



NOTICE OF OPEN MEETING
SEPTEMBER BOARD OF TRUSTEES
NBU Board Room, 263 Main Plaza, New Braunfels, Texas 78130
September 25, 2025, at 1:00 PM
www.nbutexas.com

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE AND INVOCATION

Board Trustee Yvette Villanueva Barrera

NBU EMPLOYEE RECOGNITIONS

1. Retirement Recognition of Kevin Seidel
2. Presentation of Service Pins
 - a. Recognizing NBU Employees Keith Marsh and Maria Gomez for 20 Years of Service

PUBLIC COMMENT

ITEMS FROM THE CHAIR

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

ITEMS FROM STAFF

1. CEO's Update
 - a. Leadership Announcement of New Hires and Position Changes: Director of System Operations, Will Riley; Learning and Engagement Manager, Katie Storey; and Procurement Manager, Anna Johnson
 - b. NBU's Ragan Dickens Chosen for Leadership New Braunfels Class of 2026
 - c. Country Hill South Pump Station Emergency Event Response
 - d. Thermal Imaging Camera Utilized to Prevent Critical Event at Freiheit Substation
 - e. NBU Staff Participates in Emergency Management Tabletop Exercise
 - f. NBU Community Advisory Panel Meets to Discuss Drought Contingency Plan
 - g. Any Other Items Permitted Under Section 551.0415 of the Texas Government Code
2. Financial Update and Report, Including an Update on the Impact Fee Program Effective February 1, 2023 (referred to as Program E)
3. Quarterly Investment Report

- [4.](#) Quarterly Update on the Headwaters at the Comal
- [5.](#) Monthly NBU Headquarters Progress Update

CONSENT ITEMS FOR ACTION

- [1.](#) Approve Minutes of the NBU Regular Board Meeting of August 28, 2025
- [2.](#) Approve the Change Order Log from July 15, 2025, through August 15, 2025
- [3.](#) Approve the Reports for Water and Electric Engineering Contracts from August 1, 2024, through August 15, 2025
- [4.](#) Approve the Electric Line of Business Alternative Procurements from July 15, 2025, through August 15, 2025
- [5.](#) Authorize the CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Freese and Nichols, Inc. for the Design of the Gruene Wastewater and Inverted Siphon Improvements Project at (i) the Gruene Water Reclamation Facility; (ii) Along Gruene Road South of the Loop 337 Bridge; and (iii) the Inverted Siphon Along Gruene Road West of Downtown Gruene
- [6.](#) Authorize the CEO or His Designee to Negotiate and Execute a Joint Construction Contract Agreement with Capital Excavation Company and the City of New Braunfels for the San Antonio Street Rehabilitation and Water Lane Utility Improvements Project Phase 3
- [7.](#) Authorize the CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. for the Design of the Saengerhalle North Interceptor Project Located Generally Along the Existing Drainage Channel from Silver Spur Drive to Approximately 500 Feet Southwest of Alves Lane
- [8.](#) Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Waypoint Business Solutions, LLC, for the Replacement of the Current VxRail Server Cluster with a Consolidated HyperV Server Cluster
- [9.](#) Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Gartner Inc. for Professional Services in Selecting and Overseeing the Implementation of the Customer Information and Financial Systems
- [10.](#) Authorize the CEO or His Designee to Execute an Interlocal Agreement with Comal County for Shared Use of the New Braunfels Utilities Fiber-Optic Network
- [11.](#) Authorize the CEO to Negotiate and Execute a Services and Goods Agreement with Austin Armature Works, LP, for Variable Frequency Drive and Soft Starter Maintenance and Replacement Services
- [12.](#) Authorize the CEO to Negotiate and Execute a Professional Services Agreement with Hardin & Associates Holdings, LLC, d/b/a Hardin & Associates Consulting, for Customer Service Inspection Services

13. Authorize the CEO or His Designee to Negotiate and Execute a Second AIA Document G802-2017 Amendment to the Professional Services Agreement with Robert E. Lamb, Inc. for the Proposed New Braunfels Utilities Backup Operations Center Project Located at 415 Gruene Road to Add Permit Coordination, Bidding Support Services, and Construction Administration Services
14. Authorize the CEO or His Designee to Negotiate and Execute an AIA Document A133-2019 Exhibit A Guaranteed Maximum Price Amendment No. 6 with SpawGlass Contractors, Inc., for the New Braunfels Utilities Headquarters Facility Project, Located on a 76-acre Tract of Property at the Intersection of Engel Road and IH 35

ACTION ITEMS

1. Discuss and Consider Approval of Revisions to the NBU Strategic Plan Measures and Performance Payout Structure for Fiscal Year 2026
2. Discuss and Consider Approval of AIA Document A101-2017 Standard Form of Agreement Between Owner and Contractor with SpawGlass Contractors, Inc., for the Construction of the Proposed New Braunfels Utilities Backup Operations Center Project Located at 415 Gruene Road
3. Discuss and Consider Receiving the 2025 Water Resource Plan Prepared by Arcadis U.S., Inc., Dated August 2025
4. Discuss and Consider Participating in a Memorandum of Understanding Between Guadalupe-Blanco River Authority and New Braunfels Utilities for the WaterSECURE Project
5. Discuss and Consider Authorizing the CEO or His Designee to Negotiate and Execute a Memorandum of Agreement Between the Guadalupe-Blanco River Authority and New Braunfels Utilities to Collaborate on the Development of a Guadalupe River Habitat Conservation Plan

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 Offers, and/or Matters Protected by Attorney-Client Privilege (Section 551.071 – Texas Government Code); Real Property (Section 551.072 – Texas Government Code)
 - a. Discuss Legal Matters Relating to Potential Eminent Domain Actions to Secure the Following Easements Regarding the Highway 46 Substation (“HW14”) Feeder to FM 3009 Extension Phase 2 Project:
 - i. a 0.386 Acre Electric Utility Easement, situated in the J. Doehne Survey No. 912, Abstract 971 in Comal County, Texas and out of that 15.105 acre tract conveyed to Stephen J. Clayton by deed recorded in Document No. 202306039904 of the Official

Public Records of Comal County Texas, in which his spouse, Kristin Clayton, holds or may hold a community property interest, also known as Comal County Parcel No. 106509

- ii. a 0.043 Acre Electric Utility Easement, situated in the J. Doehne Survey No. 912, Abstract 971 in Comal County, Texas and out of that called 19.602 acre tract conveyed to Craig E. Johnson and Cynthia D. Johnson, Trustees of the Johnson Living Trust Dated July 11, 2005, recorded in Document No. 200506033503 of the Official Public Records of Comal County Texas, also known as Comal County Parcel No. 108345
- b. Discuss Proposed High-Density Multifamily Developments Platted as Minor Plat
3. Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, and/or Other Matters Protected by Attorney-Client Privilege (Section 551.071 – Texas Government Code)
 - a. Discuss Legal Matters Relating to the Gonzales Carrizo Water Supply Project
 - b. Discuss Pending Litigation Styled *Allison McCumbee vs. New Braunfels Utilities, Comal County, 207th Judicial District, Cause No. C2024-1273B*

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

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

ACTION ITEMS

1. Discuss and Consider Approving Resolution R-2025-204 Recommending the Acquisition of Electric Utility Easements Over, Under, Upon, and Across a 0.386 Acre Tract of Real Property Owned by Stephen J. Clayton in which his Spouse, Kristin Clayton, Holds or May Hold a Community Property Interest (Comal County Parcel No. 106509) and a 0.043 Acre Tract of Real Property Owned by Craig E. Johnson and Cynthia D. Johnson, Trustees of the Johnson Living Trust Dated July 11, 2005 (Comal County Parcel No. 108345), Both of Which are Necessary to Advance and Achieve the Public Use of Expanding the New Braunfels Utilities’ Electric System to Increase Electric Capacity to Meet Existing and Future Needs and Ensure Reliability

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 Relations Coordinator at least three (3) days prior to the scheduled meeting date at (830) 629-8400 or the NBU Main Office at 263 Main Plaza, New Braunfels, Texas, for additional information.

CERTIFICATE OF POSTING

I, Ryan Kelso, Secretary to the Board of Trustees, do hereby certify that this Notice of Meeting was posted on a bulletin board at a place convenient to the public at the City of New Braunfels City Hall, 550 Landa Street, New Braunfels, Texas; the New Braunfels Utilities Main Office, 263 Main Plaza, New Braunfels, Texas; and the New Braunfels Utilities Customer Solutions Center, 1488 South Seguin Avenue, New Braunfels, Texas, on the **19th day of September 2025**, and remained posted continuously for at least three business days before the scheduled date of the meeting.



Ryan Kelso, Chief Executive Officer
Secretary to the Board of Trustees

FINANCIAL IMPACT

Electric

The Electric Line of Business reported total operating revenues of \$23,204,000, a \$70,000 decrease from the July budgeted amount of \$23,274,000. The net rate realized per kWh was \$0.1250, which was 9% greater than the budgeted rate of \$0.1144 for the month of July. July kWh sales were 181.8 million kWh, a 17.6 million kWh decrease, or 9%, in comparison to the budgeted amount of 199.4 million kWh.

Purchased power costs totaled \$11,707,000, which was \$4,877,000 less than the budgeted amount of \$16,584,000. Electric gross margin, which is total operating revenues minus purchased power, resulted in the amount of \$11,497,000 for the month of July and \$78,995,000 YTD. These amounts were \$4,807,000 greater than and \$174,000 less than the budgeted amount of \$6,690,000 Month-to-Date (“MTD”) and \$79,169,000 YTD. Other operating expenses were greater than budget by \$764,000. These items resulted in the Electric Line of Business reporting net operating income of \$7,666,000, which was \$4,042,000 greater than the budgeted amount of \$3,624,000. Net non-operating items provided a favorable variance from budget of \$287,000. Services income was less than budget by \$71,000. The Electric Line of Business reported July 2025 CNPAC of \$7,351,000 and YTD CNPAC of \$42,850,000. These amounts were \$4,257,000 greater than and \$9,543,000 greater than their respective July 2025 MTD and July 2025 YTD budget amounts.

Water

The Water Line of Business reported total operating revenues of \$4,528,000, a \$868,000 decrease, or 16%, from the July budgeted amount of \$5,396,000. In July, water gallons sold of 378,947,000 was less than the budgeted amount of 490,707,000 (a 111,760,000-gallon variance from budget, or 23%). NBU’s net realized price per 1,000 gallons sold in July was \$11.58, which was greater than the budgeted amount of \$10.77. Operating expenses for July were \$6,673,000, which was \$2,372,000 greater than the budgeted amount of \$4,301,000. The net effect of less revenues and greater operating expenses than budgeted resulted in the Water’s net operating income of (\$2,145,000), which was less than budget. Net non-operating items provided a favorable variance of \$88,000 from budget. Impact fees of \$2,856,000 were greater than budget by \$1,329,000, and services income of \$151,000 was greater than budget by \$33,000. The Water Line of Business reported July 2025 CNPAC of \$649,000 and YTD CNPAC of \$13,966,000. These amounts were \$1,790,000 less than and \$6,947,000 greater than their respective July 2025 MTD and July 2025 YTD budget amounts.

Wastewater

The Wastewater Line of Business reported total operating revenues of \$3,950,000, a \$263,000 increase from the July budgeted amount of \$3,687,000. Total operating expenses of \$3,848,000 were \$1,022,000 greater than the budgeted amount of \$2,826,000. As a result, the Wastewater Line of Business reported net operating income of \$102,000, which was \$760,000 less than the budgeted amount of \$862,000. Net non-operating items provided a favorable variance of \$323,000 from budget. Impact fees were greater than budget by \$499,000, and capital participation fees were less than budget by \$173,000. The Wastewater Line of Business reported July 2025 CNPAC of \$1,146,000 and YTD CNPAC of \$15,690,000. These amounts were \$112,000 less than and \$6,620,000 greater than their respective July 2025 MTD and July 2025 YTD budget amounts.

LINK TO STRATEGIC PLAN

Financial Excellence

EXHIBITS

1. 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

Financial Update



- July 2025 Financials

- Kimberly Huffman, Accounting Manager



Board Financial Policy Compliance - July 2025 YTD

	FY 2024 Actual	FY 2025 Budget	Financial Policy	FY 2025 Actual*
Debt to Capitalization (lower is better)	41.1%	45.5%	≤55.0%	40.7%
Debt Service Coverage (higher is better)	5.14	4.71	≥2.40	4.70
Days Cash on Hand (higher is better)	208	224	≥140	289
Days Liquidity on Hand (higher is better)	495	N/A	N/A	578

* Amounts are calculated by annualizing the YTD results

Mission

Strengthening our community by providing resilient essential services



Vision

Be a trusted community partner dedicated to excellence in service

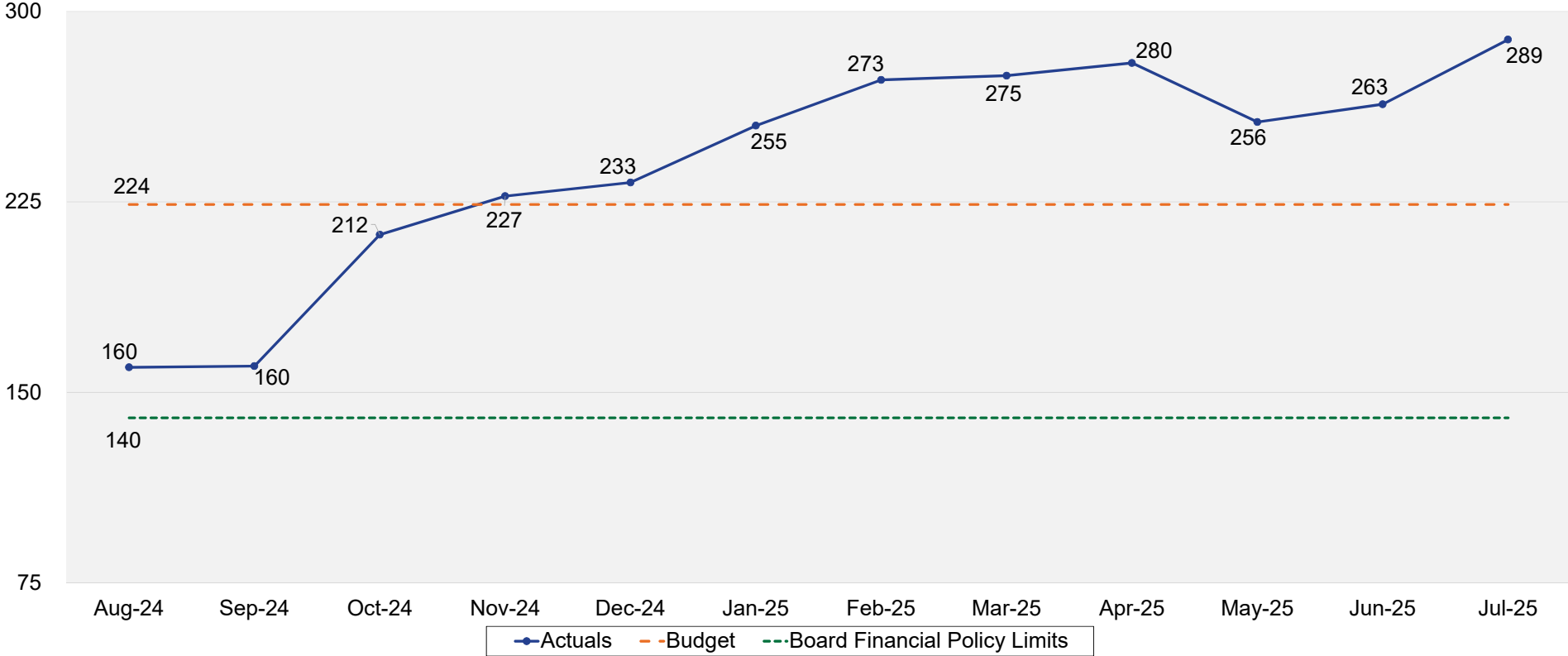


Core Values

Safety, Team, Integrity, Culture, and Stewardship



Days Cash on Hand - July 2025 YTD



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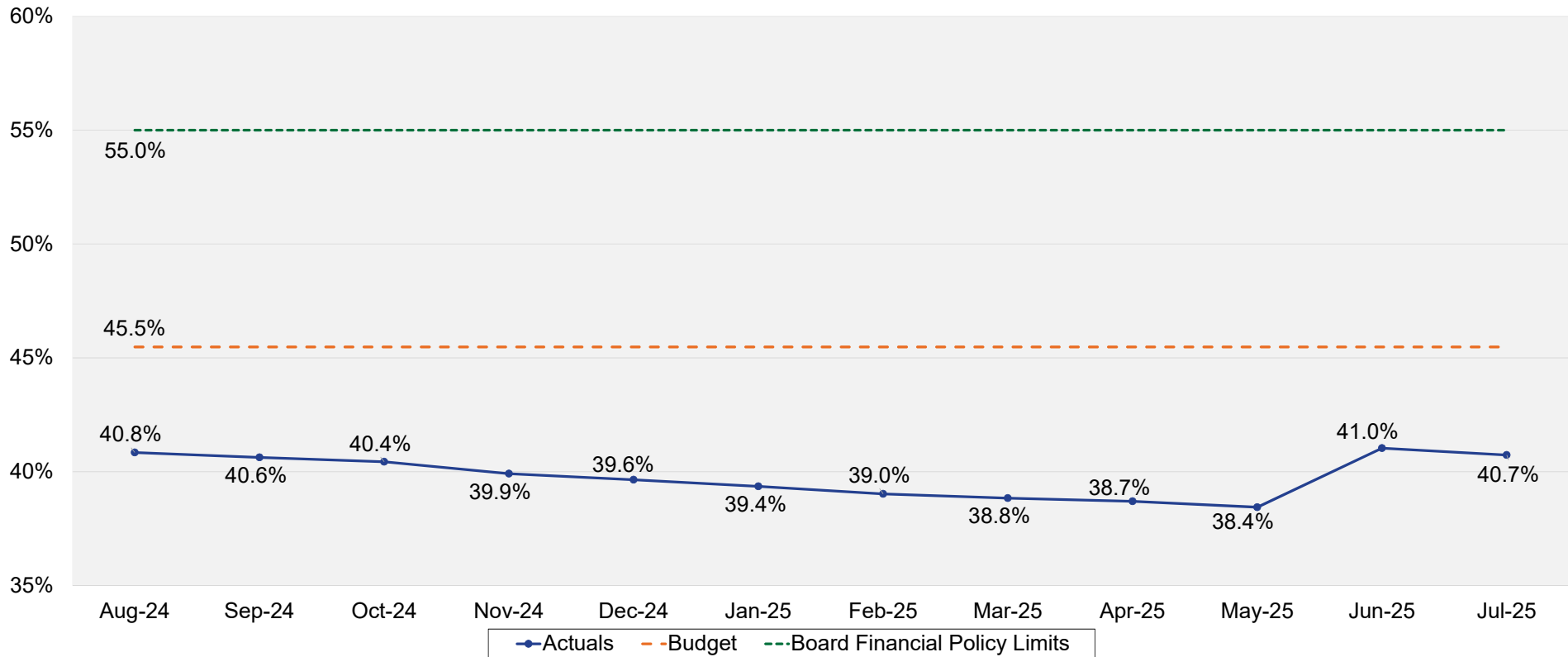


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Debt to Capitalization - July 2025 YTD



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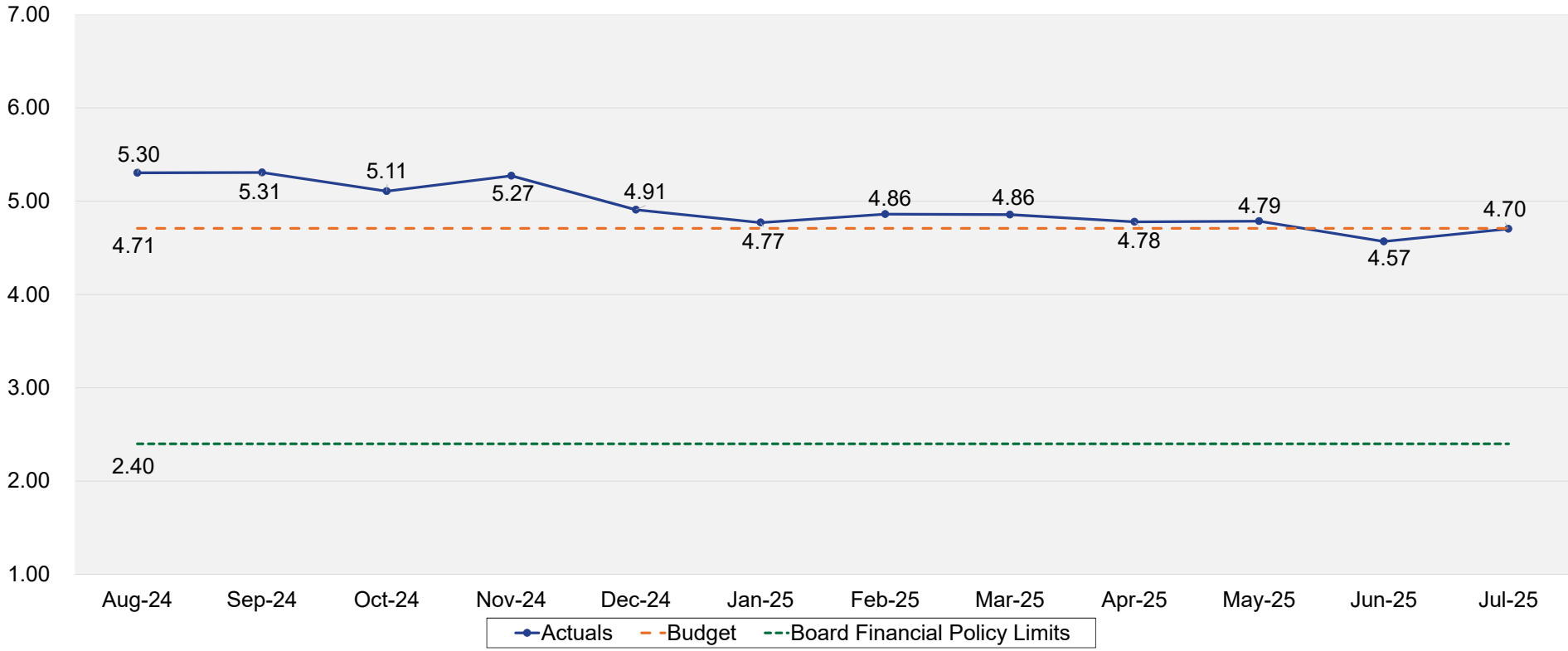


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Debt Service Coverage - July 2025 YTD



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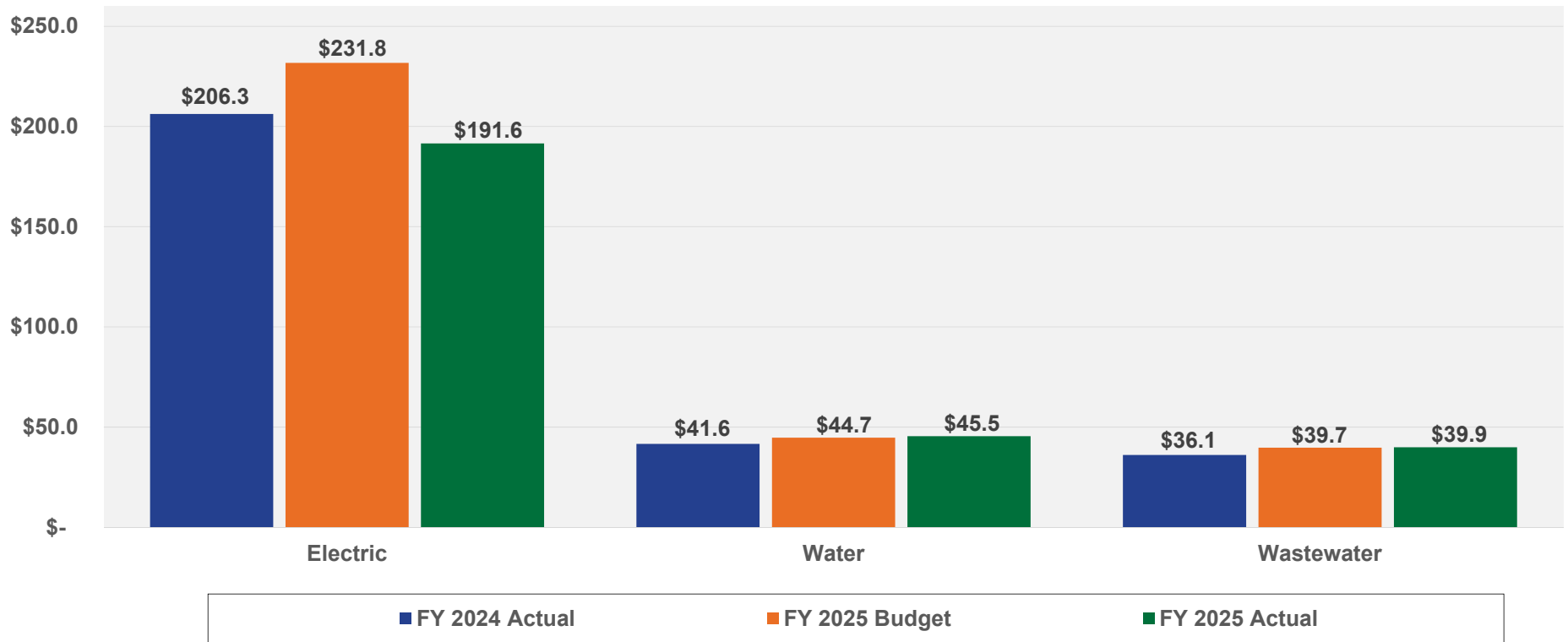


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Operating Revenue by LOB July 2025 YTD – Amounts in Millions



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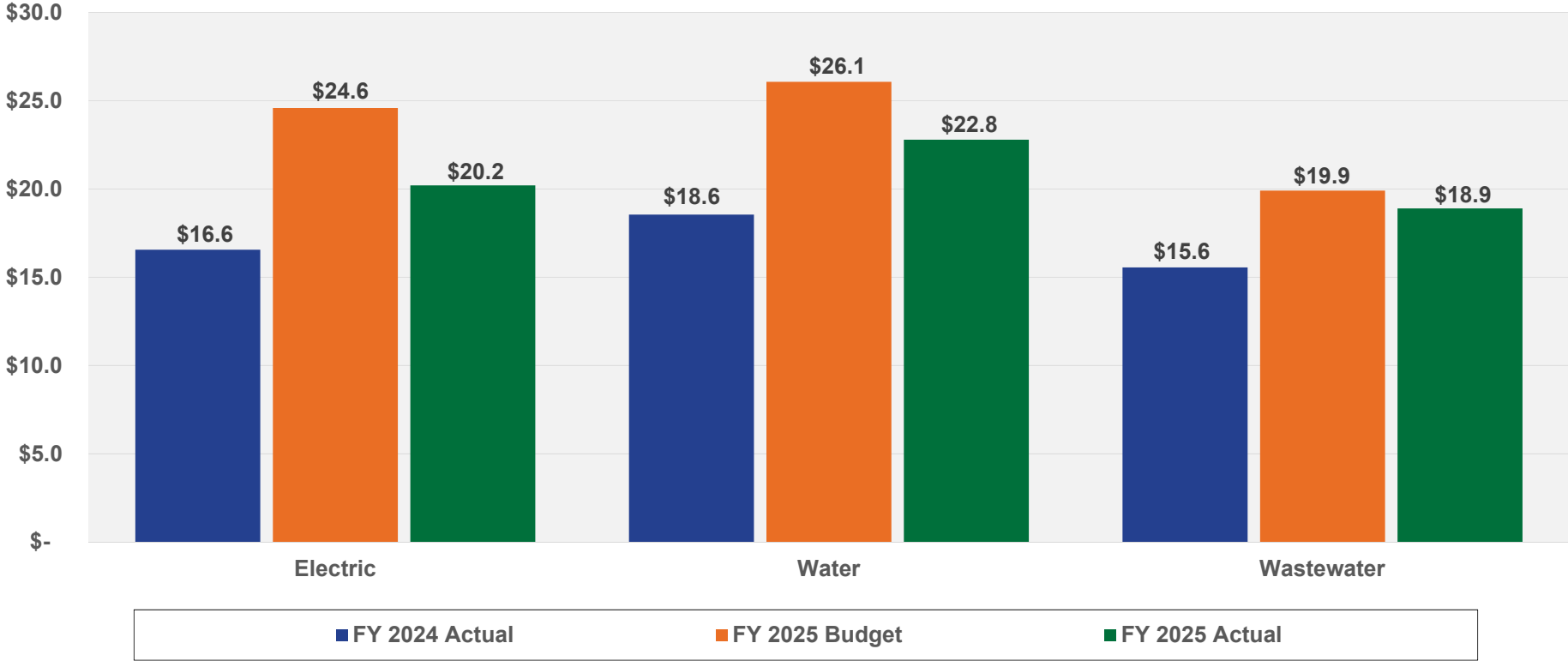


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Operating Expenses* by LOB July 2025 YTD – Amounts in Millions



*Excludes purchased power, purchased water, and depreciation expense

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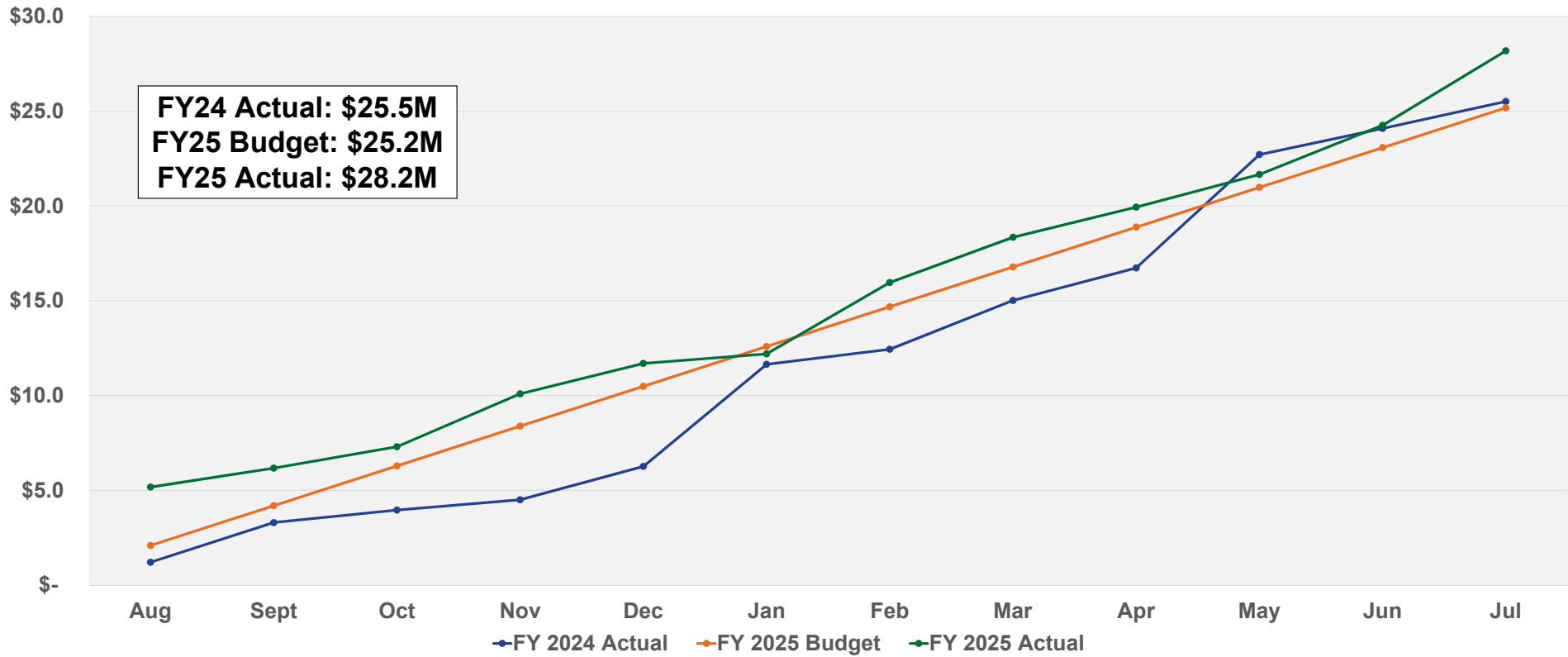
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Impact Fee Revenues July 2025 YTD – Amounts in Millions*



* Amounts shown are YTD for each month

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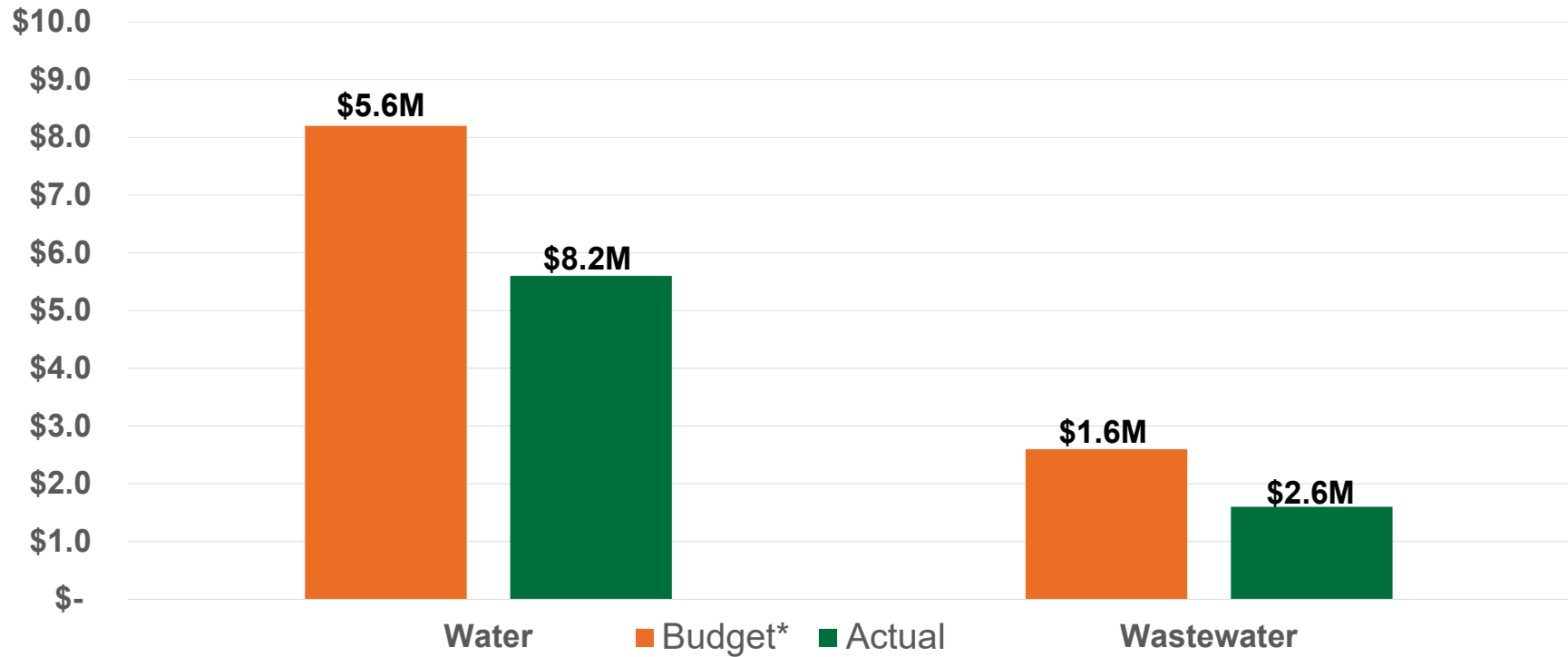


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Impact Fees Collections-Program E Update – July 2025 – Amount in Millions



* Fiscal year budget amount

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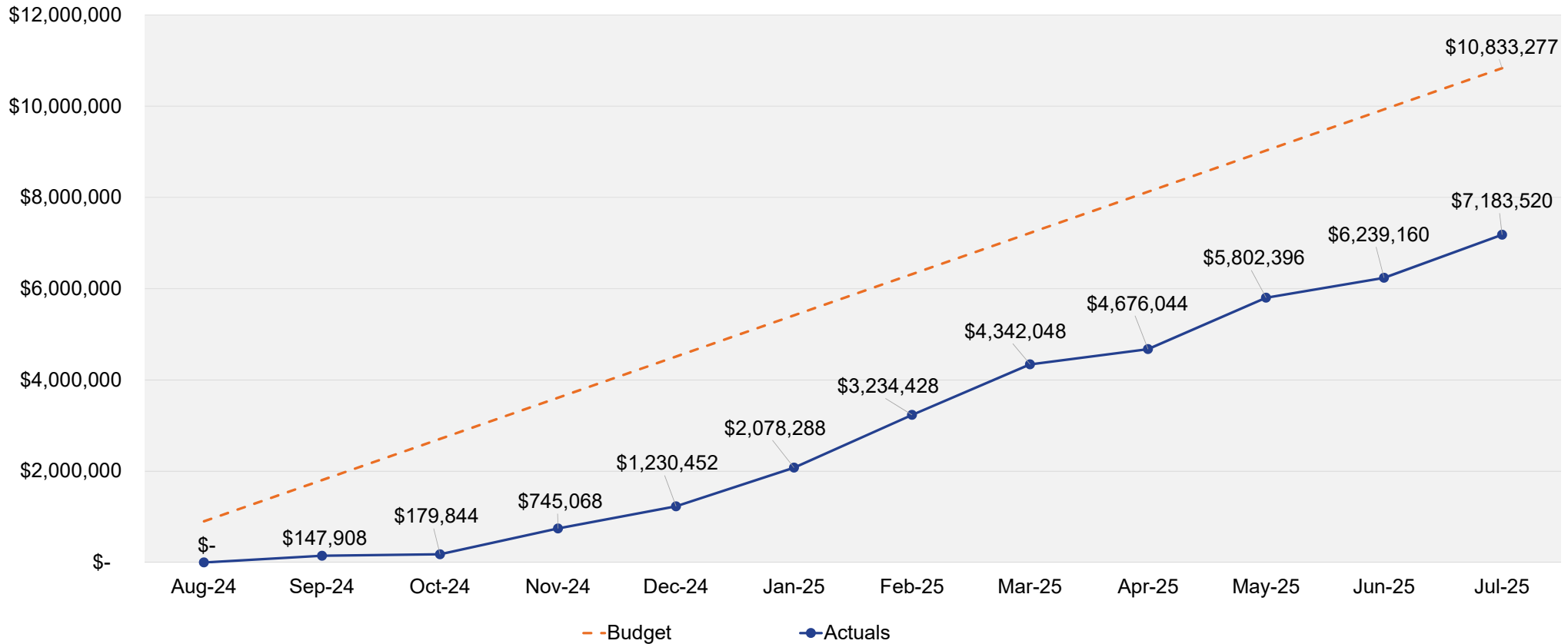
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Impact Fees Collections-Program E Update – FY25



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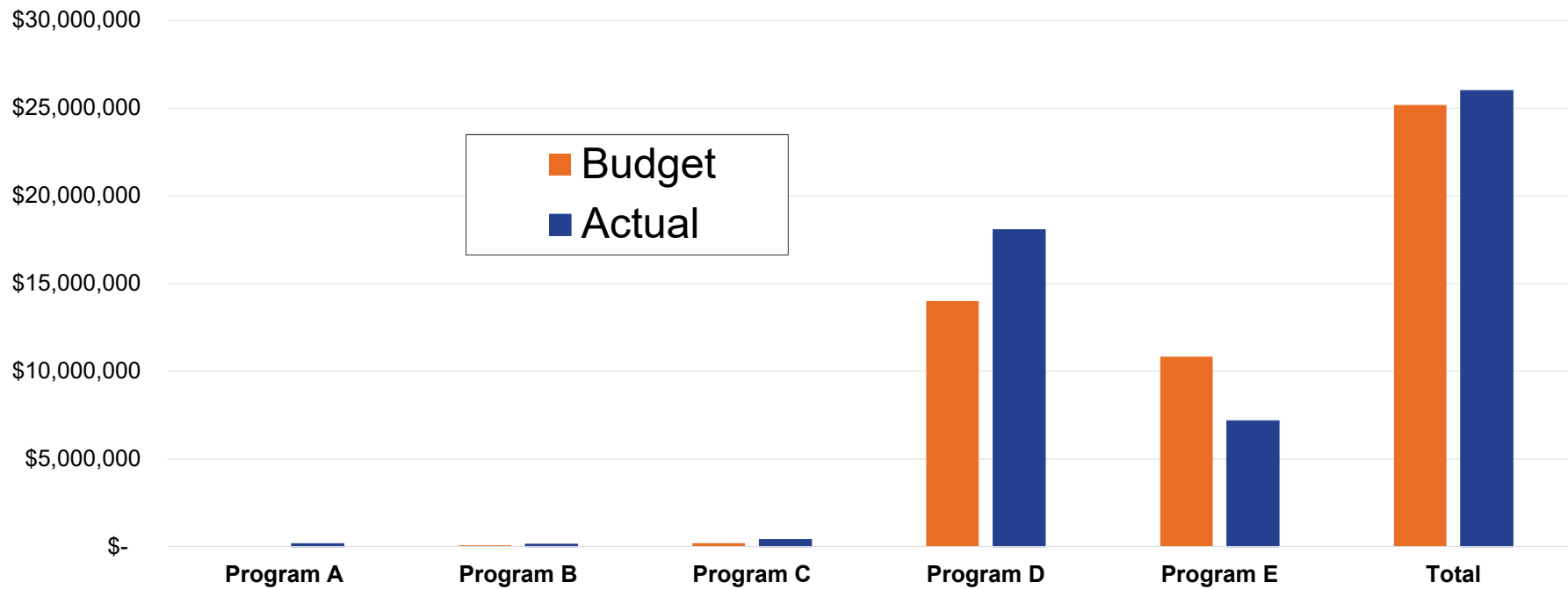


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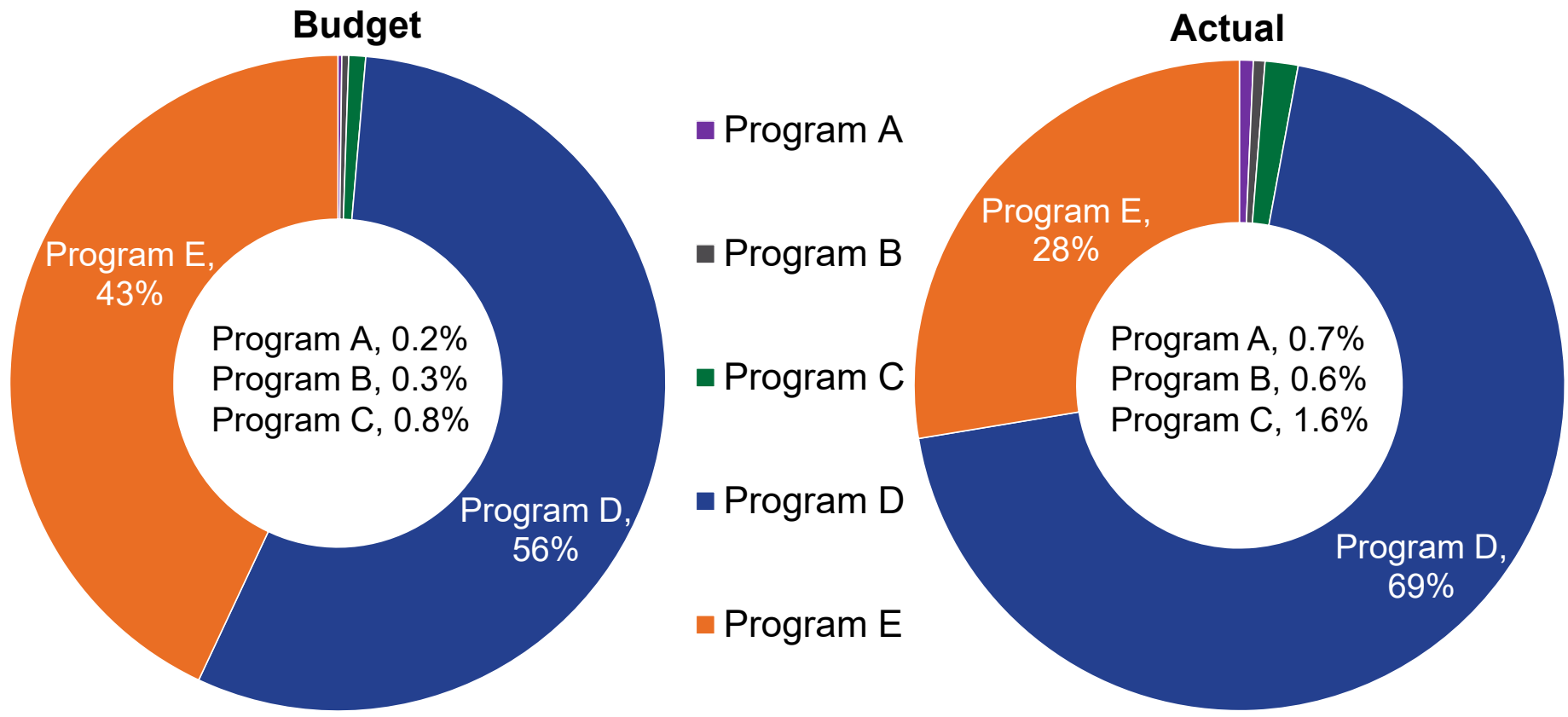


Impact Fee Collections – FY25



	Program A	Program B	Program C	Program D	Program E	Total
Budget	\$ 48,872	\$ 85,408	\$ 208,576	\$ 14,002,857	\$ 10,833,277	\$ 25,178,989
Actual	\$ 178,086	\$ 150,459	\$ 420,669	\$ 18,072,972	\$ 7,183,520	\$ 26,005,705
Over/(Under) Budget	\$ 129,214	\$ 65,051	\$ 212,093	\$ 4,070,114	\$ (3,649,757)	\$ 826,715

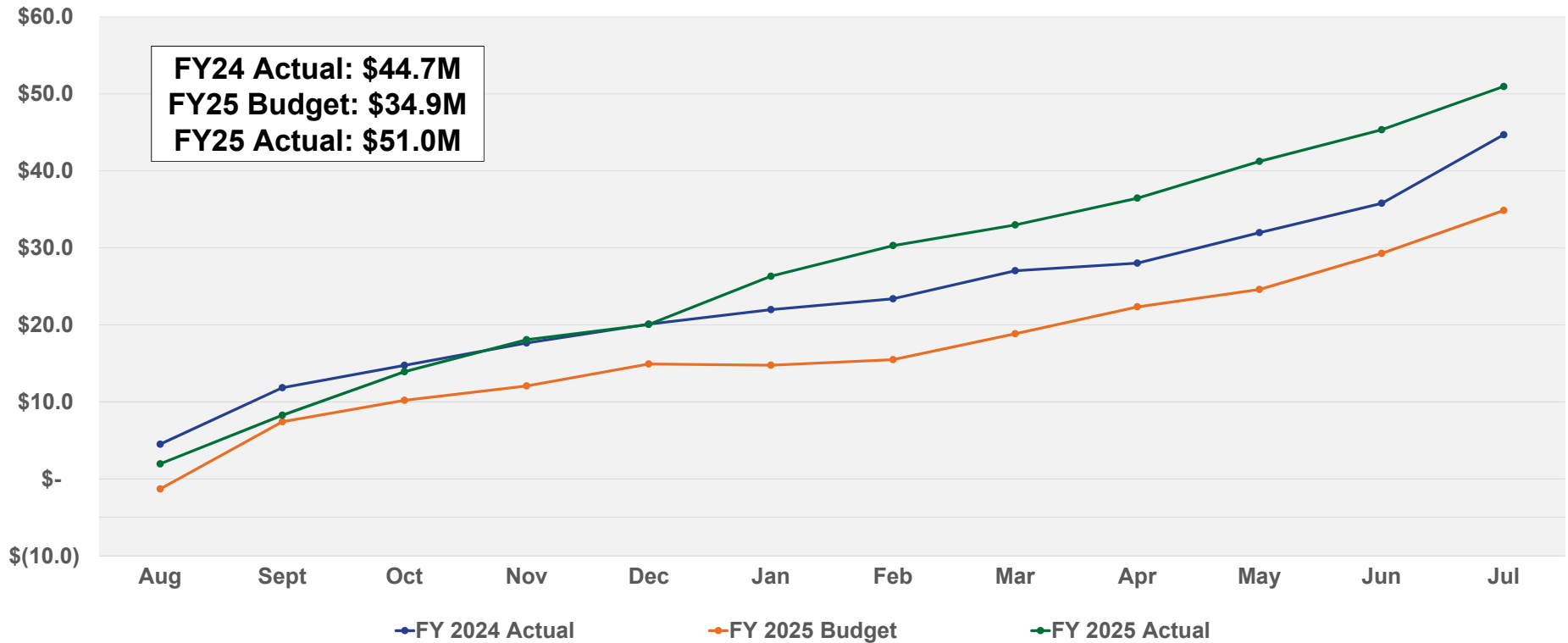
Percentage of Total Collections – FY25



Power Supply Reserves Update

As of FY25 Budget	Power Stabilization Fund FY25	Power Stabilization Fund Full, FY28
Target	\$50M	\$95M
As of July 30, 2025	\$50M	\$50M

Net Operating Income July 2025– Amounts in Millions*



* Amounts shown are YTD for each month

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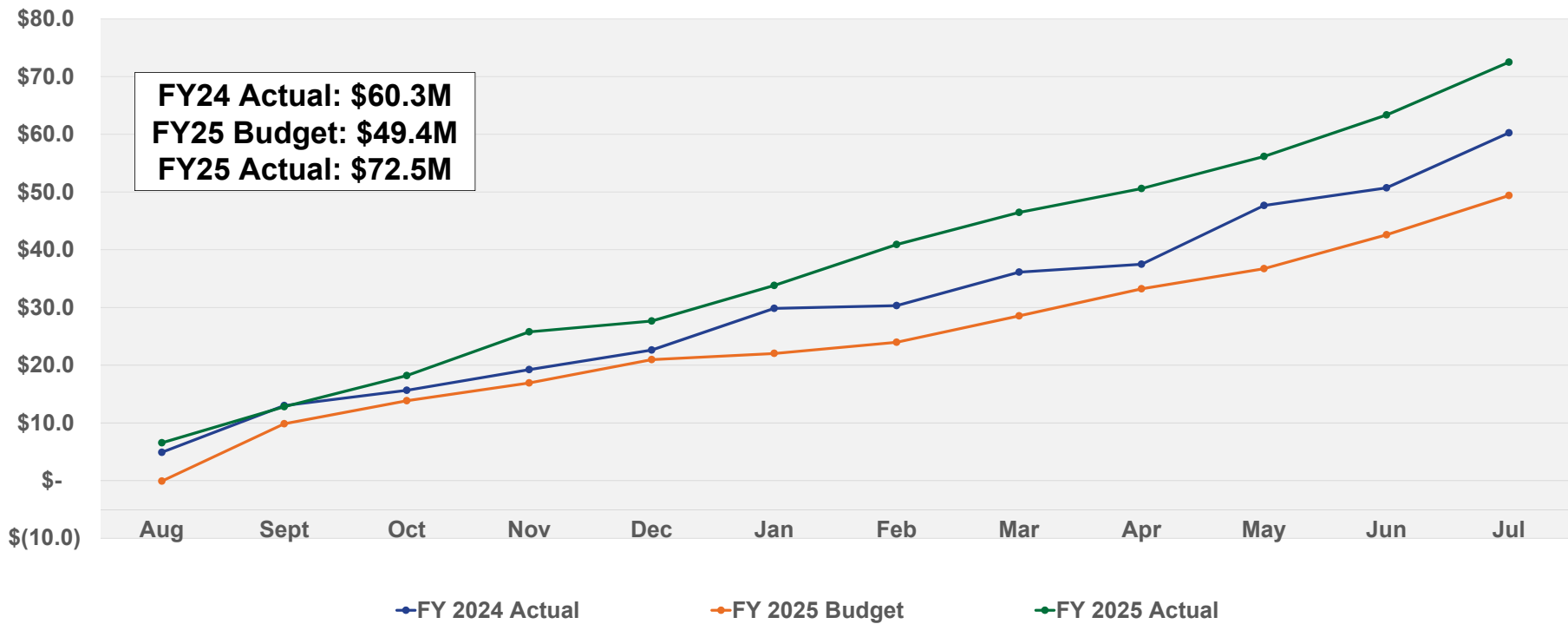
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Change in Net Position After Contributions July 2025– Amounts in Millions*



* Amounts shown are YTD for each month

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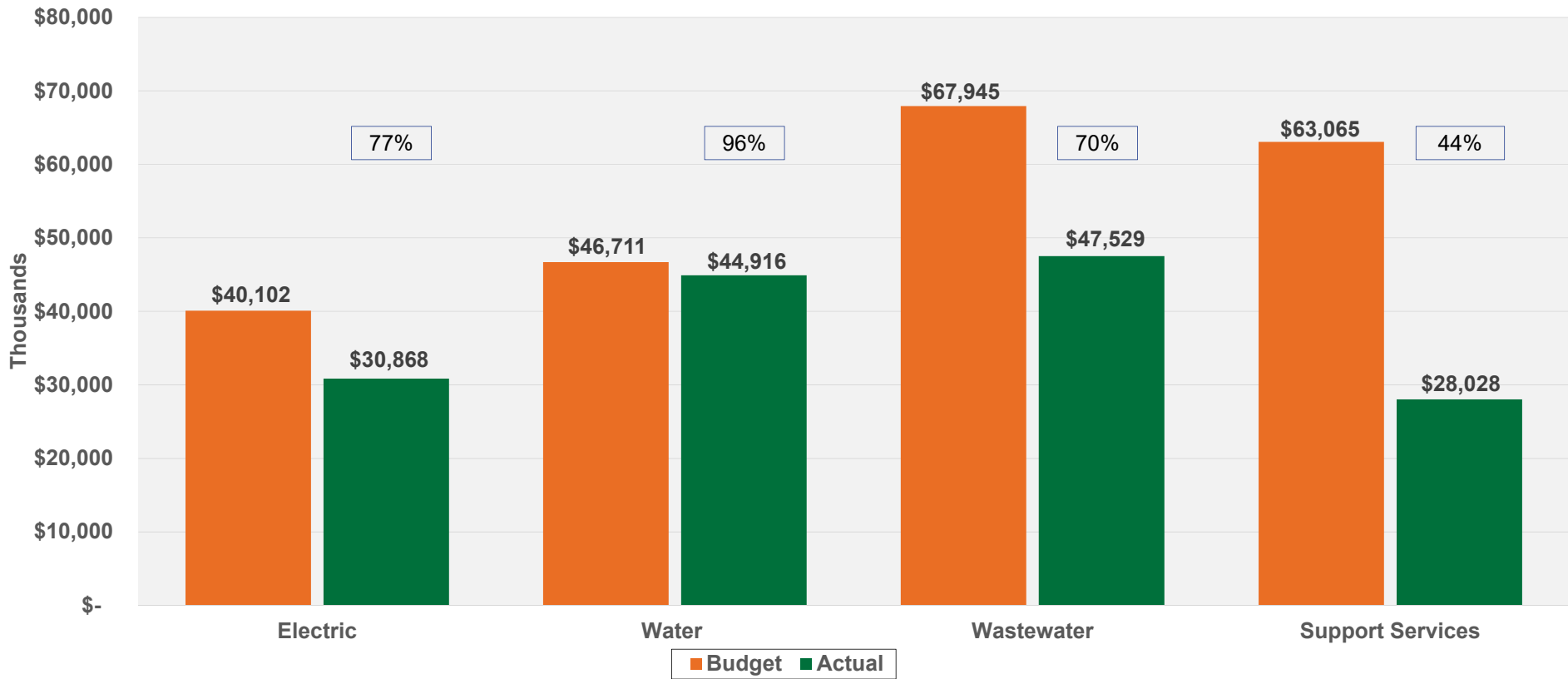


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Capital Project Expenditures July 2025 YTD – Amounts in Thousands



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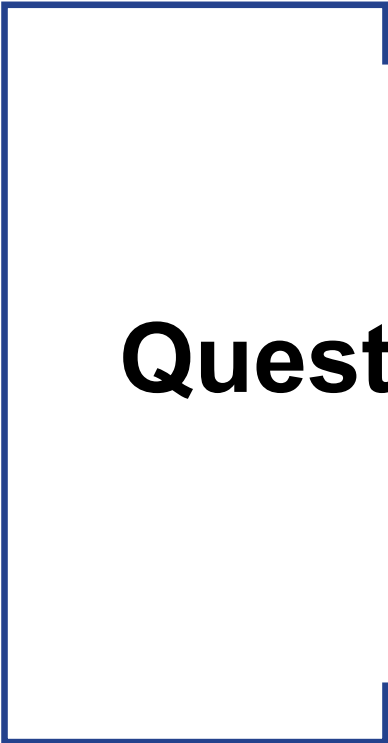
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Quarterly Investment Report

As of July 31, 2025



Jessica Coleman, Finance & Risk Manager

Investment Portfolio Summary

	Ending Invested Value	Percentage of Portfolio	Weighted Average Maturity (in days)	Weighted Average Days to Call
Daily Liquidity Funds				
Money Markets	\$ -	0.0%	0	0
Pooled Funds	87,855,443	38.8%	1	1
Total Money Markets & Pooled	\$ 87,855,443	38.8%	1	1
Federally Insured Cash Account	\$ 11,514,370	5.1%	1	1
Demand Deposits	56,765,819	25.1%	1	1
Daily Liquidity Funds Total	\$ 156,135,632	68.9%	1	1
Escrow Funds Total				
Escrow Funds Total	\$ 21,405,765	9.4%	1	1
U.S. Agencies	\$ 32,958,464	14.5%	35	35
U.S. Treasuries *	16,053,347	7.1%	28	28
Certificates of Deposit	-	0.0%	0	0
Obligations of The State of Texas, Agencies & Instrumentalities	-	0.0%	0	0
Total Invested Funds	\$ 226,553,208	100.0%	67	67

Max = 450

Max = 300

* WAM and WAM to Call exclude a \$5 Million investment in the Community Assistance Fund having a remaining maturity of 4.3 years.

Liquidity Requirement	
Total Daily Liquid Funds	\$ 156,135,632
Average Monthly Operating Expense (FY 2025 Budgeted Operating Expenses ÷ 12)	\$ 19,515,241
Operating Expense Liquidity Coverage Ratio	\$ 8.00
Number of Days Coverage of Operating Expenses	240

Min = 30

Rolling Four Quarter Annualized Yield By Investment Type

Item 3.

Rolling Four Quarter Annualized Yield By Investment Type For The Fiscal Quarter Ended		
Investment Type	7/31/2025	Rolling Four Quarter Average
U.S. Govt. Securities*	4.181%	4.343%
Federally Insured Cash Account	4.180%	4.451%
Pooled Funds	4.305%	4.580%
Money Markets	0.000%	0.000%
Certificates of Deposit	0.000%	0.000%
Obligations of The State of Texas, Agencies & Instrumentalities	0.000%	0.000%
Demand Deposits**	0.967%	0.992%
Escrow Funds	2.173%	2.173%
Total NBU Yield	3.317%	3.413%
90 Day T-Bill	4.242%	4.405%

* U.S. Govt. Securities includes a \$5 million 10 year Community Assistance maturity at 1.79%

** The Demand Deposits interest rate reflects NBU's earnings credit rate with Frost Bank. Earnings are solely used to offset Frost Bank fees for the month.

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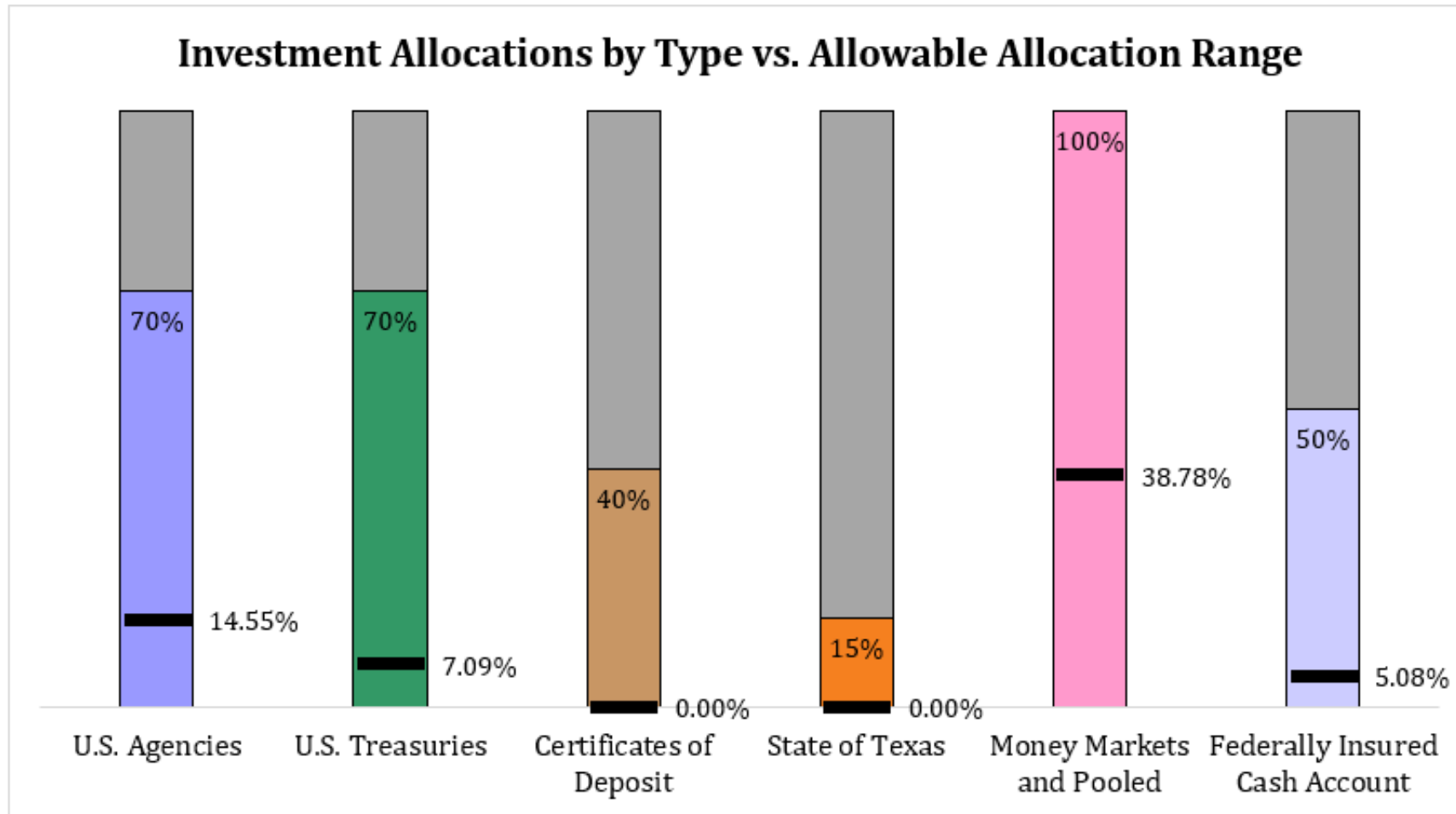
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Investment Allocations vs. Investment Allowable Range Item 3.



Note: Colored area in bar represents allowable allocation range

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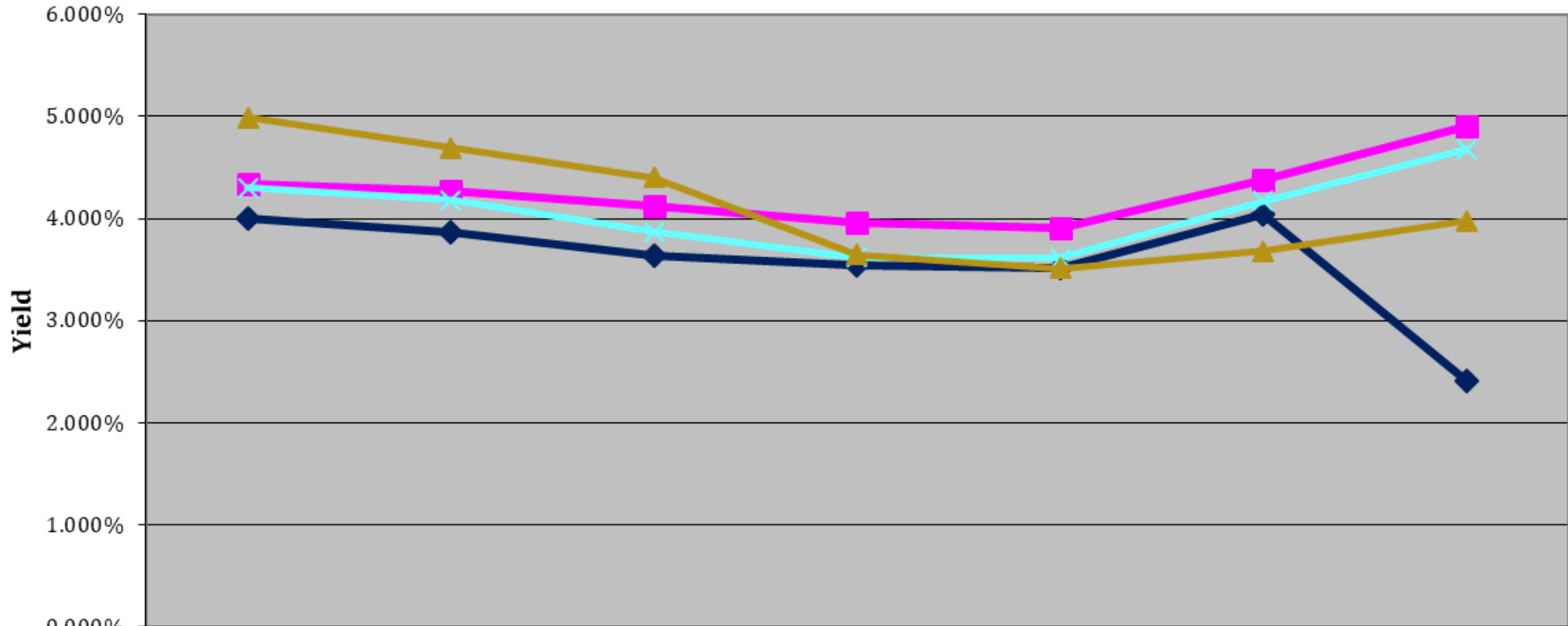
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U.S. Treasury Yield Curve



	3 Mo	6 Mo	12 Mo	2 Yr	3 Yr	10 Yr	30 Yr
◆ Current (09/15/2025)	4.000%	3.860%	3.640%	3.547%	3.510%	4.040%	2.410%
■ Quarter End (07/31/2025)	4.340%	4.276%	4.124%	3.963%	3.906%	4.375%	4.899%
✕ Last Quarter (04/30/2025)	4.299%	4.182%	3.869%	3.621%	3.615%	4.175%	4.680%
▲ Four Quarters Ago (07/31/2024)	4.990%	4.690%	4.400%	3.648%	3.510%	3.680%	3.980%

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City of New Braunfels, Texas
Utility System Commercial Paper Notes, Series 2019A
Summary of Commercial Paper Notes by CUSIP

CUSIP	Par Amount	Nominal Rate	Issue Date	Maturity Date	Total Days	Total Interest
64257PCE8	31,285,000.00	2.95%	3/4/2025	5/13/2025	70	176,995.96
64257PCF5	18,215,000.00	3.30%	4/8/2025	5/13/2025	35	57,639.25
64257PCG3	5,500,000.00	3.10%	4/8/2025	6/17/2025	70	32,698.63
64257PCH1	40,035,000.00	3.25%	5/13/2025	6/18/2025	36	128,331.37
64257PCJ7	29,465,000.00	3.30%	5/13/2025	6/18/2025	36	95,902.52

Note: The table above shows the commercial paper notes with an issue date and/or maturity date that occurred during the reporting period and any currently outstanding commercial paper notes.



Meeting Date: September 25, 2025 **Agenda Type:** Items from Staff

From: Nancy Pappas **Reviewed by:** Julia Haynes
Managing Director,
Headwaters at the Comal Director of External Relations

Submitted by: Ragan Dickens **Approved by:** Ryan Kelso
Chief Communications Chief Executive Officer
Officer

RECOMMENDED ACTION: Quarterly Update on the Headwaters at the Comal



HEADWATERS
AT THE COMAL™

**NBU Board of Trustees
Headwaters Quarterly Update
September 25, 2025**

Presentation Overview

Item 4.



Phase II Construction Update



2025 On-going Programs



Archaeology Exhibits



Parking Area Educational Signage



Questions & Comments



HEADWATERS
AT THE COMAL™

Construction Update

Phase 2 Essential Visitor Services

September 25: Substantial Completion

October 3: Headwaters/One Water staff move

October 9: Opening Celebration

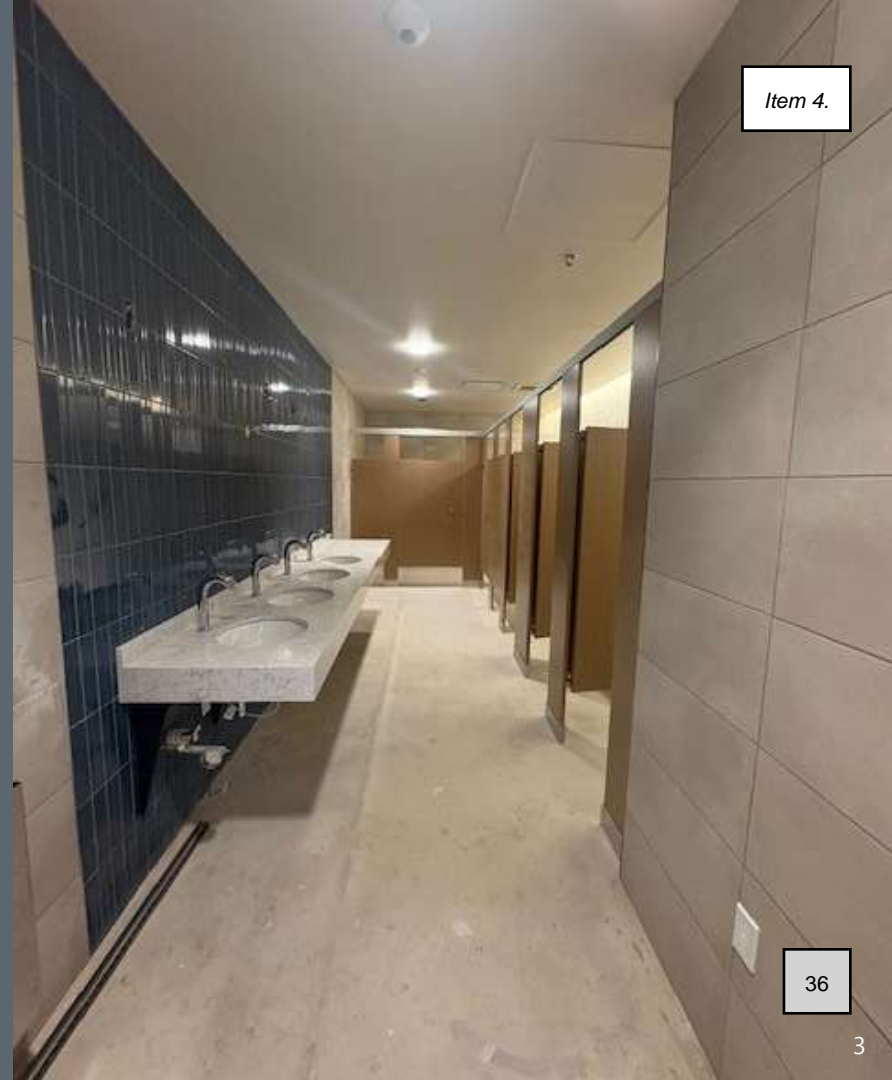
October 15 : Chamber Ribbon Cutting

Phase 3 Project Plan Completion

August 28: Final GMP #6 Approved

October 2025: Demolition begins

January 2027: Estimated substantial completion of Master Plan



Item 4.

36

2025 Programs



NATIVE PLANT WORKSHOP SERIES
Learn how to create a colorful, low water landscape that supports our local pollinators.

AUG 14	NATIVE PLANTS FOR CONTAINERS
SEP 27	NATIVES 101 WORKSHOP
OCT 16	GROWING TEXAS WILDFLOWERS
NOV 1	NATIVE SHADE TREES FOR COMAL COUNTY
NOV 13	MAINTAINING YOUR NATIVES

HEADWATERS
AT THE COMAL
WWW.HEADWATERSATTHECOMAL.ORG

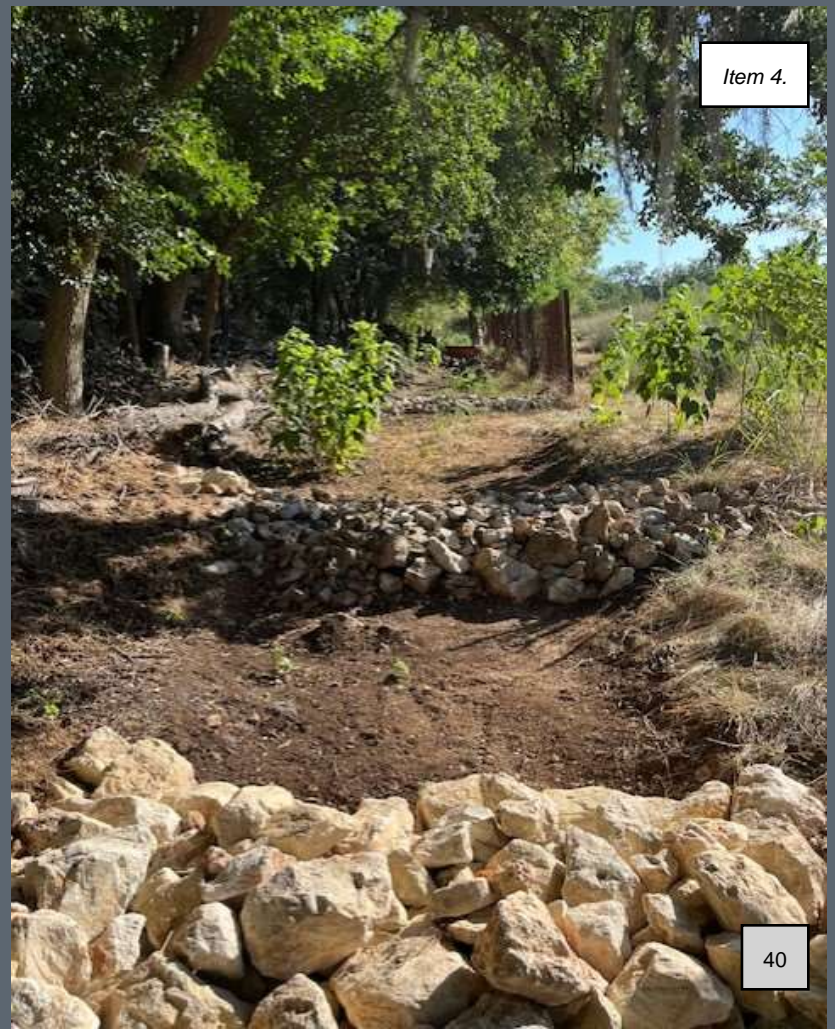



- Current Headwaters Program Offerings
 - Reserved Group Tours
 - Homeschool Education Tours
 - First Saturday Tours
 - Adult Wellness: Yoga
 - Landscaping with Native Plant Series (1 class per month)
 - Protecting Water Resources Course
 - Youth Curriculum Driven Education (half day camps, homeschool groups)
 - Youth Informal Education (preschool nature walks, SEAM series)

Volunteers and Community Research Program Item 4.

- 1,735 Hours – YTD
- 20 different activities
- Water Quality Testing
- Habitat Monitoring
- Restoration Maintenance
- Education
- Ambassadors





Item 4.

Archaeology Programs & Exhibits

Item 4.

Headwaters received \$115,500 in grants to develop programs & exhibits sharing the research from the 2018-2019 Archaeology excavation:

- Kronkosky - \$75,000
- Summerlee Foundation - \$12,500
- Humanities Texas - \$13,000
- Downtown Rotary - \$15,000



Headwaters Archaeology Exhibits

Item 4.

Archaeology Committee

Mindy Bonine, *Archaeologist, ERG*

Mason Miller, *Archaeologist, ERG*

Dr. Todd Ahlman, *Director, Center for Archaeological Studies, Texas State Univ.*

Rick Reed, *Comal County Historical Commission, Archaeology Committee*

Bobbie Garza-Hernandez, *Indigenous Cultures Institute, San Marcos*

Dr. Judith Dykes- Hoffmann, *PhD. Geography*

Victoria Broderick, *Watershed Educator*

Illiana Gonzales, *CISD Social Studies Curriculum Coordinator*

Linda Dreibrodt, *NBISD, Social Studies Curriculum Coordinator*



Stakeholder Experts Shaping Exhibits and Programs

Three New Exhibits

- Tactile and Interactive
- Spanish Bilingual
- Based on Interpretive Plan

New Programs

- Youth Camps
- Demos and Tours for Adults
- Staff and Volunteer Training

Timeline & Delivery

- Exhibit Installation: Fall '25
- Youth Camps: Fall '25, Jun '26
- Adult Programs: Fall '25
- Training: Spring '26

Exhibits Honor 10,000+ Years of Human Connection to the Comal Springs

Item 4.

300 Generations

Overview of archaeology findings, timeline of the site's rich history.

A Place to Make Tools

Focus on escarpment and variety of stone tools people learned to make.

Earthen Ovens

Cooking traditions and innovations, layering and construction of stone ovens.



HEADWATERS AT THE COMAL SUSTAINABLE STORMWATER MANAGEMENT

Welcome to the Headwaters at the Comal!

The parking lot is more than just a place to park – it's a living example of how thoughtful landscape design can protect and restore our local waterways.



BIOSWALE - NATURE'S FILTER

At the heart of the parking lot lies a bioswale, a gently sloped, vegetated channel designed to capture and treat stormwater runoff. As rainwater flows across the paving surfaces and concrete runoff curbs, it is directed into the bioswale where native plants and engineered soil layers work together to slow, filter, and absorb pollutants.

PHYTOREMEDIATION - PLANTS WITH A PURPOSE

The bioswale is planted with species selected for their ability to phytoremediate—a natural process where plants absorb and break down contaminants. This green infrastructure ensures that all surface runoff is treated before it enters Bladders Creek, helping to reduce sediment and fuel residues.



«Landscape architect will provide several species of plants that support this process (extraction, degradation, stabilization) and a potential list of pollutants they address. Stay tuned >

WHY IT MATTERS

Urban runoff is a major source of water pollution. By using Low Impact Development (LID) strategies like bioswales and phytoremediation, we reduce the environmental footprint of development and reconnect people with the natural systems that sustain us.



PROTECTING BLADDERS CREEK AND THE COMAL RIVER

Water treated in the bioswale flows into Bladders Creek, a tributary that eventually joins the Comal River, one of the most biologically diverse aquatic ecosystems in Texas. By intercepting and cleaning runoff, this system helps preserve water quality and supports the health of endangered species downstream.



ENGINEERED FOR IMPACT

The design integrates permeable gravel layers, bioswale soil mixes, and mulch layers, all working in tandem to maximize infiltration and pollutant removal. These features were developed in collaboration with Ten Eyck Landscape Architects, LakePlate Architects, Guidally Engineering, and ecological consultants from Blackland Collaborative.

Parking Area Education Signage



COMMENTS OR QUESTIONS?





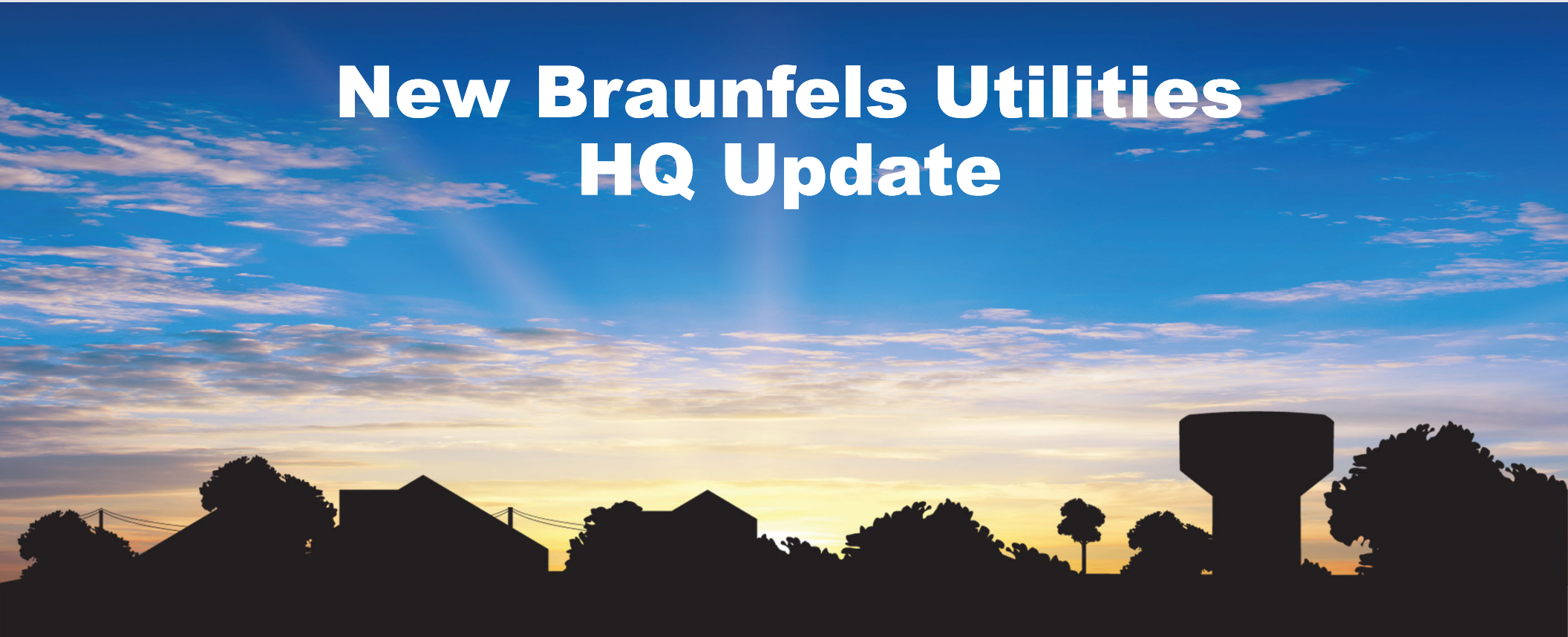
Meeting Date: September 25, 2025 **Agenda Type:** Items from Staff

From: Jacob Tschoepe **Reviewed by:** Darrin Jensen
Program Portfolio Manager Director of Enterprise Project
Management Office

Submitted by: David Hubbard **Approved by:** Ryan Kelso
Chief Administrative Officer Chief Executive Officer

RECOMMENDED ACTION: Monthly NBU Headquarters Progress Update

New Braunfels Utilities HQ Update



September 2025



Recent Milestones

September

- Three Concrete Placements Completing Warehouse
- Soil stabilization and Hydro Mulch
- Site Utilities

October

- Offsite Sewer Line
- Steel Erection
- Final Three Concrete Placements
- Bridge Footers and Piers

November

- Bridge Deck
- Pan Floor Installation



Mission

Strengthening our community by providing resilient essential services



Vision

Be a trusted community partner dedicated to excellence in service



Core Values

Safety, Team, Integrity, Culture, and Stewardship





Mission

Strengthening our community by providing resilient essential services

+

Vision

Be a trusted community partner dedicated to excellence in service

+

Core Values

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Legend Key

- 1 Training and Testing Field
- 2 Equipment Building
- 3 Recycle/Trash Dumpsters
- 4 Operations Dock
- 5 Warehouse
- 6 Administration Bldg.
- 7 Spoils
- 8 Wire Storage
- 9 Pipe Storage
- 10 Wood Pole Storage
- 11 Transformer Storage
- 12 Steel Pole Storage
- 13 Maintenance Bldg.
- 14 Protection Buffer
- 15 Jurisdictional Waters Buffer Area
- 16 Paved Yard
- 17 Oversized Parking
- 18 Fleet Parking
- 19 Employee Parking
- 20 Public Parking
- 21 Walking Trail
- 22 Crew Ops
- 23 Dock Parking
- 24 Bulk Storage
- 25 Employee Courtyard
- 26 Ground Storage Tank
- 27 Site Fencing
- 28 Monument Sign
- 29 Cistern
- 30 Employee Entry Bridge
- 31 Grass Area



<p>Mission Strengthening our community by providing resilient essential services</p>	<p>Vision Be a trusted community partner dedicated to excellence in service</p>	<p>Core Values Safety, Team, Integrity, Culture, and Stewardship</p>
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Next Steps

- GMP #6 to *September Board*
- Vertical Steel Construction Continues
- Install Bridge *November*

Mission

Strengthening our community by providing resilient essential services



Vision

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Questions?



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Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Laura Ayala
Board Relations Coordinator **Reviewed by:** Rocio G. Hilliard
Chief of Staff

Submitted by: Rocio G. Hilliard **Approved by:** Ryan Kelso
Chief of Staff Chief Executive Officer

RECOMMENDED ACTION: Approve Minutes of the NBU Regular Board Meeting of August 28, 2025

BACKGROUND

None

FINANCIAL IMPACT

None

LINK TO STRATEGIC PLAN

Customers and Community

EXHIBITS

- 1. August 28, 2025 Regular Board Meeting Minutes

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

**1:00 P.M.
Thursday, August 28, 2025
NBU Board Room
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Wayne Peters opened the meeting at 1:00 p.m. A quorum of the NBU Board was present.

PRESENT

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

ABSENT

None

NBU PERSONNEL

Ryan Kelso, Ragan Dickens, Greg Brown, Dawn Schriewer, Jessica Williams, Connie Lock, Rocio Gallegos, Mark Steelman, Sheila Lavender, David Hubbard
Adriana Sanchez, Andrew Cummings, Ashley VanBooven, Bob Figuly, Carlos Salas, Darrin Jensen, Jason Theurer, John Warren, Julia Haynes, Justin Green, Mike Short, Rachel Leier, Reagan Pena, Adam Willard, Becca Graham, Brent Lundmark, Bruce Haby, Coby Henk, David Guerrero Jr., Doug Clifton, Gregory Thomas, Jacob Tschoepe, James Rammel, Jeffery Morriss, Jenna Mathis, Jesse Luna, Jessica Coleman, Jessica Green, Joe Vargas, Kenneth Allen, Kimberly Huffman, Kristi Villasana, Missy Quent, Robert Aleman, Nancy Pappas

NBU CONSULTANTS

Charles Schoening, Arcadis

PLEDGE AND INVOCATION

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

PUBLIC COMMENT

Al Kaufman, resident, addressed the board on outgoing NBU CFO Dawn Schriewer’s accomplishments.

NBU EMPLOYEE AWARDS AND RECOGNITION

1. Recognition of NBU Texas Lineman Rodeo Participants

NBU recognized three journeyman teams and five apprentices participating in the Texas Lineman Rodeo. NBU also had two teams participate in the Lineman barbecue competition.

2. New Braunfels Chamber of Commerce City of a Prince Decree Awarded to Dawn Schriewer

The New Braunfels Chamber of Commerce presented outgoing NBU CFO Dawn Schriewer with the Chamber's City of a Prince decree.

3. Retirement Recognition of NBU Employee Dawn Schriewer

CEO Ryan Kelso recognized Dawn Schriewer, who retired with 20 years of dedicated service to NBU.

ITEMS FROM THE CHAIR

1. NBU Board Committee Assignments

Board President Wayne Peters provided the Board with an updated list of the NBU Board Committee assignments, including the Security Committee, which was approved at the June Board meeting.

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

Wayne Peters congratulated the NBU linemen who were recognized for participating in the Texas Lineman's Rodeo and the outgoing NBU CFO, Dawn Schriewer.

ITEMS FROM STAFF

1. CEO Update

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

a. Leadership Announcement of New Hires and Position Changes: Chief Financial Officer, Jessica Williams, and Manager of Conservation and Customer Solutions, Jesse Luna

Jessica Williams joined NBU as Chief Financial Officer. She will oversee the Finance and Energy Risk departments, including accounting, budgeting, and risk management. Jessica previously served as CFO for the cities of Denton and Wichita Falls, Texas, and for the Oregon Public Employees Retirement System. She holds a Master of Public Administration and is a Certified Public Finance Officer.

NBU's Jesse Luna has been named the new Conservation and Customer Solutions Manager. Jesse brings over three years of leadership experience as NBU's Purchasing Manager.

b. NBU Journeyman Tristan Tips Selected as Keynote Speaker at the 2025 Lineworker Academy Graduation Held at Texas A&M University

NBU Journey Lineman Tristan Tips was a guest instructor at the Texas A&M Engineering Extension Service (TEEX) Lineman Academy. Tristan was invited to serve as the keynote speaker at their graduation ceremony.

c. NBU Presents at the United States Water Alliance One Water Summit

Julia Haynes and Robin Gary recently attended the US Water Alliance’s One Water Summit in Pittsburgh, Pennsylvania. Robin Gary was a panelist for the Meeting the Future Through One Water Planning and Development session. Headwaters and the One Water New Braunfels program also received special recognition during the US Water Alliance CEO’s keynote address.

d. Texas Public Power Association Annual Conference Update

NBU team members and Board members attended the annual Texas Public Power Association conference. The conference provided insights and information on legislative matters, electric systems reliability, leadership development, and other topics related to the industry.

e. NBU Hosts Emergency Preparedness Community Event

NBU hosted an Emergency Preparedness Event at the Customer Solutions Center with the theme “Stay Safe. Stay Informed. Stay Connected.” The open house gave residents practical tools for weather readiness, including power outage planning, conservation education, and bill assistance resources. Participants took home complimentary starter emergency kits.

f. NBU Employees Participate in NBU's Fiscal Year 2025 Emerging Leader Program

Sixteen NBU employees participated in the FY25 Emerging Leader Program. This year, the program focused on building leadership skills through awareness and the application of Gallup’s Clifton Strengths.

g. NBU Receives Government Finance Officers Association Certificate for Excellence in Financial Reporting for Fiscal Year 2024

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded New Braunfels Utilities the Certificate of Achievement for Excellence in Financial Reporting for its annual comprehensive financial report for Fiscal Year 2024. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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

*No additional items were discussed.

2. Financial Update and Report

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

3. Legislative Update

External Relations Director Julia Haynes provided an update on the 89th Texas Legislative Session.

4. Fiscal Year 2025 Fourth Quarter Strategic Plan Update

Program Portfolio Manager Jacob Tschoepe provided an update on the FY25 Fourth Quarter Strategic Plan Update.

5. Monthly NBU Headquarters Progress Update

Program Portfolio Manager Jacob Tschoepe provided an update on the progress of the NBU Headquarters project.

6. Drought Update

Director of Customer Solutions Andrew Cummings provided a Drought update.

CONSENT ITEMS FOR ACTION

Board Vice President Judith Dykes-Hoffmann made a motion, and Mayor Neal Linnartz seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #15, #16, #17, #18, and #19. The vote was unanimous.

1. Approve Minutes of the NBU Regular Board Meeting of June 26, 2025
2. Approve the Change Order Log from May 15, 2025, through July 15, 2025
3. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2024, through July 15, 2025
4. Approve the Electric Line of Business Alternative Procurements from May 15, 2025, through July 15, 2025
5. Approve the City Transfer Payable in Fiscal Year 2026
6. Approve the Appointment of Julia Haynes as President of the Headwaters at the Comal Board of Directors and the Appointment of Reagan Pena and Jessica Williams to the Headwaters at the Comal Board of Directors
7. Appoint Marcie Rodriguez to the NBU Community Advisory Panel
8. Approve Staff Recommendation to Reject All Proposals Submitted for RFP #25-0099, Schmidt Avenue Water and Wastewater Relocation
9. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Contract Land Staff, LLC, for Right of Way and Easement Acquisition Services
10. Approve and Adopt Resolution #2025-201 Approving Pole Attachment and Wireless Installation Standards and Authorizing the Chief Executive Officer or His Designee to Enter into License Agreements with Communications Providers Attaching to NBU Facilities
11. Authorize the CEO Or His Designee to Negotiate and Execute a Construction Contract with Power Standard, LLC, for the Comal T3 Replacement and CO31 Addition Project

12. Approve and Adopt Resolution #2025-202 Authorizing and Approving (i) the Sale of Four Easements to LCRA Transmission Services Corporation (“LCRA TSC”) Totaling Approximately 2.069 Acres of Real Property On, Over, and Across Veramendi Precinct 22A Unit 1, Lot 1, Block 77, New Braunfels, Texas in Connection With the Hueco Springs Substation Project for the Amount of \$395,000 Plus Closing Costs; (ii) the CEO or His Designee to Execute Any and All Documents Necessary to Effectuate the Sale Thereof; and (iii) Other Matters in Connection Therewith
13. Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement for Maintenance and Support for the Hosted Unified Communication System with RingCentral, Inc., Entering into the Agreement through its Agent, Avaya LLC
14. Authorize the CEO or His Designee to Negotiate and Execute an AIA Amendment to the Professional Services Agreement with Marmon Mok Architecture for the NBU Headquarters Facility Project, Located on a 76-Acre Tract of Property at the Intersection of Engel Road and IH 35, for Additional Design, Permitting, and other Services
15. Authorize the CEO or His Designee to Negotiate and Execute an AIA Amendment to the Professional Services Agreement with Marmon Mok Architecture for the NBU Headquarters Facility Project, Located on a 76-Acre Tract of Property at the Intersection of Engel Road and IH 35, for Additional Design, Permitting, and other Services
16. Approve and Adopt Resolution #2025-203 Authorizing (i) the Negotiation and Execution of a Local On-System Improvement Project Agreement with the Texas Department of Transportation for Improvements to FM 482 Associated with the NBU Headquarters Facility Project Being Constructed on a 76.618 Acre Tract of Property Located at the Intersection of Engel Road and IH 35 in Comal County, Texas and (ii) Other Matters in Connection Therewith
17. Authorize the CEO or His Designee to Negotiate and Execute a First Amendment to the Professional Services Agreement with Square One Consultants, Inc. for the Headwaters at the Comal Phase 2 Project for Owner’s Representative and Project Management Services
18. Authorize the CEO Or His Designee to Negotiate and Execute a Guaranteed Price Agreement with ADP, Inc., for Workforce Now HCM Solutions and ADP DataCloud Services
19. Authorize the CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Incircle Management, Inc. for Grounds Maintenance Services

PRESENTATION ITEMS

1. Presentation on NBU’s 2025 – 2026 Drought Contingency Plan Amendments

Andrew Cummings presented information on NBU’s 2025 – 2026 Drought Contingency Plan. The presentation included information on drought guidance and management. The Drought Contingency Plan will be an upcoming topic with the NBU Community Advisory Panel before coming back to the board for approval at a later board meeting.

2. Presentation on the Plan to Update the Current Strategic Plan for Fiscal Year 2028

Darrin Jensen presented the plan to revisit, update, and refine the current Strategic Plan, mission, vision, and core values for Fiscal Year 2028.

3. Presentation on the NBU Employee Engagement Survey Results and Discuss Related Action Plans

Adriana Sanchez presented survey results from the NBU Employee Engagement Survey. Dakota Folts, the Employee Experience Team representative, presented information on the key takeaways, successes, and future action items proposed to address the Employee Engagement Survey Results.

ITEMS FOR FUTURE ACTION

1. Review and Discuss the 2025 Water Resource Plan Prepared by Arcadis U.S., Inc. and Dated August 2025

Mike Short and Charles Schoening (with Arcadis) presented information on the 2025 Water Resource Plan. The presentation included information on current water supplies, water availability, demand projections, and recommendations.

ACTION ITEMS

1. Authorize the CEO or His Designee to Execute AIA Document A133 – 2019 Exhibit A Guaranteed Maximum Price Amendment No. 6 with Thos. S. Byrne, Inc. for the Headwaters at the Comal Master Plan, Phase 3, for the Completion of the Master Plan

Board Vice President Judith Dykes-Hoffmann made a motion, and Board Trustee Yvette Barrera Villanueva seconded the motion to authorize the CEO or His Designee to execute AIA Document A133 – 2019 Exhibit A Guaranteed Maximum Price Amendment No. 6 with Thos. S. Byrne, Inc. for the Headwaters at the Comal Master Plan, Phase 3, for the completion of the master plan. The vote was unanimous.

EXECUTIVE SESSION

Board President Wayne Peters recessed the Open Session at 3:40 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included Power Supply Resources – Competitive Matters; Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, and/or Matters Protected by Attorney-Client Privilege (Section 551.071 – Texas Government Code); Real Property (Section 551.072 – Texas Government Code); Discuss Legal Matters Relating to Potential Eminent Domain Actions to Secure the Following Easements Regarding the Highway 46 Substation Feeder (“HW14”) to FM 3009 Extension Phase 2 Project: i. a 0.386 Acre Electric Utility Easement, situated in the J. Doehne Survey No. 912, Abstract 971 in Comal County, Texas and out of that 15.105 acre tract conveyed to Stephen J. Clayton by deed recorded in Document No. 202306039904 of the Official Public Records of Comal County Texas, ii. a 0.043 Acre Electric Utility Easement, situated in the J. Doehne Survey No. 912,

Abstract 971 in Comal County, Texas and out of that called 19.602 acre tract conveyed to Craig E. Johnson and Cynthia D. Johnson, Trustees of the Johnson Living Trust Dated July 11, 2005, recorded in Document No. 200506033503 of the Official Public Records of Comal County Texas; Consultation with Attorney Regarding Pending or Contemplated Litigation and Other Matters Protected by Attorney Client Privilege (Section 551.071 – Texas Government Code); Discuss Legal Matters Relating to the Gonzales Carrizo Water Supply Project; Personnel Matters (Section 551.074 – Texas Government Code): Deliberate the appointment, employment, evaluation, and duties of the CEO

The Executive Session was opened at 3:45 pm and closed at 5:41 pm.

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

The Regular Session resumed at 5:43 p.m. Only the matters cited above, and no others, were discussed. The board voted on the competitive matter listed on the agenda, but no other votes were taken in Executive Session.

The following action was taken relating to the Executive Session as described above.

1. Board Trustee Stuart Blythin made the motion, and Board Trustee Yvette Barrera Villanueva seconded the motion to give Ryan Kelso a 5% increase, consistent with the average increase to NBU staff, in base salary effective September 1, 2025, and a continuation of his current car and phone allowance. The vote was unanimous.

ADJOURN

There was no further business, and Board President Wayne Peters adjourned the meeting at 5:43 p.m.

Attest:

Wayne Peters, President
Approved

Ryan Kelso, Secretary of the Board
Chief Executive Officer

Date Approved: September 25, 2025



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Jesse Luna **Reviewed by:** David Hubbard
Purchasing Manager Chief Administrative Officer

Submitted by: David Hubbard **Approved by:** Ryan Kelso
Chief Administrative Officer Chief Executive Officer

RECOMMENDED ACTION: Approve the Change Order Log from July 15, 2025, through August 15, 2025

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, 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 July 15, 2025, through August 15, 2025.

FINANCIAL IMPACT

Change orders less than \$50,000:

- Simon Street Improvements, Remove/replace driveway approach at 630 Simon to install new lateral and service connection under driveway, R.L. Jones, LP, Change order No. 1, Cost increase of \$5,600.00.
- Henne BAAH Substation Project, cost increase from a P1 panel to a P3 panel, reworks required to comply with required characteristics, Schweitzer Engineering Laboratories, Inc., Change order No.1, Cost increase of \$14,972.00.

Change orders more than \$50,000:

- None reported during this period.

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Stewardship

EXHIBITS

None

FINANCIAL IMPACT

There were no new professional engineering contracts executed during this time period.

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Stewardship

EXHIBITS

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



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Adam Willard, P.E. **Reviewed by:** Michael Short, P.E.
 Chief Engineer of Water Director of Engineering
 Systems

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
 Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Freese and Nichols, Inc. for the Design of the Gruene Wastewater and Inverted Siphon Improvements Project at (i) the Gruene Water Reclamation Facility; (ii) Along Gruene Road South of the Loop 337 Bridge; and (iii) the Inverted Siphon Along Gruene Road West of Downtown Gruene

BACKGROUND

On February 8, 2021, New Braunfels Utilities (“NBU”) approved a Professional Services Agreement (the “Agreement”) with Freese and Nichols, Inc. (“FNI”) for professional engineering services for the Gruene Wastewater and Inverted Siphon Improvements (the “Project”). On May 24, 2022, the NBU Board of Trustees approved a Professional Services Agreement Amendment (the “First Amendment”) to add additional services related to the Project, increase compensation, extend the time for completion of the Original Services, modify the Supplemental Services to allow for general professional engineering services, and increase the compensation for Supplemental Services. On March 28, 2024, the Board approved a Professional Services Agreement Amendment (the “Second Amendment”), including final design phase services, field services, and construction phase services to combine the previously separated Odor Control and Non-Odor Control portions of the Project into one construction project.

NBU identified the need to rebid the project due to a limited number of bids and needing to modify the work schedule constraints to reduce community impacts along Gruene Road. As a result, NBU staff requests that the Board approve the Third Amendment to the Agreement (the “Third Amendment”), which includes adding additional project management, final design phase, permitting and stakeholder coordination, and bid phase services. The New Services require an increase in the compensation to the Professional in the amount of \$79,247.00, and an extension of the completion date of the Project.

This item is being presented to the Board because it modifies the Agreement beyond the parameters the Board previously approved.

The construction contract was approved by the Board in June 2025. NBU staff plans to begin construction in October 2025 and complete construction by August 2026.

FINANCIAL IMPACT

The total financial impact for the Third Amendment is \$79,247.00. The total contract amount for the Agreement and the First Amendment, Second Amendment, and Third Amendment with FNI for the Project is \$1,215,507.00, including Supplemental Services. The Project is budgeted within the Fiscal Year 2025 through Fiscal Year 2026 NBU Board approved Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

EXHIBITS

1. Third Amendment to the Professional Services Agreement with FNI



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Adam Willard, P.E. **Reviewed by:** Michael Short, P.E.
 Chief Engineer of Water Director of Engineering
 Systems

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
 Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Joint Construction Contract Agreement with Capital Excavation Company and the City of New Braunfels for the San Antonio Street Rehabilitation and Water Lane Utility Improvements Project Phase 3

BACKGROUND

On May 21, 2025 New Braunfels Utilities (“NBU”) and the City of New Braunfels (“CoNB”) issued a request for bids for the San Antonio Street Rehabilitation Phase 3 Project, which includes the rehabilitation of existing water mains, sanitary sewer mains, steel encasements, fittings, valves, fire hydrants, meters, meter vaults, cleanouts and manholes, connection to the existing concrete steel cylinder water main, abandonment and removal of existing water and sewer mains, erosion and traffic controls (the “Project”).

On June 16, 2025, NBU and CoNB received five (5) bids for the Project during the public bidding process. The project team evaluated the bids and recommends the selection of Capital Excavation Co. (“Cap Ex”) for the Project. Cap Ex was selected as the respondent who provides the best value to NBU based on the selection criteria, the weighted value for those criteria, and the ranking evaluation, including their cost of work, proposed schedule, past performance on similar projects, overall qualifications, available resources, corporate history, and references. Cap Ex’s proposal includes a base bid for the NBU portion of the work of \$3,286,155.50, which was the second lowest base bid out of the five (5) respondents.

NBU staff requests that the Board of Trustees approve the Construction Contract Agreement (the “Contract”) with Cap Ex for the Project.

This item is being presented to the Board because the total amount of this contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total financial impact of the Contract with Cap Ex for the Project is \$3,286,155.50. The Project is budgeted within the Fiscal Year 2025 through Fiscal Year 2027 NBU Board approved Capital

Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency in the amount of \$330,000.00, which is approximately 10% of the total contract amount, will be added to the project construction budget. The total Contract amount plus contingency is \$3,616,155.50.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Construction Contract with Cap Ex
2. Bid Tab

Bid Tab	
<i>Bidder</i>	<i>Total Cost</i>
Capital Excavation	\$3,286,155.50
Cash Construction	\$3,330,828.50
Lupe Rubio	\$2,589,720.40
R.L. Jones	\$3,964,960.00
Spiess Construction	\$4,160,980.00

3. Bid Evaluation Matrix – Competitive Sealed Proposal

Bid Evaluation Matrix						
Item	Criteria	Cap Ex	Cash	Lupe Rubio	RL Jones	Spiess
1.	Cost of the Work	58	65	59	51	55
2.	Experience and Qualifications	25	16	11.7	21	20.7
3.	Proposed Schedule / Contract Time	10	8.7	5.3	6.7	7
	Total Score	93.0	89.7	76.0	78.7	82.7



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Adam Willard, P.E. **Reviewed by:** Michael Short, P.E.
 Chief Engineer of Water Director of Engineering
 Systems

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
 Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Third Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. for the Design of the Saengerhalle North Interceptor Project Located Generally Along the Existing Drainage Channel from Silver Spur Drive to Approximately 500 Feet Southwest of Alves Lane

BACKGROUND

On July 2, 2020, New Braunfels Utilities (“NBU”) approved a Professional Services Agreement (the “Agreement”) with Kimley-Horn and Associates, Inc. (“Kimley-Horn”) for professional engineering services for the Saengerhalle North Interceptor Project (the “Project”). On May 27, 2022, NBU approved a Professional Services Agreement Amendment (the “First Amendment”) to (i) add project management, preliminary design, and final design services, (ii) include additional compensation for the services, and (iii) extend the time of completion for the services. These contracts were not brought before the NBU Board (the “Board”) for approval because they did not meet the threshold amount required. On January 30, 2025, the Board approved a second Professional Services Agreement Amendment (the “Second Amendment”) to (i) add additional project management, final design, permitting, and construction phase services, (ii) authorize additional compensation for the New Services, and (iii) extend the completion date for the Project.

NBU and the Professional have identified a need to add additional final design phase services to complete the Project due to a required change in interceptor alignment. As a result, NBU staff requests that the Board approve the Third Amendment to the Agreement (the “Third Amendment”), which includes (i) addition of the New Services, (ii) authorization of the additional compensation for the New Services, and (iii) an extension of the completion date for certain Services.

This item is being presented to the Board because it modifies the Agreement beyond the parameters the Board previously approved.

Upon completion of the final design, NBU staff will solicit a construction contract and bring the construction contract to the Board for approval in May 2026. NBU staff plans to begin construction in June 2026 and complete construction by October 2027.

FINANCIAL IMPACT

The total financial impact for the Third Amendment is \$39,000.00. The total contract amount for the Agreement, the First Amendment, the Second Amendment, and the Third Amendment with Kimley-Horn for the Project is \$578,900.00, including Supplemental Services. The Project is budgeted within the Fiscal Year 2020 through Fiscal Year 2027 NBU Board approved Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Third Amendment to the Professional Services Agreement with Kimley-Horn



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Jeffrey Jones
Information Technology
Manager **Reviewed by:** Greg Brown
Chief Technology and Security
Officer

Submitted by: Greg Brown
Chief Technology and
Security Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Waypoint Business Solutions, LLC, for the Replacement of the Current VxRail Server Cluster with a Consolidated HyperV Server Cluster

BACKGROUND

New Braunfels Utilities (“NBU”) deployed a stretch cluster data center in 2019 to support the full redundancy of its technology server infrastructure. This server cluster has reached its end of life and needs to be replaced with a new and updated server management system. We will be deploying a HyperV Server Cluster to house all critical systems and data for the foreseeable future. This effort supports NBU’s commitment to the resiliency of essential services and enhanced customer experience.

The Texas DIR contract DIR-CPO-5792 with Waypoint Business Solutions, LLC, will ensure the reliability of critical information technology systems. NBU’s selection of Waypoint Business Solutions, LLC to enter into this contract through the Texas DIR contract DIR-CPO-5792 satisfies the bidding requirements under Texas law.

NBU staff requests that the Board of Trustees approve this purchase with Waypoint Business Solutions, LLC, to ensure continued resiliency and reliability for NBU’s critical server infrastructure.

This item is being presented to the Board because the total amount of the contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total amount of the contract is \$2,043,463.06. These funds are available in our Fiscal Year 2026 Capital Equipment budget.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

Financial Excellence

EXHIBITS

1. Combined 26-0004 Server Cluster Replacement (Waypoint)



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Peter Vanderstoep **Reviewed by:** Carlos Salas
 Data Strategy Manager Director of Technology

Submitted by: Greg Brown **Approved by:** Ryan Kelso
 Chief Technology and Chief Executive Officer
 Security Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Cooperative Agreement with Gartner Inc. for Professional Services in Selecting and Overseeing the Implementation of the Customer Information and Financial Systems

BACKGROUND

New Braunfels Utilities (“NBU”) adopted and deployed its customer information system (“Northstar”) in 1999 and its financial system (“Microsoft Dynamics GP”) in 2016. Neither system can provide the functionality NBU requires to support the growing customer base's demands or the sophisticated requests of internal users. The financial system has an end of life of 2031, at which point the vendor will no longer provide security updates. Both systems are critical to the business model of NBU and require expertise in developing strategy, solicitation, selection, and implementation.

NBU selected Gartner Inc. through the Texas Department of Information Resources (“DIR”) to provide professional services to assist with developing a strategy, user requirements, RFP development and evaluation, and platform implementation oversight for both system replacement efforts.

During the implementation, Gartner will oversee the design, planning, installation, and deployment of the new Customer Information System and Enterprise Resource Planning System solutions selected during the procurement process. Gartner will monitor system implementation progress, status, key issues/risks, and prepare reports for the implementation team and leadership.

NBU staff requests that the Board of Trustees approve the contract with Gartner Inc.

This item is being presented to the Board because the total amount of the contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total amount of the contract with Gartner Inc. is \$4,815,000.00. The agreement is budgeted within the Fiscal Year 2026 through Fiscal Year 2029 NBU Board approved Capital Improvement budget.

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Infrastructure and Technology

EXHIBITS

1. New Braunfels Utilities ERP CIS Modernization
2. DIR-CPO-TMP-553



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Carlos Salas
Director of Technology **Reviewed by:** Greg Brown
Chief Technology and Security Officer

Submitted by: Greg Brown
Chief Technology and Security Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Execute an Interlocal Agreement with Comal County for Shared Use of the New Braunfels Utilities Fiber-Optic Network

BACKGROUND

New Braunfels Utilities (“NBU”) designed and constructed an isolated fiber-optic distribution network to enhance the resiliency and security of business digital environments. The network provides an end-to-end secure solution for digital information transfer. A small number of optical fiber strands that do not have electronics or optronics and are not “lit” or activated (“Dark Fiber”) are in close proximity to Comal County facilities, which would enhance the performance and security of their digital information transfer.

The agreement allows Comal County to attach to the NBU-owned fiber network to connect from the County Courthouse to the Highway 46 Tank Site and Sheriff’s Office. Comal County would utilize two fiber strands at each site, totaling 57,380 ft and 17,026 ft, respectively. Staff recommends sharing dark fiber strands with Comal County to provide resilient and secure service delivery for their customers.

FINANCIAL IMPACT

Comal County would pay NBU a nominal fee based on the number and length of the fiber strands, totaling \$2,976.24 annually.

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Infrastructure and Technology

Safety and Security

Financial Excellence

Stewardship

EXHIBITS

1. Interlocal Dark Fiber Sharing Agreement



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Brent Lundmark **Reviewed by:** Jason Theurer
 Water Treatment and Director of Water Operations and
 Compliance Manager Compliance

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
 Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO to Negotiate and Execute a Services and Goods Agreement with Austin Armature Works, LP, for Variable Frequency Drive and Soft Starter Maintenance and Replacement Services

BACKGROUND

On April 30, 2025, New Braunfels Utilities (“NBU”) issued a request for proposals (“RFP”) for variable frequency drive and soft starter maintenance and replacement services (the “Services”). Services include performing inspections, preventative maintenance, and replacement services for the variable frequency drives and soft starter units at NBU water and wastewater facilities.

On May 29, 2025, NBU received two (2) bids during the public solicitation process. A copy of the evaluation summary is included as an Exhibit below. NBU staff evaluated both proposals and determined both respondents to be the most advantageous to NBU, considering the relative importance of price and other evaluation factors. NBU staff recommends the selection of Austin Armature Works, LP, and Five Star Electric Motors, Inc. for the Services. The Agreement with Five Star Electric Motors, Inc. does not meet the threshold for Board level approval. A separate agreement will be executed with Five Star Electric Motors, Inc.

NBU staff requests the Board of Trustees to approve the Services and Goods Agreement with Austin Armature Works, LP.

This item is presented to the Board because the total amount of the contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total contract amount for the Agreement with Austin Armature Works, LP is \$550,000.00, with a not-to-exceed amount of \$110,000.00 for the initial contract term and \$110,000 for each additional one-year term. The Agreement is budgeted with the Water Treatment and Compliance Operations and Maintenance Budget (“O&M Budget”) for Fiscal Year 2026 and will be budgeted in the O&M Budgets of Fiscal Year 2027 through Fiscal Year 2031.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Contract with Austin Armature Works, LP
2. Evaluation Summary



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Brent Lundmark **Reviewed by:** Jason Theurer
 Water Treatment and Director of Water Operations and
 Compliance Manager Compliance

Submitted by: Mark Steelman **Approved by:** Ryan Kelso
 Chief Operations Officer Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO to Negotiate and Execute a Professional Services Agreement with Hardin & Associates Holdings, LLC, d/b/a Hardin & Associates Consulting, for Customer Service Inspection Services

BACKGROUND

On May 23, 2025, New Braunfels Utilities (“NBU”) issued a request for proposals (“RFP”) for Customer Service Inspection Services for both residential and commercial properties (the “Services”). Services include customer service inspections, as defined in Title 30, Texas Administrative Code §290.046, and related services, in accordance with the Texas Commission on Environmental Quality requirements, within the NBU water service territory.

On June 13, 2025, NBU received three (3) bids during the public solicitation process. A copy of the memorandum of recommendation is included as an Exhibit below. NBU staff evaluated the proposals and determined Hardin & Associates Holdings, LLC d/b/a Hardin & Associates Consulting (“Hardin & Associates Consulting”) to be the most advantageous to NBU, considering the relative importance of price and other evaluation factors. NBU staff recommends the selection of Hardin & Associates Consulting for the Services.

NBU staff requests the Board of Trustees approve the professional services agreement with Hardin & Associates Consulting.

This item is presented to the Board because the total amount of the contract exceeds \$250,000.00.

FINANCIAL IMPACT

The total contract amount for the Agreement with Hardin & Associates Consulting is \$2,000,000.00, with a not-to-exceed amount of \$400,000.00 annually for the initial contract term and \$400,000 for each of the additional four (4) one-year terms. The Agreement is budgeted with the Water Treatment & Compliance Operations and Maintenance Budget (“O&M Budget”) for Fiscal Year 2026 and will be budgeted in the O&M Budgets of Fiscal Year 2027 through Fiscal Year 2031.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Contract with Hardin & Associates Consulting
2. Memorandum of Recommendation
3. Evaluation Summary



Meeting Date: September 25, 2025 **Agenda Type:** Consent Items for Action

From: Dan Redhead
Project Manager **Reviewed by:** Darrin Jensen
Director of Enterprise Project
Management Office

Submitted by: David Hubbard
Chief Administrative Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Authorize the CEO or His Designee to Negotiate and Execute a Second AIA Document G802-2017 Amendment to the Professional Services Agreement with Robert E. Lamb, Inc. for the Proposed New Braunfels Utilities Backup Operations Center Project Located at 415 Gruene Road to Add Permit Coordination, Bidding Support Services, and Construction Administration Services

BACKGROUND

On August 27, 2020, New Braunfels Utilities (“NBU”) Board of Trustees approved an AIA contract (“the Contract”) with R.E. Lamb (the “Professional”) for site selection, design, engineering services, and construction administration (“Original Services”) for the NBU Backup Operations Center (“BOC”) formerly known as the NBU Disaster Recovery Facility to be completed by June 30, 2023 (the “Project”).

The Project was suspended for approximately twelve months for a feasibility assessment and property survey of an existing facility, formerly known as the New Braunfels Law Enforcement Center, located at 1488 South Seguin Avenue in New Braunfels, for consideration as a possible alternate location for the Backup Operations Center in effort to reduce overall building cost per square foot, and observations from winter storm Uri helped NBU and the Professional identified additional requirements. The feasibility study determined the South Seguin site was not appropriate to serve as a NBU’s BOC and led to the discovery of additional design features needed for the BOC that will be located at 415 Gruene Rd.

The additional facility features identified by NBU and the Professional as a result of the the feasibility assessment include: (i) change of building envelope from a pre-engineered structure to masonry construction, (ii) design of structural steel building frame, (iii) redesign of foundations based on the new steel layout and building weight, (iv) redesign of building envelope from metal panel to CMU, (v) new roof design, (vi) adjustment of penetrations and wall details required for interface with CMU walls, (vii) change of fence type from palisade-style to concrete panel-style, including fencing foundations and framing design, (viii) change of temporary bunk room to permanent dormitory, per IBC, and change wall details, ventilation requirements, and fire alarm system to accommodate, (ix) add secondary communications conduit line from Tulip Lane, (x) modify data and communications box locations, (xi)

change primary electrical feed location to Gruene Road and coordinate electrical/site design for new duct bank, (xii) retain Combs Consulting Group to provide technology and security system design. Amend base design drawings to accommodate these changes, (xiii) address configuration of site drives, dumpster location, and Tulip Lane gate to improve solid truck circulation, (xiv) re-engage design team to finalize design documents and prepare for advertising for competitive sealed proposals, and (xv) review project and documents with the City to address new criteria and permitting instructions (“New Services”).

NBU and the Professional desire to amend the Contract to add design and work for all above items, referred to as (i) New Services, (ii) authorize additional compensation for the New Services, and (iii) extend the completion time to September 30, 2026.

NBU staff requests that the Board of Trustees approve the Second Amendment to the Contract (the “Second Amendment”), which includes (i) Construction Administration Services, (ii) Bidding Support Services, and (iii) Permit Process coordination. This item is being presented to the Board because the total amount for the professional services agreement, including this amendment, exceeds \$500,000.00.

FINANCIAL IMPACT

The total financial impact of the Second Amendment is \$125,000.00. The total contract amount for the Contract, the First Amendment, and the Second Amendment with the Professional for the Project is \$661,500.00. The Project is budgeted within the Fiscal Year 2023 through Fiscal Year 2026 NBU Board-approved Capital Improvement Projects Budget as NBU Backup Operations Center.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

Safety and Security

EXHIBITS

1. Second Amendment to the Contract with R.E. Lamb

- On March 27, 2025, the NBU Board approved the execution of the Agreement to include Guaranteed Maximum Price #4 (“GMP #4”) for procurement, fabrication, and erection of the early-release structural steel package (the “Fourth Amendment”) totaling \$6,527,752.00.
- On May 29, 2025, the NBU Board approved the Execution of Guaranteed Maximum Price #5 (“GMP #5”) for pre-engineered metal buildings, foundations, exterior framing, and vehicle bridge (the “Fifth Amendment”) totaling \$18,150,312.00.

NBU staff has secured additional pricing for Guaranteed Maximum Price #6 (“GMP #6”), for the 90% construction documents set and the additional documents listed in the contract, which should carry the project through completion. The total cost impact of GMP #6 is \$103,198,767.00.

NBU staff requests that the Board approve the GMP #6 with SpawGlass for the Project.

This item is being presented to the Board because the total amount of the contract exceeds \$250,000.00

FINANCIAL IMPACT

The financial impact to NBU for GMP #6 is \$103,198,767.00. This is budgeted within the Fiscal Year 2025 through Fiscal Year 2027 Capital Improvements Projects Budget.

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Safety and Security

EXHIBITS

1. A133 Exhibit A-2019-1660
2. A133 Exhibit B GMP #6 Amendment
3. A133 Exhibit C Cost Estimate and Clarifications



Meeting Date: September 25, 2025 **Agenda Type:** Action Items

From: Darrin Jensen
 Director of Enterprise Project
 Management Office **Reviewed by:** David Hubbard
 Chief Administrative Officer

Submitted by: David Hubbard
 Chief Administrative Officer **Approved by:** Ryan Kelso
 Chief Executive Officer

RECOMMENDED ACTION: Discuss and Consider Approval of Revisions to the NBU Strategic Plan Measures and Performance Payout Structure for Fiscal Year 2026

BACKGROUND

In August 2024, the New Braunfels Utilities (NBU) Board of Trustees approved the FY 2025 strategic plan, which weighted performance measures at 70% for strategic goals and 30% for annual priorities. Full payout required achieving at least 75% of strategic goals and 100% of annual priorities. Since then, NBU has reevaluated the strategic goals and priorities for FY 2026 and FY 2027, adding leading indicators—approved by the Board in January 2025—to improve how success is measured.

While the FY 2026 strategic goals and priorities remain the same, NBU has refined how they’re measured. Staff reviewed all leading and lagging indicators, updating language, replacing misaligned measures, and adding or removing indicators to ensure leading metrics provide early, actionable signals.

Lagging indicators confirm success once goals are achieved, while leading indicators provide early warnings on whether plans are on track. Tracking both gives NBU clear finish lines and interim “mile markers” to adjust course as needed.

NBU is also updating the payout structure, maintaining the 70/30 weighting while allowing credit for progress based on either: (1) meeting all lagging indicators for a goal, or (2) achieving at least 75% combined success across its leading indicators. This approach ties payouts to real-time progress rather than all-or-nothing outcomes.

We recommend the Board approve the FY 2026 strategic performance measures to reflect these updated indicators and payout structure, enhancing accountability and providing clearer visibility into NBU’s progress toward its goals.

FINANCIAL IMPACT

None

LINK TO STRATEGIC PLAN

Customers and Community

People and Culture

Infrastructure and Technology

Financial Excellence

Safety and Security

Stewardship

EXHIBITS

1. Strategic Plan Updates Presentation

Strategic Goals, Measures, Annual Priorities, and Indices

Strategic Plan
FY 2026 and FY 2027

Resource Strategy Department

September 8, 2025



NBU® NEW BRAUNFELS
UTILITIES

Agenda

Review Strategic Goals

What We Aim to Do

FY226-27 Strategic Goals

How We Measure it & Track it Early

FY26 Annual Priorities

Company Focused Projects

Seek Board Approval

Strategic Goals – (What We Aim to Do)

- **CUSTOMERS AND COMMUNITY**

We provide a customer-first focus and commit to innovative solutions to improve the customer experience.

- **PEOPLE AND CULTURE**

We care for our employees, build on our team-oriented culture, promote ethical behavior and prepare our team to meet the challenges ahead.

- **INFRASTRUCTURE AND TECHNOLOGY**

We maintain reliable and resilient systems through responsible planning, asset management, and innovative technologies that align with the strategic direction of the organization.

- **FINANCIAL EXCELLENCE**

We practice sound financial management to be responsible stewards of public funds.

- **SAFETY AND SECURITY**

We strive to place security and safety as the highest priorities for every employee and customer.

- **STEWARDSHIP**

We commit to preserve and protect community resources through planning, innovating, collaborating and educating.

Mission

Strengthening our community by providing resilient essential services

+

Vision

Be a trusted community partner dedicated to excellence in service

+

Core Values

Safety, Team, Integrity, Culture, and Stewardship



Indicators – Lagging and Leading

- A **lagging indicator** is a backward-looking metric that confirms past performance after an event has already occurred.
- A **leading indicator** is a forward-looking metric that helps predict future outcomes, allowing for proactive adjustments.

Mission

Strengthening our community by providing resilient essential services

+

Vision

Be a trusted community partner dedicated to excellence in service

+

Core Values

Safety, Team, Integrity, Culture, and Stewardship

FY 26/27 Strategic Measures – (How We Measure It)

Strategic Goal	Strategic Measure (Lagging Indicator)
Customer and Community	Improve the Customer Scores by 7% , and/or reaching the Texas average industry standard benchmark
Safety and Security	Achieve a Safety Meeting Compliance Rate \geq 90% for all Departments
Safety and Security	Safeguard an OSHA Incident Rate \leq 3 Incidents per 100 Employees per year
Financial Excellence	Meet or exceed A+/A1 from a minimum of two rating agencies annually
People and Culture	Sustain \geq 89.3% Retention Rate for the Fiscal Year
Stewardship	Reduce NBU GPCD by 1% Based off the 2024 10-year Average in both FY26 & FY27
Infrastructure and Technology	Maintain a Three Year Rolling Average SAIDI in top 10% of Texas utilities or three-year rolling average <52.56 minutes (99.99% reliability)
Infrastructure and Technology	Ensure Technology System Reliability \geq 98% uptime for production systems
Infrastructure and Technology	Achieve and Maintain an Infrastructure Leakage Index (ILI) \leq 3.0 over a three-year rolling average
Infrastructure and Technology	Wastewater Treatment and Compliance Events- Maintain >98% Compliance

<p>Mission Strengthening our community by providing resilient essential services</p>	<p>Vision + Be a trusted community partner dedicated to excellence in service</p>	<p>Core Values + Safety, Team, Integrity, Culture, and Stewardship</p>	
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FY 26/27 Strategic Measures – (How We Measure It)

CUSTOMERS AND COMMUNITY

We provide a customer-first focus and commit to innovative solutions to improve the customer experience.

CUSTOMERS & COMMUNITY



Strategic Measure (Lagging Indicator):

Improve the Customer Scores by 7% , and/or reaching the Texas average industry standard benchmark.

Leading Indicator:

Speed to Answer:

Green < 3 min.

Yellow 3 - 10 min.

Red > 10 min.

Leading Indicator:

Real Time Customer

Satisfaction Rate

Green ≥ 85%

Yellow 84 - 70%

Red < 70%

Leading Indicator:

First Contact Resolution

Green ≥ 70%

Yellow 69 - 60%

Red < 60%

Mission

Strengthening our community by providing resilient essential services



Vision

Be a trusted community partner dedicated to excellence in service



Core Values

Safety, Team, Integrity, Culture, and Stewardship



FY 26/27 Strategic Measures – (How We Measure It)

SAFETY AND SECURITY

We strive to place security and safety as the highest priorities for every employee and customer.

SAFETY &
SECURITY



Strategic Measure (Lagging Indicator):

Safeguard an OSHA Incident Rate \leq 3 Incidents per 100 Employees per year

Leading Indicator:

Monthly Safety Audits

Green \geq 10

Yellow 9 - 7

Red \leq 6

Leading Indicator:

Safety Audit Findings Rate

Green \leq 5

Yellow 6 - 7

Red \geq 8

Mission

Strengthening our community by providing resilient essential services



Vision

Be a trusted community partner dedicated to excellence in service



Core Values

Safety, Team, Integrity, Culture, and Stewardship



FY 26/27 Strategic Measures – (How We Measure It)

SAFETY & SECURITY



SAFETY AND SECURITY

We strive to place security and safety as the highest priorities for every employee and customer.

Strategic Measure (Lagging Indicator):

Achieve a Safety Meeting Compliance Rate \geq 90% for all Departments

Leading Indicator:

Quarterly Safety Meetings

Green \geq 6

Yellow 5

Red \leq 4

Leading Indicator:

Audited Safety/Tailboard Meetings % Completion

Green 100%

Yellow 99 - 95%

Red $<$ 95%

Mission

Strengthening our community by providing resilient essential services



Vision

Be a trusted community partner dedicated to excellence in service



Core Values

Safety, Team, Integrity, Culture, and Stewardship



FY 26/27 Strategic Measures – (How We Measure It)

FINANCIAL EXCELLENCE



FINANCIAL EXCELLENCE

We practice sound financial management to be responsible stewards of public funds.

Strategic Measure (Lagging Indicator):

Meet or exceed A+/A1 from a minimum of two rating agencies annually

Leading Indicator:

Days Cash on Hand

Green ≥ 170

Yellow 169 - 140

Red < 140

Leading Indicator:

Debt to Capitalization Ratio

Green $\leq 48\%$

Yellow 47 - 54.5%

Red $> 54.5\%$

Leading Indicator:

Debt Service Coverage

Green ≥ 3.5

Yellow 3.4 - 2.4

Red < 2.4

Mission

Strengthening our community by providing resilient essential services



Vision

Be a trusted community partner dedicated to excellence in service



Core Values

Safety, Team, Integrity, Culture, and Stewardship



FY 26/27 Strategic Measures – (How We Measure It)

PEOPLE & CULTURE



PEOPLE AND CULTURE

We care for our employees, build on our team-oriented culture, promote ethical behavior and prepare our team to meet the challenges ahead.

Strategic Measure (Lagging Indicator):

Sustain \geq 89.3% Retention Rate for the Fiscal Year

Leading Indicator:

Monthly Stay Interviews

Green \geq 3.5

Yellow 3.49 – 2.5

Red $<$ 2.5

Leading Indicator:

New Hire Interviews avg. score of 3.5/5

Green: \geq 3.5

Yellow: 3.49 – 2.5

Red: $<$ 2.5

Leading Indicator:

Learner Satisfaction Rate

Green $>$ 3

Yellow 3 - 2

Red $<$ 2

Mission

Strengthening our community by providing resilient essential services



Vision

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Core Values

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FY 26/27 Strategic Measures – (How We Measure It)

STEWARDSHIP



STEWARDSHIP

We commit to preserve and protect community resources through planning, innovating, collaborating and educating.

Strategic Measure (Lagging Indicator):

Reduce NBU GPCD by 1% Based off the 2024 10-year Average in both FY26 & FY27

Leading Indicator:

Meaningful Engagement for Water Reduction

Green ≥ 3 engagements

Yellow 2 engagements

Red ≤ 1% engagements

Leading Indicator:

Conservation Related Initiatives

Green ≥ 6 initiatives launched (balanced across seasons, at least 3 water-focused)

Yellow 5 – 4 initiatives launched

Red < 3 or fewer initiatives launched

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FY 26/27 Strategic Measures – (How We Measure It)

INFRASTRUCTURE & TECHNOLOGY



INFRASTRUCTURE AND TECHNOLOGY

We maintain reliable and resilient systems through responsible planning, asset management, and innovative technologies that align with the strategic direction of the organization.

Strategic Measure (Lagging Indicator):

Maintain a Three Year Rolling Average SAIDI in top 10% of Texas utilities or three-year rolling average <52.56 minutes (99.99% reliability)

Leading Indicator:

Customer Feeder Count
Green ≤ 1200
Yellow 1201 - 1300
Red > 1301

Leading Indicator:

Tree Trimming
Green > 98,785 feet per month
Yellow 98,785 – 85,000 feet per month
Red < 85,000 feet per month

Leading Indicator:

Locate Accuracy
Green > 99.99%
Yellow 99.98 - 99.90%
Red < 99.90%

FY 26/27 Strategic Measures – (How We Measure It)

INFRASTRUCTURE & TECHNOLOGY



INFRASTRUCTURE AND TECHNOLOGY

We maintain reliable and resilient systems through responsible planning, asset management, and innovative technologies that align with the strategic direction of the organization.

Strategic Measure (Lagging Indicator):

Ensure Technology System Reliability \geq 98% uptime for production systems

Leading Indicator:

Tech Systems Monitoring

Green > 99%

Yellow 99 - 98%

Red < 98

Leading Indicator:

Critical Platforms past EoL

Green < 5%

Yellow 6 - 9%

Red > 9%

Leading Indicator:

Critical Hardware past EoL

Green < 5%

Yellow 6 - 9%

Red > 9%

Leading Indicator:

End Point Device Protection

Green > 99%

Yellow 99 - 98%

Red < 98%

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FY 26/27 Strategic Measures – (How We Measure It)

INFRASTRUCTURE
& TECHNOLOGY



INFRASTRUCTURE AND TECHNOLOGY

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Strategic Measure (Lagging Indicator):

Maintain an Infrastructure Leakage Index (ILI) ≤ 3.0 over a three-year rolling average

Leading Indicator:

> 80% Maintenance Schedule Compliance for Water
Operations – Distribution System

Green $\geq 80\%$

Yellow 79 - 66%

Red $< 66\%$

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NBU NEW BRAUNFELS
UTILITIES

FY 26/27 Strategic Measures – (How We Measure It)

INFRASTRUCTURE & TECHNOLOGY



INFRASTRUCTURE AND TECHNOLOGY

We maintain reliable and resilient systems through responsible planning, asset management, and innovative technologies that align with the strategic direction of the organization.

Strategic Measure (Lagging Indicator):

Wastewater Treatment and Compliance Events- Maintain >98% Compliance

Leading Indicator:

Solids Levels +/- 20%
(> 90% of Time)

Green > 90%

Yellow 60-89%

Red < 60%

Leading Indicator:

>80% Maintenance Schedule Compliance
for Water Treatment and Compliance – WW
Facilities

Green ≥ 80%

Yellow 66 - 79%

Red < 66%

FY 26 Annual Priorities – (Company Focused Projects)

Customer Experience

- Implement target optimization CS initiatives that impact response time, Quality Assurance, Operation/Technology Efficiencies, and Communication Adoption

Asset Management

- Establish NBU's Asset Data and Information Standards

Project Management

- Implement PMIS for Capital Projects for Support Services

Technology Modernization

- Select Customer Information System

Employee Allowance

Was the strategic goal measure (lagging indicator) met during the FY?

AND/OR

Did the leading indicator(s) sustain a combined “green” rating for at least 75% of the FY?

- **Total Allowance Available for FY26 = \$706,000.00**

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Employee Allowance - Example

FY 26/27 Strategic Measures – (How We Measure It)

FINANCIAL EXCELLENCE

We practice sound financial management to be responsible stewards of public funds.



Strategic Measure (Lagging Indicator):

Meet or exceed A+/A1 from a minimum of two rating agencies annually

Leading Indicator:

Days Cash on Hand

Green ≥ 170

Yellow 169-140

Red < 140

Leading Indicator:

Debt to Capitalization Ratio

Green ≤ 48%

Yellow 47-54.5%

Red > 54.5%

Leading Indicator:

Debt Service Coverage

Green ≥ 3.5

Yellow 3.4-2.4

Red < 2.4

Mission Strengthening our community by providing resilient essential services + **Vision** Be a trusted community partner dedicated to excellence in service + **Core Values** Safety, Team, Integrity, Culture, and Stewardship **NBU NEW BRAUNFELS UTILITIES**

Did NBU Meet or Exceed A+/A1 from a minimum of two rating agencies annually?

AND/OR

Over the course of the FY, was a combined “green” rating sustained for at least 75% of the time?

Mission Strengthening our community by providing resilient essential services + **Vision** Be a trusted community partner dedicated to excellence in service + **Core Values** Safety, Team, Integrity, Culture, and Stewardship



Board Approval

- **Requesting Board Approval to move forward with the aforementioned Goals and Measures...**

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QUESTIONS

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Meeting Date: September 25, 2025 **Agenda Type:** Action Items

From: Dan Redhead
Project Manager **Reviewed by:** Darrin Jensen
Director of Enterprise Project
Management Office

Submitted by: David Hubbard
Chief Administrative Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Discuss and Consider Approval of AIA Document A101-2017 Standard Form of Agreement Between Owner and Contractor with SpawGlass Contractors, Inc., for the Construction of the Proposed New Braunfels Utilities Backup Operations Center Project Located at 415 Gruene Road

BACKGROUND

On February 28, 2024, New Braunfels Utilities (“NBU”) staff issued Request for Proposal (“RFP”) 24-0082 for construction of the NBU Backup Operations Center (the “Project”). NBU received nine responses to the RFP and deemed all respondents qualified.

The project team evaluated all proposals and recommends the selection of SpawGlass Contractors, Inc. (“SpawGlass”), based on the criteria specified in the RFP as follows:

- (i) proposer profile;
- (ii) proposer qualifications and related experience;
- (iii) project approach, and;
- (iv) respondents’ technical information and cost.

The Project scope includes but is not limited to the construction of a 8,192 square foot (“SF”) Back Up Operations Center and associated sitework, paving and utilities on NBU property at 415 Gruene Road (the “Project”).

NBU staff requests that the Board of Trustees approve the AIA Standard Form of Agreement between NBU and SpawGlass for the construction of the NBU Backup Operations Center.

FINANCIAL IMPACT

The financial impact to NBU for this Agreement is \$6,833,033.00. This is being budgeted from the NBU Fiscal Year 2025 capital budget.

LINK TO STRATEGIC PLAN

Customers and Community

Infrastructure and Technology

Safety and Security

EXHIBITS

1. A101-2017 AIA Standard Form of Agreement
2. A201-2017 AIA General Conditions of the Contract for Construction

NBU Backup Operations Center

- Summary and Recommendation

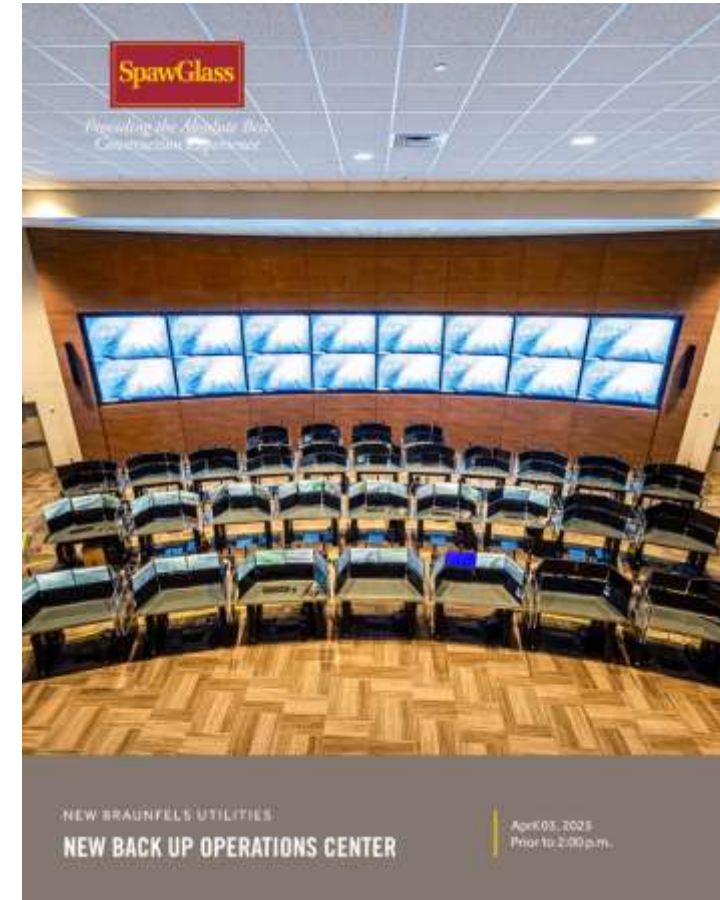
- September 25, 2025

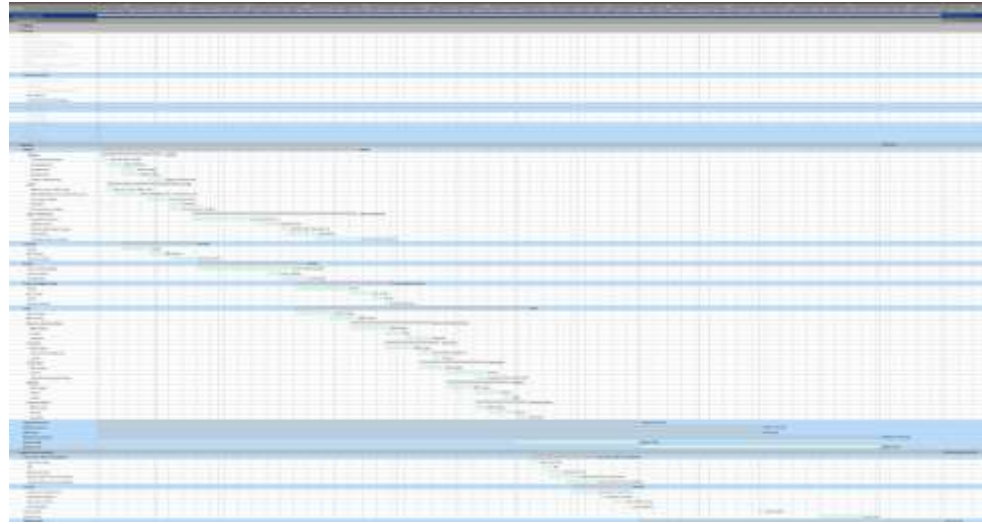


Construction Contract

Item 2.

- NBU Issued an RFP on February 27, 2025 for a Construction Contract
- Nine Respondents Evaluated
- SpawGlass Contractors, Inc. Selected on April 15, 2025
- Construction Permit Issued July 29, 2025





- Construction Contract Scheduled for September board
- Mobilization to Project Site Late October 2025
- Construction Start Early November 2025
- Construction Complete September 2026

- Move forward with the construction of the proposed Backup Operations Center



Questions?

FINANCIAL IMPACT

The 2025 Water Resource Plan has no direct financial impact. However, some recommendations in the WRP may require separate Board action at a later date.

LINK TO STRATEGIC PLAN

Stewardship

EXHIBITS

1. 2025 Water Resource Plan (Arcadis, August 2025)



Meeting Date: September 25, 2025 **Agenda Type:** Action Items

From: Michael Short, P.E.
Director of Engineering **Reviewed by:** Michael Short, P.E.
Director of Engineering

Submitted by: Mark Steelman
Chief Operations Officer **Approved by:** Ryan Kelso
Chief Executive Officer

RECOMMENDED ACTION: Discuss and Consider Participating in a Memorandum of Understanding Between Guadalupe-Blanco River Authority and New Braunfels Utilities for the WaterSECURE Project

BACKGROUND

In May of 2025, the Guadalupe-Blanco River Authority ("GBRA") extended an offer to New Braunfels Utilities ("NBU") to participate in GBRA's regional water supply project titled WaterSECURE (the "Offer"). The initial terms of the Offer were outlined in a draft Memorandum of Understanding ("MOU"). The purpose of the MOU is an effort by GBRA to gain an understanding of who may be interested in participating in their WaterSECURE project (the "Project") and to promote collaboration on the Project.

The Project proposes integrating raw and treated water sources, utilizing GBRA's existing run-of-river water rights. It will include new river diversion infrastructure, one or more off-channel reservoirs, aquifer storage and recovery systems, water treatment and delivery facilities, and the blending of brackish and fresh groundwater. GBRA believes this comprehensive solution offers the most effective approach to meeting a portion of the region's water demands.

The 2025 Water Resource Plan does not show a need for NBU to acquire water supplies from the Project. Therefore, NBU Staff recommends that we respectfully and formally decline the offer through Board action.

This item is being presented to the Board due to its significant implications for guiding future water supply planning efforts.

FINANCIAL IMPACT

There is no financial impact associated with declining the Offer.

LINK TO STRATEGIC PLAN

Stewardship

EXHIBITS

1. Presentation – WaterSECURE
2. Draft MOU

GBRA WaterSECURE Project

Supply Recommendation

September 25, 2025



Agenda

1. Overview of GBRA WaterSECURE
2. Triple Bottom Line Evaluation
3. Recommendation

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Water Supply Overview

Aim: To meet long term regional water demands in the middle and upper Guadalupe River Basin

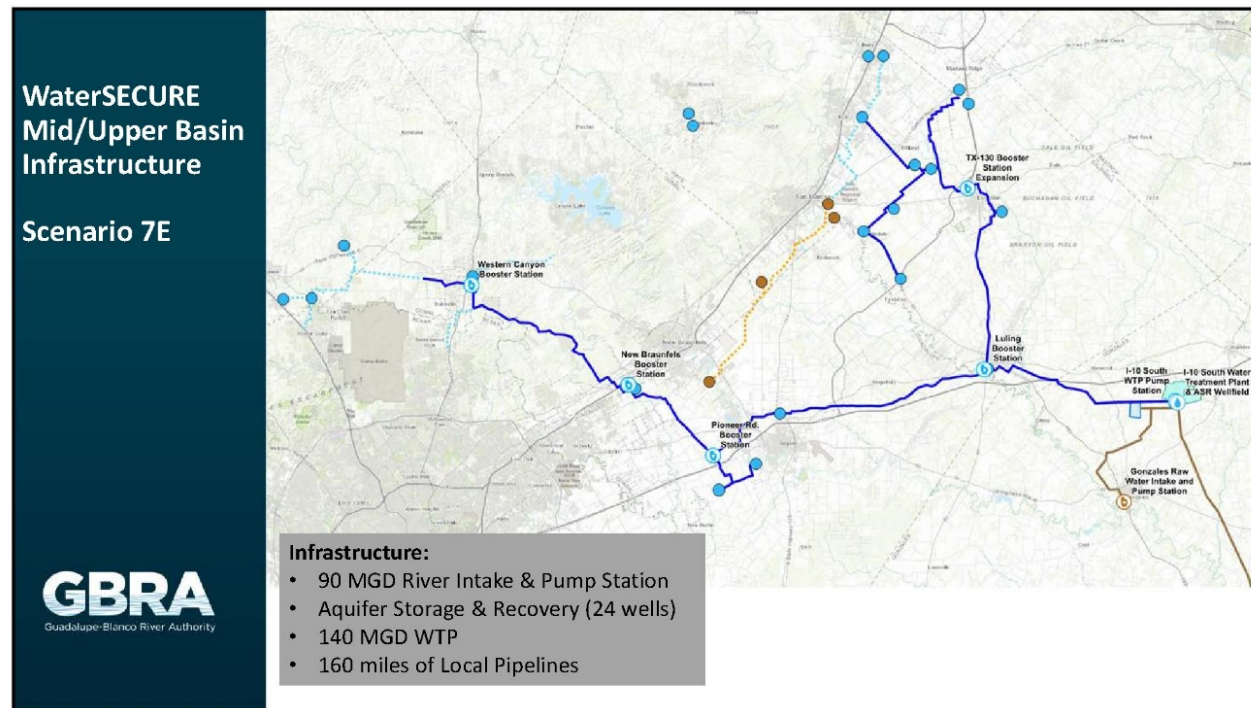
Firm Yield: Up to 110,000 AFY

Project Status: Early development phase; 3 alternatives under evaluation

Timeline: 60-MGD online by 2033/2034, assuming 15-year timeline

Key Infrastructure:

- 2 river diversion pump stations (Mid and Lower Basin)
- 2 off-channel reservoirs
- 140 MGD Treatment Plant
- 160 miles of local pipelines
- 5 booster pump stations



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Projected Costs & Contract

- **Total Capital Cost:** \$5.8 billion (design, permitting, ROW, construction)
- **Estimated Water Cost:** ≈ \$15/1,000 gallons (\$4,800/AFY)
 - Debt service: \$3,200 - \$4,300/AFY
 - O&M, power and other expenses: ≈\$1,000/AFY
- **Funding Model:** Long term bonds (30-50 years); no up-front capital cost for NBU
- **Contract term:** Anticipated 60-80 years
- **Supply to NBU:** 6,000 – 8,000 AFY

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Triple Bottom Line Assessment – Economic

Aim: Being good stewards of public funds

Criteria	Score (1-5)	Justification
Annualized capital and O&M unit costs per AF	1	Cost is > \$3,000/AF
Unrestricted volume or additional capacity provided	3	4,000 AFY – 5,999 AFY water authorizations or additional capacity
Ease of treatment, transmission & operation relative to other supplies being considered	2	Somewhat more difficult to design or operate than other supplies
Time required for this water supply/management strategy to come online	3	Supply / strategy could be online in 11 – 15 years
Overall weighted economic score	2.2	

Economic rank among supplies evaluated: 18 / 19

Triple Bottom Line Assessment – Social

Aim: Being good stewards towards the community

Criteria	Score (1-5)	Justification
Impact to customer groups or stakeholders	3	No notable impact is expected
Support of the community’s social goals	3	Supports 3/5 social goals
Supply sustainability and resilience	2	Some concern that NBU’s firm volume will be partially or temporarily unavailable during the expected life cycle
Regulatory, legal or public acceptance complexity	3	Average complexity, with potential for minor regulatory or legal challenges
Overall weighted social score	2.7	

Social rank among supplies evaluated: 19 / 19

Triple Bottom Line Assessment – Environmental

Aim: Being good stewards of regional natural resources

Criteria	Score(1-5)	Justification
Impact on regional water resources	3	Not notable relative to other supplies
Impact of the water supply and/ or required construction activities on receiving water quality or terrestrial and aquatic habitats	3	Not notable relative to other supplies
Power required for transmission, treatment and distribution	1	Consumes significant power
Overall weighted environmental score	2.5	

Environmental rank among supplies evaluated: **17 / 19**

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WaterSECURE Is Not the Best Option for NBU

Concerns around this supply include:

- High costs (estimated at around \$4,800/AFY)
- Long timeline that is already behind schedule
- Contracts anticipated to be long-term (60-80 years)
- Potential for future opposition that may cause further delays
- Significant power requirements for pumping 100+ miles and for ASR
- Subject to drought curtailments (GBRA Drought Contingency Plan, 2024) and other stressors
- Opportunities for failure due to the amount of infrastructure needed
- Treatment process not directly overseen by NBU

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GBRA WaterSECURE Project

Questions?

Staff recommends participating in the GRHCP planning efforts by executing the MOA. Participating in the MOA will allow NBU to be considered as an enrollee into the COI Program at a future date. The COI program affords NBU the same expected protection GBRA hopes to obtain from its incidental take permit.

This item is being presented to the Board because it creates a MOA between NBU and GBRA.

FINANCIAL IMPACT

Other than the minor costs incurred in the development and sharing of NBU information and the Staff time associated with typical project coordination, there is no significant financial impact of the MOA to NBU. GBRA has been, and will continue to be, responsible for payment of consultant fees and expenses associated with developing the GRHCP, along with the support of USFWS Cooperative Endangered Species Conservation Fund planning assistance grant funding. Should NBU move forward by enrolling in the COI Program at a future date, the level of cost participation in the COI Program will also be considered at that same future date.

LINK TO STRATEGIC PLAN

Stewardship

EXHIBITS

1. Draft MOA

Guadalupe River Habitat Conservation Plan



- September 25, 2025

Overview

- The federal Endangered Species Act of 1973 states it is unlawful to “take” any fish or wildlife species listed as endangered or threatened.
- GBRA is actively engaged in the process of developing the Guadalupe River Habitat Conservation Plan to minimize and mitigate the adverse impacts of its covered activities on certain threatened and endangered species within the Guadalupe River Basin to the maximum extent practicable.
- GBRA is developing a Certificate of Inclusion (COI) Program that would extend the regulatory certainty, protection, and other benefits to key stakeholders that participate in the program, including NBU.

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Overview

- The initial terms of the offer are outlined in a draft Memorandum of Agreement (MOA).
- The MOA will require NBU to engage in the GRHCP planning efforts, including attending Second Party Participant Workgroup meetings and providing relevant information to assist GBRA in attaining United States Fish and Wildlife Services approval of the COI Program as a component of the GRHCP.
- The MOA requires NBU to support coordinated efforts to promote the GRHCP. These efforts shall include GBRA-led outreach and public relations activities that emphasize shared conservation goals and recognize the valuable contributions and participation of all parties involved, including NBU. The MOA does not constitute an admission of any liability or responsibility for the taking of species

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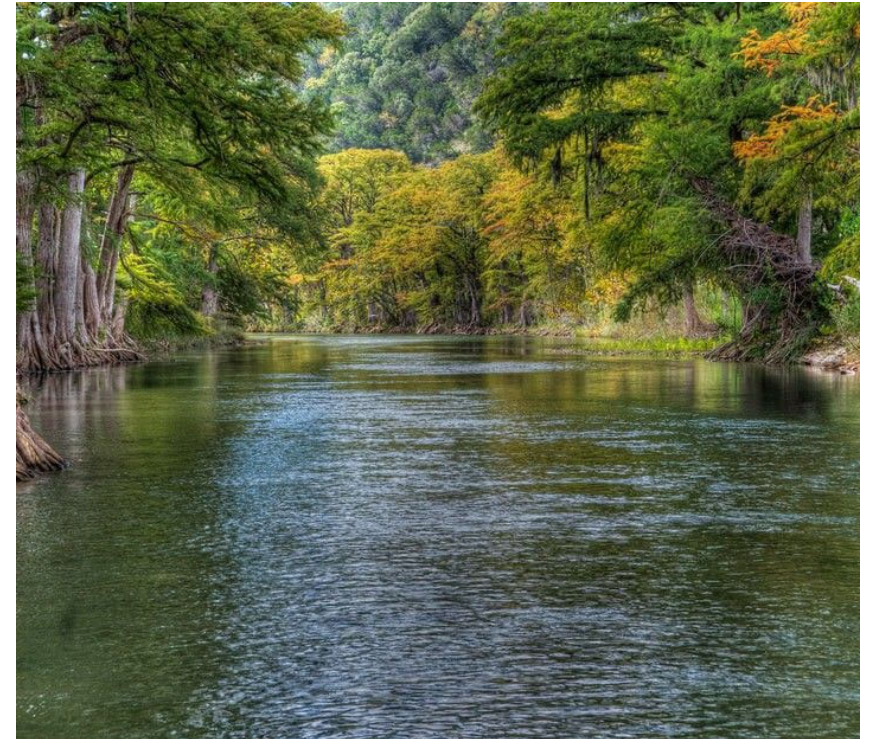
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Staff Recommendation

Staff recommends participating in the Guadalupe River Habitat Conservation Plan planning efforts by executing the MOA.

Participating in the MOA will allow NBU to be considered as an enrollee into the COI Program at a future date.



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QUESTIONS?

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