4,022,121	(5,215,952)	10,993,377	20,746,471	18,258,727	9,188,734	5,584,470	(1,192,916)	<b>62,385,033</b>	<b>7,798,129</b>
Actual vs Prior Year	2,584,643	(15,743,059)	(33,919,280)	19,971,746	18,572,399	6,602,617	6,990,411	(223,446)	<b>4,836,031</b>	<b>604,504</b>
<b>Commercial Irrigation</b>										
Actuals	43,071,476	36,092,539	33,497,462	28,557,495	23,477,719	18,092,778	13,700,335	10,940,754	<b>207,430,558</b>	<b>25,928,820</b>
Actual vs Budget	9,830,122	2,535,434	10,880,979	8,902,465	7,930,587	5,888,837	3,603,293	(698,134)	<b>48,873,583</b>	<b>6,109,198</b>
Actual vs Prior Year	6,488,118	(11,243,799)	(15,022,036)	3,145,268	6,468,402	2,304,068	1,838,609	(641,589)	<b>(6,662,958)</b>	<b>(832,870)</b>
<b>SGS</b>										
Actuals	80,997,800	66,359,285	66,308,932	61,366,237	58,845,476	58,254,266	59,668,834	68,793,496	<b>520,594,325</b>	<b>65,074,291</b>
Actual vs Budget	(3,825,078)	(10,127,200)	2,435,318	(1,940,997)	(1,464,820)	(663,297)	(1,270,644)	8,177,468	<b>(8,679,250)</b>	<b>(1,084,906)</b>
Actual vs Prior Year	(237,153)	(9,218,482)	(9,827,559)	224,812	(5,015,396)	(3,800,391)	(392,139)	(5,582,518)	<b>(33,848,825)</b>	<b>(4,231,103)</b>
<b>Other Sales</b>										
Actuals	8,894,936	4,776,217	5,462,619	4,278,486	3,975,137	939,235	2,825,503	4,724,976	<b>35,877,109</b>	<b>4,484,639</b>
Actual vs Budget	3,149,134	(562,622)	2,588,192	3,087,059	3,754,112	(158,361)	785,670	2,436,220	<b>15,079,405</b>	<b>1,884,926</b>
Actual vs Prior Year	1,493,649	4,241,616	(12,142,154)	1,001,210	573,557	(1,858,569)	(434,433)	1,715,997	<b>(5,409,127)</b>	<b>(676,141)</b>
<b>ReUse Water</b>										
Actuals	-	-	93,123	93,991	7,734,448	8,961,457	5,551,556	1,785,506	<b>24,220,081</b>	<b>3,027,510</b>
Actual vs Budget	(1,812,650)	(949,121)	(231,522)	(540,709)	7,292,286	8,725,882	5,467,531	1,565,706	<b>19,517,403</b>	<b>2,439,675</b>
Actual vs Prior Year	(2,418,200)	1,436,800	(284,706)	(1,550,816)	6,225,842	3,426,204	2,053,219	(767,585)	<b>8,120,758</b>	<b>1,015,095</b>
<b>Total Sales</b>										
Actuals	<b>569,965,560</b>	<b>437,764,279</b>	<b>406,506,994</b>	<b>392,658,548</b>	<b>354,495,560</b>	<b>306,398,302</b>	<b>291,514,201</b>	<b>299,858,154</b>	<b>3,059,161,597</b>	<b>382,395,200</b>
Actual vs Budget	<b>40,626,423</b>	<b>(30,627,512)</b>	<b>49,536,986</b>	<b>71,926,266</b>	<b>71,559,536</b>	<b>37,687,078</b>	<b>32,407,040</b>	<b>37,112,466</b>	<b>310,228,283</b>	<b>38,778,535</b>
Actual vs Prior Year	<b>33,843,821</b>	<b>(90,359,942)</b>	<b>(129,278,682)</b>	<b>72,724,495</b>	<b>64,505,481</b>	<b>27,480,720</b>	<b>39,600,442</b>	<b>21,727,884</b>	<b>40,244,221</b>	<b>5,030,528</b>

**NEW BRAUNFELS UTILITIES**  
**Water Revenue**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD		
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG	
<b>Residential</b>											
Actuals	\$ 1,659,468	\$ 1,187,834	\$ 938,710	\$ 921,198	\$ 951,659	\$ 842,794	\$ 761,192	\$ 679,478	\$ 7,942,332	\$ 992,792	
Budget	\$ 1,481,765	\$ 1,270,631	\$ 960,709	\$ 906,286	\$ 945,900	\$ 936,551	\$ 912,039	\$ 889,356	\$ 8,303,238	\$ 1,037,905	
Prior Year	\$ 1,232,731	\$ 1,236,297	\$ 1,127,058	\$ 715,908	\$ 765,151	\$ 739,244	\$ 699,638	\$ 727,003	\$ 7,243,029	\$ 905,379	
<b>Multi-Unit 2-4</b>											
Actuals	\$ 12,807	\$ 11,450	\$ 10,932	\$ 10,998	\$ 12,295	\$ 11,679	\$ 7,335	\$ 13,552	\$ 91,050	\$ 11,381	
Budget	\$ 10,615	\$ 9,676	\$ 8,136	\$ 9,121	\$ 9,936	\$ 9,868	\$ 10,178	\$ 9,745	\$ 77,274	\$ 9,659	
Prior Year	\$ 9,144	\$ 9,788	\$ 9,052	\$ 8,053	\$ 9,070	\$ 9,585	\$ 8,601	\$ 8,573	\$ 71,865	\$ 8,983	
<b>Multi-Unit 5+</b>											
Actuals	\$ 152,604	\$ 143,133	\$ 147,514	\$ 144,977	\$ 164,516	\$ 168,589	\$ 158,978	\$ 144,994	\$ 1,225,304	\$ 153,163	
Budget	\$ 120,842	\$ 128,270	\$ 118,906	\$ 136,347	\$ 160,089	\$ 163,623	\$ 170,552	\$ 159,393	\$ 1,158,022	\$ 144,753	
Prior Year	\$ 95,006	\$ 93,662	\$ 98,124	\$ 100,674	\$ 130,977	\$ 129,698	\$ 126,246	\$ 129,990	\$ 904,377	\$ 113,047	
<b>Residential Irrigation</b>											
Actuals	\$ 726,646	\$ 552,267	\$ 457,405	\$ 428,169	\$ 386,667	\$ 277,112	\$ 245,506	\$ 227,146	\$ 3,300,917	\$ 412,615	
Budget	\$ 538,308	\$ 448,031	\$ 313,716	\$ 288,205	\$ 277,927	\$ 208,981	\$ 226,345	\$ 250,633	\$ 2,552,147	\$ 319,018	
Prior Year	\$ 448,013	\$ 416,383	\$ 466,149	\$ 240,435	\$ 225,398	\$ 193,172	\$ 171,993	\$ 197,224	\$ 2,358,768	\$ 294,846	
<b>Commercial Irrigation</b>											
Actuals	\$ 373,928	\$ 311,144	\$ 260,889	\$ 202,246	\$ 190,478	\$ 147,215	\$ 112,127	\$ 90,682	\$ 1,688,710	\$ 211,089	
Budget	\$ 210,964	\$ 213,311	\$ 143,194	\$ 131,155	\$ 125,607	\$ 105,323	\$ 86,755	\$ 99,191	\$ 1,115,500	\$ 139,438	
Prior Year	\$ 190,307	\$ 246,640	\$ 251,800	\$ 138,993	\$ 112,639	\$ 111,689	\$ 83,539	\$ 80,909	\$ 1,216,517	\$ 152,065	
<b>SGS</b>											
Actuals	\$ 408,714	\$ 335,742	\$ 307,252	\$ 273,027	\$ 311,437	\$ 310,556	\$ 290,305	\$ 271,974	\$ 2,509,007	\$ 313,626	
Budget	\$ 301,455	\$ 274,679	\$ 228,890	\$ 262,168	\$ 310,761	\$ 313,453	\$ 317,523	\$ 311,990	\$ 2,320,918	\$ 290,115	
Prior Year	\$ 236,642	\$ 222,472	\$ 223,634	\$ 207,540	\$ 269,718	\$ 270,609	\$ 256,513	\$ 313,781	\$ 2,000,908	\$ 250,114	
<b>Other Sales</b>											
Actuals	\$ 80,548	\$ 50,303	\$ 49,165	\$ 44,940	\$ 43,526	\$ 22,017	\$ 35,255	\$ 49,285	\$ 375,038	\$ 46,880	
Budget	\$ 26,296	\$ 31,198	\$ 12,608	\$ 14,535	\$ 2,780	\$ 14,577	\$ 26,288	\$ 30,711	\$ 158,995	\$ 19,874	
Prior Year	\$ 27,764	\$ 2,561	\$ 63,295	\$ 28,817	\$ 35,073	\$ 30,457	\$ 34,436	\$ 33,095	\$ 255,499	\$ 31,937	
<b>ReUse Water</b>											
Actuals	\$ 45	\$ 45	\$ 16,182	\$ 286	\$ 23,120	\$ 26,801	\$ 9,275	\$ 5,261	\$ 81,014	\$ 10,127	
Budget	\$ 1,783	\$ 653	\$ 317	\$ 619	\$ 432	\$ 230	\$ 80	\$ 215	\$ 4,329	\$ 541	
Prior Year	\$ 1,950	\$ (810)	\$ 489	\$ 1,396	\$ 1,299	\$ 4,182	\$ 2,723	\$ 2,047	\$ 13,276	\$ 1,659	
<b>Total Sales</b>											
Actuals	\$ 3,414,760	\$ 2,591,919	\$ 2,188,049	\$ 2,025,841	\$ 2,083,698	\$ 1,806,762	\$ 1,619,973	\$ 1,482,372	\$ 17,213,373	\$ 2,151,672	
Budget	\$ 2,692,030	\$ 2,376,449	\$ 1,786,475	\$ 1,748,437	\$ 1,833,431	\$ 1,752,606	\$ 1,749,761	\$ 1,751,233	\$ 15,690,422	\$ 1,961,303	
Prior Year	\$ 2,241,557	\$ 2,226,992	\$ 2,239,601	\$ 1,441,816	\$ 1,549,326	\$ 1,488,637	\$ 1,383,690	\$ 1,492,620	\$ 14,064,239	\$ 1,758,030	

## NEW BRAUNFELS UTILITIES

## Water Revenue Variance

For Month Ending March 31, 2021

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	\$ 1,659,468	\$ 1,187,834	\$ 938,710	\$ 921,198	\$ 951,659	\$ 842,794	\$ 761,192	\$ 679,478	\$ 7,942,332	\$ 992,792
Actual vs Budget	\$ 177,703	\$ (82,797)	\$ (21,999)	\$ 14,912	\$ 5,759	\$ (93,757)	\$ (150,848)	\$ (209,878)	\$ (360,905)	\$ (45,113)
Actual vs Prior Year	\$ 426,737	\$ (48,463)	\$ (188,348)	\$ 205,290	\$ 186,508	\$ 103,549	\$ 61,553	\$ (47,524)	\$ 699,303	\$ 87,413
<b>Multi-Unit 2-4</b>										
Actuals	\$ 12,807	\$ 11,450	\$ 10,932	\$ 10,998	\$ 12,295	\$ 11,679	\$ 7,335	\$ 13,552	\$ 91,050	\$ 11,381
Actual vs Budget	\$ 2,192	\$ 1,775	\$ 2,797	\$ 1,877	\$ 2,359	\$ 1,812	\$ (2,843)	\$ 3,807	\$ 13,775	\$ 1,722
Actual vs Prior Year	\$ 3,664	\$ 1,663	\$ 1,881	\$ 2,946	\$ 3,225	\$ 2,094	\$ (1,266)	\$ 4,979	\$ 19,184	\$ 2,398
<b>Multi-Unit 5+</b>										
Actuals	\$ 152,604	\$ 143,133	\$ 147,514	\$ 144,977	\$ 164,516	\$ 168,589	\$ 158,978	\$ 144,994	\$ 1,225,304	\$ 153,163
Actual vs Budget	\$ 31,762	\$ 14,863	\$ 28,608	\$ 8,630	\$ 4,428	\$ 4,966	\$ (11,575)	\$ (14,399)	\$ 67,283	\$ 8,410
Actual vs Prior Year	\$ 57,598	\$ 49,470	\$ 49,390	\$ 44,303	\$ 33,539	\$ 38,891	\$ 32,732	\$ 15,004	\$ 320,927	\$ 40,116
<b>Residential Irrigation</b>										
Actuals	\$ 726,646	\$ 552,267	\$ 457,405	\$ 428,169	\$ 386,667	\$ 277,112	\$ 245,506	\$ 227,146	\$ 3,300,917	\$ 412,615
Actual vs Budget	\$ 188,338	\$ 104,236	\$ 143,689	\$ 139,964	\$ 108,740	\$ 68,131	\$ 19,161	\$ (23,487)	\$ 748,770	\$ 93,596
Actual vs Prior Year	\$ 278,633	\$ 135,884	\$ (8,744)	\$ 187,734	\$ 161,268	\$ 83,940	\$ 73,513	\$ 29,922	\$ 942,149	\$ 117,769
<b>Commercial Irrigation</b>										
Actuals	\$ 373,928	\$ 311,144	\$ 260,889	\$ 202,246	\$ 190,478	\$ 147,215	\$ 112,127	\$ 90,682	\$ 1,688,710	\$ 211,089
Actual vs Budget	\$ 162,964	\$ 97,833	\$ 117,695	\$ 71,091	\$ 64,871	\$ 41,891	\$ 25,372	\$ (8,509)	\$ 573,210	\$ 71,651
Actual vs Prior Year	\$ 183,621	\$ 64,504	\$ 9,089	\$ 63,253	\$ 77,839	\$ 35,526	\$ 28,588	\$ 9,773	\$ 472,193	\$ 59,024
<b>SGS</b>										
Actuals	\$ 408,714	\$ 335,742	\$ 307,252	\$ 273,027	\$ 311,437	\$ 310,556	\$ 290,305	\$ 271,974	\$ 2,509,007	\$ 313,626
Actual vs Budget	\$ 107,259	\$ 61,063	\$ 78,362	\$ 10,859	\$ 676	\$ (2,896)	\$ (27,217)	\$ (40,015)	\$ 188,089	\$ 23,511
Actual vs Prior Year	\$ 172,072	\$ 113,270	\$ 83,618	\$ 65,487	\$ 41,719	\$ 39,948	\$ 33,793	\$ (41,806)	\$ 508,099	\$ 63,512
<b>Other Sales</b>										
Actuals	\$ 80,548	\$ 50,303	\$ 49,165	\$ 44,940	\$ 43,526	\$ 22,017	\$ 35,255	\$ 49,285	\$ 375,038	\$ 46,880
Actual vs Budget	\$ 54,252	\$ 19,105	\$ 36,557	\$ 30,404	\$ 40,746	\$ 7,439	\$ 8,967	\$ 18,574	\$ 216,043	\$ 27,005
Actual vs Prior Year	\$ 52,783	\$ 47,742	\$ (14,130)	\$ 16,123	\$ 8,453	\$ (8,441)	\$ 819	\$ 16,190	\$ 119,539	\$ 14,942
<b>ReUse Water</b>										
Actuals	\$ 45	\$ 45	\$ 16,182	\$ 286	\$ 23,120	\$ 26,801	\$ 9,275	\$ 5,261	\$ 81,014	\$ 10,127
Actual vs Budget	\$ (1,738)	\$ (608)	\$ 15,865	\$ (333)	\$ 22,688	\$ 26,571	\$ 9,195	\$ 5,046	\$ 76,686	\$ 9,586
Actual vs Prior Year	\$ (1,905)	\$ 855	\$ 15,693	\$ (1,110)	\$ 21,821	\$ 22,619	\$ 6,552	\$ 3,214	\$ 67,739	\$ 8,467
<b>Total Sales</b>										
Actuals	\$ 3,414,760	\$ 2,591,919	\$ 2,188,049	\$ 2,025,841	\$ 2,083,698	\$ 1,806,762	\$ 1,619,973	\$ 1,482,372	\$ 17,213,373	\$ 2,151,672
Actual vs Budget	\$ 722,730	\$ 215,469	\$ 401,574	\$ 277,404	\$ 250,267	\$ 54,156	\$ (129,788)	\$ (268,862)	\$ 1,522,951	\$ 190,369
Actual vs Prior Year	\$ 1,173,203	\$ 364,927	\$ (51,552)	\$ 584,025	\$ 534,372	\$ 318,125	\$ 236,284	\$ (10,249)	\$ 3,149,134	\$ 393,642

**NEW BRAUNFELS UTILITIES**  
**Water Meters**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	31,115	31,248	31,353	31,499	31,627	31,759	31,822	31,977	31,550
Budget	30,870	30,920	30,970	31,020	31,070	31,120	31,171	31,222	31,045
Prior Year	29,555	28,674	29,705	29,822	29,952	30,062	30,170	30,372	29,789
<b>Multi-Unit 2-4</b>									
Actuals	203	203	202	202	205	204	205	205	204
Budget	206	206	206	206	206	206	206	206	206
Prior Year	198	199	198	202	200	201	202	203	200
<b>Multi-Unit 5+</b>									
Actuals	254	254	254	254	254	254	254	254	254
Budget	253	254	255	256	257	258	259	260	257
Prior Year	241	241	241	243	243	243	245	248	243
<b>Residential Irrigation</b>									
Actuals	9,345	9,472	9,604	9,734	9,867	9,936	10,022	10,140	9,765
Budget	9,214	9,272	9,330	9,388	9,447	9,506	9,566	9,626	9,419
Prior Year	8,077	7,614	8,205	8,297	8,411	8,497	8,576	8,751	8,304
<b>Commercial Irrigation</b>									
Actuals	803	802	806	805	804	806	806	812	806
Budget	792	794	796	798	800	802	804	806	799
Prior Year	747	735	757	765	772	775	775	776	763
<b>SGS</b>									
Actuals	2,334	2,335	2,342	2,345	2,342	2,343	2,354	2,373	2,346
Budget	2,344	2,350	2,356	2,362	2,368	2,374	2,380	2,386	2,365
Prior Year	2,284	2,281	2,294	2,301	2,314	2,317	2,314	2,320	2,303
<b>Other Sales</b>									
Actuals	95	95	94	94	93	89	125	96	98
Budget	109	109	109	109	109	109	109	109	109
Prior Year	76	12	91	88	94	88	91	95	79
<b>ReUse Water</b>									
Actuals	1	1	1	1	1	1	1	1	1
Budget	1	1	1	1	1	1	1	1	1
Prior Year	1	1	1	1	1	1	1	1	1
<b>Total Meters</b>									
Actuals	44,150	44,410	44,656	44,934	45,193	45,392	45,589	45,858	45,023
Budget	43,789	43,906	44,023	44,140	44,258	44,376	44,496	44,616	44,201
Prior Year	41,179	39,757	41,492	41,719	41,987	42,184	42,374	42,766	41,682
New Meters	339	260	246	278	259	199	197	269	256
New Meter Growth	0.8%	0.6%	0.6%	0.6%	0.6%	0.4%	0.4%	0.6%	0.6%

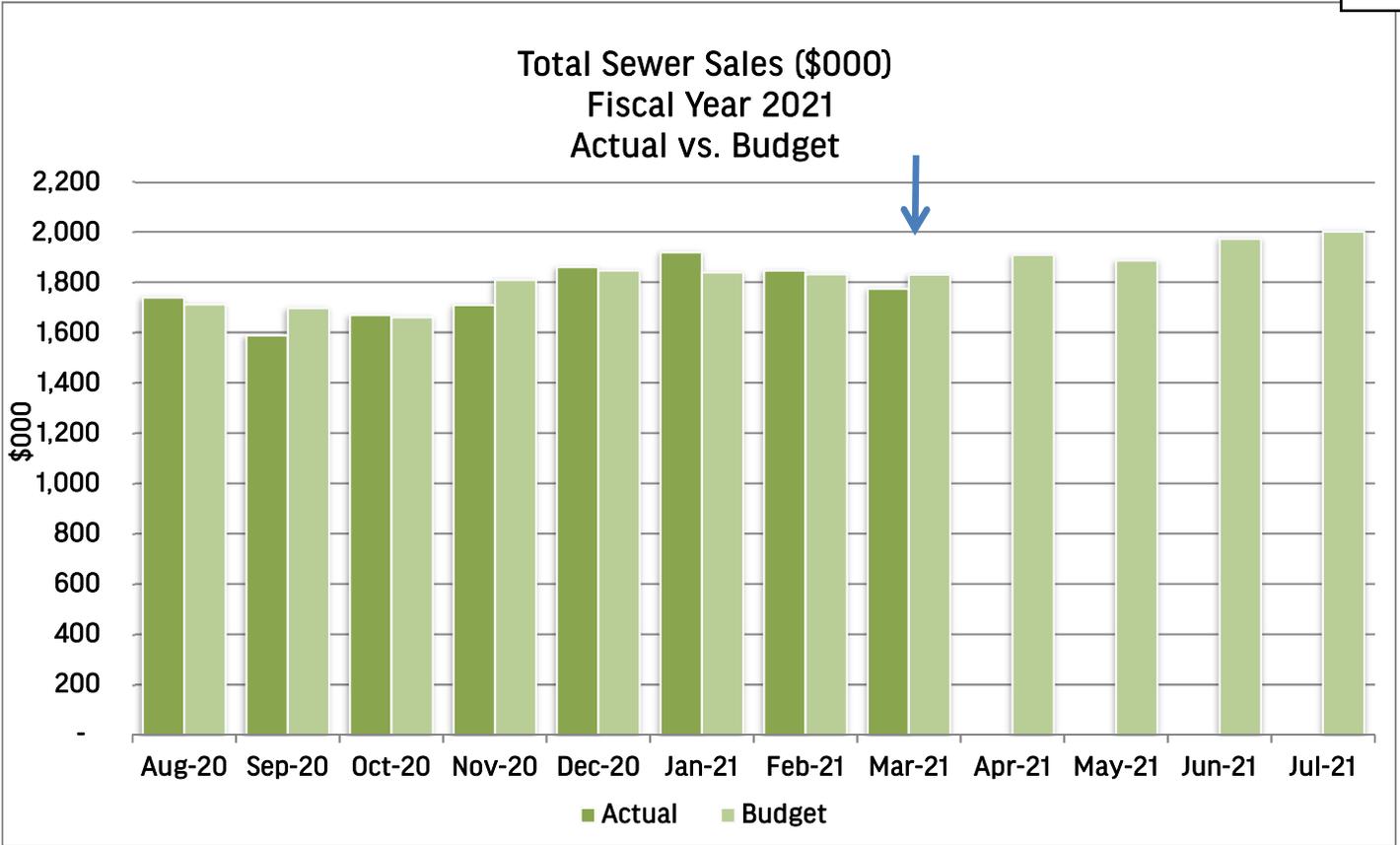
**NEW BRAUNFELS UTILITIES**  
**Water Volume per Meter (Gallons)**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	9,970	7,416	6,611	6,617	5,894	5,150	4,978	5,069	51,705	6,463
Budget	9,172	7,935	6,005	5,412	4,922	4,878	4,578	4,512	47,415	5,927
Prior Year	9,723	10,157	8,961	5,426	5,039	4,863	4,427	4,626	53,221	6,653
<b>Multi-Unit 2-4</b>										
Actuals	13,021	10,627	10,194	10,045	9,478	8,660	9,320	11,319	82,663	10,333
Budget	10,386	9,807	7,994	7,174	6,698	7,034	6,284	5,865	61,243	7,655
Prior Year	11,355	12,529	11,290	7,880	7,683	8,543	6,607	6,388	72,276	9,034
<b>Multi-Unit 5+</b>										
Actuals	104,470	91,286	100,571	92,871	95,350	99,947	96,843	102,951	784,289	98,036
Budget	98,191	102,402	95,702	89,921	87,395	88,220	87,511	83,245	732,587	91,573
Prior Year	98,871	96,145	101,947	85,335	92,259	90,579	83,544	86,832	735,512	91,939
<b>Residential Irrigation</b>										
Actuals	10,446	7,754	6,898	6,606	4,855	2,963	2,480	2,274	44,276	5,534
Budget	10,158	8,484	5,923	4,640	3,138	2,130	2,015	2,519	39,006	4,876
Prior Year	11,766	11,714	12,208	5,343	3,487	2,688	2,083	2,660	51,949	6,494
<b>Commercial Irrigation</b>										
Actuals	53,638	45,003	41,560	35,475	29,201	22,448	16,998	13,474	257,797	32,225
Budget	41,971	42,263	28,413	24,630	19,434	15,217	12,559	14,440	198,927	24,866
Prior Year	48,974	64,403	64,094	33,219	22,033	20,373	15,305	14,926	283,326	35,416
<b>SGS</b>										
Actuals	34,703	28,419	28,313	26,169	25,126	24,863	25,348	28,990	221,932	27,741
Budget	36,187	32,547	27,111	26,802	25,469	24,818	25,605	25,405	223,945	27,993
Prior Year	35,567	33,134	33,189	26,572	27,598	26,782	25,955	32,059	240,856	30,107
<b>Other Sales</b>										
Actuals	93,631	50,276	58,113	45,516	42,743	10,553	22,604	49,219	372,655	46,582
Budget	52,714	48,980	26,371	10,931	2,028	10,070	18,714	20,998	190,805	23,851
Prior Year	97,385	44,550	193,459	37,242	36,187	31,793	35,823	31,673	508,113	63,514
<b>ReUse Water</b>										
Actuals	-	-	93,123	93,991	7,734,448	8,961,457	5,551,556	1,785,506	24,220,081	3,027,510
Budget	1,812,650	949,121	324,645	634,700	442,163	235,575	84,025	219,800	4,702,678	587,835
Prior Year	2,418,200	(1,436,800)	377,829	1,644,807	1,508,606	5,535,253	3,498,337	2,553,091	16,099,323	2,012,415

**NEW BRAUNFELS UTILITIES**  
**Water Rates (per Gallon)**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	\$ 0.0053	\$ 0.0051	\$ 0.0045	\$ 0.0044	\$ 0.0051	\$ 0.0052	\$ 0.0048	\$ 0.0042	\$ 0.0048
Budget	\$ 0.0052	\$ 0.0052	\$ 0.0052	\$ 0.0054	\$ 0.0062	\$ 0.0062	\$ 0.0064	\$ 0.0063	\$ 0.0058
Prior Year	\$ 0.0043	\$ 0.0042	\$ 0.0042	\$ 0.0044	\$ 0.0051	\$ 0.0051	\$ 0.0052	\$ 0.0052	\$ 0.0047
<b>Multi-Unit 2-4</b>									
Actuals	\$ 0.0048	\$ 0.0053	\$ 0.0053	\$ 0.0054	\$ 0.0063	\$ 0.0066	\$ 0.0038	\$ 0.0058	\$ 0.0054
Budget	\$ 0.0050	\$ 0.0048	\$ 0.0049	\$ 0.0062	\$ 0.0072	\$ 0.0068	\$ 0.0079	\$ 0.0081	\$ 0.0064
Prior Year	\$ 0.0041	\$ 0.0039	\$ 0.0040	\$ 0.0051	\$ 0.0059	\$ 0.0056	\$ 0.0064	\$ 0.0066	\$ 0.0052
<b>Multi-Unit 5+</b>									
Actuals	\$ 0.0058	\$ 0.0062	\$ 0.0058	\$ 0.0061	\$ 0.0068	\$ 0.0066	\$ 0.0065	\$ 0.0055	\$ 0.0062
Budget	\$ 0.0049	\$ 0.0049	\$ 0.0049	\$ 0.0059	\$ 0.0071	\$ 0.0072	\$ 0.0075	\$ 0.0074	\$ 0.0062
Prior Year	\$ 0.0040	\$ 0.0040	\$ 0.0040	\$ 0.0049	\$ 0.0058	\$ 0.0059	\$ 0.0062	\$ 0.0060	\$ 0.0051
<b>Residential Irrigation</b>									
Actuals	\$ 0.0074	\$ 0.0075	\$ 0.0069	\$ 0.0067	\$ 0.0081	\$ 0.0094	\$ 0.0099	\$ 0.0099	\$ 0.0082
Budget	\$ 0.0058	\$ 0.0057	\$ 0.0057	\$ 0.0066	\$ 0.0094	\$ 0.0103	\$ 0.0117	\$ 0.0103	\$ 0.0082
Prior Year	\$ 0.0047	\$ 0.0047	\$ 0.0047	\$ 0.0054	\$ 0.0077	\$ 0.0085	\$ 0.0096	\$ 0.0085	\$ 0.0067
<b>Commercial Irrigation</b>									
Actuals	\$ 0.0087	\$ 0.0086	\$ 0.0078	\$ 0.0071	\$ 0.0081	\$ 0.0081	\$ 0.0082	\$ 0.0083	\$ 0.0081
Budget	\$ 0.0063	\$ 0.0064	\$ 0.0063	\$ 0.0067	\$ 0.0081	\$ 0.0086	\$ 0.0086	\$ 0.0085	\$ 0.0074
Prior Year	\$ 0.0052	\$ 0.0052	\$ 0.0052	\$ 0.0055	\$ 0.0066	\$ 0.0071	\$ 0.0070	\$ 0.0070	\$ 0.0061
<b>SGS</b>									
Actuals	\$ 0.0050	\$ 0.0051	\$ 0.0046	\$ 0.0044	\$ 0.0053	\$ 0.0053	\$ 0.0049	\$ 0.0040	\$ 0.0048
Budget	\$ 0.0036	\$ 0.0036	\$ 0.0036	\$ 0.0041	\$ 0.0052	\$ 0.0053	\$ 0.0052	\$ 0.0051	\$ 0.0045
Prior Year	\$ 0.0029	\$ 0.0029	\$ 0.0029	\$ 0.0034	\$ 0.0042	\$ 0.0044	\$ 0.0043	\$ 0.0042	\$ 0.0037
<b>Other Sales</b>									
Actuals	\$ 0.0091	\$ 0.0105	\$ 0.0090	\$ 0.0105	\$ 0.0109	\$ 0.0234	\$ 0.0125	\$ 0.0104	\$ 0.0120
Budget	\$ 0.0046	\$ 0.0058	\$ 0.0044	\$ 0.0122	\$ 0.0126	\$ 0.0133	\$ 0.0129	\$ 0.0134	\$ 0.0099
Prior Year	\$ 0.0038	\$ 0.0048	\$ 0.0036	\$ 0.0088	\$ 0.0103	\$ 0.0109	\$ 0.0106	\$ 0.0110	\$ 0.0080
<b>ReUse Water</b>									
Actuals	\$ -	\$ -	\$ 0.1738	\$ 0.0030	\$ 0.0030	\$ 0.0030	\$ 0.0017	\$ 0.0029	\$ 0.0234
Budget	\$ 0.0010	\$ 0.0007	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0009	\$ 0.0010	\$ 0.0009
Prior Year	\$ 0.0008	\$ 0.0006	\$ 0.0013	\$ 0.0008	\$ 0.0009	\$ 0.0008	\$ 0.0008	\$ 0.0008	\$ 0.0008

# WASTEWATER STATISTICS



Month	Total Sewer Sales (\$000)	
	Actual	Budget
Aug-20	\$ 1,742	\$ 1,714
Sep-20	\$ 1,591	\$ 1,699
Oct-20	\$ 1,672	\$ 1,664
Nov-20	\$ 1,713	\$ 1,812
Dec-20	\$ 1,864	\$ 1,850
Jan-21	\$ 1,923	\$ 1,842
Feb-21	\$ 1,849	\$ 1,835
Mar-21	\$ 1,777	\$ 1,833
Apr-21	\$ -	\$ 1,912
May-21	\$ -	\$ 1,890
Jun-21	\$ -	\$ 1,976
Jul-21	\$ -	\$ 2,004
<b>TOTAL</b>	<b>\$ 14,131</b>	<b>\$ 22,031</b>

Customer Count	FY 2019	% Change 2019-2020	FY 2020	% Change 2020-2021	FY 2021
Residential	26,035	4.23%	27,137	5.63%	28,665
Other	2,437	2.05%	2,487	1.33%	2,520
<b>TOTAL</b>	<b>28,472</b>	<b>4.05%</b>	<b>29,624</b>	<b>5.27%</b>	<b>31,185</b>

# WASTEWATER SUPPLEMENTAL INFORMATION

**NEW BRAUNFELS UTILITIES**  
**Sewer Revenue**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD		
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG	
<b>Residential</b>											
Actuals	\$ 982,203	\$ 921,770	\$ 959,833	\$ 1,008,160	\$ 1,125,655	\$ 1,151,722	\$ 1,119,551	\$ 1,084,393	\$ 8,353,288	\$ 1,044,161	
Budget	\$ 955,716	\$ 963,391	\$ 963,536	\$ 1,065,428	\$ 1,092,199	\$ 1,090,820	\$ 1,088,418	\$ 1,071,699	\$ 8,291,207	\$ 1,036,401	
Prior Year	\$ 779,479	\$ 747,562	\$ 824,138	\$ 797,987	\$ 892,353	\$ 896,216	\$ 890,728	\$ 893,434	\$ 6,721,897	\$ 840,237	
<b>Multi-Unit 2-4</b>											
Actuals	\$ 9,208	\$ 8,848	\$ 8,891	\$ 9,280	\$ 10,402	\$ 10,570	\$ 10,700	\$ 10,419	\$ 78,318	\$ 9,790	
Budget	\$ 8,979	\$ 8,972	\$ 8,984	\$ 9,981	\$ 10,265	\$ 10,222	\$ 10,139	\$ 9,935	\$ 77,477	\$ 9,685	
Prior Year	\$ 7,539	\$ 7,534	\$ 7,770	\$ 7,897	\$ 8,802	\$ 8,846	\$ 8,660	\$ 8,612	\$ 65,660	\$ 8,207	
<b>Multi-Unit 5+</b>											
Actuals	\$ 235,730	\$ 216,276	\$ 230,801	\$ 231,902	\$ 260,172	\$ 267,875	\$ 255,204	\$ 241,016	\$ 1,938,976	\$ 242,372	
Budget	\$ 220,425	\$ 225,939	\$ 217,322	\$ 235,701	\$ 245,805	\$ 244,006	\$ 241,845	\$ 241,291	\$ 1,872,334	\$ 234,042	
Prior Year	\$ 184,353	\$ 181,385	\$ 189,109	\$ 180,591	\$ 210,363	\$ 208,625	\$ 191,515	\$ 206,672	\$ 1,552,613	\$ 194,077	
<b>SGS</b>											
Actuals	\$ 513,280	\$ 443,041	\$ 471,395	\$ 461,937	\$ 466,336	\$ 491,063	\$ 462,551	\$ 439,812	\$ 3,749,415	\$ 468,677	
Budget	\$ 527,852	\$ 499,535	\$ 472,310	\$ 499,014	\$ 500,141	\$ 495,097	\$ 492,649	\$ 508,963	\$ 3,995,560	\$ 499,445	
Prior Year	\$ 438,893	\$ 423,789	\$ 441,872	\$ 393,047	\$ 437,433	\$ 434,132	\$ 420,540	\$ 468,589	\$ 3,458,294	\$ 432,287	
<b>Schertz Sewer</b>											
Actuals	\$ 1,212	\$ 1,203	\$ 1,375	\$ 1,426	\$ 1,282	\$ 1,517	\$ 1,487	\$ 1,330	\$ 10,832	\$ 1,354	
Budget	\$ 1,371	\$ 1,559	\$ 1,395	\$ 1,670	\$ 1,565	\$ 1,505	\$ 1,753	\$ 1,334	\$ 12,152	\$ 1,519	
Prior Year	\$ 1,372	\$ 1,328	\$ 1,295	\$ 1,248	\$ 1,093	\$ 1,171	\$ 1,416	\$ 1,086	\$ 10,010	\$ 1,251	
<b>Total Sales</b>											
Actuals	\$ 1,741,634	\$ 1,591,138	\$ 1,672,296	\$ 1,712,706	\$ 1,863,847	\$ 1,922,747	\$ 1,849,494	\$ 1,776,969	\$ 14,130,830	\$ 1,766,354	
Budget	\$ 1,714,342	\$ 1,699,395	\$ 1,663,547	\$ 1,811,794	\$ 1,849,975	\$ 1,841,649	\$ 1,834,805	\$ 1,833,223	\$ 14,248,730	\$ 1,781,091	
Prior Year	\$ 1,411,637	\$ 1,361,598	\$ 1,464,184	\$ 1,380,770	\$ 1,550,044	\$ 1,548,991	\$ 1,512,859	\$ 1,578,392	\$ 11,808,474	\$ 1,476,059	

**NEW BRAUNFELS UTILITIES**  
**Sewer Revenue Variance**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	\$ 982,203	\$ 921,770	\$ 959,833	\$ 1,008,160	\$ 1,125,655	\$ 1,151,722	\$ 1,119,551	\$ 1,084,393	\$ 8,353,288	\$ 1,044,161
Actual vs Budget	\$ 26,488	\$ (41,621)	\$ (3,703)	\$ (57,267)	\$ 33,456	\$ 60,902	\$ 31,133	\$ 12,694	\$ 62,081	\$ 7,760
Actual vs Prior Year	\$ 202,724	\$ 174,209	\$ 135,695	\$ 210,173	\$ 233,302	\$ 255,506	\$ 228,824	\$ 190,959	\$ 1,631,391	\$ 203,924
<b>Multi-Unit 2-4</b>										
Actuals	\$ 9,208	\$ 8,848	\$ 8,891	\$ 9,280	\$ 10,402	\$ 10,570	\$ 10,700	\$ 10,419	\$ 78,318	\$ 9,790
Actual vs Budget	\$ 229	\$ (124)	\$ (93)	\$ (701)	\$ 137	\$ 348	\$ 561	\$ 484	\$ 841	\$ 105
Actual vs Prior Year	\$ 1,668	\$ 1,315	\$ 1,121	\$ 1,384	\$ 1,600	\$ 1,724	\$ 2,040	\$ 1,807	\$ 12,659	\$ 1,582
<b>Multi-Unit 5+</b>										
Actuals	\$ 235,730	\$ 216,276	\$ 230,801	\$ 231,902	\$ 260,172	\$ 267,875	\$ 255,204	\$ 241,016	\$ 1,938,976	\$ 242,372
Actual vs Budget	\$ 15,306	\$ (9,663)	\$ 13,479	\$ (3,798)	\$ 14,367	\$ 23,870	\$ 13,359	\$ (276)	\$ 66,643	\$ 8,330
Actual vs Prior Year	\$ 51,377	\$ 34,890	\$ 41,692	\$ 51,311	\$ 49,809	\$ 59,250	\$ 63,689	\$ 34,344	\$ 386,364	\$ 48,295
<b>SGS</b>										
Actuals	\$ 513,280	\$ 443,041	\$ 471,395	\$ 461,937	\$ 466,336	\$ 491,063	\$ 462,551	\$ 439,812	\$ 3,749,415	\$ 468,677
Actual vs Budget	\$ (14,572)	\$ (56,493)	\$ (915)	\$ (37,077)	\$ (33,805)	\$ (4,034)	\$ (30,099)	\$ (69,151)	\$ (246,145)	\$ (30,768)
Actual vs Prior Year	\$ 74,387	\$ 19,252	\$ 29,524	\$ 68,890	\$ 28,902	\$ 56,931	\$ 42,011	\$ (28,777)	\$ 291,121	\$ 36,390
<b>Schertz Sewer</b>										
Actuals	\$ 1,212	\$ 1,203	\$ 1,375	\$ 1,426	\$ 1,282	\$ 1,517	\$ 1,487	\$ 1,330	\$ 10,832	\$ 1,354
Actual vs Budget	\$ (158)	\$ (356)	\$ (20)	\$ (244)	\$ (283)	\$ 12	\$ (266)	\$ (4)	\$ (1,320)	\$ (165)
Actual vs Prior Year	\$ (160)	\$ (125)	\$ 80	\$ 178	\$ 189	\$ 346	\$ 71	\$ 243	\$ 822	\$ 103
<b>Total Sales</b>										
Actuals	\$ 1,741,634	\$ 1,591,138	\$ 1,672,296	\$ 1,712,706	\$ 1,863,847	\$ 1,922,747	\$ 1,849,494	\$ 1,776,969	\$ 14,130,830	\$ 1,766,354
Actual vs Budget	\$ 27,292	\$ (108,257)	\$ 8,749	\$ (99,088)	\$ 13,872	\$ 81,098	\$ 14,688	\$ (56,253)	\$ (117,900)	\$ (14,738)
Actual vs Prior Year	\$ 329,997	\$ 229,541	\$ 208,112	\$ 331,936	\$ 313,802	\$ 373,756	\$ 336,635	\$ 198,577	\$ 2,322,357	\$ 290,295

**NEW BRAUNFELS UTILITIES**  
**Sewer Customers**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	27,834	27,963	28,068	28,208	28,330	28,453	28,513	28,665	<b>28,254</b>
Budget	27,546	27,589	27,632	27,675	27,718	27,761	27,804	27,848	<b>27,696</b>
Prior Year	26,371	25,486	26,507	26,609	26,726	26,830	26,941	27,137	<b>26,576</b>
<b>Multi-Unit 2-4</b>									
Actuals	168	169	168	167	170	169	170	170	<b>169</b>
Budget	163	163	163	163	163	163	163	163	<b>163</b>
Prior Year	162	163	162	166	165	165	166	167	<b>165</b>
<b>Multi-Unit 5+</b>									
Actuals	252	252	252	252	252	252	253	254	<b>252</b>
Budget	251	252	253	254	255	255	256	257	<b>254</b>
Prior Year	240	240	240	242	242	242	243	246	<b>242</b>
<b>SGS</b>									
Actuals	2,088	2,089	2,097	2,102	2,100	2,101	2,096	2,095	<b>2,096</b>
Budget	2,091	2,094	2,096	2,098	2,101	2,103	2,106	2,108	<b>2,100</b>
Prior Year	2,043	2,041	2,050	2,057	2,068	2,071	2,068	2,073	<b>2,059</b>
<b>Schertz Sewer</b>									
Actuals	1	1	1	1	1	1	1	1	<b>1</b>
Budget	1	1	1	1	1	1	1	1	<b>1</b>
Prior Year	1	1	1	1	1	1	1	1	<b>1</b>
<b>Total Accounts</b>									
Actuals	<b>30,343</b>	<b>30,474</b>	<b>30,586</b>	<b>30,730</b>	<b>30,853</b>	<b>30,976</b>	<b>31,033</b>	<b>31,185</b>	<b>30,773</b>
Budget	<b>30,052</b>	<b>30,098</b>	<b>30,144</b>	<b>30,191</b>	<b>30,237</b>	<b>30,284</b>	<b>30,330</b>	<b>30,377</b>	<b>30,214</b>
Prior Year	<b>28,817</b>	<b>27,931</b>	<b>28,960</b>	<b>29,075</b>	<b>29,202</b>	<b>29,309</b>	<b>29,419</b>	<b>29,624</b>	<b>29,042</b>
<b>New Customers</b>	<b>158</b>	<b>131</b>	<b>112</b>	<b>144</b>	<b>123</b>	<b>123</b>	<b>57</b>	<b>152</b>	<b>125</b>

**NEW BRAUNFELS UTILITIES**  
**Sewer Usage (Gallons)**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020 AUG	2020 SEP	2020 OCT	2020 NOV	2020 DEC	2021 JAN	2021 FEB	2021 MAR	FY 2021 YTD	
									ACT	AVG
<b>Residential</b>										
Actuals	107,892,635	93,448,005	101,404,353	102,153,489	101,983,460	106,363,204	102,591,917	95,450,300	<b>811,287,363</b>	<b>101,410,920</b>
Prior Year	91,744,148	87,276,169	98,804,116	87,301,631	91,908,741	91,876,466	90,453,981	90,259,815	<b>729,625,067</b>	<b>91,203,133</b>
<b>Multi-Unit 2-4</b>										
Actuals	867,250	770,851	796,304	793,736	787,352	828,590	850,394	793,869	<b>6,488,346</b>	<b>811,043</b>
Prior Year	788,566	792,733	852,920	745,149	792,916	787,282	763,542	732,996	<b>6,256,104</b>	<b>782,013</b>
<b>Multi-Unit 5+</b>										
Actuals	26,955,876	23,549,933	26,095,061	23,931,771	24,522,241	25,666,157	24,761,334	26,274,621	<b>201,756,994</b>	<b>25,219,624</b>
Prior Year	24,138,334	23,524,610	24,800,676	20,878,614	22,808,423	22,209,267	20,678,256	21,772,498	<b>180,810,678</b>	<b>22,601,335</b>
<b>SGS</b>										
Actuals	123,541,179	105,170,489	108,552,819	102,335,601	97,558,666	97,950,351	94,573,203	106,679,411	<b>836,361,719</b>	<b>104,545,215</b>
Prior Year	122,649,281	118,608,277	125,796,126	103,796,264	107,629,256	106,347,274	101,631,396	111,078,348	<b>897,536,222</b>	<b>112,192,028</b>
<b>Schertz Sewer</b>										
Actuals	1,290,900	1,215,300	1,342,800	1,302,600	1,171,200	1,385,400	1,365,300	1,214,400	<b>10,287,900</b>	<b>1,285,988</b>
Prior Year	1,339,500	1,296,600	1,344,600	1,295,700	1,134,900	1,215,900	1,470,000	1,128,000	<b>10,225,200</b>	<b>1,278,150</b>
<b>Total Sales</b>										
Actuals	<b>260,547,840</b>	<b>224,154,578</b>	<b>238,191,337</b>	<b>230,517,197</b>	<b>226,022,919</b>	<b>232,193,702</b>	<b>224,142,148</b>	<b>230,412,601</b>	<b>1,866,182,322</b>	<b>233,272,790</b>
Prior Year	<b>240,659,829</b>	<b>231,498,389</b>	<b>251,598,438</b>	<b>214,017,358</b>	<b>224,274,236</b>	<b>222,436,189</b>	<b>214,997,175</b>	<b>224,971,657</b>	<b>1,824,453,271</b>	<b>228,056,659</b>

**NEW BRAUNFELS UTILITIES**  
**Sewer Rates (per Customer)**  
**For Month Ending March 31, 2021**

DESCRIPTION	2020	2020	2020	2020	2020	2021	2021	2021	FY 2021 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	\$ 35.29	\$ 32.96	\$ 34.20	\$ 35.74	\$ 39.73	\$ 40.48	\$ 39.26	\$ 37.83	\$ 36.94
Budget	\$ 34.70	\$ 34.92	\$ 34.87	\$ 38.50	\$ 39.40	\$ 39.29	\$ 39.15	\$ 38.48	\$ 37.41
Prior Year	\$ 29.56	\$ 29.33	\$ 31.09	\$ 29.99	\$ 33.39	\$ 33.40	\$ 33.06	\$ 32.92	\$ 31.59
<b>Multi-Unit 2-4</b>									
Actuals	\$ 54.81	\$ 52.36	\$ 52.92	\$ 55.57	\$ 61.19	\$ 62.54	\$ 62.94	\$ 61.29	\$ 57.95
Budget	\$ 55.08	\$ 55.04	\$ 55.12	\$ 61.24	\$ 62.98	\$ 62.71	\$ 62.21	\$ 60.95	\$ 59.42
Prior Year	\$ 46.54	\$ 46.22	\$ 47.96	\$ 47.57	\$ 53.35	\$ 53.61	\$ 52.17	\$ 51.57	\$ 49.87
<b>Multi-Unit 5+</b>									
Actuals	\$ 935.44	\$ 858.24	\$ 915.88	\$ 920.25	\$ 1,032.43	\$ 1,063.00	\$ 1,008.71	\$ 948.88	\$ 960.35
Budget	\$ 878.56	\$ 897.33	\$ 860.03	\$ 929.44	\$ 965.83	\$ 955.35	\$ 943.52	\$ 938.00	\$ 921.01
Prior Year	\$ 768.14	\$ 755.77	\$ 787.96	\$ 746.24	\$ 869.27	\$ 862.09	\$ 788.13	\$ 840.13	\$ 802.21
<b>SGS</b>									
Actuals	\$ 245.82	\$ 212.08	\$ 224.80	\$ 219.76	\$ 222.06	\$ 233.73	\$ 220.68	\$ 209.93	\$ 223.61
Budget	\$ 252.40	\$ 238.59	\$ 225.33	\$ 237.80	\$ 238.07	\$ 235.41	\$ 233.98	\$ 241.46	\$ 237.88
Prior Year	\$ 214.83	\$ 207.64	\$ 215.55	\$ 191.08	\$ 211.52	\$ 209.62	\$ 203.36	\$ 226.04	\$ 209.95
<b>Schertz Sewer</b>									
Actuals	\$ 1,212.31	\$ 1,203.02	\$ 1,374.68	\$ 1,426.15	\$ 1,282.28	\$ 1,516.80	\$ 1,487.11	\$ 1,329.58	\$ 1,353.99
Budget	\$ 1,370.53	\$ 1,558.84	\$ 1,394.89	\$ 1,670.20	\$ 1,564.84	\$ 1,505.29	\$ 1,753.14	\$ 1,333.84	\$ 1,518.95
Prior Year	\$ 1,372.23	\$ 1,328.28	\$ 1,295.01	\$ 1,247.91	\$ 1,093.04	\$ 1,171.05	\$ 1,415.78	\$ 1,086.40	\$ 1,251.21



# Financial Update

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March 2021 Financials  
Kimberly Huffman  
Accounting Manager

# Key Financial Ratios

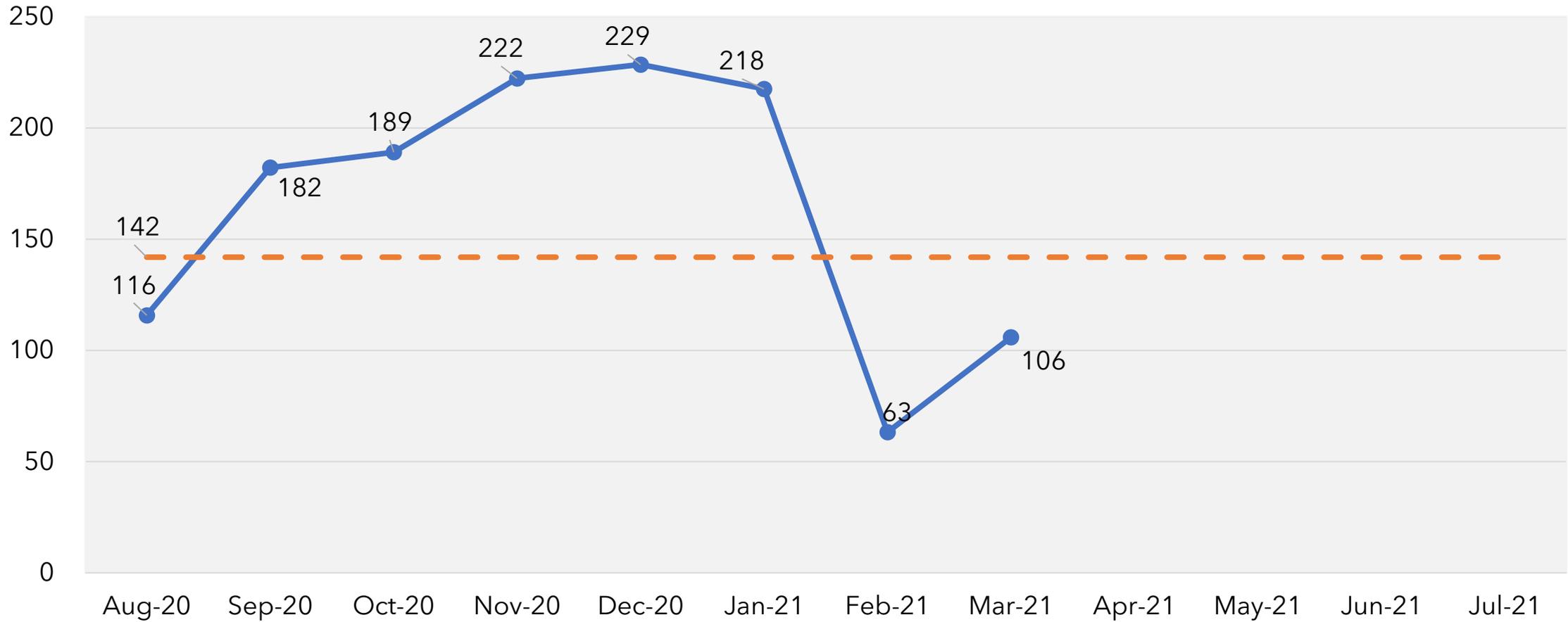
## March 2021 YTD

	FY 2020 Actual**	FY 2021 Budget	Financial Policy	FY 2021 Actual*
<b>Debt to Capitalization</b> <i>(lower is better)</i>	32.9%	39.9%	≤50.0%	<b>32.3%</b>
<b>Debt Service Coverage</b> <i>(higher is better)</i>	6.02	3.18	≥2.40	<b>2.72</b>
<b>Days Cash on Hand</b> <i>(higher is better)</i>	171	142	≥140	<b>106</b>
<b>Days Liquidity on Hand</b> <i>(higher is better)</i>	372	N/A	N/A	<b>148</b>

\* Amounts are calculated by annualizing the YTD results

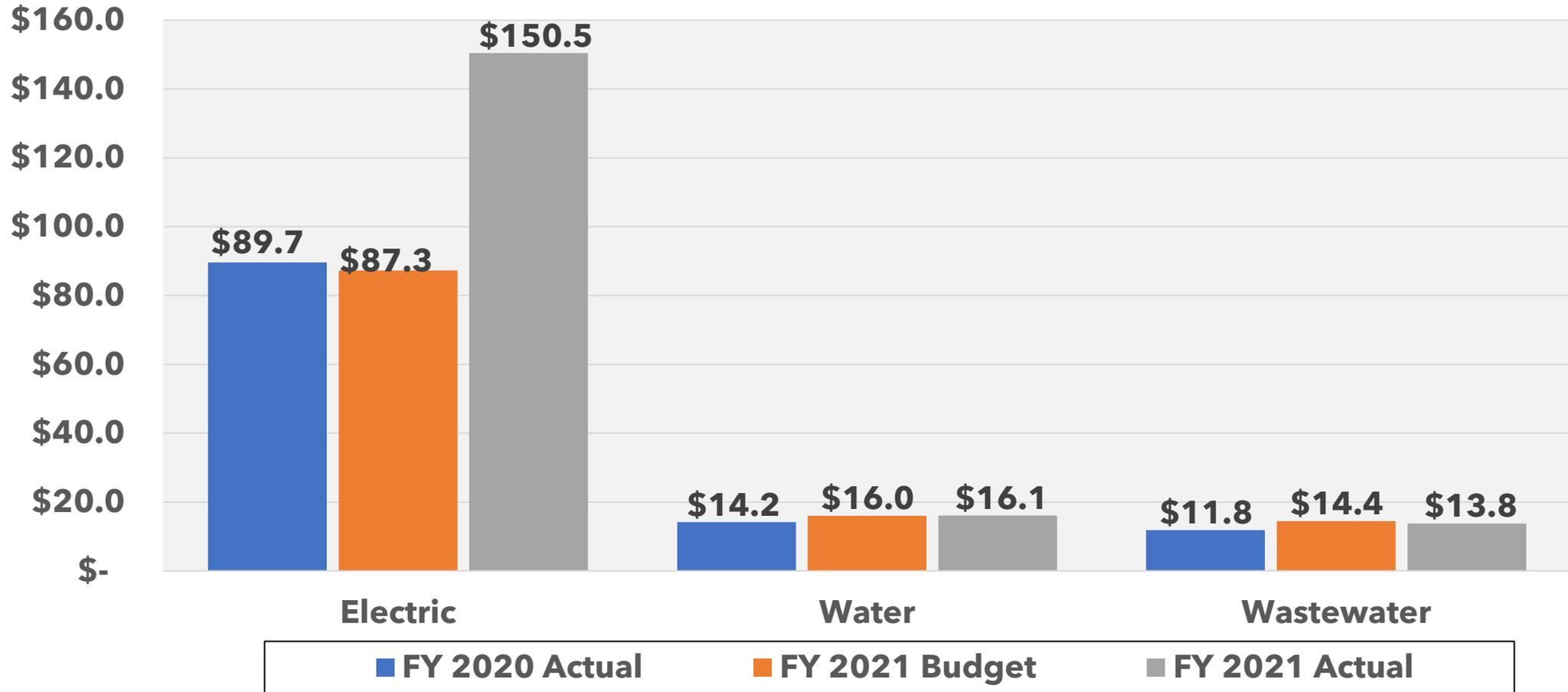
\*\* Unaudited amounts

# Days Cash on Hand March 2021 YTD



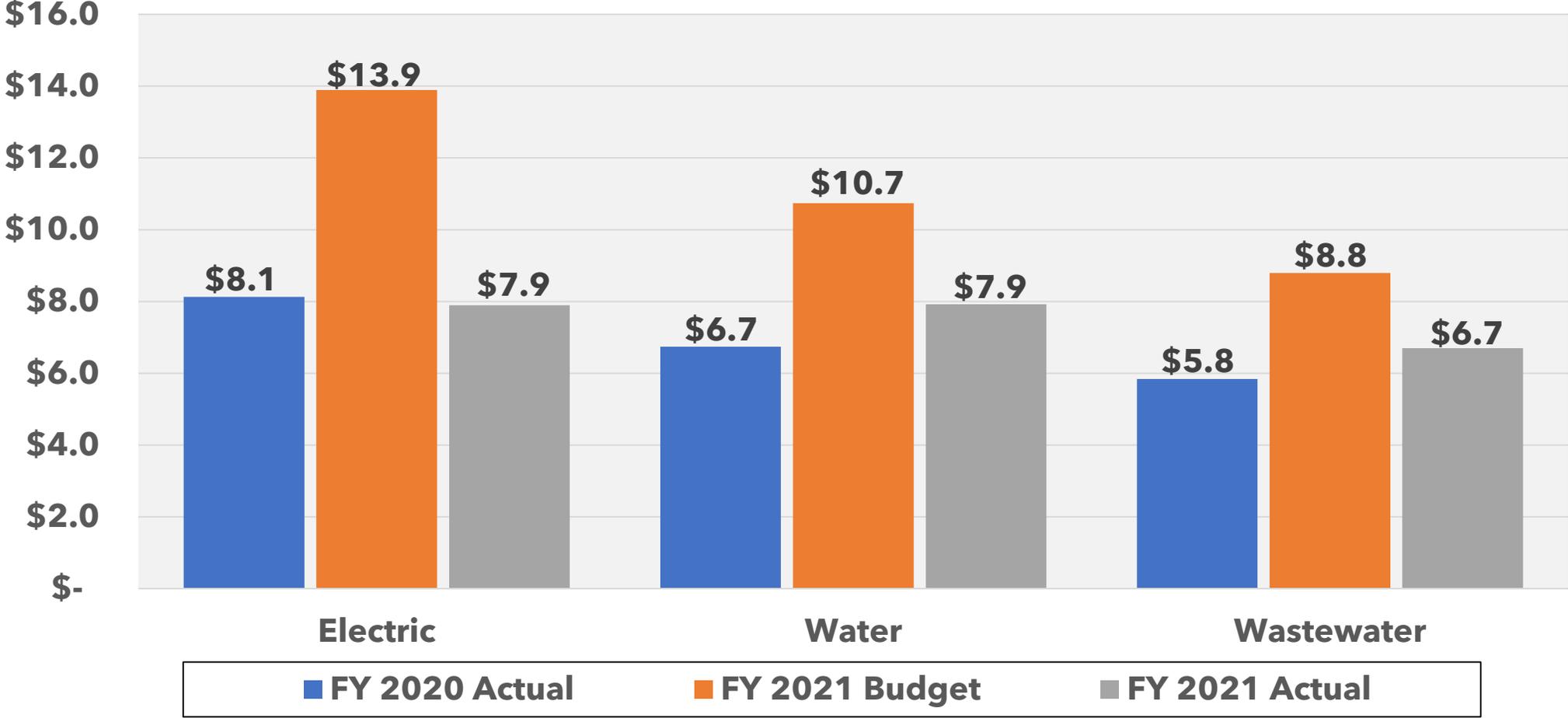
# Operating Revenue by LOB

## March 2021 YTD – Amounts in Millions



# Operating Expenses\* by LOB

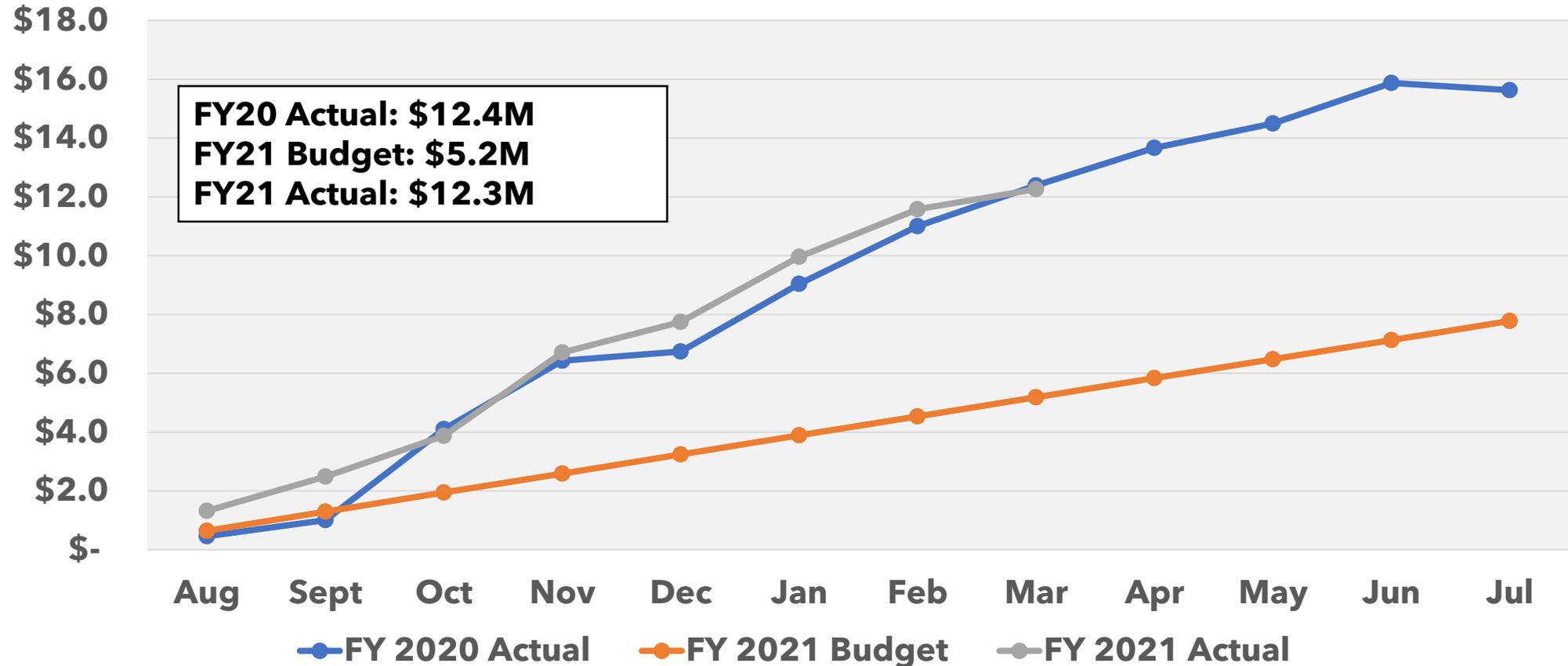
## March 2021 YTD – Amounts in Millions



\*Excludes purchased power, purchased water, and depreciation expense

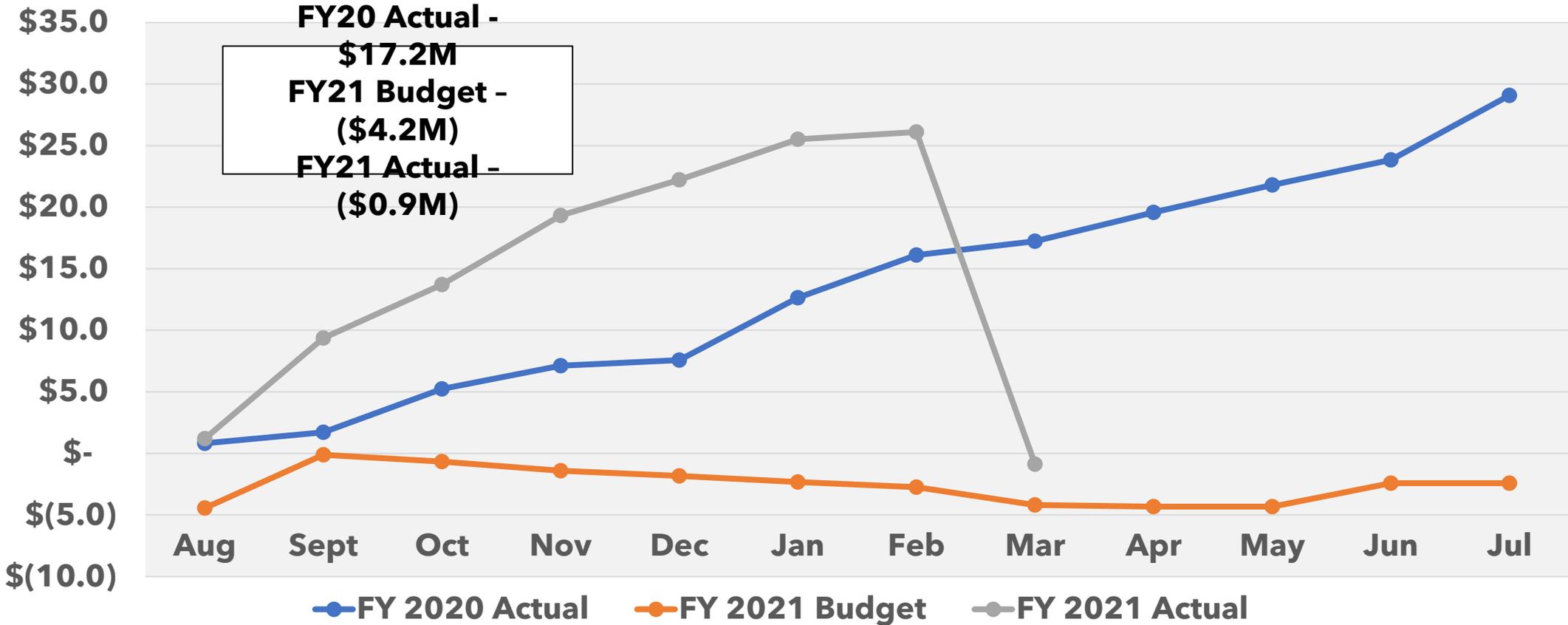
# Impact Fees

## March 2021 YTD – Amounts in Millions\*



\* Amounts shown are YTD for each month

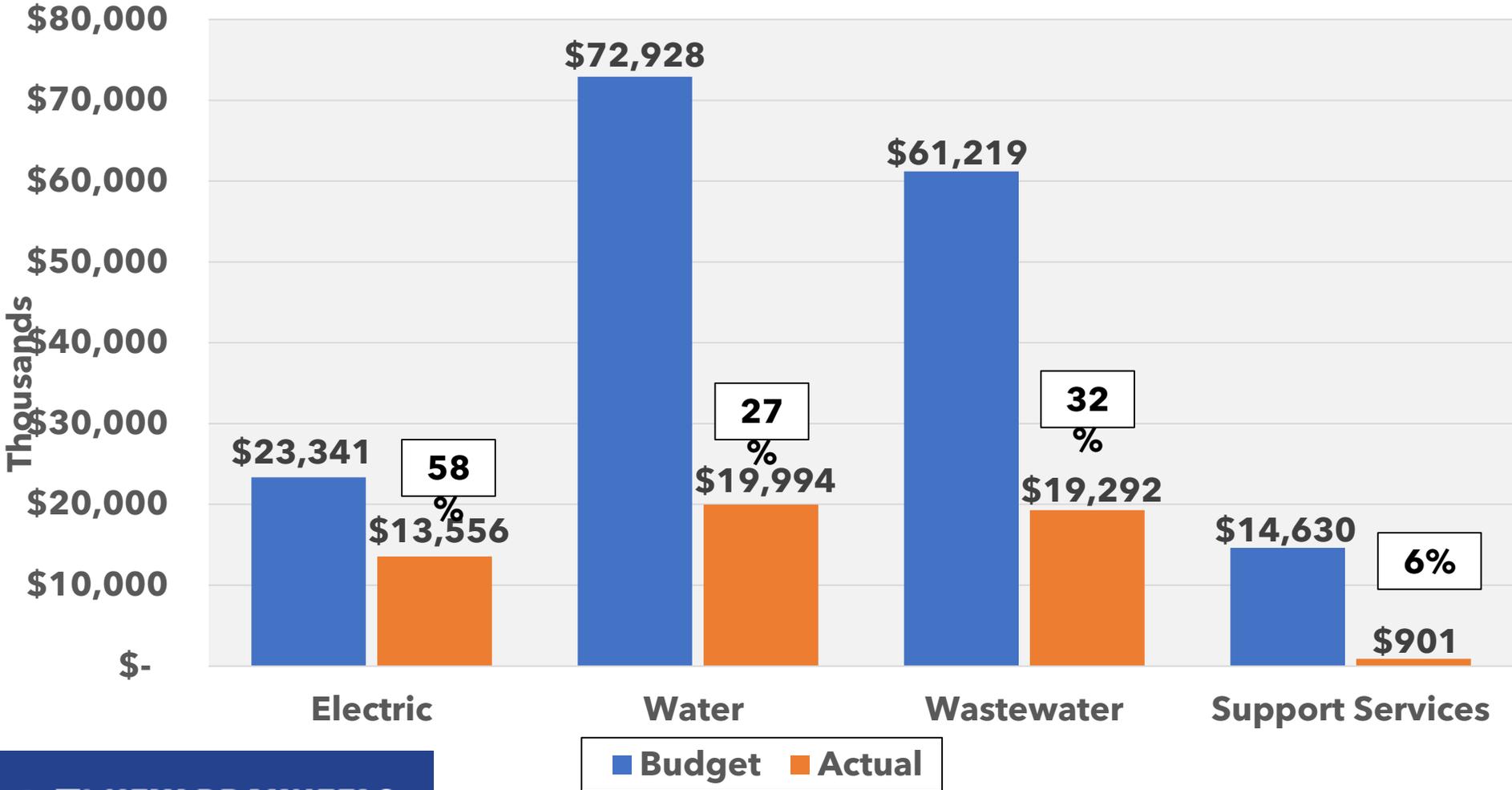
# Change in Net Position After Contributions March 2021 – Amounts in Millions\*



\* Amounts shown are YTD for each month

# Capital Project Expenditures

## March 2021 YTD – Amounts in Thousands





**Questions?**



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

**1:00 P.M.  
THURSDAY, MARCH 25, 2021  
GOTOMEETING – VIDEO CONFERENCE**

Board President John Harrell opened the meeting at 1:02 pm. A quorum of the NBU Board was present.

**PRESENT**

Board President John Harrell, Board Vice President Judith Dykes-Hoffmann, Board Trustee Bob Gray, Board Trustee Wayne Peters, and Mayor Rusty Brockman

**ABSENT**

None

**NBU PERSONNEL**

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

**NBU CONSULTANTS**

None

**PLEDGE AND INVOCATION**

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

**PUBLIC COMMENT**

None

**PRESENTATIONS**

**1. Presentation to Communities in Schools**

CEO Taylor recognized NBU employees for their participation in the SAFEhaven Kinderschuhe event and presented a check in the amount of \$1,866.20, bringing the total donated to CIS since 2004 to \$102,957.20. Chris Douglas of CIS was present to accept the check.

**RECOGNITIONS**

**1. Employee Recognitions**

CEO Ian Taylor recognized Bret Dunbar for 40 years of dedicated service to New Braunfels Utilities. In addition, Mr. Taylor congratulated Paula Molina on her retirement after 35 years of dedicated service to New Br

**ITEMS FROM THE CHAIR**

**1. Report from Investment Committee**

Board Trustee Bob Gray provided a report from the Investment Committee meeting held on March 10, 2021. Attendees included: John Harrell, Bob Gray, Ian Taylor, Dawn Schriewer, John Warren, Thomas Varner, and Duane Westerman. During the meeting, Duane Westerman provided an update on the Short-Term Obligations, with a scheduled closing of March 18<sup>th</sup> on the \$100M Utility System Program Notes, with an initial draw down of \$50M in taxable notes. John Warren presented the proposed changes to the Investment Policy and Financial Policy. Dawn Schriewer provided an update on the correspondence with the Rating Agencies. Thomas Varner reviewed the NBU Investment Portfolio and presented the Liquidity Forecast model that was developed to monitor NBU's daily liquidity. Duane Westerman provided an update of the preliminary timeline for the issuance of the proposed Series 2021 Refunding Bonds. Lastly, John Warren provided an update on the pursuit of Texas Water Development Board (TWDB) funding. The TWDB Board approved the commitment of \$40M in funding for NBU's Surface Water Treatment Plant (SWTP) Expansion project.

### **ITEMS FROM THE STAFF**

#### **1. CEO'S Update**

CEO Ian Taylor briefed the Board on the SNOVID 2021 All Employee Appreciation Luncheon that was held on March 16, 2021.

#### **2. Financial Update and Report**

Accounting Manager Kimberly Huffman provided an update on the financial status of NBU. Ms. Huffman reviewed the financial and statistical reports for February 2021.

#### **3. Monthly Update on Customer Accounts**

Chief Financial Officer Dawn Schriewer updated the Board on the customer account balances.

#### **4. Monthly Update on COVID-19**

No update provided at this time.

#### **5. Monthly Update on February 2021 Winter Weather Event**

CFO Dawn Schriewer provided a financial update from the Winter Weather Event.

### **CONSENT ITEMS FOR ACTION**

**Board Trustee Bob Gray made a motion and Board Trustee Wayne Peters seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, and #5. The vote was unanimous.**

1. Approve Minutes of the NBU Regular Board Meeting of February 25, 2021
2. Approve the Change Order Log from January 15, 2021, through February 15, 2021
3. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2020, through February 15, 2021
4. Adoption of Resolution #145 Authorizing Proposed Changes to the New Braunfels Utilities Investment Policy

5. Authorize Proposed Changes to the New Braunfels Utilities Financial Policy

#### **ACTION ITEMS**

1. **Discuss and Consider Approval of Proposed Changes to the NBU Service Conditions Policy to Become Effective August 1, 2021**

Mayor Rusty Brockman made a motion and Board Trustee Wayne Peters seconded the motion to adopt Resolution #2021-145 approving the proposed changes to the NBU Service Conditions Policy to become effective August 1, 2021. The vote was unanimous.

2. **Discuss and Consider Ratifying the Memorandum of Agreement dated April 5, 2016, among New Braunfels Utilities, the United States Army Corps of Engineers, the Texas State Historic Preservation Officer, the City of New Braunfels, and Comal County Historical Commission; and Authorize the CEO or His Designee to Execute the Amendment to the Memorandum of Agreement to Protect Historic Features and Preserve Unique Historical Items at the Headwaters at the Comal Site**

Board Vice President Judith Dykes-Hoffmann made a motion and Board Trustee Bob Gray seconded the motion to ratify the Memorandum of Agreement dated April 5, 2016, among New Braunfels Utilities, the United States Army Corps of Engineers, the Texas State Historic Preservation Officer, the City of New Braunfels, and Comal County Historical Commission; and authorize the CEO or his designee to execute the Amendment to the Memorandum of Agreement to protect historic features and preserve unique historical items at the Headwaters at the Comal site. The vote was unanimous.

#### **PRESENTATION ITEMS**

1. **Presentation and Update of the Strategic Plan - Second Quarter, FY 2021**

Senior Management reviewed the FY 2021 Balanced Scorecard and Second Quarter Tier 1 Goals/Performance Measures Second Quarter.

2. **Presentation on the NBU Engagement Survey**

Chief Administrative Officer David Hubbard reviewed the results of the NBU Engagement Survey.

3. **Presentation on Customer Bill Management Program**

Chief Administrative Officer David Hubbard reviewed the newly created Customer Bill Management Program.

#### **EXECUTIVE SESSION**

Board President John Harrell recessed the Open Session at 2:56 pm and announced that the Board would go into an Executive Session Meeting. The Executive Session included Competitive Matters regarding Power Supply and Resource Strategies, and Attorney Client Privilege Consultation and Contemplated Litigation, and Personnel Matters. The Executive Session was opened at 3:08 pm and closed at 4:24 pm.

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

**ADJOURN**

The Regular Session resumed at 4:26 pm. There was no further business and Board President John Harrell adjourned the Board Meeting at 4:26 pm.

*Attest:*

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*John A. Harrell, President*  
*Approved*

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*Ian Taylor, Secretary of the Board*  
*Chief Executive Officer*

*Date Approved: April 29, 2021*



**Meeting Date:** April 29, 2021      **Agenda Type:** Consent Items for Action

**From:** Laura Rivers      **Reviewed by:** Laura Rivers  
Chief of Staff      Chief of Staff

**Submitted by:** Laura Rivers      **Approved by:** Ian Taylor  
Chief of Staff      Chief Executive Officer

**RECOMMENDED ACTION:** Approve Minutes of the NBU Special Board Meeting of March 31, 2021

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**EXHIBITS**

1. NBU Special Board Meeting Minutes of March 31, 2021

**MINUTES  
NEW BRAUNFELS UTILITIES BOARD OF DIRECTORS  
STRATEGIC WORKSHOP MEETING**

**8:00 AM  
WEDNESDAY, MARCH 31, 2021  
GOTOMEETING – VIDEO CONFERENCE**

Board President John Harrell opened the meeting at 8:00 a.m. A quorum of the NBU Board was present.

**PRESENT**

Board President John Harrell, Board Vice President Judith Dykes-Hoffmann, Board Trustee Bob Gray, Board Trustee Wayne Peters, and Mayor Rusty Brockman

**ABSENT**

None

**NBU PERSONNEL**

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

**ITEMS FROM THE CHAIR**

None

**CEO's UPDATE**

None

**D. STRATEGIC PLANNING DISCUSSION**

The NBU Board of Trustees and staff discussed matters related to planning for the future of NBU regarding its operations, management, and expansion of the electric, water and wastewater systems. In addition, the NBU Board of Trustees reviewed NBU Board governance and the new NBU Headquarters.

**E. EXECUTIVE SESSION**

Board President John Harrell recessed the Open Session at 11:39 a.m. and announced that the Board would go into an Executive Session Meeting. The Executive Session included Consultation with Attorney Regarding Pending or Contemplated Litigation and Other Matters Protected by Attorney Client Privilege, and Personnel Matters. The Executive Session was opened at 1:00 p.m. and closed at 2:24 p.m.

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

The Open Session was reconvened at 2:25 p.m. There was no further business and Board President John Harrell adjourned the Board Meeting at 2:25 p.m.

**G. ADJOURN**

There was no further business and Board President John Harrell adjourned the Board Strategic Workshop at 2:25 p.m.

*Attest:*

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*John A. Harrell, President*  
*Approved*

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*Ian Taylor, Secretary of the Board*  
*Chief Executive Officer*

*Date Approved: April 29, 2021*



**Meeting Date:** April 29, 2021      **Agenda Type:** Consent Items for Action

**From:** Tony Meister      **Reviewed by:** David Hubbard  
Purchasing Manager      Chief Administrative Officer

**Submitted by:** David Hubbard      **Approved by:** Ian Taylor  
Chief Administrative Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Approve the Change Order Log from February 15, 2021, through March 15, 2021

## **BACKGROUND**

The Board of Trustees approved the NBU Purchasing Policy on October 31, 2019. The Purchasing Policy defines the process for obtaining approval of change orders. In addition to the individual approval by the Board of Trustees for change orders greater than \$50,000.00, the policy further states, “Each department manager will keep a log of all change orders and forward that log on a monthly basis to the Purchasing Manager before each Board of Trustees’ meeting. The Purchasing Manager will prepare a consent agenda item to request approval of those change orders at the next Board of Trustees’ meeting.”

Listed below are the change orders submitted to the Purchasing Manager for the period of February 15, 2021, through March 15, 2021.

## **FINANCIAL IMPACT**

Change orders less than \$50,000.00:

- NBU Water Plant #5, Railing Install - VFD Time Delay Relay Install – Add Stabilizer to Road Base, Pesado Construction, Change Order No. 3, Cost Increase of \$41,235.35.
- Grandview Pump Station Expansion, Electrical Conduit Size Increase, Pesado Construction, Change Order No. 1, Cost Increase of \$18,152.63.

Change orders more than \$50,000.00:

- North Kuehler 30” and 33” Interceptor Upgrade, Micro-tunnel and Base Material Scope Reduction, BRH-Garver Construction, Change Order No. 1, Cost Decrease of **\$264,767.94**.
- SWTP Clarifier Drive #1 Replacement, Operation Control Unit Scope Reduction, R.P. Constructors, Change Order No. 3, Cost Decrease of **\$93,045.00**.
- MSR Reconstruction (CNB), Add Traffic Control Services, Capital Excavation, Change Order No. 11, Cost Increase of \$66,000.00.
- Aquifer Storage and Recovery Project, Credit for Contract Bid Items 5, 6, 17, 19, 20, 22, 24, 28, 29, and 30, Black Castle GC, Change Order No. 8, Cost Decrease of **\$55,585.05**.

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**LINK TO STRATEGIC PLAN**

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**Recognized as a Trusted Community Partner Dedicated to Excellence in Service**

**Maintain Organizational Reliability and Resiliency**

**Be a Responsible Steward of Natural Resources**

**EXHIBITS**

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None



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None

**LINK TO STRATEGIC PLAN**

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**Recognized as a Trusted Community Partner Dedicated to Excellence in Service**

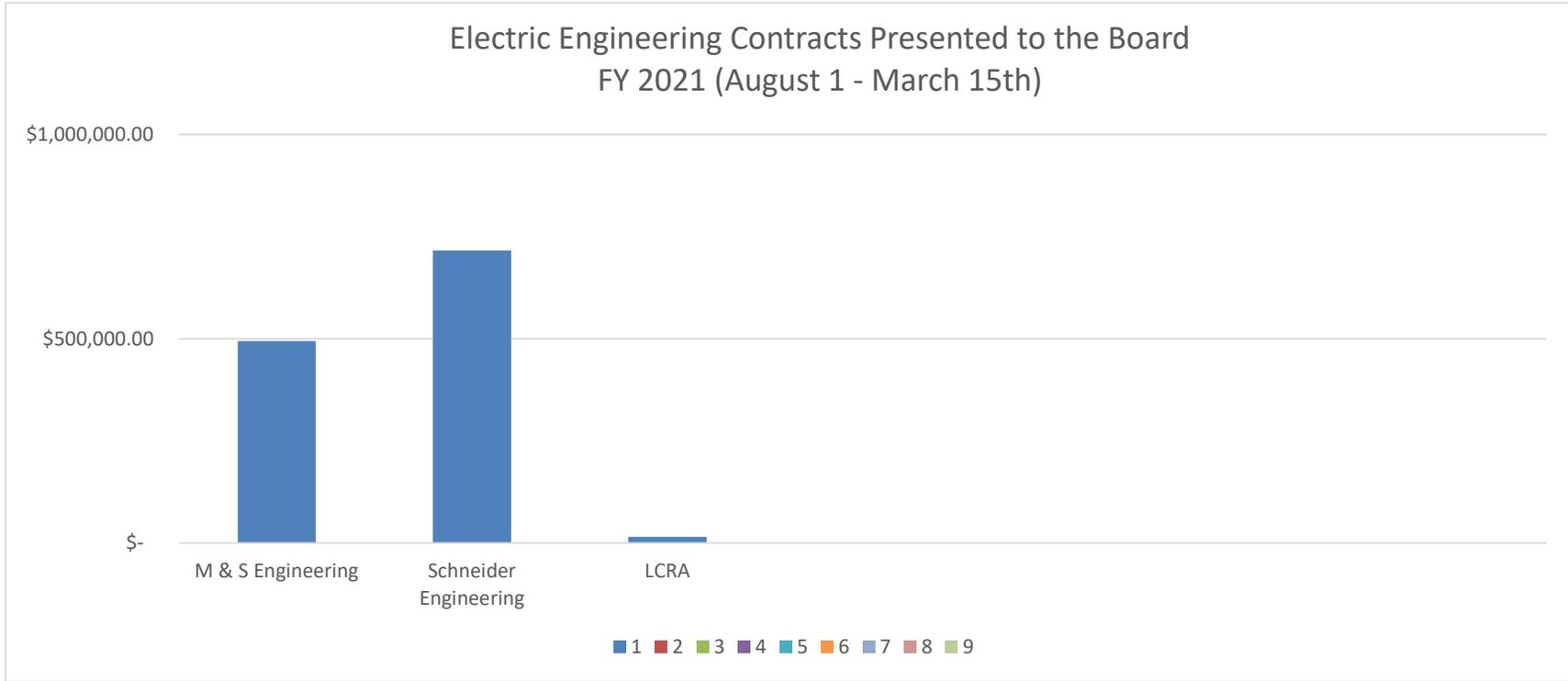
**Maintain Organizational Reliability and Resiliency**

**Provide a Safe and Secure Environment**

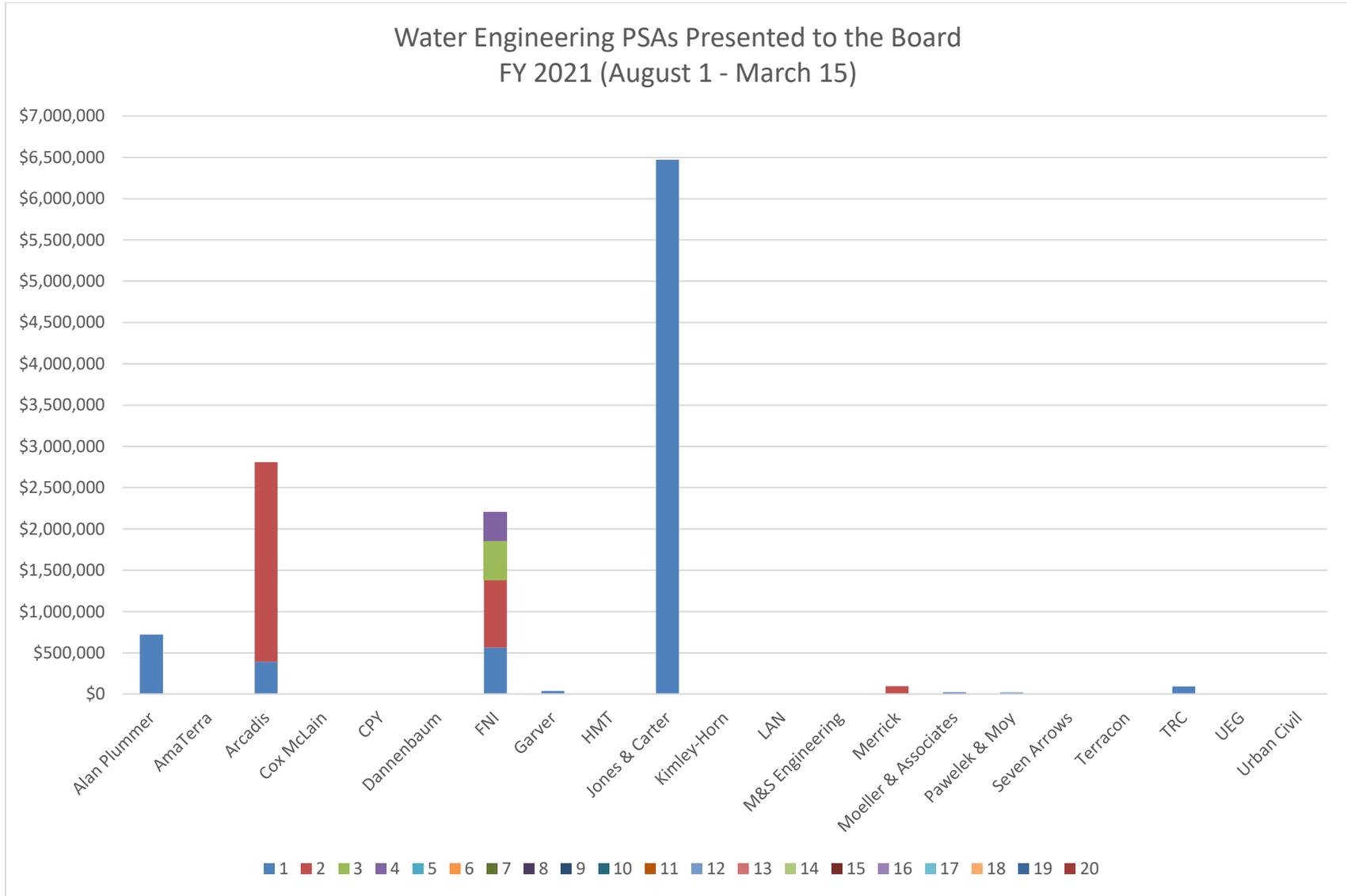
**EXHIBITS**

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1. Exhibit A – Report for Water Engineering Contracts
2. Exhibit B – Report for Electric Engineering Contracts



Vendor	Legend	Project Name	Value	Date Presented to Board
M & S Engineering	1	1163 Electric FY21 Capital Projects	\$ 494,085.00	
		<b>Total</b>	\$ 494,085.00	
Schneider Engineering	1	1161 Substation Design FY21	\$ 716,500.00	10/29/2020
		<b>Total</b>	\$ 716,500.00	
LCRA	1	2020 Transmission Planning Assessment	\$ 14,900.00	
		<b>Total</b>	\$ 14,900.00	



Vendor	Legend	Project Name	Value	Presented to Board
Alan Plummer	1	Goodwin Lane Water Main	\$720,894	8/27/2020
		<b>Total</b>	<b>\$720,894</b>	
Arcadis	1	Trinity Expansion - Water Supply Facilities	\$391,400	
	2	Hydraulic Model Analysis	\$2,418,834	2/25/2021
		<b>Total</b>	<b>\$2,810,234</b>	
FNI	1	Grandview Pump Station Expansion	\$562,383	8/27/2020
	2	Goodwin Lane Elevated Storage Tank	\$817,926	9/24/2020
	3	Grandview Discharge Line Upgrades & Well 4	\$470,545	
	4	Gruene Rd Sewer Main Rehabilitation/Reloca	\$352,212	
		<b>Total</b>	<b>\$2,203,066</b>	
Garver, LLC.	1	Nautilus Off-site Sewer Extension	\$39,000	
		<b>Total</b>	<b>\$39,000</b>	
Jones & Carter	1	McKenzie WRF Expansion	\$6,472,000	10/29/2020
		<b>Total</b>	<b>\$6,472,000</b>	
Merrick	1	Green Valley Pump Station	\$4,701	
	2	Weltner Road Repaving	\$91,881	
		<b>Total</b>	<b>\$96,582</b>	
Moeller & Associates	1	MSR Reconstruction (CNB)	\$22,292	
		<b>Total</b>	<b>\$22,292</b>	
Pawelek & Moy	1	Klein Road Reconstruction Phase 2	\$19,500	
		<b>Total</b>	<b>\$19,500</b>	
TRC	1	Gruene WWTP Relocation & Expansion	\$94,249	8/27/2020
	2			
		<b>Total</b>	<b>\$94,249</b>	



**Meeting Date:** April 29, 2021      **Agenda Type:** Consent Items for Action

**From:** Shawn Schorn, P.E.      **Reviewed by:** Michael Short, P.E.  
 Chief Engineer of Water      Director of Water Services  
 Services

**Submitted by:** Ryan Kelso      **Approved by:** Ian Taylor  
 Chief Operations Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with D Guerra Construction LLC for the Construction of the Castell Avenue Rehabilitation Project

## **BACKGROUND**

On February 8, 2021, New Braunfels Utilities (“NBU”) issued a request for bids for the Castell Avenue Rehabilitation Project, which includes the installation of (i) 6,246 linear feet of 8-inch and 12-inch water main, (ii) 4,766 linear feet of 16-inch and 8-inch wastewater main on Castell Avenue between San Antonio Street and Nacogdoches Street, and (iii) 5,169 linear feet of 24-inch transmission main needed to pump water from NBU’s downtown production facilities to the County Line tank and surrounding area (the “Project”).

The Project will allow NBU to replace these pipe segments that have a high incidence of failure and have reached the end of their service life based on age, condition, and material. The Project will also increase reliability, decrease maintenance along the project limits, and also increase transmission capacity to the County Line Tank and Pump Station. The additional transmission capacity will also enable more efficient operation of the County Line Pump Station that feeds the Morningside Pressure Zone.

On March 3, 2021, NBU received eight (8) bids for the Project during the public bidding process. The project team evaluated the bids and recommends the selection of D Guerra Construction LLC (“D Guerra”) for the Project as the lowest responsible bidder with a base bid of \$6,898,802.50.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement with D Guerra for the Project.

This item is being presented to the Board because the total amount of this contract exceeds \$250,000.

## **FINANCIAL IMPACT**

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The total construction contract with D Guerra for the Project is \$6,898,802.50. The Project is budgeted within the fiscal year 2021 through fiscal year 2023 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency in the amount of \$350,000, which is roughly 5% of the contract amount, is being added to the project construction budget. The total contract amount plus contingency equals \$7,248,802.50.

## **LINK TO STRATEGIC PLAN**

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**Recognized as a Trusted Community Partner Dedicated to Excellence in Service**

**Maintain Organizational Reliability and Resiliency**

**Be a Responsible Steward of Natural Resources**

## **EXHIBITS**

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1. Construction Contract with D Guerra
2. Letter of Recommendation from Urban Civil

March 4, 2021

Mr. Shawn T. Shorn, P.E.  
Chief Engineer of Water Services  
New Braunfels Utilities  
355 FM 306  
New Braunfels, TX 78130

**RE: Contract Award Recommendation for the Castell Avenue Water and Sewer Rehabilitation Project (RFB 02590) in the City of New Braunfels, Comal County, Texas**

Dear Shawn:

Bids were opened publicly for the above-referenced project within a video teleconference held on March 3<sup>rd</sup>, 2021 at 2:00 p.m. The apparent low bidder was D Guerra Construction, LLC with a Total Base Bid + Allowances Value of **\$6,898,802.50** as shown within the enclosed bid tabulation.

Based upon our reference checks of a working history on similar projects of this type by D Guerra Construction, LLC, it is our recommendation that a contract for construction of the Castell Avenue Water and Sewer Rehabilitation Project be awarded to them.

If you have any questions or need additional information in this matter, please call me anytime at (830) 606-3913.

Cordially yours,

**URBAN CIVIL, LLC**



Christopher Weeks, P.E.  
Senior Project Engineer

Enclosures (1)

Cc: File

PROJECT: CASTELL AVENUE (EAST) WATER & SEWER REHAB PROJECT  
 TITLE: BID TABULATION  
 DATE: 3/3/2021  
 DRAFTED: URBAN CIVIL, LLC

Calculation Error  
 Calculated based on total (no unit cost)

ITEM NO.		DESCRIPTION	UNIT	QUANTITY	D. GUERRA CONSTRUCTION		HARPER BROTHERS CONSTRUCTION		EZ BELL CONSTRUCTION		SKYBLUE UTILITIES		PESADO CONSTRUCTION		PGC GENERAL CONTRACTORS		SPIESS CONSTRUCTION		RL JONES		
					UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	
<b>BASE BID WATER ITEMS</b>																					
1	NBU Item 510	Water Main (DI) (C-151) (CL-250) (24")	LF	5,169	\$210.00	\$1,085,490.00	\$216.00	\$1,116,504.00	\$300.00	\$1,550,700.00	\$262.18	\$1,355,208.42	\$242.00	\$1,250,898.00	\$265.00	\$1,369,785.00	\$770.00	\$3,980,130.00	\$500.00	\$2,584,500.00	
2	NBU Item 510	Water Main (DI) (C-151) (CL-350) (12")	LF	1,858	\$130.00	\$241,540.00	\$133.00	\$247,114.00	\$200.00	\$371,600.00	\$154.00	\$286,132.00	\$228.00	\$423,624.00	\$155.00	\$287,990.00	\$210.00	\$390,180.00	\$400.00	\$743,200.00	
3	NBU Item 510	Water Main (DI) (C-151) (CL-350) (6")	LF	70	\$103.50	\$7,245.00	\$120.00	\$8,400.00	\$175.00	\$12,250.00	\$145.95	\$10,216.50	\$92.00	\$6,440.00	\$140.00	\$9,800.00	\$310.00	\$21,700.00	\$325.00	\$22,750.00	
4	Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (12")	LF	3,300	\$110.00	\$363,000.00	\$133.00	\$438,900.00	\$100.00	\$330,000.00	\$134.73	\$444,609.00	\$122.00	\$402,600.00	\$135.00	\$445,500.00	\$180.00	\$594,000.00	\$325.00	\$1,072,500.00	
5	Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (10")	LF	78	\$115.00	\$8,970.00	\$120.00	\$9,360.00	\$140.00	\$10,920.00	\$158.53	\$12,365.34	\$118.00	\$9,204.00	\$145.00	\$11,310.00	\$400.00	\$31,200.00	\$325.00	\$25,350.00	
6	Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (8")	LF	1,088	\$100.00	\$108,800.00	\$90.00	\$97,920.00	\$125.00	\$136,000.00	\$89.52	\$97,397.76	\$110.00	\$119,680.00	\$120.00	\$130,560.00	\$375.00	\$408,000.00	\$315.00	\$342,720.00	
7	Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (6")	LF	85	\$100.00	\$8,500.00	\$60.00	\$5,100.00	\$115.00	\$9,775.00	\$133.60	\$11,356.00	\$104.00	\$8,840.00	\$118.00	\$10,030.00	\$200.00	\$17,000.00	\$310.00	\$26,350.00	
8	Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (4")	LF	203	\$80.00	\$16,240.00	\$40.00	\$8,120.00	\$100.00	\$20,300.00	\$100.58	\$20,417.74	\$99.00	\$20,097.00	\$60.00	\$12,180.00	\$200.00	\$40,600.00	\$205.00	\$41,615.00	
9	NBU Item 510	Water Main (GSP) (A-53) (SCH 40) (2")	LF	6	\$70.00	\$420.00	\$40.00	\$240.00	\$200.00	\$1,200.00	\$74.75	\$448.50	\$35.00	\$210.00	\$90.00	\$540.00	\$200.00	\$1,200.00	\$210.00	\$1,260.00	
10	Urban Civil Item 2G2	Long Water Service Reconnect for 6" Meter (PVC) (C-900) (Wet Connection)	EA	1	\$3,900.00	\$3,900.00	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00	\$4,107.87	\$4,107.87	\$7,124.00	\$7,124.00	\$4,100.00	\$4,100.00	\$8,500.00	\$8,500.00	\$8,000.00	\$8,000.00	
11	Urban Civil Item 2G2	Long Water Service Reconnect for 1.5" and 2" Meters (Type 'K' Copper Tubing) (Approx. Length @ 49 LF)	EA	17	\$3,550.00	\$60,350.00	\$3,000.00	\$51,000.00	\$8,500.00	\$144,500.00	\$5,166.51	\$87,830.67	\$4,478.00	\$76,126.00	\$3,200.00	\$54,400.00	\$2,300.00	\$39,100.00	\$5,000.00	\$85,000.00	
12	Urban Civil Item 2G2	Short Water Service Reconnect for 1.5" and 2" Meters (Type 'K' Copper Tubing) (Approx. Length @ 14 LF)	EA	21	\$1,950.00	\$40,950.00	\$2,300.00	\$48,300.00	\$3,500.00	\$73,500.00	\$4,197.25	\$88,142.25	\$3,355.00	\$70,455.00	\$1,600.00	\$33,600.00	\$1,800.00	\$37,800.00	\$3,800.00	\$79,800.00	
13	Urban Civil Item 2G2	Long Water Service Reconnect for 5/8" and 3/4" and 1" Meters (Type 'K' Copper Tubing) (Approx. Length @ 49 LF)	EA	21	\$2,675.00	\$56,175.00	\$2,800.00	\$58,800.00	\$7,500.00	\$157,500.00	\$4,899.20	\$102,883.20	\$2,884.00	\$60,564.00	\$1,650.00	\$34,650.00	\$1,600.00	\$33,600.00	\$3,500.00	\$73,500.00	
14	Urban Civil Item 2G2	Short Water Service Reconnect for 5/8" and 3/4" and 1" Meters (Type 'K' Copper Tubing) (Approx. Length @ 14 LF)	EA	15	\$1,400.00	\$21,000.00	\$1,700.00	\$25,500.00	\$2,500.00	\$37,500.00	\$3,804.58	\$57,068.70	\$2,075.00	\$31,125.00	\$1,250.00	\$18,750.00	\$1,200.00	\$18,000.00	\$2,500.00	\$37,500.00	
15	NBU Item 510	Replace / Adjust Fire Lead Service Line (DI) (C-151) (CL-350) (6")	EA	2	\$4,500.00	\$9,000.00	\$5,500.00	\$11,000.00	\$4,000.00	\$8,000.00	\$5,170.88	\$10,341.76	\$6,165.00	\$12,330.00	\$2,400.00	\$4,800.00	\$6,000.00	\$12,000.00	\$2,500.00	\$5,000.00	
16	TxDOT Item 100	Remove and Dispose of Fire Hydrant Assembly	EA	9	\$500.00	\$4,500.00	\$1,350.00	\$12,150.00	\$750.00	\$6,750.00	\$910.00	\$8,190.00	\$684.00	\$6,156.00	\$700.00	\$6,300.00	\$1,500.00	\$13,500.00	\$1,000.00	\$9,000.00	
17	NBU Item 510	Ductile Iron Fittings (C-153) (4" through 24")	TONS	16.9	\$7,000.00	\$118,300.00	\$6,221.00	\$105,134.90	\$1.00	\$16.90	\$18,410.50	\$311,137.45	\$31,291.00	\$528,817.90	\$11,500.00	\$194,350.00	\$4,000.00	\$67,600.00	\$18,000.00	\$304,200.00	
18	NBU Item 510	Transition Coupling (Dresser-Type) (2")	EA	3	\$325.00	\$975.00	\$1,500.00	\$4,500.00	\$3,000.00	\$9,000.00	\$845.00	\$2,535.00	\$277.00	\$831.00	\$1,600.00	\$4,800.00	\$850.00	\$2,550.00	\$800.00	\$2,400.00	
19	NBU Item 510	New Water Main Tie-In at Existing 10" Water Main (Wet Connection)	EA	1	\$6,000.00	\$6,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$6,490.67	\$6,490.67	\$9,445.00	\$9,445.00	\$5,800.00	\$5,800.00	\$12,000.00	\$12,000.00	\$10,000.00	\$10,000.00	
20	NBU Item 510	New Water Main Tie-In at Existing 8" Water Main (Wet Connection)	EA	6	\$3,500.00	\$21,000.00	\$7,100.00	\$42,600.00	\$8,000.00	\$48,000.00	\$6,309.01	\$37,854.06	\$9,116.51	\$54,699.06	\$3,400.00	\$20,400.00	\$12,000.00	\$72,000.00	\$10,000.00	\$60,000.00	
21	NBU Item 510	New Water Main Tie-In at Existing 6" Water Main (Wet Connection)	EA	7	\$3,200.00	\$22,400.00	\$5,500.00	\$38,500.00	\$5,000.00	\$35,000.00	\$6,061.59	\$42,431.13	\$9,116.51	\$63,815.57	\$2,600.00	\$18,200.00	\$12,000.00	\$84,000.00	\$10,000.00	\$70,000.00	
22	NBU Item 510	New Water Main Tie-In at Existing 4" Water Main (Wet Connection)	EA	4	\$3,200.00	\$12,800.00	\$5,000.00	\$20,000.00	\$5,000.00	\$20,000.00	\$4,757.66	\$19,030.64	\$9,115.00	\$36,460.00	\$2,500.00	\$10,000.00	\$12,000.00	\$48,000.00	\$8,500.00	\$34,000.00	
23	NBU Item 510	New Water Main Tie-In at Existing 2" Water Main (Wet Connection)	EA	3	\$3,000.00	\$9,000.00	\$4,500.00	\$13,500.00	\$4,000.00	\$12,000.00	\$4,095.00	\$12,285.00	\$2,332.00	\$6,996.00	\$3,200.00	\$9,600.00	\$12,000.00	\$36,000.00	\$8,000.00	\$24,000.00	
24	NBU Item 510	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (10")	EA	1	\$14,500.00	\$14,500.00	\$15,100.00	\$15,100.00	\$20,000.00	\$20,000.00	\$21,450.00	\$21,450.00	\$14,912.00	\$14,912.00	\$23,400.00	\$23,400.00	\$13,000.00	\$13,000.00	\$13,000.00	\$13,000.00	
25	NBU Item 510	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (8")	EA	6	\$9,500.00	\$57,000.00	\$9,500.00	\$57,000.00	\$14,000.00	\$84,000.00	\$15,097.73	\$90,586.38	\$10,787.00	\$64,722.00	\$11,900.00	\$71,400.00	\$8,000.00	\$48,000.00	\$9,000.00	\$54,000.00	
26	NBU Item 510	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (6")	EA	7	\$9,000.00	\$63,000.00	\$8,210.00	\$57,470.00	\$12,000.00	\$84,000.00	\$14,432.95	\$101,030.65	\$9,929.00	\$69,503.00	\$11,000.00	\$77,000.00	\$7,000.00	\$49,000.00	\$8,500.00	\$59,500.00	
27	NBU Item 510	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (4")	EA	4	\$8,000.00	\$32,000.00	\$5,640.00	\$22,560.00	\$10,000.00	\$40,000.00	\$11,936.36	\$47,745.44	\$7,786.00	\$31,144.00	\$8,100.00	\$32,400.00	\$5,000.00	\$20,000.00	\$7,000.00	\$28,000.00	
28	NBU Item 510	Freeze Plug at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (2")	EA	3	\$500.00	\$1,500.00	\$1,527.00	\$4,581.00	\$2,500.00	\$7,500.00	\$5,466.00	\$16,380.00	\$438.00	\$1,314.00	\$7,000.00	\$21,000.00	\$1,000.00	\$3,000.00	\$5,000.00	\$15,000.00	
29	NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore ONLY (48")	LF	500	\$760.00	\$380,000.00	\$1,190.00	\$595,000.00	\$1,200.00	\$600,000.00	\$1,240.61	\$620,305.00	\$753.00	\$376,500.00	\$1,170.00	\$585,000.00	\$1,400.00	\$700,000.00	\$1,500.00	\$750,000.00	
30	NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore ONLY (24")	LF	500	\$360.00	\$180,000.00	\$700.00	\$350,000.00	\$600.00	\$300,000.00	\$499.13	\$249,565.00	\$454.00	\$227,000.00	\$585.00	\$292,500.00	\$700.00	\$350,000.00	\$660.00	\$330,000.00	
31	NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore OR Open Cut (48")	LF	160	\$450.00	\$72,000.00	\$1,700.00	\$272,000.00	\$800.00	\$128,000.00	\$1,071.08	\$171,372.80	\$780.00	\$124,800.00	\$1,270.00	\$203,200.00	\$1,200.00	\$192,000.00	\$900.00	\$144,000.00	
32	NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore OR Open Cut (24")	LF	128	\$250.00	\$32,000.00	\$1,220.00	\$156,160.00	\$400.00	\$51,200.00	\$568.30	\$72,742.40	\$225.00	\$28,800.00	\$680.00	\$87,040.00	\$1,100.00	\$140,800.00	\$500.00	\$64,000.00	
33	NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore OR Open Cut (16")	LF	30	\$230.00	\$6,900.00	\$1,330.00	\$39,900.00	\$175.00	\$5,250.00	\$402.52	\$12,075.60	\$208.00	\$6,240.00	\$430.00	\$12,900.00	\$1,100.00	\$33,000.00	\$490.00	\$14,700.00	
34	NBU Item 511	Butterfly Valve and Valve Box MJ (24")	EA	4	\$12,900.00	\$51,600.00	\$9,000.00	\$36,000.00	\$14,000.00	\$56,000.00	\$12,041.16	\$48,164.64	\$11,610.00	\$46,440.00	\$15,700.00	\$62,800.00	\$11,000.00	\$44,000.00	\$13,000.00	\$52,000.00	
35	NBU Item 511	Gate Valve and Valve Box FLG (10")	EA	3	\$5,500.00	\$16,500.00	\$3,000.00	\$9,000.00	\$9,000.00	\$27,000.00	\$4,342.38	\$13,027.14	\$3,942.00	\$11,826.00	\$4,900.00	\$14,700.00	\$3,300.00	\$9,900.00	\$3,000.00	\$9,000.00	
36	NBU Item 511	Gate Valve and Valve Box MJ (12")	EA	19	\$5,100.00	\$96,900.00	\$3,500.00	\$66,500.00	\$3,250.00	\$61,750.00	\$3,791.76	\$72,043.44	\$2,807.00	\$53,333.00	\$5,900.00	\$112,100.00	\$3,700.00	\$70,300.00	\$4,000.00	\$76,000.00	
37	NBU Item 511	Gate Valve and Valve Box MJ (10")	EA	1	\$4,500.00	\$4,500.00	\$3,000.00	\$3,000.00	\$2,750.00	\$2,750.00	\$3,640.79	\$3,640.79	\$2,500.00	\$2,500.00	\$4,500.00	\$4,500.00	\$3,200.00	\$3,200.00	\$4,000.00	\$4,000.00	
38	NBU Item 511	Gate Valve and Valve Box MJ (8")	EA	23	\$4,000.00	\$92,000.00	\$2,000.00	\$46,000.00	\$2,000.00	\$46,000.00	\$2,445.82	\$56,253.86	\$1,855.00	\$42,665.00	\$2,300.00	\$52,900.00	\$2,650.00	\$60,950.00	\$3,000.00	\$69,000.00	
39	NBU Item 511	Gate Valve and Valve Box MJ (6")	EA	2	\$3,500.00	\$7,000.00	\$1,500.00	\$3,000.00	\$1,500.00	\$3,000.00	\$2,521.84	\$5,043.68	\$1,563.00	\$3,126.00	\$1,900.00	\$3,800.00	\$1,200.00	\$2,400.00	\$2,700.00	\$5,400.00	
40	NBU Item 511	Gate Valve and Valve Box MJ (4")	EA	1	\$3,000.00	\$3,000.00	\$1,400.00	\$1,400.00	\$1,250.00	\$1,250.00	\$2,163.42	\$2,163.42	\$1,364.00	\$1,364.00	\$1,600.00	\$1,600.00	\$1,000.00	\$1,000.00	\$2,500.00	\$2,500.00	
41</																					

PROJECT: CASTELL AVENUE (EAST) WATER & SEWER REHAB PROJECT  
 TITLE: BID TABULATION  
 DATE: 3/3/2021  
 DRAFTED: URBAN CIVIL, LLC

Calculation Error  
 Calculated based on total (no unit cost)

ITEM NO.	DESCRIPTION	UNIT	QUANTITY	D. GUERRA CONSTRUCTION		HARPER BROTHERS CONSTRUCTION		EZ BELL CONSTRUCTION		SKYBLUE UTILITIES		PESADO CONSTRUCTION		PGC GENERAL CONTRACTORS		SPIESS CONSTRUCTION		RL JONES	
				UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
<b>BASE BID SEWER IMPROVEMENTS</b>																			
52	Urban Civil Item 2G1B Sanitary Sewer 0' to 8' Deep (Green PVC) (C-900) (16")	LF	4,130	\$145.00	\$598,850.00	\$148.00	\$611,240.00	\$150.00	\$619,500.00	\$185.34	\$765,454.20	\$162.00	\$669,060.00	\$160.00	\$660,800.00	\$325.00	\$1,342,250.00	\$400.00	\$1,652,000.00
53	Urban Civil Item 2G1B Sanitary Sewer 8' to 10' Deep (Green PVC) (C-900) (16")	LF	214	\$165.00	\$35,310.00	\$148.00	\$31,672.00	\$150.00	\$32,100.00	\$198.34	\$42,444.76	\$164.00	\$35,096.00	\$185.00	\$39,590.00	\$325.00	\$69,550.00	\$450.00	\$96,300.00
54	Urban Civil Item 2G1B Sanitary Sewer 10' to 12' Deep (Green PVC) (C-900) (16")	LF	70	\$195.00	\$13,650.00	\$148.00	\$10,360.00	\$150.00	\$10,500.00	\$211.34	\$14,793.80	\$158.00	\$11,060.00	\$300.00	\$21,000.00	\$325.00	\$22,750.00	\$500.00	\$35,000.00
55	Urban Civil Item 2G1B Sanitary Sewer 0' to 8' Deep (Green PVC) (C-900) (8")	LF	352	\$130.00	\$45,760.00	\$148.00	\$52,096.00	\$75.00	\$26,400.00	\$137.18	\$48,287.36	\$100.00	\$35,200.00	\$110.00	\$38,720.00	\$310.00	\$109,120.00	\$300.00	\$105,600.00
56	NBU Item 506 4' Sanitary Sewer Manhole 0' to 8' Deep (Vented w/Coating System)	EA	11	\$7,000.00	\$77,000.00	\$7,200.00	\$79,200.00	\$12,000.00	\$132,000.00	\$9,025.90	\$99,284.90	\$6,224.00	\$68,464.00	\$8,500.00	\$93,500.00	\$8,300.00	\$91,300.00	\$10,000.00	\$110,000.00
57	NBU Item 506 4' Sanitary Sewer Manhole 0' to 8' Deep (Water-Tight w/Coating System)	EA	23	\$6,500.00	\$149,500.00	\$7,200.00	\$165,600.00	\$12,000.00	\$276,000.00	\$8,765.22	\$201,600.06	\$4,635.00	\$106,605.00	\$8,300.00	\$190,900.00	\$8,200.00	\$188,600.00	\$10,000.00	\$230,000.00
58	NBU Item 506 Extra Depth Manhole (>8 VF w/Coating System)	VF	6	\$500.00	\$3,000.00	\$234.00	\$1,404.00	\$1.00	\$6.00	\$453.70	\$2,722.20	\$389.00	\$2,334.00	\$600.00	\$3,600.00	\$300.00	\$1,800.00	\$600.00	\$3,600.00
59	TxDOT Item 100 Remove and Dispose of Sanitary Sewer Manhole	EA	14	\$400.00	\$5,600.00	\$1,800.00	\$25,200.00	\$500.00	\$7,000.00	\$1,950.00	\$27,300.00	\$1,504.00	\$21,056.00	\$1,500.00	\$21,000.00	\$1,000.00	\$14,000.00	\$500.00	\$7,000.00
60	NBU Item 506 Abandon In-Place Sanitary Sewer Manhole	EA	1	\$2,000.00	\$2,000.00	\$1,900.00	\$1,900.00	\$1,750.00	\$1,750.00	\$1,300.00	\$1,300.00	\$383.00	\$383.00	\$4,000.00	\$4,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
61	TxDOT Item 100 Remove and Dispose of Existing Sanitary Sewer Pipe (all Sizes)	LF	3,510	\$2.00	\$7,020.00	\$40.00	\$140,400.00	\$12.00	\$42,120.00	\$52.00	\$182,520.00	\$99.00	\$347,490.00	\$8.00	\$28,080.00	\$120.00	\$421,200.00	\$10.00	\$35,100.00
62	NBU Item 510 Abandon in-Place (WWL) (12") (Includes Flowable Fill)	LF	935	\$6.00	\$5,610.00	\$29.00	\$27,115.00	\$12.00	\$11,220.00	\$10.40	\$9,724.00	\$10.00	\$9,350.00	\$9.00	\$8,415.00	\$8.00	\$7,480.00	\$10.00	\$9,350.00
63	NBU Item 510 Abandon in-Place (WWL) (6") (Includes Flowable Fill)	LF	225	\$6.00	\$1,350.00	\$4.00	\$900.00	\$10.00	\$2,250.00	\$9.10	\$2,047.50	\$12.00	\$2,700.00	\$20.00	\$4,500.00	\$4.00	\$900.00	\$10.00	\$2,250.00
64	TxDOT Item 100 Remove and Dispose of Sanitary Sewer Cleanout	EA	83	\$10.00	\$830.00	\$300.00	\$24,900.00	\$200.00	\$16,600.00	\$195.00	\$16,185.00	\$205.00	\$17,015.00	\$250.00	\$20,750.00	\$20.00	\$1,660.00	\$100.00	\$8,300.00
65	NBU Item 505 Concrete Encasement of Sanitary Sewer Pipe at Variable Depth (16")	LF	1,043	\$42.50	\$44,327.50	\$65.00	\$67,795.00	\$100.00	\$104,300.00	\$73.13	\$76,274.59	\$43.00	\$44,849.00	\$46.00	\$47,978.00	\$300.00	\$312,900.00	\$60.00	\$62,580.00
66	Urban Civil Item 2G3 Long Sanitary Sewer Lateral Reconnection (Green PVC) (C-900) (6")	LF	2,156	\$80.00	\$172,480.00	\$85.00	\$183,260.00	\$95.00	\$204,820.00	\$147.07	\$317,082.92	\$143.00	\$308,308.00	\$120.00	\$258,720.00	\$90.00	\$194,040.00	\$235.00	\$506,660.00
67	Urban Civil Item 2G3 Short Sanitary Sewer Lateral Reconnection (Green PVC) (C-900) (6")	LF	546	\$120.00	\$65,520.00	\$185.00	\$101,010.00	\$115.00	\$62,790.00	\$317.83	\$173,535.18	\$235.00	\$128,310.00	\$280.00	\$152,880.00	\$81.00	\$44,226.00	\$250.00	\$136,500.00
68	Urban Civil Item 2G3 Two Way Cleanout (Green PVC) (C-900) (6")	EA	83	\$1,100.00	\$91,300.00	\$950.00	\$78,850.00	\$1,341.98	\$111,384.34	\$985.35	\$81,784.05	\$1,008.00	\$83,664.00	\$1,500.00	\$124,500.00	\$600.00	\$49,800.00	\$1,000.00	\$83,000.00
69	Urban Civil Item 2G6 Sanitary Sewer Bypass Pumping System (Per Event)	EA	9	\$5,000.00	\$45,000.00	\$12,000.00	\$108,000.00	\$10,000.00	\$90,000.00	\$3,900.00	\$35,100.00	\$46,983.00	\$422,847.00	\$19,000.00	\$171,000.00	\$20,000.00	\$180,000.00	\$1,000.00	\$9,000.00
70	NBU Item 509 Trench Safety Protection for Sanitary Sewer Mains and Services	LF	4,766	\$10.00	\$47,660.00	\$2.00	\$9,532.00	\$10.00	\$47,660.00	\$2.60	\$12,391.60	\$2.50	\$11,915.00	\$2.75	\$13,106.50	\$1.00	\$4,766.00	\$5.00	\$23,830.00
71	TxDOT Item 465 Precast Conc. Storm Drain Junction Box w/Manway (3'x3') (Rated HL-93)	VF	5	\$2,000.00	\$10,000.00	\$2,800.00	\$14,000.00	\$1,000.00	\$5,000.00	\$4,353.38	\$21,766.90	\$3,210.00	\$16,050.00	\$3,200.00	\$16,000.00	\$4,000.00	\$20,000.00	\$1,000.00	\$5,000.00
72	TxDOT Item 100 Remove and Dispose of Existing Storm Drainpipe (All Sizes)	LF	9	\$60.00	\$540.00	\$155.00	\$1,395.00	\$75.00	\$675.00	\$65.00	\$585.00	\$91.00	\$819.00	\$220.00	\$1,980.00	\$50.00	\$450.00	\$50.00	\$450.00
73	TxDOT Item 464 Storm Sewer 0' to 8' Deep (RCP) (C-76; CL3; Wall Type "B") (18")	LF	9	\$200.00	\$1,800.00	\$190.00	\$1,710.00	\$375.00	\$3,375.00	\$377.00	\$3,393.00	\$144.00	\$1,296.00	\$270.00	\$2,430.00	\$150.00	\$1,350.00	\$250.00	\$2,250.00
74	NBU Item 403 Modify Existing Storm Drain Inlet Structure to Raise Floor Elevation w/Reinf. Conc. Fill	LS	1	\$3,500.00	\$3,500.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$3,250.00	\$3,250.00	\$2,152.00	\$2,152.00	\$6,700.00	\$6,700.00	\$2,000.00	\$2,000.00	\$8,500.00	\$8,500.00
				<b>SUBTOTAL</b>	<b>\$1,427,607.50</b>	<b>\$1,742,539.00</b>	<b>\$1,812,450.34</b>	<b>\$2,138,827.02</b>	<b>\$2,346,023.00</b>	<b>\$1,930,149.50</b>	<b>\$3,081,142.00</b>	<b>\$3,133,270.00</b>							
<b>BASE BID PAVEMENT, DRIVEWAY, and SIDEWALK ITEMS</b>																			
75	TxDOT Item 351 Sawcut, Remove, and Restore HMAc Pavement above Water and Sewer Utility Trenches (Incl. Base Materials and Prime Coat)	SY	7,699	\$45.00	\$346,455.00	\$51.00	\$392,649.00	\$52.00	\$400,348.00	\$46.80	\$360,313.20	\$40.00	\$307,960.00	\$108.00	\$831,492.00	\$31.00	\$238,669.00	\$45.00	\$346,455.00
76	TxDOT Item 361 Sawcut, Remove, and Restore Conc. Cross Gutter / Valley Gutter above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	66	\$50.00	\$3,300.00	\$145.00	\$9,570.00	\$90.00	\$5,940.00	\$130.00	\$8,580.00	\$150.00	\$9,900.00	\$330.00	\$21,780.00	\$150.00	\$9,900.00	\$250.00	\$16,500.00
77	TxDOT Item 351 Sawcut, Remove, and Restore HMAc Driveway above Water and Sewer Utility Trenches (Incl. Base Materials and Prime Coat)	SY	12	\$150.00	\$1,800.00	\$225.00	\$2,700.00	\$25.00	\$300.00	\$52.00	\$624.00	\$154.00	\$1,848.00	\$470.00	\$5,640.00	\$100.00	\$1,200.00	\$150.00	\$1,800.00
78	NBU Item 401 Remove, and Restore Gravel Driveway above Water and Sewer Utility Trenches (Incl. Flex Base and CSS Materials)	SY	4	\$40.00	\$160.00	\$425.00	\$1,700.00	\$90.00	\$360.00	\$13.00	\$52.00	\$299.00	\$1,196.00	\$200.00	\$800.00	\$40.00	\$160.00	\$150.00	\$600.00
79	NBU Item 401 Remove, and Restore Gravel Landscaping above Water and Sewer Utility Trenches	SY	25	\$40.00	\$1,000.00	\$100.00	\$2,500.00	\$75.00	\$1,875.00	\$15.60	\$390.00	\$165.00	\$4,125.00	\$150.00	\$3,750.00	\$40.00	\$1,000.00	\$100.00	\$2,500.00
80	NBU Item 432 Sawcut, Remove, and Restore Conc. Sidewalk above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	221	\$40.00	\$8,840.00	\$165.00	\$36,465.00	\$90.00	\$19,890.00	\$93.60	\$20,685.60	\$69.00	\$15,249.00	\$170.00	\$37,570.00	\$90.00	\$19,890.00	\$200.00	\$44,200.00
81	TxDOT Item 530 Sawcut, Remove, and Restore Conc. Driveway above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	118	\$80.00	\$9,440.00	\$130.00	\$15,340.00	\$90.00	\$10,620.00	\$117.00	\$13,806.00	\$181.00	\$21,358.00	\$290.00	\$34,220.00	\$150.00	\$17,700.00	\$200.00	\$23,600.00
82	TxDOT Item 529 Sawcut, Remove, and Restore Conc. Curb and Gutter above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	LF	570	\$40.00	\$22,800.00	\$45.00	\$25,650.00	\$35.00	\$19,950.00	\$52.00	\$29,640.00	\$21.00	\$11,970.00	\$38.00	\$21,660.00	\$60.00	\$34,200.00	\$40.00	\$22,800.00
83	NBU Item 434 Sawcut, Remove, and Restore Conc. Median / Island above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	17	\$50.00	\$850.00	\$175.00	\$2,975.00	\$90.00	\$1,530.00	\$140.40	\$2,386.80	\$235.00	\$3,995.00	\$355.00	\$6,035.00	\$150.00	\$2,550.00	\$300.00	\$5,100.00
84	TxDOT Item 354 Mill Existing Asphalt Pavement (2" to 4" Depth)	SY	3,219	\$8.00	\$25,752.00	\$5.00	\$16,095.00	\$5.00	\$16,095.00	\$9.10	\$29,292.90	\$5.00	\$16,095.00	\$8.00	\$25,752.00	\$4.00	\$12,876.00	\$25.00	\$80,475.00
85	TxDOT Item 341 Install HMAc Pavement (3" Thick; Type "D;" PG 70-22)	TONS	544	\$75.00	\$40,800.00	\$95.00	\$51,680.00	\$90.00	\$48,960.00	\$26.00	\$14,144.00	\$96.00	\$52,224.00	\$140.00	\$76,160.00	\$200.00	\$108,800.00	\$130.00	\$70,720.00
86	Use Non-Destructive Excavation Equipment to Locate Existing Fiber Optic Cable within UPRR R-O-W (Maximum Depth at 20 VF)	EA	2	\$3,000.00	\$6,000.00	\$750.00	\$1,500.00	\$500.00	\$1,000.00	\$2,600.00	\$5,200.00	\$1,812.00	\$3,624.00	\$3,500.00	\$7,000.00	\$2,000.00	\$4,000.00	\$4,000.00	\$8,000.00
				<b>SUBTOTAL</b>	<b>\$467,197.00</b>	<b>\$558,824.00</b>	<b>\$526,868.00</b>	<b>\$485,114.50</b>	<b>\$449,544.00</b>	<b>\$1,071,859.00</b>	<b>\$450,945.00</b>	<b>\$622,750.00</b>							
<b>GENERAL</b>																			
87	TxDOT Item 500 Mobilization	LS	1	\$600,000.00	\$600,000.00	\$700,000.00	\$700,000.00	\$600,000.00	\$600,000.00	\$413,400.00	\$413,400.00	\$909,000.00	\$909,000.00	\$375,000.00	\$375,000.00	\$600,000.00	\$600,000.00	\$620,000.00	\$620,000.00
88	TxDOT Item 100 ROW Preparation - Per 100 LF Station	STA	60	\$4,000.00	\$240,000.00	\$4,550.00	\$273,000.00	\$5,000.00	\$300,000.00	\$1,950.00	\$117,000.00	\$3,241.00	\$194,460.00	\$5,500.00	\$330,000.00	\$500.00	\$30,000.00	\$4,000.00	\$240,000.00
89	NBU Item 703 Traffic Control Plan	LS	1	\$50,000.00	\$50,000.00	\$200,000.00	\$200,000.00	\$100,000.00	\$100,000.00	\$78,000.00	\$78,000.00	\$390,000.00	\$390,000.00	\$390,000.00	\$390,000.00	\$28,000.00	\$28,000.00	\$300,000.00	\$300,000.00
90	Lump Sum Allowance for UPRR Approved Flagger and Observer (2 People)	LF	1	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
91	NBU Item 642 Sediment Control Fence	LF	1,214	\$2.50	\$3,035.00	\$3.00	\$3,642.00	\$2.00	\$2,428.00	\$3.90	\$4,734.60	\$5.00	\$6,070.00	\$4.00	\$4,856.00	\$2.00	\$2,428.00	\$5.00	\$6,070.00
92	TxDOT Item 506 Gravel Filter Bags at Curb Inlet Openings	LF	165	\$20.00	\$3,300.00	\$15.00</													

PROJECT: CASTELL AVENUE (EAST) WATER & SEWER REHAB PROJECT  
 TITLE: BID TABULATION  
 DATE: 3/3/2021  
 DRAFTED: URBAN CIVIL, LLC

Calculation Error  
 Calculated based on total (no unit cost)

ITEM NO.	DESCRIPTION	UNIT	QUANTITY	D. GUERRA CONSTRUCTION		HARPER BROTHERS CONSTRUCTION		EZ BELL CONSTRUCTION		SKYBLUE UTILITIES		PESADO CONSTRUCTION		PGC GENERAL CONTRACTORS		SPIESS CONSTRUCTION		RL JONES		
				UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	
<b>ADD / ALTERNATES</b>																				
94	NBU Item 401	CSS Backfill at Water or Sanitary Sewer Man Pipe at Various Depths (14" and Larger in Diameter)	LF	100	\$100.00	\$10,000.00	\$51.00	\$5,100.00	\$60.00	\$6,000.00	\$32.50	\$3,250.00	\$100.00	\$10,000.00	\$220.00	\$22,000.00	\$400.00	\$40,000.00	\$25.00	\$2,500.00
95	NBU Item 401	CSS Backfill at Water or Sanitary Sewer Man Pipe at Various Depths (12" and Smaller in Diameter)	LF	100	\$80.00	\$8,000.00	\$42.00	\$4,200.00	\$60.00	\$6,000.00	\$32.50	\$3,250.00	\$153.00	\$15,300.00	\$205.00	\$20,500.00	\$300.00	\$30,000.00	\$25.00	\$2,500.00
96	NBU Item 504	Adjust Existing Water Valve Box to Grade during Pavement Repairs	EA	25	\$1,000.00	\$25,000.00	\$375.00	\$9,375.00	\$250.00	\$6,250.00	\$482.39	\$12,059.75	\$540.00	\$13,500.00	\$1,380.00	\$34,500.00	\$400.00	\$10,000.00	\$25.00	\$625.00
97	NBU Item 504	Adjust Existing Gas Valve Box to Grade during Pavement Repairs	EA	25	\$1,000.00	\$25,000.00	\$375.00	\$9,375.00	\$250.00	\$6,250.00	\$390.00	\$9,750.00	\$540.00	\$13,500.00	\$1,400.00	\$35,000.00	\$400.00	\$10,000.00	\$100.00	\$2,500.00
98	NBU Item 504	Adjust Existing Survey Monument Box to Grade during Pavement Repairs	EA	1	\$550.00	\$550.00	\$500.00	\$500.00	\$1,000.00	\$1,000.00	\$650.00	\$650.00	\$1,032.00	\$1,032.00	\$3,800.00	\$3,800.00	\$500.00	\$500.00	\$800.00	\$800.00
99	NBU Item 504	Adjust Existing Electrical / Communications Pull to Grade during Pavement Repairs	EA	5	\$1,000.00	\$5,000.00	\$550.00	\$2,750.00	\$1,000.00	\$5,000.00	\$650.00	\$3,250.00	\$1,032.00	\$5,160.00	\$1,200.00	\$6,000.00	\$1,000.00	\$5,000.00	\$300.00	\$1,500.00
100	NBU Item 606	Block Sodding for Erosion Control (Incl. Topsoil)	SY	100	\$20.00	\$2,000.00	\$6.00	\$600.00	\$20.00	\$2,000.00	\$10.40	\$1,040.00	\$59.00	\$5,900.00	\$20.00	\$2,000.00	\$12.00	\$1,200.00	\$50.00	\$5,000.00
101	TxDOT Item 666	Crosswalk Striping (From Gutter to Gutter across Street Pavement)	EA	1	\$2,000.00	\$2,000.00	\$2,500.00	\$2,500.00	\$850.00	\$850.00	\$585.00	\$585.00	\$1,411.00	\$1,411.00	\$2,500.00	\$2,500.00	\$1,800.00	\$1,800.00	\$2,000.00	\$2,000.00
102	TxDOT Item 666	Pavement Striping (4" Width; Incl. Pavement Surface Prep.)	LF	500	\$2.50	\$1,250.00	\$2.00	\$1,000.00	\$3.00	\$1,500.00	\$5.20	\$2,600.00	\$2.00	\$1,000.00	\$3.00	\$1,500.00	\$3.00	\$1,500.00	\$3.00	\$1,500.00
103	TxDOT Item 672	Raised Pavement Markers (Incl. Pavement Surface Prep.)	EA	250	\$10.00	\$2,500.00	\$5.00	\$1,250.00	\$12.00	\$3,000.00	\$19.50	\$4,875.00	\$8.00	\$2,000.00	\$20.00	\$5,000.00	\$12.00	\$3,000.00	\$10.00	\$2,500.00
104	TxDOT Item 666	Pavement Markings (Word, Symbol, or Shape; Incl. Pavement Surface Prep.)	SF	500	\$15.00	\$7,500.00	\$5.00	\$2,500.00	\$6.50	\$3,250.00	\$5.20	\$2,600.00	\$13.00	\$6,500.00	\$8.00	\$4,000.00	\$18.00	\$9,000.00	\$12.00	\$6,000.00
105		Relocate Existing Sign and Pole (Incl. Pole Foundation)	EA	1	\$500.00	\$500.00	\$750.00	\$750.00	\$250.00	\$250.00	\$780.00	\$780.00	\$435.00	\$435.00	\$600.00	\$600.00	\$750.00	\$750.00	\$1,000.00	\$1,000.00
106	NBU Item 504	Adjust Water Valve Box and Lid Flush with Sidewalk Surface	EA	2	\$650.00	\$1,300.00	\$375.00	\$750.00	\$250.00	\$500.00	\$467.87	\$935.74	\$712.00	\$1,424.00	\$1,900.00	\$3,800.00	\$500.00	\$1,000.00	\$800.00	\$1,600.00
107	NBU Item 504	Adjust Water Meter Box and Lid Flush with Sidewalk Surface	EA	2	\$650.00	\$1,300.00	\$375.00	\$750.00	\$250.00	\$500.00	\$326.30	\$652.60	\$757.00	\$1,514.00	\$1,900.00	\$3,800.00	\$500.00	\$1,000.00	\$1,000.00	\$2,000.00
108	NBU Item 505	Concrete Encasement of Water Transmission Pipe at Variable Depth (24")	LF	100	\$45.00	\$4,500.00	\$72.00	\$7,200.00	\$100.00	\$10,000.00	\$65.00	\$6,500.00	\$87.00	\$8,700.00	\$70.00	\$7,000.00	\$200.00	\$20,000.00	\$100.00	\$10,000.00
109	NBU Item 505	Concrete Encasement of Water Transmission Pipe at Variable Depth (12")	LF	100	\$35.00	\$3,500.00	\$48.00	\$4,800.00	\$60.00	\$6,000.00	\$58.50	\$5,850.00	\$71.00	\$7,100.00	\$60.00	\$6,000.00	\$180.00	\$18,000.00	\$70.00	\$7,000.00
110	NBU Item 505	Concrete Encasement of Water Transmission Pipe at Variable Depth (10" and Smaller in Diameter)	LF	100	\$35.00	\$3,500.00	\$45.00	\$4,500.00	\$40.00	\$4,000.00	\$58.50	\$5,850.00	\$71.00	\$7,100.00	\$60.00	\$6,000.00	\$175.00	\$17,500.00	\$70.00	\$7,000.00
111	NBU Item 505	Concrete Encasement of Sanitary Sewer Pipe at Variable Depth (14" and Smaller in Diameter)	LF	100	\$40.00	\$4,000.00	\$52.00	\$5,200.00	\$75.00	\$7,500.00	\$58.50	\$5,850.00	\$71.00	\$7,100.00	\$55.00	\$5,500.00	\$175.00	\$17,500.00	\$70.00	\$7,000.00
112	NBU Item 504	Reposition / Adjust Existing Water Meter and Box for 1.5" and 2" Meters during Reconnection to 12" Water Main Pipeline	EA	2	\$600.00	\$1,200.00	\$374.00	\$748.00	\$250.00	\$500.00	\$130.00	\$260.00	\$412.00	\$824.00	\$960.00	\$1,920.00	\$500.00	\$1,000.00	\$1,500.00	\$3,000.00
113	NBU Item 504	Reposition / Adjust Existing Water Meter and Box for 5/8" and 3/4" and 1" Meters during Reconnection to 12" Water Main Pipeline	EA	5	\$1,050.00	\$5,250.00	\$374.00	\$1,870.00	\$250.00	\$1,250.00	\$117.00	\$585.00	\$412.00	\$2,060.00	\$400.00	\$2,000.00	\$500.00	\$2,500.00	\$700.00	\$3,500.00
114	NBU Item 510	Abandon In-Place (WWL) (10") (Includes Flowable Fill)	LF	100	\$10.00	\$1,000.00	\$19.95	\$1,995.00	\$12.00	\$1,200.00	\$13.00	\$1,300.00	\$14.00	\$1,400.00	\$45.00	\$4,500.00	\$10.00	\$1,000.00	\$15.00	\$1,500.00
115	NBU Item 510	Abandon In-Place (WWL) (8") (Includes Flowable Fill)	LF	100	\$5.00	\$500.00	\$18.50	\$1,850.00	\$10.00	\$1,000.00	\$13.00	\$1,300.00	\$13.00	\$1,300.00	\$42.00	\$4,200.00	\$10.00	\$1,000.00	\$15.00	\$1,500.00
116	NBU Item 432	Remove and Restore Curb Ramp above Water and Sewer Utility Trenches (Incl. Base Materials, Joints, DWS, and Formwork)	EA	1	\$2,000.00	\$2,000.00	\$4,690.00	\$4,690.00	\$650.00	\$650.00	\$5,200.00	\$5,200.00	\$4,709.00	\$4,709.00	\$960.00	\$960.00	\$4,000.00	\$4,000.00	\$3,000.00	\$3,000.00
117	NBU Item 510	Maintain Water Service w/ Temporary "Jumper" Pipe between Existing Pipes (6" or Smaller in Diameter)	LF	20	\$157.50	\$3,150.00	\$127.50	\$2,550.00	\$180.00	\$3,600.00	\$65.00	\$1,300.00	\$516.00	\$10,320.00	\$200.00	\$4,000.00	\$350.00	\$7,000.00	\$50.00	\$1,000.00
118		Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (0' to 4' Depth)	EA	20	\$1,500.00	\$30,000.00	\$400.00	\$8,000.00	\$500.00	\$10,000.00	\$520.00	\$10,400.00	\$506.00	\$10,120.00	\$1,000.00	\$20,000.00	\$300.00	\$6,000.00	\$1,000.00	\$20,000.00
119		Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (4' to 8' Depth)	EA	15	\$1,500.00	\$22,500.00	\$650.00	\$9,750.00	\$500.00	\$7,500.00	\$1,040.00	\$15,600.00	\$767.00	\$11,505.00	\$1,400.00	\$21,000.00	\$600.00	\$9,000.00	\$1,500.00	\$22,500.00
120		Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (8' to 12' Depth)	EA	10	\$2,000.00	\$20,000.00	\$950.00	\$9,500.00	\$500.00	\$5,000.00	\$1,950.00	\$19,500.00	\$1,087.00	\$10,870.00	\$1,800.00	\$18,000.00	\$900.00	\$9,000.00	\$1,000.00	\$10,000.00
121		Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (12' to 18' Depth)	EA	5	\$2,000.00	\$10,000.00	\$1,550.00	\$7,750.00	\$500.00	\$2,500.00	\$2,600.00	\$13,000.00	\$1,813.00	\$9,065.00	\$2,500.00	\$12,500.00	\$2,000.00	\$10,000.00	\$1,500.00	\$7,500.00
122		Pavement Core and Repair to Facilitate Non-Destructive Excavation at Existing Buried Utility Lines (Maximum 12" Diameter)	EA	50	\$550.00	\$27,500.00	\$328.00	\$16,400.00	\$25.00	\$1,250.00	\$130.00	\$6,500.00	\$395.00	\$19,750.00	\$100.00	\$5,000.00	\$300.00	\$15,000.00	\$200.00	\$10,000.00
123		Adjust Vert. and/or Horiz. Alignment of Water Main Piping (Any Size) to Avoid Utility Conflict in Either Parallel or Perpendicular Orientation	LF	500	\$175.00	\$87,500.00	\$85.11	\$42,555.00	\$60.00	\$30,000.00	\$97.50	\$48,750.00	\$105.00	\$52,500.00	\$20.00	\$10,000.00	\$600.00	\$300,000.00	\$30.00	\$15,000.00
124		Adjust Vert. and/or Horiz. Alignment of Gravity Sanitary Sewer Main Piping (Any Size) to Avoid Utility Conflict in Either Parallel or Perpendicular Orientation	LF	500	\$185.00	\$92,500.00	\$85.11	\$42,555.00	\$60.00	\$30,000.00	\$97.50	\$48,750.00	\$38.00	\$19,000.00	\$20.00	\$10,000.00	\$400.00	\$200,000.00	\$30.00	\$15,000.00
				<b>SUBTOTAL</b>		<b>\$410,500.00</b>		<b>\$213,313.00</b>		<b>\$164,300.00</b>		<b>\$242,773.09</b>		<b>\$262,099.00</b>		<b>\$283,580.00</b>		<b>\$753,250.00</b>		<b>\$176,525.00</b>
				<b>TOTAL BASE BID</b>		<b>\$6,488,302.50</b>		<b>\$7,904,933.90</b>		<b>\$8,319,314.24</b>		<b>\$8,281,276.16</b>		<b>\$8,935,426.07</b>		<b>\$8,828,381.50</b>		<b>\$12,265,188.00</b>		<b>\$12,754,495.00</b>
				<b>TOTAL BASE BID + ALLOWANCES</b>		<b>\$6,898,802.50</b>		<b>\$8,118,246.90</b>		<b>\$8,483,614.24</b>		<b>\$8,524,049.25</b>		<b>\$9,197,525.07</b>		<b>\$9,111,961.50</b>		<b>\$13,018,438.00</b>		<b>\$12,931,020.00</b>
				<b>Submitted Bid</b>										<b>\$8,935,425.68</b>						
														<b>\$9,197,524.68</b>						

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THIS AGREEMENT is dated as of the \_\_\_\_\_ day of \_\_\_\_\_ of the year 20\_\_ by and between NEW BRAUNFELS UTILITIES (Owner or NBU) and D GUERRA CONSTRUCTON LLC (Contractor).

Owner and Contractor, in consideration of the mutual covenants set forth herein, agree as follows:

**ARTICLE 1 - WORK**

**1.01** Contractor shall complete all Work as specified or indicated in the Contract Documents as listed below:

- The Contract Agreement with Exhibits**
- Standard General Conditions of the Contract**
- Special Conditions**
- Supplemental Conditions**
- Technical Specifications**
- Payment Bond**
- Performance Bond**
- Plans produced by Urban Civil, LLC dated December 15, 2020**
- Technical Specifications produced by Urban Civil, LLC dated December 14, 2020**

**1.02** The Work is generally described as follows:

- (i) construction of approximately 5,200 linear feet ("LF") of 24-inch water main generally along Castell Avenue from West San Antonio Street to East Merriweather, (ii) construction of approximately 6,350 LF of 8-inch through 12-inch water main along Castell Avenue from West San Antonio Street to the Interstate Highway ("IH") 35 Southbound frontage road, (iii) construction of approximately 4,900 LF of 8-inch and 16-inch gravity sanitary sewer main along Castell Avenue from West San Antonio Street to the IH 35 Southbound frontage road, (iv) clearing and grubbing, (v) traffic control, (vi) storm water pollution prevention, (vii) site restoration, and (viii) all other appurtenances necessary to complete the Project.

**ARTICLE 2 - THE PROJECT**

**2.01** The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

**Castell Avenue Water and Sewer Rehabilitation**

**ARTICLE 3 - ENGINEER**

**3.01** The Project has been designed by:

**Christopher Weeks, P.E. and Scott Horowitz, P.E.**  
**Urban Civil, LLC**  
**190 S. Seguin Avenue**  
**New Braunfels, TX 78130**  
**830-606-3913**

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(Engineer), who is to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

**ARTICLE 4 - CONTRACT TIMES**

**4.01** *Time of the Essence*

A. Time limits stated in the Contract Documents are of the essence of the Contract. In all aspects of the Work, including any time limits for Milestones, Substantial Completion, and Final Completion, time is of the essence of the Contract. Additionally, time limits stated in the Project Schedule are of the essence. By executing this Contract Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

**4.02** *Days to Achieve Substantial Completion and Final Payment*

A. The Work shall be substantially complete within **Five Hundred Fifty (550) Calendar Days** from the notice to proceed date and ready for final payment in accordance with Paragraph 14.07 of the General Conditions within 30 calendar days after the substantially complete date.

**4.03** *Damages*

A. The Contractor shall achieve Substantial Completion of the entire Work within 550 calendar days from the notice to proceed date, subject to and adjustments of this Contract Time as provided in the Contract Documents and Change Orders modifying and extending this Agreement. It is specifically understood and agreed to by and between Owner and Contractor that time is of the essence in the substantial completion of the Work, and that failure to substantially complete the Work within the designated period, or as it may be extended, shall be construed as a material breach of this Agreement.

B. Should the Contractor default on its obligations to make progress and complete the Work on time, as allowed in the Contract Documents, the Owner may withhold, deduct, or recover from Contractor all costs and damages for compensable delay caused by Contractor from the Contract Price. Such costs shall include any professional or consultant's fees (including but not limited to fees for attorneys, architects, engineers, and construction managers), and all other costs, expenses, and damages actually incurred by the Owner as a result of such delay. Owner's delay damages, may be incidental to and not directly associated with the Project.

C. Timely final completion is an essential condition of this Contract. Contractor agrees to achieve final completion of the Work within 30 days of the designated or extended Substantial Completion date. The date of Substantial Completion shall be fixed by this Agreement, unless modified by Change Order, and memorialized by a Certificate of Substantial Completion as provided in the General Conditions.

**4.04** *Special Damages*

A. In addition to damages for delay addressed in Paragraph 4.03, Contractor shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.

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B. After Contractor achieves Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, Contractor shall reimburse Owner for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.

C. The remedies contained in this Article 4 are not exclusive and shall be cumulative to other remedies provided to the Owner in the event of default or breach by the Contractor.

**ARTICLE 5 - CONTRACT PRICE**

**5.01** Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract

For all Work, at the prices stated in Contractor's Bid Form, attached hereto as Exhibit B.

**ARTICLE 6 - PAYMENT PROCEDURES**

**6.01** *Submittal and Processing of Payments*

A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

**6.02** *Progress Payments; Retainage*

A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment within 30-days of NBU's acceptance of the payment application:

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Engineer may determine or Owner may withhold, including but not limited to damages, in accordance with Paragraph 14.02 of the General Conditions:
  - a. 95% (percent) of Work completed.
  - b. 95% (percent) of cost of materials and equipment not incorporated in the Work.

**6.03** *Final Payment*

A. Upon final completion and acceptance of the Work in accordance with Paragraph 14.07 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 14.07.

**ARTICLE 7 – CONTRACTOR'S REPRESENTATIONS**

**7.01** To induce Owner to enter into this Agreement Contractor makes the following representations:

A. Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.

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B. Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Contractor is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Contractor has obtained and carefully studied (or assumes responsibility for doing so) all examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents, and safety precautions and programs incident thereto.

E. Contractor does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.

F. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

G. Contractor has correlated the information known to Contractor, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.

H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

**ARTICLE 8 - MISCELLANEOUS**

**8.01 Terms**

A. Terms used in this Agreement will have the meanings stated in the General Conditions.

**8.02 Assignment of Contract**

A. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents. Should an assignment occur, the terms of this provision survive and control any further assignment by an assignee.

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**8.03** Successors and Assigns

A. Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

**8.04** Severability

A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

**8.05** Texas Public Information Act Requests

The Contractor recognizes that NBU is subject to the disclosure requirements of the Texas Public Information Act (the "PIA"). As part of its obligations within the Contract Documents, the Contractor agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of the NBU's obligations under the PIA. This acknowledgement and obligation are in addition to and complimentary to NBU's audit rights.

This provision applies if the Contract has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

The Contractor must (1) preserve all contracting information related to the Contract Documents as provided by the records retention requirements applicable to NBU for the duration of the Contract; (2) promptly provide to NBU any contracting information related to the Contract Documents that is in the custody or possession of the Contractor on request of NBU; and (3) on completion of the Work, either:

- (i) provide at no cost to NBU all contracting information related to the Contract Documents that is in the custody or possession of the Contractor; or
- (ii) preserve the contracting information related to the Contract Documents as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to the Contract Documents and the Contractor agrees that the Contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

**8.06** Prohibition on Contracts with Companies Boycotting Israel

A. The Contractor hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, does not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement as described in Chapter 2271 of the Texas Government Code, as amended. The foregoing verification is made solely to comply with Chapter 2271.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary

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business purposes. The Contractor understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Contractor and exists to make a profit.

**8.07 Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited.**

A. The Contractor represents that neither it nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,  
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or  
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law and excludes the Contractor and each of its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Contractor understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Contractor and exists to make a profit.

**8.08 Electronic Signatures**

A. Pursuant to Chapter 322 of the Texas Business and Commerce Code, as amended, the parties agree to the use of electronic signatures herein and that the use of an electronic signature, whether digital or encrypted, is intended to have the same force and effect as a manual signature. Electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. Each party further agrees that if it agrees to conduct a transaction by electronic means in this Contract, it may refuse to conduct other transactions by electronic means and that such right may not be waived by this Contract.

**ARTICLE 9 - INSURANCE**

**9.01 Evidence of Contractor’s Insurance**

A. When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each named insured and additional insured, the certificates and other evidence of insurance required to be provided by Contractor in accordance with the Insurance Rider that is Exhibit A to this Agreement. Evidence of insurance is attached as Exhibit C to this Agreement.

**Exhibit A – Insurance Rider**

**Exhibit B – Contractor’s Bid Form**

**Exhibit C – Evidence of Insurance**

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IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement in duplicate. One counterpart each has been delivered to Owner and Contractor. All portions of the Contract Documents have been signed or identified by Owner and Contractor or on their behalf.

This Agreement will be effective on \_\_\_\_\_, \_\_\_\_\_ (which is the Effective Date of the Agreement).

OWNER:

\_\_\_\_\_  
NEW BRAUNFELS UTILITIES

By: \_\_\_\_\_

Printed Name: Ian Taylor

Title: Chief Executive Officer

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Address for giving notices:

Attn: Director of Water Services

263 Main Plaza

New Braunfels, TX 78130

(If Owner is a corporation, attached evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-Contractor Agreement.)

CONTRACTOR:

\_\_\_\_\_  
D GUERRA CONSTRUCTION, LLC

By: [Signature]

Printed Name: GERARDO RODRIGUEZ

Title: CF

[CORPORATE SEAL]

Attest: [Signature]

Title: ASSISTANT ESTIMATOR

Address for giving notices:

8309 CROSS PARK DR.

AUSTIN TX 78754

512-363-5125

License No.: \_\_\_\_\_  
(Where Applicable)

Agent for service or process:

\_\_\_\_\_  
(If Contractor is a corporation or a partnership, attach evidence or authority to sign.)

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**Exhibit A – Insurance Rider**

**Exhibit A to Contract Agreement**  
**Owner's Insurance Requirements of Contractor**

**1. Specific Insurance Requirements**

The following insurance shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement and thereafter as required:

<b>Insurance</b>	<b>Coverage/Limits</b>	<b>Other Requirements</b>
Commercial General Liability (Occurrence Basis)	Amounts of coverage shall be no less than: <ul style="list-style-type: none"> <li>▪ \$1,000,000 Per Occurrence</li> <li>▪ \$2,000,000 General Aggregate</li> <li>▪ \$2,000,000 Products/Completed Operations Aggregate</li> <li>▪ \$1,000,000 Personal And Advertising Injury</li> <li>▪ Designated Construction Project(s) General Aggregate Limit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Current ISO edition of CG 00 01</li> <li>▪ Additional insured status shall be provided in favor of Owner Parties on a combination of ISO forms CG 20 10 10 01 and CG 20 37 10101 or an equivalent.</li> <li>▪ This coverage shall be endorsed to provide primary and non-contributing liability coverage. It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and will not seek contribution from any other insurance held by Owner Parties, with Owner Parties' insurance being excess, secondary and non-contributing.</li> <li>▪ Stop Gap coverage shall be provided if any work is to be performed in a monopolistic workers' compensation state.</li> <li>▪ The following exclusions/limitations (or their equivalent(s), are prohibited:                             <ul style="list-style-type: none"> <li>○ Contractual Liability Limitation CG 21 39</li> <li>○ Amendment of Insured Contract Definition CG 24 26</li> <li>○ Exclusion-Damage to Work Performed by Subcontractors On Your Behalf, CG 22 94 or CG 22 95</li> <li>○ Any Classification limitation</li> <li>○ Any Construction Defect Completed Operations exclusion</li> <li>○ Any endorsement modifying the Employer's Liability exclusion or deleting exception to it</li> <li>○ Any endorsement modifying or deleting Explosion, Collapse or Underground coverage</li> <li>○ Any Habitational or Residential exclusion applicable to the Work</li> <li>○ Any "Insured vs. Insured" exclusion except Named Insured vs. Named Insured</li> <li>○ Any Punitive, Exemplary or Multiplied Damages exclusion</li> <li>○ Any Subsidence exclusion</li> </ul> </li> </ul>

Business Auto Liability	Amount of coverage shall be no less than: <ul style="list-style-type: none"> <li>▪ \$1,000,000 Combined Single Limit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Current ISO edition of CA 00 01</li> <li>▪ Arising out of any auto (Symbol 1), including owned, hired and non-owned</li> </ul>
Workers' Compensation and Employer's Liability	Amounts of coverage shall be no less than: <ul style="list-style-type: none"> <li>▪ Statutory Limits</li> <li>▪ \$1,000,000 Each Accident and Disease</li> <li>▪ Alternate Employer endorsement</li> </ul>	<ul style="list-style-type: none"> <li>▪ The State in which work is to be performed must listed under Item 3.A. on the Information Page</li> <li>▪ Such insurance shall cover liability arising out of the Contractor's employment of workers and anyone for whom the Contractor may be liable for workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted.</li> <li>▪ Where a Professional Employer Organization (PEO) or "leased employees" are utilized, Contractor shall require its leasing company to provide Workers' Compensation insurance for said workers and such policy shall be endorsed to provide an Alternate Employer endorsement in favor of Contractor and Owner. Where Contractor uses leased employees with Workers' Compensation insurance provided by a PEO or employee leasing company, Contractor is strictly prohibited from subletting any of its work without the express written agreement of Owner.</li> </ul>
Excess Liability (Occurrence Basis)	Amounts of coverage shall be no less than: <ul style="list-style-type: none"> <li>▪ \$5,000,000 Each Occurrence</li> </ul>	<ul style="list-style-type: none"> <li>▪ Coverage shall "follow form" over underlying policies listed herein.</li> </ul>
Professional Liability	Amounts of coverage shall be no less than: <ul style="list-style-type: none"> <li>▪ <del>\$1,000,000 Each Claim</del></li> <li>▪ <del>\$2,000,000 Annual Aggregate</del></li> <li>▪ <del>If a combined Contractor's Pollution Liability and Professional Liability policy is utilized, the limits shall be \$3,000,000 Each Claim.</del></li> <li>▪ <del>Such insurance shall cover all services rendered by the Contractor and its consultants under the Agreement, including but not limited to design or design/build services.</del></li> <li>▪ <del>Policies written on a Claims Made basis shall be maintained for at least two years beyond termination of the Agreement.</del></li> </ul>	<ul style="list-style-type: none"> <li>▪ <del>Such insurance shall cover all services rendered by the Contractor and its subcontractors under the Agreement.</del></li> <li>▪ <del>This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from: <ul style="list-style-type: none"> <li>○ bodily injury or property damage where coverage is provided on behalf of design professionals or design/build contractors</li> <li>○ habitational or residential operations</li> <li>○ mold and/or microbial matter and/or fungus and/or biological substance</li> </ul> </del></li> <li>▪ <del>Any retroactive date must be effective prior to beginning of services for the Owner.</del></li> <li>▪ <del>Policies written on a Claims Made basis shall have an extended reporting period of at least two years beyond termination of the Agreement. Contractor shall trigger the extended reporting period if identical coverage is not otherwise maintained with the expiring retroactive date.</del></li> </ul>

<p>Contractors Pollution Liability</p>	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> <li>▪ - \$1,000,000 Each Claim</li> <li>▪ - If a combined Contractor's Pollution Liability and Professional Liability policy is utilized, the limits shall be \$3,000,000 Each Claim.</li> <li>▪ - The policy must provide coverage for:             <ul style="list-style-type: none"> <li>○ the full scope of the named insured's operations (on-going and completed) as described within the scope of work for this Agreement</li> <li>○ loss arising from pollutants including but not limited to fungus, bacteria, biological substances, mold, microbial matter, asbestos, lead, silica and contaminated drywall</li> <li>○ third party liability for bodily injury, property damage, clean up expenses, and defense arising from the operations;</li> <li>○ diminution of value and Natural Resources damages</li> <li>○ contractual liability</li> <li>○ claims arising from non-owned disposal sites utilized in the performance of this Agreement.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ - The policy must insure contractual liability, name Owner Parties as an Additional Insured, and be primary and noncontributory to all coverage available to the Additional Insured.</li> <li>▪ - This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from:             <ul style="list-style-type: none"> <li>○ Insured vs. insured actions. However exclusion for claims made between insured within the same economic family are acceptable.</li> <li>○ impaired property that has not been physically injured</li> <li>○ materials supplied or handled by the named insured. However, exclusions for the sale and manufacture of products are allowed. Exclusionary language pertaining to materials supplied by the insured shall be reviewed by the certificate holder for approval.</li> <li>○ property damage to the work performed by the contractor</li> <li>○ faulty workmanship as it relates to clean up costs</li> <li>○ work performed by subcontractors</li> </ul> </li> <li>▪ - If coverage is provided on a Claims Made basis, coverage will at least be retroactive to the earlier of the date of this Agreement or the commencement of contractor services relation to the Work.</li> <li>▪ - The policy will offer an extended discovery or extended reporting clause of at least three (3) years.</li> <li>▪ - Completed Operations coverage shall be maintained through the purchase of renewal policies to protect the insured and additional insured for at least two (2) years after the property owner accepts the project or this contract is terminated. The purchase of an extended discovery period or an extended reporting period on a Claims Made policy or the purchase of occurrence based Contractors Environmental Insurance will not be sufficient to meet the terms of this provision.</li> </ul>
<p>Builders Risk</p>	<ul style="list-style-type: none"> <li>▪ - Coverage shall be provided in an amount equal at all times to the full contract value, including change orders, and cost of debris removal for any single occurrence.</li> <li>▪ - Coverage shall be at least as broad as an unmodified ISO Special form, shall be provided on a completed value basis, and</li> </ul>	<ul style="list-style-type: none"> <li>▪ - Insureds shall include Owner Parties, General Contractor, all Loss Payees and Mortgagees, and subcontractors of all tiers in the Work as Insureds.</li> <li>▪ - Such insurance shall cover:             <ul style="list-style-type: none"> <li>○ all structure(s) under construction, including retaining walls, paved surfaces</li> </ul> </li> </ul>

<p>shall be primary to any other insurance coverage available to the named insured parties, with that other insurance being excess, secondary and non-contributing.</p> <p>• The policy must provide coverage for:</p> <ul style="list-style-type: none"> <li>○ Agreed Value <span style="float: right;">Included</span></li> <li>○ Damage arising from error, omission or deficiency in construction methods, design, specifications, workmanship or materials, including collapse <span style="float: right;">Included</span></li> <li>○ Debris removal additional limit <span style="float: right;">\$1,000,000</span></li> <li>○ Earthquake and Earthquake Sprinkler Leakage <span style="float: right;">\$5,000,000</span></li> <li>○ Flood <span style="float: right;">Included</span></li> <li>○ Freezing <span style="float: right;">Included</span></li> <li>○ Mechanical breakdown including hot &amp; cold testing <span style="float: right;">\$1,000,000</span></li> <li>○ Ordinance or law removal <span style="float: right;">\$ 25,000</span></li> <li>○ Pollutant clean-up and removal <span style="float: right;">Included</span></li> <li>○ Preservation of property <span style="float: right;">Included</span></li> <li>○ Theft <span style="float: right;">\$10,000</span></li> <li>○ Deductible shall not exceed 2% subject to \$50,000 minimum <span style="float: right;">\$100,000</span></li> <li>○ All Risks of Direct Damage, Per Occurrence, except Named Storm <span style="float: right;">\$100,000</span></li> <li>○ Earthquake and Earthquake Sprinkler Leakage, Per Occurrence</li> <li>○ Flood, Per Occurrence or excess of NFIP if in Flood Zone A or V</li> </ul>	<p>and roadways, bridges, glass, foundation(s), footings, underground pipes and wiring, excavations, grading, backfilling or filling;</p> <ul style="list-style-type: none"> <li>○ all temporary structures (e.g., fencing, scaffolding, cribbing, false work, forms, site lighting, temporary utilities and buildings) located at the site;</li> <li>○ all property including materials and supplies on-site for installation;</li> <li>○ all property including materials and supplies at other locations but intended for use at the site;</li> <li>○ all property including materials and supplies in transit to the site for installation by all means of transportation other than ocean transit; and</li> <li>○ other Work at the site identified in the Agreement to which this Exhibit is attached.</li> <li>• No protective safeguard warranty shall be permitted.</li> <li>• The termination of coverage provision shall be endorsed to permit occupancy of the covered property being constructed. This insurance shall be maintained in effect, unless otherwise provided for the Agreement Documents, until the earliest of:             <ul style="list-style-type: none"> <li>○ the date on which all persons and organizations who are insureds under the policy agree that it shall be terminated;</li> <li>○ occupancy, in whole or in part;</li> <li>○ the date on which release of substantial completion is executed; or</li> <li>○ the date on which the insurable interests of Contractor in the Covered Property has ceased.</li> </ul> </li> <li>• A waiver of subrogation provision shall be provided in favor of all insureds listed above.</li> </ul>
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**2. General Insurance Requirements**

**A. Definitions. For purposes of this Agreement:**

- i. "ISO" means Insurance Services Office.
- ii. "Contractor" shall include the Builder and its subcontractors of any tier.
- iii. "Owner Parties" means (a) New Braunfels Utilities (collectively referred to as "Owner"), (b) the Project, (c) any lender whose loan is secured by a lien against the Work, (d) their respective shareholders, members, partners, joint venturers, affiliates, subsidiaries, successors and assigns, (e) any directors, officers, employees, or agents of such persons or entities, and (f) others as required by the Contract Documents.

**B. Policies.**

- i. Contractor shall maintain such Excess Liability, Professional and Pollution insurance in identical coverage, form and amount, including required endorsements, for at least two (2) years following Date of Substantial Completion of the Work to be performed under this Agreement. Contractor shall maintain such General Liability insurance in identical coverage, form and amount, including required endorsements, for at least ten (10) years following Date of Substantial Completion of the Work to be performed under this Agreement. Contractor shall provide written representation to Owner stating Work completion date.
- ii. All policies must:
  - a. Be written through insurance companies authorized to do business in the State in which the work is to be performed and rated no less than A-: VII in the most current edition of A. M. Best's Key Rating Guide at all times Work is to be performed.
  - b. Provide a waiver of subrogation in favor of Owner Parties on all insurance coverage carried by Contractor, whether required herein or not.
  - c. Contain an endorsement providing for thirty (30) days prior written notice of cancellation to Owner.
  - d. Be provided to the Owner Parties in compliance with the requirements herein and shall contain no endorsements that restrict, limit, or exclude coverage required herein in any manner without the prior express written approval of the Owner.
- iii. Failure of any Owner Party to demand such certificate or other evidence of full compliance with these insurance requirements or failure of any Owner Party to identify a deficiency from evidence that is provided shall not be construed as a waiver of the Contractor's obligation to maintain such insurance.
- iv. The Owner shall have the right to prohibit the Contractor or any subcontractor from performing any Work until such certificate of insurance, evidence of insurance and/or required endorsements are received and approved by the Owner.

**C. Limits, Deductibles and Retentions**

- i. No deductible or self-insured retention shall exceed \$25,000 without prior written approval of the Owner, except as otherwise specified herein. All deductibles and/or retentions shall be paid by, assumed by, for the account of, and at the Contractor's sole risk.

**D. Evidence of Insurance.**

The Contractor shall furnish evidence of insurance to NBU that confirms all required insurance policies are in full force and effect. Evidence of insurance shall be in a form acceptable to NBU.

Insurance must be evidenced as follows:

- i. ACORD Form 25 Certificate of Liability Insurance for liability coverages.
- ii. ACORD Form 28 Evidence of Commercial Property Insurance for property coverages.
- iii. Evidence shall be provided to Owner prior to commencing Work and prior to the expiration of any required coverage.
- iv. ACORD Forms specify:
  - a. Owner as certificate holder at Owner's mailing address;
  - b. Insured's name, which must match that on this Agreement;
  - c. Insurance companies producing each coverage and the policy number and policy date of each coverage;
  - d. Producer of the certificate with correct address and phone number and have the signature of the authorized representative of the producer;
  - e. Additional Insured status in favor of Owner Parties;

- f. Amount of any deductible or self-insured retention in excess of \$25,000;
  - g. Designated Construction Project(s) General Aggregate Limit;
  - h. Primary and non-contributory status;
  - i. Waivers of subrogation; and
  - j. All exclusions and limitations added by endorsement to the General Liability coverage. This can be achieved by attachment of the Schedule of Forms and Endorsements page.
- v. Copies of the following shall also be provided:
- a. General Liability Additional insured endorsement(s);
  - b. General Liability Schedule of Forms and Endorsements page(s); and
  - c. 30 Day Notice of Cancellation endorsement applicable to all required policies.

**E. Contractor Insurance Representations to Owner Parties**

- i. It is expressly understood and agreed that the insurance coverages required herein (a) represent Owner Parties' minimum requirements and are not to be construed to void or limit the Contractor's indemnity obligations as contained in this Agreement; and (b) are being, or have been, obtained by the Contractor in support of the Contractor's liability and indemnity obligations under this Agreement.
- ii. Failure to obtain and maintain the required insurance shall constitute a material breach of, and default under, this Agreement. In the event of any failure by the Contractor to comply with the provisions of this Agreement, the Owner may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to the Contractor, purchase such insurance and offset all costs and expenses from the Contract Sum. Owner's exercise of this right shall not relieve or excuse Contractor from the obligation to obtain and maintain such insurance amounts and coverages.
- iii. This Exhibit is an independent contract provision and shall survive the termination or expiration of the Contract Agreement.

**F. Insurance Requirements of Contractor's Subcontractors**

- i. Insurance similar to that required of the Contractor shall be provided by all subcontractors (or provided by the Contractor on behalf of subcontractors) to cover operations performed under any subcontract agreement. The Contractor shall be held responsible for any modification in these insurance requirements as they apply to subcontractors. The Contractor shall maintain certificates of insurance from all subcontractors containing provisions similar to those listed herein (modified to recognize that the certificate is from subcontractor) enumerating, among other things, the waivers of subrogation, additional insured status, and primary liability as required herein, and make them available to the Owner upon request.
- ii. The Contractor is fully responsible for loss and damage to its property on the site, including tools and equipment, and shall take necessary precautions to prevent damage to or vandalism, theft, burglary, pilferage and unexplained disappearance of property. Any insurance covering the Contractor's or its subcontractor's property shall be the Contractor's and its subcontractor's sole and complete means or recovery for any such loss. To the extent any loss is not covered by said insurance or subject to any deductible or co-insurance, the Contractor shall not be reimbursed for same. Should the Contractor or its subcontractors choose to self-insure this risk, it is expressly agreed that the Contractor hereby waives, and shall cause its subcontractors to waive, any claim for damage or loss to said property in favor of the Owner Parties.

**G. Use of the Owners Equipment**

The Contractor, its agents, employees, subcontractors or suppliers shall use the Owners equipment only with express written permission of the Owners designated representative and in accordance with the Owners terms and condition for such use.

**H. Release and Waiver**

The Contractor hereby releases, and shall cause its subcontractors to release, the Owner Parties from any and all claims or causes of action whatsoever which the Contractor and/or its subcontractors might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered by insurance, whether

required herein or not, or which should have been covered by insurance required herein, including the deductible and/or uninsured portion thereof, maintained and/or required to be maintained by the Contractor and/or its subcontractors pursuant to this Agreement. **THE FOREGOING RELEASE AND WAIVER APPLY EVEN IF THE LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE FAULT OR NEGLIGENCE OR STRICT LIABILITY OF THE OWNER PARTIES.**

**Bidding Requirements, Contracts Forms & Conditions of the Contract**  
**CONTRACT AGREEMENT**

**Exhibit B – Contractor’s Bid Form**

**Exhibit B to Contract Agreement**  
**Bidding Requirements, Contract Forms & Conditions of the Contract**  
**BID FORM**

New Braunfels Utilities  
355 FM 306  
New Braunfels, TX 78130

**PROJECT:** Castell Avenue Water and Sewer Rehabilitation

1. The undersigned BIDDER proposes and agrees, if this Bid is accepted, to enter into an agreement with New Braunfels Utilities (NBU) in the form included in the Contract Documents to perform and furnish all Work as specified or indicated in the Contract Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.
2. BIDDER accepts all the terms and conditions of the Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for ninety (90) days after the day of Bid opening. BIDDER will sign and submit the Agreement with the Bonds and other Documents required by the Bidding Requirements within ten (10) days after the date of NBU's Notice of Award.
3. In submitting this bid, BIDDER represents, as more fully set forth in the Agreement, that:
  - a) BIDDER has examined copies of all the Bidding Documents and of all addenda.
  - b) BIDDER has familiarized himself/herself with the nature and extent of the Contract Documents, Work, site, locality and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the work.
  - c) BIDDER has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests and studies which pertain to the subsurface of physical conditions at the site or otherwise may affect the cost, progress, performance or furnishing of Work as BIDDER considers necessary for the performance or finishing of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.02 of the General Conditions; and no additional examinations, investigations, explorations, tests, reports, or similar information or data are or will be required by BIDDER for such purposes.
  - d) BIDDER has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumed responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports or similar information or data in respect of said Underground Facilities are or will be required by the BIDDER in order to perform and furnish the Work at the Contract Price, within the Contract Time and in Accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.04 of the General Conditions.
  - e) BIDDER has correlated the results of all such observations, examinations, investigations, explorations, tests, reports, and studies with the terms and conditions of the Contract Documents.
  - f) BIDDER has given OWNER written notice of all conflicts, errors or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by OWNER is acceptable by BIDDER.
  - g) The Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; BIDDER has not directly or indirectly induced or solicited any other BIDDER to submit a false or sham Bid; BIDDER has not solicited or induced any person, firm or corporation to refrain from bidding; and BIDDER has not sought by collusion to obtain for itself any advantage over any other BIDDER or over NBU.

**Exhibit B to Contract Agreement**  
**Bidding Requirements, Contract Forms & Conditions of the Contract**  
**BID FORM**

4. BIDDER will complete work for the following prices:

**Base Bid General Items**

<u>SPEC REF</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
TxDOT Item 500	Mobilization	LS	1	\$600,000 <sup>-</sup>	\$600,000 <sup>-</sup>
TxDOT Item 100	ROW Preparation – Per 100 LF Station	STA	60	\$4,000 <sup>-</sup>	\$240,000 <sup>-</sup>
NBU Item 703	Traffic Control Plan	LS	1	\$50,000 <sup>-</sup>	\$50,000 <sup>-</sup>
-	Lump Sum Allowance for UPRR Approved Flagger and Observer (2 People)	LS	1	\$50,000	\$50,000
NBU Item 642	Sediment Control Fence	LF	1,214	\$ 2.50 <sup>-</sup>	\$3,035 <sup>-</sup>
TxDOT Item 506	Gravel Filter Bags at Curb Inlet Openings	LF	165	\$20 <sup>-</sup>	\$3,300 <sup>-</sup>
NBU Item 604	Hydro-Mulch Seeding (Includes Topsoil)	SY	1,033	\$2 <sup>-</sup>	\$2,066 <sup>-</sup>

**Base Bid Water Items**

<u>SPEC REF</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
NBU Item 510	Water Main (DI) (C-151) (CL 250) (24")	LF	5,169	\$210 <sup>-</sup>	\$1,085,490 <sup>-</sup>
NBU Item 510	Water Main (DI) (C-151) (CL 350) (12")	LF	1,858	\$130 <sup>-</sup>	\$241,540 <sup>-</sup>
NBU Item 510	Water Main (DI) (C-151) (CL 350) (6")	LF	70	\$103.50 <sup>-</sup>	\$7,245 <sup>-</sup>
Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (12")	LF	3,300	\$110 <sup>-</sup>	\$363,000 <sup>-</sup>
Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (10")	LF	78	\$115 <sup>-</sup>	\$8,970 <sup>-</sup>
Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (8")	LF	1,088	\$100 <sup>-</sup>	\$108,800 <sup>-</sup>

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Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (6")	LF	85	\$100-	\$8,500-
Urban Civil Item 2G1A	Water Main (PVC) (C-900) (CL-200) (4")	LF	203	\$80-	\$16,240-
NBU Item 510	Water Main (GSP) (A-53) (SCH 40) (2")	LF	6	\$70-	\$420-
Urban Civil Item 2G2	Long Water Service Reconnect for 6" Meter (PVC) (C-900) (Wet Connection)	EA	1	\$3,900-	\$3,900-
Urban Civil Item 2G2	Long Water Service Reconnect for 1.5" and 2" Meters (Type 'K' Copper Tubing) (Approx. Length @ 49 LF)	EA	17	\$3,550-	\$60,350-
Urban Civil Item 2G2	Short Water Service Reconnect for 1.5" and 2" Meters (Type 'K' Copper Tubing) (Approx. Length @ 14 LF)	EA	21	\$1,950-	\$40,950-
Urban Civil Item 2G2	Long Water Service Reconnect for 5/8" and 3/4" and 1" Meters (Type 'K' Copper Tubing) (Approx. Length @ 49 LF)	EA	21	\$2,675-	\$56,175-
Urban Civil Item 2G2	Short Water Service Reconnect for 5/8" and 3/4" and 1" Meters (Type 'K' Copper Tubing) (Approx. Length @ 14 LF)	EA	15	\$1,400-	\$21,000-
NBU Item 510	Replace / Adjust Fire Lead Service Line (DI) (C-151) (CL 350) (6")	EA	2	\$4,500-	\$9,000-
TxDOT Item 100	Remove and Dispose of Fire Hydrant Assembly	EA	9	\$500-	\$4,500-
NBU Item 510	Ductile Iron Fittings (C-153) (4" through 24")	TONS	16.9	\$7,000-	\$118,300-
NBU Item 510	Transition Coupling (Dresser-Type) (2")	EA	3	\$325-	\$975-
NBU Item 510	New Water Main Tie-In at Existing 10" Water Main (Wet Connection)	EA	1	\$6,000-	\$6,000-
NBU Item 510	New Water Main Tie-In at Existing 8" Water Main (Wet Connection)	EA	6	\$3,500-	\$21,000-
NBU Item 510	New Water Main Tie-In at Existing 6" Water Main (Wet Connection)	EA	7	\$3,200-	\$22,400-

**Exhibit B to Contract Agreement**  
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NBU Item 510	New Water Main Tie-In at Existing 4" Water Main (Wet Connection)	EA	4	\$3,200-	\$12,800-
NBU Item 510	New Water Main Tie-In at Existing 2" Water Main (Wet Connection)	EA	3	\$3,000-	\$9,000-
-	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (10")	EA	1	\$14,500-	\$14,500-
-	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (8")	EA	6	\$9,500-	\$57,000-
-	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (6")	EA	7	\$9,000-	\$63,000-
-	Insertion Valve at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (4")	EA	4	\$8,000-	\$32,000-
-	Freeze Plug at Existing PVC, CI, DI, Stl, or AC Water Main Pipeline (2")	EA	3	\$500-	\$1,500-
NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore ONLY (48")	LF	500	\$760-	\$380,000-
NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore ONLY (24")	LF	500	\$360-	\$180,000-
NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore OR Open Cut (48")	LF	160	\$450-	\$72,000-
NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore OR Open Cut (24")	LF	128	\$250-	\$32,000-
NBU Item 501	Steel Casing Pipe Installed by Horizontal Auger Bore OR Open Cut (16")	LF	30	\$230-	\$6,900-
NBU Item 511	Butterfly Valve and Valve Box MJ (24")	EA	4	\$12,900-	\$51,600-
NBU Item 511	Gate Valve and Valve Box FLG (10")	EA	3	\$5,500-	\$16,500-
NBU Item 511	Gate Valve and Valve Box MJ (12")	EA	19	\$5,100-	\$96,900-
NBU Item 511	Gate Valve and Valve Box MJ (10")	EA	1	\$4,500-	\$4,500-
NBU Item 511	Gate Valve and Valve Box MJ (8")	EA	23	\$4,000-	\$92,000-

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NBU Item 511	Gate Valve and Valve Box MJ (6")	EA	2	\$ 3,500-	\$ 7,000-
NBU Item 511	Gate Valve and Valve Box MJ (4")	EA	1	\$ 3,000-	\$ 3,000-
NBU Item 510	Abandon in Place (WL) (10") (Includes Flowable Fill)	LF	70	\$ 5-	\$ 350-
NBU Item 510	Abandon in Place (WL) (8") (Includes Flowable Fill)	LF	4,456	\$ 4-	\$ 17,824-
NBU Item 510	Abandon in Place (WL) (6") (Includes Flowable Fill)	LF	990	\$ 3-	\$ 2,970-
NBU Item 510	Abandon in Place (WL) (4") (Includes Flowable Fill)	LF	134	\$ 3-	\$ 402-
NBU Item 510	Abandon in Place (WL) (2") (Includes Flowable Fill)	LF	672	\$ 3-	\$ 2,016-
NBU Item 511	Fire Hydrant, Gate Valve, Box and DI Fire Lead Pipe	EA	21	\$ 7,000-	\$ 147,000-
NBU Item 511	Blow Off Assembly (2") at 8" PVC Water Main Pipeline	EA	1	\$ 3,500-	\$ 3,500-
NBU Item 511	CAV Assembly (2") with Box and Cover	EA	7	\$ 7,500-	\$ 52,500-
NBU Item 510	Low-Point Drain Assembly at 24" Water Main Pipeline	EA	2	\$ 8,300-	\$ 16,600-
NBU Item 510	Cut-In Tee Assembly for Lateral Connection to Proposed 12" Water Main from Existing 10" Water Main (Wet Connection)	EA	1	\$ 6,500-	\$ 6,500-
NBU Item 509	Trench Safety Protection for Water Mains and Services	LF	11,696	\$ 5-	\$ 58,480-

**Base Bid Sewer Improvements**

<u>SPEC REF</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
Urban Civil Item 2G1B	Sanitary Sewer 0' to 8' Deep (Green PVC) (C-900) (16")	LF	4,130	\$ 145-	\$ 598,850-
Urban Civil Item 2G1B	Sanitary Sewer 8' to 10' Deep (Green PVC) (C-900) (16")	LF	214	\$ 165-	\$ 35,310-

**Exhibit B to Contract Agreement**  
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Urban Civil Item 2G1B	Sanitary Sewer 10' to 12' Deep (Green PVC) (C-900) (16")	LF	70	\$195-	\$13,650-
Urban Civil Item 2G1B	Sanitary Sewer 0' to 8' Deep (Green PVC) (C-900) (8")	LF	352	\$130-	\$45,760-
NBU Item 506	4' Sanitary Sewer Manhole 0' to 8' Deep (Vented w/ Coating System)	EA	11	\$7,000-	\$77,000-
NBU Item 506	4' Sanitary Sewer Manhole 0' to 8' Deep (Water-Tight w/ Coating System)	EA	23	\$6,500-	\$149,500-
NBU Item 506	Extra Depth Manhole (>8 VF w/ Coating System)	VF	6	\$500-	\$3,000-
TxDOT Item 100	Remove and Dispose of Sanitary Sewer Manhole	EA	14	\$400-	\$5,600-
NBU Item 506	Abandon In-Place Sanitary Sewer Manhole	EA	1	\$2,000-	\$2,000-
TxDOT Item 100	Remove and Dispose of Existing Sanitary Sewer Pipe (All Sizes)	LF	3,510	\$2-	\$7,020-
NBU Item 510	Abandon in Place (WWL) (12") (Includes Flowable Fill)	LF	935	\$6-	\$5,610-
NBU Item 510	Abandon in Place (WWL) (6") (Includes Flowable Fill)	LF	225	\$6-	\$1,350-
TxDOT Item 100	Remove and Dispose of Sanitary Sewer Cleanout	EA	83	\$10-	\$830-
NBU Item 505	Concrete Encasement of Sanitary Sewer Pipe at Variable Depth (16")	LF	1,043	\$42.50	\$44,327.50
Urban Civil Item 2G3	Long Sanitary Sewer Lateral Reconnection (Green PVC) (C-900) (6")	LF	2,156	\$80-	\$172,480-
Urban Civil Item 2G3	Short Sanitary Sewer Lateral Reconnection (Green PVC) (C-900) (6")	LF	546	\$120-	\$65,520-
Urban Civil Item 2G3	Two Way Cleanout (Green PVC) (C-900) (6")	EA	83	\$1,100-	\$91,300-
Urban Civil Item 2G6	Sanitary Sewer Bypass Pumping System (Per Event)	EA	9	\$5,000-	\$45,000-
NBU Item 509	Trench Safety Protection for Sanitary Sewer Mains and Services	LF	4,766	\$10-	\$47,660

**Exhibit B to Contract Agreement**  
**Bidding Requirements, Contract Forms & Conditions of the Contract**  
**BID FORM**

**Base Bid Storm Water Items**

<u>SPEC REF</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
TxDOT Item 465	Precast Conc. Storm Drain Junction Box w/ Manway (3'x3') (Rated HL-93)	VF	5	\$2,000 <sup>-</sup>	\$10,000 <sup>-</sup>
TxDOT Item 100	Remove and Dispose of Existing Storm Drainpipe (All Sizes)	LF	9	\$60 <sup>-</sup>	\$540 <sup>-</sup>
TxDOT Item 464	Storm Sewer 0' to 8' Deep (RCP) (C-76; CL 3; Wall Type "B") (18")	LF	9	\$200 <sup>-</sup>	\$1,800 <sup>-</sup>
NBU Item 403	Modify Existing Storm Drain Inlet Structure to Raise Floor Elevation w/ Reinf. Conc. Fill	LS	1	\$3,500 <sup>-</sup>	\$3,500 <sup>-</sup>

**Base Bid Pavement, Driveway, and Sidewalk Items**

<u>SPEC REF</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
TxDOT Item 351	Sawcut, Remove, and Restore HMAC Pavement above Water and Sewer Utility Trenches (Incl. Base Materials and Prime Coat)	SY	7,699	\$45 <sup>-</sup>	\$346,455 <sup>-</sup>
TxDOT Item 361	Sawcut, Remove, and Restore Conc. Cross Gutter / Valley Gutter above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	66	\$50 <sup>-</sup>	\$3,300 <sup>-</sup>
TxDOT Item 351	Sawcut, Remove, and Restore HMAC Driveway above Water and Sewer Utility Trenches (Incl. Base Materials and Prime Coat)	SY	12	\$150 <sup>-</sup>	\$1,800 <sup>-</sup>
NBU Item 401	Remove, and Restore Gravel Driveway above Water and Sewer Utility Trenches (Incl. Flex Base and CSS Materials)	SY	4	\$40 <sup>-</sup>	\$160 <sup>-</sup>
NBU Item 401	Remove, and Restore Gravel Landscaping above Water and Sewer Utility Trenches	SY	25	\$40 <sup>-</sup>	\$1,000 <sup>-</sup>
NBU Item 432	Sawcut, Remove, and Restore Conc. Sidewalk above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	221	\$40 <sup>-</sup>	\$8,840 <sup>-</sup>
TxDOT Item 530	Sawcut, Remove, and Restore Conc. Driveway above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	118	\$80 <sup>-</sup>	\$9,440 <sup>-</sup>
TxDOT Item 529	Sawcut, Remove, and Restore Conc. Curb and Gutter above Water and Sewer Utility Trenches	LF	570	\$40 <sup>-</sup>	\$22,800 <sup>-</sup>

**Exhibit B to Contract Agreement  
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	(Incl. Base Materials and Joints / Formwork)				
NBU Item 434	Sawcut, Remove, and Restore Conc. Median / Island above Water and Sewer Utility Trenches (Incl. Base Materials and Joints / Formwork)	SY	17	\$50 <sup>-</sup>	\$850 <sup>-</sup>
TxDOT Item 354	Mill Existing Asphalt Pavement (2" to 4" Depth)	SY	3,219	\$8 <sup>-</sup>	\$25,752 <sup>-</sup>
TxDOT Item 341	Install HMAC Pavement (3" Thick; Type "D;" PG 70-22)	TONS	544	\$75 <sup>-</sup>	\$40,880 <sup>-</sup>
-	Use Non-Destructive Excavation Equipment to Locate Existing Fiber Optic Cable within UPRR R-O-W (Maximum Depth at 20 VF)	EA	2	\$3,000 <sup>-</sup>	\$6,000 <sup>-</sup>

**Add/Alternates**

<u>SPECIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
NBU Item 401	CSS Backfill at Water or Sanitary Sewer Main Pipe at Various Depths (14" and Larger in Diameter)	LF	100	\$100 <sup>-</sup>	\$10,000 <sup>-</sup>
NBU Item 401	CSS Backfill at Water or Sanitary Sewer Main Pipe at Various Depths (12" and Smaller in Diameter)	LF	100	\$80 <sup>-</sup>	\$8,000 <sup>-</sup>
NBU Item 504	Adjust Existing Water Valve Box to Grade during Pavement Repairs	EA	25	\$1,000 <sup>-</sup>	\$25,000 <sup>-</sup>
NBU Item 504	Adjust Existing Gas Valve Box to Grade during Pavement Repairs	EA	25	\$1,000 <sup>-</sup>	\$25,000 <sup>-</sup>
NBU Item 504	Adjust Existing Survey Monument Box to Grade during Pavement Repairs	EA	1	\$550 <sup>-</sup>	\$550 <sup>-</sup>
NBU Item 504	Adjust Existing Electrical / Communications Pull Box to Grade	EA	5	\$1,000 <sup>-</sup>	\$5,000 <sup>-</sup>

**Exhibit B to Contract Agreement**  
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	during Pavement Repairs				
NBU Item 606	Block Sodding for Erosion Control (Incl. Topsoil)	SY	100	\$ 20 <sup>-</sup>	\$ 2,000 <sup>-</sup>
TxDOT Item 666	Crosswalk Striping (From Gutter to Gutter across Street Pavement)	EA	1	\$ 2,000 <sup>-</sup>	\$ 2,000 <sup>-</sup>
TxDOT Item 666	Pavement Striping (4" Width; Incl. Pavement Surface Prep.)	LF	500	\$ 2.50 <sup>-</sup>	\$ 1,250 <sup>-</sup>
TxDOT Item 672	Raised Pavement Markers (Incl. Pavement Surface Prep.)	EA	250	\$ 10 <sup>-</sup>	\$ 2,500 <sup>-</sup>
TxDOT Item 666	Pavement Markings (Word, Symbol, or Shape; Incl. Pavement Surface Prep.)	SF	500	\$ 15 <sup>-</sup>	\$ 7,500 <sup>-</sup>
-	Relocate Existing Sign and Pole (Incl. Pole Foundation)	EA	1	\$ 500 <sup>-</sup>	\$ 500 <sup>-</sup>
NBU Item 504	Adjust Water Valve Box and Lid Flush with Sidewalk Surface	EA	2	\$ 650 <sup>-</sup>	\$ 1,300 <sup>-</sup>
NBU Item 504	Adjust Water Meter Box and Lid Flush with Sidewalk Surface	EA	2	\$ 650 <sup>-</sup>	\$ 1,300 <sup>-</sup>
NBU Item 505	Concrete Encasement of Water Transmission Pipe at Variable Depth (24")	LF	100	\$ 45 <sup>-</sup>	\$ 4,500 <sup>-</sup>
NBU Item 505	Concrete Encasement of Water Distribution Pipe at Variable Depth (12")	LF	100	\$ 35 <sup>-</sup>	\$ 3,500 <sup>-</sup>
NBU Item 505	Concrete Encasement of Water Distribution Pipe at Variable Depth (10" and Smaller in Diameter)	LF	100	\$ 35 <sup>-</sup>	\$ 3,500 <sup>-</sup>

**Exhibit B to Contract Agreement  
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NBU Item 505	Concrete Encasement of Sanitary Sewer Pipe at Variable Depth (14" and Smaller in Diameter)	LF	100	\$40 <sup>-</sup>	\$4,000 <sup>-</sup>
NBU Item 504	Reposition / Adjust Existing Water Meter and Box for 1.5" and 2" Meters during Reconnection to 12" Water Main Pipeline	EA	2	\$600 <sup>-</sup>	\$1,200 <sup>-</sup>
NBU Item 504	Reposition / Adjust Existing Water Meter and Box for 5/8" and 3/4" and 1" Meters during Reconnection to 12" Water Main Pipeline	EA	5	\$1,050 <sup>-</sup>	\$5,250 <sup>-</sup>
NBU Item 510	Abandon in Place (WWL) (10") (Includes Flowable Fill)	LF	100	\$10 <sup>-</sup>	\$1,000 <sup>-</sup>
NBU Item 510	Abandon in Place (WWL) (8") (Includes Flowable Fill)	LF	100	\$5 <sup>-</sup>	\$500 <sup>-</sup>
NBU Item 432	Remove and Restore Curb Ramp above Water and Sewer Utility Trenches (Incl. Base Materials, Joints, DWS, and Formwork)	EA	1	\$2,000 <sup>-</sup>	\$2,000 <sup>-</sup>
NBU Item 510	Maintain Water Service w/ Temporary "Jumper" Pipe between Existing Pipes (6" or Smaller in Diameter)	LF	20	\$157. <sup>50</sup>	\$3,150 <sup>-</sup>
-	Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within	EA	20	\$1,500 <sup>-</sup>	\$30,000 <sup>-</sup>

**Exhibit B to Contract Agreement**  
**Bidding Requirements, Contract Forms & Conditions of the Contract**  
**BID FORM**

	Castell Ave. R-O-W (0' to 4' Depth)				
-	Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (4' to 8' Depth)	EA	15	\$1,500-	\$ 22,500-
-	Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (8' to 12' Depth)	EA	10	\$2,000-	\$ 20,000-
-	Use Non-Destructive Excavation Equipment to Locate Existing Utility Lines within Castell Ave. R-O-W (12' to 18' Depth)	EA	5	\$2,000-	\$10,000-
-	Pavement Core and Repair to Facilitate Non-Destructive Excavation at Existing Buried Utility Lines (Maximum 12" Diameter)	EA	50	\$550-	\$ 27,500-
-	Adjust Vert. and/or Horiz. Alignment of Water Main Piping (Any Size) to Avoid Utility Conflict in Either Parallel or Perpendicular Orientation	LF	500	\$175-	\$ 87,500-
-	Adjust Vert. and/or Horiz. Alignment of Gravity Sanitary Sewer Main Piping (Any Size) to Avoid Utility Conflict in Either Parallel or	LF	500	\$180-	\$ 92,500-

**Exhibit B to Contract Agreement  
Bidding Requirements, Contract Forms & Conditions of the Contract  
BID FORM**

	Perpendicular Orientation	
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**BASE BID GENERAL ITEMS:** \$ 948,401<sup>-</sup>

**BASE BID WATER ITEMS:** \$ 3,645,097<sup>-</sup>

**BASE BID SEWER ITEMS:** \$ 1,411,767.<sup>50</sup>

**BASE BID STORM WATER ITEMS :** \$ 15,840<sup>-</sup>

**BASE BID PAVEMENT, DRIVEWAY, AND SIDEWALK ITEMS:** \$ 467,197

**TOTAL BASE BID:** \$ 6,488,302.<sup>50</sup>

**TOTAL ADD/ALTERNATES:** \$ 410,500<sup>-</sup>

**TOTAL BASE BID + ADD/ALTERNATES:** \$ 6,898,802.<sup>50</sup>

5. BIDDER agrees that the Work will be substantially complete and ready for final payment in accordance with paragraph 14.04 of the General Conditions within the Calendar days indicated in the Agreement. BIDDER accepts the provisions of the Agreement as to damages and special damages in the event of failure to complete the Work on time.
6. The following documents are attached to and made a condition of this Bid:
  - a) Required Bid Security of five percent (5%) of the Bidder's maximum base bid price and in the form of approved bid bond.
7. Communication concerning this Bid shall be addressed to:
 

New Braunfels Utilities  
 Purchasing Manager  
 355 FM 306,  
 New Braunfels, TX 78130  
 Phone: 830-608-8867  
 Email: [Purchasing@NBUTexas.com](mailto:Purchasing@NBUTexas.com)
8. The terms used in this Bid which are defined in the General Conditions of the Construction Contract included as part of the Contract Documents have the meanings assigned to them in the General Conditions.
9. The undersigned acknowledges receipt of the following addenda:
 

Addendum No. 1, 2, 3

**Exhibit B to Contract Agreement  
Bidding Requirements, Contract Forms & Conditions of the Contract  
BID FORM**

\_\_\_\_\_  
Secretary, \*if bidder is a corporation

D GUERRA CONSTRUCTION, LLC

\_\_\_\_\_  
Company Name of Bidder

(Seal)



\_\_\_\_\_  
Authorized Signature

3/3/21

\_\_\_\_\_  
Date

TED ZAMORA

\_\_\_\_\_  
Printed Name of Authorized Signature

8309 Cross Park Dr.

Austin, TX 78754

\_\_\_\_\_  
Address

Copy of Corporate Resolution and minutes with certificate of officer of bidder as to authority of signatory to bind bidder is to be signed and dated no earlier than one week before bid date, and attached to this document

512.363.5125/ TZamora@Dguerraconstuction.com  
Telephone Number/Email

**END OF DOCUMENT**

**Bidding Requirements, Contracts Forms & Conditions of the Contract**  
**CONTRACT AGREEMENT**

**Exhibit C – Evidence of Insurance**



**Meeting Date:** April 29, 2021      **Agenda Type:** Consent Items for Action

**From:** Shawn T. Schorn, P.E.      **Reviewed by:** Michael Short, P.E.  
 Chief Engineer of Water      Director of Water Services  
 Services

**Submitted by:** Ryan Kelso      **Approved by:** Ian Taylor  
 Chief Operations Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for the Design of the McKenzie Interceptor Upgrade Project

## **BACKGROUND**

The McKenzie Interceptor Upgrade Project includes the installation of approximately 35,300 linear feet of 36-inch interceptor, which will provide increased collection capacity and replace an existing interceptor in the collection basin that is undersized for projected growth (the “Project”).

This Professional Services Agreement between New Braunfels Utilities (“NBU”) and Freese and Nichols, Inc. (“FNI”) includes assisting NBU with applying for Texas Water Development Board (“TWDB”) funding, surveying, geotechnical, design, permitting, cultural, historical, bidding, construction administration, and construction management and inspection services for the Project.

NBU staff requests that the Board of Trustees approve this Professional Services Agreement with FNI for the Project.

This item is being presented to the Board because the total amount of this contract exceeds \$500,000.

Upon completion of the final design, NBU staff will solicit a construction contract and anticipates bringing the construction contract to the Board for approval in June of 2024. NBU staff anticipates beginning construction in August of 2024 and completing construction in January of 2026.

## **FINANCIAL IMPACT**

The total contract amount for the Professional Services Agreement with FNI for the Project is \$3,126,220. The Project is budgeted within the fiscal year 2021 through fiscal year 2024 NBU Board approved Capital Improvements Projects Budget.

**LINK TO STRATEGIC PLAN**

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**Maintain a Competitive Bond Rating**

**Provide a Safe and Secure Environment**

**Be a Responsible Steward of Natural Resources**

**EXHIBITS**

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1. Professional Services Agreement with FNI

## PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** (the “Agreement”) is made and entered by and between **NEW BRAUNFELS UTILITIES**, a Texas municipal owned utility (“NBU”), and **FREESE AND NICHOLS, INC.**, a Texas corporation authorized to transact business in the State of Texas (the “Professional”).

Section 1. Term of Agreement. This Agreement shall become effective the date on which the last party to this Agreement executes this Agreement and this Agreement shall not be binding until executed by all parties (the “Effective Date”). Once this Agreement is executed by both parties, this Agreement shall remain in effect until the completion date specified in Exhibit A, unless terminated as provided for in this Agreement. Subject to Section 271.904 of the Texas Local Government Code, as amended, Exhibit A shall provide, in either calendar days or by providing a final date, a time of completion prior to which the Professional shall have completed all tasks related to the Services (hereinafter defined).

Section 2. Scope of Services.

(A) The Professional shall perform the services described in Exhibit A (the “Services”) within the timeframe specified therein. The time limits for the Services stated in Exhibit A are of the essence of the Agreement. By executing this Agreement, the Professional confirms that the timeframe in Exhibit A is a reasonable period for performing the Services. The scope of work described in the Services constitutes the “Project.”

(B) The quality of Services provided hereunder shall be of the level of professional quality performed by professionals regularly rendering this type of service.

(C) The Professional shall perform the Services in compliance with all statutory, regulatory, and contractual requirements now or hereafter in effect as may be applicable to the rights and obligations set forth in the Agreement.

(D) The Professional may rely upon the accuracy of reports and surveys provided to it by NBU except when defects should have been apparent to a reasonably competent professional or when it has actual notice of any defects in the reports and surveys.

Section 3. Compensation.

(A) Amount. The Professional shall be paid the amount set forth in Exhibit B as described herein.

(B) Billing Period. NBU shall pay the Professional within thirty (30) days after receipt and approval of invoices and based upon work satisfactorily performed and completed to date. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment. In

the event any uncontested portions of any invoice are not paid within thirty (30) days of receipt and approval of the Professional's invoice, the Professional shall have the right to suspend work.

(C) Reimbursable Expenses. Any and all reimbursable expenses related to the Project shall be described in the Services defined in Exhibit A and accounted for in the total compensation amount in Exhibit B. If these items are not specifically accounted for in both Exhibit A and Exhibit B, NBU shall not be required to pay such amounts unless otherwise agreed to in writing by both parties or unless agreed to pursuant to Section 4 of this Agreement.

#### Section 4. Changes to the Project Work; Additional Work.

(A) Changes to Work. The Professional shall make such revisions to any work that has been completed as are necessary to correct any errors or omissions as may appear in such work. If NBU finds it necessary to make changes to previously satisfactorily completed work or parts thereof, the Professional shall make such revisions if requested and as directed by NBU and such services shall be considered as additional work and paid for as specified under the following paragraph.

(B) Additional Work. NBU retains the right to make changes to the Services at any time by a written order. Work that is clearly not within the general description of the Services under this Agreement must be approved in writing by NBU by supplemental agreement before the additional work is undertaken by the Professional. If the Professional is of the opinion that any work is beyond that contemplated in this Agreement and the Services described in Exhibit A and therefore constitutes additional work, the Professional shall promptly notify NBU of that opinion in writing. If NBU agrees that such work does constitute additional work, then NBU and the Professional shall execute a supplemental agreement for the additional work and NBU shall compensate the Professional for the additional work on the same basis of the rates for the Services contained in Exhibit B. If the changes deduct from the extent of the scope of work for the Services, the contract sum shall be adjusted accordingly. All such changes shall be executed under the conditions of the original Agreement. Any work undertaken by the Professional not previously approved as additional work shall be at risk of the Professional.

Section 5. Ownership of Documents. Upon completion or termination of this Agreement, all documents prepared by the Professional or furnished to the Professional by NBU shall be delivered to and become the property of NBU. All drawings, charts, calculations, plans, specifications and other data, including electronic files and raw data, prepared under or pursuant to this Agreement shall be made available, upon request, to NBU without restriction or limitation on the further use of such materials; however, such materials are not intended or represented to be suitable for reuse by NBU or others. Any reuse of the materials related to the Services without prior verification or adaptation by the Professional for the specific purpose intended will be at NBU's sole risk and without liability to the Professional. Where applicable, the Professional shall retain all pre-existing proprietary rights in the materials provided to NBU but shall grant to NBU a non-exclusive, perpetual, royalty-free license to use such proprietary information solely for the purposes for which the information was provided. The Professional may, at the Professional's expense, have copies made of the documents or any other data furnished to NBU under or pursuant to this Agreement.

Section 6. Personnel. The Professional shall provide adequate, experienced personnel, capable of and devoted to the successful completion of the Services to be performed under this Agreement. The Professional agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to NBU. If key personnel are not available to perform the Services for a continuous period exceeding thirty (30) calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Professional shall immediately notify NBU of same and shall replace such personnel with personnel possessing substantially equal ability and qualifications.

Section 7. Licenses; Materials. The Professional shall maintain in current status all federal, state, and local licenses and permits required for the Professional to perform the Services and operate its business. NBU has no obligation to provide the Professional, its employees or subcontractors any business registrations or licenses required to perform the Services described in this Agreement. NBU has no obligation to provide tools, equipment, or materials to the Professional.

Section 8. Professional's Seal; Standard of Care. To the extent the Professional has a professional seal, the Professional shall place such seal on all final documents and data furnished by the Professional to NBU. Preliminary documents released from a license holder's control shall identify the purpose of the document, the engineer(s) of record and the engineer license number(s), and the release date on the title sheet of bound engineering reports, specifications, details, calculations or estimates, and each sheet of plans or drawings regardless of size or binding. As required by Section 271.904 of the Texas Local Government Code, as amended, all work and services provided under this Agreement will be performed with the professional skill and care ordinarily provided by competent engineers or architects, as applicable, practicing under the same or similar locality under the same or similar circumstances and professional license. The Professional shall perform its services as expeditiously as is prudent considering the ordinary professional skill of a competent engineer or architect, as applicable. The plans, specifications, and data provided by the Professional shall be adequate and sufficient to enable those performing the actual work to perform the work as and within the time contemplated by NBU and the Professional. NBU acknowledges that the Professional does not have control over the methods or means of work or the costs of labor, materials, or equipment. Unless otherwise agreed in writing, any estimates of costs by the Professional are for informational purposes only and are not guarantees.

Section 9. Indemnification.

**(A) GENERAL. TO THE EXTENT PERMITTED BY LAW, INCLUDING SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE, THE PROFESSIONAL SHALL INDEMNIFY AND HOLD HARMLESS NBU AND EACH BOARD MEMBER, OFFICER, EMPLOYEE, AGENT, AND REPRESENTATIVE THEREOF (NBU AND ANY SUCH PERSON BEING HEREIN CALLED AN "INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND COURT COSTS) INCURRED BY ANY INDEMNIFIED PARTY WHICH ARE:**

- i. DUE TO THE VIOLATION OF ANY ORDINANCE, REGULATION, STATUTE, OR OTHER LEGAL REQUIREMENT IN THE PERFORMANCE OF THIS AGREEMENT, BY THE PROFESSIONAL, ITS AGENT, EMPLOYEE, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL;
- ii. CAUSED BY OR RESULTING FROM ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION IN VIOLATION OF PROFESSIONAL'S STANDARD OF CARE, BY THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL;
- iii. CAUSED BY OR RESULTING FROM ANY CLAIM ASSERTING INFRINGEMENT OR ALLEGED INFRINGEMENT OF A PATENT, TRADEMARK, COPYRIGHT OR OTHER INTELLECTUAL PROPERTY RIGHT IN CONNECTION WITH THE INFORMATION FURNISHED BY OR THROUGH THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL;
- iv. DUE TO THE FAILURE OF THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL TO PAY THEIR CONSULTANTS OR SUBCONSULTANTS AMOUNTS DUE FOR SERVICES PROVIDED IN CONNECTION WITH THE PROJECT; OR
- v. OTHERWISE ARISING OUT OF OR RESULTING FROM THE PERFORMANCE OF THE SERVICES UNDER THIS AGREEMENT, INCLUDING SUCH CLAIMS, DAMAGES, LOSSES OR EXPENSES ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY, INCLUDING LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT SUCH CLAIMS, DAMAGES, LOSSES, COSTS AND EXPENSES ARE CAUSED BY OR RESULT FROM ANY NEGLIGENT OR INTENTIONAL ACTS OR OMISSIONS OF THE PROFESSIONAL, ITS AGENT, ANY CONSULTANT UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL.

**(B) REIMBURSEMENT OF NBU'S FEES IN DEFENSE OF CLAIMS. TO THE EXTENT NBU INCURS ATTORNEY'S FEES IN DEFENSE OF ANY CLAIM ASSERTED AGAINST NBU THAT ARISES OR RESULTS FROM THE ALLEGED ACTS OR OMISSIONS OF THE PROFESSIONAL DESCRIBED IN THIS SECTION, THE PROFESSIONAL SHALL REIMBURSE NBU ITS REASONABLE ATTORNEY'S FEES IN PROPORTION TO THE PROFESSIONAL'S LIABILITY FOUND AFTER A FINAL ADJUDICATION OF LIABILITY.**

The obligations of the Professional under this Section shall survive the termination of this Agreement.

Section 10. Insurance.

(A) General.

- i. Insurer Qualifications. Without limiting any obligations or liabilities of the Professional, the Professional shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Texas with an A.M. Best, Inc. rating of A- or above with policies and forms satisfactory to NBU. Failure to maintain insurance as specified herein may result in termination of this Agreement at NBU's option.
- ii. No Representation of Coverage Adequacy. By requiring insurance, NBU does not represent that coverage and limits will be adequate to protect the Professional. NBU reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency will not relieve the Professional from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
- iii. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, directors, officials and employees as an Additional Insured as specified under the respective coverage sections of this Agreement.
- iv. Coverage Term. All insurance required herein shall be maintained in full force and effect until all the Services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by NBU, unless specified otherwise in this Agreement.
- v. Primary Insurance. The Professional's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of NBU as an Additional Insured.
- vi. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage will extend, either by keeping coverage in force or purchasing an extended reporting option, for three years after the conclusion of the term of this Agreement. Such continuing coverage will be evidenced by submission of annual certificates of insurance stating applicable coverage is in force and containing provisions as required herein for the three-year period.
- vii. Waiver. All policies (except for Professional Liability, if applicable), including Workers' Compensation insurance, will contain a waiver of rights of recovery

(subrogation) against NBU, its agents, representatives, officials, officers and employees for any claims arising out of the Services performed by the Professional. The Professional shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

- viii. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to NBU. The Professional shall be solely responsible for any such deductible or self-insured retention amount.
- ix. Use of Subcontractors. The Professional shall not use subcontractors for all or any work under this Agreement without the prior written consent of NBU in its sole discretion. If any work under this Agreement is subcontracted in any way, the Professional shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Agreement and insurance requirements set forth herein protecting NBU and the Professional. The Professional shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.
- x. Evidence of Insurance. Prior to commencing any the Services under this Agreement, the Professional shall provide NBU with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Professional's insurance provider(s) as evidence that policies are in place with acceptable insurers as specified herein and provide the required coverage, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Evidence of such insurance shall be attached as Exhibit C. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. NBU will rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it will be the Professional's responsibility to forward renewal certificates and declaration page(s) to NBU thirty (30) days prior to the expiration date. All certificates of insurance and declarations required by this Agreement will be identified by referencing the RFQ number and title of this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate RFQ number and title or a reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded.

(B) Required Insurance Coverage. Any of the coverage set forth below may be waived by NBU in its sole discretion, but any such waiver must be signed by an authorized representative of NBU on or before the Effective Date of this Agreement.

- i. Commercial General Liability. The Professional shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products, completed operations, personal injury, and property damage. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.
  - ii. Vehicle Liability. The Professional shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on the Professional’s owned, hired and non-owned vehicles assigned to or used in the performance of the Services by the Professional under this Agreement. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, NBU, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.
  - iii. Professional Liability. The Professional shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Professional, or anyone employed by the Professional, or anyone for whose negligent acts, mistakes, errors and omissions the Professional is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claim and \$2,000,000 annual aggregate. In the event the Professional Liability insurance policy is written on a “claims made” basis, coverage shall extend for three years after the conclusion of the term of this Agreement, and the Professional shall be required to submit certificates of insurance and a copy of the declaration page(s) of the insurance policies evidencing proper coverage is in effect as required above. Confidential information such as the policy premium or proprietary information may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement.
  - iv. Workers’ Compensation and Employer’s Liability Insurance. The Professional shall maintain Workers’ Compensation insurance to cover the Professional’s employees engaged in the performance of the Services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee and \$1,000,000 disease policy limit.
- (C) Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without thirty (30) days’ prior written notice to NBU.

## Section 11. Termination.

(A) For NBU's Convenience. This Agreement is for the convenience of NBU and, as such, may be terminated by NBU for any reason upon thirty (30) days' written notice by NBU to the Professional. Upon termination for convenience, the Professional will be paid for the Services performed to the termination date less any offsets to which NBU may be entitled under the terms of this Agreement. By written notice to NBU, the Professional may suspend work if the Professional reasonably determines that working conditions at the site (outside the Professional's control) are unsafe, or in violation of applicable laws, or in the event NBU has not made timely payment in accordance with this Agreement, or for other circumstances not caused by the Professional that are materially interfering with the normal progress of the work. The Professional's suspension of work hereunder shall be without prejudice to any other remedy of the Professional at law or equity.

(B) For Cause. If either party violates any provision or fails to perform any obligation of this Agreement and such party fails to cure its nonperformance within thirty (30) days after written notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within thirty (30) days, then the defaulting party will have such additional period of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (i) provides written notice to the non-defaulting party and (ii) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event will any such cure period exceed ninety (90) days. Only one notice of nonperformance will be required during the term of this Agreement and in the event of a second breach or violation, the nondefaulting party may immediately terminate this Agreement without notice to the defaulting party. In the event of any termination for cause by NBU, payment will be made by NBU to the Professional for the undisputed portion of its fee due as of the termination date less any offsets to which NBU may be entitled under the terms of this Agreement.

(C) Non-Collusion. The Professional represents and warrants that the Professional has not given, made, promised or paid, nor offered to give, make, promise or pay any gift, bonus, commission, money or other consideration to any person as an inducement to or in order to obtain the work to be provided to NBU under this Agreement. If NBU determines that the Professional gave, made, promised, paid or offered any gift, bonus, commission, money, or other consideration to NBU or any of its officers, agents, or employees to secure this Agreement, NBU may elect to cancel this Agreement by written notice to the Professional. The Professional further agrees that the Professional shall not accept any gift, bonus, commission, money, or other consideration from any person (other than from NBU pursuant to this Agreement) for any of the Services performed by the Professional under or related to this Agreement. If any such gift, bonus, commission, money, or other consideration is received by or offered to the Professional, the Professional shall immediately report that fact to NBU and, NBU, at its sole option, may elect to cancel this Agreement by written notice to the Professional.

(D) Agreement Subject to Appropriation. This Agreement is subject to appropriation of funds. The provisions of this Agreement for payment of funds by NBU shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. NBU shall be the sole judge and authority in determining the availability of funds under this Agreement and NBU shall keep the Professional fully informed as to the availability of funds for the Agreement. The obligation of NBU to make any payment pursuant to this Agreement is a current expense of NBU, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of NBU. If sufficient funds are not appropriated to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of the then-current fiscal year and NBU and the Professional shall be relieved of any subsequent obligation under this Agreement.

Section 12. Miscellaneous.

(A) Independent Contractor. The Professional acknowledges that the Professional is an independent contractor of NBU and is not an employee, agent, official or representative of NBU. The Professional shall not represent, either expressly or through implication, that the Professional is an employee, agent, official or representative of NBU. Income taxes, self-employment taxes, social security taxes and the like shall be the sole responsibility of the Professional.

(B) Governing Law; Venue. This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Comal County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Comal County, Texas.

(C) Compliance with Laws. The Professional shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts, administrative, or regulatory bodies in any matter affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Professional shall furnish satisfactory proof of compliance to NBU.

(D) Amendments. This Agreement may only be amended, modified, or supplemented by a written amendment signed by persons duly authorized to enter into contracts on behalf of NBU and the Professional.

(E) Provisions Required by Law. Each and every provision of law and any clause required by law to be in the Agreement shall be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement shall promptly be physically amended to make such insertion or correction.

(F) Severability. If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect under applicable law, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and this Agreement

shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(G) Entire Agreement; Interpretation; Parol Evidence. This Agreement and the related Exhibits constitute the entire agreement of the parties with respect to the subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded thereby. No representations, inducements or oral agreements have been made by any of the parties except as expressly set forth in this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting the Agreement.

(H) No Assignment. Neither party shall have the right to assign that party's interest in this Agreement without the prior written consent of the other party. Any purported assignment in violation of this Section shall be null and void.

(I) Subcontractors. The Professional shall not transfer any portion of the work related to the Services under this Agreement to any subcontractor without the prior written consent of NBU, which consent shall not be unreasonably withheld. The approval or acquiescence of NBU in the subletting of any work shall not relieve the Professional of any responsibility for work done by such subcontractor. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Professional.

(J) Waiver. No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver of any breach or violation of any term of this Agreement shall be deemed or construed to constitute a waiver of any other breach or violation, whether concurrent or subsequent, and whether of the same or of a different type of breach or violation. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(K) Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party will be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, which will be deemed to have accrued on the commencement of such action.

(L) Liens. All materials or services provided under this Agreement shall be free of all liens and, if NBU requests, a formal release of all liens shall be delivered to NBU.

(M) Offset.

- i. Offset for Damages. In addition to all other remedies at law or equity, NBU may offset from any money due to the Professional any amount the Professional owes to NBU for damages resulting from breach or deficiencies in performance or breach

of any obligation under this Agreement, including but not limited to all costs, expenses, fines, fees, and charges associated with obtaining performance from alternative sources, shipping, handling, materials, equipment rental, travel expenses and associated costs.

- ii. Offset for Delinquent Fees or Taxes. NBU may offset from any money due to the Professional any amount the Professional owes to NBU for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

(N) Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to NBU:

New Braunfels Utilities  
Attn: Director of Water Services  
263 Main Plaza  
New Braunfels, TX 78130

With copy to:

Purchasing Manager  
New Braunfels Utilities  
355 FM 306  
New Braunfels, TX 78130

If to the Professional:

Freese and Nichols, Inc.  
4055 International Plaza, Suite 200  
Fort Worth, Texas 76109

or at such other address, and to the attention of such other person or officer, as any party may designate by providing thirty (30) days' prior written notice of such change to the other party in the manner set forth in this Section. Notices shall be deemed received (i) when delivered to the party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

(O) Confidentiality of Records. The Professional shall establish and maintain procedures and controls that are acceptable to NBU for the purpose of ensuring that information contained in its records or obtained from NBU or from others in carrying out the Professional's obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Professional's duties under this Agreement. Persons requesting such information should be referred to NBU. The Professional also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Professional as needed for the performance of duties under this Agreement.

(P) Right to Audit. NBU shall have the right to examine and audit the books and records of the Professional with regard to the Services, or any subsequent changes, at any reasonable time. Such books and records shall be maintained in accordance with generally accepted principles of accounting and shall be adequate to enable determination of: (1) the substantiation and accuracy of any payments required to be made under this Agreement; and (2) compliance with the provisions of this Agreement.

(Q) Paragraph Headings; Construction. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof. Both parties have participated in the negotiation and preparation of this Agreement and this Agreement shall not be construed either more or less strongly against or for either party.

(R) Binding Effect. Except as limited herein, the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, devisees, personal and legal representatives, successors and assigns.

(S) Gender. Within this Agreement, words of any gender shall be held and construed to include any other gender, and words in the singular number shall be held and construed to include the plural, unless the context otherwise requires.

(T) Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

(U) Exhibits. Except as specified in Subsection (V) of this Section, all exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

(V) Conflicting Terms. In the case of any conflicts between the terms of this Agreement and the Exhibits, the statements in the body of this Agreement shall govern. The Exhibits are intended to detail the technical scope of services, fee schedule, and the term of the contract only and shall not dictate Agreement terms.

(W) Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of

partnership or of joint venture or of any association whatsoever between the parties, it being expressly understood and agreed that no provision contained in this Agreement nor any act or acts of the parties hereto shall be deemed to create any relationship between the parties other than the relationship of independent parties contracting with each other solely for the purpose of effecting the provisions of this Agreement.

(X) No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

(Y) Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of NBU. NBU reserves the right to obtain like goods and services from another source when necessary.

Section 13. Force Majeure. If the performance of any covenant or obligation to be performed hereunder by any party is delayed as a result of circumstances that are beyond the reasonable control of such party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, epidemic, pandemic, fire or other casualty, shortage of materials, adverse weather conditions (such as, by way of illustration and not of limitation, severe rain storms or below freezing temperatures, or tornados), labor action, strikes or similar acts, moratoriums or regulations or actions by governmental authorities), the time for such performance shall be extended by the amount of time of such delay, but no longer than the amount of time reasonably occasioned by the delay. The party claiming delay of performance as a result of any of the foregoing force majeure events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming party becomes aware of the same, and if the claiming party fails to so notify the other party of the occurrence of a force majeure event causing such delay and the other party shall not otherwise be aware of such force majeure event, the claiming party shall not be entitled to avail itself of the provisions for the extension of performance contained in this subsection.

Section 14. Dispute Resolution. In accordance with the provisions of Subchapter I, Chapter 271 of the Texas Local Government Code, as amended, the parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this agreement, the parties shall first attempt to resolve the dispute by taking the steps described in this Section. First, the dissatisfied party shall deliver to the other party a written notice substantially describing the nature of the dispute, which notice shall request a written response to be delivered to the dissatisfied party not less than five (5) days after receipt of the notice of dispute. Second, if the response does not reasonably resolve the dispute, in the opinion of the dissatisfied party, the dissatisfied party shall give five (5) days' written notice to that effect to the other party whereupon each party shall appoint a person having authority over the activities of the respective parties who shall promptly meet, in person, in an effort to resolve the dispute. Third, if those persons cannot or do not resolve the dispute, then the parties shall each appoint a person from the highest tier of managerial responsibility within each respective party, who shall then promptly meet, in person, in an effort to resolve the dispute.

Section 15. Disclosure of Business Relationships/Affiliations; Conflict of Interest Questionnaire. The Professional represents that it is in compliance with the applicable filing and disclosure requirements of Chapter 176 of the Texas Local Government Code, as amended.

Section 16. Information Technology

(A) Limited Access. If necessary for the fulfillment of the Agreement, NBU may provide the Professional with non-exclusive, limited access to NBU's information technology infrastructure. The Professional understands and agrees to abide by NBU policies, standards, regulations and restrictions regarding access and usage of NBU's information technology infrastructure. The Professional shall reasonably enforce such policies, standards, regulations and restrictions with all the Professional's employees, agents or any tier of subcontractor granted access in the performance of this Agreement, and shall be granted and authorize only such access as may be necessary for the purpose of fulfilling the requirements of the Agreement. The Professional's employees, agents and subcontractors must receive prior, written approval from NBU before being granted access to NBU's information technology infrastructure and data and NBU, in its sole determination, shall determine accessibility and limitations thereto. The Professional agrees that the requirements of this Section shall be incorporated into all subcontractor agreements entered into by the Professional. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.

(B) Data Confidentiality. All data, regardless of form, including originals, images and reproductions, prepared by, obtained by or transmitted to the Professional in connection with this Agreement is confidential, proprietary information owned by NBU. Except as specifically provided in this Agreement, the Professional shall not intentionally disclose data generated in the performance of the Services to any third party without the prior, written consent of NBU.

(C) Data Security. Personal identifying information, financial account information, or restricted NBU information, whether electronic format or hard copy, is confidential and must be secured and protected at all times to avoid unauthorized access. At a minimum, the Professional must encrypt or password-protect electronic files. This includes data saved to laptop computers, computerized devices or removable storage devices.

(D) Compromised Security. In the event that data collected or obtained by the Professional in connection with this Agreement is believed to have been compromised, the Professional shall notify NBU immediately. **TO THE EXTENT PERMITTED BY SECTION 271.904 OF THE TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, THE PROFESSIONAL SHALL INDEMNIFY AND HOLD NBU HARMLESS FROM ANY CLAIMS RESULTING FROM AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT BY THE PROFESSIONAL, ITS OFFICERS, EMPLOYEES, CONSULTANTS, AGENTS, ANY TIER OF SUBCONTRACTOR, OR ANY ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL.**

(E) Survival. The obligations of the Professional under this Section shall survive the termination of this Agreement.

Section 17. Prohibition on Contracts with Companies Boycotting Israel. The Professional hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, does not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement as described in Chapter 2271 of the Texas Government Code, as amended. The foregoing verification is made solely to comply with Chapter 2271.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 18. Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited. The Professional represents that neither it nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer’s internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,  
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or  
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law and excludes the Professional and each of its parent company, wholly-or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Professional understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Professional and exists to make a profit.

Section 19. Texas Public Information Act. The Professional recognizes that NBU is subject to the disclosure requirements of the Texas Public Information Act (the “PIA”). As part of its obligations within this Agreement, the Professional agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of the NBU’s obligations under the PIA. This acknowledgement and obligation are in addition to and complimentary to the NBU’s audit rights in section 12(P).

This provision applies if the Agreement has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

The Professional must (1) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to NBU for the duration of the Agreement; (2) promptly provide to NBU any contracting information related to the Agreement that is in the custody or possession of the Professional on request of NBU; and (3) on completion of the Agreement, either:

- (i) provide at no cost to NBU all contracting information related to the Agreement that is in the custody or possession of the Professional; or
- (ii) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and the Professional agrees that the Agreement can be terminated if the Professional knowingly or intentionally fails to comply with a requirement of that subchapter.

Section 20. Electronic Signatures. Pursuant to Chapter 322 of the Texas Business and Commerce Code, as amended, the parties agree to the use of electronic signatures herein and that the use of an electronic signature, whether digital or encrypted, is intended to have the same force and effect as a manual signature. Electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. Each party further agrees that if it agrees to conduct a transaction by electronic means in this Agreement, it may refuse to conduct other transactions by electronic means and that such right may not be waived by this Agreement.

*(The remainder of this page intentionally left blank)*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**NBU:**  
**NEW BRAUNFELS UTILITIES,**  
a Texas municipal owned utility

By: \_\_\_\_\_  
Name: Ian Taylor  
Title: CEO

**PROFESSIONAL:**  
**FREESE AND NICHOLS, INC.,**  
a Texas corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## Exhibit A

### Services

The Professional shall provide all labor, material, and equipment necessary to provide Texas Water Development Board (“TWDB”) coordination, design, bid, and construction phase Services (collectively the “Services”) for the McKenzie Interceptor Upgrade (the “Project”) located on the East Side of Interstate Highway 35 between Alligator Creek and Avery Parkway (the “Project Site”). The Project shall include the facilities and major components, described below.

- 1) Approximately 33,000 LF of new 36-inch wastewater pipeline installed by open-cut methods including manholes, starting at Alligator Creek on the east side of Interstate Highway 35 and ending at Avery Parkway.
- 2) Approximately 2,300 LF of new 36-inch wastewater pipeline installed by trenchless methods at Seven (7) different locations.
- 3) Up to 32 parcels with permanent and/or temporary easements.
- 4) One (1) TxDOT highway crossing using trenchless construction.
- 5) Two (2) stream crossings using trenchless construction.
- 6) One (1) Guadalupe County and/or City of New Braunfels roadway crossing.
- 7) Permits and approvals from key agencies including: Texas Department of Transportation, (“TXDOT”), City of New Braunfels, TWDB, Guadalupe County, Comal County, and Texas Historical Commission.

### **SERVICES**

The Professional shall provide the following Services in accordance with the tasks described herein.

#### **Task 1. Project Management**

1. The Professional shall provide the following project management services described herein.
  - 1.1. SCHEDULE. The Professional shall develop a baseline design schedule for the Project and prepare updated design schedules for the Project on a monthly basis on or before the

25<sup>th</sup> day of each month for NBU to monitor progress and identify design submittal dates. Schedules shall be provided to the NBU Project Manager via email.

- 1.2. **QUALITY CONTROL.** The Professional shall develop a quality assurance/quality control program for the Project, which shall be explained in detail via a written document and provided to NBU's Project Manager via email within 30 days of notice to proceed ("NTP").
- 1.3. **PROGRESS REPORTS.** The Professional shall provide NBU with electronic monthly project progress reports and submit written invoices on or before the 25th day of each month for the previous month's effort. Progress reports shall be provided to the NBU Project Manager via email.
- 1.4. **MEETING AGENDA/MINUTES.** The Professional shall provide a meeting agenda one (1) day prior to meetings and provide a copy of the documented meeting minutes and action item logs to NBU's Project Manager within one (1) week after meetings.
- 1.5. **PROJECT CONTROLS.** The Professional shall manage the Project integration, scope, schedule, cost, quality, staff resources, sub-consultants, communications, risk analysis and management, and procurements as NBU directs the following:
  - 1.5.1. assigning a senior advisor to oversee quality assurance;
  - 1.5.2. developing cost estimates using recent bid tabs from similar projects or vendor prices;
  - 1.5.3. using Microsoft Project to manage the schedule; and
  - 1.5.4. coordinating communication with sub consultants through emails and meetings.

## **Task 2. Preliminary Engineering Phase**

2. Upon receipt of NTP, the Professional shall perform the preliminary engineering phase services described below.
  - 2.1. **MEETINGS.** The Professional shall provide meeting agenda and meeting minutes to NBU for the following meetings:
    - 2.1.1. project kick-off meeting with NBU (one (1) meeting);
    - 2.1.2. monthly progress status meetings (eleven (11) meetings);
    - 2.1.3. 30% design review meeting; and
    - 2.1.4. meetings with additional stakeholders (three (3) meetings).

2.2. ALTERNATIVE ROUTE EVALUATION. The Professional shall perform a maximum of two (2) alternative route evaluations for the proposed interceptor. The purpose of this study shall be to confirm and finalize the interceptor route. The Professional shall perform the following:

- 2.2.1. use existing geographic information system (“GIS”) and as-built information to determine locations of existing utilities on the Project Site;
- 2.2.2. perform preliminary site visits to gather project information;
- 2.2.3. locate all existing wastewater (“WW”) service laterals using as-builts, existing closed-circuit television (“CCTV”) and pipeline assessment certification program (“PACP”) databases provided by NBU;
- 2.2.4. coordinate with appropriate stakeholders to gather all available information on the Project including TxDOT, the City of New Braunfels, Guadalupe County, Comal County, gas companies and electric providers;
- 2.2.5. evaluate up to two (2) potential routes making recommendations of preferred routes based on cost, constructability, right of way (“ROW”)/road requirements, public impact, utility conflicts, etc. The Professional shall produce GIS exhibits showing proposed pipeline alignments and provide maps and hydraulic profiles of up to two (2) potential pipeline routes;
- 2.2.6. provide a Class 5 opinion of probable construction cost (“OPCC”) as specified by the Association for the Advancement of Cost Engineering for each route; and
- 2.2.7. include recommendations for final route in Engineering Feasibility Report (EFR).

2.3. TRENCHLESS CONSTRUCTION METHODS. The Professional shall evaluate the feasibility of trenchless construction in locations that have a depth of more than 25 feet, have surface conflicts or require limited surface disturbance in high traffic areas. The Professional shall determine the preferred method of trenchless construction for up to seven (7) crossings.

#### 2.4. 30% DESIGN DOCUMENTS

- 2.4.1. The Professional shall perform one (1) preliminary site visit to gather project information.
- 2.4.2. The Professional shall perform collection and review of existing data, reports, mapping, and records provided by NBU. The Professional shall review documents

associated with the Project. The Professional shall provide analyses of NBU's requirements for the Project, including planning, surveys, site evaluations and comparative studies of prospective sites and solutions.

2.4.3. The Professional shall prepare 30% design drawings including plan views of all proposed infrastructure within the Project Site.

2.4.4. The Professional shall prepare a Class 5 OPCC based on 30% design drawings.

2.5. ENGINEERING FEASIBILITY REPORT ("EFR"): The Professional shall prepare an EFR in accordance with TWDB Form TWDB-0556 that includes 30% design plans and describes the scope of project for final design, right-of-way requirements, easement requirements, permitting, constructability, OPCC and schedule. The EFR shall include project implementation, phasing and packaging for all portions of the project. It will also include final design flows and interceptor sizing. The Professional shall submit a draft EFR to NBU's Project Manager for review and comment as well as a final EFR incorporating all NBU comments. The final EFR will be submitted within 30 days of receiving comments. The final EFR shall be submitted to TWDB for review. The Professional shall work with TWDB to address all comments and finalize for NBU's approval.

2.6. DELIVERABLES. The Professional shall provide the following Preliminary Engineering Phase deliverables to NBU:

2.6.1. Route Study - maps and hydraulic profiles of up to two (2) potential pipeline routes and a Class 5 OPCC (to be included in EFR);

2.6.2. EFR and Class 5 OPCC – one (1) PDF electronic file; and

2.6.3. 30% design drawings – one (1) PDF electronic file, one (1) electronic Keyhole Markup language Zipped ("KMZ") or shape ("SHP") file and three (3) hard copies of 11x17 size plans.

### **Task 3. Final Design Phase**

3. Upon approval of the 30% design documents, the Professional shall perform the final design phase services described below. Design shall be limited to a single bid package.

3.1. MEETINGS. The Professional shall provide meeting agenda and meeting minutes to NBU for the following meetings:

- 3.1.1. 60% design review meeting;
  - 3.1.2. 90% design review meeting;
  - 3.1.3. monthly design meetings (twelve (12) meetings);
  - 3.1.4. meetings with franchise utilities (two (2) meetings);
  - 3.1.5. permitting meeting with City of New Braunfels (one (1) meeting);
  - 3.1.6. permitting meeting with Comal County (one (1) meeting);
  - 3.1.7. permitting meeting with Guadalupe County (one (1) meeting); and
  - 3.1.8. meetings with additional stakeholders (three (3) meetings).
- 3.2. 60% DESIGN DOCUMENTS. The Professional shall prepare 60% plans, specifications and OPCC based on decisions made in the preliminary design phase. Design documents shall include:
- 3.2.1. plan and profile view of sewer pipelines;
  - 3.2.2. call outs for major design items;
  - 3.2.3. table of contents for all required specifications and specifications that are provided by the Professional with the exception of NBU's standard specifications; and
  - 3.2.4. Class 2 OPCC based on 60% design documents.
- 3.3. 90% DESIGN DOCUMENTS. Upon approval of 60% design documents, the Professional shall prepare 90% plans, specifications and OPCC. 90% design documents shall include:
- 3.3.1. call outs for all design items on the plan sheets;
  - 3.3.2. complete specifications; and
  - 3.3.3. Class 1 OPCC based on 90% design documents.
- 3.4. 100% (FINAL) DESIGN DOCUMENTS. Upon approval of 90% design documents, the Professional shall prepare 100% plans, specifications and OPCC. 100% design documents shall include:
- 3.4.1. final signed and sealed set of construction drawings and specifications based on decisions made in the 90% design phase. NBU and the Professional's easement acquisition team shall provide the Professional easement requirements for each parcel via email to incorporate into the plans;
  - 3.4.2. project files to include; .dwg, .mxd, and .kmz;
  - 3.4.3. preparation of the bid form; and

3.4.4. Class 1 OPCC based on 100% design documents.

3.5. DELIVERABLES. The Professional shall provide the following deliverables to NBU:

3.5.1. 60% design – the Professional shall provide one (1) KMZ or SHP electronic file, one (1) PDF electronic file in PDF, one (1) PDF electronic file of a Class 2 OPCC and three (3) hard copies of 11x17 size plans and specifications;

3.5.2. 90% design – the Professional shall provide one (1) KMZ or SHP electronic file, one (1) PDF electronic file in PDF, one (1) PDF electronic file of a Class 1 OPCC and three (3) hard copies of 11x17 size plans and specifications; and

3.5.3. 100% design - the Professional shall provide one (1) KMZ or SHP electronic file, one (1) PDF electronic file in PDF, one (1) PDF electronic file of a Class 1 OPCC and three (3) hard copies of 11x17 size plans and specifications.

#### **Task 4. Field Services**

4. The Professional shall perform the field services described below.

4.1. TOPOGRAPHIC SURVEY. The Professional shall obtain a topographic, utility and boundary survey as described below.

4.1.1. The Professional shall tie all existing surface topographic features and structures within the survey limits of Project. This shall include, but is not limited to: tops of curbs, edges of pavement, pavement materials, driveways, sidewalks, retaining walls, drainage structures (top, edges and flow line), channels and drainage ways (tops, toes and flow line), manholes (rim, flow lines and diameters of pipes, type of material and photographs of the inside of manholes and drainage structures), including the same survey data for upstream and downstream manholes and structures that are outside of the survey limits for all gravity wastewater and drainage lines within the survey limits. Visible valves, meters, clean-outs, slabs, utility signs, utility poles and structures, fences, landscaping features, shrubbery, trees (including the approximate drip-line), tree canopies, buildings (edges within the survey limits) mailboxes, etc. Trees shall be tagged and tabulated by size and species in compliance with the City of New Braunfels Tree Preservation ordinance as defined in the City of New Braunfels Zoning Ordinance Chapter 5.3-5i. The survey limits shall extend approximately 100 feet on intersecting streets. The

Professional shall provide sufficient ground shots to create one (1) foot contours for the Project.

- 4.1.2. The Professional shall survey across Alligator Creek including the bottom profile within the Project Site.
  - 4.1.3. The Professional shall conduct a utility survey and locate existing utilities within the Project Site boundary. The Professional shall contact all utility service providers by calling Texas 811 and NBU to coordinate flagging of existing franchise utilities. The Professional shall request drawings of existing agency and municipal owned utilities and shall include locations of these utilities in the survey. The Professional shall tie in the locations of the existing utilities on the survey. The Professional shall bear all costs for the Services associated with utility locates.
  - 4.1.4. The Professional shall locate up to twenty-six (26) geotechnical borings and tie them in to the Project survey.
  - 4.1.5. The Professional shall locate up to twenty-one (21) Subsurface Utility Engineering (“SUE”) Potholes and tie them in to the Project survey.
  - 4.1.6. The Professional shall set and install control points and/or benchmarks as required for the survey work (minimum one (1)-foot intervals). The Professional shall provide horizontal and vertical coordinates of the benchmarks in the required coordinate system and datum and show the benchmarks on the survey drawing.
  - 4.1.7. The Professional shall coordinate right of entry (“ROE”). The Professional shall contact private property owners to ascertain permission to enter and perform field services within private properties.
  - 4.1.8. The Professional shall research and review adjoining plats and deeds along the survey corridor. The Professional shall locate property corners and identify existing right of way (“ROW”), along the survey corridor, based on found monuments and record documents.
- 4.2. EASEMENT DOCUMENTS. The Professional shall prepare metes and bounds descriptions and exhibits for required easements for the Project for up to thirty-two (32) parcels based on the following criteria:
- 4.2.1. the Professional shall perform deed, plat and courthouse record research, request title reports and obtain copies of deeds and easement documents;

- 4.2.2. the Professional shall survey property corners, fences and appurtenant property evidence;
  - 4.2.3. easements shall consist of permanent easements and temporary construction easements. Easement documents shall be signed and sealed by a registered professional land surveyor, currently registered in the State of Texas. Each easement shall have attached to it a copy of the corresponding deed for that property and a closure computation sheet for the easement tract. A draft copy of the easement shall be submitted for review by the Professional to NBU's Project Manager. The Professional shall incorporate comments as appropriate and submit one (1) final copy of the easement and deed to NBU. Each draft metes and bounds exhibit shall be revised one (1) time per NBU's review;
  - 4.2.4. exhibit plat and legal description must meet all the rules of the Texas Board of Professional Land Surveying and the Professional Land Surveying Practices Act and the Manual of Practice for Land Surveying in the State of Texas as published by the Texas Society of Professional Surveyors. The latest revision shall be used;
  - 4.2.5. legal descriptions shall include sufficient information to identify the location, boundaries, monumentation, and area of the described tract, as well as its relationship to the parent tract out of which it is surveyed. Each legal description shall be accompanied by an exhibit plat that depicts the worded description. Legal descriptions and exhibit plats shall be reproduced on 8.5" x 14" size paper. All must be legible. The exhibit plat or legal description should be able to stand alone; and
  - 4.2.6. the Professional shall stake final easement boundaries.
- 4.3. **SUBSURFACE UTILITY ENGINEERING.** The Professional shall perform SUE as described below.
- 4.3.1. The Professional shall perform SUE "Quality Level A" as defined by the American Society for Civil Engineers, for up to twenty-one (21) pothole locations. Level A includes physically locating the actual utility – often by 'potholing.' Once the utility is potholed it is located horizontally and vertically by survey measurements. This location is typically to the top of pipe, which should be noted on the drawing.
    - 4.3.1.1. The Professional shall provide coordination for all utility locates/clearance

and permitting required to conduct SUE potholes.

#### 4.4. GEOTECHNICAL DATA REPORT AND GEOTECHNICAL BASELINE REPORT.

The Professional shall conduct a geotechnical investigation to complete a Geotechnical Data Report (“GDR”) and Geotechnical Baseline Report (“GBR”) for the Project as described below.

##### 4.4.1. Field Exploration:

4.4.1.1. The Professional shall determine the required boring locations on the Project Site. The Professional shall provide a Project Site boring location map that shows the exploratory borings within the vicinity of the proposed improvements and along the proposed water main alignments.

4.4.1.2. The Professional shall coordinate with NBU, City of New Braunfels, and Texas 811 regarding underground utilities within the vicinity of the planned boring locations prior to commencement of the field exploration activities.

4.4.1.3. The Professional shall drill exploratory borings for the proposed improvements according to the schedule provided below:

4.4.1.3.1. Up to Twelve (12) borings to a maximum depth of 20 feet below existing grade;

4.4.1.3.2. Up to eight (8) borings to a maximum depth of 30 feet below existing grade; and

4.4.1.3.3. Up to six (6) borings to a maximum depth of 50 feet below existing grade.

4.4.1.4. The borings conducted on the Project Site shall be advanced using standard rotary drilling equipment with continuous-flight augers or rotary wash methods. Subsurface samples shall be collected using two (2)-inch diameter split-spoon sampler in conjunction with the standard penetration test (“SPT”). Intermittent three (3)-inch diameter Shelby tube samples shall be collected in between the SPTs.

4.4.1.5. The Professional shall record groundwater observations within the borings at the time of drilling and at the completion of drilling and sampling.

4.4.1.6. The Professional shall backfill borings with auger cuttings upon completion of drilling and sampling.

- 4.4.1.7. The Professional shall patch borings drilled through pavement with like material (asphalt, concrete) upon completion of backfilling.
- 4.4.1.8. The Professional shall have personnel experienced in logging borings, directing the drilling, and handling and transporting the samples. The Professional shall provide visual classification of the subsurface stratigraphy in general accordance to the American Society for Testing and Materials (“ASTM”), standard number D2488 and the Unified Soil Classification System (“USCS”) during drilling and sampling.
- 4.4.2. The Professional shall provide laboratory testing to include the following:
- 4.4.2.1. testing on samples obtained from the borings to determine soil classification and pertinent engineering properties of the subsurface materials;
- 4.4.2.2. laboratory tests assigned for the specific subsurface materials encountered during exploration on the Project Site, but which are expected to include the following number and type of tests:
- 4.4.2.2.1. Atterberg Limits tests (up to 60 tests);
- 4.4.2.2.2. Percent Passing the #200 Sieve (up to 45 tests);
- 4.4.2.2.3. Sieve Analysis (Gradation) tests with Hydrometer (up to 15 tests);
- 4.4.2.2.4. Moisture Content tests (up to 60 tests);
- 4.4.2.2.5. Unit Dry Weight tests (up to 10 tests);
- 4.4.2.2.6. Indirect Tensile/Brazilian tests (up to 12 tests);
- 4.4.2.2.7. Slake Durability tests (up to 12 tests)
- 4.4.2.2.8. Punch Identification tests (up to 12 tests); and
- 4.4.2.2.9. Unconfined compressive strength tests (with unit weights; up to 60 tests for soil and up to 15 tests for rock).
- 4.4.3. The Professional shall prepare a GDR that includes the following information and recommendations, as applicable:
- 4.4.3.1. a summary of the field and laboratory sampling and testing program;
- 4.4.3.2. boring logs and laboratory testing results;
- 4.4.3.3. a review of general site conditions including descriptions of the site, the subsurface stratigraphy, groundwater conditions, and the presence and condition of fill materials, if encountered;

- 4.4.3.4. trenchless water main construction feasibility and recommendations of auger boring and/or horizontal directional drilling;
- 4.4.3.5. general discussion of expected construction related issues; and
- 4.4.3.6. earthwork related recommendations for use during development of plans and specifications.
- 4.4.4. the Professional shall prepare a GBR to establish a single source document where contractual statements describe the geotechnical conditions anticipated to be encountered during construction. The Contractor shall use these contractual statements or baselines as the basis for their bid. The GBR shall also emphasize baselines for trenchless construction. GBR shall be prepared in accordance with the guidelines presented in the ASCE Geotechnical Baseline Reports for Construction: Suggested Guidelines.
- 4.4.5. The Professional shall provide the final Geotech Data Report electronically as a 100% design deliverable with the specifications.
- 4.5. ENVIRONMENTAL EVALUATION AND CULTURAL RESOURCE EVALUATION.  
The professional shall perform the environmental and cultural resource investigation as described herein.
- 4.5.1. The Professional shall perform the environmental investigation assuming the project intent is to design and construct the proposed pipeline in accordance with the terms and conditions of a Nationwide Permit (“NWP”) without requiring the preparation and submittal of a Pre-Construction Notification (“PCN”) to the U.S. Army Corps of Engineers (“USACE”). If PCN criteria are met, then the submittal of a PCN to the USACE shall be required. If a PCN or other Section 404 permit authorization from the USACE (e.g., Individual Permit) is required for the proposed project, then those services shall be provided by the Professional as an additional service.
- 4.5.1.1. The Professional shall render the following services, with the development of the Project, as follows:
- 4.5.1.1.1. Gather and Review Existing Information – Prior to conducting a pedestrian survey within the proposed project area, the Professional shall assemble and review data such as aerial photographs, USGS topographic maps, National

Wetlands Inventory (NWI) maps, the USGS National Hydrography Dataset (NHD), and soils data within the area of the proposed project areas.

4.5.1.1.2. Conduct Pedestrian Survey – The Professional shall conduct a site visit to make observations within the proposed project area to document existing environmental conditions and assess potential project impacts. The presence and locations of waters of the U.S., including wetlands, potential threatened/endangered species habitat, and vegetation cover types shall be identified within the area of the proposed project areas.

4.5.1.1.3. Coordination with Project Engineers – Utilizing information gathered during the pedestrian survey, the Professional shall coordinate with the engineer of record (“EOR”) to determine if the proposed project improvements have been designed to meet the terms and conditions of a NWP without requiring notification to the USACE, to determine what requirements may be required under the Endangered Species Act, and to determine what other environmental permit requirements may be required prior to construction.

4.5.1.1.4. Prepare Technical Memorandum - Information gathered during the pedestrian survey, consultation with the THC, and coordination with the design engineers shall be used to prepare a draft pedestrian environmental survey technical memorandum. The draft memorandum shall include discussions of methodologies used, the hydrologic characterization of potential waters of the U.S., and an opinion on their jurisdictional status. The memorandum shall also include a discussion of how the proposed project shall meet the terms and conditions of a NWP without requiring notification to the USACE and an opinion on other environmental permits or authorizations that may be required. The draft memorandum shall be sent to NBU’s Project Manager for review and comment. Once comments are received, a final technical memorandum shall be prepared for NBU’S records.

4.5.1.2. The Professional shall perform Cultural Resources Evaluation as described herein.

4.5.1.2.1. Projects sponsored by a political subdivision of the State that affect a cumulative area greater than five (5) acres or that disturb more than 5,000 cubic yards require consultation with the Texas Historical Commission (THC) according

to Section 191.0525 (d) of the Antiquities Code of Texas. Furthermore, to qualify for NWP authorization, all prospective permittees must comply with the general conditions, and any regional or case-specific conditions, imposed by the division engineer or district engineer. General condition 20 (historic properties) states that non-federal permittees shall submit a pre-construction notification to the district engineer if the authorized activity may have the potential to cause effects to any historic properties listed on, determined to be eligible for listing on, or potentially eligible for listing on the National Register of Historic Places, including previously unidentified properties. The Professional shall render the following Professional services, with the development of the Project, as follows:

4.5.1.2.1.1. Initial Coordination with Texas Historical Commission (“THC”) - The Professional shall draft a consultation letter to the THC for NBU’s Project Manager review and comment. The Professional shall incorporate NBU’s Project Manager comments and submit the consultation letter to the THC to determine if there is a potential to affect cultural resources and if a cultural resources survey is recommended.

4.5.1.2.1.2. Archeological Survey - If follow up cultural resources studies are required, the Professional shall prepare a work plan and Antiquities Permit Application to conduct an archeological survey of the proposed project where a field survey is determined warranted. The permit application shall be sent to NBU’s Project Manager to review and sign, and then will be submitted to the THC to acquire the permit. Once the THC issues a permit, the Professional shall conduct an archeological field survey to assess the project area for cultural resources. The survey shall involve visual inspection, shovel testing, and backhoe trenching as appropriate within the project alignment. This scope assumes that up to 120 shovel tests may be excavated supplemented by up to eight (8) backhoe trenches, as warranted. As this Project is expected to involve federal permitting or funding, the survey shall also consider the project’s indirect or visual effect on

eligible or listed non-archaeological cultural resources on properties directly adjacent to the project footprint. The Professional shall prepare a draft archeological survey report that shall summarize cultural background data, previous investigations, current investigation findings, and regulatory recommendations. Following review by NBU's Project Manager, the report shall be submitted to the THC for regulatory review and concurrence with the findings. Once a final draft has been approved, the Professional shall prepare and submit final reports, notes, and photographs for curation at a federally recognized facility.

4.5.2. Not included as part of the environmental and cultural resource investigation services:

- 4.5.2.1. preparation of a Pre-Construction Notification or Individual Section 404 permit application for submittal to the USACE;
- 4.5.2.2. preparation of a Jurisdictional Determination (JD) Evaluation Report;
- 4.5.2.3. conducting a conditional assessment (i.e., TXRAM) on waters of the U.S. potentially impacted by the proposed project;
- 4.5.2.4. presence/absence surveys for federally listed threatened/endangered species;
- 4.5.2.5. application for Texas Parks & Wildlife Department Sand and Gravel Permit;
- 4.5.2.6. application for General Land Office Easement;
- 4.5.2.7. phase I/II Environmental Site Assessment;
- 4.5.2.8. identification of tree species and/or preparation of a tree mitigation plan required due to tree ordinance compliance;
- 4.5.2.9. preparation of a Storm Water Pollution Prevention Plan (SWPPP);
- 4.5.2.10. formal SAL-eligibility testing or mitigation associated with Cultural Resources; and
- 4.5.2.11. other environmental services not specifically defined in this scope of services.

4.6. Environmental Information Document ("EID") PREPARATION. The Professional shall

prepare the EID in connection with TWDB funding as described herein.

4.6.1. The Professional shall prepare an EID as required by the TWDB CWSRF (31 TAC §375, Subchapter E). The EID shall be a stand-alone, self-contained document describing the Project in sufficient detail to allow for resource agency review without reference to an engineering study or other documents. The EID format shall follow the guidelines provided by the TWDB . It is assumed that the preparation of the draft EID shall begin after the Project construction footprint is defined. The following services shall be completed for the EID:

4.6.1.1. Environmental Risk Database Review - The Professional shall review environmental risk database reports to assess the potential for hazardous materials contamination on property being acquired as part of the project. The Professional shall summarize the results of the database review in a technical memorandum and the results will be incorporated into the final EID.

4.6.1.2. Agency Coordination - The Professional shall submit coordination/notification letters and the draft EID to appropriate agencies, as required, including U.S. Army Corps of Engineers (USACE), U.S. Fish and Wildlife Service, Texas Commission on Environmental Quality, Texas Parks and Wildlife Department, local managers of the Federal Flood Insurance Program, the local council of government, and other regional agencies or local governments that may have jurisdiction. Comments received from the agencies shall be incorporated into the final EID. If necessary, the Professional shall work with NBU's Project Manager to prepare and submit written responses to address state and/or federal resource agency comments. We assume that this project shall be non-controversial and that agency comments shall be minimal. If an unusual level of agency comments may cause the Professional's budget to be exceeded, the Professional will notify NBU's Project Manager for written authorization before proceeding.

4.6.1.3. Preparation of Draft and Final EID - The Professional shall prepare a draft EID following appropriate TWDB guidelines (form TWDB-0801). The draft EID shall be submitted to NBU's Project Manager for review and comment. The Professional shall incorporate NBU comments into the draft EID and submit the revised draft EID to NBU's Project Manager to be made available for public review prior to the TWDB

required public meeting. After the public meeting and agency coordination, the EID shall be finalized by incorporating required changes or comments received into the final document. The Final EID shall be submitted to the TWDB for approval.

4.6.1.4. Public Meeting - The Professional shall assist NBU's Project Manager with holding one (1) Public Meeting, held at a physical location determined by NBU, by preparing a public notice for NBU to submit to local newspaper(s), participating in the public meeting, and summarizing the results of the meeting into the EID. NBU shall be responsible for having the public notice published and all costs associated with the publication and for providing verbatim transcript services, if required.

4.7. CLOSED CIRCUIT TELEVISION (CCTV) INSPECTION – the Professional shall perform CCTV inspection of the existing McKenzie Interceptor as described herein:

4.7.1. The Professional shall perform CCTV inspection for up to 29,950 LF of existing interceptor.

4.7.2. CCTV inspection shall be performed using a robotic camera capable of recording the condition of the pipe.

4.7.3. Footage shall be recorded and data shall be logged in report format to provide information of pipe condition, calling out defects as necessary.

4.8. DELIVERABLES

4.8.1. ROE list of property owners (electronic submission). The list shall be updated and managed as ROE is granted and services are completed;

4.8.2. Signed and sealed metes and bounds (electronic submission);

4.8.3. GDR (electronic submission with 100% design specifications);

4.8.4. GBR (electronic submission with 100% design specifications);

4.8.5. Pedestrian Environmental Survey Technical Memorandum (electronic submission);

4.8.6. Draft and submit Consultation Letter for THC (electronic submission);

4.8.7. Preparation and submission of one (1) EID to TWDB for approval; and

4.8.8. CCTV Inspection footage (DVD format) and report.

## **Task 5. Permitting & Stakeholders**

5. The Professional shall coordinate with the following stakeholders/agencies as described below.

- 5.1. USACE. The Professional shall include in the Pedestrian Environmental Survey Technical Memorandum an opinion of compliance with USACE Nationwide permit terms and conditions.
- 5.2. TEXAS HISTORICAL COMMISSION. The Professional shall provide a coordination letter and desktop review to the Texas Historical Commission (“THC”) and coordinate areas that would potentially require archeological pedestrian surveys and/or historical reconnaissance field surveys.
- 5.3. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY. The Professional shall prepare and submit permit applications to Texas Commission on Environmental Quality for approval of all design documents. The permit applications include the following:
  - 5.3.1. Notification letter for sewer plans.
- 5.4. CITY OF NEW BRAUNFELS. The Professional shall prepare and submit permit applications to the City of New Braunfels to facilitate permits for:
  - 5.4.1. public Infrastructure Permit;
  - 5.4.2. floodplain; and
  - 5.4.3. traffic control.
- 5.5. GUADALUPE COUNTY. The Professional shall prepare and submit a permit application for all work within Guadalupe County ROW.
- 5.6. TEXAS DEPARTMENT OF TRANSPORTATION (“TxDOT”). The Professional shall prepare and submit a permit application for all work within TxDOT ROW.
- 5.7. EASEMENT ACQUISITION. The Professional and their subconsultant shall obtain easements for up to thirty-two (32) parcels. The Professional’s Subconsultant shall be selected using good faith effort solicitation following TWDB Disadvantaged Business Enterprise guidance. The Professional shall provide the following easement acquisition services:
  - 5.7.1. Perform property acquisition meetings with up to thirty-two (32) property owners. Participation of engineering professional (FNI) shall be limited to one (1) meeting per property.
  - 5.7.2. Perform property owner negotiations for up to thirty-two (32) rights of entry.
  - 5.7.3. Perform escrow and title coordination for up to thirty-two (32) properties. Title policy will be paid for by NBU.

5.7.4. Review draft and final easement documents for up thirty-two (32) parcels.

5.8. TWDB COORDINATION. The Professional shall provide the following services associated with the TWDB funding process as described herein.

5.8.1. PRE-APPLICATION PHASE.

5.8.1.1. The Professional shall schedule and attend one (1) scoping meeting with the TWDB to discuss the project, Clean Water State Revolving Fund (“CWSRF”) funding, and funding process needs.

5.8.1.2. The Professional shall prepare and submit to TWDB on behalf of NBU one (1) Project Information Form (“PIF”).

5.8.1.3. The Professional shall schedule and attend one (1) pre-application conference with NBU and TWDB.

5.8.2. APPLICATION PHASE.

5.8.2.1. The Professional shall schedule and attend one (1) application meeting with NBU and other consultants including NBU’s financial advisor and bond counsel to discuss roles and application process. The Professional will be required to submit TWDB-0217.

5.8.2.2. The Professional shall prepare and submit one (1) full application with NBU, NBU’s financial advisor, and NBU’s bond counsel for relevant non-engineering related information.

5.8.2.3. The Professional shall coordinate with TWDB throughout the application review to address comments and provide additional information as necessary.

5.8.2.4. The Professional shall review TWDB’s “Board Memorandum” prior to TWDB staff’s recommendation of funding presentation to TWDB board.

5.8.2.5. The Professional shall attend the TWDB’s Board Meeting where funding request is submitted for TWDB Board commitment of funds.

5.8.2.6. The Professional shall assist, NBU’s financial advisor, and NBU’s bond counsel in the TWDB funding closing process.

5.8.3. POST CLOSING PHASE.

5.8.3.1. The Professional shall schedule and attend one (1) meeting with NBU on Post Closing Phase process and roles for this phase of the Project.

- 5.8.3.2. The Professional shall prepare the “Outlay” process on behalf of NBU to show the TWDB how funding is being spent, and to request draws on the funding loan.
- 5.8.3.3. Outlays shall be prepared by the Professional on a monthly basis throughout the TWDB’s review and approval process of the Project’s Environmental Information Document (“EID”) and Engineering Feasibility Report (“EFR”).
- 5.8.3.4. Outlays shall be prepared by the Professional on a monthly basis during the Construction Phase of the Project.
- 5.8.4. The Professional shall coordinate internally and with NBU and TWDB to prepare and submit to TWDB on behalf of NBU:
- 5.8.4.1. One (1) National Environmental Policy Act (“NEPA”) level EID (see additional information in Exhibit A Section 5.6 of this scope of services);
- 5.8.4.2. One (1) EFR; and
- 5.8.4.3. Design Plans and Specifications for TWDB Review.
- 5.8.5. The Professional shall assist NBU with CWSRF federal land acquisition requirements.
- 5.8.6. While the Project is in the Construction Phase, the Professional shall coordinate with the Contractor and NBU on monthly Davis-Bacon wage requirements certification and American Iron & Steel certification which is to be included in Outlay submissions described above.
- 5.8.7. The Professional shall submit any change orders on behalf of NBU and coordinate with TWDB for approval.
- 5.8.8. The Professional shall assist NBU in obtaining a TWDB Certificate of Approval (“COA”).
- 5.8.9. The Professional shall assist NBU in identification of any remaining, unused funds that might be used for any other NBU wastewater projects.
- 5.9. DELIVERABLES
- 5.9.1. Pedestrian Environmental Survey Technical Memorandum for file - one (1) PDF electronic copy;
- 5.9.2. THC authorization/concurrence letter – one (1) PDF electronic copy;
- 5.9.3. TCEQ permit/ approval letter -one (1) PDF electronic copy;
- 5.9.4. City of New Braunfels permit - one (1) PDF electronic copy;

- 5.9.5. Guadalupe County permit - one (1) PDF electronic copy;
- 5.9.6. TxDOT - one (1) PDF electronic copy; and
- 5.9.7. TWDB – deliverables listed in 5.8.4.

### **Task 6. Bid Phase Services**

- 6. Upon completion of the final design, the Professional shall proceed with the bid phase Services described below. The project shall be bid as one (1) package only.
  - 6.1. PRE-BID CONFERENCE. The Professional shall attend a pre-bid conference administered by NBU. The Professional shall assist NBU with preparation of agenda, provide NBU with meeting notes, and coordinate conference responses with NBU. Written responses to issues identified at the pre-bid conference shall be in the form of addenda issued after the conference by NBU.
  - 6.2. INTERPRET BID DOCUMENTS. The Professional shall assist NBU with responding to questions and interpreting bid documents and preparing addenda to the bid documents if necessary.
  - 6.3. BID EVALUATION. The Professional shall attend a bid-opening conference to be administered by NBU. The Professional shall assist NBU in the opening and analyzing of the bids received for the Project. This includes researching contractor qualifications and references. The Professional shall recommend award of contract or other actions as appropriate to be taken by NBU in the form of a letter of recommendation.
  - 6.4. CONFORMED CONSTRUCTION DOCUMENTS. The Professional shall conform the construction documents by incorporating all addenda items into the plans and specifications.
  - 6.5. DELIVERABLES.
    - 6.5.1. Addenda - one (1) PDF electronic copy;
    - 6.5.2. Letter of recommendation - one (1) PDF electronic copy; and
    - 6.5.3. Conformed construction documents - one (1) PDF electronic copy and 3 hard copies.

### **Task 7. Construction Phase Services**

- 7. Upon completion of the bid phase services, the Professional shall proceed with construction phase administration services described below. The Professional shall provide general

construction contract administration services described below for one (1) construction contract only. Construction phase services for multiple bid packages will be an additional service.

7.1 FACILITY INTEGRATION AND OPERATIONS (“FIO”). The Professional shall develop an FIO memorandum that provides specific instructions on how the new facilities should be integrated into the existing wastewater system, as well as special operating instructions. The IOP memorandum shall generally include:

- 7.1.1 Description of New Facilities – major components and equipment, purpose and intent and how new facilities tie to existing infrastructure.
- 7.1.2 Integration Requirements - completion & testing procedures, owner staff required, responsibilities and notifications.
- 7.1.3 Operational & Maintenance Requirements - design settings & controls, operating procedures and maintenance procedures.

7.2 MEETINGS AND SITE VISITS. The Professional shall provide the following services for meetings and site visits:

- 7.2.1 assist NBU in conducting a pre-construction conference with the construction contractor and prepare agenda, prepare and provide NBU with meeting notes and coordinate conference responses with NBU;
- 7.2.2 conduct one (1) construction document control workshop for the contractor;
- 7.2.3 attend up to a total of fifteen (15) monthly construction progress meetings. The Professional shall prepare agenda, record, and distribute meeting minutes to NBU and the contractor;
- 7.2.4 attend up to a total of fifteen (15) monthly site visits during construction of the Project, as distinguished from the continuous services of a resident Project representative, to observe the progress and the quality of work and to determine if the work is proceeding in accordance with the contract documents. The Professional shall prepare and provide NBU with electronic observation reports for each site visit and notify NBU’s Project Manager of any non-conforming work performed by the contractor, observed on the site visits;
- 7.2.5 conduct with NBU’s Project Manager one (1) substantial completion

inspections and punch list reviews of the Project for conformance with the design concept of the Project and compliance with the construction contract documents. The Professional shall prepare a list of deficiencies to be corrected by the contractors before recommendation of final payment; and

- 7.2.6 conduct one (1) final completion inspection of the Project for conformance with the design concept of the Project and compliance with the construction contract documents. The Professional shall prepare final completion reports and make recommendation of final payment.

7.3 SUBMITTAL MANAGEMENT. The Professional shall use FNiManager, a document management system for construction documents. The Professional shall monitor the processing of contractor's submittals (shop drawings, requests for information, schedules, certified test reports, etc.), provide for filing and retrieval of Project documentation, and verify that the contractor is sending and processing submittals in accordance with the schedules. The Professional shall produce monthly reports and submit to NBU's Project Manager indicating the status of all submittals in the review process.

- 7.3.1 SUBMITTAL REVIEW. The Professional shall review all contractor submittals for compliance with the design concepts to include the following:

- 7.3.1.1 shop drawings (up to fifty-five (55));
- 7.3.1.2 record data (up to thirty (30));
- 7.3.1.3 requests for information (up to fifteen (15));
- 7.3.1.4 schedules (up to fifteen (15));
- 7.3.1.5 certified test reports (up to eighty (80)); and
- 7.3.1.6 operation and maintenance manuals.

- 7.3.2 CHANGE ORDERS. The Professional shall manage the field/change order documents, requests for proposals, and contractor claim process for the Project as described below.

- 7.3.2.1 The Professional shall establish procedures and document construction changes required to implement modifications to the

Project.

7.3.2.2 The Professional shall process contract modifications and negotiate with the contractor at NBU's direction to determine the cost and time impacts of these changes.

7.3.2.3 The Professional shall prepare field/change order documentation for up to five (5) field orders for minor alterations and up to five (5) change orders.

7.3.2.4 The Professional shall evaluate notices of contractor claims and make initial recommendations to NBU's Project Manager on the merit and value of the claim based on information submitted by the contractor or available Project documentation. The Professional shall negotiate a settlement value with the contractor at NBU's direction.

7.4 INTERPRET DRAWINGS AND SPECIFICATIONS. The Professional shall interpret the drawings and specifications for NBU and contractor during the course of construction per the schedule assumed herein.

7.5 PAY ESTIMATES. The Professional shall review and comment on monthly and final estimates for payment to the contractor pursuant to the general conditions of the construction contract during the course of the construction project per the schedule assumed herein.

#### 7.6 CLOSE-OUT DOCUMENTS

7.6.1 RECORD DRAWINGS. The Professional shall prepare the record drawings based on the revised redline construction drawings and information furnished by the construction contractor reflecting changes in the Project made during construction. The Professional shall prepare one (1) set of record drawings at the completion of the Project and submit to NBU via email within sixty (60) days of final completion.

7.6.2 ASSET INFORMATION. The Professional shall prepare a memorandum that provides the asset information listed below for all above grade facilities for insurance purposes within 30 days after substantial completion:

- Address
- Year Built
- Description
- Square Footage of Building
- Building Value
- Contents Value

7.7 RESIDENT REPRESENTATION. The Professional shall have a full-time (45 hours per week) Resident Project Representative (RPR) on the Site for sixty-eight (68) weeks and provide an average of twelve (12) hours per week of construction management time. The duties, responsibilities and the limitations of authority of the RPR, and designated assistants, are as follows:

7.7.1 Communication

7.7.1.1 The Professional shall establish the communication procedures for all parties involved in the Project. The communication procedures shall detail the amount of time all parties have to respond to questions, submittals, or other documents, and the most efficient transmission of communication (via email, phone, etc.). These procedures shall be provided in writing and reviewed with NBU's Project Manager, EOR, and the contractor. NBU shall approve all communication procedures.

7.7.1.2 The Professional shall conduct periodic progress meetings with NBU, EOR, and contractor to exchange information regarding the progress of construction, the status of submittals, the status of modifications, and/or to address any Project related issues.

7.7.1.3 The Professional shall prepare and distribute an agenda prior to the progress meetings and record the meeting minutes. The Professional shall email the meeting minutes to NBU.

7.7.1.4 The Professional shall submit monthly reports of the construction progress to NBU's Project Manager. The reports shall describe the construction progress and summarize Project costs, cash flow,

construction schedule, pending and approved contract modifications, change order status, and outstanding issues.

#### 7.7.2 Quality Assurance

7.7.2.1 The Professional shall observe the contractor's work to determine if the work is proceeding in accordance with the contract. The Professional shall prepare daily reports to be submitted electronically to NBU's Project Manager documenting the Professional's observations.

7.7.2.2 The Professional shall document non-conforming work observed at site visits and submit documentation via email to NBU's Project Manager and the contractor. The Professional shall verify and document the observed non-conforming work has been corrected and submit documentation to that effect to NBU's Project Manager via email.

7.7.2.3 The Professional shall review documents submitted by the contractor, including test reports, equipment installation reports, or other documents required by the contract.

7.7.2.4 The Professional shall coordinate the completion of materials testing by testing laboratories and confirm the testing has been conducted in accordance with applicable testing and inspection bureaus who set standards for the testing of materials, witness tests, and factory testing.

7.7.2.5 The Professional shall provide specifically qualified personnel to conduct specialty observations for structural, mechanical, electrical, and instrumentation systems as requested by NBU.

#### 7.7.3 Document Management

7.7.3.1 The Professional shall establish and maintain an electronic project management information system utilizing the web based FNi Manager System.

7.7.3.2 The Professional shall manage the processing of contractor submittals, including the filing and retrieval of all Project

documentation. The Professional shall receive contractor submittals including requests for information, modification requests, shop drawings, schedules, and other submittals. The Professional shall perform an initial review of the submittals and electronically send the submittals to the EOR and/or NBU for a detailed review and response.

7.7.3.3 The Professional shall monitor the progress of (i) the contractor in sending and processing submittals, including obtaining signatures from all required parties for documents, and of (ii) the EOR in reviewing and responding to submittals. The Professional shall verify that documentation is processed according to the schedule.

7.7.3.4 The Professional shall prepare monthly reports that monitor the status of all submittals in the review process. The Professional shall submit an electronic copy of the report to NBU's Project Manager once a month.

#### 7.7.4 Schedule Management

7.7.4.1 The Professional shall review the baseline, the projected, and the monthly construction progress schedules submitted by the contractor. The Professional shall monitor the progress of the work completed relative to the planned progress and address any identified schedule delays by emailing the EOR, NBU's Project Manager, and the contractor promptly.

#### 7.7.5 Cost Management

7.7.5.1 The Professional shall review the schedule of values and payment requests prepared by the contractor. The Professional shall establish with NBU and the contractor procedures to review the monthly quantities of work in place and the corresponding payment requests for work completed.

7.7.5.2 The Professional shall prepare monthly cash flow requirements based upon information provided by the contractor. The

Professional shall update cash flow reports monthly and include these reports with monthly updates to NBU's Project Manager.

7.7.5.3 The Professional shall verify quantities of work in place, review the payment requests and supporting documentation, and provide an opinion of whether the payment requested matches the work completed to NBU's Project Manager via email.

#### 7.7.6 Issues Management

7.7.6.1 The Professional shall provide an initial interpretation of the drawings and specifications when questions arise concerning the definition of the drawings and specifications. The Professional shall coordinate a resolution to issues based upon a final interpretation of the drawings and specifications by the EOR, NBU's Project Manager, and the contractor.

7.7.6.2 The Professional shall track and document issues, procure a resolution, and notify the EOR, NBU's Project Manager, and the contractor via email promptly.

#### 7.7.7 Change Management

7.7.7.1 The Professional shall establish and document procedures for administering changes to the construction contract.

7.7.7.2 The Professional shall prepare documentation of the requested contract modifications. The Professional shall coordinate with the EOR for technical review and approval of any design modifications. All design modification documents shall have the EOR's Texas engineering seal affixed.

7.7.7.3 The Professional shall process contract modifications and negotiate with the contractor on behalf of NBU to determine the cost and time impacts of these changes. The Professional shall prepare change order documents for approved changes and have them executed by NBU. The documentation of field orders that do not impact cost or schedule shall also be prepared and submitted to NBU's Project Manager.

7.7.7.4 The Professional shall receive and evaluate notices of contractor claims and make recommendations to NBU's Project Manager on the merit and value of the claim.

7.7.8 Project Completion

7.7.8.1 The Professional shall coordinate the start-up and commissioning of the facility and all of the process systems with the EOR, the contractor, and NBU. The Professional shall provide engineering and technical assistance to the contractor during the commissioning process.

7.7.8.2 When the contractor requests that substantial completion be granted for the Project (or applicable portions thereof), the Professional shall conduct a review of the Project to determine conformance or non-conformance with the Project design and construction documents. The Professional shall determine if a review of the work is required by the EOR, and if so shall schedule the reviews of the work with the EOR. The Professional shall prepare a list of deficiencies to be corrected by the contractor before substantial completion is granted and any partial release or reduction of retainage is approved. The Professional shall prepare a certificate of substantial completion that includes a list of work to be completed prior to issuance of a final completion certificate.

7.7.8.3 The Professional shall conduct a final review of the Project for conformance with all of the Project documents. The Professional shall confirm work is complete and in accordance with the Project documents prior to recommending final payment.

7.7.8.4 The Professional shall assist NBU in obtaining legal releases, permits, warranties, spare parts, operation and maintenance manuals, as-built drawings, and facility keys from the contractor. The Professional shall review and confirm that the contractor has submitted all required documents to NBU prior to recommending the final payment.

### 7.7.9 Materials Transfer

7.7.9.1 The Professional shall manage and coordinate the transfer of and acceptance by the contractor of any NBU furnished equipment or materials.

7.7.9.2 The Professional shall manage and coordinate the transfer of and acceptance by NBU of any contractor furnished spare parts, materials, keys, etc.

### 7.7.10 Record Drawings

7.7.10.1 The Professional shall receive and review as-built drawings from the contractor. The Professional shall electronically transmit drawings and other documents to the EOR for the preparation of the record drawings. These drawings shall include notations that reflect as-built Project components and conditions. The record drawings shall include Professional's on-site representative's notes, contractor's field notes, and NBU's field notes made during the construction process.

### 7.7.11 Limitations of Authority of RPR

7.7.11.1 The Professional shall not authorize any deviation from the Contract Documents or substitution of materials or equipment (including "or-equal" items), unless authorized by engineer.

7.7.11.2 The Professional shall not exceed limitations of engineer's authority as set forth in Agreement or the Contract Documents.

7.7.11.3 The Professional shall not undertake any of the responsibilities of contractor, subcontractor, suppliers, or contractor's superintendent.

7.7.11.4 The Professional shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advice or directions are specifically required by the Contract Documents.

7.7.11.5 The Professional shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Work or any activities or operations of NBU or contractor.

7.7.11.6 The Professional shall not accept shop drawing or sample submittals from anyone other than the contractor.

7.7.11.7 The Professional shall not participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized by engineer.

7.8 DELIVERABLES. The Professional shall provide the following deliverables to NBU:

7.8.1 One (1) PDF electronic copy of FIO memorandum;

7.8.2 Project Site visit memos and construction progress meeting minutes;

7.8.3 One (1) pdf electronic copy and one (1). georeferenced .dwg file of record drawings including plans and specifications in accordance with NBU standards, with features adjusted to the location of GPS points collected in the field by the contractor; and

7.8.4 One (1) PDF electronic copy of Asset Information memorandum.

### **SUPPLEMENTAL SERVICES**

Pursuant to Section 4(B) of this Agreement, the Professional shall seek prior written approval from NBU before commencing work on any services described in this Section. If NBU requests the Professional to perform the additional Services, NBU and the Professional shall execute a supplemental agreement or contract amendment, as appropriate, detailing the Services to be performed and the completion date. The Professional acknowledges the contract duration will not

increase as a result of engaging the supplemental services unless noted in the supplemental agreement or contract agreement, as appropriate.

The additional services shall include Project specific professional engineering services as contemplated in Section 2254 of the Texas Government Code, as amended, which may include but are not limited to the following:

- Miscellaneous Engineering - The Professional shall provide up to 500 LF of additional interceptor design due to unforeseen re-alignments or field conditions.

### **TIME OF COMPLETION**

The Professional is authorized to commence work on the Services of the Project upon execution of this Agreement and agrees to complete these Services in accordance with the schedule below.

<b>Project Milestones</b>	<b>Start Date</b>	<b>End Date</b>
Notice to Proceed Design	5/7/21	
30% Preliminary Design	5/7/21	4/21/22
EFR Preparation and TWDB Approval	5/7/21	12/30/22
EID Preparation and TWDB Approval	7/30/21	12/30/22
60% Design	4/22/22	8/11/22
90% Final Design	1/2/23	4/21/23
100% Final Design	4/24/23	7/14/23
Permitting	4/24/23	10/6/23
TWDB Bid Advertisement Approval	7/17/23	10/6/23
Bid Phase	1/29/24	5/30/24
TWDB Construction Approval	5/31/24	7/25/24
Construction Phase	8/2/24	1/15/26

The Professional shall complete the Services by January 15, 2026.

## Exhibit B

### Compensation

NBU agrees to pay the Professional for the Services and the Supplemental Services rendered under this Agreement in accordance with the tables below and made part of this Agreement.

#### Services

NBU shall pay the Professional for the Services during the term of this Agreement in an amount not to exceed \$3,096,220.

Task	Cost
Task 1: Project Management	\$224,402
Task 2: Preliminary Design Phase	\$214,032
Task 3: Final Design Phase	\$585,546
Task 4: Field Services	\$628,408
Task 5: Permitting & Stakeholders	\$377,092
Task 6: Bid Phase	\$21,764
Task 7: Construction Phase	\$1,044,976
<b>Total</b>	<b>\$3,096,220</b>

#### Supplemental Services

NBU shall pay the Professional for the Supplemental Services in an amount not to exceed \$30,000; provided, however, that NBU must provide written approval in the form of a supplemental agreement or contract amendment, as appropriate, prior to the Professional performing the Supplemental Services.

Exhibit C  
Evidence of Insurance



**Meeting Date:** April 29, 2021      **Agenda Type:** Consent Items for Action

**From:** Shawn Schorn, P.E.      **Reviewed by:** Michael Short, P.E.  
 Chief Engineer of Water      Director of Water Services and  
 Services      Compliance

**Submitted by:** Ryan Kelso      **Approved by:** Ian Taylor  
 Chief Operations Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Authorize the CEO or His Designee to Execute and/or File (i) a Water CCN Transfer Agreement among NBU, Green Valley Special Utility District, and SA Given to Fly, LP for the Morningside Hills Development and (ii) any Documents Related to Such Transfer with the Texas Public Utility Commission

## **BACKGROUND**

SA Given to Fly, LP (the “Developer”) is the developer of the Morningside Hills development. Morningside Hills is a 214-acre single family residential development located on Ron Road south of the Morningside Road intersection. The development is currently in Green Valley Special Utility District’s (“GVSUD”) water Certificate of Convenience and Necessity (“CCN”). NBU has water infrastructure adjacent to Morningside Hills and has capacity to provide service.

The Developer has requested that NBU and GVSUD consent to transfer approximately 137 acres currently within the GVSUD water CCN into the NBU Water CCN, which will bring approximately 555 additional connections to the NBU system. GVSUD is amenable to the Developer’s request.

The parties have documented the proposed CCN transfer between NBU and GVSUD in a Water CCN Transfer Agreement among NBU, GVSUD, and the Developer. NBU staff requests that the Board of Trustees approve the Water CCN Transfer Agreement.

This item is being presented to the Board because NBU is requesting a change to our current water CCN boundary.

## **FINANCIAL IMPACT**

The Developer agrees to pay all the expenses of NBU and GVSUD in connection with this CCN transfer.

## **LINK TO STRATEGIC PLAN**

**Recognized as a Trusted Community Partner Dedicated to Excellence in Service**

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**Maintain Organizational Reliability and Resiliency**

**Be a Responsible Steward of Natural Resources**

**EXHIBITS**

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1. Morningside Hills - Water CCN Transfer Agreement NBU GVSUD SA Given to Fly, LP

## WATER CCN TRANSFER AGREEMENT

This **WATER CCN TRANSFER AGREEMENT** is entered into this \_\_\_\_ day of \_\_\_\_\_, 202\_ (this “Agreement”), by and among **NEW BRAUNFELS UTILITIES**, a Texas municipal owned utility (“NBU”), **GREEN VALLEY SPECIAL UTILITY DISTRICT**, a special utility district created pursuant to Chapter 65 of the Texas Water Code (“Green Valley”), and **SA GIVEN TO FLY, LP**, a Texas limited partnership (the “Developer” and, together with NBU and Green Valley, the “Parties”), in connection with the boundary lines of the Certificates of Convenience and Necessity (“CCNs”) held by NBU and Green Valley for the provision of water services to users pursuant to the Texas Water Code.

### RECITALS:

WHEREAS, NBU provides retail water service under water CCN No. 10677, issued by the Public Utility Commission of Texas (“PUC”) to the City of New Braunfels, for the provision of retail water services to certain areas in and about Comal County and Guadalupe County, the boundaries of which are more fully described in Exhibit A and attached hereto;

WHEREAS, Green Valley provides retail water service under water CCN No. 10646, issued by the PUC, for the provision of retail water to certain areas in and about Bexar County, Comal County, and Guadalupe County, the boundaries of which are more fully described in Exhibit B and attached hereto;

WHEREAS, the boundaries of the NBU CCN and the Green Valley CCN are adjacent to one another;

WHEREAS, the Developer owns a 148.80 acre tract of real property within Comal and Guadalupe Counties and a 3.500 acre tract of real property within Guadalupe County (the “Real Property”);

WHEREAS, a portion of the Real Property totaling 74.784 acres is within the Green Valley CCN No. 10646 between Ron Road and Weston Road along the Guadalupe and Comal County lines and more particularly described in Exhibit C (the “Developer’s Property”);

WHEREAS, Developer also owns a 61.965-acre tract of real property between Ron Road and Weston Road along the Guadalupe and Comal County lines and more particularly described in Exhibit D (the “Wetz Property”);

WHEREAS, the Developer’s Property and the Wetz Property are known as the Morningside Hills development;

WHEREAS, the 74.784-acre portion of Developer’s Property described above and the Wetz Property, both of which are described in Exhibit E, are located within the Green Valley CCN No. 10646 (the “Transfer Property”);

WHEREAS, the Developer has requested that Green Valley transfer a portion of its water CCN No. 10646 to NBU so that NBU can provide retail water services to the Transfer Property;

WHEREAS, the Transfer Property is currently undeveloped and Green Valley does not currently have any water connections or water facilities within the Transfer Property;

WHEREAS, NBU currently has water connections or water facilities adjacent to, or near the Transfer Property;

WHEREAS, NBU and Green Valley are amenable to altering the boundaries of their respective water CCNs by transferring the Transfer Property contained within the boundaries of the Green Valley CCN No. 10646 to NBU so that the Transfer Property is removed from the Green Valley CCN No. 10646 and added to the NBU CCN No. 10677; and

WHEREAS, Developer has provided to NBU maps and GIS data illustrating the Transfer Property to include with a petition to the PUC to transfer the Transfer Property from Green Valley CCN No. 10646 to the NBU water CCN No. 10677.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

**AGREEMENT:**

**Water CCN**

1. In accordance with Section 13.248 of the Texas Water Code, but at all times subject to the approval of the PUC and the United States Department of Agriculture (the "USDA"), Green Valley hereby agrees to the modification of the boundaries of its CCN No. 10646 to exclude the area contained within the Transfer Property, such area to be transferred from Green Valley's CCN No. 10646 to the area to be encompassed within CCN No. 10677.
2. In accordance with Section 13.248 of the Texas Water Code, but at all times subject to the approval of the PUC, NBU hereby agrees to the expansion and modification of the boundaries of its CCN No. 10677 to include the area contained within the Transfer Property, such area to be transferred from Green Valley's CCN No. 10646 to the area to be encompassed within NBU's CCN No. 10677.
3. NBU shall be responsible for preparing and filing the application to obtain the PUC's approval of the CCN transfer of the Transfer Property between Green Valley and NBU. The Developer shall be responsible for hiring a third party-vendor to prepare hard copy maps with supporting electronic metadata for the Transfer Property that satisfies the PUC rules. The Developer shall submit the hard copy maps and supporting electronic metadata to NBU for review and NBU shall provide copies of the maps to Green Valley for submission to the USDA.
4. Green Valley shall be responsible for obtaining USDA approval for the CCN transfer of the Transfer Property between Green Valley and NBU.
5. The Developer agrees to pay all the expenses of NBU and Green Valley in connection with this transfer, including, but not limited to, the following:

- a. legal fees for NBU and Green Valley;
  - b. PUC administrative fees;
  - c. USDA administrative fees; and
  - d. fees associated with preparing hard copy maps and electronic maps with supporting electronic metadata for the Transfer Property filed in connection with the PUC application, if applicable.
6. Green Valley and NBU agree that no compensation shall be due and owing between Green Valley and NBU in conjunction with such transfer as no real or personal property of either party is contained within the Transfer Property or is being affected by such transfer.
  7. NBU shall not commence providing retail water services for compensation to the Developer or any retail customer on the Transfer Property until the PUC has authorized the CCN transfer of the Transfer Property between Green Valley and NBU.
  8. NBU shall not approve any documents indicating that NBU is the retail water services provider prior to the PUC authorizing the CCN transfer of the Transfer Property between Green Valley and NBU.
  9. NBU agrees that, upon approval of the revision to its CCN boundaries by the PUC to include the Transfer Property within the boundaries of CCN No. 10677, Green Valley shall have no further obligation to provide retail water service to the Transfer Property, and that NBU shall be solely responsible for the provision of retail water service to any owner or occupant of, or customers on, the Transfer Property under such terms and condition as are allowed under its CCN and any applicable governmental statutes and regulations.

### **General Provisions**

1. **GOVERNING LAW.** THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED, AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. ALL ACTS REQUIRED OR PERMITTED TO BE PERFORMED HEREUNDER ARE PERFORMABLE IN GUADALUPE AND COMAL COUNTY, TEXAS, AS APPLICABLE, AND IT IS AGREED THAT ANY CIVIL ACTION BROUGHT TO ENFORCE OR CONSTRUE THE TERMS OR PROVISIONS HEREOF OR TO ENJOIN OR REQUIRE THE PERFORMANCE OF ANY ACT IN CONNECTION HEREWITH, SHALL BE BROUGHT IN A COURT OF COMPETENT JURISDICTION SITTING IN COMAL COUNTY, TEXAS. IT IS AGREED THAT ANY ADMINISTRATIVE LAW ACTION BROUGHT TO ENFORCE OR CONSTRUE THE TERMS OR PROVISIONS HEREOF OR TO ENJOIN OR REQUIRE THE PERFORMANCE OF ANY ACT IN CONNECTION HEREWITH, SHALL BE BROUGHT AT THE PUC OR ITS SUCCESSOR AGENCY.

2. Severability. In the event one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
3. Unintended Omission. If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity or effect to any other word, clause, sentence, or provision appearing in this Agreement shall be omitted here from, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision shall be supplied by inference.
4. Amendment. This Agreement shall not be amended or terminate except by an instrument signed by all parties to this Agreement.
5. Entire Agreement. This Agreement reflects the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection herewith.
6. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall be construed as one and the same instrument.

*[The remainder of the page is intentionally left blank.]*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**NEW BRAUNFELS UTILITIES,**  
a Texas municipal owned utility

By: \_\_\_\_\_  
Ian Taylor, CEO

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**GREEN VALLEY SPECIAL UTILITY DISTRICT,**  
a Texas special utility district

By: \_\_\_\_\_  
David P. Allen, General Manager

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**SA GIVEN TO FLY, LP,**  
a Texas limited partnership

By: \_\_\_\_\_

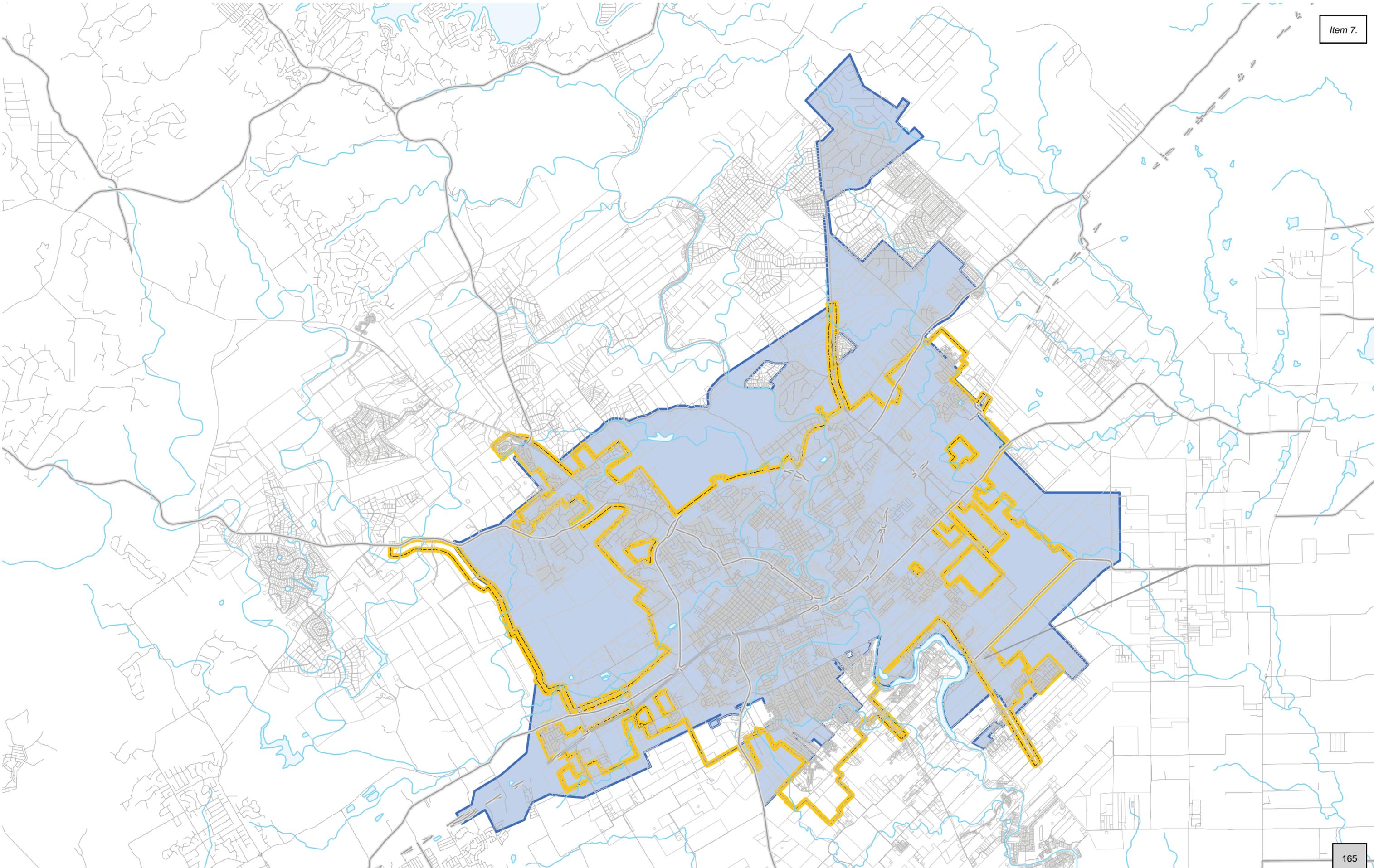
Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Exhibit A



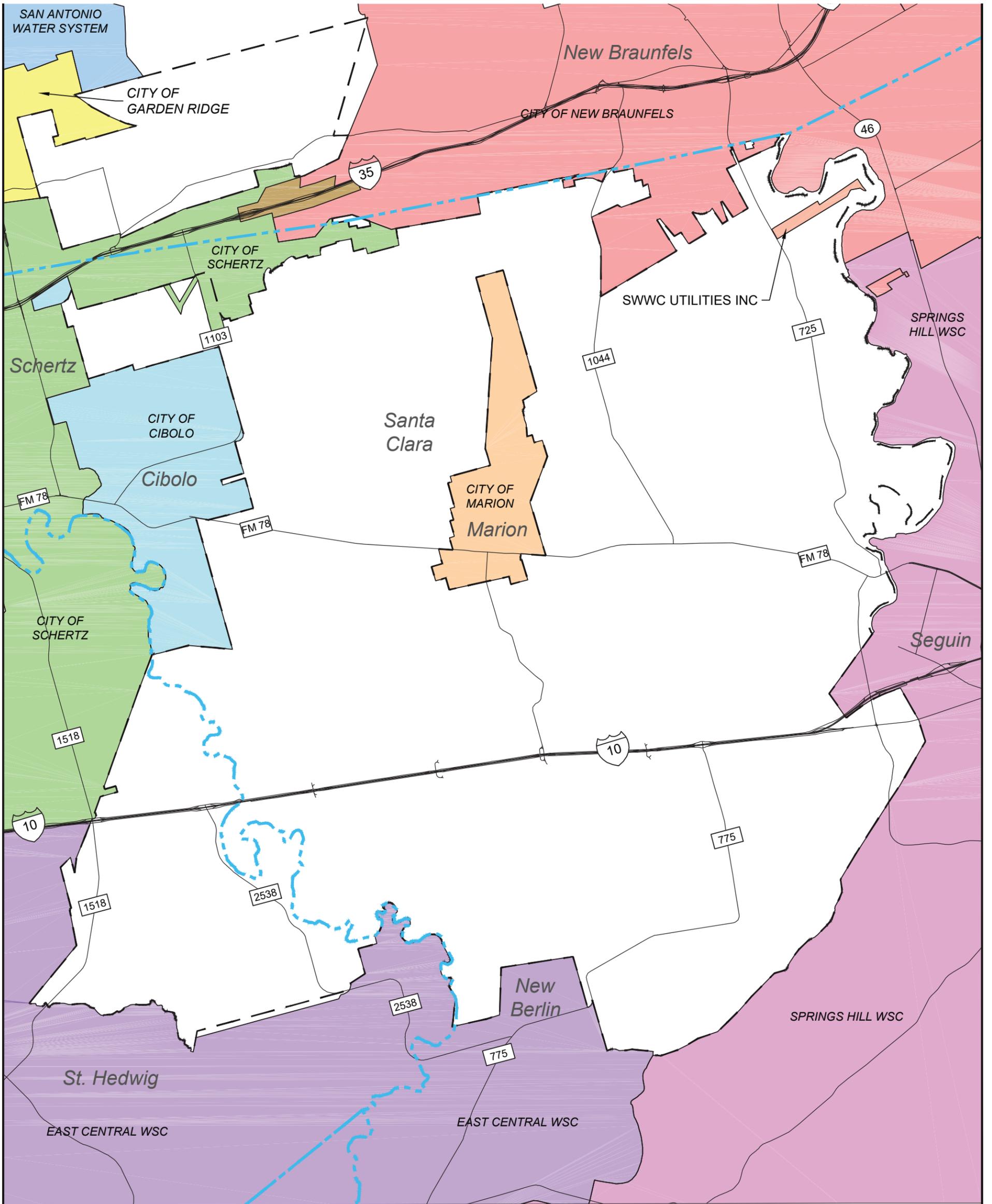
Exhibit A - NBU  
Existing\_System\_09-01



## Exhibit B



Exhibit B - GVSUD  
WATER CCN 9-1-202C



PRELIMINARY FOR REVIEW ONLY  
 THESE DOCUMENTS ARE FOR DESIGN REVIEW ONLY AND NOT INTENDED FOR CONSTRUCTION, BIDDING OR PERMITTING PURPOSES. THEY WERE PREPARED BY, OR UNDER THE SUPERVISION OF:

GARRY D. MONTGOMERY, JR.  
 TYPE OR PRINT NAME

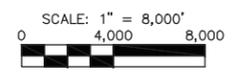
114438 PE# 9/02/20 DATE

SCALE:				
DATE:	02 September, 2020			
PROJECT NO.:				
DESIGNED BY:				
CHECKED BY:				
SHEET NO.:	1			
OF 1 SHEETS				
NO.		REVISIONS	APPD.	DATE

**GREEN VALLEY SPECIAL UTILITY DISTRICT**  
**WATER CCN MAP**

**LEGEND**

- PARCELS
- COUNTY LINE
- GVSUD WATER CCN



**UTILITY ENGINEERING GROUP PLLC**  
 255 Cornit Ave NEW BRAUNFELS, TEXAS 78130 Ph: (361) 214-0521  
 Texas Engineering Firm F-187.12

### Exhibit C



Exhibit C - 11451-21  
EX\_74.784AC 001.pdf



METES AND BOUNDS DESCRIPTION  
FOR

A 74.784 acre, or 3,257,571 square feet more or less, tract of land out of the Benito Lopez Survey No. 261, Abstract 214, and the Rafael Ximenes Survey, Abstract 347, Guadalupe County, Texas and the John Thompson Survey No. 21, Abstract 608, Comal County, Texas, same being of a portion of a 148.80 acre tract conveyed to SA GIVEN TO FLY, LLC by deed recorded in Document No. 201999003956 of the Official Records of Guadalupe County, Texas, and Document No. 201906006911 of the Official Records of Comal County, Texas, together with all of a 3.500 acre tract conveyed to SA GIVEN TO FLY, LLC by deed recorded in Document No. 201999003957 of said Official Records of Guadalupe County, Texas. Said 74.784 acre tract being more fully described as follows, with bearings based on the Texas Coordinate System established for the South Central Zone from the North American Datum of 1983 NAD 83 (NA2011) epoch 2010.00:

**BEGINNING:** At a found 60D nail at the east corner of said 148.80 acre tract and the north corner of a called 34 acre tract recorded in Volume 1293, Page 769 of the Official Records of Guadalupe County, Texas, and being on the southwest right-of-way line of Ron Road, a variable width public right-of-way;

**THENCE:** Departing the southwest right-of-way line of said Ron Road, with the southeast line of said 148.80 acre tract, the northwest line of said 34 acre tract and the northwest line of a called 37.8 acre tract recorded in Volume 1293, Page 769 of said Official Records, the following bearings and distances:

S 63°56'11" W, a distance of 1529.93 feet to a found 60D nail in a 6" cedar post;

S 64°21'16" W, a distance of 966.14 feet to a point;

S 64°25'57" W, a distance of 1680.29 feet to a point at the south corner of said 148.80 acre tract, the west corner of said 37.8 acre tract and on the northeast line of a 146.57 acre tract recorded in Document No. 2016024598 of said Official Public Records of Guadalupe County, Texas and the south corner of the herein described tract;

**THENCE:** N 25°20'27" W, with the northeast line said 146.57 acre tract, a distance of 662.16 feet to a found ½" iron rod with plastic cap marked "HMT" at an interior corner of said 146.57 acre tract, and the west corner of the herein described tract;

- THENCE: N 64°07'26" E, with a southeast line of said 146.57 acre tract, a distance of 270.65 feet to a found ½" iron rod with plastic cap marked "HMT";
- THENCE: N 40°18'02" E, with a southeast line of said 146.57 acre tract, a distance of 276.94 feet to a point at the north corner of said 146.57 acre tract;
- THENCE: N 63°50'44" E, over and across said 148.80 acre tract, a distance of 3660.76 feet to a point on the northeast line of said 148.80 acre tract and on the southwest right-of-way line of said Ron Road, from which a found 60D nail at the north corner of said 148.80 acre tract bears, N 24°49'53" W, a distance of 1116.49 feet;
- THENCE: S 24°49'53" E, with said southwest right-of-way line said Ron Road, a distance of 799.84 feet to the POINT OF BEGINNING and containing 74.784 acres in Guadalupe County, Texas and Comal County, Texas. Said tract being described in conjunction with a survey made on the ground and a graphic depiction there of prepared under job number 11451-21 by Pape-Dawson Engineers, Inc.

PREPARED BY: Pape-Dawson Engineers, Inc.  
DATE: May 22, 2020  
JOB NO. 11451-21  
DOC. ID. N:\CIVIL\11451-21\Word\11451-20 FN 64.314 AC - REV1.docx



### Exhibit D



Exhibit D - 11451-21  
EX\_61.965AC 001.pdf



METES AND BOUNDS DESCRIPTION  
FOR

A 61.965 acre, or 2,699,183 square feet more or less, tract of land out of the Benito Lopez Survey No. 261, Abstract 214, the Francisco Bessaro Survey No. 260, Abstract 64, Guadalupe County, Texas and the John Thompson Survey No. 21, Abstract 608, Comal County, Texas, being a remaining portion of a 146.57 acre tract conveyed to David Allen Wetz by deed recorded in Document No. 2016024598 of the Official Records of Guadalupe County, Texas, and Document No. 201606042102 of the Official Public Records of Comal County, Texas. Said 61.965 acre tract being more fully described as follows, with bearings based on the Texas Coordinate System established for the South Central Zone from the North American Datum of 1983 NAD 83 (NA2011) epoch 2010.00:

COMMENCING: At a found 60D nail at the east corner of a 148.80 acre tract recorded in Document No. 201999003956 of said Official Records of Guadalupe County, and the north corner of a called 34 acre tract recorded in Volume 1293, Page 769 of the Official Records of Guadalupe County, Texas, and being on the southwest right-of-way line of Ron Road, a variable width public right-of-way;

THENCE: Departing the southwest right-of-way line of said Ron Road, with the southeast line of said 148.80 acre tract, the northwest line of said 34 acre tract and the northwest line of a called 37.8 acre tract recorded in Volume 1293, Page 769 of the Official Records of Guadalupe County, Texas, the following bearings and distances:

S 63°56'11" W, a distance of 1529.93 feet to a found 60D nail in a 6" cedar post;

S 64°21'16" W, a distance of 966.14 feet to a point;

S 64°25'57" W, a distance of 1680.29 feet to a point at the south corner of said 148.80 acre tract, the west corner of said 37.8 acre tract and on the northeast line of said 146.57 acre tract same being the POINT OF BEGINNING of the herein described tract;

THENCE: S 26°46'05" E, with the northeast line of said 146.57 acre tract, the southwest line of said 37.8 acre tract and the southwest line of a called 20 acre tract recorded in Volume 1293, Page 769 of the Official Records of Guadalupe County, Texas, a distance of 1132.35 feet to a found 6" cedar post at the south corner of said 20 acre tract and the west corner of a called 92.57 acre tract recorded in Volume 310, Page 19 of the Official Records of Guadalupe County, Texas;

THENCE: S 24°57'42" E, continuing with the northeast line of said 146.57 acre tract and the southwest line of said 92.57 acre tract, a distance of 419.69 feet to a found 3" metal fence post at the east corner of said 146.57 acre tract, and a north exterior corner of a called 176.9 acre tract recorded in Volume 462, Page 53 of the Official Records of Guadalupe County, Texas;

THENCE: S 60°06'58" W, departing the southwest line of said 92.57 acre tract, with the southeast line of said 146.57 acre tract and a northwest line of said 176.9 acre tract a distance of 1461.82 feet to a found 3" metal fence post at the south corner of said 146.57 acre tract;

THENCE: N 30°23'16" W, with the southwest line of said 146.57 acre tract and a northeast line of said 176.9 acre tract, a distance of 802.51 feet to a found 1/2" iron rod with a yellow cap marked "Pape-Dawson" at a south corner of a 48.225 acre tract recorded in Document No. 201899024378 of the Official Public Records of Comal County, Texas;

THENCE: N 65°11'47" E, departing said northeast line, and with the southeast line of said 48.225 acre tract, a distance of 407.35 feet to a found 1/2" iron rod with a yellow cap marked "Pape-Dawson" at the easternmost corner of said 48.225 acre tract;

THENCE: With the northeast line of said 48.225 acre tract, the following bearings and distances:

N 25°04'51" W, a distance of 920.24 feet to a found 1/2" iron rod with a yellow cap marked "Pape-Dawson";

N 40°18'11" E, a distance of 432.29 feet to a found 1/2" iron rod with a yellow cap marked "Pape-Dawson";

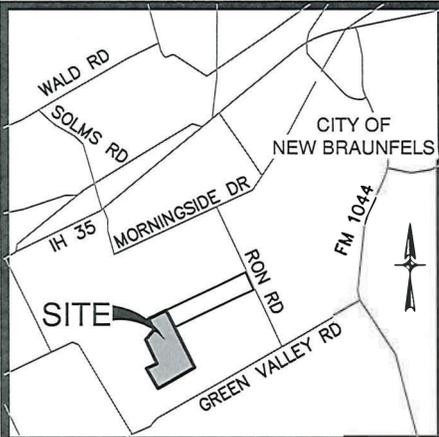
N 25°28'20" W, a distance of 534.91 feet to a found 1/2" iron rod with a yellow cap marked "Pape-Dawson" at an interior corner of said 48.225 acre tract, for a western exterior corner of the herein described tract;

*n n n*

- THENCE: N 63°50'37" E, with a southeast line of said 48.225 acre tract, a distance of 1221.35 feet to a point at the east corner of said 48.225 acre tract, on a northwest line of said 148.80 acre tract;
- THENCE: S 40°18'02" W, with said northwest line of said 148.80 acre tract, a distance of 276.94 feet to a found ½" iron rod with cap marked "HMT" at an interior corner of said 148.80 acre tract;
- THENCE: S 64°07'26" W, continuing with said northwest line, a distance of 270.65 feet to a found ½ inch iron rod with cap marked "HMT" at the west corner of said 148.80 acre tract;
- THENCE: S 25°20'27" E, with the northeast line of said 146.57 acre tract, a distance of 662.16 feet to the POINT OF BEGINNING and containing 61.965 acres in Guadalupe County, Texas and Comal County, Texas. Said tract being described in conjunction with a survey made on the ground and a graphic depiction thereof prepared under job number 11451-21 by Pape-Dawson Engineers, Inc.

PREPARED BY: Pape-Dawson Engineers, Inc.  
DATE: May 22, 2020  
JOB NO. 11451-21  
DOC. ID. N:\CIVIL\11451-21\Word\11451-20 FN 59.236 AC - REV1.docx





LOCATION MAP  
NOT-TO-SCALE

**LEGEND:**

- DRGC DEED RECORDS OF GUADALUPE COUNTY, TEXAS
- ORGC OFFICIAL RECORDS OF GUADALUPE COUNTY, TEXAS
- OPRCC OFFICIAL PUBLIC RECORDS OF COMAL COUNTY, TEXAS

**NOTES:**

1. THIS EXHIBIT IS ISSUED IN CONJUNCTION WITH A METES AND BOUNDS DESCRIPTION PREPARED UNDER JOB NO. 11451-21 BY PAPE-DAWSON ENGINEERS, INC.
2. THE BEARINGS ARE BASED ON THE TEXAS COORDINATE SYSTEM ESTABLISHED FOR THE SOUTH CENTRAL ZONE FROM THE NORTH AMERICAN DATUM OF 1983 NAD 83 (NA2011) EPOCH 2010.00.

LINE TABLE		
LINE	BEARING	LENGTH
L1	S26°46'05"E	1132.35'
L2	S24°57'42"E	419.69'
L3	S60°06'58"W	1461.82'
L4	N30°23'16"W	802.51'
L5	N65°11'47"E	407.35'
L6	N25°04'51"W	920.24'

LINE TABLE		
LINE	BEARING	LENGTH
L7	N40°18'11"E	432.29'
L8	N25°28'20"W	534.91'
L9	N63°50'37"E	1221.35'
L10	S40°18'02"W	276.94'
L11	S64°07'26"W	270.65'
L12	S25°20'27"E	662.16'

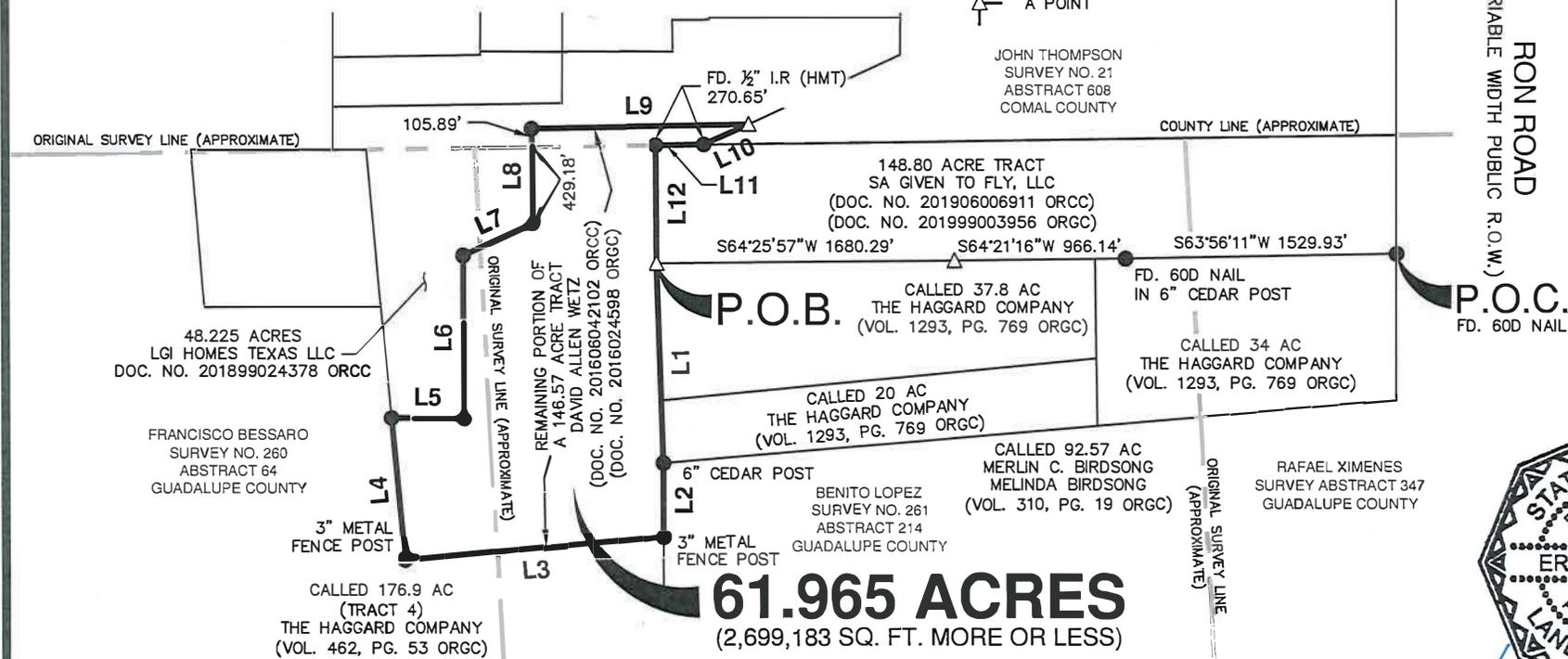


SCALE: 1" = 1,000'

**LEGEND**

- SET 1/2" I.R. (PD)
- FOUND 1/2" I.R. (PD) UNLESS NOTED OTHERWISE
- A POINT

JOHN THOMPSON  
SURVEY NO. 21  
ABSTRACT 608  
COMAL COUNTY



SAN ANTONIO | AUSTIN | HOUSTON | FORT WORTH | DALLAS  
2000 NW LOOP 410 | SAN ANTONIO, TX 78213 | 210.375.9000  
TBPE FIRM REGISTRATION #470 | TBPLS FIRM REGISTRATION #10028800

EXHIBIT FOR  
A 61.965 ACRE, OR 2,699,183 SQUARE FEET MORE OR LESS, TRACT OF LAND OUT OF THE BENITO LOPEZ SURVEY NO. 261, ABSTRACT 214, THE FRANCISCO BESSARO SURVEY NO. 260, ABSTRACT 64, GUADALUPE COUNTY, TEXAS, AND THE JOHN THOMPSON SURVEY NO. 21, ABSTRACT 608, COMAL COUNTY, TEXAS, BEING A REMAINING PORTION OF A 146.57 ACRE TRACT CONVEYED TO DAVID ALLEN WETZ BY DEED RECORDED IN DOCUMENT NO. 2016024598 OF THE OFFICIAL RECORDS OF GUADALUPE COUNTY, TEXAS, AND DOCUMENT NO. 201606042102 OF THE OFFICIAL PUBLIC RECORDS OF COMAL COUNTY, TEXAS.

MAY 22, 2020

SHEET 1 OF 1  
JOB No.: 11451-21

175

## Exhibit E

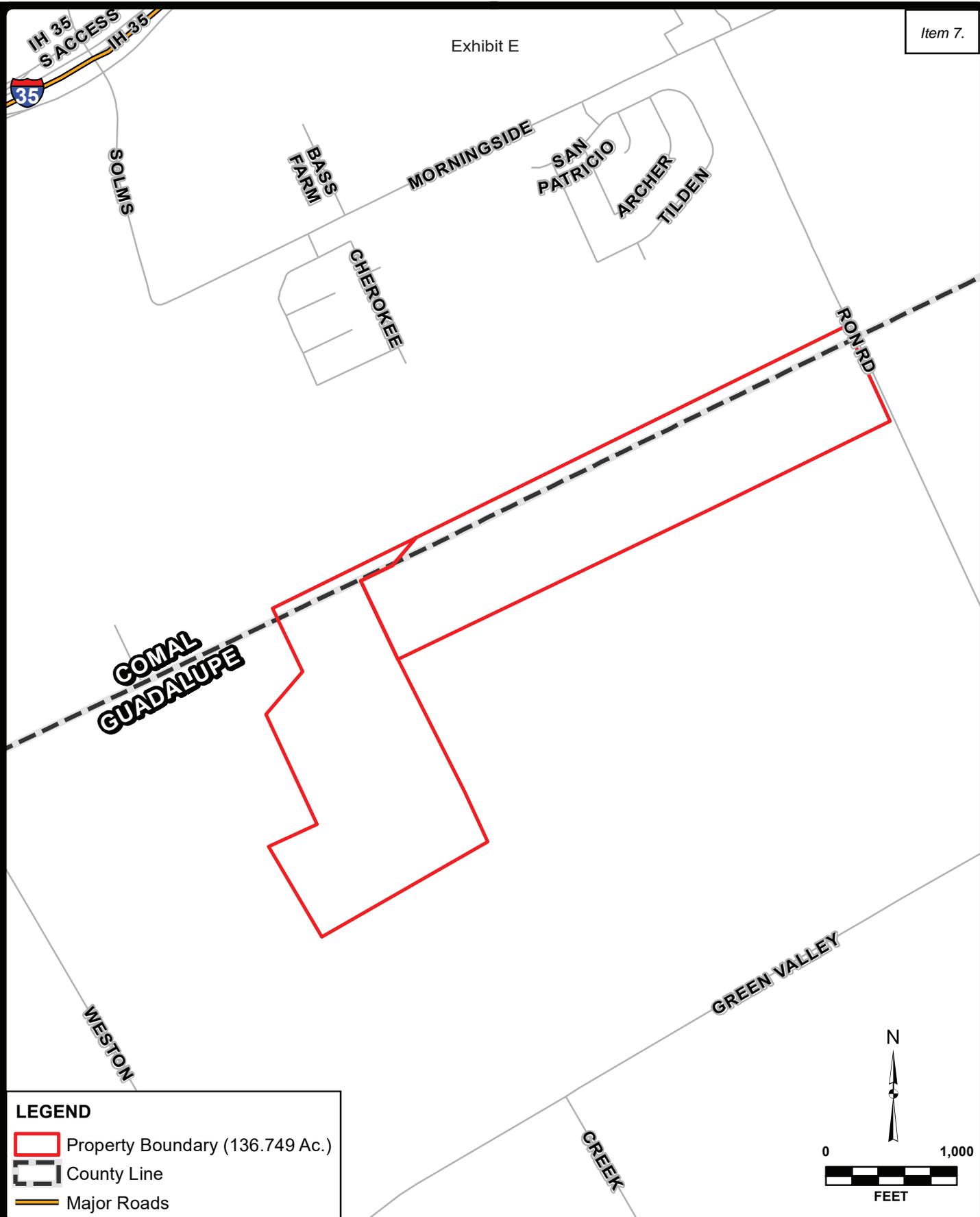


Exhibit E - CCN Large  
Scale (Detailed) 001.p

AERIAL IMAGERY PROVIDED BY GOOGLE © UNLESS OTHERWISE NOTED. Imagery ©2020, CA/PCOG Digital Globe, Texas Orthomography Program, USDA Farm Service Agency.

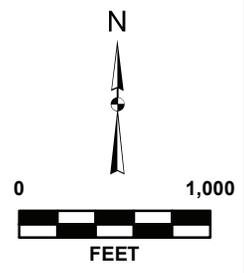
Item 7.

Exhibit E



**LEGEND**

- Property Boundary (136.749 Ac.)
- County Line
- Major Roads



JOB NO.	11451-21
DATE	May 2020
DESIGNER	LM
CHECKED	CC
DRAWN	EP
SHEET	1

**GVSUD CCN**  
**LARGE SCALE**  
**(DETAILED) MAP**

**PAPE-DAWSON ENGINEERS**

SAN ANTONIO | AUSTIN | HOUSTON | FORT WORTH | DALLAS  
 2000 NW LOOP 410 | SAN ANTONIO, TX 78213 | 210.3  
 TBPE FIRM REGISTRATION #470 | TBPLS FIRM REGISTRATION #

THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. RELY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANT'S ORIGINAL SIGNATURE AND SEAL.



**LINK TO STRATEGIC PLAN**

---

**Maintain Organizational Reliability and Resiliency**

**Provide a Safe and Secure Environment**

**EXHIBITS**

---

1. Purchase Order Contract with Altec Industries, Inc.

October 19, 2020  
Our 91st Year

**Ship To:**  
NEW BRAUNFELS UTILITIES  
1001 SOLON RD  
WAXAHACHIE, TX 75165-5097  
US

**Bill To:**  
NEW BRAUNFELS UTILITIES  
263 E MAIN PLAZA  
NEW BRAUNFELS, TX 78130-5135  
United States

Attn:  
Phone: 830-629-8400  
Email: Customerservice@nbutexas.com

**Altec Quotation Number:** 737764 - 1  
**Account Manager:** Arlan Wayne Smith  
**Technical Sales Rep:** David Wyble

<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	<b>Unit</b>		
1.	<p>206 Altec Model AM55E articulating overcenter aerial device with an insulating lower arm, insulating upper boom and the Altec ISO-Grip (U.S. Patent No. 7,416,053) system, an upper control system incorporating high resistance components at the boom tip, for installation over rear axle, built in accordance to ALTECS standard specifications and to include the following features:</p> <ul style="list-style-type: none"> <li>A. Ground to Bottom of Platform Height: 56.0 feet at 4.0 feet from centerline of rotation (17.1 m at 1.2 m)</li> <li>B. Working Height: 61.0 feet (18.6 m)</li> <li>C. Maximum Reach to Edge of Platform with Upper Boom Overcenter: 48.8 feet (14.9 m)</li> <li>D. Maximum Reach to Edge of Platform with Upper Boom Non-overcenter and Lower Boom at 124 degrees: 43.4 feet at 25.7 foot platform height (13.2 m at 7.9 m)</li> <li>E. Pedestal and Turntable: Box structure design with large service openings, 1.55 inch (32 mm) top plate of pedestal and stiffened . inch (32 mm) bottom plate of turntable machined after welding to provide a rigid, flat mounting surface for the rotation bearing. This extends the life of the bearing and reduces life cycle cost.</li> <li>F. Rotation: Continuous rotation provided by worm gear drive, equipped with extended shaft for manual rotation, driving a shear ball bearing rotation gear. The fully adjustable rotation drive assembly includes an external eccentric ring adjustment of the gearbox pinion gear to the main rotation bearing, permitting the ability to easily adjust backlash, reduce boom side play and ensure proper tooth contact over the life of the unit. This reduces life cycle cost.</li> <li>G. Lift Cylinders: The rod eye is both thread and weld fastened to the rod while the blind end of the cylinder is of cast steel, one piece design, which houses internal (unexposed), cartridge-type, bi-directional counter-balance holding valves. Self-aligning, spherical ball-type bushings are used at each end of the cylinder.</li> <li>H. Lower Boom: Constructed of two fixture-welded, (80,000 PSI [551,580 kPa] yield) high strength low alloy steel side plates. Insulator provides 24 inches (610 mm) of isolation in the lower boom. The inner surface of the fiberglass insulator has a wax coating molded in during manufacture to provide a dry, smooth inner surface which will cause moisture to bead. The outer surface has a protective coating.</li> </ul>	1	

<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	The AM55E lower boom articulation is 0 degrees to 124 degrees.		
I.	Lower Boom Stow Protection: To help prevent excessive down pressure by boom structures when stowing.		
J.	Lower Boom Pivot Pin: high strength chrome plated steel with self-lubricating, replaceable, non-metallic bearing.		
K.	Upper Boom: Utilizes a fixture welded, high strength low alloy steel structure designed to accept Altec fiberglass upper boom section. Steel/glass attachment is bolted and bonded. The fiberglass section provides a minimum of 150 inches (3810 mm) of isolation in the upper boom. The inner surface of the fiberglass boom has a wax coating molded in during manufacture to provide a dry, smooth inner surface which will cause moisture to bead. The outer surface has a protective coating. Upper boom articulation is 0 degrees to 210 degrees		
L.	Boom Linkage, Altec Patented Walking Link: This design features uniform speed of upper boom, and provides smooth, continuous, self-adjusting, low maintenance operation.		
M.	Side-by-Side Boom Stow: This design offers low travel height, low center of gravity and provides easy platform access		
N.	Upper Boom Hold Down Device: Manual locking system.		
O.	Platform Leveling System: The platform is leveled by a single leveling chain with fiberglass rods in upper and lower boom, designed to maintain the dielectric integrity of the aerial device. Controls for tilting the platform are located at the platform. The mechanism for tilting the platform includes one dual acting cylinder incorporating counterbalance load holding valves to lock the platform in the event of hydraulic line failure.		
P.	Platform: Totally enclosed, fiberglass.		
Q.	ISO-GripSystem: The Altec ISO-Grip (U.S. Patent No. 7,416,053) System includes the following boom tip components that can provide an additional layer of secondary electrical contact protection. This is not a primary protection system. 1. Control Handle: An insulated single handle controller that is dielectrically tested to 40 kV AC with no more than 400 microampers of leakage. The control handle is green in color to differentiate it from other non-tested controllers. The handle also includes an interlock guard that reduces the potential for inadvertent boom operation. 2. Auxiliary Control Covers: Non-tested blue silicon covers for auxiliary controls. 3. Control Console: Non-tested non-metallic control console plate. 4. Boom Tip Covers: Non-tested non-metallic boom tip covers. The covers are not dielectrically tested, but they may provide some protection against electrical hazards.		
R.	Outrigger/Boom Interlock System: Helps prevent operator from using unit until all outriggers are lowered.		
S.	Outrigger/Unit Selector Control: Located near the outrigger controls, allows operator to divert hydraulic oil from machine circuit for outrigger operation. This reduces the potential for inadvertent outrigger movement during machine operation if outrigger controls are bumped.		
T.	Outrigger Motion Alarm: Provides audible alarm when any of the outriggers are in motion.		
U.	Back-up Alarm, installed		
V.	Preventative Maintenance: Unit owner can select means of tracking maintenance intervals by calendar time or PTO hours. If the owner selects calendar driven cycles, preventative maintenance is required no more frequently than every 6 months. If the owner selects PTO hour driven cycles, preventative maintenance interval is likely to be greater than 6 months. Both programs allow the equipment owner to lower life cycle costs through higher product uptime and lower maintenance costs.		
W.	ISO 9001: This aerial device is designed and manufactured in a facility that is		

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And Opportunity of Serving You

UTILITY EQUIPMENT AND BODIES SINCE 1929

<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	certified to meet ISO 9001 requirements.		
X.	Manuals: Two (2) Operators and two (2) Maintenance/ Parts manuals		
Y.	Paint: Altec Powder Coat Paint Process which provides a finish-painted surface that is highly resistant to chipping, scratching, abrasion and corrosion. Paint is electro-statically applied to the inside as well as outside of fabricated parts then high temperature cured prior to assembly ensuring maximum coverage and protection		
2.	375 - Automatic Upper Boom Latch	1	
3.	217 - Single, Two-Man Side-Mounted Platform - 24 X 48 X 42 Inches (610 X 1219 X 1067 Mm). Platform Rotates 90 Degrees To End Of Boom With Altec Patented Rotator. Includes Two Sets Of Quick Disconnects And Controls For Hydraulic Tools.	1	
4.	259 - Polyethylene Platform Liner For Two Man Platform, 50 Kv Rating (Minimum)	1	
5.	237 - Platform Capacity Rating Of 300 Lbs. Per Operator, 300 Lbs. For Single Man Platform, 600 Lbs. For Two Man Platform	1	
A.	All Capacities Are Based On Bare Platforms' Liner Weight Is Not Included		
6.	297 - Hydraulic Tool Circuit, With One Set Of Quick Disconnect Couplings And Control Valve, Installed At Tailshelf To Supply 8.0 Gpm and 2,000 Psi To Operate Either Open or Closed Center Tools	1	
7.	338 - Pilot Pressure - System Operates At 350 To 3,000 Psi (24 To 207 Bar), And 17 Gpm (64.4 Lpm). System Is Closed Center, Pressure Compensating.	1	
8.	Tiller style single handle controller. The controller is positioned so that when you are standing in the platform with the platform in the stowed position facing the controller the handle points towards the rear of the truck and the head of the controller points toward the elbow of the unit. Unit rotation is driven by a tiller action of the control handle. This style of controller is available with a pilot pressure or full pressure control systems.	1	
9.	219 - Hydraulic Extend Jib - Material Handling, Hydraulically Articulated Jib, -30 Degrees To +90 Degrees Tilt Angle (Relative To The Upper Boom). Jib Can Be Hydraulically Extended To 54.4 Inches (1382 Mm) From Mounting Shaft To Load Line. The Jib Is Hydraulically Extended And Retracted In Two 18 Inch (457 Mm) Increments For A Total Of 36 Inches (914 Mm) Under Full Load.	1	
A.	Capacities Up To 2000 Pounds (907 Kg) Based On Boom Position		
B.	Load Chart Based On Platform Configuration		
C.	Hydraulically Articulated Jib With -30 Degrees To 90 Degrees Tilt Angle Relative To The Upper Boom. Jib Is One Piece, 4 Inches Square X 63 Inches Long (102 X 1600 Mm)		
D.	Hydraulically Extendible Jib Telescopes In And Out 18 Inches (457 Mm). Jib May Be Manually Re-Pinned Under Load And Telescoped An Additional 18 Inches For A Total Movement Of 36 Inches (914 Mm) Under Load		
E.	Hydraulically Powered Winch That Is Rated To 2,000 Pounds (907 Kg) Full Drum, Mounted On End Of Upper Boom And Includes 80 Feet (24 M) Of 1/2 Inch (13 Mm) Double-Braided Synthetic Rope		
F.	Auxiliary Winch Line Control Valve At Turntable		
10.	Manual Hydraulic Outrigger Controls	1	
11.	236 - Maximum Jib Rating - Applied To All AM Series Machines, This Rating Provides	1	

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And Opportunity of Serving You

<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	The Maximum Jib Capacity At All Lower Boom Positions.		
12.	393 - 12 VDC Electrical System Voltage	1	
13.	Engine Start/Stop with Secondary Stowage System, 12 VDC electric powered. Includes pump and motor, operates from chassis battery. Control is captive air operated from the platform and momentary switch operated from the lower controls. This option allows the operator to start and stop the operation of the units as well as completely stow the booms and platform in a situation wherein the primary hydraulic source fails.	1	
14.	320 - Category B, 46 kV And Below - Includes Lower Test Electrode System	1	
15.	470 - Primary Outrigger, X-Frame With Fold-Up Shoe - Provides 174 (4429 Mm) Maximum Spread And Weighs 1,500 Pounds (680 Kg)	1	
16.	450 - Auxiliary Outrigger, A-Frame With Fold-Up Shoe - Provides 153 (3886 Mm) Maximum Spread And Weighs 1,350 Pounds (612 Kg)	1	
17.	Powder coat unit Altec White.	1	
<b><u>Unit &amp; Hydraulic Acc.</u></b>			
18.	AM50/50E/55/55E/60/60E Series Unit Installation Components	1	
19.	Platform Cover, 24 X 48, Soft Vinyl	1	
20.	Jib Adapter, For A 4" Square Jib	1	
21.	Single Conductor Holder, Self-Aligning With 1.5" Opening (For Use With 3" DIA Extensions And Adapters)	1	
22.	Phase Lifting Jib Attachment - For Insertion Into Jib Furnished With Jib/Winch Package, Includes Single Phase Holder	1	
23.	Hook, Material Handling, 1-Ton With Latch, Installed On End Of Aerial Winch Line	1	
24.	Standard Spacer between Subbase and frame for hose routing and ease of maintenance.	1	
25.	Reservoir, 28 Gallon, Rectangular, Internally Mounted in Pedestal	1	
	A. Internal return filter, 10 micron absolute, fiberglass media.		
	B. Ball valves in suction and return lines.		
	C. Suction strainer.		
	D. Filler/breather cap with dipstick.		
26.	AM50/55/60/50E/55E/60E Subbase	1	
27.	Subbase Storage With Drop Down Door (Paddle Latch) At Rear for Full Sub-base Storage, AM50/55/60 & E Units	1	
28.	Custom Subbase Storage Insert stops in side tubes at 100"	1	
29.	HVI-22 Hydraulic Oil (Standard).	35	
30.	Standard Pump For PTO	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
31.	Hot shift PTO for automatic transmission	1	
32.	Muncie PTO (Altec Standard)	1	
33.	Standard Altec PTO/Machine Functionality: PTO won't engage until parking brake is set.-Once parking (holding) brake is set, PTO and machine functions are enabled.-If parking (holding) brake is disengaged, both PTO and machine functions are disabled.	1	
<b><u>Body</u></b>			
34.	Altec Body	1	
35.	Steel Body	1	
36.	Body Is To Be Built In Accordance With The Following Altec Standard Specifications:	1	
	<b>A.</b> Basic Body Fabricated From A40 Grade 100% Zinc Alloy Coated Steel.		
	<b>B.</b> All Doors Are Full, Double Paneled, Self-Sealed With Built-In Drainage For Maximum Weather-Tightness. Stainless Steel Hinge Rods Extend Full Length Of Door.		
	<b>C.</b> Heavy-Gauge Welded Steel Frame Construction.		
	<b>D.</b> Integrated Door Header Drip Rail At Top For Maximum Weather Protection.		
	<b>E.</b> Fender Panels Are Either Roll Formed Or Have Neoprene Fenderettes Mechanically Fastened.		
	<b>F.</b> Steel Treated For Improved Primer Bond And Rust Resistance.		
	<b>G.</b> Automotive Type Non-Porous Door Seals Fastened To The Door Facing.		
	<b>H.</b> B-Line Channel Installed In Compartments		
37.	Treadplate Steel Floor	1	
38.	Aerial Service Line With Step (ASLS)	1	
39.	Finish Paint Body Altec White	1	
40.	Undercoat Body	1	
41.	170" Estimated Body Length (Engineering To Determine Final Length)	1	
42.	94" Body Width	1	
43.	46" Body Compartment Height	1	
44.	18" Body Compartment Depth	1	
45.	5.5 Inch Drop-In Wood Cargo Retaining Board At Rear Of Body	1	
46.	5.5 Inch Drop-In Wood Cargo Retaining Board At Top Of Side Access Step	1	
47.	Curbside Smooth Compartment Tops	1	
48.	Streetside Smooth Compartment Tops	1	
49.	Rope Lights (LED) Around Top And Sides Of Compartment Door Facings	9	
50.	Stainless Steel Rotary Paddle Latches With Keyed Locks	9	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
51.	All Locks Keyed Alike Including Accessories (Preferred Option)	1	
52.	Standard Master Body Locking System (Standard Placement Is At Rear. Sidepacks With A Throughshelf/Hotstick Door At Rear, Standard Placement Is At The Front)	9	
53.	Gas Prop Rigid Door Holders On All Vertical Doors	1	
54.	Chains On All Horizontal Doors	1	
55.	One Chock Holder On Each Side of Body With Retaining Lip In Fender Panel	1	
56.	Hotstick Shelf Extending From Rear Of Second Vertical To Rear Of Body On Streetside	1	
57.	Two Hotstick Brackets On Streetside	1	
58.	Standard Drop-Down Hotstick Door For One (1) Shelf On Streetside, Stainless Steel Slam Paddle Latch With Keyed Lock	1	
59.	1st Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Left Wall	1	
60.	1st Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Rear Wall	4	
61.	1st Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Right Wall	1	
62.	2nd Vertical (SS) - Adjustable Shelf With Removable Dividers On 4" Centers	4	
63.	3rd Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Left Wall	1	
64.	3rd Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Rear Wall	4	
65.	3rd Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Right Wall	1	
66.	1st Horizontal (SS) - Fixed Shelf With Removable Dividers On 8 Inch Centers	1	
67.	Rear Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Left Wall	3	
68.	Rear Vertical (SS) - Outrigger Housing, With Outrigger Pin Access As Needed	1	
69.	1st Vertical (CS) - Adjustable Shelf With Removable Dividers On 4" Centers	3	
70.	1st Vertical (CS) - Louvered Panel On Rear Wall To Ventilate Compartment	1	
71.	1st Vertical (CS) - Inverter Storage Inside Of Body Compartment With Guard And Provisions For Remote GFCI Receptacle (Mounted On Top Shelf Unless Otherwise Specified)	1	
72.	2nd Vertical (CS) - Adjustable Shelf With Removable Dividers On 4" Centers	4	
73.	3rd Vertical (CS) - Gripstrut (Preferred) Access Steps w/ Two (2) Sloped Grab Handles, Chain Storage (Keyed Lock)	1	
74.	1st Horizontal (CS) - Adjustable Shelf With Removable Dividers On 8" Centers	2	
75.	Rear Vertical (CS) - Adjustable Shelf With Removable Dividers On 4" Centers	2	
76.	Rear Vertical (CS) - Outrigger Housing, With Outrigger Pin Access As Needed	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
77.	D-Ring Recessed In Body Floor 360 Degree Rotation Install in Altec preferred location.	6	
78.	29" L Steel Tailshelf, Width To Match Body	1	
79.	Custom Material Retainer On Tailshelf 6" fixed steel flatbar on SS and CS edge of tailshelf.  2" x 6" removable wood board at rear.	1	
80.	Platform Rest Socket Installed On Rear Of Tailshelf	1	
81.	Treadplate Steel Tailshelf	1	
82.	Steel Top Opening Storage Box, Two (2) Treadplate Lids With Drainage Trough, No Divider, Gas Props, Hasp Lock, One Handle Per Lid Parallel To Ground And Centered Install on SS compartment tops. Must be completely weatherproof. Approx. 18"W x 10"H x 170"L.	1	
83.	Steel Material Rail, 60"L Install on SS cargo wall, so the rear edge is flush with the rear edge of the pedestal.	1	
84.	E-Track Installed On Streetside Interior Cargo Wall, Custom Installation (Specify Installation Height) To run from front bulkhead to front edge of material rail. Approx. midway up cargo wall.	1	
<b><u>Body and Chassis Accessories</u></b>			
85.	Cabguard Required, Mounted on Front Bumper	1	
86.	ICC (Underride Protection) Bumper Installed At Rear	1	
87.	Swivel Style Pintle Hitch (30 000 LB MGTW with 6 000 LB MVL), 11-Bolt T-Mount, Altec Preferred (T-125 Style)	1	
88.	Set Of D-Rings for Trailer Safety Chain, installed one each side of towing device mount.	1	
89.	Glad Hands At Rear, Straight Type	1	
90.	Cable Step Mounted Beneath Side Access Steps (Installed To Extend Approx. 2 Outward)	1	
91.	Compartment Top Access Step from Body Floor	1	
92.	Two Step Platform Access, Mounted To Turntable	1	
93.	Platform Access Step From Top of Body Compartment	1	
94.	Platform Rest, Rigid with Rubber Tube	1	
95.	Lower Boom Rest Weldment	1	
96.	Mounting Brackets for Lights, Located on Lower Boom Rest	1	
97.	Aluminum Outrigger Pad, 24" x 24" x 3" (Altec Brand)	4	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
98.	Outrigger Pad Holder, 25" L x 25" W x 5" H, Fits 24.5" x 24.5" x 4" And Smaller Pads, Bolt-On, Bottom Washout Holes, 3/4" Lip Retainer	4	
99.	Pendulum Retainers For Outrigger Pad Holders	4	
100.	Mud Flaps With Altec Logo (Pair)	1	
101.	Wheel Chocks, Rubber, 9.75" L x 7.75" W x 5.00" H, with 4" L Metal Hairpin Style Handle (Pair)	1	
102.	Dock Bumpers (Pair), Fixed Mounting (Rectangular Bumper), Installed At Rear Install so they are the same depth as the Pintle Hitch.	1	
103.	Slope Indicator Assembly For Machine With Outriggers	1	
104.	Water Cask Bracket Only, For 3 or 5 Gallon (Sheet Metal)	1	
105.	Triangular Reflector Kit, Installed	1	
106.	10 LB Fire Extinguisher With Heavy Duty Bracket, Shipped Loose	1	
107.	Mount Water Cask Bracket on Curbside Outrigger	1	
108.	Vinyl manual pouch for storage of all operator and parts manuals	1	
109.	D-Ring with Mounting Bracket, Bolt-On, 1/2 Inch Dia, 2 3/8 Inch Wide, 2 1/2 Inch High, Zinc Plated (Buyers B38ZY), Specify Quantity And Location Install on rearmost leg of rear outrigger.	1	
110.	Outrigger Control Guards- Underhung Tailshelf Mount	1	
111.	Additional Body/Chassis Accessory Actual Travel Height must be less than 12' 3".	1	
112.	Additional Body/Chassis Accessory Install a brow over backup camera at rear. Altec preferred style and location.	1	

**Electrical Accessories**

113.	Compartment Lights Wired To Dash Mounted Master Switch	1	
114.	Lights and reflectors in accordance with FMVSS #108 lighting package. (Complete LED, including LED reverse lights)	1	
115.	Custom Strobe Light Two (2) custom strobes with Brush Guards: Split blue/amber. Install one (1) each in front SS and CS corners of cab guard.	2	
116.	Strobe Lights Wired Battery Hot	1	
117.	Custom Light Bar Install custom light bar at rear with controls in cab.  -Reference Supplier P/N: Whelen TADF8 amber/blue	1	
118.	Flood Light, LED, with Aluminum Housing, 4.25" W x 4.29" H x 1.81" D Install one (1) on front of pedestal to illuminate cargo area.  -Install two (2) on top of X-Frame outrigger to illuminate the rear. Ensure the wiring for	3	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	these is installed on the front side of the outrigger.		
119.	Dual Tone Back-Up With Outrigger Motion Alarm	1	
120.	Altec Standard Multi-Point Grounding System	6	
121.	Grounding Reel, Automatic Retracting, Hannay - Holds #2 GA, #1/0 GA (Max 75'), Or #2/0 GA Cable (Max 65') Install underslung on CS of tailshelf, payout to CS. Provide a guard, forward of the reel to protect it from road debris.	1	
122.	Grounding Cable, 1/0 GA Yellow Jacketed Cable	50	
123.	Copper U Shaped Grounding Lug (Threaded) Install at CS rear.	1	
124.	Grounding Clamp, Aluminum C-Clamp Style With Smooth Jaws (Includes Ferrule and Heat Shrink Tubing)	1	
125.	Altec Backup Camera System, 7" Color LCD Monitor, Heated Infrared Camera with Day/Night Sensor and Audio	1	
	<ul style="list-style-type: none"> <li>A. 7" Color LCD Monitor With LED Backlighting And Proximity Indicators</li> <li>B. 2 Inputs With Independent Triggers</li> <li>C. Heated Infrared Camera With Day/Night Sensor And Audio</li> <li>D. Mirror/Normal View</li> <li>E. IP68 Rated</li> <li>F. Wide Viewing Angle (104 Degrees Horizontal x 78 Degrees Vertical)</li> <li>G. 20 Meter Cable Assembly</li> </ul>		
126.	Install backup camera monitor on the front windshield in lieu of the rearview mirror.	1	
127.	PTO Hour Meter, Digital, with 10,000 Hour Display	1	
128.	6-Way Trailer Receptacle (Pin Type) Installed At Rear	1	
129.	Altec Modular Panel System (AMPS) - Includes Mounting Panel and Accessory Switches	1	
130.	Inverter, 1800 Watt, Pure Sine Wave, 120 VAC (Sensata #12/1800N) Install in CS 1st vertical.	1	
131.	Inverter Wired Ignition Hot with Dash Mounted Switch	1	
132.	12 Volt Receptacle (Cigarette Lighter Style), Weatherproof Install on the back wall, above inverter enclosure in CS 1st vertical.	1	
133.	120 Volt GFCI Receptacle Includes Weather-resistant Enclosure Install on the back wall, above inverter enclosure in CS 1st vertical.	1	
134.	Power Distribution Module Is A Compact Self-Contained Electronic System That Provides A Standardized Interface With The Chassis Electrical System. (Includes Operator's Manual)	1	
135.	Install Outrigger Interlock System	1	
136.	Additional Electrical Accessory Two (2) Code 3 LED Hide-A-Blast Strobes (Blue). Install one (1) on SS front bumper and one (1) at SS rear.	2	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	-Reference Supplier P/N: HB4PAK-B		
137.	Additional Electrical Accessory Two (2) Code 3 LED Hide-A-Blast Strobes (Amber). Install one (1) on CS front bumper and one (1) at CS rear.	2	
	-Reference Supplier P/N: HB4PAK-A		
<b><u>Finishing Details</u></b>			
138.	Powder Coat Unit Altec White	1	
139.	Finish Paint Body Accessories Above Body Floor Altec White	1	
140.	Altec Standard; Components mounted below frame rail shall be coated black by Altec. i.e. step bumpers, steps, frame extension, pintle hook mount, dock bumper mounts, D-rings, receiver tubes, accessory mounts, light brackets, under-ride protection, etc. Components mounted to under side of body shall be coated black by Altec. i.e. Wheel chock holders, mud flap brackets, pad carriers, boxes, lighting brackets, steps, and ladders.	1	
141.	Custom Non-Skid Coating Color White. Apply to all standard walking surfaces including compartment top box lids.	1	
142.	English Safety And Instructional Decals	1	
143.	Vehicle Height Placard - Installed In Cab	1	
144.	Placard, HVI-22 Hydraulic Oil	1	
145.	Dielectric test unit according to ANSI requirements.	1	
146.	Stability test unit according to ANSI requirements.	1	
147.	Completed Test Forms To Be Included In The Manual Pouch	1	
	A. Stability Test Form		
	B. Dielectric Test Form (For Insulating Units)		
148.	Focus Factory Build	1	
149.	Delivery Of Completed Unit	1	
150.	Inbound Freight	1	
151.	As Built Electrical And Hydraulic Schematics To Be Included In The Manual Pouch	1	
152.	AM55E FA Installation	1	
<b><u>Chassis</u></b>			
153.	Altec Supplied Chassis	1	
154.	Chassis	1	
155.	2022 Model Year	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
156.	Freightliner M2-106	1	
157.	4x4	1	
158.	120 Clear CA (Round To Next Whole Number)	1	
159.	Regular Cab	1	
160.	Chassis Cab	1	
161.	Dual Rear Wheel	1	
162.	Cummins L9	1	
163.	Diesel	1	
164.	350 HP Engine Rating	1	
165.	Allison 3000 RDS Automatic Transmission (Left and Right Side PTO Openings Only)	1	
166.	GVWR 39,000 LBS	1	
167.	16,000 LBS Front GAWR	1	
168.	Spring Suspension	1	
169.	23,000 LBS Rear GAWR	1	
170.	Air Brakes	1	
171.	Park Brake In Rear Wheels	1	
172.	016-1C2 - Freightliner Vertical Exhaust (Right-Horizontal-Under Cab-Vertical)	1	
173.	Freightliner - Clear Area Around Allison PTO Openings (362-824) and (363-011)	1	
174.	Freightliner - Radiator (1100 Square Inch) for ISL/L9 or DD8.2 (DS) (266-013)	1	
175.	Freightliner - Rear Cab Crossmember Flush With Back Of Cab (561-010)	1	
176.	Freightliner PTO Throttle Wiring for Automatic Transmission (163-004) (148-074) (87L-003)	1	
177.	Freightliner Transmission Dipstick Tube Enters Curbside of Transmission (346-013)	1	
178.	Freightliner/Allison Body Builder Connection (34C-001)	1	
179.	No Prewire Chassis	1	
180.	No Idle Engine Shut-Down Required	1	
181.	50-State Emissions	1	
182.	Clean Idle Certification	1	
183.	204-215 Freightliner 50 Gallon Fuel Tank (Left Hand Under Cab)	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
184.	23U-001, 43X-002 Freightliner 6 Gallon DEF Tank (Under Cab Left Hand)	1	
185.	Front Frame Extensions	1	
186.	Battery Under Cab Left Hand	1	
187.	Air Horn Under Cab	1	
188.	AM/FM Radio	1	
189.	Block Heater	1	
190.	Driver Controlled Locking Differential	1	
191.	Glad Hands, Hoses And Connections (Supplied By Chassis OEM)	1	
192.	Trailer Air Brake Package	1	
193.	Air Ride Drivers Seat	1	
194.	Air Ride Passenger Seat	1	

**Additional Pricing**

195.	Standard Altec Warranty: One (1) year parts warranty, one (1) year labor warranty, ninety (90) days warranty for travel charges, limited lifetime structural warranty	1	
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<b>Unit / Body / Chassis Total</b>	<b>251,913.00</b>
<b>FET Total</b>	<b>0.00</b>
<b>Total</b>	<b>251,913.00</b>

**Altec Industries, Inc.**

BY \_\_\_\_\_

David Wyble

**Notes:**

Quoted for: New Braunfels Utilities

Customer Contact:

Phone: / Email:

Quoted by: David Wyble

Altec Account Manager: Arlan Smith

Phone: / Email: 816-646-0826 / david.wyble@altec.com

**REFERENCE ALTEC MODEL**

AM55	Overcenter Aerial Device with Material Handling (Insulated)	\$192,670
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**(A.) SOURCEWELL OPTIONS ON CONTRACT (Unit)**

1	AM55-WESR	Extended Side Reach (With X-Frame Primary Outriggers)	\$5,801
2	TA60-AWD	All Wheel Drive	\$24,704
3			
4			

**(A1.) SOURCEWELL OPTIONS ON CONTRACT (General)**

1	mcr1	JIB ADAPTER. Jib adapter is for Altec 4.1" x 4.1" Square Jibs (Square to Round Co	\$592
2	isg	Inverter Storage Inside of Body Compartment with Guard	\$588
3	cg	Cab Guard	\$2,916
4	rl	COMPARTMENT LIGHTS in Body Compartments - Rope LED (Per Compartment)	\$151
5	bk	WATER CASK (Includes Bracket)	\$210
6	dlb2	Directional Light Bar (Amber, 47"L, Super-LED)	\$1,531
7	vcam	Backup Camera System	\$852
8	vr	12 Volt Receptacle (Cigarette Lighter Style), Weatherproof	\$284
9	vri	120 Volt GFCI Receptacle, Includes Weather-Resistant Enclosure	\$248
<b>SOURCEWELL OPTIONS TOTAL:</b>			\$230,299

**(B.) OPEN MARKET ITEMS (Customer Requested)**

1	UNIT	Phase lifting jib attachment, Single conductor holder	
2	UNIT & HYDRAULIC ACC	Subbase Storage	
3	BODY	Custom Body for AM55 extended reach ILO Stock Body	
4	BODY & CHASSIS ACC	Turntable access steps, Aluminum O/R Pads, D-Ring on O/R, Brow over Backup Camera,	
5	ELECTRICAL	Blue-Amber Strobes w/ Guards, Light Bar, Flood Lights, Grounding Reel Pkg, PTO Meter, Hide-A-Blast Strobes	
6	FINISHING	White Nonskid	
7	CHASSIS	Custom Chassis for AM55 Extended Reach ILO Stock Chassis	
8	OTHER	N/A	
<b>OPEN MARKET OPTIONS TOTAL:</b>			\$19,566

**SUB-TOTAL FOR UNIT/BODY/CHASSIS: \$249,865**  
**Delivery to Customer: \$2,048**  
**TOTAL FOR UNIT/BODY/CHASSIS: \$251,913**

**(C.) ADDITIONAL ITEMS (items are not included in total above)**

1			
2			
3			
4			

\*\*Pricing valid for 45 days\*\*

**NOTES**

**PAINT COLOR:** White to match chassis, unless otherwise specified

**WARRANTY:** Standard Altec Warranty for Aerials and Derricks - One (1) year parts warranty One (1) year labor warranty Ninety (90) days warranty for travel charges (Mobile Service) Limited Lifetime Structural Warranty. Chassis to include standard warranty, per the manufacturer.

**TO ORDER:** To order, please contact the Altec Account Manager listed above.

**CHASSIS:** Per Altec Commercial Standard

**DELIVERY:** No later than 400-430 days ARO, FOB Customer Location

**TERMS:** Net 30 days

**BEST VALUE:** Altec boasts the following "Best Value" features: Altec ISO Grip Controls for Extra Protection, Only Lifetime Warranty on Structural Components in Industry, Largest Service Network in Industry (Domestic and Overseas), Altec SENTRY Web/CD Based Training, Dedicated/Direct Gov't Sales Manager, In-Service Training with Every Order.

**TRADE-IN:** Equipment trades must be received in operational condition (as initial inspection) and DOT compliant at the time of pick-up. Failure to comply with these requirements, may result in customer bill-back repairs.

**BUILD LOCATION:**

October 19, 2020  
Our 91st Year

**Ship To:**  
NEW BRAUNFELS UTILITIES  
1001 SOLON RD  
WAXAHACHIE, TX 75165-5097  
US

**Bill To:**  
NEW BRAUNFELS UTILITIES  
263 E MAIN PLAZA  
NEW BRAUNFELS, TX 78130-5135  
United States

Attn:  
Phone: 830-629-8400  
Email: Customerservice@nbutexas.com

**Altec Quotation Number:** 737862 - 1  
**Account Manager:** Arlan Wayne Smith  
**Technical Sales Rep:** David Wyble

<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	<u>Unit</u>		
1.	Altec Model TA60 Articulating Telescopic Aerial Device with a fiberglass upper boom and fiberglass insulator in the articulating arm and a proportional joystick upper control and toggle switches. Built in accordance to ALTEC's standard specifications and to include the following features:	1	
	A. Ground to Bottom of Platform Height: 59.8 ft at 14.3 ft from centerline of rotation (18.2 m at 4.4 m)		
	B. Working Height: 64.8 ft (19.8 m)		
	C. Maximum reach to edge of platform: 40.1 ft at 26.6 ft platform height (12.2 m at 8.1 m)		
	D. Continuous Rotation		
	E. Articulating Arm Articulation: 0 to 93 degrees. Insulator provides a minimum of 12 in (304.8 mm) of isolation.		
	F. Articulating arm is a tubular steel structure. The articulating arm is designed so that the articulating arm and lower boom are compensating. By raising the articulating arm only, the lower and upper boom maintains the same relative angle with the ground. By raising the articulating arm in conjunction with the lower boom, the operator is able to position himself more quickly and easily into the work area.		
	G. Upper Boom Articulation: -25 to 75 degrees. Insulator provides minimum of 36.0 in (914.4 mm) of isolation. The telescopic upper boom is filament wound, square fiberglass that is extended and retracted by a double acting hydraulic cylinder installed within the booms. The boom extends and retracts over slide bearings located in the end of the lower boom.		
	H. Upper Controls: The upper controls system includes a proportional joystick upper control and toggle switches.		
	I. Two sets of quick disconnect couplings at the platform. The open center hydraulic system on this unit requires the use of open center tools.		
	J. The Altec ISO-Grip System (U.S. Patent No. 7,416,053) includes the following boom tip components that can provide an additional layer of secondary electrical contact protection. This is not a primary protection system. Control Handle is a single handle controller incorporating high electrical resistance components that is dielectrically tested to 40 kV AC with no more than 400 microamperes of leakage.		

<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	The control handle is green in color to differentiate it from other non-tested controllers. The handle also includes an interlock guard that reduces the potential for inadvertent boom operation. The handle is tiller style and points away from elbow. Auxiliary control covers are non-tested blue silicon covers. The control console in non-tested non-metallic control console plate. The boom tip covers are non-tested non metallic and are not dielectrically tested, but they may provide some protection against electrical hazards.		
K.	Lifting eye: on lower boom with 1000 lb. capacity.		
L.	Lower Controls: A lower control station includes and is located on the curbside of the turntable. A selector valve is provided to override the upper controls.		
M.	The platform is leveled by hydraulic leveling means, contained within the upper boom and designed to maintain the dielectric integrity of the aerial device. Controls for leveling and tilting the platform are located at the platform. Leveling for the platform includes two double acting cylinders incorporating counterbalance load holding valves to lock the platform in the event of hydraulic line failure. Cylinders are located at the platform and at the end of the lower boom. The master-slave action of the cylinders maintains a level platform throughout the full range of boom articulation.		
N.	Outrigger/boom interlock system prevents boom from being unstowed until outriggers have been at least partially deployed.		
O.	Outrigger/unit selector control is located near the outrigger controls, allows operator to divert hydraulic oil from machine circuit for outrigger operation. This reduces the potential for inadvertent outrigger movement during machine operation if outrigger controls are bumped.		
P.	Outrigger motion alarm provides audible alarm when any of the outriggers controls are operated.		
Q.	Diagnostic Pressure Test Quick Disconnect Couplings: are located at the turntable to allow a mobile service technician to quickly and easily attach a test gauge to verify system and tool circuit pressure. This convenient troubleshooting feature saves time and reduces the risk of high pressure oil sprays.		
R.	Unit meets or exceeds ANSI 92.2 standards.		
2.	Automatic Upper Boom Stow Securing System with support cradle.	1	
3.	Pedestal, Rear Mount, High Cab Height - includes 43 inch (1092 mm) pedestal height, 91.5 inch (2324 mm) mast height - recommended for T55 and TA60, installed in tall cab height chassis Engineering to determine final height.	1	
4.	217 Single Two-Man Platform with hydraulically extendible jib - Platform on curb side, square jib on street side, platform rotates 90 degrees to end of boom. Platform has a capacity of 600lbs without liner. Material handling system comes with 105 ft of 0.50 inch polyester double braid rope and a metal thimble in the working end. Minimum breaking strength of the rope is 10,500 lbs.	1	
5.	259 Polyethylene platform liner for two man platform, 50 kV rating (minimum)	1	
6.	Engine Start/Stop & Secondary Stowage System: 12 VDC powered motor and pump assembly for temporary operation of the unit in a situation wherein the primary hydraulic source fails. Electric motor is powered by the chassis battery. This feature allows the operator to completely stow the booms, platform, and outriggers. Secondary Stowage & Start/Stop is activated with an air plunger at the platform or momentary switch at the lower control station and outriggers.	1	
7.	Electric Over Hydraulic Outrigger Controls	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
8.	241S - Outrigger, A-Frame with Swivel-Shoe - 135.6 inch maximum spread pin to pin	1	
9.	Primary 4" Outrigger Extension	1	
10.	240 Modified flat-shoe, A-frame, Fixed Shoe, Outrigger installed at rear of body, with 101 inches (2565 mm) of spread at maximum penetration.	1	
11.	Auxiliary 4" Outrigger Extension	1	
12.	Powder coat unit Altec White.	1	
<b><u>Unit &amp; Hydraulic Acc.</u></b>			
13.	Platform Cover, 24 X 48, Soft Vinyl	1	
14.	Jib Adapter, For A 4" Square Jib	1	
15.	Single Conductor Holder, Self-Aligning With 1.5" Opening (For Use With 3" DIA Extensions And Adapters)	1	
16.	Phase Lifting Jib Attachment - For Insertion Into Jib Furnished With Jib/Winch Package, Includes Single Phase Holder	1	
17.	Hook, Material Handling, 1-Ton With Latch, Installed On End Of Aerial Winch Line	1	
18.	Standard Spacer between Subbase and frame for hose routing and ease of maintenance.	1	
19.	TA Series Subbase	1	
20.	Subbase Storage With Drop Down Door (Paddle Latch) At Rear	1	
21.	Custom Subbase Storage Insert stops in side tubes at 100"	1	
22.	HVI-22 Hydraulic Oil (Standard).	1	
23.	Standard Pump For PTO	1	
24.	Hot shift PTO for automatic transmission	1	
25.	Muncie PTO (Altec Standard)	1	
26.	Standard Altec PTO/Machine Functionality: PTO won't engage until parking brake is set.-Once parking (holding) brake is set, PTO and machine functions are enabled.-If parking (holding) brake is disengaged, both PTO and machine functions are disabled.	1	
27.	Electro/Hydraulic Outrigger Valve Installation, Large TA's	1	
<b><u>Body</u></b>			
28.	Altec Body	1	
29.	Steel Body	1	
30.	Body Is To Be Built In Accordance With The Following Altec Standard Specifications:	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	A. Basic Body Fabricated From A40 Grade 100% Zinc Alloy Coated Steel.		
	B. All Doors Are Full, Double Paneled, Self-Sealed With Built-In Drainage For Maximum Weather-Tightness. Stainless Steel Hinge Rods Extend Full Length Of Door.		
	C. Heavy-Gauge Welded Steel Frame Construction.		
	D. Integrated Door Header Drip Rail At Top For Maximum Weather Protection.		
	E. Fender Panels Are Either Roll Formed Or Have Neoprene Fenderettes Mechanically Fastened.		
	F. Steel Treated For Improved Primer Bond And Rust Resistance.		
	G. Automotive Type Non-Porous Door Seals Fastened To The Door Facing.		
	H. B-Line Channel Installed In Compartments		
31.	Treadplate Steel Floor	1	
32.	Aerial Service Line With Step (ASLS)	1	
33.	Finish Paint Body Altec White	1	
34.	Undercoat Body	1	
35.	170" Estimated Body Length (Engineering To Determine Final Length)	1	
36.	94" Body Width	1	
37.	46" Body Compartment Height	1	
38.	18" Body Compartment Depth	1	
39.	5.5 Inch Drop-In Wood Cargo Retaining Board At Rear Of Body	1	
40.	5.5 Inch Drop-In Wood Cargo Retaining Board At Top Of Side Access Step	1	
41.	Curbside Smooth Compartment Tops	1	
42.	Streetside Smooth Compartment Tops	1	
43.	Rope Lights (LED) Around Top And Sides Of Compartment Door Facings	9	
44.	Stainless Steel Rotary Paddle Latches With Keyed Locks	9	
45.	All Locks Keyed Alike Including Accessories (Preferred Option)	1	
46.	Standard Master Body Locking System (Standard Placement Is At Rear. Sidepacks With A Throughshelf/Hotstick Door At Rear, Standard Placement Is At The Front)	9	
47.	Gas Prop Rigid Door Holders On All Vertical Doors	1	
48.	Chains On All Horizontal Doors	1	
49.	One Chock Holder On Each Side of Body With Retaining Lip In Fender Panel	1	
50.	Hotstick Shelf Extending From Rear Of Second Vertical To Rear Of Body On Streetside	1	
51.	Two Hotstick Brackets On Streetside	1	
52.	Standard Drop-Down Hotstick Door For One (1) Shelf On Streetside, Stainless Steel	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	Slam Paddle Latch With Keyed Lock		
53.	1st Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Left Wall	1	
54.	1st Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Rear Wall	4	
55.	1st Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Right Wall	1	
56.	2nd Vertical (SS) - Adjustable Shelf With Removable Dividers On 4" Centers	4	
57.	3rd Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Left Wall	1	
58.	3rd Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Rear Wall	4	
59.	3rd Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Right Wall	1	
60.	1st Horizontal (SS) - Fixed Shelf With Removable Dividers On 8 Inch Centers	1	
61.	Rear Vertical (SS) - Locking Swivel Hooks On An Adjustable Rail - Left Wall	3	
62.	Rear Vertical (SS) - Outrigger Housing, With Outrigger Pin Access As Needed	1	
63.	1st Vertical (CS) - Adjustable Shelf With Removable Dividers On 4" Centers	3	
64.	1st Vertical (CS) - Louvered Panel On Rear Wall To Ventilate Compartment	1	
65.	1st Vertical (CS) - Inverter Storage Inside Of Body Compartment With Guard And Provisions For Remote GFCI Receptacle (Mounted On Top Shelf Unless Otherwise Specified)	1	
66.	2nd Vertical (CS) - Adjustable Shelf With Removable Dividers On 4" Centers	4	
67.	3rd Vertical (CS) - Gripstrut (Preferred) Access Steps w/ Two (2) Sloped Grab Handles, Chain Storage (Keyed Lock)	1	
68.	1st Horizontal (CS) - Adjustable Shelf With Removable Dividers On 8" Centers	2	
69.	Rear Vertical (CS) - Adjustable Shelf With Removable Dividers On 4" Centers	2	
70.	Rear Vertical (CS) - Outrigger Housing, With Outrigger Pin Access As Needed	1	
71.	D-Ring Recessed In Body Floor 360 Degree Rotation Install in Altec preferred location.	6	
72.	29" L Steel Tailshelf, Width To Match Body	1	
73.	Custom Material Retainer On Tailshelf 6" fixed steel flatbar on SS and CS edge of tailshelf.  2" x 6" removable wood board at rear.	1	
74.	Treadplate Steel Tailshelf	1	
75.	Steel Top Opening Storage Box, Two (2) Treadplate Lids With Drainage Trough, No Divider, Gas Props, Hasp Lock, One Handle Per Lid Parallel To Ground And Centered Install on SS compartment tops. Must be completely weatherproof. Approx. 18"W x 10"H x 170"L.	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
76.	Steel Material Rail, 60"L Install on SS cargo wall, so the rear edge is flush with the rear edge of the pedestal.	1	
77.	E-Track Installed On Streetside Interior Cargo Wall, Custom Installation (Specify Installation Height) To run from front bulkhead to front edge of material rail. Approx. midway up cargo wall.	1	
<b><u>Body and Chassis Accessories</u></b>			
78.	Cabguard Required, Mounted on Front Bumper	1	
79.	ICC (Underride Protection) Bumper Installed At Rear	1	
80.	Swivel Style Pintle Hitch (30 000 LB MGTW with 6 000 LB MVL), 11-Bolt T-Mount, Altec Preferred (T-125 Style)	1	
81.	Set Of D-Rings for Trailer Safety Chain, installed one each side of towing device mount.	1	
82.	Glad Hands At Rear, Straight Type	1	
83.	Send Out for Spring Build Up	1	
84.	Cable Step Mounted Beneath Side Access Steps (Installed To Extend Approx. 2 Outward)	1	
85.	Compartment Top Access Step from Body Floor	1	
86.	Two Step Platform Access, Mounted To Turntable	1	
87.	Platform Access Step From Top of Body Compartment	1	
88.	Platform Access Step From Body Floor	1	
89.	Platform Rest, Rigid with Rubber Tube	1	
90.	Lower Boom Rest Weldment	1	
91.	Mounting Brackets for Lights, Located on Lower Boom Rest	1	
92.	Aluminum Outrigger Pad, 24" x 24" x 3" (Altec Brand)	4	
93.	Outrigger Pad Holder, 25" L x 25" W x 5" H, Fits 24.5" x 24.5" x 4" And Smaller Pads, Bolt-On, Bottom Washout Holes, 3/4" Lip Retainer	4	
94.	Pendulum Retainers For Outrigger Pad Holders	4	
95.	Mud Flaps With Altec Logo (Pair)	1	
96.	Wheel Chocks, Rubber, 9.75" L x 7.75" W x 5.00" H, with 4" L Metal Hairpin Style Handle (Pair)	1	
97.	Dock Bumpers (Pair), Fixed Mounting (Rectangular Bumper), Installed At Rear Install so they are the same depth as the Pintle Hitch.	1	
98.	Slope Indicator Assembly For Machine With Outriggers	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
99.	Water Cask Bracket Only, For 3 or 5 Gallon (Sheet Metal)	1	
100.	Triangular Reflector Kit, Installed	1	
101.	10 LB Fire Extinguisher With Heavy Duty Bracket, Shipped Loose	1	
102.	Mount Water Cask Bracket on Curbside Outrigger	1	
103.	Vinyl manual pouch for storage of all operator and parts manuals	1	
104.	D-Ring with Mounting Bracket, Bolt-On, 1/2 Inch Dia, 2 3/8 Inch Wide, 2 1/2 Inch High, Zinc Plated (Buyers B38ZY), Specify Quantity And Location Install on rearmost leg of rear outrigger.	1	
105.	Outrigger Control Guards- Underhung Tailshelf Mount	1	
106.	Additional Body/Chassis Accessory Install a brow over backup camera at rear. Altec preferred style and location.	1	
<b><u>Electrical Accessories</u></b>			
107.	Compartment Lights Wired To Dash Mounted Master Switch	1	
108.	Lights and reflectors in accordance with FMVSS #108 lighting package. (Complete LED, including LED reverse lights)	1	
109.	Custom Strobe Light Two (2) custom strobes with Brush Guards: Split blue/amber. Install one (1) each in front SS and CS corners of cab guard.	2	
110.	Strobe Lights Wired Battery Hot	1	
111.	Custom Light Bar Install custom light bar at rear with controls in cab.  -Reference Supplier P/N: Whelen TADF8 amber/blue	1	
112.	Flood Light, LED, with Aluminum Housing, 4.25" W x 4.29" H x 1.81" D Install one (1) on front of pedestal to illuminate cargo area.  -Install two (2) on top of X-Frame outrigger to illuminate the rear. Ensure the wiring for these is installed on the front side of the outrigger.	3	
113.	Dual Tone Back-Up With Outrigger Motion Alarm	1	
114.	Altec Standard Multi-Point Grounding System	6	
115.	Grounding Reel, Automatic Retracting, Hannay - Holds #2 GA, #1/0 GA (Max 75'), Or #2/0 GA Cable (Max 65') Install underslung on CS of tailshelf, payout to CS. Provide a guard, forward of the reel to protect it from road debris.	1	
116.	Grounding Cable, 1/0 GA Yellow Jacketed Cable	50	
117.	Copper U Shaped Grounding Lug (Threaded) Install at CS rear.	1	
118.	Grounding Clamp, Aluminum C-Clamp Style With Smooth Jaws (Includes Ferrule and Heat Shrink Tubing)	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
119.	Altec Backup Camera System, 7" Color LCD Monitor, Heated Infrared Camera with Day/Night Sensor and Audio  <ul style="list-style-type: none"> <li>A. 7" Color LCD Monitor With LED Backlighting And Proximity Indicators</li> <li>B. 2 Inputs With Independent Triggers</li> <li>C. Heated Infrared Camera With Day/Night Sensor And Audio</li> <li>D. Mirror/Normal View</li> <li>E. IP68 Rated</li> <li>F. Wide Viewing Angle (104 Degrees Horizontal x 78 Degrees Vertical)</li> <li>G. 20 Meter Cable Assembly</li> </ul>	1	
120.	Install backup camera monitor on the front windshield in lieu of the rearview mirror.	1	
121.	PTO Hour Meter, Digital, with 10,000 Hour Display	1	
122.	6-Way Trailer Receptacle (Pin Type) Installed At Rear	1	
123.	Altec Modular Panel System (AMPS) - Includes Mounting Panel and Accessory Switches	1	
124.	Inverter, 1800 Watt, Pure Sine Wave, 120 VAC (Sensata #12/1800N) Install in CS 1st vertical.	1	
125.	Inverter Wired Ignition Hot with Dash Mounted Switch	1	
126.	12 Volt Receptacle (Cigarette Lighter Style), Weatherproof Install on the back wall, above inverter enclosure in CS 1st vertical.	1	
127.	120 Volt GFCI Receptacle Includes Weather-resistant Enclosure Install on the back wall, above inverter enclosure in CS 1st vertical.	1	
128.	Power Distribution Module Is A Compact Self-Contained Electronic System That Provides A Standardized Interface With The Chassis Electrical System. (Includes Operator's Manual)	1	
129.	Install Outrigger Interlock System	1	
130.	Additional Electrical Accessory Two (2) Code 3 LED Hide-A-Blast Strobes (Blue). Install one (1) on SS front bumper and one (1) at SS rear.  -Reference Supplier P/N: HB4PAK-B	2	
131.	Additional Electrical Accessory Two (2) Code 3 LED Hide-A-Blast Strobes (Amber). Install one (1) on CS front bumper and one (1) at CS rear.  -Reference Supplier P/N: HB4PAK-A	2	

**Finishing Details**

132.	Finish Paint Body Accessories Above Body Floor Altec White	1	
133.	Altec Standard; Components mounted below frame rail shall be coated black by Altec. i.e. step bumpers, steps, frame extension, pintle hook mount, dock bumper mounts, D-rings, receiver tubes, accessory mounts, light brackets, under-ride protection, etc. Components mounted to under side of body shall be coated black by Altec. i.e. Wheel	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
	chock holders, mud flap brackets, pad carriers, boxes, lighting brackets, steps, and ladders.		
134.	Custom Non-Skid Coating Color White. Apply to all standard walking surfaces including compartment top box lids.	1	
135.	English Safety And Instructional Decals	1	
136.	Vehicle Height Placard - Installed In Cab	1	
137.	Placard, HVI-22 Hydraulic Oil	1	
138.	Dielectric test unit according to ANSI requirements.	1	
139.	Stability test unit according to ANSI requirements.	1	
140.	Completed Test Forms To Be Included In The Manual Pouch	1	
	A. Stability Test Form		
	B. Dielectric Test Form (For Insulating Units)		
141.	Focus Factory Build	1	
142.	Delivery Of Completed Unit	1	
143.	Inbound Freight	1	
144.	As Built Electrical And Hydraulic Schematics To Be Included In The Manual Pouch	1	
145.	TA60 FA Installation	1	
<b><u>Chassis</u></b>			
146.	Altec Supplied Chassis	1	
147.	Chassis	1	
148.	2022 Model Year	1	
149.	Freightliner M2-106	1	
150.	4x4	1	
151.	120 Clear CA (Round To Next Whole Number)	1	
152.	Regular Cab	1	
153.	Chassis Cab	1	
154.	Dual Rear Wheel	1	
155.	Cummins L9	1	
156.	Diesel	1	
157.	350 HP Engine Rating	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
158.	Allison 3000 RDS Automatic Transmission (Left and Right Side PTO Openings Only)	1	
159.	GVWR 39,000 LBS	1	
160.	16,000 LBS Front GAWR	1	
161.	Spring Suspension	1	
162.	23,000 LBS Rear GAWR	1	
163.	Air Brakes	1	
164.	Park Brake In Rear Wheels	1	
165.	016-1C2 - Freightliner Vertical Exhaust (Right-Horizontal-Under Cab-Vertical)	1	
166.	Freightliner - Clear Area Around Allison PTO Openings (362-824) and (363-011)	1	
167.	Freightliner - Radiator (1100 Square Inch) for ISL/L9 or DD8.2 (DS) (266-013)	1	
168.	Freightliner - Rear Cab Crossmember Flush With Back Of Cab (561-010)	1	
169.	Freightliner PTO Throttle Wiring for Automatic Transmission (163-004) (148-074) (87L-003)	1	
170.	Freightliner Transmission Dipstick Tube Enters Curbside of Transmission (346-013)	1	
171.	Freightliner/Allison Body Builder Connection (34C-001)	1	
172.	No Prewire Chassis	1	
173.	No Idle Engine Shut-Down Required	1	
174.	50-State Emissions	1	
175.	Clean Idle Certification	1	
176.	204-215 Freightliner 50 Gallon Fuel Tank (Left Hand Under Cab)	1	
177.	23U-001, 43X-002 Freightliner 6 Gallon DEF Tank (Under Cab Left Hand)	1	
178.	Front Frame Extensions	1	
179.	Battery Under Cab Left Hand	1	
180.	Air Horn Under Cab	1	
181.	AM/FM Radio	1	
182.	Block Heater	1	
183.	Driver Controlled Locking Differential	1	
184.	Glad Hands, Hoses And Connections (Supplied By Chassis OEM)	1	
185.	Trailer Air Brake Package	1	

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<u>Item</u>	<u>Description</u>	<u>Qty</u>	<u>Price</u>
186.	Air Ride Drivers Seat	1	
187.	Air Ride Passenger Seat	1	
<b><u>Additional Pricing</u></b>			
188.	Standard Altec Warranty: One (1) year parts warranty, one (1) year labor warranty, ninety (90) days warranty for travel charges, limited lifetime structural warranty	1	

<b>Unit / Body / Chassis Total</b>	<b>251,159.00</b>
<b>FET Total</b>	<b>0.00</b>
<b>Total</b>	<b>251,159.00</b>

Altec Industries, Inc.

BY \_\_\_\_\_

David Wyble

Notes:

Quoted for: New Braunfels Utilities

Customer Contact:

Phone: / Email:

Quoted by: David Wyble

Altec Account Manager: Arlan Smith

Phone: / Email: 816-646-0826 / david.wyble@altec.com

**REFERENCE ALTEC MODEL**

TA60	Articulating Telescopic Aerial Device with Material Handling (Insulated)	\$203,080
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**(A.) SOURCEWELL OPTIONS ON CONTRACT (Unit)**

1	TA60-AWD	All Wheel Drive	\$24,704
2			
3			
4			

**(A1.) SOURCEWELL OPTIONS ON CONTRACT (General)**

1	mcr1	JIB ADAPTER. Jib adapter is for Altec 4.1" x 4.1" Square Jibs (Square to Round Co	\$592
2	isg	Inverter Storage Inside of Body Compartment with Guard	\$588
3	cg	Cab Guard	\$2,916
4	rl	COMPARTMENT LIGHTS in Body Compartments - Rope LED (Per Compartment)	\$151
5	bk	WATER CASK (Includes Bracket)	\$210
6	dlb2	Directional Light Bar (Amber, 47"L, Super-LED)	\$1,531
7	vcam	Backup Camera System	\$852
8	vr	12 Volt Receptacle (Cigarette Lighter Style), Weatherproof	\$284
9	vri	120 Volt GFCI Receptacle, Includes Weather-Resistant Enclosure	\$248
<b>SOURCEWELL OPTIONS TOTAL:</b>			\$234,908

**(B.) OPEN MARKET ITEMS (Customer Requested)**

1	UNIT	Phase lifting jib attachment, Single conductor holder	
2	UNIT & HYDRAULIC ACC	Subbase Storage	
3	BODY	Custom Body for TA60 ILO Stock Body	
4	BODY & CHASSIS ACC	Turntable access steps, Aluminum O/R Pads, D-Ring on O/R, Brow over Backup Camera,	
5	ELECTRICAL	Blue-Amber Strobes w/ Guards, Light Bar, Flood Lights, Grounding Reel Pkg, PTO Meter, Hide-A-Blast Strobes	
6	FINISHING	White Nonskid	
7	CHASSIS	Custom Chassis for TA60 ILO Stock Chassis	
8	OTHER	N/A	
<b>OPEN MARKET OPTIONS TOTAL:</b>			\$14,203

**SUB-TOTAL FOR UNIT/BODY/CHASSIS: \$249,111**  
**Delivery to Customer: \$2,048**  
**TOTAL FOR UNIT/BODY/CHASSIS: \$251,159**

**(C.) ADDITIONAL ITEMS (items are not included in total above)**

1			
2			
3			
4			

\*\*Pricing valid for 45 days\*\*

**NOTES**

**PAINT COLOR:** White to match chassis, unless otherwise specified

**WARRANTY:** Standard Altec Warranty for Aerials and Derricks - One (1) year parts warranty One (1) year labor warranty Ninety (90) days warranty for travel charges (Mobile Service) Limited Lifetime Structural Warranty. Chassis to include standard warranty, per the manufacturer.

**TO ORDER:** To order, please contact the Altec Account Manager listed above.

**CHASSIS:** Per Altec Commercial Standard

**DELIVERY:** No later than 400-430 days ARO, FOB Customer Location

**TERMS:** Net 30 days

**BEST VALUE:** Altec boasts the following "Best Value" features: Altec ISO Grip Controls for Extra Protection, Only Lifetime Warranty on Structural Components in Industry, Largest Service Network in Industry (Domestic and Overseas), Altec SENTRY Web/CD Based Training, Dedicated/Direct Gov't Sales Manager, In-Service Training with Every Order.

**TRADE-IN:** Equipment trades must be received in operational condition (as initial inspection) and DOT compliant at the time of pick-up. Failure to comply with these requirements, may result in customer bill-back repairs.

**BUILD LOCATION:**

**PURCHASE ORDER  
STANDARD TERMS AND CONDITIONS**

**This purchase order is issued under NJPA contract #012418-ALT**

**AGREEMENT:** This set of Terms and Conditions is incorporated into Purchase Order No. \_\_\_\_\_ in its entirety and, upon execution of the Purchase Order by both Parties, constitutes a portion of the Parties' Agreement. No change, modification or revision to the Agreement shall be binding unless made in writing and signed by the Parties. Buyer will not in any manner be responsible for goods delivered or work done for our account without a written order.

**ACCEPTANCE:** Acceptance of this Purchase Order shall be deemed effective upon Buyer's execution of this Purchase Order or upon shipment of the goods which are the subject of this Purchase Order, whichever occurs first. Any bid made by Seller for additional or different terms and conditions or any attempts by Seller to vary, in any degree, any of the terms and conditions of this Purchase Order is hereby rejected.

**COMPLETION:** Time is of the essence in the performance of this Purchase Order. If Seller fails to effect delivery or performance of the associated services required by Buyer in accordance with the Project Schedule, Delivery Schedule, or other time requirements as communicated to Seller in the Purchase Order or its attachments, in addition to its other rights and remedies hereunder, Buyer shall have the right to terminate this Purchase Order by notice effective when received by Seller or after the expiration of five days from the date of mailing of such notice, whichever occurs first. Such termination shall be effective as to goods not yet received by Buyer or services not yet rendered, regardless of their transit status. Thereafter, Buyer shall have the right to purchase substitute goods or services elsewhere and charge Seller with any and all losses, costs and expenses, including, but not limited to actual, consequential and incidental damages, reasonable attorney's fees, and engineering or consulting fees incurred by Buyer by reason of such delay and/or termination.

**PRICES:** Seller warrants that the prices shown hereunder are the prices quoted to Buyer at the time of sale and include all costs incurred by Seller for shipment of all goods included in this Purchase Order. In the event of any price reduction between execution of the purchase order and delivery of the goods, Buyer shall be entitled to such reduction.

**SHIPMENT AND DELIVERY:** All goods made the subject hereof are to be suitably prepared and packaged for shipment in accordance with good commercial practice so as to effect safe delivery and freedom from weather or other damage and to meet the carrier's requirements. All damages to such goods occurring prior to delivery will be charged to Seller. No charges will be allowed for packing, crating or carriage unless stated in this Purchase Order. If, in order to comply with Buyer's required delivery date it becomes necessary for Seller to ship by a more expensive way than specified in this Purchase Order, any such increased transportation costs shall be paid by Seller. All deliveries shall be f.o.b point designated on the face of this Purchase Order or as specified in writing by Buyer. Cost of all return shipments, for whatever reason returned,

shall be borne by Seller with title and risk of loss passing at Buyer's point of shipment, unless otherwise specified by Buyer at the time of return.

**INSPECTION:** Buyer shall have a reasonable time after delivery or performance to inspect the items delivered or the services performed. All such items or services must conform to the specifications, instructions, drawings and data set forth on the face hereof. Buyer may reject and refuse acceptance of any items or services which do not so conform. Buyer shall notify Seller of such rejection by either notice in writing and by the return to Seller of the rejected items at Seller's expense and risk.

**REJECTION OF MATERIALS AND WORKMANSHIP:** Buyer shall have the right to reject furnished materials and workmanship which are defective or otherwise fail to meet the specifications of the \_\_\_\_\_ (the "Contract Documents") and require their correction. Rejected goods shall be satisfactorily replaced with proper materials without charge to Buyer, and Seller shall promptly segregate and remove rejected materials from the Project site or point designated. If Seller does not correct defective workmanship or replace the rejected materials within a reasonable time, Buyer may do so and charge all costs, damages, fees, and expenses to Seller including, without limitation actual, consequential and incidental damages.

**SHOP DRAWINGS, SUBMITTALS, QUALITY OF GOODS:** Seller shall confirm that all materials are in strict accordance with the Contract Documents or requirements published by Buyer. Where required, prior to shipment, Seller shall provide shop drawings or submittals sufficient to demonstrate compliance with this Purchase Order and the Contract Documents for Buyer's review and approval. All goods and work of Seller shall conform to all applicable express and implied warranties and be of a good and workmanlike manner. A failure of Buyer during the progress of the work to discover or reject materials not in accordance with the Contract Documents shall not be deemed an acceptance thereof or a waiver of defects therein. No payment, use of goods provided by Seller, or occupancy of the Project site by Buyer shall be construed as an acceptance of materials which are not strictly in accordance with the Contract Documents.

**RESPONSIBILITY FOR COMPLETION:** Seller represents that it has examined the job's specifications, construction schedule, plans, drawings, and other documentation in the Contract Documents which Seller acknowledges are full and complete and are sufficient to enable Seller to determine the cost of the materials and has fully acquainted itself with all conditions relevant to the work and materials on the Project site and assumes the risk of any variance between the actual conditions and those set out in Contract Documents. Any failure by Buyer at any time, or from time to time, to enforce or require the strict keeping and performance of any of the terms or conditions of this Purchase Order shall not constitute a waiver of such terms or conditions and shall not affect or impair such terms or conditions in any way, or the right of Buyer at any time to avail itself of such remedies, as it may have for any breach or breaches of such terms or conditions.

**WARRANTIES / GUARANTEES:** Seller expressly warrants that the items and services covered hereunder shall be free of defects in workmanship and shall strictly conform to applicable specifications, instructions, drawings, etc. These warranties shall be in addition to all warranties,

express, implied or statutory. All warranties shall run to Buyer, its customers and subsequent owners of items or services covered hereunder.

**INDEMNIFICATION:** TO THE FULLEST EXTENT PERMITTED BY LAW, SELLER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS NEW BRAUNFELS UTILITIES AND ITS OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, EMPLOYEES FROM AND AGAINST ALL CLAIMS, LOSSES, EXPENSES, COSTS, DEMANDS, SUITS, CAUSES OF ACTION, AND DAMAGES, INCLUDING WITHOUT LIMITATION, ATTORNEY'S FEES, ENGINEERING OR OTHER CONSULTANTS' FEES, OF ANY KINDS RESULTING FROM SELLER'S PERFORMANCE OR NONPERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS PURCHASE ORDER, FAILURE OF GOODS, OR ACTS RESULTING IN BODILY INJURY OR PROPERTY DAMAGE, BUT ONLY TO THE EXTENT OF THE NEGLIGENCE OR OTHER FAULT OF SELLER, ITS AGENTS, REPRESENTATIVES, EMPLOYEES OR SUBCONTRACTORS OF ANY TIER.

**NO DAMAGES FOR DELAY:** Seller shall have no right to claim any damages against Buyer, including consequential or incidental damages, as a result of delay. Extension of time for Seller's performance is conditioned upon Buyer's approval of an extension of time to the contract or delays claimed by Seller. Failure of Seller to make a claim promptly shall be deemed a waiver of the right to a claim for an extension of time for the particular cause.

**TERMINATION:** Buyer may terminate this Purchase Order or any part thereof for cause in the event of any default by Seller, or if Seller fails to comply with any of the terms and conditions of this offer. The Uniform Commercial Code of the State of Texas shall apply to Buyer's rights and remedies under commercial transactions. Buyer reserves all rights, remedies, and warranties, express and implied, under the UCC. Seller may not terminate this Purchase Order unless Buyer fails to provide payment for goods and/or associated services expressly accepted by Buyer.

**TAXES:** New Braunfels Utilities is exempted from all city, state, and federal excise taxes. DO NOT include tax on your invoice. New Braunfels Utilities Tax Exempt Number is 1-74-6001783-7.

**INSURANCE:** In the event that Seller's performance hereunder requires or contemplates the performance of services by Seller's employees, or other persons under contract to Seller, whether such services are to be performed at the place of delivery of such goods or services, or elsewhere, Seller agrees that any such performance of services shall be done as an independent contractor and that the persons doing such work shall not be considered employees of Buyer.

In such event, Seller at its sole expense, shall obtain and maintain (a) WORKERS' COMPENSATION, including Occupational Disease insurance, meeting the statutory requirements of the State in which work is to be performed together with a Broad Form Other States Endorsement and containing Employers' Liability insurance in an amount of at least \$1,000,000.00. (b) GENERAL LIABILITY insurance providing Premises-Operations, Elevators, Independent Contractors, Broad Form Property Damage, Contractual Liability, Products & Completed Operations coverages (which shall be maintained in force for a period of two years

after substantial completion of the Project). (c) AUTOMOBILE LIABILITY on occurrence basis covering all Owned, Non-Owned and Hired Vehicles with a limit of \$1,000,000 Bodily Injury & Property Damage Combined Single Limit Insurance shall be in at least the following minimum limits:

#### COMMERCIAL GENERAL LIABILITY:

Amounts of coverage shall be no less than:

- \$1,000,000 Per Occurrence
- \$2,000,000 General Aggregate
- \$2,000,000 Products/Completed Operations Aggregate
- \$1,000,000 Personal And Advertising Injury
- Designated Construction Project(s) General Aggregate Limit

#### BUSINESS AUTOMOBILE LIABILITY:

Amount of coverage shall be no less than:

- \$1,000,000 Per Accident

#### WORKERS' COMPENSATION

Amounts of coverage shall be no less than:

- Statutory Limits
- \$1,000,000 Each Accident and Disease
- Alternate Employer endorsement
- USL&H must be provided where such exposure exists.

All insurance (except Workers' Compensation) must include New Braunfels Utilities, its agents, representatives, officers, directors, officials, and employees as an additional insured to the fullest extent permitted by law for claims arising out of the performance of this Purchase Order. All policies shall contain a waiver of rights of recovery (subrogation) against New Braunfels Utilities, its agents, representatives, officers, directors, officials, and employees for any claims arising out of the services performed under this Purchase Order.

Seller shall furnish Buyer with the policy endorsements and exclusions pages as well as a Certificate of Insurance or other satisfactory evidence that all insurance required by the Agreement has been obtained and paid for and will continue in full force and effect until the completion of the work. The Seller shall provide a minimum of thirty (30) days' written notice to Buyer in the event of cancellation. If Seller should contract out any of the work to a third party, Seller shall cause said third party to carry the insurance required by this Purchase Order and to furnish evidence of same.

**PAYMENT:** Invoices will be paid according to agreed payment terms as reflected in the purchase order or within 30 days after receipt of the items or completion of required services. Payment for the goods delivered under this Purchase Order shall not be acceptance of such goods. Goods shall only be deemed accepted when they have actually been counted, inspected, and tested by Buyer and found to be in conformance with this Purchase Order. However, failure to inspect or test by Buyer shall not relieve Seller of any responsibility hereunder.

**REMEDIES:** The rights and remedies reserved to Buyer herein, except where expressly stated to be exclusive, shall be cumulative and in addition to any other or further rights and remedies provided by law or equity. No waiver of any breach of these provisions shall be deemed to constitute a waiver of any other breach.

**ASSIGNMENT:** Neither this Purchase Order nor any right or obligations herein may be assigned by Seller nor may Seller delegate the performance of any of its duties hereunder without in either case Buyer’s prior written consent.

**FORCE MAJEURE:** Either party to this Purchase Order shall be free from liability for failing to perform hereunder if such failure is caused due to acts of God, labor difficulties, fires or other causes beyond the reasonable control of the affected party. In the event that Seller is unable to perform for such reasons beyond its reasonable control, Buyer shall have the right to either continue the delivery dates until Seller is able to perform or terminate this Purchase Order.

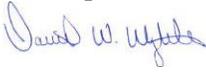
**DISPUTE RESOLUTION:** In the event of disputes over price, quantity or quality, Buyer shall have the right to audit Seller’s records in order to resolve the dispute. Pending resolution of the dispute, amicably or otherwise, Seller shall proceed diligently with the performance of this Purchase Order as directed by Buyer. The Purchase Order shall be governed by the laws of the State of Texas. In the event that a dispute arises between Buyer and Seller, the parties agree to submit said disputes to the State District Courts of Comal County, Texas for resolution.

**NBU:**  
**NEW BRAUNFELS UTILITIES,**  
a Texas municipal utility provider

By: Ian Taylor  
Name: Ian Taylor  
Title: Chief Executive Officer

Digitally signed by Ian Taylor  
Date: 2021.03.12 14:16:12 -06'00'

**SELLER:**  
**ALTEC INDUSTRIES, INC,**  
a Texas corporation

By:   
Name: David Wyble  
Title: Technical Sales Rep



**FINANCIAL IMPACT**

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The total cumulative contract amount of the combined equipment rental contracts with HRI, RHER, and United is \$600,000 per each year and \$3,000,000 for the duration of the contracts. The Project is budgeted within the fiscal year 2021 through fiscal year 2024 NBU Board approved Operations and Maintenance Budget.

**LINK TO STRATEGIC PLAN**

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**Maintain Organizational Reliability and Resiliency**

**EXHIBITS**

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1. Herc Rentals Equipment Rental Contract
2. Rocky Hill Equipment Rental Contract



CAREFULLY READ THE TERMS AND CONDITIONS THAT APPEAR BELOW

THE EQUIPMENT (DEFINED BELOW) IS RENTED BY HERC RENTALS INC. (HERC) TO THE CUSTOMER PURSUANT TO THE TERMS AND CONDITIONS ON THE FRONT AND BACK HEREOF. CUSTOMER REPRESENTS HAVING READ AND AGREED TO SAME, INCLUDING THE TERMS IMMEDIATELY BELOW.

PLEASE BE AWARE that Herc adds an Emissions and Environmental Surcharge ("EES") with respect to motorized, electric, hydraulic, combustion engine and pneumatic powered rental equipment. EES is a charge by Herc to help offset costs and expenses, including overhead, generally associated with the following types of activities: (1) compliance with federal, state and local environmental laws, regulations and rules relating to Herc's business operations such as handling, managing, and/or disposing of waste materials that contain hazardous substances (e.g., motor oil, grease, and hydraulic fluid); (2) the implementation of voluntary conservation or "green" initiatives at Herc; and (3) the acquisition and use of vehicles in Herc's business with engines using advanced emission control technologies. Herc also adds a Vehicle Licensing Fee ("VLF") with respect to rental vehicles and trailers to help offset the costs and overhead associated with licensing and registering such items. EES and VLF Surcharges may be charged from time to time at Herc's discretion. THESE SURCHARGES ARE NOT TAXES GOVERNMENT MANDATED CHARGES.

Customer is obligated to return the Equipment in a good, clean, and uncontaminated condition, free of any and all hazardous substances.

This Agreement ("Agreement") is for the rental of the equipment described on the other side of this page ("Front"), including all parts of and accessories to such equipment ("Equipment"). This Agreement is between the customer identified on the Front ("NBU," "Customer" or "You") and Herc Rentals Inc. ("Herc"). Both parties acknowledge that this Agreement consists of the terms written or printed on both sides of this page.

1. NATURE OF THIS AGREEMENT. This Agreement is solely for the purpose of creating a rental transaction, which allows Customer to use the Equipment as permitted by this Agreement. CUSTOMER REPRESENTS THAT THE EQUIPMENT IS TO BE USED SOLELY AND EXCLUSIVELY FOR BUSINESS OR COMMERCIAL PURPOSES. The Equipment is owned by Herc. Customer acknowledges that no one other than Herc may transfer or assign the Equipment or any rights or obligations under this Agreement. Neither Customer nor any Additional Operators (as defined below) are agents of Herc. No one may repair or alter the Equipment without Herc's prior written approval. Customer will not suffer any liens or encumbrances to attach to the Equipment.
2. WHO MAY OPERATE THE EQUIPMENT. Only Customer and the following persons with Customer's permission ("Authorized Operators") may operate the Equipment: Customer's employer, employees, fellow employees in the course of such employee's regular employment, or persons approved by Herc in writing. Customer and all Authorized Operators must: be at least 25 years old to operate a motor vehicle, 21 years old for all other Equipment; be properly qualified to operate the Equipment; and have a valid operator's license with respect to the Equipment where required by law. Customer is responsible for any person that operates, uses, stores or moves the Equipment regardless of whether that person is an Authorized Operator.
3. RENTAL CHARGES. Customer will pay Herc on demand at the Herc branch designated on the Front ("Branch") or to the address and by the date specified in the applicable invoice, all rental, time, mileage,

service, transportation, refueling service, surcharges and other charges and sums in accordance with this Agreement, all sales and use taxes or tax reimbursement imposed with respect to the Equipment and this Agreement. Customer will also pay to Herc on demand at the Herc Branch the VLF Surcharge described on the Front. Customer understands that such charges will reimburse Herc for a portion of the registration or licensing fees and ad valorem taxes that Herc paid in Herc's prior fiscal year to the state in which such Herc Branch is located and to local governments and other taxing authorities located in such state. Customer further understands that unless otherwise required by applicable law, such charges may be determined by Herc on the basis of the revenues Herc receives or estimates it will receive in such state and the total registration or licensing fees and ad valorem taxes that Herc pays or estimates it will pay to such state, local governments and other taxing authorities. The basic daily, weekly and 4 week rental rates will entitle Customer to a maximum of one-shift use (i.e., a maximum of 8 hours per day; 40 hours per week; 160 hours per 4 weeks). Use in excess of one shift will be payable at the hourly rate of 1/16th of the daily charge (for a daily rental), 1/80th of the weekly charge (for a weekly rental) and 1/320th of the 4 week charge (for a 4 week rental), plus applicable taxes. All charges are subject to final audit by Herc and Customer. Rentals are F.O.B. NBU or the project site upon delivery or F.O.B. the Herc Branch if picked up by Customer. Shipping charges from such Branch to the Customer's destination and return and all loading, unloading, assembling and dismantling will be paid by Customer. By executing this Agreement and accepting the Equipment pursuant to Section 12 hereof, the Customer accepts and agrees to pay all rental and other charges specified herein and on the Front hereof.

4. CUSTOMER'S RESPONSIBILITIES. Customer is responsible to Herc for all loss or damage to the Equipment, and for its return in the same condition it was received, except for ordinary wear. Such responsibility is limited to the full value of the Equipment at the time it is lost or damaged, less its salvage value("Full Value"). The Equipment must be returned to Herc at the renting Herc Branch or picked up by Herc at the project site or NBU by the Due Date specified on the Front, or sooner if demanded by Herc. Customer acknowledges that it must confirm return receipt of the Equipment by Herc at the expiration or earlier termination of the rental. Until such time as Herc receives actual possession of the Equipment, Customer agrees to hold said Equipment in a safe and secure manner. The Equipment will be used solely in Customer's business and kept only at Customer's place of business or the job site at which the Equipment is used, and will not be moved without the prior written consent of Herc. The Equipment will be used only in accordance with the manufacturer's instructions within its rated capacity. Customer will perform or cause to be performed and pay for all normal periodic and other basic service, adjustments and lubrication of the Equipment, including but not limited to: checking of the Equipment before each shift; checking and maintaining crankcase, transmission, cooling and fluid systems daily; and checking tire pressures and battery fluid and charge levels weekly. If the Equipment fails to operate properly or becomes in need of repair, Customer will immediately cease using same and will immediately notify Herc.

5. HERC'S RESPONSIBILITIES. Herc shall supply equipment or cranes on an as-needed basis to NBU in conformance with the Technical Specifications and for the prices specified in Herc's bid. Herc shall supply equipment and cranes that are well-maintained and in good operational condition. Failure to meet this requirement is grounds to termination of the contract.

6. RISK OF LOSS. All loss of or damage to the Equipment from caused by Customer while on rental or in Customer's or Authorized Operator's care, custody or control, whether exclusive or not, due to the fault of Customer, will be the sole responsibility of Customer and will be paid to Herc promptly upon Customer's receipt of an invoice therefor. Such responsibility is limited to the full value of the Equipment at the time it is lost or damaged, less its salvage value, plus an administrative fee. THE COST OF LABOR FOR REPAIRS WILL BE EITHER HERC'S THEN PREVAILING HOURLY RATE FOR LABOR, POSTED AT THE HERC BRANCH WHERE THE EQUIPMENT IS TO BE REPAIRED, OR THE REPAIRER'S HOURLY RATE FOR LABOR CHARGED TO HERC FOR REPAIRS AS THE CASE MAY BE. PARTS WILL BE CHARGED AT HERC'S COST PLUS A RETAIL MARKUP. Use of the Equipment by persons other than Customer or Authorized Operators will be at Customer's sole risk.

7. CUSTOMER LIABILITY. During the rental period, except as otherwise set forth herein,

customer assumes all risk associated with the possession, control or use of the equipment, including but not limited to, personal injury, death, rental charges, theft, losses, damages and destruction, including customer transportation, loading and unloading, due to the fault of customer.

8. EVENTS OF DEFAULT BY CUSTOMER. Customer shall be in default of this Agreement if Customer fails to pay any rent when due or if Customer breaches any of the other terms of this Agreement, or if Customer becomes insolvent or ceases to do business as a going concern, or if a petition in bankruptcy is filed by or against Customer, or if Customer is in default pursuant to the provisions of any other agreement by and between Customer and Herc. Customer will further be deemed to be in default if the Equipment is obtained from Herc through fraud or misrepresentation or is used: (A) in violation of any law or ordinance; (B) in a reckless, negligent or abusive manner, or is intentionally damaged by Customer or with Customer's permission; (C) in violation of Paragraph 4 above, or (D) in any fashion or manner for which the Equipment was not designed or beyond the manufacture's rated capacity for the Equipment.

9. REMEDIES OF HERC. In case of default by Customer, or if Herc deems itself insecure, Herc may, but is not required to, notify Customer of its intent to enter the premises where the Equipment is located and render it inoperative or remove same. The Parties to this Agreement endeavor to attempt to resolve any case of default. However, if such default cannot be resolved Customer agrees to schedule a time to permit such entry and action by Herc. In such case Herc may also terminate this Agreement with written notice to Customer and without prejudice to any remedies or claims which Herc might otherwise have for rent, expense of retaking, court costs and reasonable attorneys' fees. Customer will remain liable for the Equipment or for any loss or injury to the Equipment, notwithstanding such termination. Herc shall have the right to issue and circulate theft notices, cause warrants to be issued and take any other steps which Herc may reasonably deem necessary to recover the Equipment, if the Equipment is not returned on the date specified on the Front or sooner as permitted by the terms of this Agreement. The remedies provided herein are not exclusive but shall be cumulative and in addition to all other remedies existing at law or in equity, any one or more of which may be exercised simultaneously or successively.

10. INSURANCE. (a) Customer is self-insured and is not required to purchase or maintain liability insurance..

(b) Herc shall provide and maintain, at all times during performance of the contract, the insurance detailed in this Section. Customer may waive the coverage, in part or in whole, in its sole discretion, but any such waiver shall be signed by an authorized representative of NBU on or before the effective date of this contract.

i. Commercial General Liability. Herc shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000.00 for each occurrence and a \$2,000,000.00 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products, completed operations, personal injury, and property damage. To the fullest extent allowed by law, for claims arising out of the performance of the Agreement, NBU, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

ii. Vehicle Liability. Herc shall maintain Business Automobile Liability insurance with a limit of \$1,000,000.00 each occurrence on Herc's owned, hired and non-owned vehicles assigned to or used in the performance of the services by Herc under the Agreement. To the fullest extent allowed by law, for claims arising out of the performance of the Agreement, NBU, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

iv. Workers' Compensation and Employer's Liability Insurance. Herc shall maintain Workers'

Compensation insurance to cover Herc's employees engaged in the performance of the services under the Agreement and shall also maintain Employers Liability Insurance of not less than \$1,000,000.00 for each accident, \$1,000,000.00 disease for each employee and \$1,000,000.00 disease policy limit.

11. NOTICE OF LOSS OR ACCIDENT. In the event of an accident, loss of, theft of, or damage to the Equipment, Customer agrees to notify Herc as soon as possible by telephone and, thereafter, to immediately report in writing to Herc and to the public authorities (where required by law or by Herc) all necessary information relating to the loss or accident.

12. CONDITION OF THE EQUIPMENT. Herc shall provide Equipment in well-maintained and good operational condition. Herc shall provide a delivery inspection report to Customer at the time of delivery. The inspection report must document: 1. All damages to the Equipment inside and outside; 2. Operation condition of the Equipment; 3. Number of hours or miles on the Equipment; 4. Fuel level at time of delivery (all Equipment should be delivered with a full tank); 5. Next scheduled maintenance or service requirements; and 6. All other pertinent information pertaining to the Equipment. Customer acknowledges having examined the Equipment upon its delivery to Customer. The Equipment shall be deemed to be accepted by Customer upon delivery and subject to the terms and conditions of this Agreement if Customer does not notify Herc in writing within 48 hours of delivery of the Equipment of any problem with the Equipment. If, during Customer's possession of the Equipment, it is found by Customer not to be in good mechanical condition, as a result of conditions not the responsibility of Customer, nor caused by the fault or negligence of Customer or Customer's employees or agents, Customer will so notify Herc, whereupon Herc will then repair or suitably replace the Equipment within a reasonable time during Herc's normal working hours, with the commencement or running of the terms of this Agreement to be tolled for the period the Equipment is "down". Customer agrees to provide full access to the Equipment to Herc's representatives so as to enable Herc to meet its responsibilities hereunder.

13. NO CONSEQUENTIAL DAMAGES. Notwithstanding anything to the contrary contained in this Agreement or provided for under any applicable Law, no party hereto shall be liable to any other Person, either in contract or in tort, for any consequential, incidental, indirect, special or punitive damages of such other Person, relating to the breach or alleged breach hereof, whether or not the possibility of such damages has been disclosed to the other party in advance or could have been reasonably foreseen by such other party.

14. LATE PAYMENT FEE. Payment timeliness and interest will be governed by Texas Government Code Chapter 2251.

15. FUELING SERVICE CHARGE. Herc agrees to provide the Equipment to Customer with full fuel tanks. Customer agrees to return the Equipment with full fuel tank(s). If Customer returns the Equipment with the fuel tank(s) less than full, Customer will pay to Herc a sum equal to Herc's then applicable refueling service charge posted at Herc's location where the Equipment is returned for the number of gallons required to refill the tank(s) at the time of return.

16. MERGER/MODIFICATION/SEVERABILITY. This Agreement expresses the entire agreement between the parties with respect to the subject matter hereof. No modification or alteration of the terms hereof will be effective as against Herc unless same is in writing and signed by a duly authorized officer of Herc. Customer's execution of this Agreement and acceptance of the Equipment in accordance with Section 12 hereof shall constitute Customer's acceptance of all of the terms and conditions contained herein. The paragraph headings contained in this Agreement are for convenience only and will not be used to expand or limit the actual terms and conditions hereof.

This Agreement shall be governed by and construed in accordance with the laws of the state of Texas without regard to its rules of conflict of laws. Customer irrevocably and unconditionally consents to submit

to the sole and exclusive jurisdiction of the state district courts within the State of Texas (the "Texas Courts") in the county of Comal for any litigation arising out of or relating to this Agreement and the transactions contemplated hereby, and waives any objection to the laying of venue and forum in the Texas District Courts of Comal County. If any provision, or any part of any provision of this Agreement or the application thereof is thereafter held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and to this end the provisions of this Agreement are declared severable.

17. **TERM.** This Agreement will be effective when all parties have signed, and will remain in full force and effect for a period of one (1) year from April 1, 2021, to March 31, 2022 (the "Initial Term"), unless terminated as otherwise provided pursuant to the terms and conditions of this Agreement. After the expiration of the Initial Term, this Agreement shall automatically renew for four (4) successive one-year terms (each, a "Renewal Term"), unless either party provides written notice of its intent to terminate the Agreement to the other party at least thirty (30) days prior to the expiration of any term. The Initial Term and any Renewal Term(s) are collectively referred to herein as the "Term." Upon renewal, the terms and conditions of this Agreement will remain in full force and effect. In no event will the contract Terms extend beyond March 31, 2026.

18. **COMPENSATION / NOT TO EXCEED AMOUNT.** Customer agrees to pay Herc Rental, United Rental, and Rocky Hill Equipment Rental collectively in an amount not to exceed \$600,000 per year. Customer shall be responsible for tracking and maintaining contract budget.

19. **DELIVERY OF GOOD(S) OR SERVICE(S).** Delivery of materials shall be FOB Destination. Herc shall bear the expense and sole responsibility to take any action necessary to replace goods or equipment delivered in an unacceptable condition.

**Normal delivery hours are 9:00 a.m. to 3:00 p.m. Monday through Friday, except NBU holidays.** NBU's acceptance of deliveries outside of normal delivery hours is extremely limited and NBU shall not guarantee receipt of items delivered outside of normal delivery hours. NBU shall have a reasonable time (but no less than 30 days) after receipt of delivery to inspect the good(s) or service(s) delivered by Herc. NBU may reject all or any portion of delivered good(s) or service(s) that do not, in NBU's sole discretion, comply with the terms and conditions of the contract. NBU may reject the entirety of good(s) or service(s) delivered even if only a portion is nonconforming. If NBU elects to accept any nonconforming good(s) or service(s), NBU shall deduct a reasonable amount from the price thereof to compensate NBU for the disparity, in addition to any other remedies. An acceptance by NBU shall not be deemed as a waiver or settlement for any defect in such good(s) or service(s).

Herc expressly agrees to account for any ordinary delays or hindrances that may occur in the scheduling of deliveries set forth herein, including but not limited to securing materials. Customer reserves the right to make the purchase on the open market if Herc does not make delivery in accordance with the terms of the contract. If a purchase is made on the open market as a result thereof, Herc agrees to bear the expense of any cost in excess of the contract price, including but not limited to, any other damages, directly or indirectly, incurred by NBU. In addition, failure of Herc to meet the contract delivery dates shall be grounds for removal of Herc from NBU's list of eligible respondents, as determined by Customer.

20. **WARRANTY.** Herc shall warrant that any equipment furnished or work performed shall be free from defects in design, materials, workmanship, and shall give successful service under the specified operating conditions. Furthermore, Herc agrees, upon notice from NBU, to make good all defects in design, materials, or performance developing in the materials or equipment under its intended use. In the event that the equipment must be returned to the factory under warranty, Herc shall be responsible for delivery charges both to and from the factory.

21. CONFIDENTIAL INFORMATION. NBU follows all statutes, court decisions, and opinions of the Texas Attorney General with respect to the disclosure of public information requested under the Texas Public Information Act (the "PIA").

Respondents recognize that NBU is subject to the disclosure requirements of the PIA. As part of its obligations within the contract documents issued under this Agreement, Herc agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of NBU's obligations under the PIA.

This provision applies if the contract issued that has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

Herc must (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to NBU for the duration of the contract; (2) promptly provide to NBU any contracting information related to the contract that is in the custody or possession of the entity on request of NBU; and (3) on completion of the contract, either:

- (i) provide at no cost to NBU all contracting information related to the contract that is in the custody or possession of the entity; or
- (ii) preserve the contracting information related to the contract as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Government Code, may apply to the contract issued in connection with this Agreement and Herc agrees that the contract can be terminated if Herc knowingly or intentionally fails to comply with a requirement of that subchapter.

22. DEFAULT BY HERC. Continuing non-performance or violation of the terms of this Agreement by Herc shall be a basis for termination of the contract by NBU. NBU shall not pay for work, equipment, supplies which are unsatisfactory or defective. Herc will be given a reasonable opportunity prior to termination to correct any such deficiencies. This, however, shall in no way be construction as negating the basis for termination for nonperformance.

23. TERMINATION. This Agreement may be terminated by either party upon thirty (30) days' written notice prior to cancellation.

24. INVOICING. Invoices shall be sent directly to NBU, Attention: Fleet and Facilities, 355 FM 306, New Braunfels, TX 78130, or email to jtschoepe@nbutexas.com. NBU will make payment on completed orders and upon receipt of invoice in accordance with Texas Government Code 2251, Payment of Goods and Services. Herc shall fully document invoices as to labor, materials, and equipment provided and must reference the NBU Purchase Order Number in order to be processed. No payments shall be made on invoices not listing a Purchase Order Number. All invoices submitted must be itemized. Invoices submitted for a lump sum will not be accepted. NBU reserves the right to request, at no additional cost, a copy of successful respondent's invoice(s) and any back-up documentation from time to time for informal audit purposes.

Herc must notify NBU Purchasing, Accounts Payable, and the Department responsible fifteen (15) business days prior to any type of account suspension occurring.

NBU will sign TEXAS SALES AND USE TAX EXEMPTION CERTIFICATION to be maintained on file with the successful respondent(s) for the duration of the contract.

The following Taxes and Fees are considered allowable charges as there are no exemptions at this time:

- 1. Heavy Equipment Inventory Tax.
- 2. Permits will be obtained by the successful respondent and added to the invoice.
- 3. Fuel surcharges are allowed for vehicles with operators.

IN WITNESS WHEREOF, NBU and Herc have signed this Agreement in duplicate. One counterpart each has been delivered to NBU and Herc. All portions of the Contract Documents have been signed or identified by NBU and Herc or on their behalf.

This Agreement will be effective on \_\_\_\_\_, \_\_\_\_\_ (which is the Effective Date of the Agreement).

NBU:

HERC:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: Jason Oosterbeek

Printed Name: Ian Taylor

Printed Name: Jason Oosterbeek

Title: CEO

Title: Vice President

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address for giving notices:

Address for giving notices:

\_\_\_\_\_

27500 Riverview Center Blvd

\_\_\_\_\_

Bonita Springs, FL 34134

\_\_\_\_\_

\_\_\_\_\_

(If Owner is a corporation, attached evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-Contractor Agreement.)

License No.: \_\_\_\_\_  
(Where Applicable)

Agent for service or process:

\_\_\_\_\_  
(If Contractor is a corporation or a partnership, attach evidence or authority to sign.)



# CERTIFICATE OF LIABILITY INSURANCE

Item 9.

DATE(MM/DD/YYYY)  
04/01/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**  
Aon Risk Services South, Inc.  
Charlotte NC Office  
1111 Metropolitan Avenue, Suite 400  
Charlotte NC 28204 USA

**CONTACT NAME:**  
**PHONE (A/C. No. Ext):** (866) 283-7122 **FAX (A/C. No.):** (800) 363-0105  
**E-MAIL ADDRESS:**  
**INSURER(S) AFFORDING COVERAGE** **NAIC #**

**INSURED**  
HERC Rentals Inc.  
27500 Riverview Center Blvd  
Bonita Springs FL 34134 USA

**INSURER A:** ACE American Insurance Company 22667  
**INSURER B:** Indemnity Insurance Co of North America 43575  
**INSURER C:** ACE Fire Underwriters Insurance Co. 20702  
**INSURER D:** ACE Property & Casualty Insurance Co. 20699  
**INSURER E:**  
**INSURER F:**

**COVERAGES** **CERTIFICATE NUMBER:** 570086799883 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			HDOG71447856	06/30/2020	06/30/2021	EACH OCCURRENCE \$3,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$1,000 PERSONAL & ADV INJURY \$3,000,000 GENERAL AGGREGATE \$6,000,000 PRODUCTS - COMP/OP AGG \$6,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			ISA H25300828	06/30/2020	06/30/2021	COMBINED SINGLE LIMIT (Ea accident) \$5,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$25,000			XOOG28131549005	06/30/2020	06/30/2021	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WLRC66927416	06/30/2020	06/30/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH
C				Workers Comp (AOS) SCFC66927337 Workers Comp (WI)	06/30/2020	06/30/2021	E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
Certificate Holder is included as Additional Insured in accordance with the policy provisions of the Business Auto Coverage & General Liability Coverage policy. A waiver of Subrogation is granted in favor of Certificate Holder in accordance with the policy provisions of the Business Auto Coverage, Umbrella Liability, workers Compensation & General Liability Coverage policy.

**CERTIFICATE HOLDER**  
New Braunfels Utilities  
355 FM 306  
New Braunfels TX 78130 USA

**CANCELLATION**  
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  
**AUTHORIZED REPRESENTATIVE**  
*Aon Risk Services South Inc.*

Holder Identifier :

570086799883

Certificate No :





# ADDITIONAL REMARKS SCHEDULE

AGENCY Aon Risk Services South, Inc.		NAMED INSURED HERC Rentals Inc.	
POLICY NUMBER See Certificate Number: 570086799883			
CARRIER See Certificate Number: 570086799883	NAIC CODE	EFFECTIVE DATE:	

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER:** ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

**ADDITIONAL POLICIES**

If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	WORKERS COMPENSATION						
A		N/A		WLRC66927374 Workers Comp(AZ, CA, MA)	06/30/2020	06/30/2021	
A		N/A		WCUC66927453 Work Comp (NC, OK) SIR applies per policy terms & conditions	06/30/2020	06/30/2021	

POLICY NUMBER: HDO G71447856

Endorsement Number: 46

**COMMERCIAL GENERAL LIABILITY  
CG 20 37 12 19**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.	All locations where you perform work for such additional insured pursuant to any such written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
  2. Available under the applicable limits of insurance;
- whichever is less.

This endorsement shall not increase the applicable limits of insurance.

POLICY NUMBER: ISA H25300828

Endorsement Number: 41

**COMMERCIAL AUTO  
CA 04 44 10 13****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:** Herc Holdings Inc.**Endorsement Effective Date:****SCHEDULE****Name(s) Of Person(s) Or Organization(s):**

Any person or organization against whom you have agreed to waive your right of recovery in a written contract, provided such contract was executed prior to the date of loss.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**The Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

**NON-CONTRIBUTORY ENDORSEMENT FOR ADDITIONAL INSURED**

Named Insured Herc Holdings Inc.			Endorsement Number 18
Policy Symbol ISA	Policy Number H25300828	Policy Period 06/30/2020 TO 06/30/2021	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
AUTO DEALERS COVERAGE FORM**

**Schedule**

Organization

Additional Insured Endorsement

Any additional insured with whom you have agreed to provide such non-contributory insurance, pursuant to and as required under a written contract executed prior to the date of loss.

*(If no information is filled in, the schedule shall read: "All persons or entities added as additional insureds through an endorsement with the term "Additional Insured" in the title)*

For organizations that are listed in the Schedule above that are also an Additional Insured under an endorsement attached to this policy, the following is added to the Other Insurance Condition under General Conditions:

If other insurance is available to an insured we cover under any of the endorsements listed or described above (the "Additional Insured") for a loss we cover under this policy, this insurance will apply to such loss on a primary basis and we will not seek contribution from the other insurance available to the Additional Insured.

\_\_\_\_\_  
Authorized Representative

**ADDITIONAL INSURED –  
DESIGNATED PERSONS OR ORGANIZATIONS**

Named Insured Herc Holdings Inc.			Endorsement Number 4
Policy Symbol ISA	Policy Number H25300828	Policy Period 06/30/2020 TO 06/30/2021	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**This endorsement modifies insurance provided under the following:**

**BUSINESS AUTO COVERAGE FORM  
AUTO DEALERS COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
EXCESS BUSINESS AUTO COVERAGE FORM**

Additional Insured(s): Any person or organization whom you have agreed to include as an additional insured under a written contract, provided such contract was executed prior to the date of loss.

- A. For a covered "auto," Who Is Insured is amended to include as an "insured," the persons or organizations named in this endorsement. However, these persons or organizations are an "insured" only for "bodily injury" or "property damage" resulting from acts or omissions of:
1. You.
  2. Any of your "employees" or agents.
  3. Any person operating a covered "auto" with permission from you, any of your "employees" or agents.
- B. The persons or organizations named in this endorsement are not liable for payment of your premium.

\_\_\_\_\_  
Authorized Representative

**Workers' Compensation and Employers' Liability Policy**

Item 9.

Named Insured HERC HOLDINGS INC. 27500 RIVERVIEW CTR BLVD BONITA SPRINGS FL 34134	Endorsement Number
	Policy Number Symbol: WLR Number: C66927416
Policy Period 06-30-2020 <b>TO</b> 06-30-2021	Effective Date of Endorsement 06-30-2020
Issued By (Name of Insurance Company) INDEMNITY INS. CO. OF NORTH AMERICA	
Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.	

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

**Schedule**

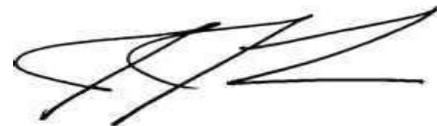
ANY PERSON OR ORGANIZATION AGAINST WHOM YOU HAVE AGREED TO WAIVE YOUR RIGHT OF RECOVERY IN A WRITTEN CONTRACT, PROVIDED SUCH CONTRACT WAS EXECUTED PRIOR TO THE DATE OF LOSS.

For the states of CA, UT, TX, refer to state specific endorsements.

This endorsement is not applicable in KY, NH, and NJ.

The endorsement does not apply to policies in Missouri where the employer is in the construction group of code classifications. According to Section 287.150(6) of the Missouri statutes, a contractual provision purporting to waive subrogation rights against public policy and void where one party to the contract is an employer in the construction group of code classifications.

For Kansas, use of this endorsement is limited by the Kansas Fairness in Private Construction Contract Act(K.S.A. 16-1801 through 16-1807 and any amendments thereto) and the Kansas Fairness in Public Construction Contract Act(K.S.A 16-1901 through 16-1908 and any amendments thereto). According to the Acts a provision in a contract for private or public construction purporting to waive subrogation rights for losses or claims covered or paid by liability or workers compensation insurance shall be against public policy and shall be void and unenforceable except that, subject to the Acts, a contract may require waiver of subrogation for losses or claims paid by a consolidated or wrap-up insurance program.



Authorized Agent

### NON-CONTRIBUTORY ENDORSEMENT FOR ADDITIONAL INSURED

Named Insured HERC HOLDINGS INC.			Endorsement Number 25
Policy Symbol HDO	Policy Number G71447856	Policy Period 06/30/2020 to 06/30/2021	Effective Date of Endorsement
Issued By (Name of Insurance Company) ACE American Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY. COMMERCIAL GENERAL LIABILITY COVERAGE

#### Schedule

#### Organization

#### Additional Insured Endorsement

Any additional insured with whom you have agreed to provide such non-contributory insurance, pursuant to and as required under a written contract executed prior to the date of loss.

*(If no information is filled in, the schedule shall read: "All persons or entities added as additional insureds through an endorsement with the term "Additional Insured" in the title)*

For organizations that are listed in the Schedule above that are also an Additional Insured under an endorsement attached to this policy, the following is added to Section IV.4.a:

If other insurance is available to an insured we cover under any of the endorsements listed or described above (the "Additional Insured") for a loss we cover under this policy, this insurance will apply to such loss on a primary basis and we will not seek contribution from the other insurance available to the Additional Insured.

\_\_\_\_\_  
Authorized Agent

POLICY NUMBER: HDO G71447856

Endorsement Number: 60

**COMMERCIAL GENERAL LIABILITY  
CG 24 04 12 19**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- ELECTRONIC DATA LIABILITY COVERAGE PART
- LIQUOR LIABILITY COVERAGE PART
- POLLUTION LIABILITY COVERAGE PART DESIGNATED SITES
- POLLUTION LIABILITY LIMITED COVERAGE PART DESIGNATED SITES
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
- RAILROAD PROTECTIVE LIABILITY COVERAGE PART
- UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

**SCHEDULE**

<p><b>Name Of Person(s) Or Organization(s):</b> Any person or organization against whom you have agreed to waive your right of recovery in a written contract, provided such contract was executed prior to the date of loss.</p>
---

<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>
---

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions:

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

## TERMS AND CONDITIONS OF RENTAL CONTRACT

(1) For good and valuable consideration, you and Rocky Hill Equipment Rentals, Inc., a Texas corporation (hereinafter referred to as "RHER") agree as follows: As used herein, "Page 1" refers to the first page or "face" of this Contract; "Contract" refers to Page 1 together with these Terms and Conditions of Rental Contract, "Rented Item(s)" or "Item(s)" means the item(s) rented to you, as identified on Page 1 (including any "Instructions" provided per the terms of Section 4 below); "Site" means the delivery or use address set forth on Page 1; "NBU," "Customer," "Lessee," "you" and "your" mean the customer or "Lessee" identified on Page 1, and "Lessor," "we," "us" and "our" mean RHER.

(2) You agree to rent from RHER and RHER agrees to rent to you the Rented Item(s) for the period(s) specified on Page 1 (the "Term"). You agree to pay us our stated rental rate(s) (the "Rent"), together with any other charges accruing hereunder, without proration, reduction or setoff for the entire Term, until all Rented Item(s) is/are returned to and accepted by RHER. Unless otherwise specifically agreed by RHER, all rental rates are for normal use of the Rented Item(s) on a single-shift basis during the Term, not exceeding 8 metered hours per day, 40 metered hours per week, and 160 metered hours per 4-week period, and otherwise in accordance with the terms hereof and the "Instructions" described in Section 4. Additional prorated Rent will be charged for late returns and overuse at ¼ of an additional day per hour. Unless otherwise agreed by RHER, no allowance will be made for weekends, holidays, time in transit or any other period of nonuse. We have estimated the Rent based on your estimate of the length of the Term (the "Estimated Rent"). Anything remaining with, in or on any Rented Item(s) upon return will, at our option, be deemed surrendered and abandoned.

(3) If we agree to deliver and/or retrieve any Item(s) or provide any other services hereunder, you agree to: (a) pay our regular charge(s) therefor, and for all waiting time; (b) be present at the Site at the agreed time(s); and (c) ensure RHER's personnel have full access to the Site and the Rented Item(s). RHER will not be responsible for any delay(s) caused by the acts or omissions of any other parties, including providers of other equipment or services ("Other Providers"). If you are not present upon delivery and/or retrieval of any Item(s), or performance of any other services by or at the direction of RHER, you agree to accept the statements of RHER's representatives regarding the same (including status, condition, quality, utility, freedom from defects and quantities).

(4) You agree to properly protect, service, maintain and care for each Rented Item at all times, keep it safely and securely stored and locked when not in use, and return it to RHER on time, clean and otherwise in good order, condition and repair, properly serviced and maintained, and if applicable, full of the appropriate fuel, fluid and lubricants. If you fail to do so, in addition to any other amounts due under this Contract, you will pay RHER: (a) Rent for each succeeding full rental period until all Rented Item(s) have been returned or replaced as required hereunder; and (b) any and all costs and expenses RHER may incur in connection with your failure fully and timely comply with this Section 4.

(ii) RHER shall provide Rented Items in well-maintained and good operational condition. RHER shall provide a delivery inspection report to Customer at the time of delivery. The inspection report must document: 1. All damages to the Rented Items inside and outside; 2. Operation condition of the Rented Items; 3. Number of hours or miles on the Rented Items; 4. Fuel level at time of delivery (all Rented Items should be delivered with a full tank); 5. Next scheduled maintenance or service requirements; and 6. All other pertinent information pertaining to the Rented Items. Upon delivery or pick up of any Item(s), unless you immediately reject it/them, you represent, warrant and agree that: (a) each Item: (i) is in good repair and operating condition and is in all ways acceptable to you; (ii) is appropriate for your purposes; and (iii) was selected (not based on any recommendation by RHER) and inspected solely by you; and (b) you: (i) have received, read and understood the training, instructions, user manuals, maintenance requirements, and other information, if any (including all training required under applicable EPA, OSHA, MSHA, ASSE, ASME, IEEE, IBC, IFC, NFPA and/or ANSI Standards) regarding the Item(s) (collectively, "Instructions"); (ii) will fully comply therewith (including EPA Tier 4 regulations, and any similar state and/or local regulations, to the extent applicable); (iii) have been made aware of the need to use all

recommended and/or required safety equipment; (iv) will use each Item only for its intended purpose, in a reasonable and safe manner; (v) will give any required notice(s) to, and have obtained, or will timely obtain, all necessary licenses, authorizations and permits from, the appropriate governmental authorities; (vi) will advise all local utilities and cable companies and properly mark all underground lines, before driving stakes or using any Item(s) to dig or disturb the ground surface (**call 811 or go to [www.Texas811.org](http://www.Texas811.org), or [www.lonestar811.com](http://www.lonestar811.com), at least 2 full business days in advance**); (vii) will immediately cease using any Item that breaks down, malfunctions or proves defective (a "Malfunction"); and (viii) will ensure that all other persons using or otherwise dealing with any Rented Item(s) fully and timely comply with this Section (4).

(5) Except with respect to Rented Items which we rent from one or more third parties (each, a "Third- Party Owner" or "TPO") and then re-rent to you ("re-rented items"), RHER owns and will retain title to all Rented Items at all times. Your only right with respect to such Item(s) (including re-rented item(s)) is to use it/them in full compliance with this Contract during the Term. You will not permit the taking or existence of any lien, claim or encumbrance on any such Item. **You shall not loan, transfer, sublease or assign any Rented Item(s) or this Contract without the prior written consent of RHER, and if applicable, the TPO.** RHER may not sell and/or assign all or any part of its interests in the Rented Item(s) and/or this Contract.

(6) In the event of a Malfunction (as defined in Section 4), you will immediately cease using the Item and notify RHER, and provided such Malfunction did not result from or in connection with any wrongful or negligent act or omission, or any breach of any provision of this Contract, by you or anyone you permit to use or deal with any Rented Item(s), we will, at our option: (a) repair the subject Rented Item; or (b) provide you with a comparable item as soon as reasonably possible. **The foregoing remedies are EXCLUSIVE.** Neither RHER nor any TPO will have any other obligation(s) regarding Malfunctions, all of which you waive.

(7) **RHER shall warrant that any equipment furnished or work performed shall be free from defects in design, materials, workmanship, and shall give successful service under the specified operating conditions. Furthermore, RHER agrees, upon notice from NBU, to make good all defects in design, materials, or performance developing in the materials or equipment under its intended use. In the event that the equipment must be returned to the factory under warranty, RHER shall be responsible for delivery charges both to and from the factory.**

(8) **WARNINGS: VEHICLES, TOOLS AND POWERED EQUIPMENT, INCLUDING SAWS, DOZERS, EXCAVATORS, GRADERS, COMPRESSORS AND ITEMS USED FOR DIGGING, CUTTING, TRENCHING, CHIPPING, COMPACTING, WELDING, SPRAYING, BREAKING, BORING, LIFTING, TOWING AND/OR HAULING, IS/ARE POTENTIALLY DANGEROUS AND SHOULD BE MOVED, SERVICED, MAINTAINED, REPAIRED AND USED WITH GREAT CARE ONLY FOR THEIR INTENDED PURPOSE(S), AND ONLY BY PROPERLY QUALIFIED, INSTRUCTED, AND IF APPLICABLE, LICENSED, INDIVIDUALS. YOU AGREE TO PROVIDE ANY AND ALL NECESSARY FAMILIARIZATION, TRAINING, INSTRUCTIONS AND WARNINGS TO ALL OPERATORS OF SUCH ITEM(S), and ensure that each such Item is used safely and only: (a) for its intended purpose(s); (b) within its rated capacity; (c) unless otherwise specifically agreed by RHER on a case-by-case basis, at the Site; (d) BY PROPERLY TRAINED, QUALIFIED, CERTIFIED AND/OR LICENSED (AS APPLICABLE) OPERATORS; and (e) otherwise in full compliance with the Instructions as well as all applicable laws, rules and regulations, at all times. You will not, nor will you permit anyone else to: (i) abuse, misuse, overuse, remove, conceal, repair, modify, damage or destroy any Rented Item(s); (ii) violate any applicable law, policy of insurance or warranty; or (iii) take possession of or exercise control over any Rented Item(s) without our prior consent (granted or withheld in our sole discretion).**

(9) (a) NBU is self-insured and is not required to purchase or maintain liability insurance.

(b) RHER shall provide and maintain, at all times during performance of the contract, the insurance detailed in this Section. Customer may waive the coverage, in part or in whole, in its sole discretion, but any such waiver shall be signed by an authorized representative of NBU on or before the effective date of this contract.

i. Commercial General Liability. RHER shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000.00 for each occurrence and a \$2,000,000.00 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products, completed

operations, personal injury, and property damage. To the fullest extent allowed by law, for claims arising out of the performance of the Agreement, NBU, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

ii. **Vehicle Liability.** RHER shall maintain Business Automobile Liability insurance with a limit of \$1,000,000.00 each occurrence on RHER's owned, hired and non-owned vehicles assigned to or used in the performance of the services by RHER under the Agreement. To the fullest extent allowed by law, for claims arising out of the performance of the Agreement, NBU, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

iv. **Workers' Compensation and Employer's Liability Insurance.** RHER shall maintain Workers' Compensation insurance to cover RHER's employees engaged in the performance of the services under the Agreement and shall also maintain Employers Liability Insurance of not less than \$1,000,000.00 for each accident, \$1,000,000.00 disease for each employee and \$1,000,000.00 disease policy limit.

**(10)** RHER may, with prior written notice to you, remotely monitor (via the use of telematics or other similar technology) and/or inspect any Rented Item(s) during NBU's regular business hours, and all information and data thereby obtained will be the sole and exclusive property of RHER. If any performance required of either party is delayed or rendered impractical as a result of any act or omission of any Other Provider(s) or any "Act of God" (any event, fact or circumstance beyond either party's reasonable control), such party will be excused from such performance.

**(11)** Payment timeliness and interest will be governed by Texas Government Code Chapter 2251 Except only as set forth herein, this Contract cannot be further amended or extended except in a writing signed by both you and RHER. Neither parties' exercise, nor its failure or delay in the exercise, of any rights or remedies will constitute an election of remedies or a waiver of any right or remedy such party may have.

**(12)** In case of default by Customer, or if RHER deems itself insecure, RHER may, but is not required to, notify Customer of its intent to enter the premises where the Equipment is located and render it inoperative or remove same. The Parties to this Agreement endeavor to attempt to resolve any case of default. However, if such default cannot be resolved Customer agrees to schedule a time to permit such entry and action by RHER. In such case RHER may also terminate this Agreement with written notice to Customer and without prejudice to any remedies or claims which RHER might otherwise have for rent, expense of retaking, court costs and reasonable attorneys' fees.

**(13)** This Contract, and any Addenda we provide, represent the entire agreement between you and RHER, superseding all other oral and written agreements and representations (including our website and advertising). The terms of this Contract are severable. If any provision hereof shall be deemed invalid or unenforceable by any court of competent jurisdiction, such provision will be modified to the minimum extent necessary to render such provision enforceable, or if no such modification shall be possible, deleted, and the remainder of this Contract will remain valid and in full force and effect. Time is of the essence. There are no third-party beneficiaries hereto, other than the TPO(s). This Contract will be deemed to apply not only to all Item(s) identified on Page 1, but also to all other items you obtain from RHER at any time (except only as otherwise agreed by RHER). This Contract: (a) has been specifically negotiated by the parties hereto (each waiving any and all rights to claim it constitutes an "adhesion contract"); and (b) shall be interpreted under the laws of the State of Texas, with proper venue for any and all associated civil lawsuits and legal proceedings lying solely and exclusively in the state courts located in Comal County, TX. Both parties hereby consent and submit to such jurisdiction and venue and waive all claims that it constitutes an inconvenient forum.

**(14)** **TERM.** This Agreement will be effective when all parties have signed, and will remain in full force and effect for a period of one (1) year from April 1, 2021, to March 31, 2022 (the "Initial Term"), unless terminated as otherwise provided pursuant to the terms and conditions of this Agreement. After the expiration of the Initial Term, this Agreement shall automatically renew for four (4) successive one-year terms (each, a "Renewal Term"), unless either party provides written notice of its intent to terminate the Agreement to the other party at least thirty (30) days prior to the expiration of any term. The Initial Term and any Renewal Term(s) are collectively referred

to herein as the "Term." Upon renewal, the terms and conditions of this Agreement will remain in full force and effect. In no event will the contract Terms extend beyond March 31, 2026.

**(15) COMPENSATION / NOT TO EXCEED AMOUNT.** Customer agrees to pay United Rental, Herc Rental, and Rocky Hill Equipment Rental collectively in an amount not to exceed \$600,000 per year. Customer shall be responsible for tracking and maintaining contract budget.

**(16) WARNING:** Obtaining property available only for rent with the intent to avoid payment, and/or failing to timely return such property may be DEEMED **THEFT, RESULTING IN CIVIL PENALTY(IES) AND/OR CRIMINAL PROSECUTION**. See Texas Penal Code §31.04 *et seq.*, for details.

**(17) DELIVERY OF GOOD(S) OR SERVICE(S).** Delivery of materials shall be FOB Destination. RHER shall bear the expense and sole responsibility to take any action necessary to replace goods or equipment delivered in an unacceptable condition.

**Normal delivery hours are 9:00 a.m. to 3:00 p.m. Monday through Friday, except NBU holidays.** NBU's acceptance of deliveries outside of normal delivery hours is extremely limited and NBU shall not guarantee receipt of items delivered outside of normal delivery hours. NBU shall have a reasonable time (but no less than 30 days) after receipt of delivery to inspect the good(s) or service(s) delivered by RHER. NBU may reject all or any portion of delivered good(s) or service(s) that do not, in NBU's sole discretion, comply with the terms and conditions of the contract. NBU may reject the entirety of good(s) or service(s) delivered even if only a portion is nonconforming. If NBU elects to accept any nonconforming good(s) or service(s), NBU shall deduct a reasonable amount from the price thereof to compensate NBU for the disparity, in addition to any other remedies. An acceptance by NBU shall not be deemed as a waiver or settlement for any defect in such good(s) or service(s).

RHER expressly agrees to account for any ordinary delays or hindrances that may occur in the scheduling of deliveries set forth herein, including but not limited to securing materials. Customer reserves the right to make the purchase on the open market if RHER does not make delivery in accordance with the terms of the contract. If a purchase is made on the open market as a result thereof, RHER agrees to bear the expense of any cost in excess of the contract price, including but not limited to, any other damages, directly or indirectly, incurred by NBU. In addition, failure of RHER to meet the contract delivery dates shall be grounds for removal of RHER from NBU's list of eligible respondents, as determined by Customer.

**(18) CONFIDENTIAL INFORMATION.** NBU follows all statutes, court decisions, and opinions of the Texas Attorney General with respect to the disclosure of public information requested under the Texas Public Information Act (the "PIA").

Respondents recognize that NBU is subject to the disclosure requirements of the PIA. As part of its obligations within the contract documents issued under this Agreement, RHER agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of NBU's obligations under the PIA.

This provision applies if the contract issued that has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

RHER must (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to NBU for the duration of the contract; (2) promptly provide to NBU any contracting information related to the contract that is in the custody or possession of the entity on request of NBU; and (3) on completion of the contract, either:

- (i) provide at no cost to NBU all contracting information related to the contract that is in the custody or possession of the entity; or
- (ii) preserve the contracting information related to the contract as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Government Code, may apply to the contract issued in connection with this Agreement and RHER agrees that the contract can be terminated if RHER knowingly or intentionally fails to comply with a requirement of that subchapter.

**(19) DEFAULT BY RHER.** Continuing non-performance or violation of the terms of this Agreement by RHER shall be a basis for termination of the contract by NBU. NBU shall not pay for work, equipment, supplies which are unsatisfactory or

defective. RHER will be given a reasonable opportunity prior to termination to correct any such deficiencies. This, however, shall in no way be construction as negating the basis for termination for nonperformance.

**(20) TERMINATION.** This Agreement may be terminated by either party upon thirty (30) days' written notice prior to cancellation.

**(21) INVOICING.** Invoices shall be sent directly to NBU, Attention: Fleet and Facilities, 355 FM 306, New Braunfels, TX 78130, or email to [jtschoepe@nbutexas.com](mailto:jtschoepe@nbutexas.com). NBU will make payment on completed orders and upon receipt of invoice in accordance with Texas Government Code 2251, Payment of Goods and Services. RHER shall fully document invoices as to labor, materials, and equipment provided and must reference the NBU Purchase Order Number in order to be processed. No payments shall be made on invoices not listing a Purchase Order Number. All invoices submitted must be itemized. Invoices submitted for a lump sum will not be accepted. NBU reserves the right to request, at no additional cost, a copy of successful respondent's invoice(s) and any back-up documentation from time to time for informal audit purposes.

RHER must notify NBU Purchasing, Accounts Payable, and the Department responsible fifteen (15) business days prior to any type of account suspension occurring.

NBU will sign TEXAS SALES AND USE TAX EXEMPTION CERTIFICATION to be maintained on file with the successful respondent(s) for the duration of the contract.

The following Taxes and Fees are considered allowable charges as there are no exemptions at this time:

1. Heavy Equipment Inventory Tax.
2. Permits will be obtained by the successful respondent and added to the invoice.
3. Fuel surcharges are allowed for vehicles with operators.

IN WITNESS WHEREOF, NBU and RHER have signed this Agreement in duplicate. One counterpart each has been delivered to NBU and RHER. All portions of the Contract Documents have been signed or identified by NBU and RHER or on their behalf.

This Agreement will be effective on \_\_\_\_\_, \_\_\_\_\_ (which is the Effective Date of the Agreement).

NBU:

RHER:

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: Wes Clark

Printed Name: \_\_\_\_\_

Printed Name: Wes Clark

Title: \_\_\_\_\_

Title: President

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest: \_\_\_\_\_

Attest: [Signature]

Title: \_\_\_\_\_

Title: Proxer

Address for giving notices:  
\_\_\_\_\_  
\_\_\_\_\_

Address for giving notices:  
15305 IH 35 N  
\_\_\_\_\_

Selma, TX 78154  
\_\_\_\_\_

(If Owner is a corporation, attached evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-Contractor Agreement.)

License No.: \_\_\_\_\_  
(Where Applicable)

Agent for service or process:

(If Contractor is a corporation or a partnership, attach evidence or authority to sign.)

LESSEE ACKNOWLEDGES THAT A LARGER-PRINT VERSION OF THESE TERMS AND CONDITIONS HAS BEEN MADE AVAILABLE TO LESSEE  
Copyright ©, EquipmentRentalContracts.com. All rights reserved. Unauthorized reproduction and/or distribution expressly prohibited.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD)  
03/31/2021

Item 9.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Sentry Insurance 1800 North Point Drive Stevens Point, WI 54481	<b>CONTACT NAME:</b> Sentry Customer Service
	<b>PHONE (A/C, No, Ext):</b> 800-473-6879
	<b>FAX (A/C, No):</b> 800-514-7191
	<b>EMAIL ADDRESS:</b> businessproducts_direct@sentry.com
<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURER A :</b> Sentry Select Insurance Company	<b>NAIC #</b> 21180
<b>INSURER B :</b>	
<b>INSURER C :</b>	
<b>INSURER D :</b>	
<b>INSURER E :</b>	
<b>INSURER F :</b>	

**COVERAGES**                      **CERTIFICATE NUMBER:** 2004144                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			2518259004	11/01/2020	11/01/2021	EACH OCCURRENCE	\$ 500,000	
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 500,000	
							MED EXP (Any one person)	\$ 5,000	
							PERSONAL & ADV INJURY	\$ 500,000	
							GENERAL AGGREGATE	\$ 500,000	
							PRODUCTS - COMP/OP AGG	\$ 500,000	
GEN'L AGGREGATE LIMIT APPLIES PER:									
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC								
	OTHER:						\$		
A	<b>AUTOMOBILE LIABILITY</b>			2518259001	11/01/2020	11/01/2021	COMBINED SINGLE LIMIT (Ea accident)	\$ 500,000	
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$	
	<input type="checkbox"/> OWNED AUTOS ONLY	<input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS ONLY	<input type="checkbox"/> NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
									\$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			2518259005	11/01/2020	11/01/2021	EACH OCCURRENCE	\$ 5,000,000	
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE	\$ 15,000,000	
	DED	RETENTION \$						PRODUCTS - COMP/OP AGG	\$ 15,000,000
								PER STATUTE	OTH-ER
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>								
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input type="checkbox"/> N	N/A				E.L. EACH ACCIDENT	\$	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	\$	
							E.L. DISEASE - POLICY LIMIT	\$	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b>
New Braunfels Utilities 355 Fm 306 New Braunfels, TX 78130-2555	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 



AGENCY CUSTOMER ID: XXXXXX6183

Item 9.

LOC #: \_\_\_\_\_

### ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

<b>AGENCY</b> James Scribner		<b>NAMED INSURED</b> Rocky Hill Equipment Rentals, Inc.	
<b>POLICY NUMBER</b> 2518259004			
<b>CARRIER</b> Sentry Select Insurance Company	<b>NAIC CODE</b> 21180	<b>EFFECTIVE DATE:</b> 11/01/2020	

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
**FORM NUMBER:** ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

POLICY NUMBER: 2518259004

COMMERCIAL GENERAL LIABILITY  
CG 20 10 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
New Braunfels Utilities	All Locations Description: Service Work Performed
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**Change effective 03/31/2021****CG 20 10 04 13**2518259  
Sentry Select Insurance Company

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C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: 2518259004

COMMERCIAL GENERAL LIABILITY  
CG 24 04 05 09

# WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

## SCHEDULE

<p><b>Name Of Person Or Organization:</b> New Braunfels Utilities</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV - Conditions:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

POLICY NUMBER: 2518259001

COMMERCIAL AUTO  
CA 20 48 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED FOR  
COVERED AUTOS LIABILITY COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:** Rocky Hill Equipment Rentals, Inc.**Endorsement Effective Date:** 03/31/2021**SCHEDULE****Name Of Person(s) Or Organization(s):**

New Braunfels Utilities

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** - Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** - Covered Autos Coverages of the Auto Dealers Coverage Form.**Change effective 03/31/2021****CA 20 48 10 13**2518259  
Sentry Select Insurance Company

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POLICY NUMBER: 2518259001

COMMERCIAL AUTO  
CA 04 44 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:** Rocky Hill Equipment Rentals, Inc.**Endorsement Effective Date:** 03/31/2021**SCHEDULE****Name(s) Of Person(s) Or Organization(s):**

New Braunfels Utilities

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

**Change effective 03/31/2021****CA 04 44 10 13**2518259  
Sentry Select Insurance Company

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POLICY NUMBER: 2518259001

## BUSINESS AUTO COVERAGE DECLARATIONS

Sentry Select Insurance Company (A Participating Stock Company) A member of the Sentry Insurance Group 1800 North Point Drive Stevens Point, WI 54481	Producer  James Scribner 10000345 210-473-4254
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### ITEM ONE

#### POLICY INFORMATION

**First Named Insured:** Rocky Hill Equipment Rentals, Inc.  
**Address:** 15305 Ih 35 North  
 Selma, TX 78154

The Business Auto Coverage applies from 11/01/2020 to 11/01/2021 at 12:01 A.M. Standard Time at the First Named Insured's mailing address shown above.

#### Additional Named Insureds

In addition to the Named Insured's listed in the Common Declarations, the following person(s) or organization(s) are named insured's for the Business Auto Coverage only.

#### Additional Interests

For additional interests which apply to a specified covered "auto" refer to the Schedule of Covered Autos. For additional interests which apply to all covered "autos", refer to the Additional Interests Supplemental Declarations.

#### APPLICABLE FORMS AND ENDORSEMENTS

In addition to the common policy forms and endorsements, the following forms and endorsements apply to the Business Auto Coverage:

Form/Endorsement Number and Edition Date	Form/Endorsement Title
CA 00 01 10 13	Business Auto Coverage Form
CA 01 21 10 13	Limited Mexico Coverage
CA 01 96 10 13	Texas Changes
CA 02 43 11 13	Texas Changes - Cancellation and NonRenewal
CA 03 01 10 13	Deductible Liability Coverage
CA 04 44 10 13	Waiver Of Transfer Of Rights Of Recovery Against Others To Us (Waiver Of Subrogation)
CA 20 01 10 13	Lessor - Additional Insured And Loss Payee
CA 20 55 10 13	Fellow Employee Coverage
CA 23 84 10 13	Exclusion Of Terrorism
CA 23 94 10 13	Silica Or Silica-Related Dust Exclusion For Covered Autos Exposure
CA 76 01 06 15	Designated Insured - Primary and Noncontributory - Covered Autos Liability Coverage
CA 88 01 10 13	Business Auto Amendatory
CA 88 15 10 13	Business Auto Changes
CA 99 03 10 13	Auto Medical Payments Coverage

#### CA 89 01 10 14

2518259  
 Sentry Select Insurance Company

POLICY NUMBER: 2518259001

**APPLICABLE FORMS AND ENDORSEMENTS**

<b>Form/Endorsement Number and Edition Date</b>	<b>Form/Endorsement Title</b>
CA 99 95 10 13	Texas Supplementary Death Benefit
IL 00 21 09 08	Nuclear Energy Liability Exclusion Endorsement (Broad Form)

**ITEM TWO**

**Schedule of Coverages and Covered Autos**

**Texas Notice**

Your payment includes a \$4.00 fee per vehicle each year. This fee helps fund: (1) auto burglary, theft, and fraud prevention, (2) criminal justice efforts, and (3) trauma care and emergency medical services for victims of accidents due to traffic offenses. By law, we send this fee to the Motor Vehicle Crime Prevention Authority (MVCPA).

This policy provides only those coverages, shown below. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the **Covered Autos** Section of the Business Auto Coverage Form next to the name of the coverage.

<b>Coverages</b>	<b>Covered Autos</b>	<b>Limit</b>
Covered Autos Liability	01	\$500,000
Auto Medical Payments	07	\$5,000 Each Insured
Physical Damage - Comprehensive Coverage	02 08	Actual cash value or cost of repair, whichever is less minus deductible shown in ITEM THREE for each covered "auto".  A deductible of \$100 applies to covered "autos" not listed in ITEM THREE. Deductibles do not apply to loss caused by fire or lightning.
Physical Damage – Collision Coverage	02 08	Actual cash value or cost of repair, whichever is less minus deductible shown in ITEM THREE for each covered "auto".  A deductible of \$250 applies to covered "autos" not listed in ITEM THREE.

**ITEM THREE**

**Schedule of Covered Autos You Own**

See attached Schedule of Covered Autos You Own

POLICY NUMBER: 2518259001

**ITEM FOUR**

**Schedule of Hired or Borrowed Covered Auto Coverages**

Refer to ITEM TWO.

**Other than Physical Damage Coverage – Cost of Hire Rating Basis Covered Autos Liability Coverage**

Coverage	Estimated Annual Cost of Hire*	Premium
Primary Coverage	If Any	\$ Included

\* For the above coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

**Physical Damage Coverage – Cost of Hire Rating Basis**

Coverage	Limit of Insurance	Estimated Cost of Hire*	Premium
Comprehensive	Actual cash value or cost of repair, whichever is less, minus \$100 deductible for each covered auto, but no deductible applies to loss caused by fire or lightning	If Any	\$ Included
Collision	Actual cash value or cost of repair, whichever is less, minus \$250 deductible for each covered auto.	If Any	\$ Included
Total Premium			\$ Included

\*For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.

**ITEM FIVE**

**Schedule for Non-Ownership Liability**

Named Insured's Business	Rating Basis	Number	Premium
Other than garage service operations and other than social service agencies	Number of employees	19	\$ Included

**ITEM SIX**

**OPTIONAL ENDORSEMENT SCHEDULES**

For information not shown below, refer to the individual endorsements.

**Deductible Liability Insurance**

Liability Deductible:

\$2,500 Per "Accident"

CA 89 01 10 14  
2518259  
Sentry Select Insurance Company

POLICY NUMBER: 2518259001

**ITEM SIX**

**Waiver Of Transfer Of Rights Of Recovery Against Others To Us**

Name of Person or Organization:

GOCC Inc, DBA Global One Communications Company



POLICY NUMBER: 2518259002

## COMMERCIAL PROPERTY COVERAGE DECLARATIONS

Sentry Select Insurance Company (A Participating Stock Company) A member of the Sentry Insurance Group 1800 North Point Drive Stevens Point, WI 54481	Producer  James Scribner 10000345 210-473-4254
---	--

### POLICY INFORMATION

**First Named Insured:** Rocky Hill Equipment Rentals, Inc.  
**Address:** 15305 Ih 35 North  
 Selma, TX 78154

The Commercial Property Coverage applies from 11/01/2020 to 11/01/2021 at 12:01 A.M. Standard Time at the First Named Insured's mailing address shown above.

### Applicable Forms And Endorsements

In addition to the common policy forms and endorsements, the following forms and endorsements apply to the Commercial Property Coverage:

Form/Endorsement Number and Edition Date	Form/Endorsement Title
80 579 P 01 20	Notice To Policyholders Potential Restrictions Of Terrorism Coverage
CP 00 10 10 12	Building And Personal Property Coverage Form
CP 00 30 10 12	Business Income (And Extra Expense) Coverage Form
CP 00 90 07 88	Commercial Property Conditions
CP 01 40 07 06	Exclusion Of Loss Due To Virus Or Bacteria
CP 01 42 03 12	Texas Changes
CP 10 30 10 12	Causes Of Loss - Special Form
CP 10 36 10 12	Limitations On Coverage For Roof Surfacing
CP 70 27 10 12	Agreed Value
CP 70 47 10 13	Equipment Breakdown
CP 70 50 09 00	Texas Changes - Equipment Breakdown
CP 88 11 10 12	Dealers Broadened Building And Personal Property Coverage
CP 88 12 10 12	Dealers Broadened Annual Business Income Coverage
IL 02 75 11 13	Texas Changes - Cancellation And Nonrenewal Provisions For Casualty Lines And Commercial Package Policies
IL 09 53 01 15	Exclusion Of Certified Acts Of Terrorism
IL 09 95 01 07	Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)
IL 70 26 07 13	Multiple Line Occurrence Deductible
IL 70 40 10 12	Exclusion Of Certain Computer-Related Losses

POLICY NUMBER: 2518259002

**COVERAGES**

**PREMISES NO.: 1                      BUILDING NO.: 1**

Coverage	Limit of Insurance	Covered Causes Of Loss	Coinsurance	Deductible
Building	\$439,087	Special Including Theft Equipment Breakdown	100%	\$2,500

**Optional Coverages**

Agreed Value  
Replacement Cost

Coverage	Limit of Insurance	Covered Causes Of Loss	Coinsurance
<b>Business Income (And Extra Expense) Coverage:</b> Including Rental Value	Actual Loss Sustained 12 Months	Special Including Theft Equipment Breakdown	

**Optional Coverages**

Extended Period of Indemnity 90 days

**PREMISES NO.: 1                      BUILDING NO.: 2**

Coverage	Limit of Insurance	Covered Causes Of Loss	Coinsurance	Deductible
Property In Open	\$53,000	Special Including Theft	80%	\$2,500

**Optional Coverages**

Inflation Guard 4%  
Replacement Cost

**COMMERCIAL PROPERTY POLICY OPTIONAL COVERAGES**

**Dealers Broadened Building And Personal Property Coverage Endorsement**  
Direct Loss Blanket Limit                      \$25,000                      Per Building Per Occurrence

**Dealers Broadened Annual Business Income Coverage Endorsement**  
Indirect Loss Blanket Limit                      \$25,000                      Per Building Per Occurrence

**Limitations On Coverage For Roof Surfacing**

Premises No.	Building No.	Indicate Applicability (Paragraph A. and/or Paragraph B.)
1	1	Paragraph B



POLICY NUMBER: 2518259003

## COMMERCIAL INLAND MARINE COVERAGE DECLARATION

Sentry Select Insurance Company (A Participating Stock Company) A member of the Sentry Insurance Group 1800 North Point Drive Stevens Point, WI 54481	Producer  James Scribner 10000345 210-473-4254
---	--

### POLICY INFORMATION

**First Named Insured:** Rocky Hill Equipment Rentals, Inc.  
**Address:** 15305 Ih 35 North  
 Selma, TX 78154

The Commercial Inland Marine Coverage applies from 11/01/2020 to 11/01/2021 at 12:01 A.M. Standard Time at the First Named Insured's mailing address shown above.

### Additional Interests

The persons or organizations listed as Additional Interests, in the Additional Interests Supplemental Schedule, are included as loss payees, lenders loss payees, or additional insureds, but only for the coverages and to the extent of their interest as indicated.

### APPLICABLE FORMS AND ENDORSEMENTS

In addition to the common policy forms and endorsements, the following forms and endorsements apply to the Commercial Inland Marine Coverage:

Form/Endorsement Number and Edition Date	Form/Endorsement Title
80 579 P 01 20	Notice To Policyholders Potential Restrictions Of Terrorism Coverage
CM 00 01 09 04	Commercial Inland Marine Conditions
CM 01 12 09 13	Texas Changes
CM 70 06 10 12	Loss Payable Provisions
CM 70 13 03 97	Liberalization
CM 88 00 01 15	Dealers Coverage Form
CM 88 04 08 15	Equipment Breakdown
CM 88 50 01 15	Broadened Dealers Coverage
CM 88 61 01 15	Changes - Recovery From Others
CM 88 63 01 15	Replacement Cost - Rental Stock
CM 88 64 01 15	Flood Exclusion
CM 88 82 01 15	Texas Changes
IL 01 71 09 07	Texas Changes - Loss Payment
IL 02 75 11 13	Texas Changes - Cancellation And Nonrenewal Provisions For Casualty Lines And Commercial Package Policies
IL 09 53 01 15	Exclusion Of Certified Acts Of Terrorism
IL 09 95 01 07	Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act)

**CM 89 01 01 15**  
 2518259  
 Sentry Select Insurance Company  
 00001 0000000000 20225 0 N

4d7bc497-1dd1-4297-9aa0-8ece45faa3b0

POLICY NUMBER: 2518259003

**APPLICABLE FORMS AND ENDORSEMENTS**

Form/Endorsement Number and Edition Date	Form/Endorsement Title
IL 70 26 07 13	Multiple Line Occurrence Deductible
IL 70 40 10 12	Exclusion Of Certain Computer-Related Losses

**COVERAGES****DEALERS COVERAGE****Limits of Insurance**

Covered Property Blanket	\$ 6,199,100
False Pretense	\$ 250,000
Earthquake Per Occurrence	\$ 250,000
Flood Per Occurrence	Excluded

**Deductibles**

**Policy Deductible for All Locations and for All Covered Causes of Loss (except as noted elsewhere in the Declarations)**

**Deductible Amount:** \$2,500

**Repair Percentage**  
Parts and Labor Repair Percentage 100%

**OPTIONAL COVERAGES**

The Legal Liability Coverage - Property of Others does not apply

The Physical Damage Waiver Coverage applies

The Peak Season Optional Coverage does not apply

**Dealers Coverage Optional Endorsements****Equipment Breakdown**

The most we will pay for damage to the insured's business personal property due to equipment breakdown from any one occurrence shall be the equipment breakdown limit of insurance shown below:

Equipment Breakdown Limit of Insurance: \$ 121,600

**Broadened Dealers Coverage**

Direct Loss Blanket Limit: \$25,000

**Replacement Cost - Rental Stock**

Repair Percentage 100%

**Flood Exclusion****Premises Description**

No.

All covered property



POLICY NUMBER: 2518259005

## COMMERCIAL EXCESS/UMBRELLA LIABILITY COVERAGE DECLARATIONS

Sentry Select Insurance Company (A Participating Stock Company) A member of the Sentry Insurance Group 1800 North Point Drive Stevens Point, WI 54481	Producer  James Scribner 10000345 210-473-4254
---	--

**POLICY INFORMATION**

**First Named Insured:** Rocky Hill Equipment Rentals, Inc.  
**Address:** 15305 Ih 35 North  
 Selma, TX 78154

The Commercial Excess/Umbrella Liability Coverage provided under this policy is effective 11/01/2020 to 11/01/2021 at 12:01 A.M. Standard Time at your mailing address shown above.

**LIMITS OF INSURANCE AND RETAINED LIMIT**

General Aggregate Limit	\$	15,000,000
Products/Completed Operations Aggregate Limit	\$	15,000,000
Each Occurrence Limit	\$	5,000,000
Retained Limit (Each Occurrence)	\$	0

**APPLICABLE FORMS AND ENDORSEMENTS**

In addition to the common policy forms and endorsements, the following forms and endorsements apply to the Commercial Excess/Umbrella Liability Coverage:

Form/Endorsement Number and Edition Date	Form/Endorsement Title
EU 02 75 11 13	Texas Changes - Cancellation And Nonrenewal
EU 70 09 03 12	Texas Changes
EU 70 28 12 08	Designated Insured
EU 70 89 05 14	Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data Related Activity
EU 88 00 12 07	Commercial Excess/Umbrella Liability Coverage
EU 88 07 12 04	Excess Legal Liability - Customer's Property

Basis of Premium is subject to audit.

POLICY NUMBER: 2518259005

**SCHEDULE OF UNDERLYING INSURANCE**

**Policy, Insurer and Limits of Liability**

<b>Commercial General Liability</b>	Sentry Select Insurance Company	2518259004
Including Products/Completed Operations		
General Aggregate Limit		\$ 500,000
(Other Than Products/Completed Operations)		
Products/Completed Operations Aggregate Limit		\$ 500,000
Personal and Advertising Injury Limit		\$ 500,000
Each Occurrence Limit		\$ 500,000
 <b>Commercial Auto Insurance</b>	Sentry Select Insurance Company	2518259001
Each Accident Limit		\$ 500,000

**OPTIONAL COVERAGE ENDORSEMENTS**

**Designated Insureds**

Under Coverage E only, the following are Designated Insured's for liability arising out of the ownership, maintenance or use of an "auto" for which coverage under Coverage E of this policy applies.

Rocky Hill	Owner
Wes Clark	Other

## Workers' Compensation and Employer's Liability Policy

## Information Page

Insured copy

NCCI Carrier Code: 29939

**Item 1**

**Insured name and address**

ROCKY HILL EQUIPMENT RENTALS INC  
15305 IH 35 N  
SELMA TX 78154-3817

**Policy number**  
0001126179

**Other workplaces not shown above**  
See Schedule of Operations attached.

<b>Federal tax ID</b>	<b>Entity</b>
742376183	Corporation
<b>Interim adjustment</b>	<b>Bureau no.</b>
Annual	420712677

**Producer**  
22143

INDEPENDENT INS CENTER INC  
1739 CITADEL PLAZA  
SAN ANTONIO TX 78209

**Branch**  
Austin  
**Renewal of**  
0001126179

**Item 2**

The policy period is from: 1/17/20 To: 1/17/21 12:01 a.m. standard time at the insured's mailing address

**Item 3**

- A. Workers' Compensation Insurance: Part One of the policy applies to the Workers' Compensation Law of the states listed here: Texas
- B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3A.  
The Limits of our Liability under Part Two are:

<b>Bodily Injury by Accident</b>	\$1,000,000.00	Each Accident
<b>Bodily Injury by Disease</b>	\$1,000,000.00	Policy Limit
<b>Bodily Injury by Disease</b>	\$1,000,000.00	Each Employee

- C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: None
- D. This policy includes these endorsements and schedules: see Schedule of Endorsements attached.

**Item 4**

The premium for this policy will be determined by our manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

	Payroll	Premium
<b>Total payroll and estimated manual premium</b>	\$998,372.00	\$18,891.00
<b>Description</b>	<b>Factor</b>	<b>Amount</b>
Increased Limits Factor 1,000,000/1,000,000/1,000,000	0.014	264.00
Experience Modifier		575.00
Schedule Modifier	0.920	(1,578.00)
Healthcare Network Option	0.120	(2,178.00)
Premium Discount	0.065	(1,038.00)
Expense Constant		150.00
<b>Total estimated annual premium</b>		<b>\$15,086.00</b>

**Minimum premium** \$250.00

Issue date: 12/26/19

Countersigned by



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## Workers' Compensation and Employer's Liability Policy

## Extension of Information Page

**Policy number** 0001126179  
**Issue date** 12/26/19  
**Policy period** 1/17/20 to 1/17/21

**Item 1: Locations**  
Insured copy

Location	Address	Effective	Expires
00001	ROCKY HILL EQUIPMENT RENTALS INC 15305 IH 35 N SELMA, TX 78154-3817	1/17/20	1/17/21

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.  
(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)  
This endorsement, effective on 1/17/20 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001126179 of Texas Mutual Insurance Company effective on 1/17/20

Issued to: ROCKY HILL EQUIPMENT RENTALS INC

This is not a bill



Authorized representative

NCCI Carrier Code: 29939

12/26/19

**Workers' Compensation and Employer's Liability Policy**

**Schedule of Operations**

**Item 4: Premium Calculation**

Insured copy

**Policy number** 0001126179  
**Issue date** 12/26/19  
**Policy period** 1/17/20 to 1/17/21

**Class codes for primary named insured**

State	Location	Code	Classification	Premium basis total estimated annual remuneration	Rate per \$100 of remuneration	Estimated annual premium
1/17/20 to 1/17/21						
42	00001	8107	Equipment Rental-Heavy-Without Operators & Drivers	686,978.00	2.690	18,480.00
42	00001	8809	Executive Officers NOC-Performing Clerical or Outside Salespersons Duties Only	62,400.00	0.180	112.00
42	00001	8810	Clerical Office Employees NOC	248,994.00	0.120	299.00
<b>Estimated manual premium</b>						<b>\$18,891.00</b>
		9812	Increased Limits Factor 1,000,000/1,000,000/1,000,000		0.014	264.00
		9898	Experience Modifier of 1.03		1.030	575.00
		9887	Schedule Modifier		0.920	(1,578.00)
		9874	Healthcare Network Option		0.120	(2,178.00)
		0063	Premium Discount		0.065	(1,038.00)
		0900	Expense Constant		1.000	150.00
<b>Total payroll and Texas total premium</b>				<b>\$998,372.00</b>		<b>\$15,086.00</b>

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.  
 (The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)  
 This endorsement, effective on 1/17/20 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001126179 of Texas Mutual Insurance Company effective on 1/17/20

Issued to: ROCKY HILL EQUIPMENT RENTALS INC



**Authorized representative**

This is not a bill

NCCI Carrier Code: 29939

12/26/19



PO Box 12058  
Austin, TX 78711-2058

INDEPENDENT INS CENTER INC  
1739 CITADEL PLAZA  
SAN ANTONIO TX 78209

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**WORKERS' COMPENSATION AND  
EMPLOYERS LIABILITY POLICY**

**WC 99 03 01**  
Agent copy

**GENERAL CHANGE ENDORSEMENT**

The policy to which this endorsement is attached is amended as shown below:

Added WC 42 03 04 (Blanket Waiver of Subrogation) per attached.

**Premium is determined at Final Audit.**

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.  
(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)  
This endorsement, effective on 3/19/21 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001126179 of Texas Mutual Insurance Company effective on 1/17/21

Endorsement no. 2

Issued to: ROCKY HILL EQUIPMENT RENTALS INC



Premium change: \$217.00

This is not a bill

**Authorized representative**

NCCI Carrier Code: 29939

3/29/21

**Workers' Compensation and Employer's Liability Policy**

**Schedule of Operations**

**Item 4: Premium Calculation**

Agent copy

**Policy number** 0001126179      **Issue date** 3/29/21      **Policy period** 1/17/21 to 1/17/22

**Class codes for primary named insured**

State	Location	Code	Classification	Premium basis total estimated annual remuneration	Rate per \$100 of remuneration	Estimated annual premium
1/17/21 to 3/19/21						
42	00001	0012	Paid Furloughed Employees	144.00	0.000	0.00
42	00001	8107	Equipment Rental-Heavy-Without Operators & Drivers	114,810.00	2.570	2,951.00
42	00001	8809	Executive Officers NOC-Performing Clerical or Outside Salespersons Duties Only	10,428.00	0.150	16.00
42	00001	8810	Clerical Office Employees NOC	41,613.00	0.120	50.00
<b>Estimated manual premium</b>						\$3,017.00
		9812	Increased Limits Factor 1,000,000/1,000,000/1,000,000		0.014	42.00
		9898	Experience Modifier of 1.01		1.010	31.00
		9887	Schedule Modifier		0.920	(247.00)
		9874	Healthcare Network Option		0.120	(341.00)
3/19/21 to 1/17/22						
42	00001	0012	Paid Furloughed Employees	716.00	0.000	0.00
42	00001	8107	Equipment Rental-Heavy-Without Operators & Drivers	572,168.00	2.570	14,705.00
42	00001	8809	Executive Officers NOC-Performing Clerical or Outside Salespersons Duties Only	51,972.00	0.150	78.00
42	00001	8810	Clerical Office Employees NOC	207,381.00	0.120	249.00
<b>Estimated manual premium</b>						\$15,032.00
		0930	Blanket Waiver: All Texas operations 03/19/2021 - 01/17/2022		0.020	301.00
		9812	Increased Limits Factor 1,000,000/1,000,000/1,000,000		0.014	210.00
		9898	Experience Modifier of 1.01		1.010	155.00
		9887	Schedule Modifier		0.920	(1,256.00)
		9874	Healthcare Network Option		0.120	(1,733.00)
		0063	Premium Discount		0.123	(1,871.00)
		0900	Expense Constant		1.000	150.00
<b>Total payroll and Texas total premium</b>				<b>\$999,232.00</b>		<b>\$13,490.00</b>

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.  
 (The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)  
 This endorsement, effective on 3/19/21 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001126179 of Texas Mutual Insurance Company effective on 1/17/21

Endorsement no. 2

Issued to: ROCKY HILL EQUIPMENT RENTALS INC



Premium change: \$217.00

This is not a bill

**Authorized representative**

NCCI Carrier Code: 29939

3/29/21

**Workers' Compensation and Employer's Liability Policy**

**Extension of Information Page  
Item 3: Endorsement Schedule**

Agent copy

**Policy number** 0001126179      **Issue date** 3/29/21      **Policy period** 1/17/21 to 1/17/22

State	Endorsement	Description
42	TM LRC 2008	Limited Reimbursement for Texas Employees Injured in Other Jurisdictions
42	TM MV 2011	Mutuals - Membership and Voting Notice
42	TM PC 2003	Policy Conditions Endorsement
42	WC 00 00 00 C	Policy Conditions Form
42	WC 00 00 01 B	Policy Coverage Document (Declarations Page)
42	WC 00 03 02	Designated Workplaces Exclusion Endorsement
42	WC 00 04 06	Premium Discount Endorsement
42	WC 00 04 14 A	Notification of Change in Ownership Endorsement
42	WC 00 04 22 C	Terrorism Risk Insurance Act Coverage Endorsement
42	WC 00 04 25	Experience Rating Modification Factor Revision Endorsement
42	WC 42 03 01 J	Texas Amendatory Endorsement
42	WC 42 03 04 B	Blanket Texas Waiver of Our Right To Recover from Others Endorsement
42	WC 42 03 08	Partners, Officers and Others Exclusion Endorsement
42	WC 42 04 04 A	Group Purchase of Workers' Compensation Insurance Endorsement
42	WC 42 04 07	Texas- Audit Premium and Retrospective Premium Endorsement
42	WC 42 04 08 A	Network Discount Endorsement

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.  
(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)  
This endorsement, effective on 3/19/21 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001126179 of Texas Mutual Insurance Company effective on 1/17/21

Endorsement no. 2

Issued to: ROCKY HILL EQUIPMENT RENTALS INC



Premium change: \$217.00

This is not a bill

**Authorized representative**

NCCI Carrier Code: 29939

3/29/21

**TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

This endorsement applies only to the insurance provided by the policy because Texas is shown in item 3.A. of the Information Page.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to bodily injury arising out of the operations described in the schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

**Schedule**

1.  Specific Waiver

Name of person or organization

Blanket Waiver

Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations: All Texas operations

3. Premium:

The premium charge for this endorsement shall be **2.00** percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium: Subject to Final Audit

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.  
(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)  
This endorsement, effective on 3/19/21 at 12:01 a.m. standard time, forms a part of:

Policy no. 0001126179 of Texas Mutual Insurance Company effective on 1/17/21

Endorsement no. 2

Issued to: ROCKY HILL EQUIPMENT RENTALS INC



Premium change: \$217.00

This is not a bill

**Authorized representative**

NCCI Carrier Code: 29939

3/29/21



Workers' Compensation and Employer's Liability Policy

Information Page

NCCI Carrier Code: 29939

Insured copy

Item 1 Insured name and address	ROCKY HILL EQUIPMENT RENTALS INC 15305 IH 35 N SELMA TX 78154-3817	<b>Policy number</b> 0001126179	
	Other workplaces not shown above See Schedule of Operations attached.	Federal tax ID 742376183	Entity Corporation
Producer 22143	INDEPENDENT INS CENTER INC 1739 CITADEL PLAZA SAN ANTONIO TX 78209	Interim adjustment Annual	Bureau no. 420712677
		Branch Austin	Safety Group MACHINERY AND EQUIPMENT DEALERS SAFETY
		Renewal of 0001126179	Certificate of Approval 06-003

Item 2 The policy period is from: 1/17/21 To: 1/17/22 12:01 a.m. standard time at the insured's mailing address

Item 3

A. Workers' Compensation Insurance: Part One of the policy applies to the Workers' Compensation Law of the states listed here: Texas

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3A.  
The Limits of our Liability under Part Two are:

Bodily Injury by Accident	\$1,000,000.00	Each Accident
Bodily Injury by Disease	\$1,000,000.00	Policy Limit
Bodily Injury by Disease	\$1,000,000.00	Each Employee

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: None

D. This policy includes these endorsements and schedules: see Schedule of Endorsements attached.

Item 4

The premium for this policy will be determined by our manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Payroll		Premium
Total payroll and estimated manual premium		\$1'
Description	Factor	Amount
Increased Limits Factor 1,000,000/1,000,000/1,000,000	0.014	253.00
Experience Modifier		183.00
Schedule Modifier	0.920	(1,479.00)
Healthcare Network Option	0.120	(2,041.00)
Premium Discount	0.123	(1,841.00)
Expense Constant		150.00
<b>Total estimated annual premium</b>		
Minimum premium \$250.00		

Issue date: 1/14/21

Countersigned by 

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**Meeting Date:** April 29, 2021      **Agenda Type:** Items 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:** Ian Taylor  
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, to reflect organizational changes and the Board’s existing practices.

On September 24, 2020, the Board established a Governance and Personnel Committee (the “Committee”) to review the Governance Policies and provide recommended revisions. The Committee met on multiple occasions to review the Governance Policies and provided the following recommended changes to the Board at its strategic retreat on March 31, 2021:

- Add a preface explaining the purpose of the Governance Policies and any related revision history
- Structure operational policies around NBU’s strategic goals
- Incorporate strategic goal measurements in lieu of maintaining separate operational and outcome policies
- Rename policies as follows:

Current Policy Name	Proposed Change to Policy Name
Operational Policies	Strategic Goals (SG)
Governance Process	Board Governance (BG)
Board-Management Delegation	No change (BMD)

- Update policies to reflect current or preferred Board and NBU practices
- Add new policies describing the Vice President's role and addressing Board member discipline, resignation, and removal
- Reorganize misplaced policies or language
- Revise vague, unclear, or outdated language

The Committee incorporated Board feedback received at and after the retreat into the current draft of Governance Policies. These additional revisions included the following changes:

- Set minimum time periods for setting and reviewing NBU's strategic goals (SG #1)
- Move provision pertaining to operating capital from policy on Infrastructure & Technology (SG #4) to policy on Financial Excellence (SG #5)
- Clarify certain language in the policy for Financial Excellence (SG#5)
- Clarify timing of the annual planning process (BG #11)
- Add reference to additional training resources in the policy on Governance Investment (BG#12)
- Clarify communication requirements in the policy for Unity of Control (BMD #2)

The updated Governance Policies were provided to the Board on April 23, 2021. The Committee is scheduled to present the final draft of the Governance Policies to the Board during its May 25, 2021 meeting.

## **FINANCIAL IMPACT**

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None

## **LINK TO STRATEGIC PLAN**

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**Recognized as a Trusted Community Partner Dedicated to Excellence in Service**

## **EXHIBITS**

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1. Governance Policies (redline—changes since March 31, 2021 retreat)
2. Governance Policies (redline—cumulative)

# *New Braunfels Utilities*

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## **Governance Policies**

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### ***PREFACE***

In January 2010, the Board of Trustees (Board) for New Braunfels Utilities (NBU) established governance policies under which it would operate. Those policies were revised in March 2016 and [May 2021](#). The [May 2021](#) revisions, [which became effective on August 1, 2021](#), were organizational and substantive in nature and were designed to incorporate the Board’s existing practice and strategic goals. Any governance policies that existed prior to the [May 2021](#) revisions are listed herein as “Formerly [Policy Type, Number, and Title].” Governance policies without any such notation were added in [May 2021](#).

## *New Braunfels Utilities*

### **Governance Policies**

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<u>Policy Type</u>	<u>Policy #</u>	<u>Policy Title</u>
Strategic Goals	SG #1	Global Policy on Strategic Goals
	SG #2	Customers & Community
	SG #3	People & Culture
	SG #4	Infrastructure & Technology
	SG #5	Financial Excellence
	SG #6	Safety
	SG #7	Stewardship
Board Governance	BG #1	Global Policy on Governance Process
	BG #2	Governing Style
	BG #3	Board Job Description
	BG #4	Board Member Code of Conduct
	BG #5	Board Member Discipline, Resignation & Removal
	BG #6	President's Role
	BG #7	Vice President's Role
	BG #8	Board Secretary's Role
	BG #9	Board Committee Principles
	BG #10	Board Committees & NBU-Supported Boards
	BG #11	Annual Planning
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Board-Management Delegation	BMD #1	Global Policy on Board Delegation
	BMD #2	Unity of Control
	BMD #3	Accountability of the CEO
	BMD #4	Delegation to the CEO
	BMD #5	Evaluating CEO Performance
	BMD #6	Communication and Support to the Board
	BMD #7	Emergency Executive CEO Succession

# *New Braunfels Utilities*

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## **Governance Policies: Strategic Goals**

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POLICY TYPE: STRATEGIC GOALS SG #1

POLICY TITLE: GLOBAL POLICY ON STRATEGIC GOALS

Date Approved by Board: May 25, 2021 (effective August 1, 2021)

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At a minimum of every five years, the Board shall review and establish Strategic Goals for NBU and determine how achievement of or adherence to those Strategic Goals should be measured. The Board then shall review NBU’s progress periodically throughout each fiscal year (August 1 to July 31), evaluate NBU’s achievement of or adherence to those Strategic Goals at least annually each fiscal year, and confirm the continuing validity of each Strategic Goal. The Board at all times maintains discretion to add, remove, or change any Strategic Goal or any achievement or adherence measurement set.

POLICY TYPE: STRATEGIC GOALS SG #2

POLICY TITLE: CUSTOMERS & COMMUNITY  
(Formerly OP#2a Treatment of Customers)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to NBU being recognized as a trusted community partner dedicated to excellence in service.

With respect to interactions with current or potential customers or the community at large, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, unsecure, untimely, unnecessarily intrusive, or in violation of any federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

The CEO shall not:

1. Elicit information for which there is no business necessity.
2. Use methods of collecting, reviewing, transmitting, or storing consumer information that fails to reasonably protect against improper access.
3. Operate facilities without reasonably appropriate customer accessibility and security.
4. Operate without established policies providing customers a clear understanding of what to expect from the services NBU offers.
5. Withhold information about this policy or deny any customers who are aggrieved a right to seek review under this policy.
6. Project an image to customers or the community at large that creates a negative perception of NBU or jeopardizes NBU’s status in the community.

The Board will review and measure NBU’s progress towards achieving or adhering to its Customers & Community Strategic Goal by examining annual customer satisfaction survey results, customer or community feedback received, and/or any other related information provided by its CEO, NBU customers, or the community at large. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

POLICY TYPE: STRATEGIC GOALS SG #3

POLICY TITLE: PEOPLE & CULTURE  
(Formerly OP#2b Treatment of Staff & OP#2c Compensation & Benefits)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to NBU developing and retaining an engaged and ethical workforce.

With respect to employment, compensation, and benefits of employees or contingent workers, the CEO shall not cause or allow jeopardy to NBU’s fiscal integrity or public image or conditions that violate federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

With respect to the retention and engagement of consultants or volunteers, the CEO shall not cause or allow conditions that create an employment relationship or that violate federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

The CEO shall not:

1. Change the CEO’s own compensation without the Board’s express approval.
2. Change the CEO’s benefits, except as would be consistent with any benefits provided to all other employees.
3. Promise or imply permanent or guaranteed employment or a contract for tenure.
4. Establish compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
5. Create any employment or other compensation or benefit-related obligations over a longer term than revenues can be reasonably projected to satisfy.
6. Enter into any employment agreement without the Board’s express approval.

The Board will review and measure NBU’s progress towards achieving or adhering to its People & Culture Strategic Goal by examining annual employee engagement survey results, employee feedback received, and/or any other related information provided by its CEO or NBU employees. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

POLICY TYPE: STRATEGIC GOALS SG #4

POLICY TITLE: INFRASTRUCTURE & TECHNOLOGY  
(Formerly OP#2f Asset Protection)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to NBU maintaining organizational reliability and resiliency.

The CEO shall not allow NBU assets to be unprotected, inadequately maintained, or unnecessarily risked.

The CEO shall not:

1. Unnecessarily expose NBU, its Board, or staff to claims of liability.
2. Unreasonably fail to protect property, information, or data files from loss, significant damage, or unauthorized access.
3. Unreasonably fail to address aging infrastructure, plan for additional growth, or evaluate the availability and viability of innovative or technological improvements.

The Board will review and measure NBU’s progress towards achieving or adhering to its Infrastructure & Technology Strategic Goal by examining NBU’s SAIDI three-year rolling average, technological uptime, percentage of completion of capital improvement projects, and any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

POLICY TYPE: STRATEGIC GOALS SG #5

POLICY TITLE: FINANCIAL EXCELLENCE  
(Formerly OP#2d Financial Condition & Activities & OP#2e  
Financial Planning & Budgeting)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to NBU maintaining a competitive bond rating.

With respect to the actual, ongoing financial condition and activities of NBU, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established through its Strategic Goals.

The CEO shall not:

1. Expend more funds than allocated by the Board for the current fiscal year without express Board approval.
2. Exceed the limits of NBU’s Purchasing Policy.
3. Incur debt without appropriate authorization from the Board or City of New Braunfels.
4. Fail to settle liabilities in a timely manner.
5. Allow government-ordered or regulatory filings, fines, or payments to be overdue or inaccurately filed.
6. Acquire, encumber, or dispose of real estate other than for normal operating items, such as rights-of-way or easements, and in connection with approved Board projects
7. Invest or hold operating capital in insecure instruments, including uninsured checking accounts or noninterest-bearing accounts, except where necessary to facilitate operational transactions.

The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to risk financial jeopardy or deviate materially from the Board’s approved annual budget or the Strategic Goals.

The CEO shall not allow budgeting to:

1. Fail to include:
  - (a) credible projection of revenues and expenses,
  - (b) separation of capital and operational items,
  - (c) cash flow analysis, and
  - (d) disclosure of planning assumptions
2. Provide less for Board development than is set forth in the Governance Investment policy (BG #12)

The Board will review and measure NBU’s progress towards achieving or adhering to its Financial Excellence Strategic Goal by examining its annual cost per customer, its bond (or other recognized financial) rating, and/or any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

POLICY TYPE: STRATEGIC GOALS SG #6

POLICY TITLE: SAFETY & SECURITY

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to providing a safe and secure environment for employees, customers, and the community at large.

The CEO shall not cause or allow conditions that create an unsafe or unsecure environment for NBU or its employees, contingent workers, consultants, volunteers, vendors, or customers.

The CEO shall not unreasonably fail to address or create a plan for addressing:

1. Emergency situations;
2. At-fault or willful safety violations;
3. Old or outdated equipment or technology; and
4. Data- and cyber-security.

The Board will review and measure NBU’s progress towards achieving or adhering to its Safety & Security Strategic Goal by examining emergency response procedures, data- and cyber-security efforts, workplace safety or security incidents, and/or any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

POLICY TYPE: STRATEGIC GOALS SG #7

POLICY TITLE: STEWARDSHIP

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to being a responsible steward of NBU’s resources.

The CEO shall not cause or allow conditions that:

1. Jeopardize or irresponsibly use or deplete NBU’s environmental assets or the community’s natural resources; or
2. Unreasonably fail to consider environmental conservation and sustainability when creating NBU policies and plans.

The Board will review and measure NBU’s progress towards achieving or adhering to its Stewardship Strategic Goal by examining the status and progress of any implemented strategies for sustainable resources and conservation initiatives (such as One Water) and/or any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

# *New Braunfels Utilities*

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## **Governance Policies: Board Governance**

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POLICY TYPE: BOARD GOVERNANCE BG #1

POLICY TITLE: GLOBAL POLICY ON GOVERNANCE PROCESS  
(Formerly GP#1 Governance Process)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The purpose of the Board is to:

1. Represent the interests of the City of New Braunfels and the community at large, keeping in mind the value of being a “Municipally Owned Utility.”
2. Determine the benefits that NBU will provide, keeping a long term, strategic perspective.
3. Set and reevaluate the Strategic Goals as provided for in the Global Policy on Strategic Goals (SG #1).
4. Monitor NBU operations to ensure achievement of or adherence to the Strategic Goals.

POLICY TYPE: BOARD GOVERNANCE BG #2

POLICY TITLE: GOVERNING STYLE  
(Formerly GP#2a Governing Style)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board will govern lawfully, observing the principles of its adopted governance model, with an emphasis on:

- outward vision rather than an internal preoccupation,
  - encouragement of diversity in viewpoints,
  - strategic leadership more than administrative detail,
  - clear distinction of Board and CEO roles,
  - collective rather than individual decisions,
  - future rather than past or present, and
  - proactivity rather than reactivity.
1. The Board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will allow no officer, individual member, or Board committee to hinder or be an excuse for not fulfilling its group responsibility.
  2. The Board will not use the expertise or position of individual members, including the mayor, as a substitute for the judgment of the Board. Expertise of individual members may be used to enhance the understanding of the Board as a whole.
  3. The Board will direct, control, and inspire the organization through the careful establishment of overarching written policies reflecting the Board’s values and perspectives on the strategic goals of the organization. The Board will be responsible for approving, retaining, and overseeing these overarching policies, with NBU staff assisting with development and implementation in compliance with any Board directives.
  4. The Board will monitor and discuss the Board’s process and performance at least annually and more often if necessary. Self-monitoring will include comparison of Board activity and discipline to the Board Governance and Board-Management Delegation Policies.
  5. Although the Board can change its Governance Policies and any other Board policies at any time, it will scrupulously observe those currently in force.

POLICY TYPE: BOARD GOVERNANCE BG #3

POLICY TITLE: BOARD JOB DESCRIPTION  
(Formerly GP#2b Board Job Description)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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Specific job outputs of the Board, as the agent of the City of New Braunfels, are those that ensure appropriate NBU organizational performance.

Accordingly, the Board will provide:

1. Authoritative linkage between the NBU and the City of New Braunfels.
  - a. The Board will update the City of New Braunfels on the status of NBU when needed or requested.
  - b. The Board will inform the City of New Braunfels on Board member experience, diversity, and constitution when needed or requested.
  - c. The Board will respond to reasonable requests for information from the City of New Braunfels on a timely basis.
2. Written governing policies that realistically address the broadest level of all NBU decisions and situations, categorized as follows:
  - a. Strategic Goals: Establish the short- and long-term strategic direction of NBU, the method by which the Board will evaluate adherence to or achievement of its strategic direction, and any constraints on CEO authority in relation thereto.
  - b. Board Governance: Specifies how the Board conceives, implements, and monitors itself and its tasks.
  - c. Board-Management Delegation: Sets forth the authority delegated by the Board to the CEO, how the Board and CEO will communicate, and the means by which the CEO will be held accountable, monitored, and succeeded.
3. Assurance of successful organizational performance of NBU’s Strategic Goals.

POLICY TYPE: BOARD GOVERNANCE BG #4

POLICY TITLE: BOARD MEMBER CODE OF CONDUCT  
(Formerly GP#2c Board Member Code of Conduct)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

1. Members must abide by any legal obligations or requirements contained in the City of New Braunfels Charter or Code of Ordinances and have loyalty to the City of New Braunfels, unconflicted by loyalties to NBU staff, other organizations, and any personal interest as a customer.
2. Members must conduct business in accordance with the Public Information and Open Meetings Acts.
  - a. Members will only conduct business in a posted meeting open to the public.
  - b. Members will use proper protocol when using email and other digital or electronic forms of communication. Email communications, telephone calls, text messages, and any other verbal or written correspondence that ultimately involve a quorum may constitute a meeting, even if the quorum is not physically present in the same location and the discussion does not take place at the same moment in time.
  - c. Members should direct communication through the CEO and not use “reply all” when responding to communications sent to the Board on an informational basis.
3. Members must abide by the City of New Braunfels’ Code of Ethics and avoid any conflict of interest with respect to their fiduciary responsibility.
  - a. There must be no self-dealing or business by members with NBU. Members will annually disclose their involvements with other organizations, vendors, or associations that may be perceived as being a conflict in accordance with Texas state law.
  - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall immediately disclose the conflict, withdraw without comment from the deliberations, and abstain from voting on that issue.

4. Members may not attempt to exercise individual authority over NBU or its staff.
  - a. Members’ interaction with the CEO or NBU staff must recognize the lack of authority vested in individual Board members, except when expressly Board-authorized.
  - b. Members’ interaction with public, press or other entities must recognize the same limitation and the inability of any individual member to speak for the Board, except on explicitly stated Board decisions.
  - c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of performance of the CEO or any NBU staff.
  - d. In furtherance of this objective, members must abide by any constraints on communications or activities provided elsewhere in these policies, including in the Board-Management Delegation policies.
5. Members will maintain the confidentiality appropriate for sensitive issues, including with respect to all Executive Session discussions.
6. Members must attend Board meetings and be properly prepared for Board deliberation.
7. Members may recommend or request an item for Board discussion by submitting the item to the Board President generally 21 days before the Board meeting, but in no event no later than 7 days before the Board meeting. If the timing of the items submitted is problematic, the CEO may visit with the Board President and the requesting Board Member to determine if an alternative meeting would be sufficient or scheduled.

POLICY TYPE: BOARD GOVERNANCE BG #5

POLICY TITLE: BOARD MEMBER DISCIPLINE, RESIGNATION, & REMOVAL

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy-making principles, respect of roles, adherence to Board policies, and ensuring continuance of governance capability.

1. Members who fail to abide by the Board’s Code of Conduct may be subject to censure or a recommendation of removal to the City of New Braunfels.
2. Censure is a formal and public condemnation by the Board of a member whose actions run counter to the Board’s Code of Conduct (BG#4). Censure of a Board member must be unanimous by the remaining Board members.
3. Only the City of New Braunfels can remove a Board member; however, the Board may recommend removal of a member with advance notice to the member and, when appropriate, an opportunity to correct the behavior or actions leading to the recommendation. Any recommendation of removal must be unanimous by the remaining Board members.

Members will be considered to have resigned from the Board if they are absent without excuse from all Board meetings for four consecutive months. Members who are absent without excuse from all Board meetings for three consecutive months will be subject to censure.

POLICY TYPE: BOARD GOVERNANCE BG #6

POLICY TITLE: PRESIDENT’S ROLE  
(Formerly GP#2d President’s Role)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The chief governance officer (Board President), a specifically empowered member of the Board, assures the integrity of the Board’s process, and secondarily represents the Board to outside parties.

1. The Board President shall assure that the Board’s actions consistently comply with its own policies and rules and those legitimately imposed upon it from outside the organization.
  - a. Meeting discussion content ordinarily will address only those issues that, according to Board policy, clearly belong to the Board to decide or to monitor.
  - b. Deliberation will be fair, open, and thorough, but also timely, orderly pertinent, and courteous.
  - c. Information that is unnecessary for monitoring NBU performance or Board decisions will be avoided or minimized and always noted as such.
2. The authority of the President consists of making decisions that fall within the topics covered by the Board Governance and Board-Management Delegation policies and any other Board policies established, with the exception of (a) personnel matters pertaining to the CEO or (b) where the Board specifically delegates portions of its authority to others. The President is authorized to use any reasonable interpretation of the provisions contained in those policies.
  - a. The President is empowered to conduct Board meetings with all the commonly accepted power of a presiding officer according to Roberts Rules of Order.
  - b. The President cannot enact policies or provide directives to the CEO without Board approval.
  - c. The President may represent the Board to outside parties in announcing Board-stated positions and in stating the President’s decisions and interpretations within the areas delegated.
  - d. The President may delegate authority to another Board member, but will remain accountable for its use.

- e. The President will ensure an annual evaluation of the Board’s performance, processes, and policies is conducted as required under the Governance Investment policy (BG#12).
- f. For succession purposes, the President will maintain open dialogue and communication with the Board Vice President and will work with the Vice President to develop and implement any necessary officer transition plans.
- g. Throughout the year, the Board President will ensure the Board attends to consent agenda items as expeditiously as possible.

POLICY TYPE: BOARD GOVERNANCE BG #7

POLICY TITLE: VICE PRESIDENT’S ROLE

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Vice President is an officer of the Board whose role is to assist the Board President and perform the Board President’s responsibilities when the Board President is unavailable.

1. The Board or the Board President may delegate special assignments to the Vice President from time to time.
2. The Vice President is responsible for implementing and overseeing the CEO annual evaluation process. In doing so, the Vice President will:
  - a. Develop the evaluation mechanism and procedure to be used during the process;
  - b. Solicit and maintain the confidentiality of completed evaluations from individual Board members;
  - c. Compile, combine, and present Board member evaluation results to the Board as a whole;
  - d. Obtain a self-evaluation from the CEO to be presented to the Board as a whole;
  - e. Ensure the Board advises the CEO of its final evaluation results during an Executive Session and the results are maintained by NBU’s General Counsel; and
  - f. Facilitate any CEO compensation discussions amongst the Board.
3. For succession purposes, the Vice President will maintain open dialogue and communication with the Board President and will work with the Board President to develop and implement any necessary officer transition plans.

POLICY TYPE: BOARD GOVERNANCE BG #8

POLICY TITLE: BOARD SECRETARY’S ROLE  
(Formerly GP#2e Board Secretary’s Role)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board Secretary is an officer of the Board but need not be a member of the Board. The Board Secretary’s role is to ensure the integrity of the Board’s documents.

1. The Board Secretary shall ensure all Board documents and filings are accurate and timely.
2. The Board Secretary shall ensure Board policies are current and accurately reflect Board decisions.
3. The Board Secretary shall ensure the Board minutes accurately reflect Board decisions and are maintained in accordance with state law, including the Public Information Act and any other record retention laws or requirements.

POLICY TYPE: BOARD GOVERNANCE BG #9

POLICY TITLE: BOARD COMMITTEE PRINCIPLES  
(Formerly GP#2f Board Committee Principles)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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Board committees, when used, will be assigned to assist the entire Board but shall not interfere with the authority delegated by the Board to the CEO.

1. Committees will be used sparingly and created as needed.
2. Committees will be appointed by the Board President, unless specially created by Board action.
3. Board committees shall not advise or interfere with NBU staff. Committees will assist the Board by preparing policy alternatives and assuring organizational implications for Board deliberation. Typically, Board committees will not deal directly with current staff operations.
4. Board committees may not speak or act for the Board except when specifically authorized. Expectations and scope of authority will be expressly stated to avoid conflict with authority delegated to the CEO.
5. Board committees have no authority over NBU staff. The CEO works for the full Board and is not required to obtain approval of a Board committee before executive action.
6. Board committees shall avoid over-identification with organizational parts rather than the whole. Therefore, a Board committee that drafts and recommends a particular policy should not monitor achievement or adherence; rather the entire Board retains responsibility and authority to monitor achievement or adherence.
7. This policy applies to any group formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members. It does not apply to committees formed under the authority of the CEO.

POLICY TYPE: BOARD GOVERNANCE BG #10

POLICY TITLE: BOARD COMMITTEES & NBU-SUPPORTED BOARDS  
(Formerly GP#2g Board Committee Structure)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only Board approved committees are those set forth in this policy. Unless otherwise stated, a committee ceases to exist when its task is complete. Timely reporting to the Board shall be by submission of a verbal or written report, following each meeting, with appropriate comment by the Committee Chair.

An NBU-supported board is a board expressly created by the Board to represent a specified NBU-supported operation. An NBU-supported board is comprised of Board members appointed by the Board in compliance with its bylaws. Timely reporting to the Board shall be reported on the Board's agenda as Items from Staff.

Standing Committees & NBU-Supported Boards:

1. **Audit Committee** – The Audit Committee is responsible for the oversight of financial reporting, internal controls, as well as the internal and external auditors' activities.
2. **Budget Committee** – The Budget Committee is responsible for the oversight of development of the budget to ensure shared understanding of the Financial Excellence Strategic Goal and its incorporation into the NBU budget.
3. **Governance Committee** – The Governance Committee is responsible for reviewing and making recommendations to the Board on its governance policies, practices, and procedures.
4. **Headwaters at the Comal Board (Headwaters)** – Headwaters is an NBU-supported board responsible for site development and fundraising for NBU's conservation legacy located at 333 Klingemann.
5. **Investment Committee** – The Investment Committee is responsible for the oversight of NBU's investment assets, the review of the portfolio performance and investment policies of NBU, and to provide recommendations for the Board of Trustees' approval to ensure that investment activities are in compliance with the Texas Public Funds Investment Act and NBU's Investment Policy and in furtherance of NBU's guidelines and objectives.

6. **Legislative Committee** – The Legislative Committee is responsible for (a) the development of comprehensive legislative strategies for NBU including determining which state or national legislative initiatives NBU would like to endorse or oppose; (b) working with the CEO and NBU staff on the effective and timely implementation of those strategies; and (c) developing NBU’s positions on various legislative initiatives, including by undertaking such research as may be necessary to support such positions.
  
7. **Records Management Committee** – The Records Management Committee is responsible for promoting sound records management practices through the development of a Records Management Policy for use by NBU staff, reviewing and proposing changes and improvements if needed to the Records Management Policy, and providing final approval for the destruction of records in accordance with approved records control schedules.

POLICY TYPE: BOARD GOVERNANCE BG #11

POLICY TITLE: ANNUAL PLANNING  
(Formerly GP#2h Annual Planning)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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To accomplish its job with a governance style consistent with Board policies, the Board will follow an annual agenda that reviews and implements the Strategic Goals and continually improves Board performance through Board education and enriched input and deliberation.

1. Because NBU operates on a fiscal year that begins on August 1, the Board will conduct its annual planning process and annual budget meetings during the first and second calendar quarters of each year.
  - a. To prepare for its annual budget meetings, the Board will provide direction during the first calendar quarter on the gathering of data and information needed.
  - b. The Board’s annual planning process for the following fiscal year will occur in connection with the Board’s annual retreat and annual budgeting meetings and must occur no later than the end of June of each calendar year.
2. Education of Board members on governance and related to the Strategic Goals (e.g. presentations by futurists, demographers, advocacy groups, staff, and so on) will be included as part of the annual planning process and shall occur as needed and at a minimum at least once each fiscal year.

POLICY TYPE: BOARD GOVERNANCE BG #12

POLICY TITLE: GOVERNANCE INVESTMENT  
(Formerly GP#2i Cost of Governance)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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Because good governance benefits NBU and its customers, the Board will invest in its governance capacity and ability. The Board’s investment shall be facilitated by the Board President, with assistance from NBU staff, and will include: (a) orientation of new members on these Governance Policies and other Board policies established; (b) an annual Board discussion and review of any necessary process or policy improvements; and (c) annual continuing education of the Board’s legal and ethical obligations.

1. Board skills, methods, and support must be sufficient to ensure governing with excellence.
  - a. New Board members will receive at least quarterly training during their first year of service to assist in orienting them to NBU and their Board responsibilities and obligations.
  - b. Annual training and retraining will be used to maintain and increase existing Board member skills and understandings.
  - c. Outreach mechanisms may be used as needed to ensure the Board’s ability to listen to diverse viewpoints and values.
  - d. A Board Member manual will be developed and maintained to assist Board members in their service to the Board.
  - e. New and existing Board members are strongly encouraged to attend ERCOT, American Public Power Association (APPA), American Water Works Association (AWWA), or other industry conferences, seminars, and workshops as part of their initial and continuing education.
2. Costs will be incurred prudently with due consideration for the value of development and maintenance of Board member qualifications.
  - a. Expenses for training, including attendance at industry conferences, seminars, and workshops, will be included in the annual budget.
  - b. Expenses for surveys, focus groups, opinion analyses, and meeting costs will be included in the annual budget.

3. The Board will establish its cost of governance budget for the next fiscal year during the annual budgeting process.

## *New Braunfels Utilities*

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### **Governance Policies: Board Management Delegation**

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #1

POLICY TITLE: GLOBAL POLICY ON BOARD DELEGATION  
(Formerly BMD#1 Global Board-Management Delegation)

Date Adopted by Board: [May 25, 2021 \(effective August 1, 2021\)](#)

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The Board’s sole official connection to the operational organization, its achievements, and conduct will be through the chief executive officer (CEO).

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #2

POLICY TITLE: UNITY OF CONTROL  
(Formerly BMD#2a Unity of Control)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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Only officially passed motions of the Board are binding on the CEO.

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO except in rare instances when the Board has specifically authorized such exercise of authority.
2. Individual Board members may communicate with NBU executive management staff on routine administrative matters, provided the CEO is included on or in any written communication.
3. Board member communications regarding the CEO's evaluation or the evaluation process should include the Vice President and need not include the CEO.
4. Any written communication on material NBU matters to the CEO from:
  - a. An individual Board member must include the Board President, unless the communication concerns the Board President, in which case the Vice President must be included.
  - b. The Board President must include the Vice President, unless the communication concerns the Vice President.
5. Individual Board members should refrain from making requests that require a material amount of staff time or funds or are disruptive. Such requests should be Board-authorized requests. The CEO should notify the individual Board member making the request and the Board President or Vice President, as appropriate (but not both), when such requests require, in the CEO's opinion, a material amount of staff time or funds or are disruptive.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #3

POLICY TITLE: ACCOUNTABILITY OF THE CEO  
(Formerly BMD#2b Accountability of the CEO & OP#1 Global Executive Constraint)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The CEO is the Board's only link to operational achievements and conduct. All authority and accountability of staff is considered the authority and accountability of the CEO. The CEO is therefore responsible for ensuring any NBU practice, activity, decision, or circumstance does not violate federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

1. The Board will never give instructions to staff who report directly or indirectly to the CEO.
2. The Board will not evaluate, either formally or informally, any staff other than the CEO.
3. The Board will consider the following when evaluating CEO job performance (Performance Factors):
  - a. Organizational performance in relation to the Strategic Goals;
  - b. Adherence to all applicable Governance Policies and other Board policies or directives;
  - c. Compliance with any written contractual agreement between the Board and the CEO;
  - d. Realization of operational emergent and annual specific goals and directives as set by the Board;
  - e. Maintenance of communication and transparency with the Board;
  - f. Satisfaction of any other specific requirements or expectations set by the Board; and
  - g. Feedback through a self-evaluation from the CEO.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #4

POLICY TITLE: DELEGATION TO CEO  
(Formerly BMD#2c Delegation to CEO)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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Through these Governance Policies and other Board policies and directives, the Board defines for the CEO the Strategic Goals to be achieved and describes certain organizational situations and actions to be avoided. The CEO may employ any reasonable interpretation of these Governance Policies and other Board policies and directives.

1. The Board will develop Strategic Goals and other Board policies directing the CEO to achieve specified results in accordance with NBU’s annual approved budget.
2. As long as the CEO uses any reasonable interpretation of these Governance Policies and other Board policies or directives, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the CEO shall have full force and effect as if decided by the Board.
3. Any Governance Policy or other Board policy or directive limiting the CEO’s authority will describe those practices, activities, decisions, and circumstances that would be unacceptable to the Board even if they were to be effective. The Board, however, will never prescribe organizational operational methods delegated to the CEO.
4. At any time, the Board may modify its Governance Policies and other Board policies and directives to redefine or realign the authority delegated to the CEO. The Board, however, may not make any retroactive modification and shall recognize and support the decisions of the CEO previously authorized.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #5

POLICY TITLE: EVALUATING CEO PERFORMANCE  
(Formerly BMD#2d Monitoring CEO Performance)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The CEO’s job performance will be evaluated based on the Performance Factors outlined in the Accountability Policy (BMD #3) and documented through an annual formal evaluation process facilitated by the Vice President (*see* Vice President’s Role, BG #7).

1. The CEO’s job performance may be monitored informally, in any frequency, and by any method chosen by the Board.
2. The Board will acquire information on the CEO’s job performance through one or more of following three methods:
  - a. Internal Report: CEO provides data, interpretations, evaluations and compliance status solely to the Board, whether verbal or written.
  - b. External Report: The Board selects or retains a disinterested third party to assess the CEO’s job performance.
  - c. Direct Board Assessment: Designated Board member(s) assess the CEO’s job performance.
3. In every case, the Board will evaluate (a) the reasonableness of the CEO’s interpretation of the Performance Factors and (b) the data demonstrating the CEO’s accomplishment of the Performance Factors. The applicable standard for determining the reasonableness of a CEO interpretation shall be as a *reasonable and prudent CEO*, and the Board shall avoid subjective, ad-hoc or arbitrary assessment criteria.
4. An evaluation of the CEO’s job performance and compensation will be conducted at least annually following the conclusion of the fiscal year (preferably in August). The Board, however, can review and discuss the CEO’s job performance and compensation at any other time, as and if necessary.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #6

POLICY TITLE: COMMUNICATION & SUPPORT TO THE BOARD  
(Formerly OP#2g Communication and Support to the Board)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board requires the CEO to maintain communication and transparency and to inform and support the Board’s Strategic Goals, Governance Policies, and any other Board policy or directive.

The CEO will not:

1. Neglect to submit data or information required by the Board according to its Evaluating CEO Performance policy in a timely, accurate, and understandable fashion.
2. Let the Board be unaware of any significant incidental information it requires, including anticipated adverse media coverage, threatened or pending lawsuits, and material external and internal changes.
3. Allow the Board to be unaware that, in the CEO’s opinion, the Board is not in compliance with its Governance Policies, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and CEO.
4. Allow the Board to be without information needed to make informed decisions or to be unaware of relevant trends.
5. Allow the Board to be without a workable mechanism for official Board, officer, or committee communications.
6. Deal with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
7. Allow the Board to be unaware of any actual or anticipated noncompliance with any other policy or directive of the Board.
8. Fail to submit to the Board a consent agenda containing items delegated to the CEO yet required by law or contract to be Board-approved, along with any applicable monitoring or supporting information.

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #7

POLICY TITLE: EMERGENCY EXECUTIVE CEO SUCCESSION  
(Formerly OP#2h Emergency Executive Succession)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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In order to protect the Board and NBU from the sudden loss of a CEO, the Board will require the CEO to provide some viable mechanism for the operations of NBU to continue in the event of sudden loss of the CEO.

The CEO will not:

1. Permit there to be fewer than two staff members sufficiently familiar with Board and CEO issues and procedures to enable either staff member to assume the role of interim CEO with reasonable proficiency.
2. Allow travel mechanisms or methodologies that put the organization at risk of the sudden loss of these multiple key individuals.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

## *New Braunfels Utilities*

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### **Governance Policies**

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#### ***PREFACE***

In January 2010, the Board of Trustees (Board) for New Braunfels Utilities (NBU) established governance policies under which it would operate. Those policies were revised in March 2016 and May 2021. The May 2021 revisions, which became effective on August 1, 2021, were organizational and substantive in nature and were designed to incorporate the Board's existing practice and strategic goals. Any governance policies that existed prior to the May 2021 revisions are listed herein as "Formerly [Policy Type, Number, and Title]." Governance policies without any such notation were added in May or June 2021.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

## *New Braunfels Utilities*

### **Governance Policies**

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	SG #4	Infrastructure & Technology
	SG #5	Financial Excellence
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*Revisions approved May 25, 2021; effective August 1, 2021*

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**Governance Policies: Strategic Goals**

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FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: STRATEGIC GOALS SG #1

POLICY TITLE: GLOBAL POLICY ON STRATEGIC GOALS

Date Approved by Board: May 25, 2021 (effective August 1, 2021)

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At a minimum of Every five years, the Board shall review and establish Strategic Goals for NBU and determine how achievement of or adherence to those Strategic Goals should be measured. The Board then shall review NBU’s progress periodically throughout each fiscal year (August 1 to July 31), ~~and~~ evaluate NBU’s achievement of or adherence to those Strategic Goals at least annually each fiscal year, and confirm the continuing validity of each Strategic Goal. The Board at all times maintains discretion to add, remove, or change any Strategic Goal or any achievement or adherence measurement set.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: STRATEGIC GOALS SG #2

POLICY TITLE: CUSTOMERS & COMMUNITY  
(Formerly OP#2a Treatment of Customers)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board is committed to NBU being recognized as a trusted community partner dedicated to excellence in service.

With respect to interactions with current or potential customers or the community at large, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, unsecure, untimely, undignified, or unnecessarily intrusive, or in violation of any federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

The CEO ~~will~~ shall not:

1. Elicit information for which there is no ~~clear~~ business necessity.
2. Use methods of collecting, reviewing, transmitting, or storing consumer information that fails to reasonably protect against improper access ~~to the material~~.
3. Operate facilities without reasonably ~~appropriate~~ customer accessibility and security.
4. Operate without ~~establishing~~ established with policies providing customers a clear understanding of what ~~may be expected and what may not be expected~~ to expect from the services ~~offered~~ NBU offers.
5. Withhold ~~from customers~~ information about this policy or deny any customers who are aggrieved a right to seek review under this policy.
- ~~5-6~~ Project an image to customers or the community at large that creates a negative perception of NBU or jeopardizes NBU's status in the community.

The Board will review and measure NBU's progress towards achieving or adhering to its Customers & Community Strategic Goal by examining annual customer satisfaction survey results, customer or community feedback received, and/or any other related information provided by its CEO, NBU customers, or the community at large. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: STRATEGIC GOALS SG #3

POLICY TITLE: PEOPLE & CULTURE  
(Formerly OP#2b Treatment of Staff & OP#2c Compensation & Benefits)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board is committed to NBU developing and retaining an engaged and ethical workforce.

~~With respect to treatment of paid and volunteer staff, the CEO shall not cause or allow conditions which are illegal, unfair, undignified, disorganized or unclear.~~

With respect to employment, compensation, and benefits ~~to of employees, consultants, or contract-contingent workers and volunteers~~, the CEO ~~may shall~~ not cause or allow jeopardy to NBU's fiscal integrity or public image or conditions that violate federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

With respect to the retention and engagement of consultants or volunteers, the CEO shall not cause or allow conditions that create an employment relationship or that violate federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

The CEO ~~will~~ shall not:

1. Change the CEO's own compensation without the Board's express approval.
- ~~1-2.~~ Change the CEO's benefits, except as would be consistent with any benefits provided to all other employees, and benefits, except as those benefits are consistent with a package for all other employees.
- ~~2-3.~~ Promise or imply permanent or guaranteed employment or a contract for tenure.
- ~~3-4.~~ Establish ~~current~~ compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
5. Create any employment or other compensation or benefit-related obligations over a longer term than revenues can be reasonably projected to satisfy.
- ~~4-6.~~ Enter into any employment agreement without the Board's express approval.

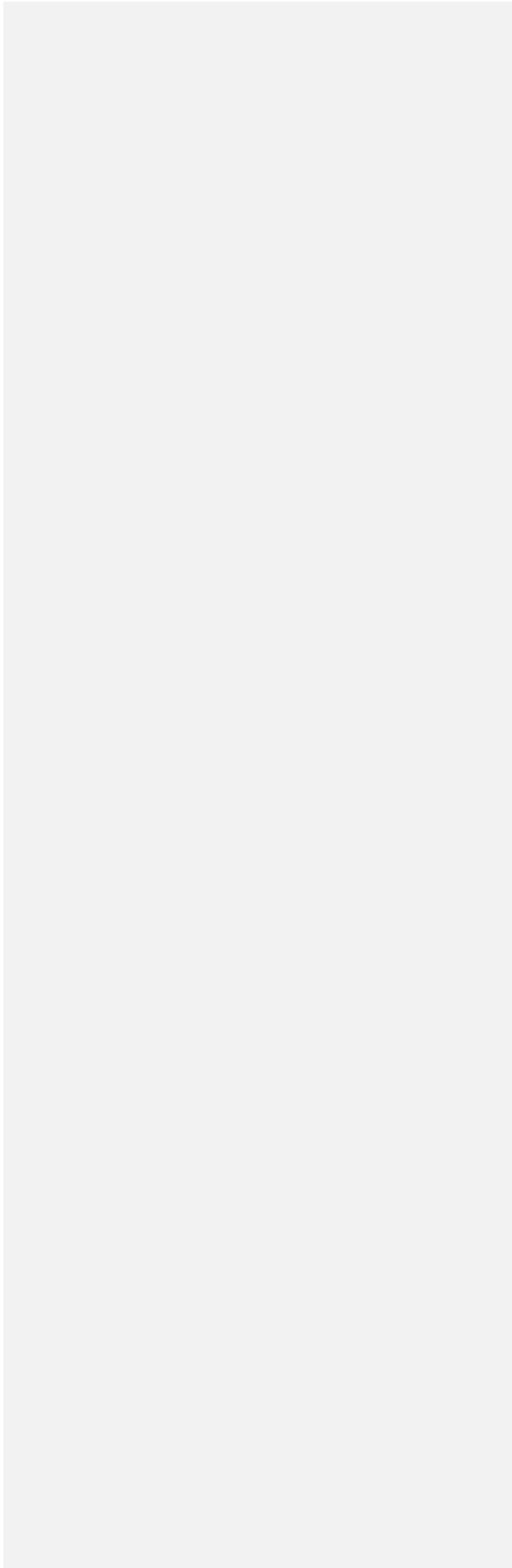
The Board will review and measure NBU's progress towards achieving or adhering to its People & Culture Strategic Goal by examining annual employee engagement survey

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results, employee feedback received, and/or any other related information provided by its CEO or NBU employees. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.



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POLICY TYPE: STRATEGIC GOALS SG #4

POLICY TITLE: INFRASTRUCTURE & TECHNOLOGY  
(Formerly OP#2f Asset Protection)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board is committed to NBU maintaining organizational reliability and resiliency.

The CEO ~~may shall~~ not allow NBU assets to be unprotected, inadequately maintained, or unnecessarily risked.

The CEO ~~will shall~~ not:

1. Unnecessarily expose NBU, its Board, or staff to claims of liability.
2. Unreasonably fail to protect property, information, or data ~~and~~ files from loss, significant damage, or unauthorized access.

~~Invest or hold operating capital in insecure instruments, including uninsured checking accounts or non-interest bearing accounts except where necessary to facilitate ease in operational transactions.~~

3. Unreasonably fail to address aging infrastructure, plan for additional growth, or evaluate the availability and viability of innovative or technological improvements.

Commented [CR1]: Moved to Financial Excellence

The Board will review and measure NBU’s progress towards achieving or adhering to its Infrastructure & Technology Strategic Goal by examining NBU’s SAIDI three-year rolling average, technological uptime, percentage of completion of capital improvement projects, and any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: STRATEGIC GOALS SG #5

POLICY TITLE: FINANCIAL EXCELLENCE  
(Formerly OP#2d Financial Condition & Activities & OP#2e  
Financial Planning & Budgeting)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board is committed to NBU maintaining a competitive bond rating.

With respect to the actual, ongoing financial condition and activities of NBU, the CEO ~~may shall~~ not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established through its Strategic Goals and Outcomes policies.

The CEO ~~will shall~~ not:

1. Expend more funds than allocated by the Board for the current fiscal year without express Board approval.
2. Exceed the limits of NBU's the Purchasing Policy.
3. Incur debt without appropriate authorization from the Board or City of New Braunfels.
4. Fail to settle liabilities in a timely manner.
5. Allow government-ordered or regulatory filings, fines, or payments ~~payments or filings~~ to be overdue or inaccurately filed.
6. Acquire, encumber, or dispose of real estate other than for normal operating items, such as rights ~~of way~~ or easements, and including in connection with approved Board projects
7. Invest or hold operating capital in insecure instruments, including uninsured checking accounts or noninterest-bearing accounts, except where necessary to facilitate operational transactions.

The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to risk financial jeopardy or deviate materially from the Board's approved annual budget or the Strategic Goals ~~Board Outcomes priorities or risk financial jeopardy~~.

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The CEO ~~will~~ shall not allow budgeting to:

~~1. Risk incurring those situations or conditions described as unacceptable in the Operational policy entitled "Financial Condition & Activities."~~

~~2.1~~ Fail to include:

- (a) credible projection of revenues and expenses,
- (b) separation of capital and operational items,
- (c) cash flow analysis, and
- (d) disclosure of planning assumptions

~~3.2~~ Provide less for Board development ~~during the year~~ than is set forth in the ~~Cost of Governance~~ Investment policy (~~GP 2i~~ BG #12)

The Board will review and measure NBU's progress towards achieving or adhering to its Financial Excellence Strategic Goal by examining its annual cost per customer, its bond (or other recognized financial) rating, and/or any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: STRATEGIC GOALS SG #6

POLICY TITLE: SAFETY & SECURITY

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to providing a safe and secure environment for employees, customers, and the community at large.

The CEO shall not cause or allow conditions that create an unsafe or unsecure environment for NBU or its employees, contingent workers, consultants, volunteers, vendors, or customers.

The CEO shall not unreasonably fail to address or create a plan for addressing:

1. Emergency situations;
2. At-fault or willful safety violations;
3. Old or outdated equipment or technology; and
4. Data- and cyber-security.

The Board will review and measure NBU's progress towards achieving or adhering to its Safety & Security Strategic Goal by examining emergency response procedures, data- and cyber-security efforts, workplace safety or security incidents, and/or any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

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POLICY TYPE: STRATEGIC GOALS SG #7

POLICY TITLE: STEWARDSHIP

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board is committed to being a responsible steward of NBU's resources.

The CEO shall not cause or allow conditions that:

1. Jeopardize or irresponsibly use or deplete NBU's environmental assets or the community's natural resources; or
2. Unreasonably fail to consider environmental conservation and sustainability when creating NBU policies and plans.

The Board will review and measure NBU's progress towards achieving or adhering to its Stewardship Strategic Goal by examining the status and progress of any implemented strategies for sustainable resources and conservation initiatives (such as One Water) and/or any other related information provided by its CEO. The Board at all times retains discretion to consider any other information deemed applicable to this Strategic Goal.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

*New Braunfels Utilities*

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**Governance Policies: Board Governance**

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POLICY TYPE: BOARD GOVERNANCE BG #1

POLICY TITLE: GLOBAL POLICY ON GOVERNANCE PROCESS  
(Formerly GP#1 Governance Process)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The purpose of the Board is to:

- 1. Represent the interests of the ~~ownership~~ City of New Braunfels and the ~~broader~~ community at large, keeping in mind the value of being a “Municipally Owned Utility.”
- 2. Determine the benefits that ~~the organization~~ NBU will provide, keeping a long term, strategic perspective, ~~(the Outcomes policies), and,~~
- 2.3. Set and reevaluate the Strategic Goals as provided for in the Global Policy on Strategic Goals (SG #1).
- 3.4. Monitor the NBU operations to ensure compliance-achievement of or adherence to with Operational Policies the Strategic Goals and accomplishment of Outcomes policies.

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POLICY TYPE: BOARD GOVERNANCE BG #2

POLICY TITLE: GOVERNING STYLE  
(Formerly GP#2a Governing Style)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board will govern lawfully, observing the principles of its adopted Governance model, with an emphasis on:

- outward vision rather than an internal preoccupation,
- encouragement of diversity in viewpoints,
- strategic leadership more than administrative detail,
- clear distinction of Board and CEO roles,
- collective rather than individual decisions,
- future rather than past or present, and
- proactivity rather than reactivity.

1. The Board will cultivate a sense of group responsibility. ~~The Board, not the staff, will be responsible for excellence in governing. The Board will allow no officer, individual member, or Board committee to hinder or be an excuse for not fulfilling its group responsibility.~~

Commented [CR2]: Moved up from below.

~~1-2.~~ The Board will normally be the initiator of policy, not merely a reactor to staff initiatives. The Board will not use the expertise or position of individual members, including the mayor, ~~to~~ as a substitute for the judgment of the Board, although the expertise of individual members may be used to enhance the understanding of the Board as a body whole.

Commented [CR3]: This language is addressed through revisions in No. 3 below.

~~2-3.~~ The Board will direct, control, and inspire the organization through the careful establishment of broad-overarching written policies reflecting the Board's values and perspectives. ~~The Board's major policy focus will be on the intended long term strategic goals of the organization effects outside the staff organization, not on the administrative or programmatic means of attaining those effects. The Board will be responsible for approving, retaining, and overseeing these overarching policies, with NBU staff assisting with development and implementation in compliance with any Board directives.~~

~~3.~~ The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy making principles, respect of roles, and ensuring continuance of governance capability. Although the Board can change its governance process policies at any time, it will scrupulously observe those currently in force.

Commented [CR4]: Moved to new Board Discipline, Resignation & Removal policy

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- 4. ~~Continual Board development will include orientation of new members in the Board's governance process and periodic Board discussion of process improvement.~~
- 4. The Board will monitor and discuss the Board's process and performance ~~periodically~~ at least annually and more often if necessary. Self-monitoring will include comparison of Board activity and discipline to ~~policies in the Board Governance Process and Board-Management Delegation categories~~ Policies.
- 5. Although the Board can change its Governance Policies and any other Board policies at any time, it will scrupulously observe those currently in force.
- 5. ~~The Board will allow no officer, individual or committee of the Board to hinder or be an excuse for not fulfilling group obligations.~~

**Commented [CR5]:** Moved to new Governance Investment policy

**Commented [CR6]:** Moved to No. 1 above

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POLICY TYPE: BOARD GOVERNANCE BG #3

POLICY TITLE: BOARD JOB DESCRIPTION  
(Formerly GP#2b Board Job Description)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

Specific job outputs of the Board, as the agent of the City of New Braunfels, are those that ensure appropriate NBU organizational performance.

Accordingly, the Board will provide:

1. Authoritative linkage between the ~~operational organization~~ NBU and the ~~ownership~~ the City of New Braunfels.
  - a. ~~As part of its responsibility, the Board will seek opportunities to provide input regarding Board member selection by the City Council. The Board will identify update the City of New Braunfels on the status of NBU when needed or requested, and update key areas of experience and knowledge in order to seek and recommend qualified candidates to maintain diversity of experience and talent to serve the utility.~~
  - b. The Board will inform the City of New Braunfels on Board member experience, diversity, and constitution when needed or requested.
  - a-c. The Board will respond to reasonable requests for information from the City of New Braunfels on a timely basis.
2. Written governing policies that realistically address the broadest level of all ~~organizational-NBU~~ decisions and situations, categorized as follows:
  - a. ~~Outcomes: Organizational impacts, products, effects, benefits, recipients, beneficiaries, impacted groups, and their relative worth in cost or priority.~~
  - b-a. ~~Operational Policies~~ Strategic Goals: Establish the short- and long-term strategic direction of NBU, the method by which the Board will evaluate adherence to or achievement of its strategic direction, and any constraints on CEO executive authority in relation thereto which establish the prudent and ethical boundaries within which all executive activity and decisions must take place.
  - e-b. ~~Board Governance Process: Specification of~~ Specifies ~~how the Board conceives, implements, and monitors~~ itself and its own tasks.

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~~d.c.~~ Board-Management Delegation: Sets forth the authority delegated by the Board to the CEO, how the Board and CEO will communicate, and the means by which the CEO will be held accountable, monitored, and succeeded ~~How authority is delegated and its proper use monitored; Board committee members, the CEO role, authority and accountability.~~

3. Assurance of successful organizational performance ~~on~~ of NBU's Outcomes and Operational Policies Strategic Goals.

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POLICY TYPE: BOARD GOVERNANCE BG #4

POLICY TITLE: BOARD MEMBER CODE OF CONDUCT  
(Formerly GP#2c Board Member Code of Conduct)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

1. Members must abide by any legal obligations or requirements contained in the City of New Braunfels Charter or Code of Ordinances and have loyalty to the ~~ownership~~ City of New Braunfels, unconflicted by loyalties to NBU staff, other organizations, and any personal interest as a customer.
2. Members must conduct business in accordance with the Public Information and Open Meetings Acts guidelines and laws.
  - a. Members will only conduct business in a posted meeting open to the public.
  - b. Members will use proper protocol when using email and other digital or electronic forms of communication. –Email communications, telephone calls, text messages, and any other verbal or written correspondence that ultimately involve a quorum may constitute a meeting, even if the quorum is not physically present in the same location and the discussion does not take place at the same moment in time.
  - c. Members should direct communication ~~and email~~ through the CEO and ~~should not use “reply to-all”~~ when responding to emails communications sent to the Board on an informational basis.
3. Members must abide by the City of New Braunfels’ Code of Ethics and avoid any conflict of interest with respect to their fiduciary responsibility.
  - a. There must be no self-dealing or business by ~~a~~ members with NBU. Members will annually disclose their involvements with other organizations, ~~with~~ vendors, or ~~any~~ associations that may be perceived as being a conflict in accordance with ~~S~~ Texas state ~~L~~ law.
  - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall immediately disclose ~~a~~

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the conflict, shall withdraw without comment from the deliberations, and shall abstain from voting on that issue.

4. ~~Board m~~Members may not attempt to exercise individual authority over ~~the organization~~NBU or its staff.

a. Members' interaction with the CEO or NBU with staff must recognize the lack of authority vested in individual Board members, except when ~~explicitly~~expressly Board-authorized.

~~a.~~—

b. Members' interaction with public, press or other entities must recognize the same limitation and the inability of any individual Board member to speak for the Board, except on explicitly stated Board decisions.

c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of performance of employees or the CEO or any NBU staff.

d. In furtherance of this objective, members must abide by any constraints on communications or activities provided elsewhere in these policies, including in the Board-Management Delegation policies.

5. Members will maintain the confidentiality appropriate for sensitive issues, including with respect to all Executive Session discussions.

6. Members must attend Board meetings and will be properly prepared for Board deliberation.

~~7. A member is considered to have resigned if he/she is absent without excuse from 4 consecutive meetings.~~

**Commented [CR7]:** Moved to new Board Discipline, Resignation & Removal policy

7. Members may recommend or request an item for Board discussion by submitting the item to the Board President generally 21 days before the Board meeting, but in no event no later than 7 days before the Board meeting. If the timing of the items submitted is problematic, the CEO may visit with the Board President and the requesting Board Member to determine if an alternative meeting would be sufficient or scheduled.

**Commented [CR8]:** Moved from prior Annual Planning policy

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #5

POLICY TITLE: BOARD MEMBER DISCIPLINE, RESIGNATION, & REMOVAL

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policy-making principles, respect of roles, adherence to Board policies, and ensuring continuance of governance capability.

**Commented [CR9]:** Portions of this first paragraph were drawn from prior Governing Style policy.

~~4. Members who fail to abide by the Board’s Code of Conduct may be subject to censure or a recommendation of removal to the City of New Braunfels.~~

1.

2. Censure is a formal and public condemnation by the Board of a member whose actions run counter to the Board’s Code of Conduct (BG#4). Censure of a Board member must be unanimous by the remaining Board members.

3. Only the City of New Braunfels can remove a Board member; however, the Board may recommend removal of a member with advance notice to the member and, when appropriate, an opportunity to correct the behavior or actions leading to the recommendation. Any recommendation of removal must be unanimous by the remaining Board members.

Members will be considered to have resigned from the Board if they are absent without excuse from all Board meetings for four consecutive months. Members who are absent without excuse from all Board meetings for three consecutive months will be subject to censure.

**Commented [CR10]:** Moved from prior Code of Conduct policy and revised to mirror Code of Ordinances language.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #6

POLICY TITLE: PRESIDENT'S ROLE  
(Formerly GP#2d President's Role)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The chief governance officer (Board President), a specifically empowered member of the Board, assures the integrity of the Board's process, and secondarily represents the Board to outside parties.

1. The Board President shall assure that the Board's actions consistently comply with its own policies and rules and those legitimately imposed upon it from outside the organization.
  - a. Meeting discussion content ordinarily will address only those issues ~~which~~that, according to Board policy, clearly belong to the Board to decide or to monitor.
  - b. Deliberation will be fair, open, and thorough, but also timely, orderly pertinent, and courteous.
  - c. Information that is unnecessary for monitoring NBU performance or Board decisions will be avoided or minimized and always noted as such.
2. The authority of the President consists of making decisions that fall within the topics covered by ~~Board policies on Governance Process~~the Board Governance and Board-Management Delegation policies and any other Board policies established, with the exception of (a) personnel matters pertaining to the CEO or (b) where the Board specifically delegates portions of ~~this-its~~ authority to others. The President is authorized to use any reasonable interpretation of the provisions contained in ~~the~~ose policies.
  - a. The President is empowered to conduct Board meetings with all the commonly accepted power of a presiding officer according to Roberts Rules of Order.
  - b. The President ~~has no authority to make decisions about policies created by the Board within Outcomes and Operational policy areas. Therefore, the President has no authority to supervise or direct the CEO, cannot enact policies or provide directives to the CEO without Board approval.~~

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

- c. The President may represent the Board to outside parties in announcing Board-stated positions and in stating the President’s decisions and interpretations within the areas delegated ~~to him or her~~.
- d. The President may delegate ~~his or her~~ authority to another Board member, but will remain accountable for its use.
- e. The President will ensure an annual evaluation of the Board’s performance, processes, and policies is conducted as required under the Governance Investment policy (BG#12).
- f. For succession purposes, the President will maintain open dialogue and communication with the Board Vice President and will work with the Vice President to develop and implement any necessary officer transition plans.
- g. Throughout the year, the Board President will ensure the Board attends to consent agenda items as expeditiously as possible.

**Commented [CR11]:** Moved from prior Annual Planning policy.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #7

POLICY TITLE: VICE PRESIDENT'S ROLE

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Vice President is an officer of the Board whose role is to assist the Board President and perform the Board President's responsibilities when the Board President is unavailable.

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1. The Board or the Board President may delegate special assignments to the Vice President from time to time.
2. The Vice President is responsible for implementing and overseeing the CEO annual evaluation process. In doing so, the Vice President will:
  - a. Develop the evaluation mechanism and procedure to be used during the process;
  - b. Solicit and maintain the confidentiality of completed evaluations from individual Board members;
  - c. Compile, combine, and present Board member evaluation results to the Board as a whole;
  - d. Obtain a self-evaluation from the CEO to be presented to the Board as a whole;
  - e. Ensure the Board advises the CEO of its final evaluation results during an Executive Session and the results are maintained by NBU's General Counsel; and
  - f. Facilitate any CEO compensation discussions amongst the Board.
3. For succession purposes, the Vice President will maintain open dialogue and communication with the Board President and will work with the Board President to develop and implement any necessary officer transition plans.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #8

POLICY TITLE: BOARD SECRETARY’S ROLE  
(Formerly GP#2e Board Secretary’s Role)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board Secretary is an officer of the Board but need not be a member of the Board. The Board Secretary’s role is to ensure the integrity of the Board’s documents.

- 1. The Board Secretary shall ensure ~~that~~ all Board documents and filings are accurate and timely.
- ~~2.—The Board Secretary shall ensure Board Policies will bear~~ current and accurately reflect Board decisions. ~~—Routine matters, such as, consent agenda decisions, motions to adjourn, and staff or Board member recognitions are not policy. Policies will rigorously follow NBU’s adopted governance principles.~~
- ~~3.2.~~
- 4.3. The Board Secretary shall ensure the Board minutes accurately reflect Board decisions and are maintained in accordance with state law, including the Public Information Act and any other record retention laws or requirements. ~~Requirements for format, brevity and accuracy of Board minutes will be known to the CEO.~~

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #9

POLICY TITLE: BOARD COMMITTEE PRINCIPLES  
(Formerly GP#2f Board Committee Principles)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

Board committees, when used, will be assigned to assist the entire Board but shall not interfere with the authority delegated by the Board to the CEO.

1. Committees will be used sparingly and created as needed.
2. Committees will be appointed by the Board President, unless specially created by Board action.
3. Board committees shall not advise or interfere with ~~the NBU~~ staff.- Committees will assist the Board by preparing policy alternatives and assuring organizational implications for Board deliberation.- Typically, Board committees will not deal directly with current staff operations.
4. Board committees may not speak or act for the Board except when specifically authorized. -Expectations and scope of authority will be expressly stated to avoid conflict with authority delegated to the CEO.
5. Board committees have no authority over NBU staff. -The CEO works for the full Board, ~~and will therefore~~ and is not ~~be~~ required to obtain approval of a Board committee before ~~an~~ executive action.
6. Board committees shall avoid over-identification with organizational parts rather than the whole. -Therefore, a Board committee that drafts and recommends a particular policy should not monitor ~~its achievement or adherence; rather the entire Board performance.~~ The Board retains responsibility and authority to monitor ~~performance~~achievement or adherence.
7. This policy applies to any group ~~that is~~ formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members. -It does not apply to committees formed under the authority of the CEO.

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #10

POLICY TITLE: BOARD COMMITTEES & NBU-SUPPORTED BOARDS STRUCTURE

(Formerly GP#2g Board Committee Structure)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. -The only Board approved committees are those set forth in this policy. -Unless otherwise stated, a committee ceases to exist when its task is complete. -Timely reporting to the Board shall be by submission of a verbal or written report, following each meeting, with appropriate ~~verbal~~ comment by the Committee Chair.

An NBU-supported board is a board expressly created by the Board to represent a specified NBU-supported operation. An NBU-supported board is comprised of Board members appointed by the Board in compliance with its bylaws. Timely reporting to the Board shall be reported on the Board’s agenda as Items from Staff.

Standing Committees & NBU-Supported Boards:

1. **Audit Committee** – The Audit Committee is responsible for the oversight of financial reporting, internal controls, as well as the internal and external auditors’ activities.
2. **Budget Committee** – The Budget Committee is responsible for the oversight of development of the budget to ensure shared understanding ~~in-of the Outcomes~~ Financial Excellence Strategic Goalgoals and ~~their-its~~ incorporation into the NBU budget.
- ~~3. **GBRA Technical Committee** – The GBRA Technical Committee is a joint committee between NBU and GBRA which is responsible for the oversight of the operation and operating expenditures associated with the Canyon Hydroelectric Plant.~~
3. **Governance Committee** – The Governance Committee is responsible for reviewing and making recommendations to the Board on its governance policies, practices, and procedures.
4. **Headwaters at the Comal Board (Headwaters)** – Headwaters is an NBU-supported board responsible for site development and fundraising for NBU’s conservation legacy located at 333 Klingemann.

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4.5. **Investment Committee** – The Investment Committee is responsible for the oversight of NBU's investment assets, the review of the portfolio performance and investment policies of NBU, and to provide recommendations for the Board of Trustees' approval to ensure that investment activities are in compliance with the Texas Public Funds Investment Act and NBU's Investment Policy and in furtherance of NBU's ~~the company~~ guidelines and objectives.

5.6. **Legislative Committee** – The Legislative Committee is responsible for ~~the (a) the~~ development of comprehensive legislative strategies for NBU including determining which state or national legislative initiatives NBU would like to endorse or oppose; (b) working with the CEO and NBU staff on the effective and timely implementation of those strategies; and (c) developing NBU's positions on various legislative initiatives, including by ~~and~~ undertaking such research as may be necessary to support such positions.

6.7. **Records Management Committee** – The Records Management Committee is responsible for promoting sound records management practices through the development of a Records Management Policy for use by ~~the~~ NBU staff, reviewing and ~~the performance of the program on a regular basis and~~ proposing changes and improvements if needed to the Records Management Policy, and providing final approval for the destruction of records in accordance with approved records control schedules.

~~➤ Klingemann Redevelopment Adhoc Committee – The Klingemann Redevelopment Adhoc Committee shall be responsible for the coordination and oversight of the development of NBU's former warehouse yard located at 333 Klingemann. The Committee is tasked with identifying the vision for redevelopment as a conservation environmental center for the community NBU serves and implementation of that vision.~~

~~➤ Comal Conservation Center Advisory Committee – The CCC Advisory Committee shall be responsible for overseeing the fundraising and marketing plans for the development and funding of the future Comal Conservation Center to be located at 333 Klingemann.~~

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #11

POLICY TITLE: ANNUAL PLANNING  
(Formerly GP#2h Annual Planning)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

To accomplish its job with a governance style consistent with Board policies, the Board will follow an annual agenda that reviews and implements ~~Outcomes policies~~ the Strategic Goals and continually improves Board performance through Board education and enriched input and deliberation.

1. Because NBU operates on a fiscal year that begins on August 1, the Board will conduct its annual planning process and annual budget meetings during the first and second calendar quarters of each year.

a. To prepare for its annual budget meetings, the Board will provide direction during the first calendar quarter on the gathering of data and information needed.

+b. The Board's annual planning process for the following fiscal year will occur in connection with the Board's annual retreat and annual budgeting meetings and must occur no later than the end of June of each calendar year. ~~cycle will conclude each year on July 31<sup>st</sup> so that administrative planning and budgeting can be based on accomplishing a one year segment of the most recent statement of long term Outcomes.~~

~~2. The cycle will start with the Board's development of its agenda for the next year.~~

~~3.~~

~~4. Data gathering from customers and others for gaining input will be determined and arranged in the first calendar quarter to be held during the balance of the year.~~

5.2. Education of Board members on governance and ~~Governance education and education related to Outcomes determination~~ the Strategic Goals (e.g. presentations by futurists, demographers, advocacy groups, staff, and so on) will be included as part of the annual planning process and shall occur as needed and at a minimum at least once each ~~calendar~~ fiscal year ~~be arranged in the first quarter, to be held during the balance of the year.~~

1. Any Board member may recommend or request an item for Board discussion by submitting the item to the Chief Governance Office (President) no later than 21 days before the Board meeting. ~~If the timing is problematic the CEO will visit with the requesting Board Member to determine if an alternative meeting would be sufficient.~~

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Commented [CR12]: Moved to new Board Member Code of Conduct policy

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- 6. ~~Throughout the year, the Board will attend to consent agenda items as expeditiously as possible.~~
- 7. ~~CEO remuneration will be decided during the month of June after a review of monitoring reports received during the previous year.~~
- 8. ~~CEO monitoring will be on the agenda if reports have been received since the previous meeting, if plans must be made for direct inspection monitoring, or if arrangement for third party monitoring must be prepared.~~

**Commented [CR13]:** Moved to new President's Role policy

**Commented [CR14]:** Moved to CEO Monitoring policy

FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD GOVERNANCE BG #12

POLICY TITLE: ~~COST OF GOVERNANCE~~ INVESTMENT  
(Formerly GP#2i Cost of Governance)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

Because good governance benefits NBU and its customers, the Board will invest in its governance capacity and ability. The Board’s investment shall be facilitated by the Board President, with assistance from NBU staff, and will include: (a) orientation of new members on these Governance Policies and other Board policies established; (b) an annual Board discussion and review of any necessary process or policy improvements; and (c) annual continuing education of the Board’s legal and ethical obligations.

**Commented [CR15]:** Added based on Board discussion

**Commented [CR16]:** Part of these revisions were derived from the prior Governing Style policy

1. Board skills, methods, and support ~~will~~ must be sufficient to ensure governing with excellence.

a. New Board members will receive at least quarterly training during their first year of service to assist in orienting them to NBU and their Board responsibilities and obligations.

b. ~~Annual~~ training and retraining will be used to ~~orient new Board members and candidates for Board membership, as well as to~~ maintain and increase existing Board member skills and understandings.

c. Outreach mechanisms ~~will~~ may be used as needed to ensure the Board’s ability to listen to ~~owner~~ diverse viewpoints and values.

d. A Board Member manual will be developed and maintained to assist Board members in their service to the Board.

~~a-c.~~ New and existing Board members are strongly encouraged to attend ERCOT, American Public Power Association (APPA), American Water Works Association (AWWA), or other industry conferences, seminars, and workshops as part of their initial and continuing education.

2. Costs will be ~~prudently~~ prudently incurred with due consideration for the value of development and maintenance of Board member qualifications.

a. Expenses for training, including attendance at industry conferences, seminars, and workshops, will be included in the annual budget.

b. —

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e-b. Expenses for surveys, focus groups, opinion analyses, and meeting costs will be included in the annual budget.

| 3. The Board will establish its cost of governance budget for the next fiscal year during the annual budgeting process.

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## *New Braunfels Utilities*

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### **Governance Policies: Board Management Delegation**

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FOR BOARD REVIEW - ALL CHANGES TO DATE (APRIL 29, 2021)

POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #1

POLICY TITLE: GLOBAL POLICY ON BOARD DELEGATION  
(Formerly BMD#1 Global Board-Management Delegation)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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The Board's sole official connection to the operational organization, its achievements, and conduct will be through ~~a~~the chief executive officer-(CEO).

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #2

POLICY TITLE: UNITY OF CONTROL  
(Formerly BMD#2a Unity of Control)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

Only officially passed motions of the Board are binding on the CEO.

1. Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO except in rare instances when the Board has specifically authorized such exercise of authority.

2. Individual Board members may communicate with NBU executive management staff on routine administrative matters, provided the CEO is included in any written communication.

3. Board member communications regarding the CEO’s evaluation or the evaluation process should include the Vic President and need not include the CEO.

Commented [CR17]: Added based on Board discussion

4. Any written communication on material NBU matters to the CEO from:

a. An individual Board member must include the Board President, unless the communication concerns the Board President, in which case the Vice President must be included.

b. The Board President must include the Vice President, unless the communication concerns the Vice President.

2-5. Individual Board members should refrain from making requests that require a material amount of staff time or funds or are disruptive.- Such requests should be Board-authorized requests. -The CEO should notify the individual Board member making the request s and the Board President or Vice President, as appropriate (but not both), when such requests require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive.

Commented [CR18]: Here is the provision in the City Charter related to Council to staff communications (3.08 (c))

(c)  
*Interference with administration.* Except for the purpose of inquiries and investigations, unless otherwise provided in this Charter, the City Council or its members shall deal with City officers and employees who are subject to the direction and supervision of the City Manager solely through the City Manager, and neither the City Council nor its members shall give orders to any such officer or employee, either publicly or privately.

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #3

POLICY TITLE: ACCOUNTABILITY OF THE CEO  
(Formerly BMD#2b Accountability of the CEO & OP#1 Global Executive Constraint)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The CEO is the Board's only link to operational achievements and conduct. -All authority and accountability of staff; is considered the authority and accountability of the CEO. The CEO is therefore responsible for ensuring any NBU practice, activity, decision, or circumstance does not violate federal, state, or local law, NBU policies, or the City of New Braunfels Charter or Code of Ordinances.

**Commented [CR19]:** Moved from prior Global Executive Constraint policy and re-worded to match format.

1. The Board will never give instructions to ~~persons~~staff who report directly or indirectly to the CEO.
2. The Board will not evaluate, either formally or informally, any staff other than the CEO.
3. The Board will ~~view~~consider the following when evaluating CEO job performance (Performance Factors):
  - a. -Organizational performance in relation to the Strategic Goals;
  - b. Adherence to all applicable Governance Policies and other Board policies or directives;
  - c. Compliance with any written contractual agreement between the Board and the CEO;
  - d. Realization of operational emergent and annual specific goals and directives as set by the Board;
  - e. Maintenance of communication and transparency with the Board;
  - f. Satisfaction of any other specific requirements or expectations set by the Board; and
  - ~~a-g. Feedback through a self-evaluation from the CEO. as identical to organizational performance, so that organizational accomplishment of Board stated Outcomes and compliance with Board policies will be viewed as successful CEO performance.~~

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~~The CEO shall not cause or allow within NBU any organizational practice, activity, decision or circumstance, which is unlawful, in violation of city charter or commonly accepted business and professional ethics.~~

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #4

POLICY TITLE: DELEGATION TO CEO  
(Formerly BMD#2c Delegation to CEO)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

~~Through these Governance Policies and other Board policies and directives, the Board will define for the CEO through written policies that prescribe the Strategic Goals organizational Outcomes to be achieved and describes certain organizational situations and actions to be avoided. The CEO may employ allowing the CEO to use any reasonable interpretation of these Governance P-policies and other Board policies and directives.~~

1. ~~The Board will develop policies-Strategic Goals and other Board policies directing the CEO to achieve specified results in accordance with NBU’s annual approved budget, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels, and will be called Outcomes policies. All issues that are not Outcomes issues as defined here are operational issues.~~

2. ~~The Board will develop policies that limit the latitude that the CEO may exercise in choosing the organizational operational methods. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the Board even if they were to be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Operational policies. The Board will never prescribe organizational operational methods delegated to the CEO.~~

Commented [CR20]: Reworded and moved to No. 3 below.

3.2. ~~As long as the CEO uses any reasonable interpretation of the Board’s Outcomes and Operations p-these Governance Policies and other Board policies or directives, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. Such decisions of the CEO shall have full force and effect as if decided by the Board.~~

3. ~~Any Governance Policy or other Board policy or directive limiting the CEO’s authority will describe those practices, activities, decisions, and circumstances that would be unacceptable to the Board even if they were to be effective. The Board, however, will never prescribe organizational operational methods delegated to the CEO.~~

Commented [CR21]: From the prior No. 2 above.

4. ~~At any time, tThe Board may modify its Outcomes and Operations-Governance P-policies and other Board policies and directives -to redefine or realign the authority delegated to the CEO. -The Board, however, may not make any~~

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retroactive modification ~~of this policy~~ and shall recognize and support the decisions of the CEO previously ~~authorized by this policy.~~

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #5

POLICY TITLE: MONITORING-EVALUATING CEO PERFORMANCE  
(Formerly BMD#2d Monitoring CEO Performance)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

~~The CEO's job performance will be determined by regular monitoring and evaluated based on the Performance Factors outlined in the Accountability Policy (BMD #3) and documented through an annual formal evaluation process facilitated by the Vice President (see Vice President's Role, BG #7) review of expected CEO job products: organizational accomplishment of Board policies on Outcomes and organizational operation within the boundaries established in Board policies on Operational Policy.~~

1. ~~Monitoring may be informal. The CEO's job performance may be monitored informally, in any frequency, and by any method chosen by the Board to assess the degree to which Board policies are being met. Extraneous information will not be considered.~~

**Commented [CR22]:** Reworded to combine the prior No. 1 and No. 5 below.

2. The Board will acquire information on the CEO's job monitoring performance information by through one or more of following three methods:

a. Internal Report: CEO provides data, interpretations, evaluations and compliance status solely to the Board, whether verbal or written.

b. External Report: The Board selects or retains a disinterested third party to assess the CEO's job performance interpretation of and compliance with Board policies.

c. Direct Board Assessment: Designated Board member(s) assess the CEO's interpretation of and compliance with Board policy job performance.

~~3. In every case, the Board will evaluate (a) the reasonableness of the CEO's interpretation, of the Performance Factors and (b) the data demonstrating the CEO's accomplishment of the Board's Performance Factors objectives.~~

~~4. The applicable standard for determining the reasonableness of a CEO interpretation of a Board policy shall be as a the reasonable and prudent CEO, and the Board shall avoid subjective, ad-hoc or arbitrary assessment criteria.~~

4. An evaluation of the CEO's job performance and compensation will be conducted at least annually following the conclusion of the fiscal year (preferably in August).

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The Board, however, can review and discuss the CEO's job performance and compensation at any other time, as and if necessary.

~~All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule, as follows:~~

~~6.~~

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #6

POLICY TITLE: COMMUNICATION & SUPPORT TO THE BOARD  
(Formerly OP#2g Communication and Support to the Board)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

The Board requires the CEO to maintain communication and transparency and to inform and support the Board's Strategic Goals, Governance Policies, and any other Board policy or directive. The CEO may not permit the Board to be uninformed or unsupported in its work.

The CEO will not:

1. Neglect to submit ~~monitoring data or information~~ required by the Board according to ~~according to~~ its Evaluating CEO Performance policy ~~"Monitoring CEO Performance"~~ in a timely, accurate, and understandable fashion ~~that directly addresses provisions of the Board policies being monitored and includes the CEO's interpretations consistent with the "Delegation to the CEO" policy, as well as relevant data.~~
2. Let the Board be unaware of any significant incidental information it requires, including anticipated adverse media coverage, threatened or pending lawsuits, and material external and internal changes.
3. Allow the Board to be unaware that, in the CEO's opinion, the Board is not in compliance with its ~~Governance~~ own policies on Governance Process and Board Management Delegation Policies, particularly in the case of Board behavior ~~which that~~ is detrimental to the working relationship between the Board and CEO.
4. Allow the Board to be without ~~decision~~ information required periodically needed to make informed decisions ~~by the Board or let the Board to~~ be unaware of relevant trends.
5. Allow the Board to be without a workable mechanism for official Board, officer, or committee communications.
6. Deal with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
7. Allow the Board to be unaware of any actual or anticipated noncompliance with any ~~Outcomes or Operational policy~~ other policy or directive of the Board ~~regardless of the Board's monitoring schedule.~~

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8. Fail to submit to the Board a consent agenda containing items delegated to the CEO yet required by law or contract to be Board-approved, along with any applicable monitoring or supporting information.

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POLICY TYPE: BOARD-MANAGEMENT DELEGATION BMD #7

POLICY TITLE: EMERGENCY EXECUTIVE CEO SUCCESSION  
(Formerly OP#2h Emergency Executive Succession)

Date Adopted by Board: May 25, 2021 (effective August 1, 2021)

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In order to protect the Board and ~~the organization~~ NBU from the sudden loss of a CEO Services, ~~the CEO shall not allow Board will require the CEO to provide the President or Board to be unaware of~~ some viable mechanism for the operations of NBU to continue in the event of sudden loss of the CEO.

The CEO will not:

1. Permit there to be fewer than ~~2~~-two staff members sufficiently familiar with Board and CEO issues and procedures to enable either staff member to assume the role of interim CEO with reasonable proficiency.
2. Allow travel mechanisms or methodologies that put the organization at risk of the sudden loss of these multiple key individuals.



**Meeting Date:** April 29, 2021      **Agenda Type:** Action Items

**From:** John Warren      **Reviewed by:** Dawn Schriewer  
 Finance Manager      Chief Financial Officer

**Submitted by:** Dawn Schriewer      **Approved by:** Ian Taylor  
 Chief Financial Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Discuss and Consider Authorizing Proposed Changes to the New Braunfels Utilities Financial Policy

## **BACKGROUND**

After a review of NBU's current Financial Policy, NBU staff recommends that the policy be amended as described herein.

NBU staff recommends that the Financial Policy be revised to: (i) update the language in Section V to insert subsection C, to establish a target debt service coverage ratio under extraordinary circumstances; (ii) update the language in Section VII, subsection A, to allow the use of tax-exempt and/or taxable commercial paper; and (iii) update the language in Section VII to insert subsection B, to allow NBU to secure other short-term tax-exempt and/or taxable financing alternatives.

NBU's Financial Policy was last reviewed and approved on March 25, 2021.

## **FINANCIAL IMPACT**

None

## **LINK TO STRATEGIC PLAN**

**Develop and Retain an Engaged and Ethical Workforce**

**Maintain a Competitive Bond Rating**

## **EXHIBITS**

1. Redlined Financial Policy

Policy Type		Approval Authority		Adopted	Effective
Board Approved		NBU Board of Trustees			
Responsible Executive		Responsible Department		Contact	
Dawn Schriewer		Finance		John Warren	
Reviewed/Approved by Executive Director		Reviewed/Approved by General Counsel & Chief Ethics Officer		Reviewed/Approved by CEO	
Name	Date Signed	Name	Date Signed	Name	Date Signed
Dawn Schriewer		Connie Lock		Ian Taylor	
Signature		Signature		Signature	

## I. General Policy Statement

New Braunfels Utilities (NBU) recognizes the importance of having a sound financial condition in order to meet its customer and public service responsibilities. It is NBU’s financial policy to strive to provide its electric, water and wastewater services at the lowest possible costs, consistent with high standards of reliability and innovative essential service. This financial policy is intended to form the framework within which NBU will preserve its financial integrity in order to meet its long-term goals. This policy has been developed in consideration of short- and long-term plans for construction and system additions. A periodic review of this financial policy with necessary revisions may be required to ensure that NBU maintains a high level of financial integrity in order to accomplish these plans. Since NBU’s Investment Policy also addresses NBU’s financial objectives, NBU’s Investment Policy should be used in concert with the Financial Policy.

The objectives of the financial policy are as follows:

1. Financial Stability: In seeking to fulfill its customer and public service objectives, NBU will maintain a high level of financial stability and will not compromise its long-term financial integrity to achieve short-term benefits.
2. Funds from Operations: NBU will establish rates and charges for services that are sufficient to support the conduct of its activities in an efficient and reliable manner. Funds from operations should provide the necessary funds to support its capital improvements program and maintain a debt service coverage ratio sufficiently in excess of the 1.40x Bond Indenture requirement for the issuance of additional indebtedness. By providing an ample cushion in its debt service coverage ratio, NBU should be in a position to issue additional indebtedness in the market at favorable terms and conditions.

## II. Funds from Operations

Each year, NBU staff will develop projected revenue levels and the projected reserve requirements for the upcoming fiscal year and estimate its projected impact on the financial condition of the utility. These projections will be developed after consideration for bond ratings, construction requirements, current business conditions, economic

projections, load growth assumptions, and the projected size and frequency of rate adjustments. Specifically the electric, water, and wastewater systems shall be managed individually to allow for financial self-sufficiency to the extent practicable with regard to their respective cash inflows and outflows, including, but not limited to revenue, general operating expenses, and capital expenditures.

General Fund expenditures will have the following priorities of obligation:

- A. Payment of all reasonable expenses for the operation and maintenance of the electric, water, and wastewater systems.
- B. Payments to meet all debt service requirements of outstanding bond indebtedness including all Interest and Sinking Funds and Bond Reserve Funds.
- C. Payments to any and all Restricted Funds including the System Contingency Fund, Power Stabilization Fund, and other specific funds as directed by the Board of Trustees.
- D. Payment to the City of New Braunfels of an amount based upon a formula approved by a Board of Trustees Resolution or other directive.
- E. All net surplus after payment of A through D above may be used to fund necessary capital equipment purchases, system expansion and renovations. All remaining funds will be applied toward targeting a budgeted ending cash balance of 1/4th or more of the upcoming fiscal year's budgeted operating costs (including purchased power cost and purchase water cost).

### **III. Revenue**

In general, NBU shall rely on individual electric, water, and wastewater service rates for all revenue, however, other sources of revenue will be developed within each of the respective lines of businesses' operation and connection policies. Specific policies regarding Water and Wastewater Capital Recovery Fees (e.g., impact fees) will be maintained with receipts separately accounted for and applied to capital system expansions or extensions.

NBU will develop and design rates to recover its costs of specific services and provide a predictable flow of revenues.

### **IV. Pricing, Rates, and Reserves**

NBU will determine revenue requirements for its electric, water, and wastewater services based upon an equitable allocation of costs. All rates will be cost and/or market based with specific cost-of-service allocations to all necessary areas of required revenues. Cost-of-service updates will be prepared on a periodic basis for comparisons to actual and projected revenue and expenses. Proper and accurate coordination of budget requirements, unusual revenue requirements, and changes in capital

requirements will be addressed in each cost- of-service update. NBU will evaluate the proper reserve requirements annually to mitigate NBU's risk.

#### V. **Financing**

Since its founding in 1942, NBU has utilized a combination of equity, or revenue surplus, and long-term revenue bonds to finance additions to its electric, water, and wastewater systems infrastructure. Long-term revenue bonds are particularly appropriate in situations where it is desirable to spread the financing cost of the capital assets over their useful lives. Using this approach results in both current and future ratepayers being allocated an equitable portion of the cost of the facilities used to provide their service. In order to have an effective financing source of funds, NBU's capital structure must be such that it has a sufficient equity capital base (i.e., a low to moderate debt leverage in NBU's capitalization) to support long- term debt financing.

NBU will selectively utilize sourcing of funds through long-term debt financing by maximizing the use of funds from operations in order to protect NBU's financial soundness and to preserve NBU's access to the long-term debt market. This market access should provide NBU with adequate sources of capital for the growing needs of its customers at a reasonable overall cost of capital.

It is important to generally establish appropriate levels of debt and equity financing. However, substantial changes in the financial markets may arise due to changing political, economic, global, or other significant factors. As a result, it may be necessary at times to alter NBU's guidelines which could impact NBU's interest rates on new issuances of debt and its overall capital structure. Under current conditions, the following financial policy is adopted:

- A. NBU will use long-term debt financing for capital assets having long useful lives and will attempt to establish amortization and debt service payment schedules which coincide with the lives of the related assets.
- B. NBU will establish rates and debt financing structures, terms, and repayment schedules sufficient to generally maintain a system wide debt to capitalization ratio of 50% or less and a debt service coverage ratio of at least 2.4x.
- C. For establishing cost of service and for rate setting purposes, NBU will target a debt service coverage ratio of at least 2.4x however, under extraordinary circumstances (unusual and infrequent) the debt service requirement, for the fiscal year the impact of the event occurs, must at least meet the minimum requirements for the additional bonds test.
- D. NBU has established and maintains a Board-approved Investment Policy which establishes permitted investments and allowable allocation parameters for the various approved investment vehicles. The primary driver is focused on preservation of principal.

E. In conjunction with the overall financial policy, NBU has established and maintains an Energy Risk Management Policy and a Credit Risk Management Policy.

1. The Energy Risk Management Policy has been approved by the NBU Board of Trustees and provides the framework for the Power Supply Team to identify and measure risk exposure to the wholesale energy markets and to develop and implement strategies to manage, monitor, measure and report on those risks.
2. The Credit Risk Management Policy has been approved by the NBU Board of Trustees and provides the framework for the Energy Risk Team to monitor and report on the management of energy credit risk, primarily in the areas of reviewing and approving counterparties, monitoring their creditworthiness, and establishing credit limits based on guidelines approved by NBU's Board of Trustees.

**VI. Capitalized Interest**

In order to partially defer the rate impact of debt service requirements until the asset being financed is placed in service, NBU may opt to capitalize interest proceeds from bonds for an appropriate period (generally, not to exceed 3 years). Accountability of capital associated interest shall be kept separate with capital fund requirements recognizing anticipated interest proceeds.

**VII. Alternative Financing**

As market conditions evolve, NBU will evaluate alternatives to conventional long-term revenue bond financing to determine the feasibility of such financings based on their terms and conditions and their impact on NBU's overall cost of capital.

A. Commercial Paper – If market conditions are favorable, the use of commercial paper as a short-term financing vehicle can help offset some of the interest raterisk. NBU may use tax-exempt and/or taxable commercial paper as needed to meet business requirements.

The parameters of the program are as follows:

1. 10% of assets program limit
2. At least \$50 million in size
3. Roll program into long-term debt if:
  - a. authorized amount is fully utilized

- b. determined that market conditions are no longer favorable or
  - c. the program is at the end of the program term
- B. Short-Term Financing – If market or business conditions exist that require an additional infusion of cash for NBU to meet its stated financial objectives and continue to meet its customer and public service responsibilities, NBU may secure other short-term tax-exempt and/or taxable financing alternatives.

### **VIII. Documentation and Reports**

NBU will comply with all statutory and bond and debt reporting requirements on a timely basis. In this regard, NBU will provide the following:

- A. A monthly operating and financial report, requiring review by the Board of Trustees, in such detail as the Board deems necessary.
- B. An annual budget and financial operating plan detailing revenues, expenses, and capital expenditures presented for approval at the June Board of Trustees meeting. In the event a midyear revision to the fiscal year budget is requested, then an analysis and update shall be presented to the Board of Trustees for approval.
- C. An annual audit by an outside professional auditing firm will include necessary details in reconciling all of the year's financial operation. The audit will be submitted for review and approval to the Board of Trustees shortly after the end of the NBU's fiscal year.

Copies of the approved audit will be provided to the City Council of New Braunfels and arrangements made for the presentation and discussion of the audit to City Council, if requested. Compliance with internal audit procedures will be reviewed with the Audit Committee of the Board of Trustees in conjunction with the external auditor's report.

### **IX. Summary**

This policy establishes management guidelines for NBU's financial accountability in order to provide a financial structure conducive to controlling service rates and optimizing service reliability to NBU's customers. It is understood that this policy is a guide and that financial objectives may change over time. This financial policy is intended to be used as a vehicle to preserve NBU's financial integrity in order to meet NBU's long-term goals.



# Power Supply and Energy Risk Update

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Rebekah Crouch - Power Supply Manager  
Ashley Van Booven - Energy Risk Manager  
Date: 4/29/2021



# Overview

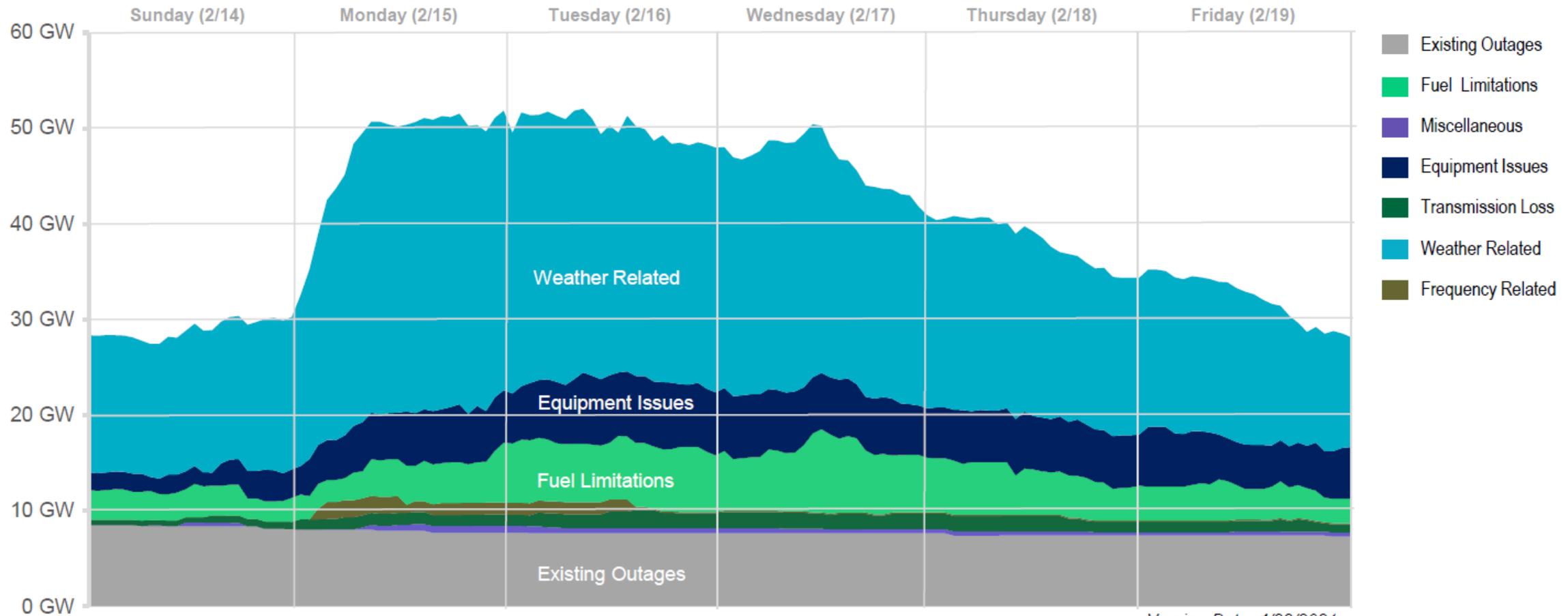
- February 2021 Recap / Update
- ERCOT Short Payment Update
- NBU Ratings Update

# February Recap / Update

# Net Generator Outages and Derates by Cause (MW)

February 14 – 19, 2021

Item 1.



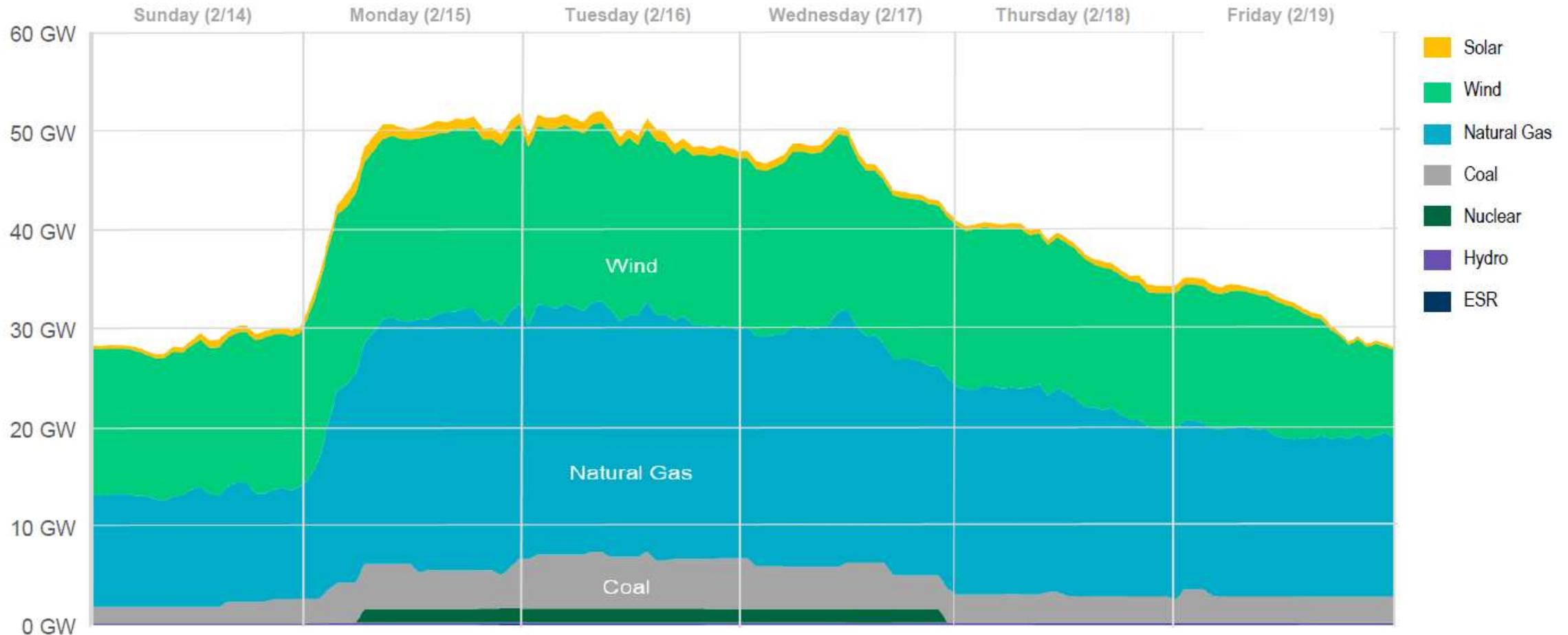
Version Date: 4/22/2021

Net generator outages at the beginning of each hour on February 14-19, 2021, by cause category.



# Net Generator Outages and Derates by Fuel Type (MW)

Item 1.



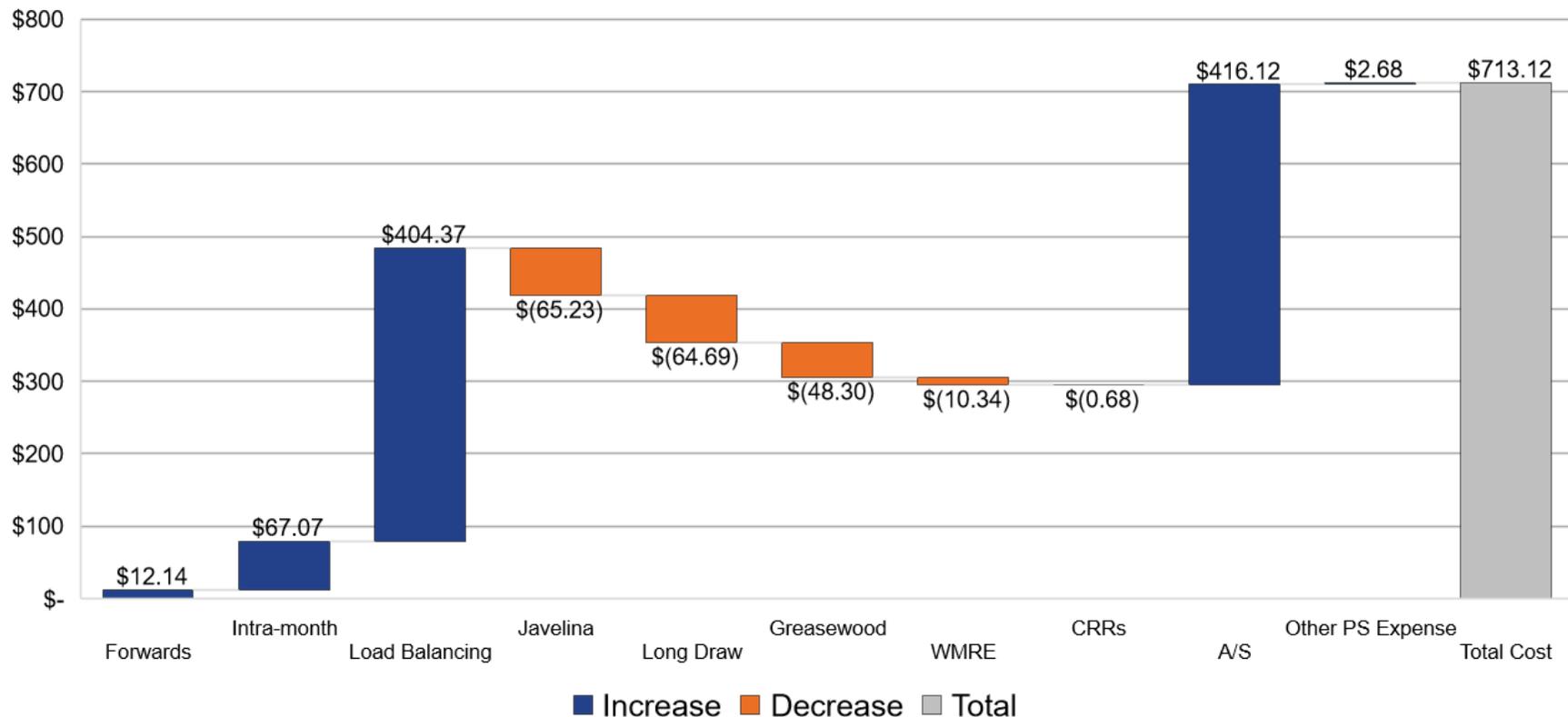
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Outage and derate MW for Wind in this graph are based on capacity.



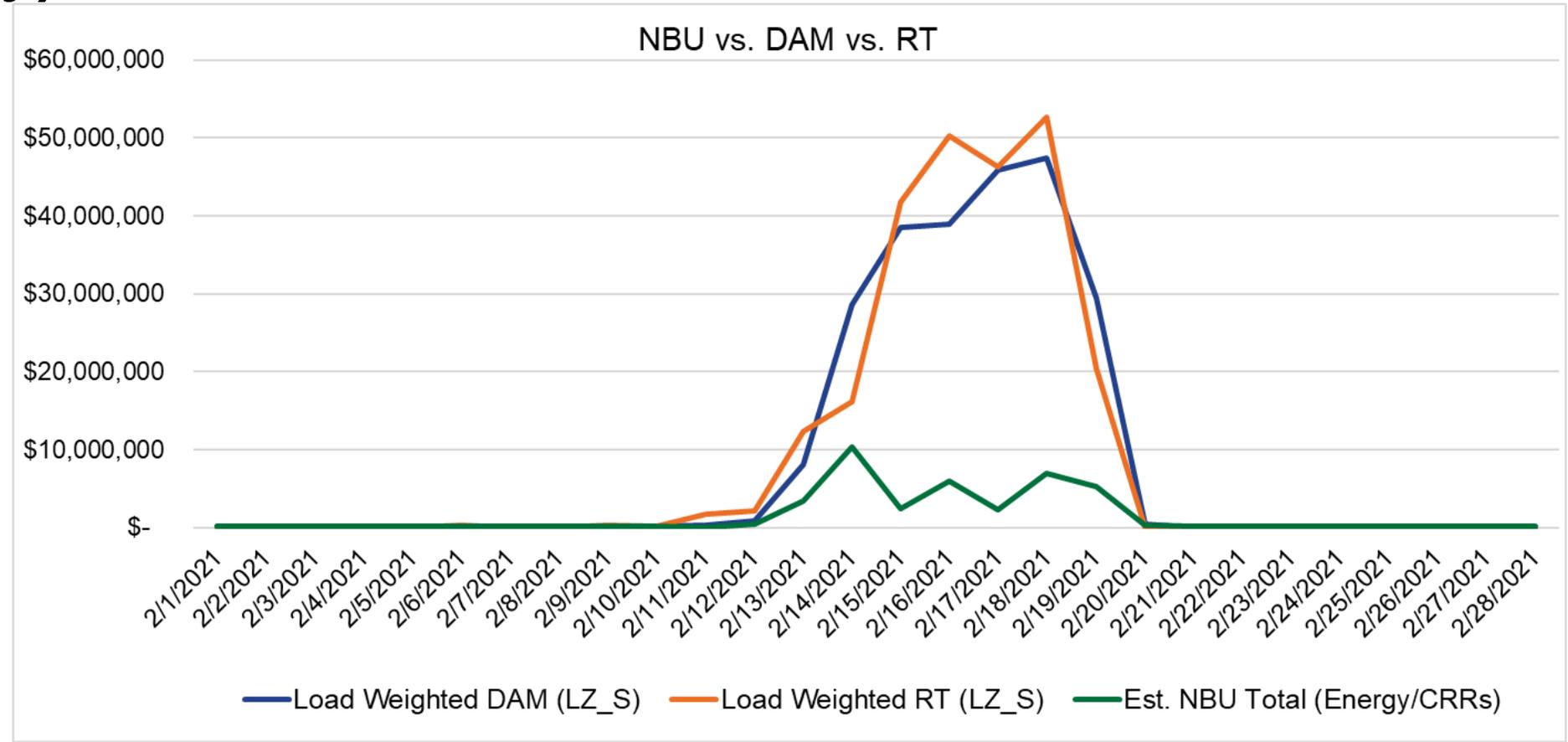
# NBU Cost Breakdown (2/1 – 2/28)

February 2021

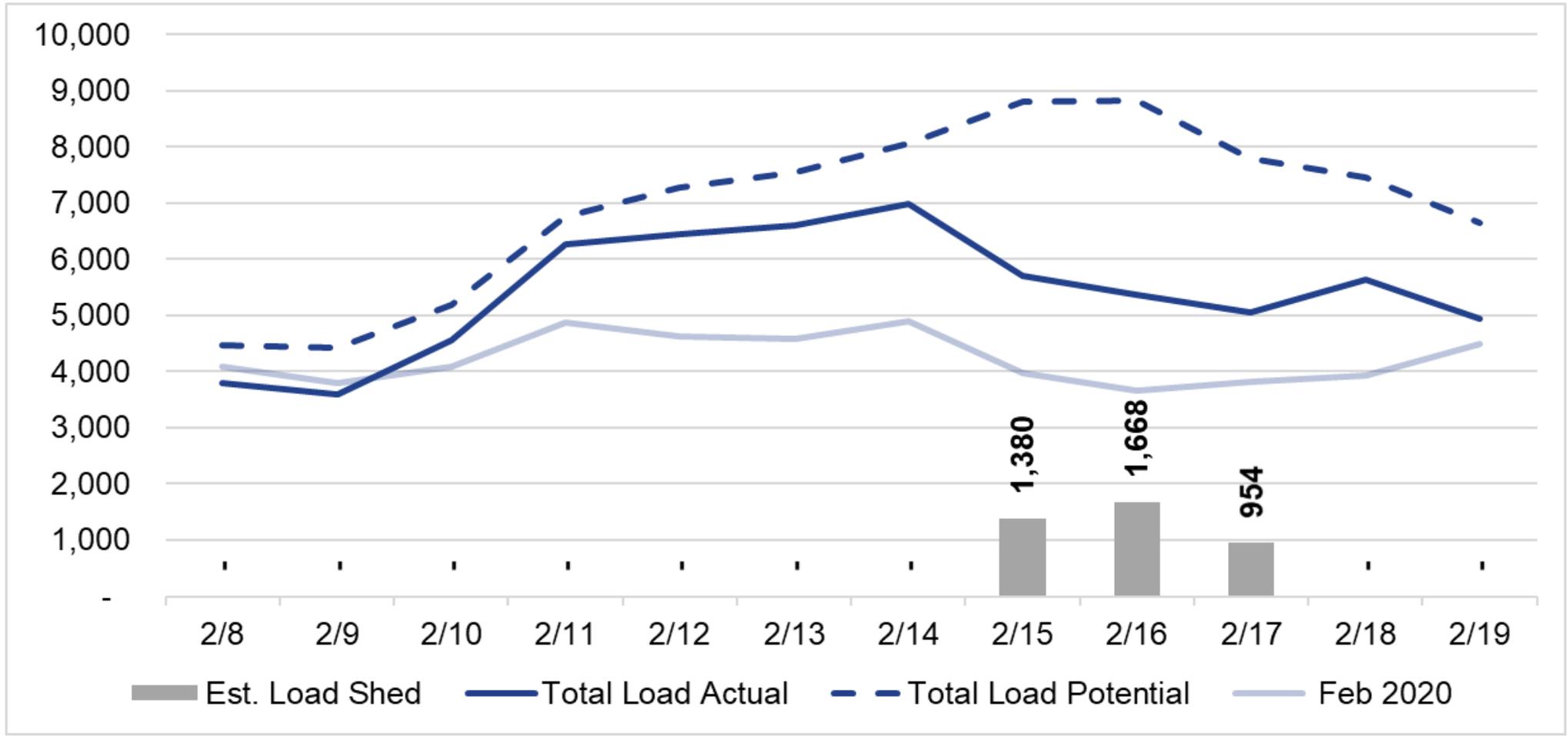


NBU Cost Breakdown	
Forwards	\$ 1,595,812
Intra-month	\$ 8,819,368
Load Balancing	\$ 53,174,595
Javelina	\$ (8,578,110)
Long Draw	\$ (8,507,387)
Greasewood	\$ (6,350,963)
WMRE	\$ (1,360,357)
CRRs	\$ (89,082)
A/S	\$ 54,719,910
Other PS Expense	\$ 352,365
<b>Total Cost</b>	<b>\$ 93,776,151</b>

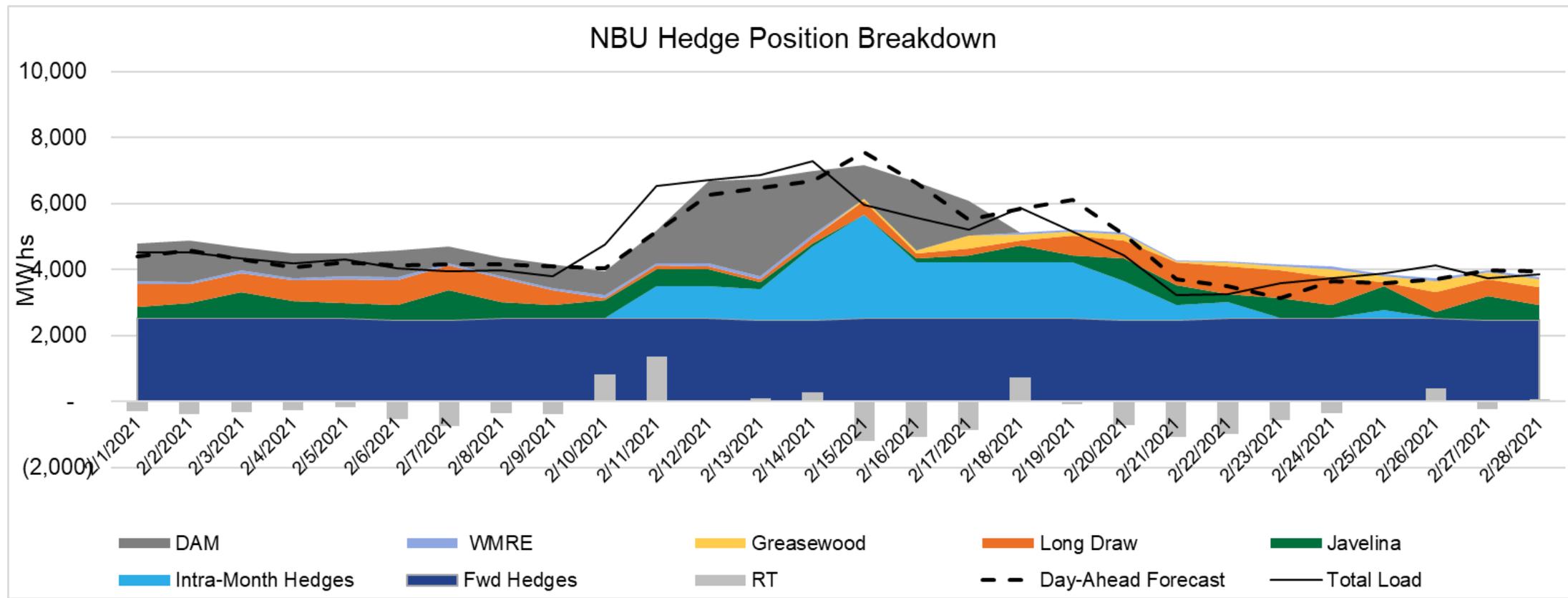
# NBU Cost Breakdown (Energy and Congestion Only)



# NBU Load



# NBU Position



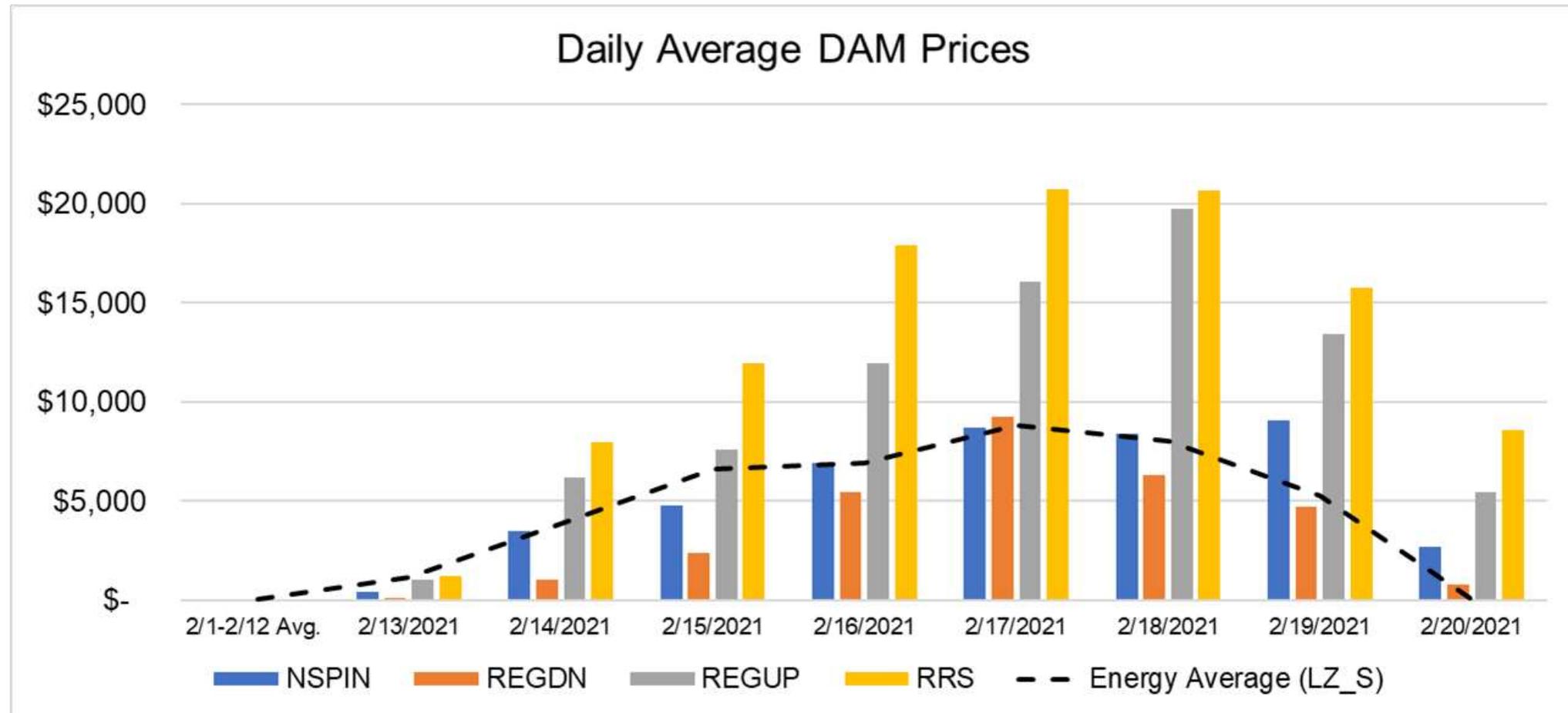
# Ancillary Services (A/S)

- During winter event, A/S costs exponentially increased
  - 121 hourly intervals above \$9,000 MW
  - 84 Hourly intervals above \$15,000 MW
  - Max price for RRS was \$25,674 MW

	NSPIN	REGDN	REGUP	RRS
January Avg	\$1.83	\$8.72	\$11.14	\$11.87
Feb 1-12 Avg	\$2.00	\$4.93	\$7.15	\$15.35
Feb 13-19 Avg	\$5,978.38	\$4,191.88	\$10,863.60	\$13,749.69

\*All Figures are per MWh

# Ancillary Services (A/S)



# Ancillary Services (A/S)

- Required by ERCOT and used to help maintain system integrity
  - Amounts required determined by percentage of load
  - Little to no ability to hedge in advance

Period	Total Ancillary Costs
January	~\$156,592
Feb 1-12	~\$86,925
Feb 13-20	~\$54,044,173
Feb 21-28	~\$572,758

# Recovery Plan Update

- Overcollected - March 2022
- PSF @ \$20M - Nov. 2022
- GCRF Rate Plan - as of April 1, 2021

	Distribution	TSR
Shoulder	\$0.028	\$0.02
Summer	\$0.019	\$0.012

# PSF Recommendation – Update

- Adding in Ancillary Services as a component of cost of power
  - Energy
  - Congestion
  - Transmission
  - Ancillaries
- Moving to 365 days' cost of power as target balance
- Updating PSF Policy
- Will be bringing to May ROC/Board (along with GCRF Band Recommendation)

# ERCOT Short Payment Update

# ERCOT Estimated Short Pay Amount by Entity

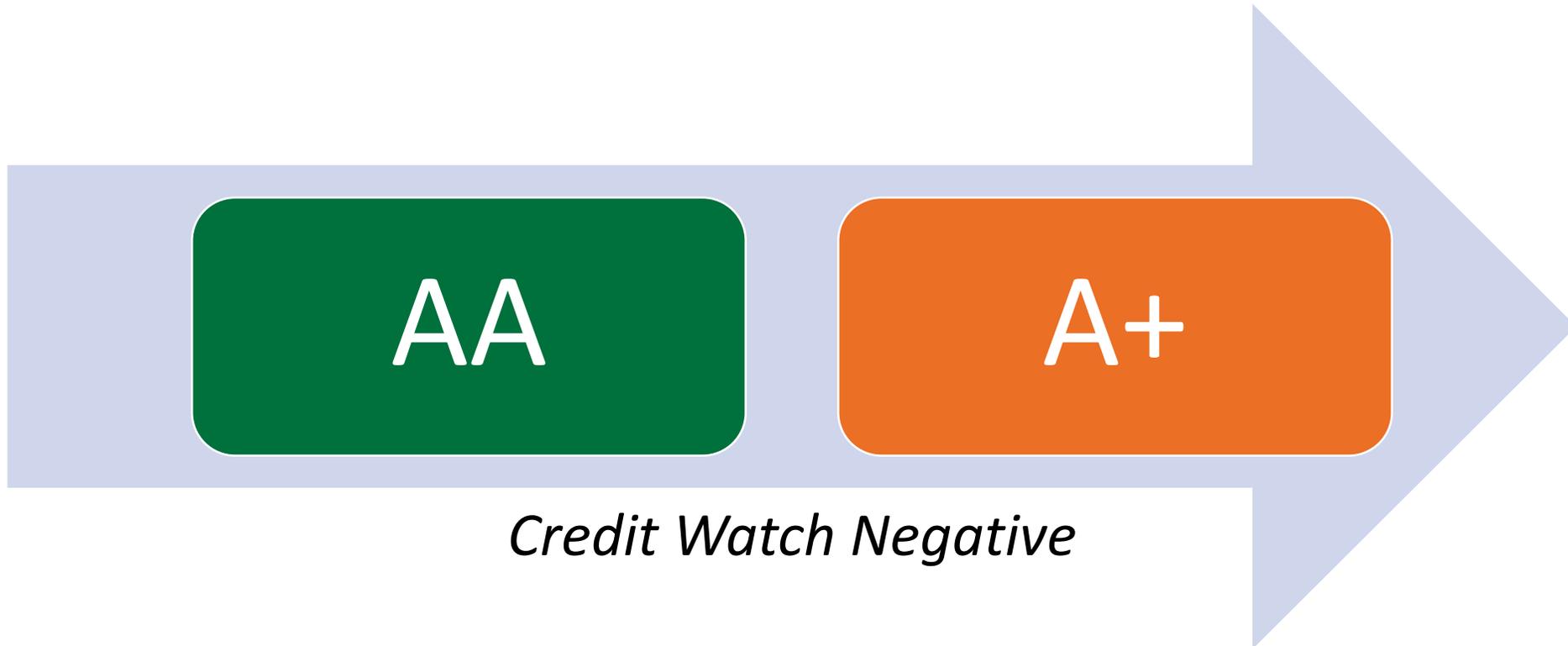
Counter-Party	\$ Total
BRAZOS ELECTRIC POWER CO OP INC (CP)	1,879,463,067.12
EAGLES VIEW PARTNERS LTD (CP)	1,152,199.09
ENERGY MONGER LLC (CP)	8,884,306.97
ENTRUST ENERGY INC (CP)	296,572,193.16
GBPOWER LLC (CP)	20,317,380.39
GRIDDY ENERGY LLC (CP)	30,040,559.01
GRIDPLUS TEXAS INC (CP)	1,480,209.39
HANWHA ENERGY USA HOLDINGS CORP DBA 174 POWER GLOBAL (CP)	50,177,024.93
ILUMINAR ENERGY LLC (CP)	42,755,452.68
MQE LLC (CP)	13,713,333.81
POWER OF TEXAS HOLDINGS INC VIRTUAL (CP)	16.29
RAYBURN COUNTRY ELECTRIC COOPERATIVE INC (CP)	641,500,254.15
VOLT ELECTRICITY PROVIDER LP (CP)	6,441,092.62
<b>Total</b>	<b>2,992,497,089.61</b>

# ERCOT Short Pay Updates

- M-B041421-01 (4/14)
  - ERCOT's Planned Implementation of Default Uplift Invoice Process
- M-B042321-01 (4/23)
  - Implementation of payment plan with Hanwha
  - \$65,352,073.98 (final payment due by December 30, 2021)

# NBU Ratings Update

# S&P Rating Decision



# NBU Ratings

## Moody's 3/9/2021

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- Underlying Aa1 affirmed
  - Negative outlook
- Aa2 on 2021 note purchase
- Follow up in 12 months

## Fitch 2/23/2021

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- All Texas utilities on RWN
- Pending results of credit committee

# ERCOT Related Risks

- Thin reserves in the ERCOT market
- ERCOT has no interconnectivity to other grids
- ERCOT does not practice good stewardship of the electric system, the focus is only on low cost
- Socialization of ERCOT costs that will be passed onto NBU
- Addressing what comes out of the legislature
- How utilities in ERCOT perform throughout the Summer

# NBU Related Risks

- Power supply inadequately hedged
- Hedging is very short term which carries a lot of risk
- Suppliers shifting price risk to NBU going forward
- Insufficient liquidity for a AA rating, based on the winter event
- Increasing debt levels
- Counterparty risk

# Recent Rating Actions - Public Power

Entity	Rating Agency	Previous Rating	New Rating
NBU	S&P	AA	A+
Denton	S&P	AA-	A+
Georgetown	S&P	AA-	A+
CPS Energy	S&P	AA	AA-
Brownsville	S&P	A+	A-
Greenville	S&P	A+	A
GVEC	S&P	AA-	A
NBU	Fitch	AA	N/A
CPS Energy	Fitch	AA+	AA-
NBU	Moody's	Aa1	Aa1
GP&L	Moody's	Aa3	Aa3
ERCOT	Moody's	Aa3	A1

*Bryan, Austin, Garland, Floresville, and Seguin are all still under review and could still see rating actions.*

# Immediate Response

- Lower credit thresholds could require additional security postings with:
  - Counterparties (not at this time)
  - ERCOT
  - QSE (additional collateral will be required)

# Intermediate Response

- Relationship management
- Cash flow and liquidity monitoring
  - Difficulty filling forward positions without having to post
  - Secure additional contracts (previously discussed)

# Long-Term Response

- QSE relationship
  - QSE RFP to be released soon (May)
- Risk of current strategy
  - Full requirements
  - Hedge ancillaries
  - Renewable concentration
  - “After Action” Hedge Strategy Review

# Pending Items

- ERCOT/legislative outcomes
- GPL rating decision from S&P - 2-3 weeks
- Fitch decision on NBU's credit rating



**Thank you**

