



**NOTICE OF OPEN MEETING**  
**BOARD OF TRUSTEES**  
NBU Board Room, 263 Main Plaza, New Braunfels, Texas 78130  
April 27, 2023, at 1:00 PM  
[www.nbutexas.com](http://www.nbutexas.com)

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## **AGENDA**

### **PLEDGE OF ALLEGIANCE AND INVOCATION**

Board Trustee John Harrell

### **PUBLIC COMMENT**

### **AWARDS AND RECOGNITIONS**

1. Utility Access Cover Contest Winners
2. 2022 American Public Power Association Certificate of Excellence in Reliability

### **ITEMS FROM THE CHAIR**

1. Recognition of Mayor Rusty Brockman

### **ITEMS FROM STAFF**

1. CEO's Update
    - a. Public Service Week
    - b. Update on Electric, Water, and Sewer Rate Approval
    - c. Career Day at Carl Schurz Elementary School
    - d. Conservation and Customer Solutions Demonstration at the Westside Community Center
    - e. Other Items Permitted Under Section 551.0415 of the Texas Government Code
  - [2.](#) Financial Update and Report
  - [3.](#) Legislative Update
    - a. Update from Shelly Botkin of the Texas Public Power Association (TPPA)
    - b. Update from Lauren Fairbanks of Moontower Public Affairs, Inc.
    - c. Update from Laura Rivers, Chief of Staff
  - [4.](#) Drought Status Update
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## CONSENT ITEMS FOR ACTION

- [1.](#) Approve Minutes of the NBU Special Board Meeting of March 27, 2023
- [2.](#) Approve Minutes of the NBU Budget Workshop of March 27, 2023
- [3.](#) Approve Minutes of the NBU Regular Board Meeting of March 30, 2023
- [4.](#) Approve Minutes of the NBU Special Board Meeting of April 13, 2023
- [5.](#) Approve a Public Calamity Declaration Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic for Purchases over \$250,000
- [6.](#) Approve the Public Calamity Exemption Log from February 15, 2023, through March 15, 2023
- [7.](#) Approve the Change Order Log from February 15, 2023, through March 15, 2023
- [8.](#) Approve the Reports for Water and Electric Engineering Contracts from August 1, 2022, through March 15, 2023
- [9.](#) Approve the Electric Line of Business Alternative Procurements from February 15, 2023, through March 15, 2023
- [10.](#) Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with Jerdon Enterprise, L.P. for the Construction of the Gruene Water Reclamation Facility Spoils and Materials Yard Project
- [11.](#) Authorize CEO or His Designee to Negotiate and Execute a Joint Construction Contract with the City of New Braunfels and Capital Excavation Company for the Construction of the Klein Road Reconstruction Phase 2 Project
- [12.](#) Authorize CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. for the Design of the Interstate Highway 35 24-inch Water Line Downtown Project
- [13.](#) Authorize CEO or His Designee to Negotiate and Execute the First Amendment to the Lease Agreement with the City of New Braunfels for the NBU Service Center, Located at 355 FM 306, New Braunfels, Texas 78130
- [14.](#) Authorize CEO or His Designee to Negotiate and Execute a Grant Agreement for Fiscal Year 2024 with Headwaters at the Comal
- [15.](#) Approve Resolution #2023-171 by the Board of Trustees Authorizing and Allowing, Under the Act Governing the Texas Municipal Retirement System, Restricted Prior Service Credit to Employees Who Are Members of the System for Service Previously Performed for Various Other Public Entities for Which They Have Not Received Credited Service and Repealing Resolution No. R-2023-166

## **ACTION ITEMS**

1. Discuss and Consider Adopting Resolution #2023-170 by the Board of Trustees of New Braunfels Utilities Approving (I) The Transfer of the Real Property Located at 1488 South Seguin Avenue, New Braunfels, Texas (the “City Property”), from the City of New Braunfels to New Braunfels Utilities; (II) Execution of Any and All Documents Necessary to Accomplish the Transfer; and (III) Other Matters in Connection Therewith

## **PRESENTATION ITEMS**

1. Presentation on Environmental Protection Agency Mandate Regarding Water Service Line Inventories
2. Presentation and Discussion on the Proposed NBU Community Advisory Panel

## **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. Deliberation Regarding Security Devices or Security Audits  
(Section 551.089 – Texas Government Code)
  - a. Deliberate Security Assessments or Deployments Relating to Information Resources Technology, Network Security Information, and the Deployment or Implementation of Critical Utility Infrastructure
3. Consultation with Attorney Regarding Matters Protected by Attorney Client Privilege  
(Section 551.071 – Texas Government Code)
  - a. Discuss Legal Implications of *The City of San Antonio, by and through the San Antonio Water System v. Campbellton Road, LTD.*, 647 S.W.3d 751 (Tex. App. - San Antonio January 26, 2022, pet. filed)
  - b. Utility Construction Cost Sharing Agreement Between Southstar at Mayfair, LLC, Together with Certain Affiliates, and New Braunfels Utilities

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

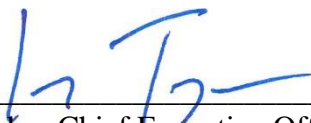
## **RECONVENE INTO OPEN SESSION AND TAKE ANY NECESSARY ACTION RELATING TO THE EXECUTIVE SESSION AS DESCRIBED ABOVE**

## **ADJOURN**

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

### **CERTIFICATE OF POSTING**

I, Ian Taylor, Secretary to the Board of Trustees, do hereby certify that this Notice of Meeting was posted at the City of New Braunfels City Hall, 550 Landa Street, New Braunfels, Texas, and New Braunfels Utilities Main Office, 263 Main Plaza, New Braunfels, Texas, on the **21st day of April, 2023**, and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

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



power, resulted in the amount of \$1,604,000 for the month of March and \$34,712,000 YTD. These amounts were \$3,220,000 and \$7,639,000 less than the budgeted amount of \$4,824,000 Month-to-Date (“MTD”) and \$42,351,000 YTD. Other operating expenses were less than budget by \$794,000. These items resulted in the Electric Line of Business reporting net operating income of (\$734,000) which was \$2,426,000 less than the budgeted amount of \$1,692,000. Net non-operating items provided a favorable variance from budget of \$764,000. Services income was less than budget by \$203,000. The Electric Line of Business reported March 2023 CNPAC of (\$1,127,000) and YTD CNPAC of \$12,150,000. These amounts were \$1,865,000 and \$74,000 less than their respective March 2023 MTD and March 2023 YTD budget amounts.

### **Water**

The Water Line of Business reported total operating revenues of \$2,293,000, a \$13,000 increase, or 1%, from the March budgeted amount of \$2,280,000. In March, water gallons sold of 269,355,000 was less than the budgeted amount of 293,020,000 (a 23,666,000-gallon variance from budget, or 8%). NBU’s net realized price per 1,000 gallons sold in March was 8.32, which was greater than the budgeted amount of \$7.57. Operating expenses for March were \$2,623,000, which was \$928,000 less than the budgeted amount of \$3,551,000. The net effect of greater revenues and lower operating expenses than budgeted resulted in the Water’s net operating income of (\$330,000), which was less than budget. Net non-operating items provided an unfavorable variance of \$113,000 from budget. Impact fees of \$294,000 were less than budget by \$634,000 and services income was less than budget by \$70,000. The Water Line of Business reported March 2023 CNPAC of (\$402,000) and YTD CNPAC of \$9,075,000. These amounts were \$124,000 and \$2,718,000 greater than their respective March 2023 MTD and March 2023 YTD budget amounts.

### **Wastewater**

The Wastewater Line of Business reported total operating revenues of \$2,528,000, a \$115,000 decrease, or 4%, from the March budgeted amount of \$2,643,000. Total operating expenses of \$2,141,000 were \$563,000 less than the budgeted amount of \$2,704,000. As a result, the Wastewater Line of Business reported net operating income of \$387,000, which was \$448,000 greater than the budgeted amount of (\$61,000). Net non-operating items provided a favorable variance of \$31,000 from budget. Impact fees were less than budget by \$378,000, and since we did not receive any capital participation fees in the month, they were less than budget by \$46,000. The Wastewater Line of Business reported March 2023 CNPAC of \$315,000 and YTD CNPAC of \$4,739,000. These amounts were \$55,000 and \$900,000 greater than their respective March 2023 MTD and March 2023 YTD budget amounts.

## **LINK TO STRATEGIC PLAN**

### **Financial Excellence**

### **EXHIBITS**

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

**NEW BRAUNFELS UTILITIES**  
**OVERVIEW COMPARISON TO BUDGET & PRIOR FISCAL YEAR**  
**For the Period Ending March 31, 2023**

	AMOUNT	VARIANCE*	% CHANGE	FAV/UNFAV	Variance Explanation +/-30%
<b>ELECTRIC</b>					
Sales Volume (MWh)	Actual 1,155.6				
	Budget 1,270.4	(114.8)	-9%		
	Prior Year 1,160.8	(5.2)	0%		
Revenues (\$M)	Actual \$ 134.6				
	Budget \$ 119.7	\$ 14.9	12%		
	Prior Year 91.6	\$ 43.0	47%		Increase due to customer count and weather contributors.*Generation revenue
Gross Margin (\$M) (Total Operating Revenues Minus Purchased Pwr)	Actual \$ 34.7				
	Budget \$ 42.4	\$ (7.6)	-18%		
	Prior Year 20.7	\$ 14.0	67%		Increase due to customer count and weather contributors.*Generation revenue
Operating Income (\$M)	Actual \$ 15.9				
	Budget \$ 19.9	\$ (3.9)	-20%		
	Prior Year 4.1	\$ 11.8	*		Increase due to customer count and weather contributors.*Generation revenue
<b>WATER</b>					
Sales Volume (Million Gallons)	Actual 2.8				
	Budget 2.9	(0.2)	-5%		
	Prior Year 2.6	0.2	6%		
Revenues (\$M)	Actual \$ 23.1				
	Budget \$ 26.6	\$ (3.5)	-13%		
	Prior Year 19.6	\$ 3.6	18%		
Gross Margin (\$M) (Total Operating Revenues Minus Purchased Water)	Actual \$ 17.7				
	Budget \$ 19.5	\$ (1.8)	-9%		
	Prior Year 15.2	\$ 2.4	16%		
Operating Income (\$M)	Actual \$ 1.2				
	Budget \$ 0.4	\$ 0.8	*		
	Prior Year 1.2	\$ 0.1	7%		
<b>WASTEWATER</b>					
Revenues (\$M)	Actual \$ 21.2				
	Budget \$ 21.2	\$ 0.0	0%		
	Prior Year 17.9	\$ 3.3	19%		
Operating Income (\$M)	Actual \$ 4.4				
	Budget \$ 1.3	\$ 3.1	*		Operating expenses under budget making up 2.6M variance Higher revenues in FY23 than prior year due to increased customers served.
	Prior Year 2.9	\$ 1.4	49%		
<b>COMBINED</b>					
Operating Expenses (\$M)**	Actual \$ 29.7				
	Budget \$ 35.4	\$ (5.6)	-16%		
	Prior Year 25.8	\$ 3.9	15%		
Operating Income (\$M)	Actual \$ 21.5				
	Budget \$ 21.5	\$ 0.0	0%		
	Prior Year 8.2	\$ 13.3	*		
Change in Net Position Before Contributions (\$M)	Actual \$ 12.2				
	Budget \$ 6.7	\$ 5.5	82%		Non-operating revenues/expenses coming in favorable to budget/prior year
	Prior Year (4.7)	\$ 16.9	*		Non-operating revenues/expenses coming in favorable to budget/prior year
Impact Fees (\$M)	Actual \$ 10.7				
	Budget \$ 12.0	\$ (1.4)	-11%		
	Prior Year 14.2	\$ (3.5)	-25%		
Change in Net Position After Contributions (\$M)	Actual \$ 26.0				
	Budget \$ 22.4	\$ 3.5	16%		
	Prior Year 14.3	\$ 11.6	81%		Non-operating revenues/expenses coming in favorable to budget/prior year

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

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

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

**NEW BRAUNFELS UTILITIES**  
**Balance Sheet**  
**For the Period Ending March 31, 2023**  
Amounts Shown in Thousands

	March 31 2023	February 28 2023	Variance	% Change
<b>ASSETS</b>				
<b>UTILITY PLANT</b>				
Utility Plant in Service	\$ 1,084,322	\$ 1,080,123	\$ 4,199	0%
Less: Accumulated Depreciation	(341,239)	(338,392)	(2,848)	1%
Construction in Progress	135,660	130,715	4,945	4%
<b>TOTAL UTILITY PLANT</b>	<b>\$ 878,743</b>	<b>\$ 872,446</b>	<b>\$ 6,296</b>	<b>1%</b>
<b>CURRENT &amp; ACCRUED ASSETS</b>				
Cash & Temporary Investments	\$ 60,759	\$ 57,701	\$ 3,058	5%
Accounts Receivable - Customers (Net of Allowance for Bad Debt)	14,087	18,596	(4,509)	-24%
Accounts Receivable - Other	6,391	6,850	(459)	-7%
Accrued Unbilled Revenue	14,553	14,033	519	4%
Inventory	6,898	6,939	(41)	-1%
Prepaid Expenses	13,086	13,627	(541)	-4%
Accrued Interest Receivable	351	320	31	10%
Rents Receivable	482	483	(1)	0%
<b>TOTAL CURRENT &amp; ACCRUED ASSETS</b>	<b>\$ 116,607</b>	<b>\$ 118,549</b>	<b>\$ (1,942)</b>	<b>-2%</b>
<b>RESTRICTED ASSETS &amp; DEFERRED DEBITS</b>				
Restricted Funds	\$ 80,717	\$ 83,966	\$ (3,249)	-4%
Designated Funds	48,915	81,712	(32,797)	-40%
Pension Deferred Outflows	8,263	8,263	-	0%
Mid-Basin Regulatory Asset	2,572	2,517	55	2%
<b>TOTAL RESTRICTED ASSETS &amp; DEFERRED DEBITS</b>	<b>\$ 140,467</b>	<b>\$ 176,458</b>	<b>\$ (35,992)</b>	<b>-20%</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,135,816</b>	<b>\$ 1,167,454</b>	<b>\$ (31,637)</b>	<b>-3%</b>
<b>LIABILITIES &amp; NET POSITION</b>				
<b>BONDS PAYABLE</b>				
Long-Term Debt	\$ 380,185	\$ 380,174	\$ 10	0%
Unamortized Bond Discount/Premium	26,177	26,401	(224)	-1%
<b>TOTAL BONDS PAYABLE</b>	<b>\$ 406,362</b>	<b>\$ 406,575</b>	<b>\$ (214)</b>	<b>0%</b>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>				
Accounts Payable	\$ 5,381	\$ 6,885	\$ (1,504)	-22%
Accrued Purchased Power	9,430	10,265	(834)	-8%
Commercial Paper Payable	35,250	35,250	-	0%
Note Purchase Payable	-	35,000	(35,000)	-100%
Customer Deposits	11,318	11,114	204	2%
Accrued Payroll & Benefits (Including Compensated Absences)	3,606	4,820	(1,215)	-25%
Accrued Interest Expense	4,194	3,136	1,058	34%
Current Portion of Long Term Debt	6,765	6,765	-	0%
Other Payables	2,909	2,910	(0)	0%
<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<b>\$ 78,853</b>	<b>\$ 116,143</b>	<b>\$ (37,290)</b>	<b>-32%</b>
<b>NONCURRENT LIABILITIES &amp; DEFERRED CREDITS</b>				
Accumulated Provision for Pension	\$ 12,319	\$ 12,319	\$ -	0%
Pension & OPEB Deferred Inflows	6,124	6,124	-	0%
Power Cost Adjustments - Over-Recovered	8,073	8,139	(66)	-1%
Other Deferred Credits	24,365	20,103	4,262	21%
<b>TOTAL NONCURRENT LIABILITIES &amp; DEFERRED CREDITS</b>	<b>\$ 50,881</b>	<b>\$ 46,685</b>	<b>\$ 4,195</b>	<b>9%</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 536,095</b>	<b>\$ 569,404</b>	<b>\$ (33,308)</b>	<b>-6%</b>
<b>NET POSITION</b>				
Reserve for Restricted Assets	\$ 68,010	\$ 69,540	\$ (1,530)	-2%
Reserve for Intergovernmental	10,879	10,966	(87)	-1%
Unrestricted Assets	276,007	275,604	403	0%
Contributed Capital	244,825	241,940	2,885	1%
<b>TOTAL NET POSITION</b>	<b>\$ 599,721</b>	<b>\$ 598,050</b>	<b>\$ 1,671</b>	<b>0%</b>
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$ 1,135,816</b>	<b>\$ 1,167,454</b>	<b>\$ (31,637)</b>	<b>-3%</b>

**NEW BRAUNFELS UTILITIES**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2023**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance	YTD Actual	YTD Budget	Variance	% Variance
<b>VOLUME/RATES</b>								
Electric Sales kWh	119,571	147,775	(28,204)	-19%	1,155,612	1,270,367	(114,755)	-9%
Electric Sales Rate Per kWh	\$ 0.1200	\$ 0.0957	\$ 0.0243	25%	\$ 0.1143	\$ 0.0920	\$ 0.0223	24%
Purchased kWh	129,859	147,801	(17,942)	-12%	1,159,622	1,285,362	(125,740)	-10%
Purchased Rate per kWh	\$ 0.1017	\$ 0.0655	\$ 0.0362	55%	\$ 0.0861	\$ 0.0602	\$ 0.0260	43%
Gallons Sold	269,355	293,020	(23,666)	-8%	2,779,224	2,940,608	(161,384)	-5%
Rate per 1,000 Gallons Sold	\$ 8.32	\$ 7.57	\$ 0.75	10%	\$ 8.20	\$ 8.88	\$ (0.67)	-8%
<b>OPERATING REVENUES</b>								
<b>SERVICE REVENUE</b>								
Electric Service	\$ 14,353	\$ 14,148	\$ 205	1%	\$ 132,040	\$ 116,868	\$ 15,172	13%
Water Service	2,242	2,218	24	1%	22,799	26,098	(3,299)	-13%
Wastewater Service	2,501	2,621	(120)	-5%	21,128	21,020	108	1%
<b>TOTAL SERVICE REVENUE</b>	<b>\$ 19,096</b>	<b>\$ 18,987</b>	<b>\$ 109</b>	<b>1%</b>	<b>\$ 175,967</b>	<b>\$ 163,986</b>	<b>\$ 11,981</b>	<b>7%</b>
<b>OTHER OPERATING REVENUE</b>								
Electric Other	\$ 120	\$ 102	\$ 18	18%	\$ 355	\$ 813	\$ (458)	-56%
Water Other	33	49	(16)	-33%	173	390	(217)	-56%
Wastewater Other	27	22	5	23%	90	176	(86)	-49%
Transmission System Revenue	293	217	76	35%	1,834	1,735	99	6%
Electric Pole Attachments	44	36	8	22%	371	290	81	28%
Water Tower Antenna Lease	18	13	5	38%	143	107	36	34%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>\$ 535</b>	<b>\$ 439</b>	<b>\$ 96</b>	<b>22%</b>	<b>\$ 2,966</b>	<b>\$ 3,511</b>	<b>\$ (545)</b>	<b>-16%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 19,631</b>	<b>\$ 19,426</b>	<b>\$ 205</b>	<b>1%</b>	<b>\$ 178,933</b>	<b>\$ 167,497</b>	<b>\$ 11,436</b>	<b>7%</b>
<b>OPERATING EXPENSES</b>								
<b>ELECTRIC</b>								
Purchased Power	\$ 13,206	\$ 9,679	\$ 3,527	36%	\$ 99,888	\$ 77,355	\$ 22,533	29%
Electric O&M Expenses	499	854	(355)	-42%	3,985	5,745	(1,760)	-31%
Electric Depreciation & Amortization	1,023	1,094	(71)	-6%	8,086	8,753	(667)	-8%
Electric Support Services Allocated Operating Expenses	816	1,184	(368)	-31%	6,715	7,998	(1,283)	-16%
<b>TOTAL ELECTRIC OPERATING EXPENSE</b>	<b>\$ 15,544</b>	<b>\$ 12,811</b>	<b>\$ 2,733</b>	<b>21%</b>	<b>\$ 118,674</b>	<b>\$ 99,851</b>	<b>\$ 18,823</b>	<b>19%</b>
<b>WATER</b>								
Purchased Water	\$ 688	\$ 890	\$ (202)	-23%	\$ 5,424	\$ 7,120	\$ (1,696)	-24%
Water O&M Expenses	539	816	(277)	-34%	5,187	5,652	(465)	-8%
Water Depreciation & Amortization	788	903	(115)	-13%	6,162	7,222	(1,060)	-15%
Water Support Services Allocated Operating Expenses	608	942	(334)	-35%	5,102	6,208	(1,106)	-18%
<b>TOTAL WATER OPERATING EXPENSE</b>	<b>\$ 2,623</b>	<b>\$ 3,551</b>	<b>\$ (928)</b>	<b>-26%</b>	<b>\$ 21,875</b>	<b>\$ 26,202</b>	<b>\$ (4,327)</b>	<b>-17%</b>
<b>WASTEWATER</b>								
Wastewater O&M Expenses	\$ 635	\$ 727	\$ (92)	-13%	\$ 4,831	\$ 5,100	\$ (269)	-5%
Wastewater Depreciation & Amortization	1,036	1,268	(232)	-18%	8,111	10,146	(2,035)	-20%
Wastewater Support Services Allocated Operating Expenses	470	709	(239)	-34%	3,913	4,679	(766)	-16%
<b>TOTAL WASTEWATER OPERATING EXPENSE</b>	<b>\$ 2,141</b>	<b>\$ 2,704</b>	<b>\$ (563)</b>	<b>-21%</b>	<b>\$ 16,855</b>	<b>\$ 19,925</b>	<b>\$ (3,070)</b>	<b>-15%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 20,308</b>	<b>\$ 19,066</b>	<b>\$ 1,242</b>	<b>7%</b>	<b>\$ 157,404</b>	<b>\$ 145,978</b>	<b>\$ 11,426</b>	<b>8%</b>
<b>NET OPERATING INCOME</b>								
ELECTRIC	\$ (734)	\$ 1,692	\$ (2,426)	*	\$ 15,926	\$ 19,855	\$ (3,929)	-20%
WATER	(330)	(1,271)	941	-74%	1,240	393	847	*
WASTEWATER	387	(61)	448	*	4,363	1,271	3,092	*
<b>TOTAL NET OPERATING INCOME</b>	<b>\$ (677)</b>	<b>\$ 360</b>	<b>\$ (1,037)</b>	<b>*</b>	<b>\$ 21,529</b>	<b>\$ 21,519</b>	<b>\$ 10</b>	<b>0%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ 797	\$ 120	\$ 677	*	\$ 3,083	\$ 959	\$ 2,124	*
Intergovernmental Expense	(892)	(898)	6	-1%	(7,120)	(7,181)	61	-1%
Interest and Amortization Expense	(1,248)	(1,201)	(47)	4%	(11,126)	(9,609)	(1,517)	16%
Other	173	127	46	36%	5,844	1,017	4,827	*
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (1,170)</b>	<b>\$ (1,852)</b>	<b>\$ 682</b>	<b>-37%</b>	<b>\$ (9,319)</b>	<b>\$ (14,814)</b>	<b>\$ 5,495</b>	<b>37%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (1,847)</b>	<b>\$ (1,492)</b>	<b>\$ (355)</b>	<b>24%</b>	<b>\$ 12,210</b>	<b>\$ 6,705</b>	<b>\$ 5,505</b>	<b>82%</b>
<b>CAPITAL CONTRIBUTIONS</b>								
Impact Fees	\$ 492	\$ 1,504	\$ (1,012)	-67%	\$ 10,682	\$ 12,034	\$ (1,352)	-11%
Services	141	414	(273)	-66%	3,021	3,314	(293)	-9%
GBRA Capital Participation Fee	-	46	(46)	-100%	-	367	(367)	-100%
Developer Contributions	-	-	-	0%	51	-	51	0%
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>\$ 633</b>	<b>\$ 1,964</b>	<b>\$ (1,331)</b>	<b>-68%</b>	<b>\$ 13,754</b>	<b>\$ 15,715</b>	<b>\$ (1,961)</b>	<b>-12%</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (1,214)</b>	<b>\$ 472</b>	<b>\$ (1,686)</b>	<b>*</b>	<b>\$ 25,964</b>	<b>\$ 22,420</b>	<b>\$ 3,544</b>	<b>16%</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**ELECTRIC LINE OF BUSINESS**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2023**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance	YTD Actual	YTD Budget	Variance	% Variance
<b>ELECTRIC OPERATING REVENUES</b>								
<b>ELECTRIC SERVICE REVENUE</b>								
Electric Service	\$ 14,353	\$ 14,148	\$ 205	1%	\$ 132,040	\$ 116,868	\$ 15,172	13%
<b>TOTAL ELECTRIC SERVICE REVENUE</b>	<b>\$ 14,353</b>	<b>\$ 14,148</b>	<b>\$ 205</b>	<b>1%</b>	<b>\$ 132,040</b>	<b>\$ 116,868</b>	<b>\$ 15,172</b>	<b>13%</b>
<b>OTHER ELECTRIC OPERATING REVENUE</b>								
Electric Other	\$ 120	\$ 102	\$ 18	18%	\$ 355	\$ 813	\$ (458)	-56%
Transmission System Revenue	293	217	76	35%	1,834	1,735	99	6%
Electric Pole Attachments	44	36	8	22%	371	290	81	28%
<b>TOTAL OTHER ELECTRIC OPERATING REVENUE</b>	<b>\$ 457</b>	<b>\$ 355</b>	<b>\$ 102</b>	<b>29%</b>	<b>\$ 2,560</b>	<b>\$ 2,838</b>	<b>\$ (278)</b>	<b>-10%</b>
<b>TOTAL ELECTRIC OPERATING REVENUE</b>	<b>\$ 14,810</b>	<b>\$ 14,503</b>	<b>\$ 307</b>	<b>2%</b>	<b>\$ 134,600</b>	<b>\$ 119,706</b>	<b>\$ 14,894</b>	<b>12%</b>
<b>ELECTRIC OPERATING EXPENSES</b>								
Purchased Power & Other Power Supply	\$ 13,206	\$ 9,679	\$ 3,527	36%	\$ 99,888	\$ 77,355	\$ 22,533	29%
Transmission & Distribution	378	819	(441)	-54%	3,669	5,493	(1,824)	-33%
Customer Service	99	15	84	*	166	119	47	39%
Administrative & General	22	20	2	10%	150	133	17	13%
Depreciation & Amortization	1,023	1,094	(71)	-6%	8,086	8,753	(667)	-8%
Support Services Allocated Operating Expenses	816	1,184	(368)	-31%	6,715	7,998	(1,283)	-16%
<b>TOTAL ELECTRIC OPERATING EXPENSE</b>	<b>\$ 15,544</b>	<b>\$ 12,811</b>	<b>\$ 2,733</b>	<b>21%</b>	<b>\$ 118,674</b>	<b>\$ 99,851</b>	<b>\$ 18,823</b>	<b>19%</b>
<b>ELECTRIC NET OPERATING INCOME</b>	<b>\$ (734)</b>	<b>\$ 1,692</b>	<b>\$ (2,426)</b>	<b>*</b>	<b>\$ 15,926</b>	<b>\$ 19,855</b>	<b>\$ (3,929)</b>	<b>-20%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ 379	\$ 53	\$ 326	*	\$ 1,385	\$ 422	\$ 963	*
Intergovernmental Expense	(725)	(733)	8	-1%	(5,789)	(5,863)	74	-1%
Interest and Amortization Expense	(267)	(674)	407	-60%	(2,628)	(5,393)	2,765	-51%
Other	108	85	23	27%	647	679	(32)	-5%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (505)</b>	<b>\$ (1,269)</b>	<b>\$ 764</b>	<b>60%</b>	<b>\$ (6,385)</b>	<b>\$ (10,155)</b>	<b>\$ 3,770</b>	<b>37%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (1,239)</b>	<b>\$ 423</b>	<b>\$ (1,662)</b>	<b>*</b>	<b>\$ 9,541</b>	<b>\$ 9,700</b>	<b>\$ (159)</b>	<b>-2%</b>
<b>ELECTRIC CAPITAL CONTRIBUTIONS</b>								
Services	\$ 112	\$ 315	\$ (203)	-64%	\$ 2,609	\$ 2,524	\$ 85	3%
<b>TOTAL ELECTRIC CAPITAL CONTRIBUTIONS</b>	<b>\$ 112</b>	<b>\$ 315</b>	<b>\$ (203)</b>	<b>-64%</b>	<b>\$ 2,609</b>	<b>\$ 2,524</b>	<b>\$ 85</b>	<b>3%</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (1,127)</b>	<b>\$ 738</b>	<b>\$ (1,865)</b>	<b>*</b>	<b>\$ 12,150</b>	<b>\$ 12,224</b>	<b>\$ (74)</b>	<b>-1%</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**WATER LINE OF BUSINESS**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2023**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance	YTD Actual	YTD Budget	Variance	% Variance
<b>WATER OPERATING REVENUES</b>								
<b>WATER SERVICE REVENUE</b>								
Water Service	\$ 2,242	\$ 2,218	\$ 24	1%	\$22,799	\$26,098	\$ (3,299)	-13%
<b>TOTAL WATER SERVICE REVENUE</b>	<b>\$ 2,242</b>	<b>\$ 2,218</b>	<b>\$ 24</b>	<b>1%</b>	<b>\$22,799</b>	<b>\$26,098</b>	<b>\$ (3,299)</b>	<b>-13%</b>
<b>OTHER WATER OPERATING REVENUE</b>								
Water Other	\$ 33	\$ 49	\$ (16)	-33%	\$ 173	\$ 390	\$ (217)	-56%
Water Tower Antenna Lease	18	13	5	38%	143	107	36	34%
<b>TOTAL OTHER WATER OPERATING REVENUE</b>	<b>\$ 51</b>	<b>\$ 62</b>	<b>\$ (11)</b>	<b>-18%</b>	<b>\$ 316</b>	<b>\$ 497</b>	<b>\$ (181)</b>	<b>-36%</b>
<b>TOTAL WATER OPERATING REVENUE</b>	<b>\$ 2,293</b>	<b>\$ 2,280</b>	<b>\$ 13</b>	<b>1%</b>	<b>\$23,115</b>	<b>\$26,595</b>	<b>\$ (3,480)</b>	<b>-13%</b>
<b>WATER OPERATING EXPENSES</b>								
Purchased Water	\$ 688	\$ 890	\$ (202)	-23%	\$ 5,424	\$ 7,120	\$ (1,696)	-24%
Supply Source	-	9	(9)	-100%	54	72	(18)	-25%
Transmission & Distribution	175	308	(133)	-43%	2,055	1,983	72	4%
Pumping	160	224	(64)	-29%	1,481	1,566	(85)	-5%
Water Treatment	153	229	(76)	-33%	1,311	1,617	(306)	-19%
Customer Service	14	4	10	*	24	32	(8)	-25%
Administrative & General	37	42	(5)	-12%	262	382	(120)	-31%
Depreciation & Amortization	788	903	(115)	-13%	6,162	7,222	(1,060)	-15%
Support Services Allocated Operating Expenses	608	942	(334)	-35%	5,102	6,208	(1,106)	-18%
<b>TOTAL WATER OPERATING EXPENSE</b>	<b>\$ 2,623</b>	<b>\$ 3,551</b>	<b>\$ (928)</b>	<b>-26%</b>	<b>\$21,875</b>	<b>\$26,202</b>	<b>\$ (4,327)</b>	<b>-17%</b>
<b>WATER NET OPERATING INCOME</b>	<b>\$ (330)</b>	<b>\$ (1,271)</b>	<b>\$ 941</b>	<b>-74%</b>	<b>\$ 1,240</b>	<b>\$ 393</b>	<b>\$ 847</b>	<b>*</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ 194	\$ 31	\$ 163	*	\$ 788	\$ 249	\$ 539	*
Intergovernmental Expense	(84)	(83)	(1)	1%	(669)	(664)	(5)	1%
Interest and Amortization Expense	(556)	(258)	(298)	*	(5,134)	(2,060)	(3,074)	*
Other	51	28	23	82%	5,105	224	4,881	*
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (395)</b>	<b>\$ (282)</b>	<b>\$ (113)</b>	<b>40%</b>	<b>\$ 90</b>	<b>\$ (2,251)</b>	<b>\$ 2,341</b>	<b>*</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (725)</b>	<b>\$ (1,553)</b>	<b>\$ 828</b>	<b>-53%</b>	<b>\$ 1,330</b>	<b>\$ (1,858)</b>	<b>\$ 3,188</b>	<b>*</b>
<b>WATER CAPITAL CONTRIBUTIONS</b>								
Impact Fees	\$ 294	\$ 928	\$ (634)	-68%	\$ 7,333	\$ 7,428	\$ (95)	-1%
Services	29	99	(70)	-71%	412	787	(375)	-48%
<b>TOTAL WATER CAPITAL CONTRIBUTIONS</b>	<b>\$ 323</b>	<b>\$ 1,027</b>	<b>\$ (704)</b>	<b>-69%</b>	<b>\$ 7,745</b>	<b>\$ 8,215</b>	<b>\$ (470)</b>	<b>-6%</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ (402)</b>	<b>\$ (526)</b>	<b>\$ 124</b>	<b>-24%</b>	<b>\$ 9,075</b>	<b>\$ 6,357</b>	<b>\$ 2,718</b>	<b>43%</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**WASTEWATER LINE OF BUSINESS**  
**Statement of Revenues & Expenses**  
**For the Period Ending March 31, 2023**  
Amounts Shown in Thousands

	MTD Actual	MTD Budget	Variance	% Variance	YTD Actual	YTD Budget	Variance	% Variance
<b>WASTEWATER OPERATING REVENUES</b>								
<b>WASTEWATER SERVICE REVENUE</b>								
Wastewater Service	\$ 2,501	\$ 2,621	\$ (120)	-5%	\$ 21,128	\$ 21,020	\$ 108	1%
<b>TOTAL WASTEWATER SERVICE REVENUE</b>	<b>\$ 2,501</b>	<b>\$ 2,621</b>	<b>\$ (120)</b>	<b>-5%</b>	<b>\$ 21,128</b>	<b>\$ 21,020</b>	<b>\$ 108</b>	<b>1%</b>
<b>OTHER WASTEWATER OPERATING REVENUE</b>								
Wastewater Other	\$ 27	\$ 22	\$ 5	23%	\$ 90	\$ 176	\$ (86)	-49%
<b>TOTAL OTHER WASTEWATER OPERATING REVENUE</b>	<b>\$ 27</b>	<b>\$ 22</b>	<b>\$ 5</b>	<b>23%</b>	<b>\$ 90</b>	<b>\$ 176</b>	<b>\$ (86)</b>	<b>-49%</b>
<b>TOTAL WASTEWATER OPERATING REVENUE</b>	<b>\$ 2,528</b>	<b>\$ 2,643</b>	<b>\$ (115)</b>	<b>-4%</b>	<b>\$ 21,218</b>	<b>\$ 21,196</b>	<b>\$ 22</b>	<b>0%</b>
<b>WASTEWATER OPERATING EXPENSES</b>								
Transmission & Distribution	\$ -	\$ -	\$ -	100%	\$ 8	\$ -	\$ 8	100%
Wastewater Operations & Maintenance	605	702	(97)	-14%	4,612	4,777	(165)	-3%
Wastewater Treatment	-	-	-	0%	-	-	-	0%
Customer Service	21	3	18	*	35	27	8	30%
Administrative & General	9	22	(13)	-59%	175	296	(121)	-41%
Depreciation & Amortization	1,036	1,268	(232)	-18%	8,112	10,146	(2,034)	-20%
Support Services Allocated Operating Expenses	470	709	(239)	-34%	3,913	4,679	(766)	-16%
<b>TOTAL WASTEWATER OPERATING EXPENSE</b>	<b>\$ 2,141</b>	<b>\$ 2,704</b>	<b>\$ (563)</b>	<b>-21%</b>	<b>\$ 16,855</b>	<b>\$ 19,925</b>	<b>\$ (3,070)</b>	<b>-15%</b>
<b>WASTEWATER NET OPERATING INCOME</b>	<b>\$ 387</b>	<b>\$ (61)</b>	<b>\$ 448</b>	<b>*</b>	<b>\$ 4,363</b>	<b>\$ 1,271</b>	<b>\$ 3,092</b>	<b>*</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>								
Interest Income	\$ 224	\$ 36	\$ 188	*	\$ 910	\$ 288	\$ 622	*
Intergovernmental Expense	(83)	(82)	(1)	1%	(662)	(654)	(8)	1%
Interest and Amortization Expense	(425)	(269)	(156)	58%	(3,364)	(2,156)	(1,208)	56%
Other	14	14	-	0%	92	114	(22)	-19%
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$ (270)</b>	<b>\$ (301)</b>	<b>\$ 31</b>	<b>-10%</b>	<b>\$ (3,024)</b>	<b>\$ (2,408)</b>	<b>\$ (616)</b>	<b>26%</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ 117</b>	<b>\$ (362)</b>	<b>\$ 479</b>	<b>*</b>	<b>\$ 1,339</b>	<b>\$ (1,137)</b>	<b>\$ 2,476</b>	<b>*</b>
<b>WASTEWATER CAPITAL CONTRIBUTIONS</b>								
Impact Fees	\$ 198	\$ 576	\$ (378)	-66%	\$ 3,349	\$ 4,606	\$ (1,257)	-27%
Services	-	-	-	0%	-	3	(3)	-100%
GBRA Capital Participation Fee	-	46	(46)	-100%	-	367	(367)	-100%
Developer Contributions	-	-	-	0%	51	-	51	0%
<b>TOTAL WASTEWATER CAPITAL CONTRIBUTIONS</b>	<b>\$ 198</b>	<b>\$ 622</b>	<b>\$ (424)</b>	<b>-68%</b>	<b>\$ 3,400</b>	<b>\$ 4,976</b>	<b>\$ (1,576)</b>	<b>-32%</b>
<b>CHANGE IN NET POSITION AFTER CONTRIBUTIONS</b>	<b>\$ 315</b>	<b>\$ 260</b>	<b>\$ 55</b>	<b>21%</b>	<b>\$ 4,739</b>	<b>\$ 3,839</b>	<b>\$ 900</b>	<b>23%</b>

\*Denotes variance greater than 100%

**NEW BRAUNFELS UTILITIES**  
**Statement of Cash Flows**  
**For the Period Ending March 31, 2023**  
Amounts Shown in Thousands

	<u>MTD</u>	<u>YTD</u>
<b>NET POSITION BEFORE CONTRIBUTIONS</b>	<b>\$ (1,847)</b>	<b>\$ 12,210</b>
<i>Operating activities, cash flows provided by or used in:</i>		
Depreciation	\$ 2,847	\$ 22,359
Decrease (increase) in accounts receivable	4,449	17,151
Decrease (increase) in inventories	41	(2,561)
Decrease (increase) in other assets	4,005	30,072
Increase (decrease) in current liabilities	(36,120)	(9,381)
Increase (decrease) in other liabilities	4,195	14,116
<b>Net Cash Flow from Operating Activities</b>	<b><u>\$ (22,431)</u></b>	<b><u>\$ 83,966</u></b>
<i>Investing activities, cash flows provided by or used in:</i>		
Capital Expenditures	\$ (9,143)	\$ (69,784)
Investments	36,046	(23,425)
Rents/Interest Receivable	(30)	(669)
<b>Net Cash Flow from Investing Activities</b>	<b><u>\$ 26,872</u></b>	<b><u>\$ (93,878)</u></b>
<i>Financing activities, cash flows provided by or used in:</i>		
Transfers to City of New Braunfels	\$ (1,170)	\$ (9,319)
Increase (decrease) in long-term debt	(214)	38,025
<b>Net Cash Flow from Financing Activities</b>	<b><u>\$ (1,384)</u></b>	<b><u>\$ 28,706</u></b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b><u>\$ 3,058</u></b>	<b><u>\$ 18,794</u></b>

**CAPITAL EQUIPMENT SUMMARY - FY 2023**  
**YTD for the Period Ending March 31, 2023**



Department	Capital Equipment Description	YTD Actual	FY 2023 Budget	Budget Remaining
<b>ELECTRIC</b>				
117	Flat Bed Trailer	-	25,000	25,000
119	Substations Service Truck	-	188,500	188,500
119	Manager Vehicle	-	46,430	46,430
<b>TOTAL ELECTRIC</b>		<b>\$ -</b>	<b>\$ 259,930</b>	<b>\$ 259,930</b>
<b>SHARED WATER/WASTEWATER</b>				
217/317	Trackstar Pan and Tilt Camera	-	50,000	50,000
217/317	Leica GPS Units	31,546	40,000	8,454
217/317	Replacement Ground Mics	21,000	21,000	-
217/317	Lateral Line Sewer Camera (2)	17,600	18,000	400
<b>TOTAL SHARED WATER/WASTEWATER</b>		<b>\$ 70,146</b>	<b>\$ 129,000</b>	<b>\$ 58,854</b>
<b>CONSERVATION AND CUSTOMER SOLUTIONS</b>				
529	Solar Array + Battery Storage Kit	-	50,000	50,000
529	Level 2 EV Chargers (8)	-	50,000	50,000
<b>TOTAL CONSERVATION AND CUSTOMER SOLUTIONS</b>		<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>
<b>TECHNOLOGY</b>				
531	PC Replacements	50,877	200,000	149,123
531	Dell Nodes	-	200,000	200,000
531	Network Equipment Replacements	-	100,000	100,000
531	Copier and HighEnd Printer and Plotter Replacements	5,875	15,000	9,125
531	UPS Replacements	-	5,000	5,000
<b>TOTAL TECHNOLOGY</b>		<b>\$ 56,752</b>	<b>\$ 520,000</b>	<b>\$ 463,248</b>

<b>TOTAL CAPITAL EQUIPMENT</b>	<b>\$ 126,898</b>	<b>\$ 1,008,930</b>	<b>\$ 882,032</b>
	13%		87%

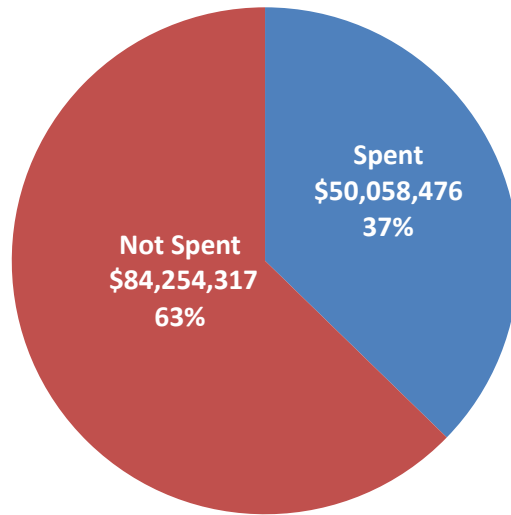
**UNBUDGETED ITEMS:**

<b>ELECTRIC</b>				
117	#1121_Freightliner M2106 Altec Bucket (FY21 Budget)	266,210	-	(266,210)
117	#1111_Freightliner M2106 Altec Bucket (FY22 Budget)	267,868	-	(267,868)
117	#1101 2022 Ford F150 4X4 Super Cab	38,978	-	(38,978)
117	#1115 2023 Ford F150 4X4 Super Cab	49,659	-	(49,659)
<b>TOTAL ELECTRIC</b>		<b>\$ 622,715</b>	<b>\$ -</b>	<b>\$ (622,715)</b>
<b>WATER</b>				
220	#303 2022 Ford F150 4X4 Super Cab (FY22 Budget)	38,978	-	(38,978)
<b>TOTAL ELECTRIC</b>		<b>\$ 38,978</b>	<b>\$ -</b>	<b>\$ (38,978)</b>
<b>WASTEWATER</b>				
320	#305 2022 Ford F150 4X4 Super Cab (FY21 Budget)	38,978	-	(38,978)
320	#301 2023 Ford F150 4X4 Super Cab	49,659	-	(49,659)
<b>TOTAL SHARED WATER/WASTEWATER</b>		<b>\$ 88,637</b>	<b>\$ -</b>	<b>\$ (88,637)</b>
<b>SHARED WATER/WASTEWATER</b>				
217/317	#216 2023 International Vactor Truck (FY22 Budget)	462,141	-	(462,141)
217/317	#217 2023 International Combo Unit (FY19 Budget)	475,117	-	(475,117)
217/317	#202 2023 Ford F150 4X4 Super Cab (FY22 Budget)	49,659	-	(49,659)
217/317	#204 2023 Ford F150 4X4 Super Cab	49,659	-	(49,659)
<b>TOTAL FLEET/FACILITIES</b>		<b>\$1,036,576</b>	<b>\$ -</b>	<b>\$ (1,036,576)</b>
<b>FLEET/FACILITIES</b>				
528	#301 2022 Ford F150 4X4 Super Cab	38,978	-	(38,978)
528	#601 2023 Ford F150 4X4 Super Cab	49,659	-	(49,659)
<b>TOTAL TECHNOLOGY</b>		<b>\$ 88,637</b>	<b>\$ -</b>	<b>\$ (38,978)</b>
<b>TOTAL UNBUDGETED CAPITAL EQUIPMENT</b>		<b>\$1,875,543</b>	<b>\$ -</b>	<b>\$ (1,825,884)</b>

### FY 2023 Capital Expenditure Summary As of March 31, 2023

67% of Year  
Completed

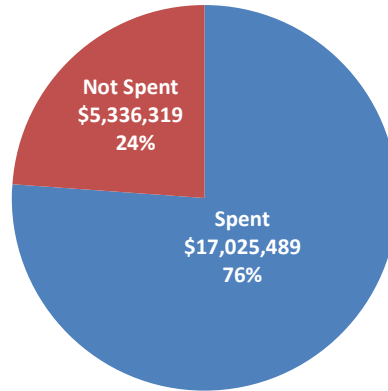
	<u>Spent</u>	<u>Not Spent</u>	<u>Total Budget</u>	<u>% of Total Budget Spent</u>
Electric	\$ 17,025,489	\$ 5,336,319	\$ 22,361,808	76%
Water	21,764,736	32,364,345	54,129,081	40%
Wastewater	8,376,277	7,723,963	16,100,240	52%
Support Services	2,891,975	38,829,689	41,721,664	7%
<b>TOTAL</b>	<b>\$ 50,058,476</b>	<b>\$ 84,254,317</b>	<b>\$ 134,312,793</b>	
	<b>37%</b>	<b>63%</b>	<b>100%</b>	



**Electric Line of Business  
FY 2023 Capital Expenditure Summary  
As of March 31, 2023**

67% of Year  
Completed

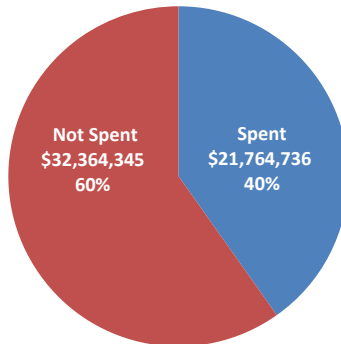
Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY23 Project Budget	FY23 Budget Remaining	Project Life Total Budget	<sup>(1)/(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
System Extensions	\$ 4,677,564	\$ 6,893,269	\$ 2,215,705	\$ 6,893,269	68%	67%
Distribution Transformers	2,984,720	3,639,355	654,635	3,639,355	82%	67%
Electric Meters	1,769,567	1,777,631	8,064	1,777,631	100%	67%
Electric Aging Infrastructure	1,456,118	2,134,838	678,720	2,134,838	68%	67%
Electric Technology Upgrades	1,059	150,606	149,547	150,606	1%	0%
System Equipment Additions	27,125	105,937	78,812	440,171	26%	30%
Fiber Optic Extensions	74,760	245,887	171,127	784,832	30%	0%
Hueco Springs Substation	858,855	1,745,413	886,558	8,641,203	49%	50%
E.C. Mornhinweg T2 & Feeders	1,697,514	1,727,359	29,845	4,089,532	98%	85%
CO14 Kentucky Rd Feeder	164,467	1,440,726	1,276,259	1,870,249	11%	40%
HE23 IH-35 Stolte Feeder	249,319	1,392,489	1,143,170	1,493,663	18%	10%
Electric Aging Infrastructure, Substation	-	116,836	116,836	3,812,404	0%	0%
Freiheit Breaker Additions & Control House	35,837	105,937	70,100	1,556,247	34%	20%
EC23 FM 482 Feeder	69,807	294,269	224,462	1,074,809	24%	50%
HE11 Conrads Rd Feeder	96,197	414,377	318,180	2,552,385	23%	0%
Transmission Access & Wildlife Protection	-	176,879	176,879	969,890	0%	0%
<b>Total Budgeted Projects</b>	<b>\$ 14,162,908</b>	<b>\$ 22,361,808</b>	<b>\$ 8,198,900</b>	<b>\$ 41,881,083</b>	<b>63%</b>	
<b>Unbudgeted Projects:</b>						
Sheriff's Posse T3 Addition	\$ 192,502	\$ -	\$ (192,502)	\$ 7,207,386	0%	99%
Freiheit Feeder 11, Alves Ln	316,049	-	(316,049)	1,006,909	0%	80%
Industrial Substation PWT Replacement (TXI T1)	258,776	-	(258,776)	862,075	0%	90%
Rivertree UD Conversion	1,468,461	-	(1,468,461)	1,672,764	0%	80%
Weltner Rd Feeder 13, Clear Springs	622,739	-	(622,739)	320,971	0%	100%
L023 Loop 337 FM 1863 Extension Phase 2	4,054	-	(4,054)	1,220,627	0%	100%
<b>Total Unbudgeted Projects</b>	<b>\$ 2,862,581</b>	<b>\$ -</b>	<b>\$ (2,862,581)</b>	<b>\$ 12,290,731</b>		
<b>TOTAL</b>	<b>\$ 17,025,489</b>	<b>\$ 22,361,808</b>	<b>\$ 5,336,319</b>	<b>\$ 54,171,814</b>	<b>76%</b>	



**Water Line of Business  
FY 2023 Capital Expenditure Summary  
As of March 31, 2023**

67% of Year Completed

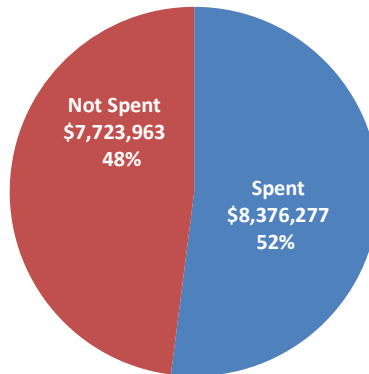
Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY23 Project Budget	FY23 Budget Remaining	Project Life Total Budget	<sup>(1)(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
System Extensions	\$ (532,988)	\$ 250,149	\$ 783,137	\$ 250,149	-213%	67%
Water Meters	1,699,551	4,208,172	2,508,621	4,208,172	40%	67%
Water Technology Upgrades	-	119,516	119,516	119,516	0%	2%
Aging System Replacements	480,831	1,167,362	686,531	1,167,362	41%	10%
ASR Feasibility Dev (IF)	381,288	864,647	483,359	23,854,997	44%	39%
Castell Ave Rehabilitation (CNB)	1,851,039	2,468,137	617,098	14,614,035	75%	93%
Wood Meadows Water Line River Crossing	41,177	161,736	120,559	2,758,272	25%	9%
I-35 Water Line (Downtown)	18,235	466,574	448,339	10,015,058	4%	10%
1.00MG Solms Ground Storage Tank and Flow Control Valve	19,349	64,747	45,398	3,952,435	30%	6%
30/24-inch SWTP Discharge Line (Downtown)	6,364,399	9,454,256	3,089,857	16,880,223	67%	91%
Western Downtown to Morningside PZ Conversion	182,061	663,493	481,432	8,801,095	27%	20%
FM 306 Pump Station & Discharge Pipeline	2,361,171	5,789,342	3,428,171	8,472,384	41%	53%
Conrads EST	13,169	2,408,843	2,395,674	9,013,093	1%	10%
Goodwin Lane Water Main	80,952	2,837,431	2,756,479	12,474,168	3%	10%
Well 4 to Grandview Pump Station & Discharge Line Upgrades	3,367,092	2,728,284	(638,808)	5,447,479	123%	98%
Klein Rd Reconstruction Phase 2	11,176	683,185	672,009	1,047,346	2%	13%
Landa Pump Station Phase 2/Well 5	2,536,363	9,665,353	7,128,990	11,545,288	26%	34%
Trinity Expansion- Treatment Plant	441,783	3,024,113	2,582,330	21,524,170	15%	10%
Trinity Expansion- Well Field	209,836	3,865,507	3,655,671	13,152,678	5%	10%
FM 1044 EST	48,624	325,194	276,570	13,120,927	15%	2%
City Widening Street Projects-W	258,387	489,736	231,349	1,095,458	53%	100%
GBRA Interconnect Metering Station	15,706	864,917	849,211	1,054,856	2%	16%
Garden Street Bridge Water Line	3,286	119,938	116,652	458,463	3%	26%
Goodwin/Conrads Water Adjustments	8,056	71,339	63,283	1,140,533	11%	1%
Misison/Westpointe Connection Waterlines	195,456	769,903	574,447	6,391,232	25%	6%
Senate Bill 3 EPP Generators	-	466,574	466,574	19,837,355	0%	0%
Tank Decommission	27,991	130,633	102,642	923,985	21%	1%
<b>Total Budgeted Projects</b>	<b>\$ 20,083,990</b>	<b>\$ 54,129,081</b>	<b>\$ 34,045,091</b>	<b>\$ 213,320,732</b>	<b>37%</b>	
<b>Unbudgeted Projects:</b>						
Veramendi EST Oversize/Flow Control Valve	\$ -	\$ -	\$ -	\$ 380,674		100%
Weltner Rd Ground Strg Tank & Pump Station-Ph 1	90,662	-	(90,662)	12,019,828		95%
2.5 MG Bretzke EST and 24-inch Bretzke Waterline	133,221	-	(133,221)	9,465,942		100%
Grandview Pump Station Exp	217,649	-	(217,649)	6,830,157		97%
24-inch McQueeney Road Parallel Water Line (Downtown)	1,227,452	-	(1,227,452)	4,109,669		92%
Oakbrook EST, FCV, 24" Ext	11,761	-	(11,761)	7,013,902		100%
<b>Total Unbudgeted Projects</b>	<b>\$ 1,680,746</b>	<b>\$ -</b>	<b>\$ (1,680,746)</b>	<b>\$ 39,820,172</b>		
<b>TOTAL</b>	<b>\$ 21,764,736</b>	<b>\$ 54,129,081</b>	<b>\$ 32,364,345</b>	<b>\$ 253,140,904</b>	<b>40%</b>	



**Wastewater Line of Business  
FY 2023 Capital Expenditure Summary  
As of March 31, 2023**

67% of Year Completed

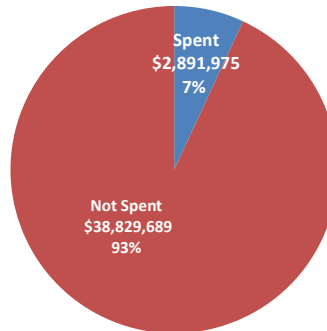
Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY23 Project Budget	FY23 Budget Remaining	Project Life Total Budget	<sup>(1)/(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
System Extensions	\$ 607,830	\$ 204,726	\$ (403,104)	\$ 204,726	297%	67%
Aging System Replacements	596,138	1,433,081	836,943	1,433,081	42%	67%
Castell Ave Rehabilitation (CNB)	1,213,568	2,162,420	948,852	6,106,738	56%	100%
Wastewater Technology Upgrades	-	589,443	589,443	589,443	0%	1%
Manhole Rehabilitation	-	990,873	990,873	990,873	0%	32%
South Kuehler Interceptor Phase 1	160,101	439,431	279,330	6,763,783	36%	14%
Gruene Rd Sewer Main Rehabilitation/Relocation	79,946	316,572	236,626	2,755,594	25%	6%
Gruene WRF Collector Apartment Complex Relocate	467,516	596,267	128,751	600,904	78%	100%
Gruene Rd Sewer Main Odor Control	56,956	693,618	636,662	714,781	8%	44%
McKenzie WRF Expansion	454,716	1,447,502	992,786	77,033,287	31%	7%
Saengerhalle Lift Station Expansion & Force Main	2,164,763	186,877	(1,977,886)	2,767,352	1158%	99%
I-35 Interceptor Upgrade	186,579	1,829,781	1,643,202	12,364,915	10%	8%
Kuehler WRF Access Road-Courtyard Dr	62,190	253,540	191,350	3,011,693	25%	11%
McKenzie Interceptor Upgrade	312,568	1,899,689	1,587,121	48,818,589	16%	10%
Kuehler WRF Rehabilitation	38,256	296,002	257,746	41,713,715	13%	10%
Sewer Infrastructure Replacement Package 2	187,191	371,821	184,630	4,080,600	50%	5%
Saengerhalle North Interceptor	241,039	264,065	23,026	5,502,653	91%	15%
Goodwin/Conrads Adjustments (CNB)-WW	9,740	120,848	111,108	519,436	8%	3%
Gruene WRF Spoils & Materials Yard	6,371	171,377	165,006	605,677	4%	8%
North Kuehler Manhole Rehabilitation-Segment 3	124,896	268,705	143,809	936,490	46%	17%
Kuehler WRF Rehabilitation-Clarifier Replacement	717	910,180	909,463	4,054,298	0%	34%
Dove Crossing Lift Station	-	227,760	227,760	338,912	0%	1%
Schmidt I-35 N Sewer Main Replacement	7,895	425,662	417,767	425,662	2%	2%
<b>Total Budgeted Projects</b>	<b>\$ 6,978,975</b>	<b>\$ 16,100,240</b>	<b>\$ 9,121,265</b>	<b>\$ 222,333,201</b>	<b>43%</b>	
<b>Unbudgeted Projects:</b>						
North Kuehler 42" Interceptor Upgrade	\$ 47,184	\$ -	\$ (47,184)	\$ 15,475,241		100%
North Kuehler 30 and 33-inch Interceptor Upgrade	172,340	-	(172,340)	26,566,504		100%
McKenzie WRF Improvements (3-C20MKEXP)	660,036	-	(660,036)	1,875,345		99%
Nautilus Off-site Sewer Ext	1,844	-	(1,844)	1,526,994		100%
Rio Lift Station Expansion	421,023	-	(421,023)	3,143,767		95%
Veramendi S1-S6	94,873	-	(94,873)	302,671		100%
<b>Total Unbudgeted Projects</b>	<b>\$ 1,397,301</b>	<b>\$ -</b>	<b>\$ (1,397,301)</b>	<b>\$ 48,890,521</b>		
<b>TOTAL</b>	<b>\$ 8,376,277</b>	<b>\$ 16,100,240</b>	<b>\$ 7,723,963</b>	<b>\$ 271,223,722</b>	<b>52%</b>	



**Support Services Line of Business  
FY 2023 Capital Expenditure Summary  
As of March 31, 2023**

Project	<sup>1</sup> Total Spent YTD	<sup>2</sup> FY23 Project Budget	FY23 Budget Remaining	Project Life Total Budget	<sup>(1)(2)</sup> % Spent YTD	% Physical Completion
<b>Budgeted Projects:</b>						
Headwaters at the Comal	\$ 9,195	\$ 7,500,000	\$ 7,490,806	\$ 24,170,681	0%	60%
Cyber Security System	-	150,000	150,000	150,000	0%	15%
Physical Security Systems	8,219	145,000	136,781	145,000	6%	90%
Software Replacement and Enhancements	-	65,000	65,000	65,000	0%	10%
NBU Headquarters, Maint & Support Facility	214,635	24,000,000	23,785,365	147,426,285	1%	10%
Laserfiche Development	8,118	330,164	322,046	587,401	2%	20%
Backup Operations Center	117,236	3,500,000	3,382,764	7,360,828	3%	20%
Upgrade or Replace all NBU Radios	1,022,853	600,000	(422,853)	600,000	170%	10%
Kerlick Tower Deconstruction	-	800,000	800,000	807,597	0%	20%
Data Strategy Upgrades - BDAP	687,668	720,000	32,332	720,000	96%	33%
System Technology Upgrades - Monitoring 802.1x	128,700	650,000	521,300	1,300,000	20%	0%
Pioneer Upgrade	-	87,500	87,500	87,500	0%	5%
SCADA Nodes	-	500,000	500,000	500,000	0%	10%
Tele-Communications Enhancements	16,200	52,000	35,800	52,000	31%	10%
Water/Wastewater SCADA Aging Infrastructure	-	500,000	500,000	500,000	0%	0%
Water SCADA Replacement & Integration	425,644	1,400,000	974,356	2,800,000	30%	49%
Hueco Rd House	-	21,000	21,000	21,000	0%	0%
Secureworks Incident Response Team	-	30,000	30,000	30,000	0%	0%
536 Lake Front	(261)	27,000	27,261	27,000	-1%	0%
Multi-Factor Authentication	215,775	200,000	(15,775)	200,000	108%	0%
OT Security	-	50,000	50,000	50,000	0%	0%
Customer Bill Pay Portal	-	80,000	80,000	80,000	0%	0%
Weltner Road House	-	14,000	14,000	14,000	0%	0%
<b>Total Budgeted Projects</b>	<b>\$ 2,877,619</b>	<b>\$ 41,721,664</b>	<b>\$ 38,844,045</b>	<b>\$ 187,994,291</b>	<b>7%</b>	

<b>Unbudgeted Projects:</b>						
Personnel Workstations	\$ 14,356	\$ -	\$ (14,356)	\$ -		100%
<b>Total</b>	<b>\$ 14,356</b>	<b>\$ -</b>	<b>\$ (14,356)</b>	<b>\$ -</b>		
<b>Total</b>	<b>\$ 2,891,975</b>	<b>\$ 41,721,664</b>	<b>\$ 38,829,689</b>	<b>\$ 187,994,291</b>	<b>7%</b>	



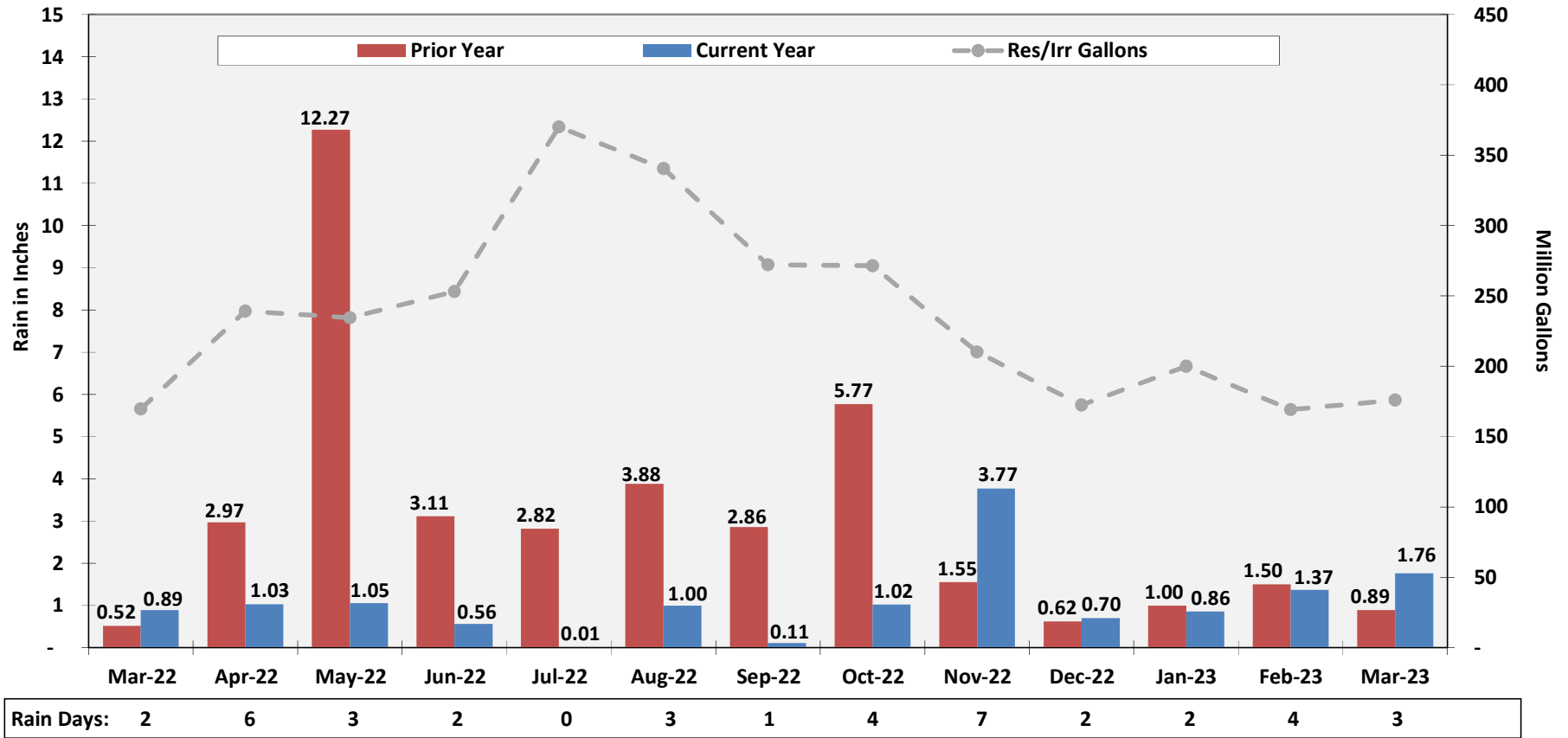
Electric Statistics are provided separately due to competitive matters.

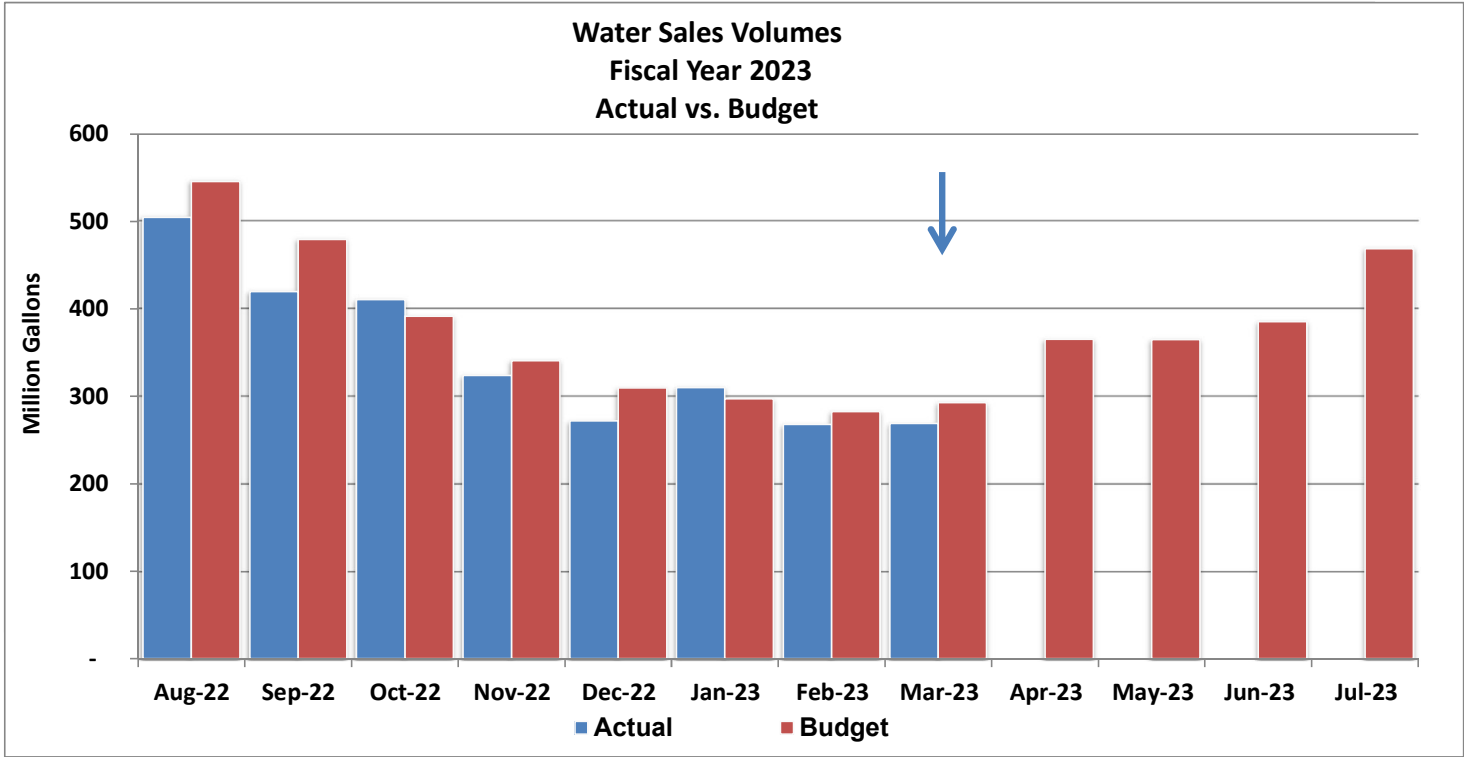
# WATER STATISTICS

## NEW BRAUNFELS UTILITIES WATER STATISTICS HIGHLIGHTS OVERVIEW

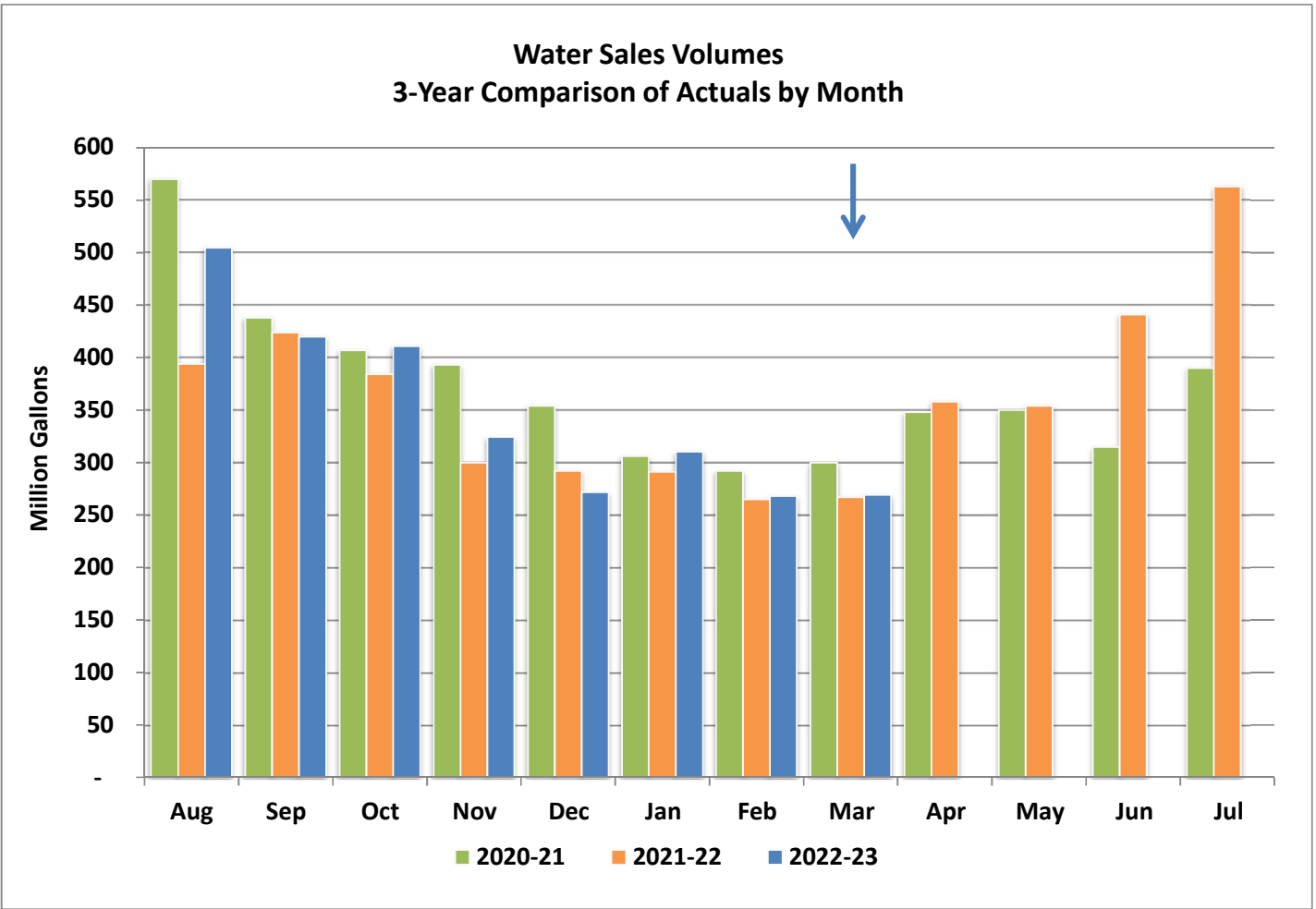
- March MTD rainfall was higher than the prior year rainfall, totaling 1.76 inches for the month. The March rainfall total of 1.76 inches was 0.44 inches lower than the historical average rainfall of 2.2 inches. For March 2023, there was three rain days during the month compared to two rain days in March 2022.
- March YTD rainfall totaled 10.59 inches compared to the prior year total of 18.07 inches, which is a decrease of 7.48 inches compared to prior year YTD. For YTD, there have been 26 rain days compared to 28 rain days for prior year YTD. Average MTD consumption by residential water customer in March 2023 was **4,184 gallons** compared to **4,304 gallons** in March 2022, reflecting a 2.8% decrease.
- Average YTD consumption by residential water customer through March 2023 was **42,216 gallons** compared to **40,959** for YTD through March 2022, reflecting an increase of 3.1%.
- Overall trend for fiscal year-to-date in total water sales volume is more than the sales volume over the same period for the previous year with the change being 164.2 million gallons, or 6.3% (2,779.2 million gallons for FY 2023 YTD vs. 2,615 million gallons for FY 2022 YTD).
- Actual total water sales volume for year-to-date FY 2023 is 2,779.2 million gallons, which is 161.4 million less than the budgeted amount of 2,940.6 million gallons for the same time period.
  - The following are major contributors, by rate classification, towards the 161.4 million gallons change from budget:
    - Residential Domestic – decrease of 89.4 million gallons (down 5.7% from budget)
    - Residential Irrigation – decrease of 125.0 million gallons (down 27.4% from budget)
    - Commercial Irrigation – decrease of 4.0 million gallons (down 2.5% from budget)
    - Small General Service – decrease of 4.7 million gallons (down 0.9% from budget)
    - Other Sales – increase of 46.9 million gallons (up 286.9% from budget)
    - ReUse Water – increase of 15.0 million gallons (up 875.2% from budget)

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



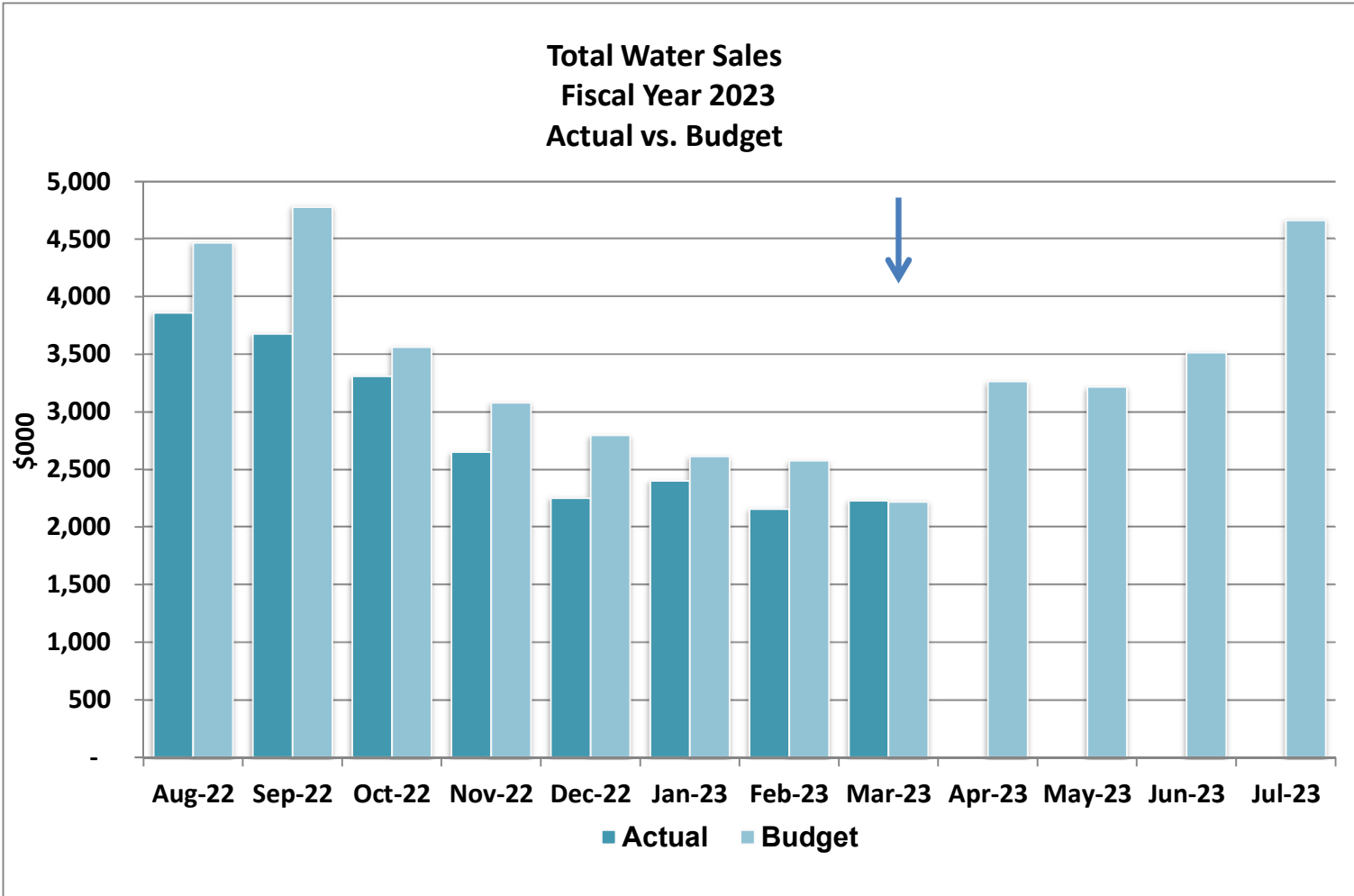


Month	Water Volumes (000 Gallons)	
	Actual	Budget
Aug-22	505	546
Sep-22	420	479
Oct-22	411	392
Nov-22	324	341
Dec-22	272	310
Jan-23	310	297
Feb-23	268	283
Mar-23	269	293
Apr-23	-	365
May-23	-	365
Jun-23	-	385
Jul-23	-	469
<b>TOTAL</b>	<b>2,779</b>	<b>4,526</b>



Month	Water Sales Volumes (Million Gallons)		
	2020-21	2021-22	2022-23
Aug	570	394	505
Sep	438	424	420
Oct	407	384	411
Nov	393	300	324
Dec	354	292	272
Jan	306	291	310
Feb	292	265	268
Mar	300	267	269
Apr	348	358	-
May	350	354	-
Jun	315	441	-
Jul	390	563	-
<b>TOTAL</b>	<b>4,463</b>	<b>4,333</b>	<b>2,779</b>

Meter Count	FY 2021	% Change 2021-2022	FY 2022	% Change 2022-2023	FY 2023
Residential	31,977	6.07%	33,919	3.93%	35,253
Irrigation	10,952	15.60%	12,660	8.79%	13,773
Other	2,929	0.55%	2,945	0.71%	2,966
<b>TOTAL</b>	<b>45,858</b>	<b>7.99%</b>	<b>49,524</b>	<b>4.98%</b>	<b>51,992</b>



Month	Total Water Sales (\$000)	
	Actual	Budget
Aug-22	\$ 3,861	\$ 4,468
Sep-22	\$ 3,678	\$ 4,780
Oct-22	\$ 3,310	\$ 3,562
Nov-22	\$ 2,650	\$ 3,081
Dec-22	\$ 2,251	\$ 2,798
Jan-23	\$ 2,402	\$ 2,615
Feb-23	\$ 2,155	\$ 2,577
Mar-23	\$ 2,229	\$ 2,218
Apr-23	\$ -	\$ 3,264
May-23	\$ -	\$ 3,216
Jun-23	\$ -	\$ 3,514
Jul-23	\$ -	\$ 4,665
<b>TOTAL</b>	<b>\$ 22,537</b>	<b>\$ 40,758</b>

# WATER SUPPLEMENTAL INFORMATION

**NEW BRAUNFELS UTILITIES**  
**Water Volume (Gallons)**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	264,945,370	214,133,721	210,921,150	168,052,918	147,195,572	177,670,848	150,738,797	147,502,230	<b>1,481,160,606</b>	<b>185,145,076</b>
Budget	285,165,847	242,765,355	204,344,641	179,626,481	168,898,564	169,829,479	158,976,981	160,972,854	<b>1,570,580,201</b>	<b>196,322,525</b>
Prior Year	190,753,986	213,590,772	196,375,895	153,841,772	152,498,965	160,017,038	148,250,642	145,988,882	<b>1,361,317,949</b>	<b>170,164,744</b>
<b>Multi-Unit 2-4</b>										
Actuals	2,255,895	1,811,283	1,706,631	1,468,178	1,558,732	1,991,094	1,731,278	1,499,746	<b>14,022,837</b>	<b>1,752,855</b>
Budget	2,190,329	2,175,137	1,798,298	1,630,045	1,536,125	1,634,110	1,443,550	1,359,108	<b>13,766,701</b>	<b>1,720,838</b>
Prior Year	1,767,014	2,175,572	1,935,167	1,683,958	1,503,100	1,553,351	1,426,974	1,397,333	<b>13,442,469</b>	<b>1,680,309</b>
<b>Multi-Unit 5+</b>										
Actuals	25,435,941	26,247,479	23,126,169	22,573,660	22,243,553	27,640,694	24,981,709	20,919,119	<b>193,168,324</b>	<b>24,146,041</b>
Budget	25,570,942	25,863,372	25,030,970	23,431,471	23,227,635	23,815,494	23,773,142	22,801,523	<b>193,514,550</b>	<b>24,189,319</b>
Prior Year	25,475,484	26,302,699	24,765,012	22,048,151	22,802,249	23,769,556	24,084,231	22,314,175	<b>191,561,557</b>	<b>23,945,195</b>
<b>Residential Irrigation</b>										
Actuals	75,502,265	57,908,800	60,546,492	42,139,788	25,242,936	22,372,220	18,434,179	28,352,401	<b>330,499,081</b>	<b>41,312,385</b>
Budget	111,639,571	97,411,656	70,540,520	52,081,711	39,001,362	27,954,389	24,756,082	32,109,740	<b>455,495,032</b>	<b>56,936,879</b>
Prior Year	59,715,853	72,549,374	58,163,200	37,801,391	31,437,514	25,547,333	17,523,159	23,642,339	<b>326,380,163</b>	<b>40,797,520</b>
<b>Commercial Irrigation</b>										
Actuals	33,744,774	30,535,334	28,118,852	21,721,253	14,886,687	8,439,663	8,440,206	9,447,251	<b>155,334,021</b>	<b>19,416,753</b>
Budget	31,514,584	32,935,165	23,538,503	19,604,957	15,926,303	13,082,813	10,710,513	12,039,488	<b>159,352,327</b>	<b>19,919,041</b>
Prior Year	22,715,362	25,664,989	25,510,877	18,910,089	15,162,299	13,252,362	10,565,306	9,278,193	<b>141,059,477</b>	<b>17,632,435</b>
<b>SGS</b>										
Actuals	78,178,199	78,468,416	69,448,844	58,815,374	57,772,260	67,638,990	59,416,751	55,376,946	<b>525,115,781</b>	<b>65,639,473</b>
Budget	84,276,707	74,067,749	64,827,188	63,534,901	60,809,191	59,772,702	61,081,177	61,476,254	<b>529,845,868</b>	<b>66,230,734</b>
Prior Year	82,377,924	75,409,371	70,435,971	62,993,439	61,734,048	61,273,929	58,637,779	57,188,128	<b>530,050,591</b>	<b>66,256,324</b>
<b>Other Sales</b>										
Actuals	19,291,639	10,429,974	11,829,866	6,504,861	2,722,722	4,009,008	2,940,187	5,494,272	<b>63,222,529</b>	<b>7,902,816</b>
Budget	4,888,926	4,408,055	1,362,090	825,546	193,254	901,033	1,720,052	2,041,489	<b>16,340,444</b>	<b>2,042,556</b>
Prior Year	10,850,958	8,631,831	1,078,118	2,230,425	4,479,862	3,812,000	2,776,625	4,568,407	<b>38,428,226</b>	<b>4,803,528</b>
<b>ReUse Water</b>										
Actuals	5,486,000	267,200	5,113,000	2,946,800	285,200	470,300	1,369,400	762,700	<b>16,700,600</b>	<b>2,087,575</b>
Budget	613,050	(177,867)	117,738	177,998	442,163	235,575	84,025	219,800	<b>1,712,482</b>	<b>214,060</b>
Prior Year	-	-	5,766,100	-	2,076,600	1,414,500	1,385,900	2,145,200	<b>12,788,300</b>	<b>1,598,538</b>
<b>Total Sales</b>										
Actuals	<b>504,840,083</b>	<b>419,802,207</b>	<b>410,811,004</b>	<b>324,222,832</b>	<b>271,907,662</b>	<b>310,232,817</b>	<b>268,052,507</b>	<b>269,354,665</b>	<b>2,779,223,778</b>	<b>347,402,972</b>
Budget	<b>545,859,957</b>	<b>479,448,622</b>	<b>391,559,948</b>	<b>340,913,110</b>	<b>310,034,596</b>	<b>297,225,595</b>	<b>282,545,523</b>	<b>293,020,256</b>	<b>2,940,607,606</b>	<b>367,575,951</b>
Prior Year	<b>393,656,580</b>	<b>424,324,608</b>	<b>384,030,340</b>	<b>299,509,225</b>	<b>291,694,637</b>	<b>290,640,069</b>	<b>264,650,616</b>	<b>266,522,657</b>	<b>2,615,028,732</b>	<b>326,878,592</b>

**NEW BRAUNFELS UTILITIES**  
**Water Volume (Gallons) Variance**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	264,945,370	214,133,721	210,921,150	168,052,918	147,195,572	177,670,848	150,738,797	147,502,230	<b>1,481,160,606</b>	<b>185,145,076</b>
Actual vs Budget	(20,220,477)	(28,631,634)	6,576,509	(11,573,563)	(21,702,992)	7,841,369	(8,238,184)	(13,470,624)	<b>(89,419,596)</b>	<b>(11,177,449)</b>
Actual vs Prior Year	74,191,384	542,949	14,545,255	14,211,146	(5,303,393)	17,653,810	2,488,155	1,513,348	<b>119,842,657</b>	<b>14,980,332</b>
<b>Multi-Unit 2-4</b>										
Actuals	2,255,895	1,811,283	1,706,631	1,468,178	1,558,732	1,991,094	1,731,278	1,499,746	<b>14,022,837</b>	<b>1,752,855</b>
Actual vs Budget	65,566	(363,854)	(91,667)	(161,867)	22,607	356,984	287,728	140,638	<b>256,136</b>	<b>32,017</b>
Actual vs Prior Year	488,881	(364,289)	(228,536)	(215,780)	55,632	437,743	304,304	102,413	<b>580,368</b>	<b>72,546</b>
<b>Multi-Unit 5+</b>										
Actuals	25,435,941	26,247,479	23,126,169	22,573,660	22,243,553	27,640,694	24,981,709	20,919,119	<b>193,168,324</b>	<b>24,146,041</b>
Actual vs Budget	(135,001)	384,107	(1,904,801)	(857,811)	(984,082)	3,825,200	1,208,567	(1,882,404)	<b>(346,226)</b>	<b>(43,278)</b>
Actual vs Prior Year	(39,543)	(55,220)	(1,638,843)	525,509	(558,696)	3,871,138	897,478	(1,395,056)	<b>1,606,767</b>	<b>200,846</b>
<b>Residential Irrigation</b>										
Actuals	75,502,265	57,908,800	60,546,492	42,139,788	25,242,936	22,372,220	18,434,179	28,352,401	<b>330,499,081</b>	<b>41,312,385</b>
Actual vs Budget	(36,137,306)	(39,502,856)	(9,994,028)	(9,941,923)	(13,758,426)	(5,582,169)	(6,321,903)	(3,757,339)	<b>(124,995,951)</b>	<b>(15,624,494)</b>
Actual vs Prior Year	15,786,412	(14,640,574)	2,383,292	4,338,397	(6,194,578)	(3,175,113)	911,020	4,710,062	<b>4,118,918</b>	<b>514,865</b>
<b>Commercial Irrigation</b>										
Actuals	33,744,774	30,535,334	28,118,852	21,721,253	14,886,687	8,439,663	8,440,206	9,447,251	<b>155,334,021</b>	<b>19,416,753</b>
Actual vs Budget	2,230,190	(2,399,831)	4,580,349	2,116,296	(1,039,617)	(4,643,150)	(2,270,308)	(2,592,237)	<b>(4,018,307)</b>	<b>(502,288)</b>
Actual vs Prior Year	11,029,412	4,870,345	2,607,975	2,811,164	(275,612)	(4,812,699)	(2,125,100)	169,058	<b>14,274,544</b>	<b>1,784,318</b>
<b>SGS</b>										
Actuals	78,178,199	78,468,416	69,448,844	58,815,374	57,772,260	67,638,990	59,416,751	55,376,946	<b>525,115,781</b>	<b>65,639,473</b>
Actual vs Budget	(6,098,508)	4,400,667	4,621,656	(4,719,527)	(3,036,931)	7,866,288	(1,664,426)	(6,099,308)	<b>(4,730,088)</b>	<b>(591,261)</b>
Actual vs Prior Year	(4,199,725)	3,059,045	(987,127)	(4,178,065)	(3,961,788)	6,365,061	778,972	(1,811,182)	<b>(4,934,811)</b>	<b>(616,851)</b>
<b>Other Sales</b>										
Actuals	19,291,639	10,429,974	11,829,866	6,504,861	2,722,722	4,009,008	2,940,187	5,494,272	<b>63,222,529</b>	<b>7,902,816</b>
Actual vs Budget	14,402,713	6,021,919	10,467,776	5,679,315	2,529,468	3,107,975	1,220,135	3,452,783	<b>46,882,085</b>	<b>5,860,261</b>
Actual vs Prior Year	8,440,681	1,798,143	10,751,748	4,274,436	(1,757,140)	197,008	163,562	925,865	<b>24,794,303</b>	<b>3,099,288</b>
<b>ReUse Water</b>										
Actuals	5,486,000	267,200	5,113,000	2,946,800	285,200	470,300	1,369,400	762,700	<b>16,700,600</b>	<b>2,087,575</b>
Actual vs Budget	4,872,950	445,067	4,995,262	2,768,802	(156,963)	234,725	1,285,375	542,900	<b>14,988,118</b>	<b>1,873,515</b>
Actual vs Prior Year	5,486,000	267,200	(653,100)	2,946,800	(1,791,400)	(944,200)	(16,500)	(1,382,500)	<b>3,912,300</b>	<b>489,038</b>
<b>Total Sales</b>										
Actuals	<b>504,840,083</b>	<b>419,802,207</b>	<b>410,811,004</b>	<b>324,222,832</b>	<b>271,907,662</b>	<b>310,232,817</b>	<b>268,052,507</b>	<b>269,354,665</b>	<b>2,779,223,778</b>	<b>347,402,972</b>
Actual vs Budget	<b>(41,019,875)</b>	<b>(59,646,415)</b>	<b>19,251,057</b>	<b>(16,690,278)</b>	<b>(38,126,934)</b>	<b>13,007,222</b>	<b>(14,493,016)</b>	<b>(23,665,591)</b>	<b>(161,383,828)</b>	<b>(20,172,979)</b>
Actual vs Prior Year	<b>111,183,502</b>	<b>(4,522,401)</b>	<b>26,780,664</b>	<b>24,713,607</b>	<b>(19,786,975)</b>	<b>19,592,748</b>	<b>3,401,891</b>	<b>2,832,008</b>	<b>164,195,046</b>	<b>20,524,381</b>

**NEW BRAUNFELS UTILITIES**  
**Water Revenue**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD		
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG	
<b>Residential</b>											
Actuals	\$ 1,435,468	1,424,172	1,284,509	1,094,836	976,144	1,109,772	972,939	975,688	\$ 9,273,527	\$ 1,159,191	
Budget	\$ 1,731,095	1,897,596	1,402,521	1,299,912	1,237,012	1,204,967	1,149,928	1,004,385	\$ 10,927,416	\$ 1,365,927	
Prior Year	\$ 949,155	1,368,484	1,104,777	912,553	921,659	930,612	878,968	882,703	\$ 7,948,911	\$ 993,614	
<b>Multi-Unit 2-4</b>											
Actuals	\$ 19,176	17,926	16,683	15,050	16,630	17,942	16,479	15,143	\$ 135,028	\$ 16,878	
Budget	\$ 20,171	21,675	18,522	17,083	16,907	17,764	16,616	11,814	\$ 140,554	\$ 17,569	
Prior Year	\$ 13,339	17,770	16,338	14,466	13,561	13,841	13,564	13,410	\$ 116,288	\$ 14,536	
<b>Multi-Unit 5+</b>											
Actuals	\$ 241,401	258,388	239,757	226,649	220,174	253,389	237,675	217,571	\$ 1,895,005	\$ 236,876	
Budget	\$ 242,717	282,851	276,441	266,179	260,213	261,853	259,867	188,177	\$ 2,038,298	\$ 254,787	
Prior Year	\$ 198,206	235,783	224,183	205,299	209,383	214,220	215,793	206,935	\$ 1,709,802	\$ 213,725	
<b>Residential Irrigation</b>											
Actuals	\$ 876,750	751,431	715,064	518,829	371,346	345,040	310,796	396,258	\$ 4,285,514	\$ 535,689	
Budget	\$ 1,324,727	1,306,273	905,436	699,264	556,422	433,634	450,971	470,834	\$ 6,147,560	\$ 768,445	
Prior Year	\$ 580,815	797,438	611,938	416,010	367,631	324,832	261,737	311,075	\$ 3,671,478	\$ 458,935	
<b>Commercial Irrigation</b>											
Actuals	\$ 405,253	401,101	328,274	240,204	164,788	94,550	97,630	109,278	\$ 1,841,079	\$ 230,135	
Budget	\$ 398,515	484,298	314,816	243,815	196,989	163,504	135,965	148,526	\$ 2,086,428	\$ 260,803	
Prior Year	\$ 235,447	309,339	279,668	192,765	153,721	135,756	109,936	96,267	\$ 1,512,899	\$ 189,112	
<b>SGS</b>											
Actuals	\$ 616,047	678,287	558,030	450,987	450,757	516,134	461,766	434,665	\$ 4,166,674	\$ 520,834	
Budget	\$ 678,971	715,929	582,156	544,591	526,820	516,141	529,757	361,749	\$ 4,456,116	\$ 557,014	
Prior Year	\$ 543,995	597,457	518,462	442,582	438,388	433,692	416,857	410,178	\$ 3,801,610	\$ 475,201	
<b>Other Sales</b>											
Actuals	\$ 241,628	145,742	143,275	89,711	50,358	62,775	51,200	76,503	\$ 861,191	\$ 107,649	
Budget	\$ 72,136	70,957	62,099	10,072	3,154	15,480	33,185	31,694	\$ 298,776	\$ 37,347	
Prior Year	\$ 131,234	113,892	40,289	36,632	59,936	53,680	43,909	64,463	\$ 544,034	\$ 68,004	
<b>ReUse Water</b>											
Actuals	\$ 25,191	1,078	24,810	14,201	1,166	2,072	6,476	3,504	\$ 78,497	\$ 9,812	
Budget	\$ -	-	115	174	432	1,261	450	964	\$ 3,395	\$ 424	
Prior Year	\$ 48	52	25,964	52	9,213	6,207	6,078	9,525	\$ 57,140	\$ 7,143	
<b>Total Sales</b>											
Actuals	\$ 3,860,913	3,678,125	3,310,402	2,650,466	2,251,363	2,401,673	2,154,961	2,228,611	\$ 22,536,515	\$ 2,817,064	
Budget	\$ 4,468,332	4,779,579	3,562,106	3,081,090	2,797,950	2,614,604	2,576,739	2,218,143	\$ 26,098,543	\$ 3,262,318	
Prior Year	\$ 2,652,238	3,440,214	2,821,619	2,220,359	2,173,492	2,112,841	1,946,842	1,994,556	\$ 19,362,161	\$ 2,420,270	

**NEW BRAUNFELS UTILITIES**  
**Water Revenue Variance**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD		
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG	
<b>Residential</b>											
Actuals	\$ 1,435,468	\$ 1,424,172	\$ 1,284,509	\$ 1,094,836	\$ 976,144	\$ 1,109,772	\$ 972,939	\$ 975,688	\$ 9,273,527	\$ 1,159,191	
Actual vs Budget	\$ (295,627)	\$ (473,424)	\$ (118,012)	\$ (205,077)	\$ (260,869)	\$ (95,195)	\$ (176,989)	\$ (28,697)	\$ (1,653,889)	\$ (206,736)	
Actual vs Prior Year	\$ 486,313	\$ 55,688	\$ 179,732	\$ 182,282	\$ 54,484	\$ 179,160	\$ 93,971	\$ 92,985	\$ 1,324,617	\$ 165,577	
<b>Multi-Unit 2-4</b>											
Actuals	\$ 19,176	\$ 17,926	\$ 16,683	\$ 15,050	\$ 16,630	\$ 17,942	\$ 16,479	\$ 15,143	\$ 135,028	\$ 16,878	
Actual vs Budget	\$ (996)	\$ (3,749)	\$ (1,839)	\$ (2,033)	\$ (278)	\$ 177	\$ (137)	\$ 3,329	\$ (5,526)	\$ (691)	
Actual vs Prior Year	\$ 5,837	\$ 156	\$ 346	\$ 584	\$ 3,069	\$ 4,100	\$ 2,916	\$ 1,733	\$ 18,740	\$ 2,343	
<b>Multi-Unit 5+</b>											
Actuals	\$ 241,401	\$ 258,388	\$ 239,757	\$ 226,649	\$ 220,174	\$ 253,389	\$ 237,675	\$ 217,571	\$ 1,895,005	\$ 236,876	
Actual vs Budget	\$ (1,316)	\$ (24,462)	\$ (36,683)	\$ (39,529)	\$ (40,039)	\$ (8,465)	\$ (22,192)	\$ 29,394	\$ (143,293)	\$ (17,912)	
Actual vs Prior Year	\$ 43,195	\$ 22,605	\$ 15,574	\$ 21,351	\$ 10,791	\$ 39,169	\$ 21,882	\$ 10,636	\$ 185,203	\$ 23,150	
<b>Residential Irrigation</b>											
Actuals	\$ 876,750	\$ 751,431	\$ 715,064	\$ 518,829	\$ 371,346	\$ 345,040	\$ 310,796	\$ 396,258	\$ 4,285,514	\$ 535,689	
Actual vs Budget	\$ (447,977)	\$ (554,842)	\$ (190,372)	\$ (180,435)	\$ (185,075)	\$ (88,594)	\$ (140,175)	\$ (74,575)	\$ (1,862,047)	\$ (232,756)	
Actual vs Prior Year	\$ 295,934	\$ (46,007)	\$ 103,126	\$ 102,819	\$ 3,715	\$ 20,208	\$ 49,058	\$ 85,183	\$ 614,036	\$ 76,755	
<b>Commercial Irrigation</b>											
Actuals	\$ 405,253	\$ 401,101	\$ 328,274	\$ 240,204	\$ 164,788	\$ 94,550	\$ 97,630	\$ 109,278	\$ 1,841,079	\$ 230,135	
Actual vs Budget	\$ 6,739	\$ (83,197)	\$ 13,458	\$ (3,611)	\$ (32,201)	\$ (68,954)	\$ (38,335)	\$ (39,248)	\$ (245,349)	\$ (30,669)	
Actual vs Prior Year	\$ 169,807	\$ 91,762	\$ 48,606	\$ 47,439	\$ 11,068	\$ (41,206)	\$ (12,306)	\$ 13,011	\$ 328,180	\$ 41,023	
<b>SGS</b>											
Actuals	\$ 616,047	\$ 678,287	\$ 558,030	\$ 450,987	\$ 450,757	\$ 516,134	\$ 461,766	\$ 434,665	\$ 4,166,674	\$ 520,834	
Actual vs Budget	\$ (62,924)	\$ (37,642)	\$ (24,126)	\$ (93,604)	\$ (76,063)	\$ (7)	\$ (67,991)	\$ 72,916	\$ (289,442)	\$ (36,180)	
Actual vs Prior Year	\$ 72,052	\$ 80,831	\$ 39,568	\$ 8,405	\$ 12,370	\$ 82,442	\$ 44,909	\$ 24,488	\$ 365,064	\$ 45,633	
<b>Other Sales</b>											
Actuals	\$ 241,628	\$ 145,742	\$ 143,275	\$ 89,711	\$ 50,358	\$ 62,775	\$ 51,200	\$ 76,503	\$ 861,191	\$ 107,649	
Actual vs Budget	\$ 169,492	\$ 74,785	\$ 81,176	\$ 79,639	\$ 47,204	\$ 47,296	\$ 18,015	\$ 44,809	\$ 562,415	\$ 70,302	
Actual vs Prior Year	\$ 110,393	\$ 31,850	\$ 102,986	\$ 53,079	\$ (9,578)	\$ 9,095	\$ 7,291	\$ 12,040	\$ 317,157	\$ 39,645	
<b>ReUse Water</b>											
Actuals	\$ 25,191	\$ 1,078	\$ 24,810	\$ 14,201	\$ 1,166	\$ 2,072	\$ 6,476	\$ 3,504	\$ 78,497	\$ 9,812	
Actual vs Budget	\$ 25,191	\$ 1,078	\$ 24,695	\$ 14,027	\$ 734	\$ 811	\$ 6,026	\$ 2,540	\$ 75,102	\$ 9,388	
Actual vs Prior Year	\$ 25,142	\$ 1,025	\$ (1,154)	\$ 14,149	\$ (8,048)	\$ (4,135)	\$ 398	\$ (6,021)	\$ 21,357	\$ 2,670	
<b>Total Sales</b>											
Actuals	\$ 3,860,913	\$ 3,678,125	\$ 3,310,402	\$ 2,650,466	\$ 2,251,363	\$ 2,401,673	\$ 2,154,961	\$ 2,228,611	\$ 22,536,515	\$ 2,817,064	
Actual vs Budget	\$ (607,419)	\$ (1,101,455)	\$ (251,703)	\$ (430,624)	\$ (546,586)	\$ (212,931)	\$ (421,778)	\$ 10,468	\$ (3,562,028)	\$ (445,253)	
Actual vs Prior Year	\$ 1,208,675	\$ 237,910	\$ 488,784	\$ 430,108	\$ 77,871	\$ 288,833	\$ 208,119	\$ 234,055	\$ 3,174,354	\$ 396,794	

**NEW BRAUNFELS UTILITIES**  
**Water Meters**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	34,863	35,017	35,058	35,080	35,155	35,219	35,235	35,253	35,110
Budget	34,694	34,834	34,974	35,114	35,255	35,395	35,535	35,675	35,185
Prior Year	32,673	32,838	33,073	33,181	33,360	33,555	33,710	33,919	33,289
<b>Multi-Unit 2-4</b>									
Actuals	208	209	207	208	209	209	208	206	208
Budget	213	213	213	213	213	213	213	213	213
Prior Year	203	203	203	201	201	202	209	208	204
<b>Multi-Unit 5+</b>									
Actuals	257	257	259	258	258	259	259	259	258
Budget	262	264	265	267	269	270	272	274	268
Prior Year	256	257	258	257	258	258	258	258	258
<b>Residential Irrigation</b>									
Actuals	12,525	12,620	12,669	12,722	12,769	12,831	12,901	12,915	12,744
Budget	12,647	12,794	12,940	13,087	13,233	13,380	13,526	13,673	13,160
Prior Year	10,768	10,938	11,171	11,293	11,422	11,566	11,686	11,828	11,334
<b>Commercial Irrigation</b>									
Actuals	845	835	849	849	850	851	855	858	849
Budget	844	847	850	853	857	860	863	866	855
Prior Year	809	815	817	820	820	820	828	832	820
<b>SGS</b>									
Actuals	2,380	2,383	2,383	2,386	2,389	2,384	2,383	2,382	2,384
Budget	2,388	2,392	2,397	2,402	2,406	2,411	2,415	2,420	2,404
Prior Year	2,356	2,366	2,370	2,371	2,367	2,368	2,368	2,371	2,367
<b>Other Sales</b>									
Actuals	124	124	130	132	124	120	115	118	123
Budget	93	93	94	95	95	96	97	97	95
Prior Year	116	119	113	109	108	104	104	107	110
<b>ReUse Water</b>									
Actuals	1	1	1	1	1	1	1	1	1
Budget	1	1	1	1	1	1	1	1	1
Prior Year	1	1	1	1	1	1	1	1	1
<b>Total Meters</b>									
Actuals	51,203	51,446	51,556	51,636	51,755	51,874	51,957	51,992	51,677
Budget	51,141	51,438	51,735	52,032	52,328	52,625	52,922	53,218	52,180
Prior Year	47,182	47,537	48,006	48,233	48,537	48,874	49,164	49,524	48,382
New Meters	152	243	110	80	119	119	83	35	118
New Meter Growth	0.3%	0.5%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%

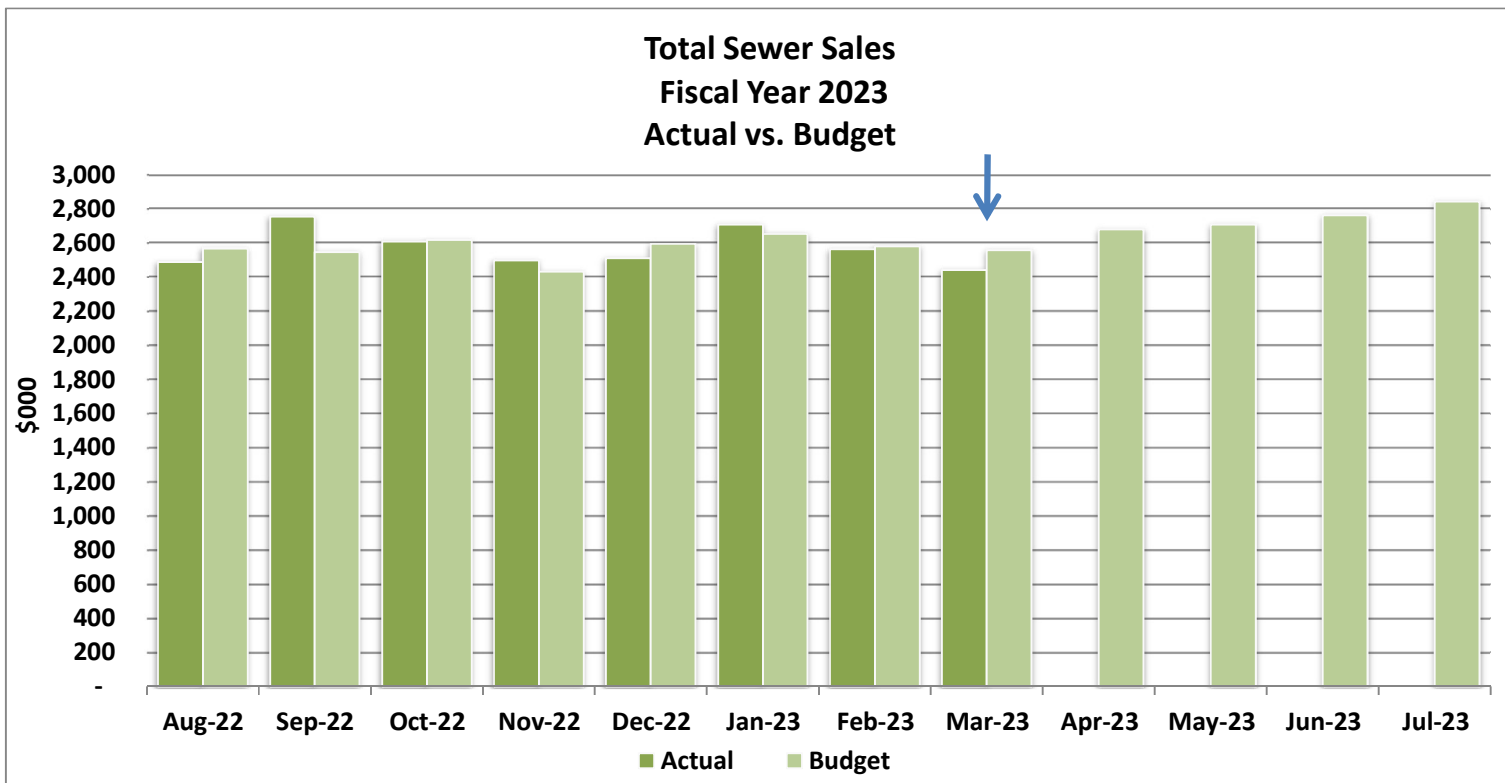
**NEW BRAUNFELS UTILITIES**  
**Water Volume per Meter (Gallons)**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	7,600	6,115	6,016	4,791	4,187	5,045	4,278	4,184	42,216	5,277
Budget	8,219	6,969	5,843	5,115	4,791	4,798	4,474	4,512	44,722	5,590
Prior Year	5,838	6,504	5,938	4,636	4,571	4,769	4,398	4,304	40,959	5,120
<b>Multi-Unit 2-4</b>										
Actuals	10,846	8,666	8,245	7,059	7,458	9,527	8,323	7,280	67,404	8,425
Budget	10,298	10,227	8,455	7,664	7,223	7,683	6,787	6,390	64,728	8,091
Prior Year	8,705	10,717	9,533	8,378	7,478	7,690	6,828	6,718	66,046	8,256
<b>Multi-Unit 5+</b>										
Actuals	98,973	102,130	89,290	87,495	86,215	106,721	96,454	80,769	748,047	93,506
Budget	97,639	98,113	94,341	87,744	86,426	88,050	87,340	83,245	722,897	90,362
Prior Year	99,514	102,345	95,988	85,790	88,381	92,130	93,350	86,489	743,987	92,998
<b>Residential Irrigation</b>										
Actuals	6,028	4,589	4,779	3,312	1,977	1,744	1,429	2,195	26,053	3,257
Budget	8,827	7,614	5,451	3,980	2,947	2,089	1,830	2,348	35,087	4,386
Prior Year	5,546	6,633	5,207	3,347	2,752	2,209	1,500	1,999	29,192	3,649
<b>Commercial Irrigation</b>										
Actuals	39,935	36,569	33,120	25,585	17,514	9,917	9,872	11,011	183,522	22,940
Budget	37,353	38,889	27,689	22,975	18,594	15,217	12,411	13,899	187,027	23,378
Prior Year	28,078	31,491	31,225	23,061	18,491	16,161	12,760	11,152	172,419	21,552
<b>SGS</b>										
Actuals	32,848	32,928	29,143	24,650	24,183	28,372	24,934	23,248	220,306	27,538
Budget	35,295	30,960	27,046	26,456	25,273	24,795	25,290	25,405	220,520	27,565
Prior Year	34,965	31,872	29,720	26,568	26,081	25,876	24,763	24,120	223,965	27,996
<b>Other Sales</b>										
Actuals	155,578	84,113	90,999	49,279	21,957	33,408	25,567	46,562	507,463	63,433
Budget	52,714	47,203	14,487	8,721	2,028	9,391	17,809	20,998	173,350	21,669
Prior Year	93,543	72,536	9,541	20,463	41,480	36,654	26,698	42,695	343,610	42,951
<b>ReUse Water</b>										
Actuals	5,486,000	267,200	5,113,000	2,946,800	285,200	470,300	1,369,400	762,700	16,700,600	2,087,575
Budget	613,050	(177,867)	117,738	177,998	442,163	235,575	84,025	219,800	1,712,482	214,060
Prior Year	-	-	5,766,100	-	2,076,600	1,414,500	1,385,900	2,145,200	12,788,300	1,598,538

**NEW BRAUNFELS UTILITIES**  
**Water Rates (per Gallon)**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
<b>Residential</b>									
Actuals	\$ 0.0054	\$ 0.0067	\$ 0.0061	\$ 0.0065	\$ 0.0066	\$ 0.0062	\$ 0.0065	\$ 0.0066	\$ 0.0063
Budget	\$ 0.0061	\$ 0.0078	\$ 0.0069	\$ 0.0072	\$ 0.0073	\$ 0.0071	\$ 0.0072	\$ 0.0062	\$ 0.0070
Prior Year	\$ 0.0050	\$ 0.0064	\$ 0.0056	\$ 0.0059	\$ 0.0060	\$ 0.0058	\$ 0.0059	\$ 0.0060	\$ 0.0058
<b>Multi-Unit 2-4</b>									
Actuals	\$ 0.0085	\$ 0.0099	\$ 0.0098	\$ 0.0103	\$ 0.0107	\$ 0.0090	\$ 0.0095	\$ 0.0101	\$ 0.0097
Budget	\$ 0.0092	\$ 0.0100	\$ 0.0103	\$ 0.0105	\$ 0.0110	\$ 0.0109	\$ 0.0115	\$ 0.0087	\$ 0.0103
Prior Year	\$ 0.0075	\$ 0.0082	\$ 0.0084	\$ 0.0086	\$ 0.0090	\$ 0.0089	\$ 0.0095	\$ 0.0096	\$ 0.0087
<b>Multi-Unit 5+</b>									
Actuals	\$ 0.0095	\$ 0.0098	\$ 0.0104	\$ 0.0100	\$ 0.0099	\$ 0.0092	\$ 0.0095	\$ 0.0104	\$ 0.0098
Budget	\$ 0.0095	\$ 0.0109	\$ 0.0110	\$ 0.0114	\$ 0.0112	\$ 0.0110	\$ 0.0109	\$ 0.0083	\$ 0.0105
Prior Year	\$ 0.0078	\$ 0.0090	\$ 0.0091	\$ 0.0093	\$ 0.0092	\$ 0.0090	\$ 0.0090	\$ 0.0093	\$ 0.0089
<b>Residential Irrigation</b>									
Actuals	\$ 0.0116	\$ 0.0130	\$ 0.0118	\$ 0.0123	\$ 0.0147	\$ 0.0154	\$ 0.0169	\$ 0.0140	\$ 0.0137
Budget	\$ 0.0119	\$ 0.0134	\$ 0.0128	\$ 0.0134	\$ 0.0143	\$ 0.0155	\$ 0.0182	\$ 0.0147	\$ 0.0143
Prior Year	\$ 0.0097	\$ 0.0110	\$ 0.0105	\$ 0.0110	\$ 0.0117	\$ 0.0127	\$ 0.0149	\$ 0.0132	\$ 0.0118
<b>Commercial Irrigation</b>									
Actuals	\$ 0.0120	\$ 0.0131	\$ 0.0117	\$ 0.0111	\$ 0.0111	\$ 0.0112	\$ 0.0116	\$ 0.0116	\$ 0.0117
Budget	\$ 0.0126	\$ 0.0147	\$ 0.0134	\$ 0.0124	\$ 0.0124	\$ 0.0125	\$ 0.0127	\$ 0.0123	\$ 0.0129
Prior Year	\$ 0.0104	\$ 0.0121	\$ 0.0110	\$ 0.0102	\$ 0.0101	\$ 0.0102	\$ 0.0104	\$ 0.0104	\$ 0.0106
<b>SGS</b>									
Actuals	\$ 0.0079	\$ 0.0086	\$ 0.0080	\$ 0.0077	\$ 0.0078	\$ 0.0076	\$ 0.0078	\$ 0.0078	\$ 0.0079
Budget	\$ 0.0081	\$ 0.0097	\$ 0.0090	\$ 0.0086	\$ 0.0087	\$ 0.0086	\$ 0.0087	\$ 0.0059	\$ 0.0084
Prior Year	\$ 0.0066	\$ 0.0079	\$ 0.0074	\$ 0.0070	\$ 0.0071	\$ 0.0071	\$ 0.0071	\$ 0.0072	\$ 0.0072
<b>Other Sales</b>									
Actuals	\$ 0.0125	\$ 0.0140	\$ 0.0121	\$ 0.0138	\$ 0.0185	\$ 0.0157	\$ 0.0174	\$ 0.0139	\$ 0.0147
Budget	\$ 0.0148	\$ 0.0161	\$ 0.0456	\$ 0.0122	\$ 0.0163	\$ 0.0172	\$ 0.0193	\$ 0.0155	\$ 0.0196
Prior Year	\$ 0.0121	\$ 0.0132	\$ 0.0374	\$ 0.0164	\$ 0.0134	\$ 0.0141	\$ 0.0158	\$ 0.0141	\$ 0.0171
<b>ReUse Water</b>									
Actuals	\$ 0.0046	\$ 0.0040	\$ 0.0049	\$ 0.0048	\$ 0.0041	\$ 0.0044	\$ 0.0047	\$ 0.0046	\$ 0.0045
Budget	\$ -	\$ -	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0054	\$ 0.0054	\$ 0.0044	\$ 0.0023
Prior Year	\$ -	\$ -	\$ 0.0045	\$ -	\$ 0.0044	\$ 0.0044	\$ 0.0044	\$ 0.0044	\$ 0.0028

# WASTEWATER STATISTICS



Month	Total Sewer Sales (\$000)	
	Actual	Budget
Aug-22	\$ 2,491	\$ 2,570
Sep-22	\$ 2,758	\$ 2,549
Oct-22	\$ 2,611	\$ 2,619
Nov-22	\$ 2,500	\$ 2,434
Dec-22	\$ 2,513	\$ 2,597
Jan-23	\$ 2,711	\$ 2,655
Feb-23	\$ 2,565	\$ 2,582
Mar-23	\$ 2,444	\$ 2,560
Apr-23	\$ -	\$ 2,683
May-23	\$ -	\$ 2,710
Jun-23	\$ -	\$ 2,765
Jul-23	\$ -	\$ 2,846
<b>TOTAL</b>	<b>\$ 20,592</b>	<b>\$ 31,571</b>

Customer Count	FY 2021	% Change 2021-2022	FY 2022	% Change 2022-2023	FY 2023
Residential	28,665	6.41%	30,502	4.23%	31,793
Other	2,520	1.39%	2,555	0.35%	2,564
<b>TOTAL</b>	<b>31,185</b>	<b>6.00%</b>	<b>33,057</b>	<b>3.93%</b>	<b>34,357</b>

# WASTEWATER SUPPLEMENTAL INFORMATION

**NEW BRAUNFELS UTILITIES**  
**Sewer Revenue**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	\$ 1,431,988	\$ 1,602,167	\$ 1,517,326	\$ 1,513,842	\$ 1,516,902	\$ 1,594,334	\$ 1,541,595	\$ 1,489,397	\$ 12,207,550	\$ 1,525,944
Budget	\$ 1,483,919	\$ 1,492,276	\$ 1,546,743	\$ 1,466,151	\$ 1,574,687	\$ 1,609,022	\$ 1,578,948	\$ 1,563,179	\$ 12,314,924	\$ 1,539,365
Prior Year	\$ 1,206,094	\$ 1,306,104	\$ 1,316,469	\$ 1,289,827	\$ 1,285,465	\$ 1,338,135	\$ 1,307,658	\$ 1,275,280	\$ 10,325,032	\$ 1,290,629
<b>Multi-Unit 2-4</b>										
Actuals	\$ 12,873	\$ 14,215	\$ 13,595	\$ 13,583	\$ 13,704	\$ 14,466	\$ 13,990	\$ 13,418	\$ 109,843	\$ 13,730
Budget	\$ 13,141	\$ 13,311	\$ 13,616	\$ 12,912	\$ 13,772	\$ 14,067	\$ 13,809	\$ 13,682	\$ 108,311	\$ 13,539
Prior Year	\$ 11,209	\$ 12,263	\$ 12,484	\$ 11,820	\$ 11,661	\$ 12,090	\$ 12,160	\$ 11,864	\$ 95,550	\$ 11,944
<b>Multi-Unit 5+</b>										
Actuals	\$ 324,197	\$ 352,643	\$ 334,562	\$ 322,131	\$ 318,915	\$ 360,340	\$ 334,996	\$ 310,016	\$ 2,657,800	\$ 332,225
Budget	\$ 332,968	\$ 336,228	\$ 345,066	\$ 319,177	\$ 351,799	\$ 359,453	\$ 346,106	\$ 335,452	\$ 2,726,250	\$ 340,781
Prior Year	\$ 283,005	\$ 314,182	\$ 301,898	\$ 287,535	\$ 291,333	\$ 298,424	\$ 300,412	\$ 287,810	\$ 2,364,599	\$ 295,575
<b>SGS</b>										
Actuals	\$ 720,511	\$ 787,794	\$ 743,962	\$ 649,301	\$ 662,503	\$ 740,317	\$ 672,769	\$ 629,555	\$ 5,606,711	\$ 700,839
Budget	\$ 738,408	\$ 705,265	\$ 712,058	\$ 633,862	\$ 655,597	\$ 671,062	\$ 641,416	\$ 646,135	\$ 5,403,804	\$ 675,476
Prior Year	\$ 660,686	\$ 677,382	\$ 636,730	\$ 603,540	\$ 594,587	\$ 608,976	\$ 576,380	\$ 566,817	\$ 4,925,098	\$ 615,637
<b>Schertz Sewer</b>										
Actuals	\$ 1,476	\$ 1,282	\$ 1,310	\$ 1,306	\$ 1,194	\$ 1,269	\$ 1,425	\$ 1,178	\$ 10,440	\$ 1,305
Budget	\$ 1,876	\$ 1,885	\$ 1,873	\$ 1,811	\$ 1,616	\$ 1,788	\$ 1,965	\$ 1,745	\$ 14,560	\$ 1,820
Prior Year	\$ 1,515	\$ 1,617	\$ 1,442	\$ 1,555	\$ 1,403	\$ 1,491	\$ 1,672	\$ 1,384	\$ 12,080	\$ 1,510
<b>Total Sales</b>										
Actuals	\$ 2,491,044	\$ 2,758,100	\$ 2,610,754	\$ 2,500,162	\$ 2,513,218	\$ 2,710,727	\$ 2,564,775	\$ 2,443,564	\$ 20,592,344	\$ 2,574,043
Budget	\$ 2,570,313	\$ 2,548,965	\$ 2,619,356	\$ 2,433,914	\$ 2,597,471	\$ 2,655,391	\$ 2,582,244	\$ 2,560,194	\$ 20,567,848	\$ 2,570,981
Prior Year	\$ 2,162,509	\$ 2,311,548	\$ 2,269,022	\$ 2,194,277	\$ 2,184,450	\$ 2,259,117	\$ 2,198,283	\$ 2,143,155	\$ 17,722,360	\$ 2,215,295

**NEW BRAUNFELS UTILITIES**  
**Sewer Revenue Variance**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	\$ 1,431,988	\$ 1,602,167	\$ 1,517,326	\$ 1,513,842	\$ 1,516,902	\$ 1,594,334	\$ 1,541,595	\$ 1,489,397	\$ 12,207,550	\$ 1,525,944
Actual vs Budget	\$ (51,932)	\$ 109,891	\$ (29,417)	\$ 47,691	\$ (57,784)	\$ (14,688)	\$ (37,353)	\$ (73,782)	\$ (107,374)	\$ (13,422)
Actual vs Prior Year	\$ 225,893	\$ 296,062	\$ 200,856	\$ 224,015	\$ 231,437	\$ 256,199	\$ 233,937	\$ 214,117	\$ 1,882,518	\$ 235,315
<b>Multi-Unit 2-4</b>										
Actuals	\$ 12,873	\$ 14,215	\$ 13,595	\$ 13,583	\$ 13,704	\$ 14,466	\$ 13,990	\$ 13,418	\$ 109,843	\$ 13,730
Actual vs Budget	\$ (268)	\$ 904	\$ (22)	\$ 670	\$ (68)	\$ 399	\$ 181	\$ (264)	\$ 1,533	\$ 192
Actual vs Prior Year	\$ 1,664	\$ 1,952	\$ 1,111	\$ 1,762	\$ 2,043	\$ 2,376	\$ 1,831	\$ 1,554	\$ 14,293	\$ 1,787
<b>Multi-Unit 5+</b>										
Actuals	\$ 324,197	\$ 352,643	\$ 334,562	\$ 322,131	\$ 318,915	\$ 360,340	\$ 334,996	\$ 310,016	\$ 2,657,800	\$ 332,225
Actual vs Budget	\$ (8,771)	\$ 16,414	\$ (10,504)	\$ 2,953	\$ (32,884)	\$ 887	\$ (11,110)	\$ (25,436)	\$ (68,450)	\$ (8,556)
Actual vs Prior Year	\$ 41,193	\$ 38,461	\$ 32,664	\$ 34,596	\$ 27,582	\$ 61,916	\$ 34,583	\$ 22,206	\$ 293,200	\$ 36,650
<b>SGS</b>										
Actuals	\$ 720,511	\$ 787,794	\$ 743,962	\$ 649,301	\$ 662,503	\$ 740,317	\$ 672,769	\$ 629,555	\$ 5,606,711	\$ 700,839
Actual vs Budget	\$ (17,898)	\$ 82,529	\$ 31,904	\$ 15,439	\$ 6,906	\$ 69,255	\$ 31,352	\$ (16,581)	\$ 202,907	\$ 25,363
Actual vs Prior Year	\$ 59,825	\$ 110,413	\$ 107,232	\$ 45,761	\$ 67,915	\$ 131,341	\$ 96,388	\$ 62,738	\$ 681,614	\$ 85,202
<b>Schertz Sewer</b>										
Actuals	\$ 1,476	\$ 1,282	\$ 1,310	\$ 1,306	\$ 1,194	\$ 1,269	\$ 1,425	\$ 1,178	\$ 10,440	\$ 1,305
Actual vs Budget	\$ (400)	\$ (603)	\$ (563)	\$ (505)	\$ (422)	\$ (519)	\$ (540)	\$ (568)	\$ (4,121)	\$ (515)
Actual vs Prior Year	\$ (39)	\$ (335)	\$ (132)	\$ (249)	\$ (209)	\$ (222)	\$ (248)	\$ (207)	\$ (1,640)	\$ (205)
<b>Total Sales</b>										
Actuals	\$ 2,491,044	\$ 2,758,100	\$ 2,610,754	\$ 2,500,162	\$ 2,513,218	\$ 2,710,727	\$ 2,564,775	\$ 2,443,564	\$ 20,592,344	\$ 2,574,043
Actual vs Budget	\$ (79,268)	\$ 209,135	\$ (8,602)	\$ 66,249	\$ (84,253)	\$ 55,335	\$ (17,470)	\$ (116,630)	\$ 24,495	\$ 3,062
Actual vs Prior Year	\$ 328,535	\$ 446,552	\$ 341,732	\$ 305,886	\$ 328,768	\$ 451,610	\$ 366,492	\$ 300,409	\$ 2,869,984	\$ 358,748

**NEW BRAUNFELS UTILITIES**  
**Sewer Usage (Gallons)**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD	
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	ACT	AVG
<b>Residential</b>										
Actuals	105,945,683	113,046,276	100,144,142	99,574,341	99,394,434	165,422,006	103,083,536	95,079,883	<b>881,690,301</b>	<b>110,211,288</b>
Prior Year	104,471,564	102,881,798	103,585,231	98,785,479	96,990,541	105,351,819	99,694,841	93,196,819	<b>804,958,090</b>	<b>100,619,761</b>
<b>Multi-Unit 2-4</b>										
Actuals	834,405	876,991	783,357	774,377	790,783	904,980	832,938	758,277	<b>6,556,108</b>	<b>819,514</b>
Prior Year	877,742	881,754	904,169	819,822	794,963	863,055	801,194	751,818	<b>6,694,517</b>	<b>836,815</b>
<b>Multi-Unit 5+</b>										
Actuals	25,753,140	28,032,246	23,907,336	22,819,107	22,650,042	27,891,169	24,467,609	20,651,634	<b>196,172,283</b>	<b>24,521,535</b>
Prior Year	26,092,125	26,749,080	24,777,610	22,283,407	23,082,869	23,924,869	24,335,131	22,545,923	<b>193,791,014</b>	<b>24,223,877</b>
<b>SGS</b>										
Actuals	130,005,417	129,722,018	125,164,836	97,417,889	104,504,690	119,839,409	108,336,432	99,625,140	<b>914,615,834</b>	<b>114,326,979</b>
Prior Year	127,278,474	120,288,388	116,530,872	109,598,350	105,684,722	108,598,118	101,697,357	100,740,408	<b>890,416,691</b>	<b>111,302,086</b>
<b>Schertz Sewer</b>										
Actuals	436,500	425,000	434,200	433,000	395,800	420,800	472,300	390,400	<b>3,408,000</b>	<b>426,000</b>
Prior Year	432,800	437,700	406,900	438,700	395,800	420,800	471,900	862,500	<b>3,867,100</b>	<b>483,388</b>
<b>Total Sales</b>										
Actuals	<b>262,975,145</b>	<b>272,102,531</b>	<b>250,433,871</b>	<b>221,018,714</b>	<b>227,735,749</b>	<b>314,478,364</b>	<b>237,192,815</b>	<b>216,505,334</b>	<b>2,002,442,526</b>	<b>250,305,316</b>
Prior Year	<b>259,152,705</b>	<b>251,238,720</b>	<b>246,204,782</b>	<b>231,925,758</b>	<b>226,948,895</b>	<b>239,158,661</b>	<b>227,000,423</b>	<b>218,097,468</b>	<b>1,899,727,412</b>	<b>237,465,926</b>

**NEW BRAUNFELS UTILITIES**  
**Sewer Customers**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	31,424	31,569	31,602	31,627	31,697	31,757	31,772	31,793	<b>31,655</b>
Budget	31,225	31,351	31,477	31,603	31,730	31,858	31,986	32,114	<b>31,668</b>
Prior Year	29,306	29,464	29,692	29,788	29,964	30,156	30,297	30,502	<b>29,896</b>
<b>Multi-Unit 2-4</b>									
Actuals	174	174	173	174	175	175	174	172	<b>174</b>
Budget	175	175	175	175	175	175	175	175	<b>175</b>
Prior Year	169	170	170	168	168	168	175	174	<b>170</b>
<b>Multi-Unit 5+</b>									
Actuals	256	257	259	258	258	258	258	258	<b>258</b>
Budget	265	266	268	270	271	273	275	277	<b>271</b>
Prior Year	255	256	256	257	258	258	258	258	<b>257</b>
<b>SGS</b>									
Actuals	2,125	2,127	2,131	2,131	2,134	2,127	2,130	2,133	<b>2,130</b>
Budget	2,132	2,136	2,141	2,145	2,149	2,153	2,158	2,162	<b>2,147</b>
Prior Year	2,107	2,119	2,123	2,120	2,120	2,120	2,118	2,122	<b>2,119</b>
<b>Schertz Sewer</b>									
Actuals	1	1	1	1	1	1	1	1	<b>1</b>
Budget	1	1	1	1	1	1	1	1	<b>1</b>
Prior Year	1	1	1	1	1	1	1	1	<b>1</b>
<b>Total Accounts</b>									
<b>Actuals</b>	<b>33,980</b>	<b>34,128</b>	<b>34,166</b>	<b>34,191</b>	<b>34,265</b>	<b>34,318</b>	<b>34,335</b>	<b>34,357</b>	<b>34,218</b>
<b>Budget</b>	<b>33,798</b>	<b>33,929</b>	<b>34,061</b>	<b>34,194</b>	<b>34,327</b>	<b>34,461</b>	<b>34,595</b>	<b>34,729</b>	<b>34,262</b>
<b>Prior Year</b>	<b>31,838</b>	<b>32,010</b>	<b>32,242</b>	<b>32,334</b>	<b>32,511</b>	<b>32,703</b>	<b>32,849</b>	<b>33,057</b>	<b>32,443</b>
<b>New Customers</b>	<b>84</b>	<b>148</b>	<b>38</b>	<b>25</b>	<b>74</b>	<b>53</b>	<b>17</b>	<b>22</b>	<b>58</b>
<b>New Customer Growth %</b>	<b>0.2%</b>	<b>0.4%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.2%</b>

**NEW BRAUNFELS UTILITIES**  
**Sewer Rates (per Customer)**  
**For Month Ending March 31, 2023**

DESCRIPTION	2022	2022	2022	2022	2022	2023	2023	2023	FY 2023 YTD
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	AVG
<b>Residential</b>									
Actuals	\$ 45.57	\$ 50.75	\$ 48.01	\$ 47.87	\$ 47.86	\$ 50.20	\$ 48.52	\$ 46.85	\$ 48.20
Budget	\$ 47.52	\$ 47.60	\$ 49.14	\$ 46.39	\$ 49.63	\$ 50.51	\$ 49.36	\$ 48.68	\$ 48.60
Prior Year	\$ 41.16	\$ 44.33	\$ 44.34	\$ 43.30	\$ 42.90	\$ 44.37	\$ 43.16	\$ 41.81	\$ 43.17
<b>Multi-Unit 2-4</b>									
Actuals	\$ 73.98	\$ 81.69	\$ 78.58	\$ 78.06	\$ 78.31	\$ 82.66	\$ 80.40	\$ 78.01	\$ 78.96
Budget	\$ 75.08	\$ 76.04	\$ 77.77	\$ 73.74	\$ 78.64	\$ 80.31	\$ 78.83	\$ 78.09	\$ 77.31
Prior Year	\$ 66.32	\$ 72.13	\$ 73.43	\$ 70.36	\$ 69.41	\$ 71.96	\$ 69.48	\$ 68.18	\$ 70.16
<b>Multi-Unit 5+</b>									
Actuals	\$ 1,266.40	\$ 1,372.15	\$ 1,291.75	\$ 1,248.57	\$ 1,236.11	\$ 1,396.67	\$ 1,298.43	\$ 1,201.61	\$ 1,288.96
Budget	\$ 1,258.02	\$ 1,262.29	\$ 1,287.26	\$ 1,183.14	\$ 1,295.80	\$ 1,315.61	\$ 1,258.73	\$ 1,212.26	\$ 1,259.14
Prior Year	\$ 1,109.82	\$ 1,227.27	\$ 1,179.29	\$ 1,118.81	\$ 1,129.20	\$ 1,156.68	\$ 1,164.39	\$ 1,115.54	\$ 1,150.13
<b>SGS</b>									
Actuals	\$ 339.06	\$ 370.38	\$ 349.11	\$ 304.69	\$ 310.45	\$ 348.06	\$ 315.85	\$ 295.15	\$ 329.10
Budget	\$ 346.31	\$ 330.11	\$ 332.63	\$ 295.52	\$ 305.05	\$ 311.63	\$ 297.27	\$ 298.87	\$ 314.67
Prior Year	\$ 313.57	\$ 319.67	\$ 299.92	\$ 284.69	\$ 280.47	\$ 287.25	\$ 272.13	\$ 267.11	\$ 290.60
<b>Schertz Sewer</b>									
Actuals	\$ 1,476.00	\$ 1,282.01	\$ 1,309.76	\$ 1,306.14	\$ 1,193.93	\$ 1,269.34	\$ 1,424.69	\$ 1,177.64	\$ 1,304.94
Budget	\$ 1,876.13	\$ 1,885.20	\$ 1,873.17	\$ 1,811.42	\$ 1,616.13	\$ 1,788.00	\$ 1,964.93	\$ 1,745.28	\$ 1,820.03
Prior Year	\$ 1,515.47	\$ 1,617.15	\$ 1,442.03	\$ 1,554.72	\$ 1,402.69	\$ 1,491.29	\$ 1,672.39	\$ 1,384.26	\$ 1,510.00



# Financial Update

March 2023 Financials  
Kimberly Huffman  
Accounting Manager



# Key Financial Ratios

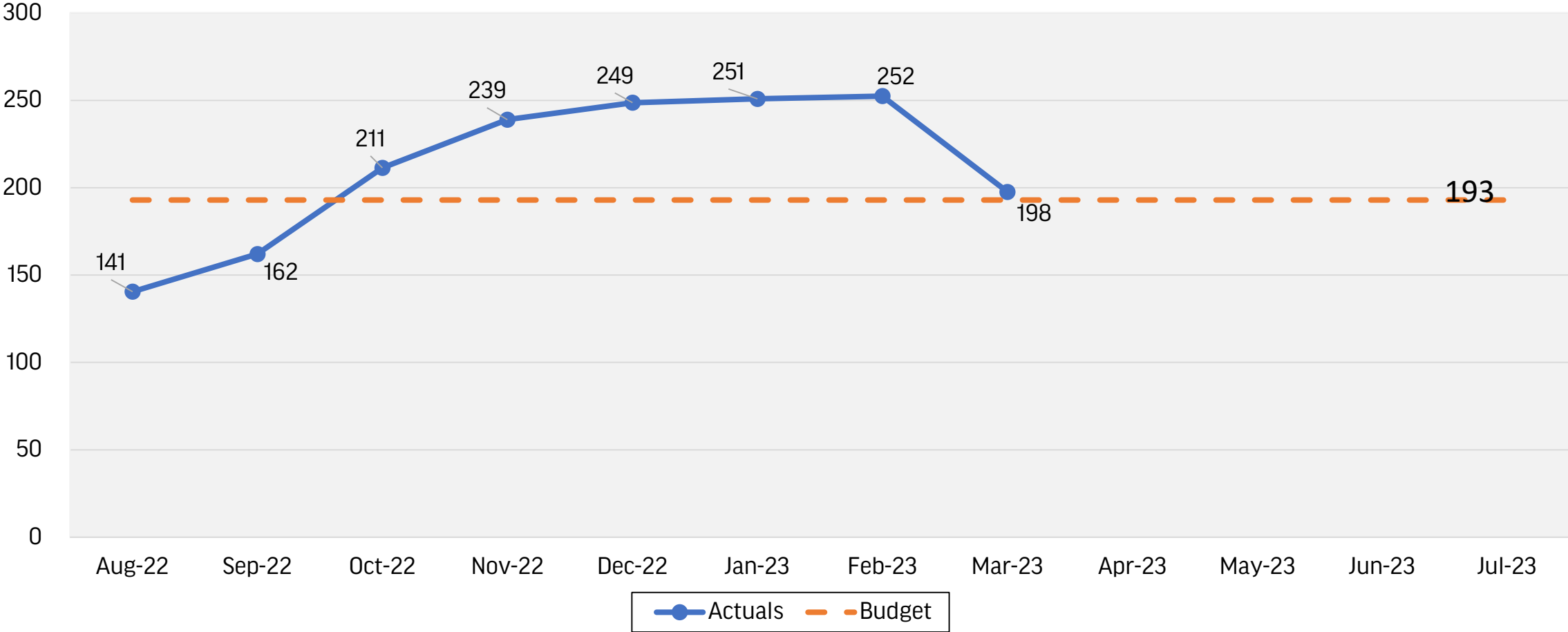
## March 2023 YTD

	FY 2022 Actual	FY 2023 Budget	Financial Policy	FY 2023 Actual*
Debt to Capitalization (lower is better)	42.4%	45.2%	≤55.0%	<b>40.8%</b>
Debt Service Coverage (higher is better)	5.14	5.07	≥2.40	<b>4.53</b>
Days Cash on Hand (higher is better)	255	193	≥140	<b>198</b>
Days Liquidity on Hand (higher is better)	564	N/A	N/A	<b>449</b>

\* Amounts are calculated by annualizing the YTD results

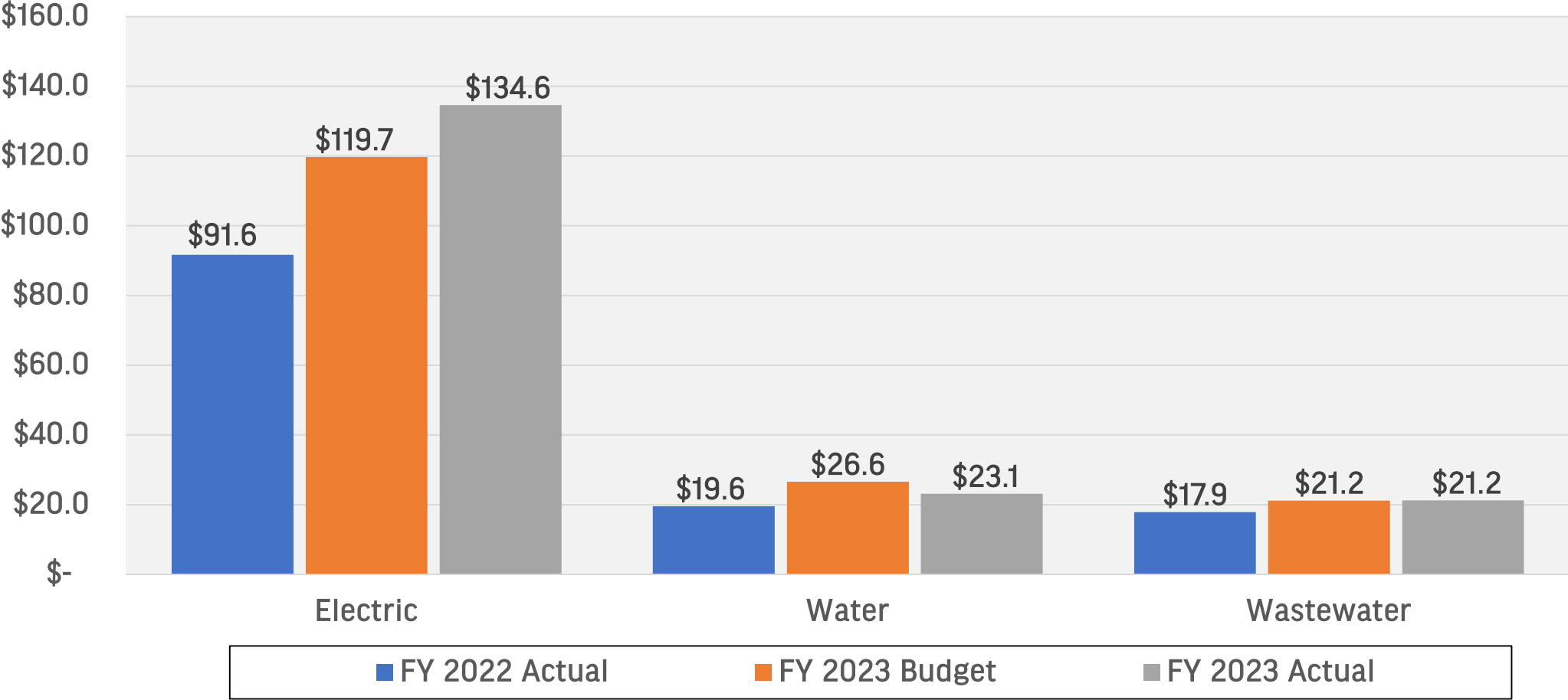
# Days Cash on Hand

## March 2023 YTD



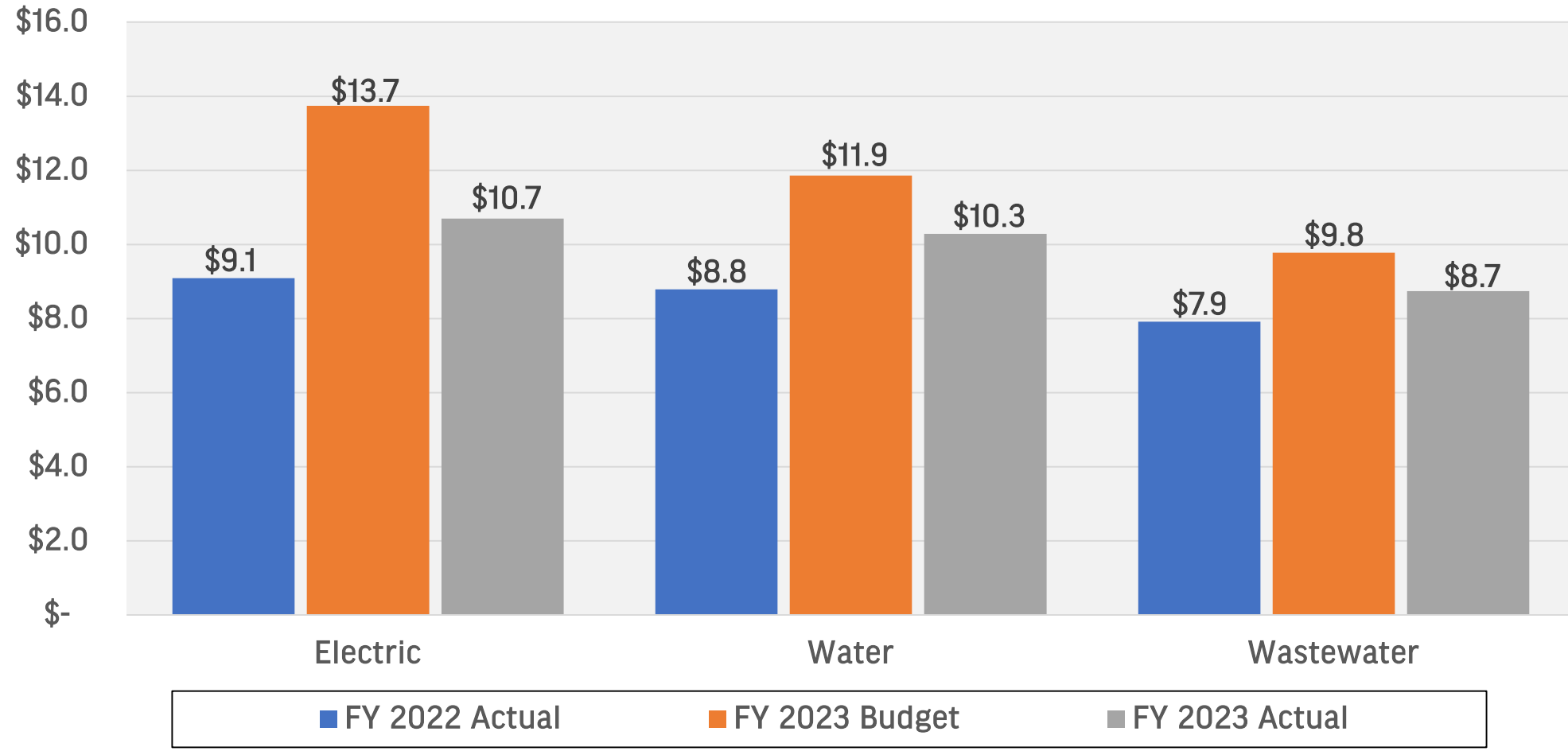
# Operating Revenue by LOB

## March 2023 YTD – Amounts in Millions



# Operating Expenses\* by LOB

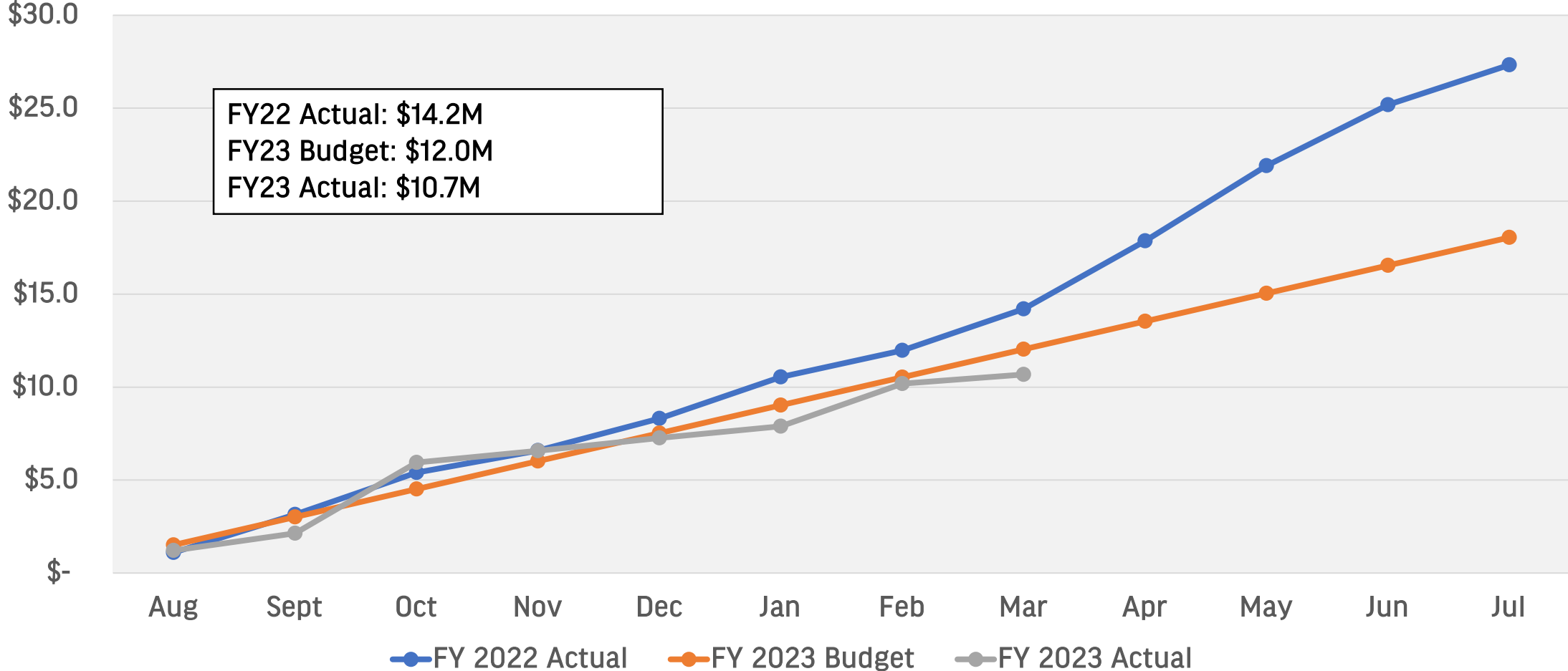
## March 2023 YTD - Amounts in Millions



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

# Impact Fees

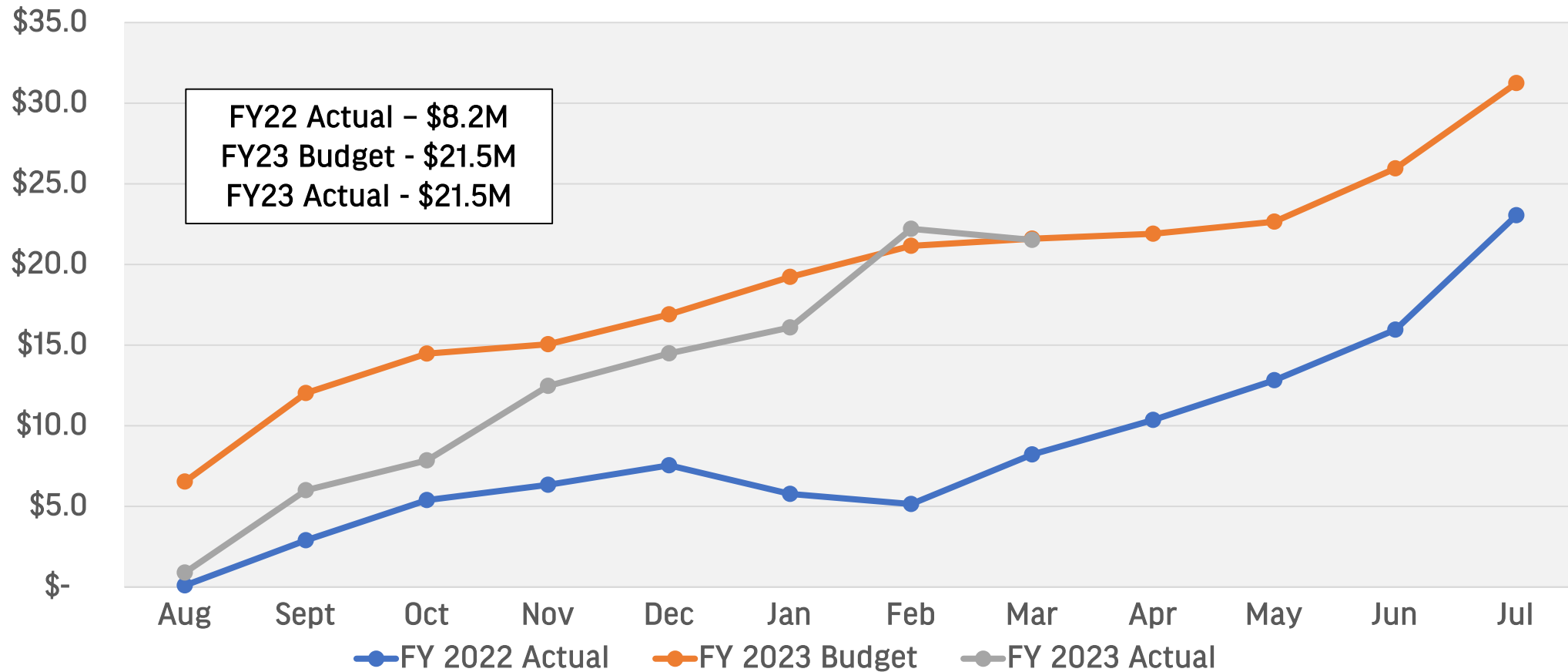
## March 2023 YTD - Amounts in Millions\*



\* Amounts shown are YTD for each month

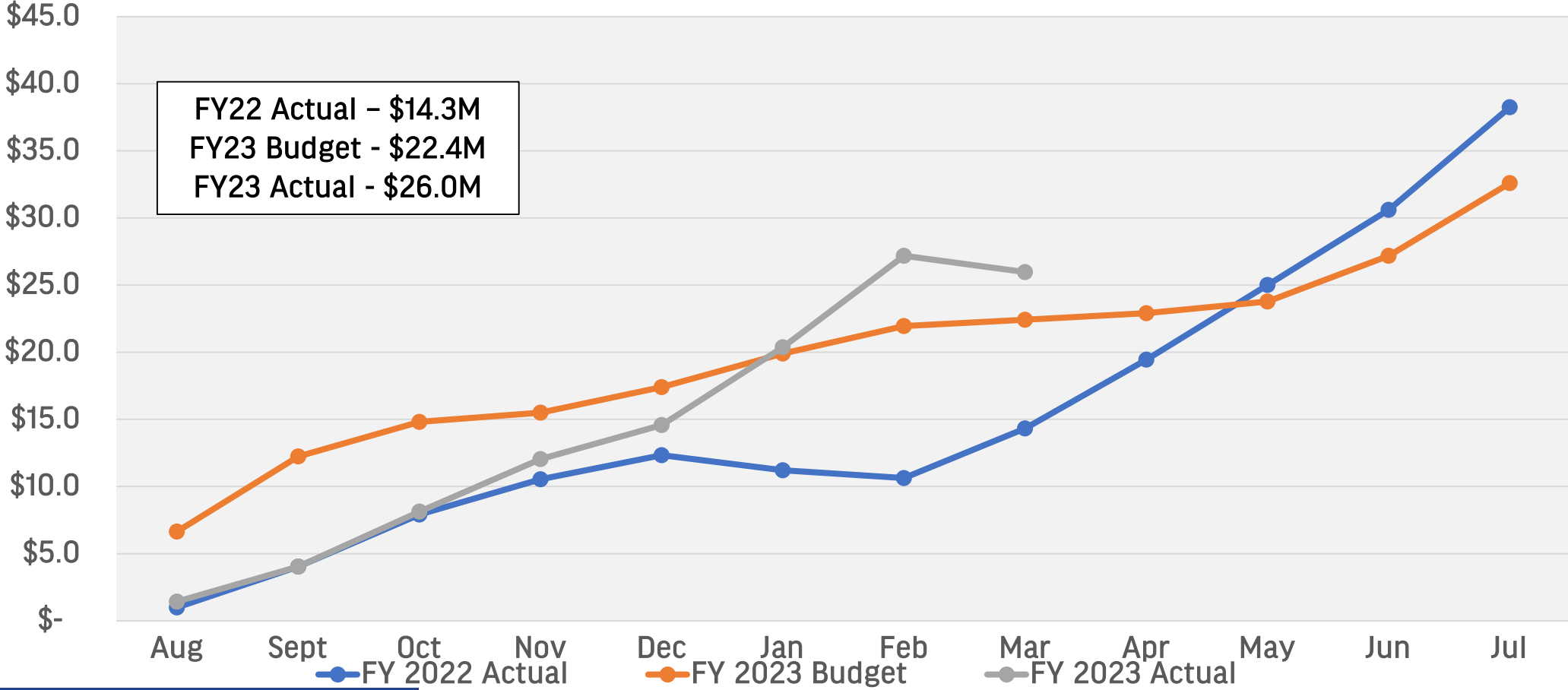
# Net Operating Income

## March 2023- Amounts in Millions\*



\* Amounts shown are YTD for each month

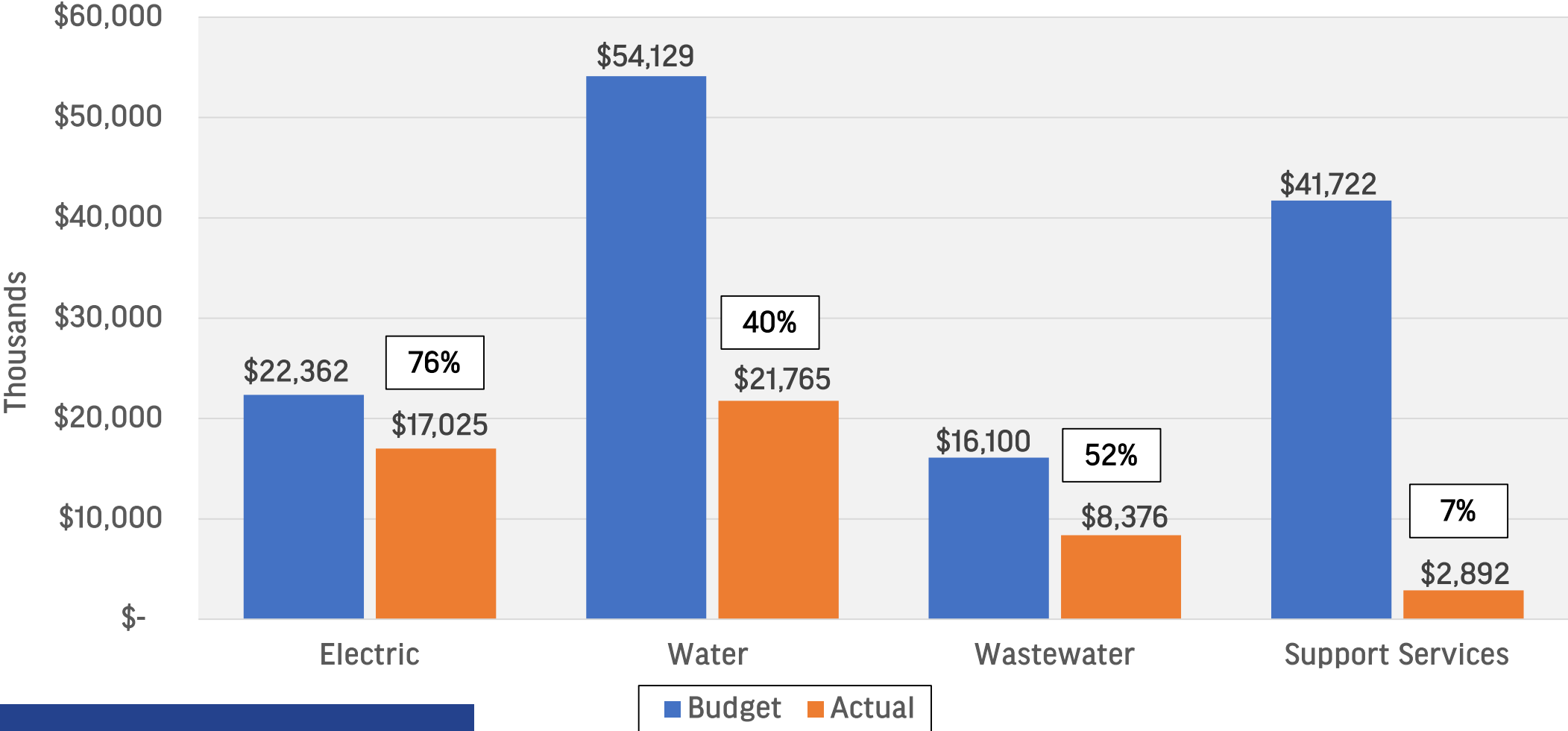
# Change in Net Position After Contributions March 2023- Amounts in Millions\*



\* Amounts shown are YTD for each month

# Capital Project Expenditures

## March 2023 YTD – Amounts in Thousands





**Questions?**





**Meeting Date:** April 27, 2023      **Agenda Type:** Items from Staff

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

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

**RECOMMENDED ACTION:** Legislative Update

# Legislative Update



# Update from Shelly Botkin of the Texas Public Power Association (TPPA)



# Major ERCOT Market Design Bills

- **SB 6** – “Texas Energy Insurance Program” with Berkshire-style generation kept out of the market and used only in emergencies
- **SB 7** – cost allocation to allocate more costs toward renewables to encourage firming, annual PUC reports on reliability costs, a new 2-4 hour ramp ancillary service, and guardrails for the PUC’s Performance Credits Mechanism
- **SB 2012** – guardrails for the PUC’s Performance Credits Mechanism
- **HB 1500** – PUC Sunset bill

# Market Design - Status



## **SB 6 Berkshire**

Passed Senate, no hearing scheduled in House committee



## **SB 7 Firming, new AS**

Passed Senate, no hearing scheduled in House committee



## **SB 2012 PCM Guardrails**

Passed Senate and passed House committee



## **HB 1500 PUC Sunset**

Passed House, no hearing scheduled in Senate committee

# Major Bills Affecting MOU Operations

- **SB 175** – bans political subdivisions from hiring lobbyists or paying dues to a nonprofit state association that hires or contracts with lobbyists
- **SB 853** – allows PUC retail rate review of Austin Energy
- **SB 1110** – bars any general fund transfers if the GFT would result in a rate increase or a financial deficit
- **HB 4207** – requires annual PUC evaluation of each MOU’s vegetation management spend. If PUC disagrees with spend level, GFTs would be barred

# MOU Operations - Status

## **SB 175**

**Restrictions on  
Leg Advocacy**

Passed Senate, no  
hearing scheduled  
in House committee

## **SB 853**

**PUC Rate Review  
of Austin Energy**

Passed Senate, no  
hearing scheduled  
in House committee

## **SB 1110**

**GFT Restrictions**

Heard in Senate  
committee, not  
voted out (yet)

## **HB 4207**

**VM Evaluation**

**by PUC**

Heard in House  
committee, not  
voted out (yet)

# Update from Lauren Fairbanks of Moontower Public Affairs, Inc.



# Update from Laura Rivers, Chief of Staff





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# Legislative Update

# Overview

- NBU Legislative Priorities
- Texas House and Senate Update
  - Legislative Schedules
  - Legislative Session Stats
- Legislative Bill Report
- Next Steps



# New Braunfels Utilities Legislative Priorities

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- Monitor legislation that would result in the redesign of the Texas electricity market.
- Monitor legislation that impacts requirements of governmental entities under the Public Information Act and Open Meetings Act.
- Monitor legislation related to the eminent domain process.
- Monitor legislation related to electric vehicles/transportation (EV/ET) and distributed energy resources (DER).
- Oppose legislation that would require NBU and other MOUs to opt-in to retail electric competition within the State of Texas / ERCOT region.
- Monitor legislation that would further restrict NBU and other MOUs' ability to negotiate pole attachment agreements, to permit and/or deny any specific attachment request, and to hold accountable wire and wireless attachments for quality construction and future maintenance activities.
- Monitor legislation relating to restrictions of a water management agency, water rights, and/or any curtailment of those rights.
- Oppose legislation that impedes NBU's ability to manage its operations as authorized by statute, law, regulation, or charter.

# Texas Senate and House Update

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- Legislative Schedules

- 88<sup>th</sup> Legislative Regular Session Begins  
Tuesday, January 10, 2023 (1st day)

- Friday, March 10, 2023

- Deadline for the unrestricted filing of bills and joint resolutions other than local bills, emergency appropriations, and emergency matters submitted by the governor.

- Monday, May 29, 2023 (140th day)  
Last day of 88th Regular Session (sine die)



# Legislative Session Stats

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- **First Day of Filing – November 14, 2022**
  - **920 Bills Total**
- House – 5,368 Bills
- Senate – 2,603 Bills
  - **Total – 7,971**

# Senate Bills

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## SB 2012 by Schwertner – PCM Guardrails bill

- Relating to electricity services; increasing an administrative penalty.
  - Would provide parameters for a proposal that the Public Utility Commission put forward earlier this year to incentivize companies to build more dispatchable power, or at least keep existing dispatchable power online.
  - PUC proposal would require electricity providers (such as companies that sell power to consumers) to pay electricity generators (such as gas-powered plants) a market-determined amount to be able to produce power in tight times.
  - Would ensure the idea benefits only dispatchable generation
  - Would also create a legislative oversight committee to oversee its implementation

# Senate Bills

---

## SB 175 by Middleton

- Relating to the use by a political subdivision of public funds lobbying and certain other activities.
  - Would prohibit cities and other political subdivisions from spending public funds to hire lobbyists or join nonprofit associations (like TML or TPPA) that represent political subdivisions and hire or contract with individuals who are required to register as lobbyists.

# Senate Bills

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## SB 853 by Hancock

- Relating to electricity service provided by certain municipally owned utilities.
  - Would change state policy for one single municipal utility - Austin Energy. Under the proposed legislation a group of Austin Energy customers with a certain level of demand could petition the Public Utility Commission of Texas to review rates, and potentially order a new rate hearing for Austin Energy if the PUCT found the rates were not similar to what customers could receive in the competitive market. Importantly, this could lead to incredible burdens on Austin Energy staff and to the city budget process.

## SB 2349 by Bettencourt / HB 5222 by Bell, Cecil

- Relating to consent to the creation of certain political subdivisions.
  - Makes significant changes to procedures of creating a municipal utility district including limiting the ability of a city to protest the creation of a MUD in the city's extraterritorial jurisdiction, and eliminating the ability of a city to prohibit the creation of an in-city MUD.

# Senate Bills

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## SB 1110 by Schwertner

- Relating to the authority of a municipality to transfer revenue of a municipal utility to the general fund of the municipality.
  - Would prevent a city from transferring revenue to their general fund from an MOU if the transfer would result in a deficit for the utility or a rate increase for customers
  - Prevents MOUs from including these general fund transfers as part of the MOU's cost of service study
  - CS specifically removes water and other non-electric utilities
  - Bill is an inappropriate change in policy which will impact the ability of 70+ the municipally-owned utilities to run efficiently and effectively and free from interference by the state

# House Bills

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## HB 1646 by King, Tracy

- Relating to the use of water withdrawn from the Edwards Aquifer.
  - Would amend the EAA Act to allow the use of Edwards groundwater in existing CCN areas that may overlap the jurisdictional boundary.

## HB 2419 by Holland / SB 983 by Paxton

- Relating to disclosure under the public information law of information related to a competitive matter involving the provision of cable, Internet, or broadband services by a public power utility.
  - Would add cable, Internet, or broadband services to the competitive matters in closed session to include a capital improvement plan, expenses, bidding and pricing related to that plan, risk management, system improvements, and pricing for those services.

# House Bills

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## HB 2425 by Isaac

- Relating to a prohibition on governmental contracts with Chinese governments.
  - Prohibits local government from contracting for goods or services with a “Chinese company” as defined by one that is headquartered in China or is a wholly owned subsidiary or majority-owned subsidiary of a company headquartered in China.

## HB 3010 by Zwiener

- Relating to the use of and permitting for certain energy devices at a retail customer’s premises.
  - Would require local governments to use an online permitting process for residential-scale rooftop solar and battery storage, and requires interconnection within 42 days.

# House Bills

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## HB 4207

- Relating to municipally owned utility vegetation management.
  - Prohibits a municipality that provides electric service to the general fund of the municipality if the vegetation management activities are insufficient to ensure reliable service in that year.

# Legislative Session Stats

## Bill statistics for the 87th Regular Session

Status	HB	HCR	HJR	HR	SB	SCR	SJR	SR	Total HB & SB	Total
Filed	4671	119	163	2100	2256	60	58	572	6927	9999
Passed	587	54	4	2055	486	46	4	567	1073	3803
Vetoed	12	0	0	0	9	0	0	0	21	<u>21</u>

87<sup>th</sup> Legislative Session – 8,000 Total Bills Filed

## 88<sup>th</sup> Legislative Session

March 10 – Last Day to File Bills

This session, 8,153 bills and joint resolutions were filed, breaking the record for most bills filed in a session.

In the last three days of bill filing, over 2,000 bills were filed.



# Next Steps

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## Board Legislative Meeting

May 10, 2023

June 14, 2023

## NBU Regular Board Meeting

April 27, 2023 – Legislative Update

June 29, 2023 – Legislative Wrap-Up

August 31, 2023 – Review Potential Legislative Changes

# QUESTIONS?

**Thank you!**



**Meeting Date:** April 27, 2023      **Agenda Type:** Items from Staff

**From:** Andrew Cummings  
Conservation and Customer  
Solutions Manager      **Reviewed by:** David Hubbard  
Chief Administrative Officer

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

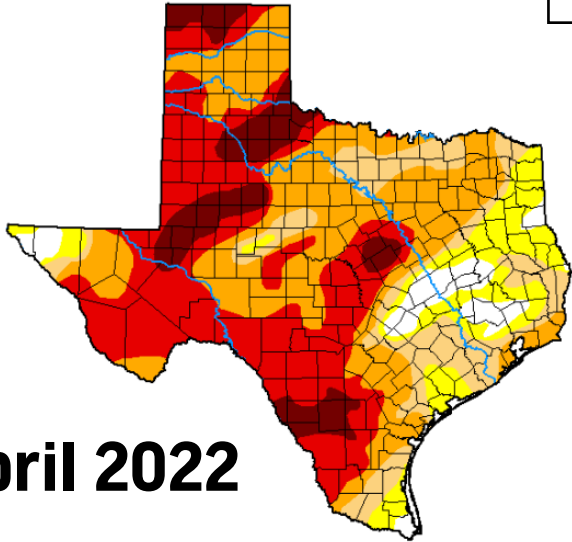
**RECOMMENDED ACTION:** Drought Status Update

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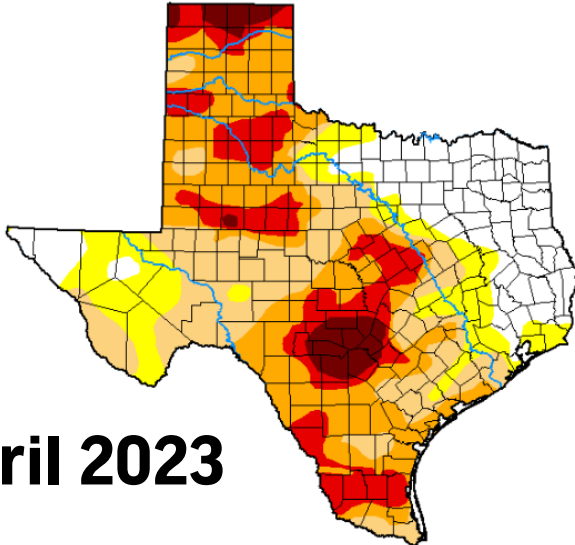
# Drought Status Update



# 2023 Drought Synopsis



**April 2022**



**April 2023**

	2023	2022	Average
<b>Climatological Monitoring</b>			
Rainfall Cumulative Total (inches)	3.06"	2.38"	5.34" thru March
Max Temperature (°F)	90	91	88
<b>Water Level Monitoring</b>			
EAA J17 Level (msl)	Mid-630's	Mid-650's	Mid-660's
Comal Springs (cfs)	116	266	298
San Marcos Springs (cfs)	88	174	178
Canyon Lake (msl)	897.4	907.9	909

# Drought Timeline

Item 4.

Date Entered	Stage	Days in Stage
March 10, 2023	Stage 1	34
April 13, 2023	Stage 2	69
June 21, 2023	Stage 3	301 days <i>as of 4/18/23</i>

EAA declared Stage 4 twice in 2022  
August 12-17, 2022 (6 days)  
October 8-26, 2022 (19 days)



Headwaters at the Comal Spring Run  
February 27, 2023

# Drought Restrictions in the Area (as of 4/12/2023)

Item 4.

**NBU**

- **Stage 3**
  - Once every other week watering

**SAWS**

- **Stage 2**
  - Once per week watering

**Kyle**

- **Stage 2**
  - Once per week watering, from 7pm-10pm\*

**Georgetown**

- **Stage 2**
  - Once per week watering

Texas Water Co.  
(Canyon Lake)

- **Stage 2**
  - Once every other week watering\*

**San Marcos**

- **Stage 2**
  - Once per week watering

**Austin Water**

- **Stage 1**
  - Twice per week watering

**Springs Hill**

- **Stage 1**
  - Twice per week watering (voluntary)

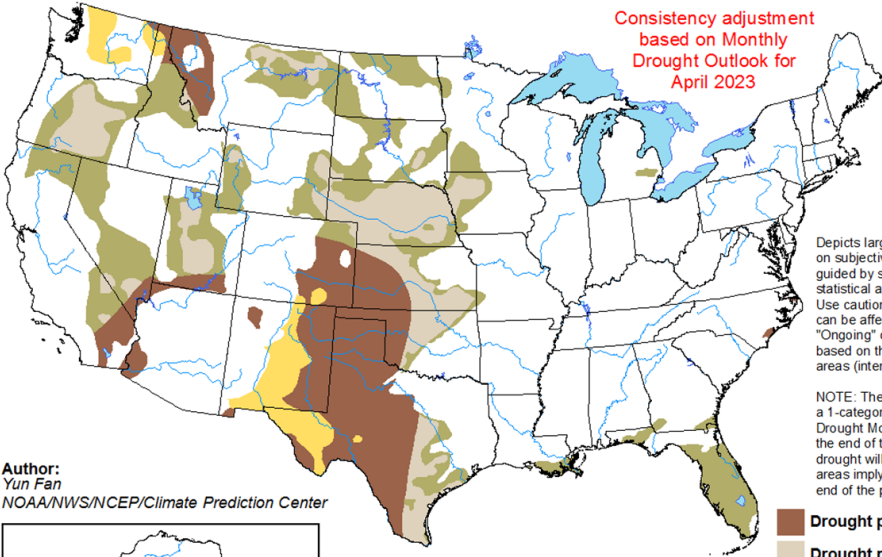
\*Rule change since August 2022

# Drought to persist

## U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for April 1 - June 30, 2023  
Released March 31, 2023

Consistency adjustment  
based on Monthly  
Drought Outlook for  
April 2023



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains but improves
- Drought removal likely
- Drought development likely



<http://go.usa.gov/3eZ73>

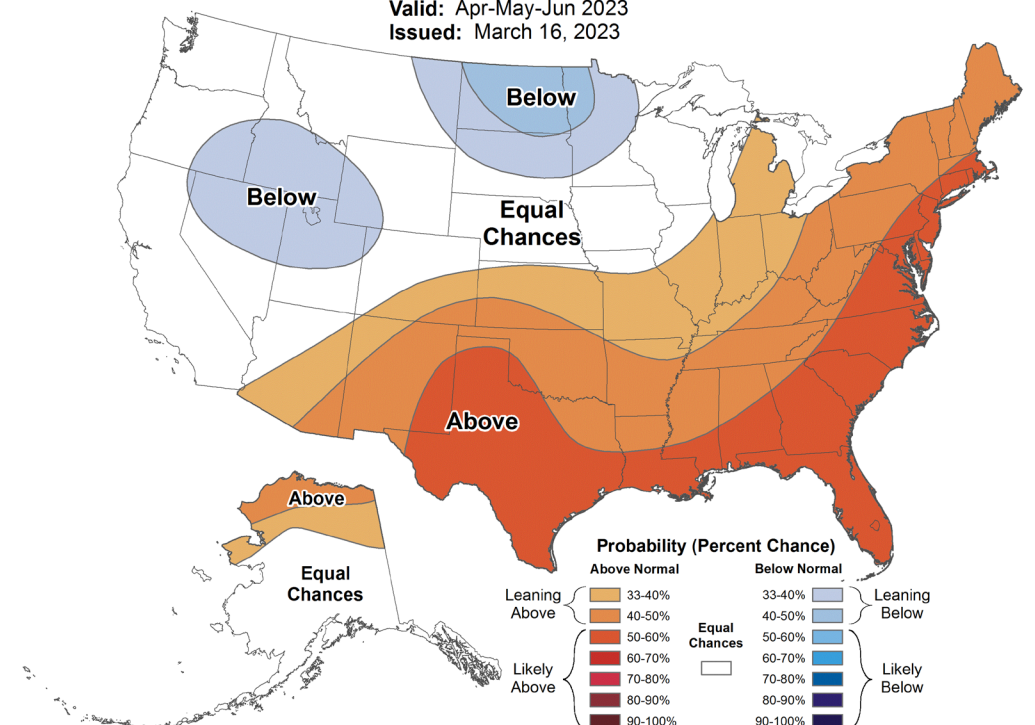
Author:  
Yun Fan  
NOAA/NWS/NCEP/Climate Prediction Center



## Seasonal Temperature Outlook



Valid: Apr-May-Jun 2023  
Issued: March 16, 2023

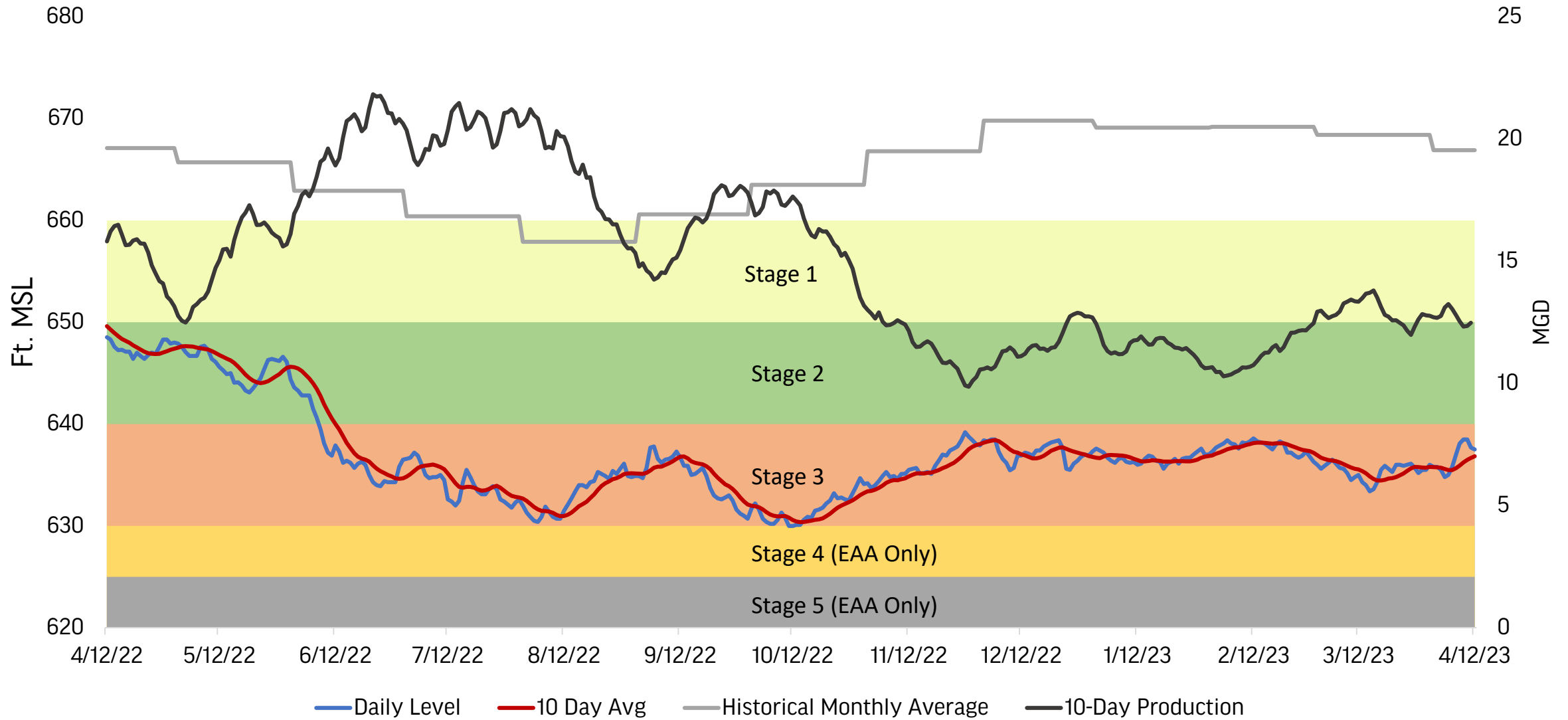


**Probability (Percent Chance)**

<b>Above Normal</b>		<b>Below Normal</b>	
Leaning Above	33-40%	33-40%	Leaning Below
	40-50%	40-50%	
	50-60%	50-60%	
	60-70%	60-70%	
Likely Above	70-80%	70-80%	Likely Below
	80-90%	80-90%	
	90-100%	90-100%	
Equal Chances		Equal Chances	

# EAA J17 Levels and NBU Pumping

Item 4.



# What we're continuing to do

- Additional monitoring and reporting
- Enhanced communications
- Increased patrolling
- Expedited violation processing
- Direct outreach to HOA, builders and developers

## New Braunfels Drought Severity Evaluation Matrix

Current NBU Stage	3
Current EAA Stage	3

### Proposed Enhanced Triggers and Monitoring Matrix

Triggers	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Updated as of 4/17/2023
EAA J17 Level 10-Day Average	<60'	<65'	<64'	<63'	<62'	637.12
Comal Flow - Daily	<225cfs	<200cfs	<150cfs	<100cfs	<45/40cfs	134
Comal Flow 10-Day Average	<225cfs	<200cfs	<150cfs	<100cfs	<45/40cfs	136
San Marcos Flow	<96cfs		<80cfs			84
Canyon Lake - Level	<895	<890	<885	N/A		896.99
Run of River - Canyon Lake - Release Rate			<50cfs			58

### Weather-based Factors

	<6 mon	>6 mon	>12 mon	>18 mon	>24 mon	Updated as of 4/17/2023
Time drought conditions have persisted (months)	<50%	>50%	>100%	>150%	>200%	13.3
10-day Rain %	<40%	>40%	>60%	>80%	>100%	8%
10-day Avg Hi-Temp	≥95	>100	>102	>103	>104	89
Comal County Drought Monitor - D3 Extreme %	>10%	>25%	>50%	>75%	>90%	100%
Comal County Drought Monitor - D4 Exceptional %	>10%	>25%	>50%	>75%	>90%	46%
Seasonal Drought Outlook	Drought to Persist through the Next 3 Months					Yes
Percentage of State in Drought	>50%	>75%	>80%	>90%	>95%	77.87%
Total Rain YTD (Inches)	Annual Average 2000-2022, 32.31"					5.01
Rainfall Defect YOY (Inches)	2022 YTD	2.55	2023 YTD	5.01		2.46
	>2.5"	>5"	>7.5"	>10"	>12.5"	
Rainfall Defect vs Avg YTD (Inches)	Avg YTD	5.34	2023 YTD	5.01		-0.33
	>2.5"	>5"	>7.5"	>10"	>12.5"	
Comal County Burn Ban Duration	>30 days	>60 Days	>90 Days	>120 Days	>150 days	0
Comal County Fire Risk (KBDJ)	300-399	400-499	500-599	600-699	700-800	204

### Infrastructure-based Factors

	Updated as of 4/17/2023
Maximum NBU Pumping Capacity (MGD)	36MGD
	12.6

### Availability Water Supply Reduction Requirements

	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Edwards Aquifer Authority	20% Reduc	30% Reduc	35% Reduc	40% Reduc	44% Reduc
Canyon Lake	5% Reduc	10% Reduc	15% Reduc	N/A	
Trinity	No reduction requirements				
City of Seguin	Must Follow CoNB Drought Management Plan				
GVSUD	Must Follow CoNB Drought Management Plan				
Run of River	Not available below 50 cfs				





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**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

**From:** Jill Schauer      **Reviewed by:** Laura Rivers  
Board Relations Coordinator      Chief of Staff

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

**RECOMMENDED ACTION:** Approve Minutes of the NBU Special Board Meeting of March 27, 2023

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**BACKGROUND**

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None

**FINANCIAL IMPACT**

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None

**LINK TO STRATEGIC PLAN**

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**Customers and Community**

**EXHIBITS**

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1. March 27, 2023 Special Board Meeting Minutes

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

**8:00 AM  
THURSDAY, March 27, 2023  
NEW BRAUNFELS CIVIC AND CONVENTION CENTER – GARDEN ROOM  
375 S. CASTELL AVENUE, NEW BRAUNFELS, TX 78130**

Board President Judith Dykes-Hoffmann opened the meeting at 8:15 a.m. A quorum of the NBU Board was present.

**PRESENT**

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

**ABSENT**

None

**NBU PERSONNEL**

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

**PLEDGE OF ALLEGIANCE AND INVOCATION**

Board Vice President Wayne Peters led the Pledge of Allegiance and provided the invocation.

**ITEMS FROM THE CHAIR**

None

**STRATEGIC PLANNING DISCUSSION**

The NBU Board of Trustees and staff discussed matters related to planning for the future of NBU regarding its operations, management, and expansion of the electric, water and wastewater systems. In addition, the NBU Board of Trustees and NBU staff discussed the development and implementation of performance planning metrics, a presentation on the integrated resource plan to meet forecasted electric demand, and discussed the annual board self-evaluation.

**EXECUTIVE SESSION**

Board President Judith Dykes-Hoffmann recessed the Open Session at 9:01 AM and announced that the Board would go into an Executive Session meeting. The Executive Session included Consultation with Attorney Regarding Matters Protected by Attorney Client Privilege; Deliberation Regarding Real Property – Discuss and Deliberation Regarding the Purchase, Exchange, or Value of Real Property to be Used for NBU Purposes; and Power Supply Resources – Power Supply Update Including Changes to the Power Stabilization Fund. The Executive Session was opened at 9:02 AM and closed at 10:25 AM.

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

The Regular Session resumed at 10:25 AM and the Board completed the Strategic Planning Discussion. There was no further business and Board President Judith Dykes-Hoffmann adjourned the meeting at 11:57 AM

**ADJOURN**

There was no further business and Board President Judith Dykes-Hoffmann adjourned the Board Strategic Workshop at 11:57 AM.

*Attest:*

\_\_\_\_\_  
*Judith Dykes-Hoffmann, President  
Approved*

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

*Date Approved: April 27, 2023*



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**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

**From:** Jill Schauer      **Reviewed by:** Laura Rivers  
Board Relations Coordinator      Chief of Staff

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

**RECOMMENDED ACTION:** Approve Minutes of the NBU Budget Workshop of March 27, 2023

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**BACKGROUND**

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None

**FINANCIAL IMPACT**

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None

**LINK TO STRATEGIC PLAN**

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**Customers and Community**

**EXHIBITS**

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1. March 27, 2023 Budget Workshop Minutes

**MINUTES  
NEW BRAUNFELS UTILITIES BOARD OF DIRECTORS  
BUDGET WORKSHOP**

**1:00 P.M.  
MONDAY MARCH 27, 2022  
NEW BRAUNFELS CIVIC AND CONVENTION CENTER - BALLROOM  
375 S. CASTELL AVENUE, NEW BRAUNFELS, TEXAS 78130**

Board President Judith Dykes-Hoffmann opened the meeting at 1:34 pm. A quorum of the NBU Board was present.

**PRESENT**

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

**ABSENT**

None

**NBU PERSONNEL**

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

**NBU CONSULTANTS**

None

**PLEDGE AND INVOCATION**

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

**PUBLIC COMMENT**

None

**ITEMS FROM THE CHAIR**

**1. Report from Budget Committee**

Board Vice President Wayne Peters provided an update on the Budget Committee meeting that took place on March 9, 2023.

**PRESENTATION ITEMS**

**1. Presentation and Discussion of NBU Draft Fiscal year 2024 Budget, Five-Year Operating Plan, and Any Proposed Changes to NBU Fees**

Chief Executive Officer Ian Taylor, Chief Strategic Communications and Security Officer Melissa Krause, Chief Financial Officer Dawn Schriewer, Chief Operations Officer Ryan Kelso, and Chief Technology Officer Greg Brown provided, and Chief Administrative Officer David Hubbard provided an overview of the FY 2024 Budget, Capital Projects, and Five-Year plan.

- 2. Presentation from NBU Chief Executive Officer, Rate Advisory Committee Chair, Freese and Nichols, Inc., and NewGen Strategies and Solutions, LLC**
- a. Discussion of Cost of Service Study Results for NBU’s Water, Wastewater, and Electric Lines of Business, Including Rate Advisory Committee Feedback Regarding the NBU Cost of Service Study and Final Rate Design**
  - b. Discussion of Rate Advisory Committee Feedback Regarding Reports from Each RAC Subcommittee Relating to the Following Policy Areas:**
    - i. Low/Fixed Income Customers**
    - ii. Equity and Fairness in Rate Making**
    - iii. Conservation and Renewables**
    - iv. Revenue Sufficiency**
    - v. Accommodating Growth**
    - vi. Utility Financial Stability and Strength**
    - vii. Simple to Understand and Easy to Implement**
  - c. Discussion of Proposed Water, Sewer, and Electric Rate Design for Fiscal Years 2024 and 2025**

CEO Ian Taylor, Rate Advisory Committee Chair Justin Meadows, Richard Campbell of Freese and Nichols, Inc., and Tony Georgis of NewGen Strategies and Solution, LLC presented the Cost of Service Study results and rate design, and RAC Committee feedback from the final Cost of Service Study report and subcommittees.

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

**ADJOURN**

Board President Judith Dykes-Hoffmann adjourned the Budget Workshop at 4:43 PM.

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*Judith Dykes-Hoffmann, President  
Approved*

**Attest:**

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*Ian Taylor, Secretary of the Board*

*Chief Executive Officer*

*Date Approved: April 27, 2023*



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

**From:** Jill Schauer      **Reviewed by:** Laura Rivers  
Board Relations Coordinator      Chief of Staff

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

**RECOMMENDED ACTION:** Approve Minutes of the NBU Regular Board Meeting of March 30, 2023

**BACKGROUND**

None

**FINANCIAL IMPACT**

None

**LINK TO STRATEGIC PLAN**

**Customers and Community**

**EXHIBITS**

- 1. March 30, 2023 Regular Board Meeting Minutes

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

**1:00 P.M.  
THURSDAY, MARCH 30, 2023  
NBU BOARD ROOM  
263 MAIN PLAZA, NEW BRAUNFELS, TEXAS 78130**

Board President Judith Dykes-Hoffmann opened the meeting at 1:02 pm. A quorum of the NBU Board was present.

**PRESENT**

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

**ABSENT**

None

**NBU PERSONNEL**

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

**NBU CONSULTANTS**

None

**PLEDGE AND INVOCATION**

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

**PUBLIC COMMENT**

Ron Schmidt raised an issue regarding an emergency access easement near the intersection of Kuehler Road and Cocoa Road.

**PRESENTATION ITEMS**

**1. Presentation to Communities in Schools (CIS)**

CEO Ian Taylor announced that the 19<sup>th</sup> annual NBU Kinderschuhe Run/Walk took place on Saturday, March 4<sup>th</sup>. This year's event raised \$2,852.43, with 274 registrants and 209 participants. Mr. Taylor presented Scott Wood of Athlete Guild and Dawn Koehler, Development Director of Communities in Schools, and their teams with a check.

**ITEMS FROM THE CHAIR**

**1. Report from the Investment Committee**

Board Trustee Yvette Villanueva Barrera provided an update from the Investment Committee meeting that took place on March 30, 2023.

**ITEMS FROM STAFF**

**1. CEO'S Update**

CEO Ian Taylor shared that the Headwaters at the Comal celebrated the start of its second phase with a groundbreaking ceremony on Tuesday, March 21<sup>st</sup>. NBU and the City of New Braunfels will participate in the 12<sup>th</sup> annual Wyland National Mayor's Challenge for Water Conservation for the second time. The campaign will run from April 1-30, 2023. Partnering with Great Blue Research, Inc., NBU launched its annual customer satisfaction survey on March 6<sup>th</sup>, and will conclude on March 31<sup>st</sup>. Lastly, Mr. Taylor shared that the NBU Rate Advisory Committee (RAC) Chair Justin Meadows initiated a community roadshow outreach program to heighten awareness of the inaugural NBU RAC and the important work this group of 18 volunteers, who represent all customer classes, is doing.

**2. Financial Update and Report**

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

**3. Annual Water Supply Fee Report**

Finance Manager John Warren provided an update on the annual Water Supply Fee Report.

**4. Monthly Update on Customer Accounts**

Customer Service Manager Vania Fuentes- Caballero provided an update on the status of NBU customer accounts.

**5. Power Supply Update Including Changes to the Power Stabilization Fund**

Chief Financial Officer Dawn Schriewer provided an update on the Power Stabilization Fund.

**CONSENT ITEMS FOR ACTION**

**Board Vice President Wayne Peters made a motion and Board Trustee John Harrell seconded the motion to approve the Consent Items for Action as follows: #1, #2, #3, #4, #5, #6, #7, #8, #9, #10, #11, #12, #13, #14, #15, #16, #17, #18, #19, #20, and #21.**

1. Approve Minutes of the NBU Regular Board Meeting of February 23, 2023
2. Approve a Public Calamity Declaration Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic for Purchases over \$250,000
3. Approve the Public Calamity Exemption Log from January 15, 2023, through February 15, 2023
4. Approve the Reports for Water and Electric Engineering Contracts from August 1, 2022, through February 15, 2023
5. Approve the Change Order Log from January 15, 2023, through February 15, 2023
6. Approve the Electric Line of Business Alternative Procurements from January 15, 2023, through February 15, 2023
7. Approve Previously Unreported Alternative Procurements for the Electric Line of Business
8. Approve 2022 Third Quarter Charge-Off Accounts
9. Authorize Proposed Changes to the New Braunfels Utilities Financial Policy
10. Authorize CEO or His Designee to Adopt Resolution #2023-165 Authorizing Proposed Changes to the New Braunfels Utilities Investment Policy

11. Authorize CEO or His Designee to Make Available the Standard Agreement for Negotiation and Execution of Agreements for Interconnection and Parallel Operation of Distributed Generation as Required by Senate Bill 398
12. Authorize CEO or His Designee to Negotiate and Execute a Professional Services Agreement with Freese and Nichols, Inc. for the Senate Bill 3 Emergency Preparedness Plan Generators Phase 1 Project
13. Authorize CEO or His Designee to Approve Additional Construction Contract Contingency with Harper Brothers Construction, LLC in the Amount of \$350,000 for the Construction of the FM 306 Pump Station Expansion and Discharge Line Project
14. Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with MGC Contractors, Inc. for the Construction of the Sam C. McKenzie Water Reclamation Facility Headworks Conveyor and Discharge Outfall Replacement Project
15. Approve Resolution Amending Authorized Representatives for the Texas Local Government Investment Pool and Authorize President and CEO/Secretary to Execute Documentation in Connection Therewith
16. Authorize CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with WW Peerless, LLC DBA Peerless Equipment for Water Well Pump Diagnostic, Repair, and Replacement Services
17. Authorize CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with Weisinger Incorporated for Water Well Pump Diagnostic, Repair, and Replacement Services
18. Authorize CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with Austin Armature Works, LP for Water and Wastewater Systems Pump and Motor Repair, Maintenance, and Replacement Services
19. Authorize CEO or His Designee to Negotiate and Execute a Services and Goods Agreement with Lonestar Armature, LLC for Water and Wastewater Systems Pump and Motor Repair, Maintenance, and Replacement Services
20. Authorize CEO or His Designee to Negotiate and Execute a Master Support and Maintenance Agreement for the Northstar Customer Information System with Harris Computer Corporation
21. Authorize CEO or His Designee to Approve Resolution #2023-166 to Accept Restricted Prior Service Credits from Other Public Employers to Satisfy Length of Service Requirements for Texas Municipal Retirement System (TMRS) Retirement Eligibility

#### **ACTION ITEMS**

1. **Discuss and Consider Approval of the Fiscal Year 2024 Budget and Five-Year Operating Plan**  
Board Trustee John Harrell made a motion and Board Trustee Yvette Villanueva Barrera second the motion to approve the Fiscal Year 2024 Budget and Five-Year Operating Plan
2. **Discuss and Consider Receiving the Electric, Water, and Wastewater Utility Revenues, Revenue Requirements, Cost of Service, and Rates Report, Including Rate Advisory**

**Committee Feedback, from Freese & Nichols, Inc., NewGen Strategies & Solutions, LLC**

Board Trustee John Harrell made a motion and Board Vice President seconded the motion to receive the Electric, Water, and Wastewater Utility Revenues, Revenue Requirements, Cost of Service, and Rates Report, Including Rate Advisory Committee Feedback, from Freese & Nichols, Inc., NewGen Strategies and Solutions, LLC

- 3. Discuss and Consider Adopting Resolution #2023-167 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article IV, Section 130-167 of the Code of Ordinances of the City of New Braunfels Relating to Water Rates (i) Removing the Off Peak and Peak Season Monthly Charge Distinctions; (ii) Adjusting Volume Charges; (iii) Modifying Service Rate Classifications; (iv) Adjusting Water Rates and Charges for Fiscal Year 2024; (v) Providing for Adjustments of Water Rates and Charges for Fiscal Year 2025; (vi) Resolving Other Matters Incident and Related Thereto; and (vii) Authorizing Presentation of Same to the City Council of New Braunfels for its Consideration and Passage**

Board Vice President Wayne Peters made a motion and Board Trustee John Harrell seconded the motion adopt Resolution #2023-167 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article IV, Section 130-167 of the Code of Ordinances of the City of New Braunfels Relating to Water Rates (i) removing the off peak and peak season monthly charge distinctions; (ii) adjusting volume charges; (iii) modifying service rate classifications; (iv) adjusting water rates and charges for Fiscal year 2024; (v) providing for adjustments of water rates and charges for Fiscal Year 2025; (vi) resolving other matters incident and related thereto; and (vii) authorizing presentation of same to the City Council of New Braunfels for its consideration and passage.

- 4. Discuss and Consider Adopting Resolution #2023-168 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article V, Section 130-257 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Sewer Rates and Charges for Fiscal Year 2024; (ii) Providing for Adjustments of Sewer Rates and Charges for Fiscal Year 2025; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation Of Same To The City Council Of New Braunfels For Its Consideration And Passage**

Board Trustee Yvette Villanueva Barrera made a motion and Board Vice President seconded the motion to adopt Resolution #2023-168 by the Board of Trustees of New Braunfels Utilities approving proposed amendments to Chapter 130, Article V, Section 130-257 of the Code of Ordinances of the City of New Braunfels (i) adjusting sewer rates and charges for Fiscal Year 2024; (ii) providing for adjustments of sewer rates and charges for Fiscal Year 2025; (iii) resolving other matters incident and related thereto; and (iv) authorizing presentation of same to the City Council of New Braunfels for its consideration and passage.

- 5. Discuss and Consider Adopting Resolution #2023-169 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article III, Sections 130-56, 130-57, and 130-58 of the Code of Ordinances of the City of New Braunfels (i) Adjusting Electric Rates and Charges for Fiscal Year 2024; (ii) Providing for Adjustments of Electric Rates and Charges for Fiscal Year 2025; (iii) Resolving Other Matters Incident and Related Thereto; and (iv) Authorizing Presentation of Same to The City Council of New Braunfels for its Consideration and Passage**

Board Trustee John Harrell made a motion and Board Vice President Wayne Peters seconded the motion to adopt Resolution #2023-169 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article III, Sections 130-156, 130-157, and 130-158 of the Code of Ordinances of the City of New Braunfels (i) adjusting electric rates and charges for Fiscal Year 2024; (ii) providing for adjusting of electric rates and charges for Fiscal Year 2025; (iii) resolving other matters incident and related thereto; and (iv) authorizing presentation of same to the City Council of New Braunfels for its consideration and passage.

**6. Discuss and Consider Adopting Resolution #2023-170 by the Board of Trustees of New Braunfels Utilities Approving Proposed Amendments to Chapter 130, Article IV, Section 130-228, Code of Ordinances of the City of New Braunfels, Texas Relating to Drought Management Plan, and Authorizing the Presentation of Same to the New Braunfels City Council for Consideration and Passage**

Board Vice President Wayne Peters made a motion and Board Trustee Yvette Villanueva Barrera seconded the motion to adopt Resolution #2023-170 by the Board of Trustees of New Braunfels Utilities approving proposed amendments to Chapter 130, Article IV, Section 130-228, Code of Ordinances of the City of New Braunfels, Texas relating to Drought Management Plan, and authorizing the presentation of the same to the New Braunfels City Council for consideration and passage.

**EXECUTIVE SESSION**

Board President Judith Dykes-Hoffmann recessed the Open Session at 2:42 pm and announced that the Board would go into an Executive Session meeting. The Executive Session included Power Supply Resources – Competitive Matters, Power Supply Update, and Consider a Contract Related to Risk Management Strategies; Consultation with Attorney Regarding Pending or Contemplated Litigation, Settlement Offer, or Other Matters Protected by Attorney Client Privilege, Power Supply Resources – Competitive Matters; Consultation with Attorney Regarding Matters Protected by Attorney Client Privilege. The Executive Session was opened at 2:49 pm and closed at 4:43 pm.

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

**ADJOURN**

There was no further business and Board President Judith Dykes-Hoffmann adjourned the meeting at 4:47 pm.

**Attest:**

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*Judith Dykes-Hoffmann, President*  
*Approved*

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

*Date Approved: April 27, 2023*



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

**From:** Jill Schauer      **Reviewed by:** Laura Rivers  
Board Relations Coordinator      Chief of Staff

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

**RECOMMENDED ACTION:** Approve Minutes of the NBU Special Board Meeting of April 13, 2023

**BACKGROUND**

None

**FINANCIAL IMPACT**

None

**LINK TO STRATEGIC PLAN**

**Customers and Community**

**EXHIBITS**

- 1. April 13, 2023 Regular Meeting Minutes

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

**9:00 AM  
MARCH 13, 2023  
NBU BOARD ROOM  
263 MAIN PLAZA, NEW BRAUNFELS, TX 78130**

Board President Judith Dykes-Hoffmann opened the meeting at 9:02 a.m. A quorum of the NBU Board was present.

**PRESENT**

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

**ABSENT**

None

**NBU PERSONNEL**

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

**PLEDGE OF ALLEGIANCE AND INVOCATION**

Board Trustee John Harrell led the Pledge of Allegiance and provided the invocation.

**ITEMS FROM THE CHAIR**

None

**ACTION ITEMS**

1. **Discuss and Consider New Braunfels City Council Action Regarding Proposed Amendments to Chapter 130, Article IV, Section 130-167 of the Code of Ordinances of the City of New Braunfels Relating to Water Rates**  
No action was taken.
2. **Discuss and Consider New Braunfels City Council Action Regarding Proposed Amendments to Chapter 130, Article V, Section 130-257 of the Code of Ordinances of the City of New Braunfels Relating to Sewer Rates**  
No action was taken.
3. **Discuss and Consider New Braunfels City Council Action Regarding Proposed Amendments to Chapter 130, Article III, Sections 130-56, 130-57, and 130-58 of the Code of Ordinances of the City of New Braunfels Relating to Electric Rates**  
No action was taken.

**EXECUTIVE SESSION**

Board President Judith Dykes-Hoffmann recessed the Open Session at 9:07 AM and announced that the Board would go into an Executive Session meeting. The Executive Session included

Consultation with Attorney Regarding Matters Protected by Attorney Client Privilege; Personnel Matters – Discuss the Appointment, Employment, Evaluation, and Duties of the Chief Executive Officer. The Executive Session was opened at 9:10 AM and closed at 11:03 AM.

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

The Regular Session resumed at 12:01 PM. Upon resuming the Regular Session, Board Vice President Wayne Peters made a motion and Board Trustee Yvette Villanueva Barrera seconded the motion to accept the retirement of Chief Executive Officer Ian Taylor, effective June 30, 2023, and that Mr. Taylor would stay with NBU in an advisory role through September 4, 2023. The vote was unanimous. Board Trustee Yvette Villanueva Barrera made a motion and Board Vice President Wayne Peters seconded the motion to appoint Chief Operations Officer Ryan Kelso as Interim CEO of New Braunfels Utilities, effective July 1, 2023, and until the CEO position is permanently filled. The vote was unanimous.

**ADJOURN**

There was no further business and Board President Judith Dykes-Hoffmann adjourned the Board of Trustees Special Meeting at 12:09 PM.

*Attest:*

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*Judith Dykes-Hoffmann, President  
Approved*

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

*Date Approved: April 27, 2023*



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

**From:** Heather Lockhart      **Reviewed by:** Connie Lock  
 Staff Attorney      General Counsel & Chief Ethics Officer

**Submitted by:** Connie Lock      **Approved by:** Ian Taylor  
 General Counsel & Chief Ethics Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Approve a Public Calamity Declaration Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic for Purchases over \$250,000

## **BACKGROUND**

On March 13, 2020, the President of the United States declared a national emergency in connection with the Covid-19 pandemic. On the same day, the Governor of the State of Texas declared a state of disaster regarding the pandemic for all Texas counties. Over the last three years, the Covid-19 pandemic has caused supply chain disruptions and labor shortages that have affected industries across the United States, including the utility industry.

In order to ensure NBU's continued ability to provide water, wastewater, and electric services to its customers without disruption, NBU staff recommended approval of a Declaration of Emergency Event Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic (the "Declaration") to the Board on February 24, 2022. The Declaration makes the finding pursuant to Section 252.022(a)(1) of the Texas Local Government Code that a public calamity exists relating to supply chain disruptions resulting from the Covid-19 pandemic. This Section exempts municipalities, including municipally owned utilities like NBU, from the competitive procurement process for procurements due to a public calamity requiring the immediate appropriation of money to relieve the necessity of its residents or to preserve its property. For any purchases made under this Declaration, NBU staff will verify that the purchase is a supply chain matter and report it to the Board at its next regularly scheduled meeting.

On February 24, 2022, the Board of Trustees approved the Declaration, and subsequently extended the Declaration on March 31, 2022, April 28, 2022, May 24, 2022, June 30, 2022, August 25, 2022, September 29, 2022, October 25, 2022, December 8, 2022, January 26, 2023, February 23, 2023, and March 30, 2023.

As supply chain conditions remain unchanged, NBU staff requests that the Board of Trustees continue to extend the Declaration until the Board of Trustees meets again on May 23, 2023.

## **FINANCIAL IMPACT**

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The total financial impact of extending the Declaration is \$0.

## **LINK TO STRATEGIC PLAN**

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**Customers and Community**

**People and Culture**

## **EXHIBITS**

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1. Declaration Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic for Purchases over \$250,000

**DECLARATION OF EMERGENCY EVENT  
RELATING TO SUPPLY CHAIN DISRUPTIONS RESULTING FROM THE  
COVID-19 PANDEMIC  
(PURCHASES OVER \$250,000)**

WHEREAS, on March 13, 2020, by Proclamation 9994, the President of the United States declared a national emergency concerning the COVID-19 pandemic;

WHEREAS, on March 13, 2020, by Proclamation, the Governor of the State of Texas declared a state of disaster for all counties in connection with the COVID-19 pandemic;

WHEREAS, this worldwide pandemic has caused labor shortages and supply chain disruptions affecting industries across the United States;

WHEREAS, the federal government has recognized impacts on the economy from these supply chain issues and has created a Supply Chain Disruptions Task Force to address supply chain challenges to the economy; and

WHEREAS, these supply chain disruptions have impacted NBU’s ability to provide water, wastewater, and electric services to its customers.

**NOW, THEREFORE,**

By virtue of the authority vested in me and in accordance with Section XI.C. of the NBU Purchasing Policy, the **BOARD DECLARES** an emergency event relating to supply chain disruptions resulting from the COVID-19 pandemic under Texas Local Government Code Section 252.022(a)(1), which allows a procurement to be made without using the competitive procurement process due to public calamity requiring the immediate appropriation of money to relieve the necessity of NBU customers. The Board further declares that purchases made pursuant to this declaration shall only be made as a direct result of supply chain issues as determined by the Chief Executive Officer or his designee(s).

This declaration shall continue and remain in effect until the next regular meeting of the Board of Trustees.

**DECLARED** this the \_\_\_\_\_ day of \_\_\_\_\_ 2023.

\_\_\_\_\_  
President, New Braunfels Utilities



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

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

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

**RECOMMENDED ACTION:** Approve the Public Calamity Exemption Log from February 15, 2023, through March 15, 2023

## BACKGROUND

In order for New Braunfels Utilities (“NBU”) to ensure its continued ability to provide water, wastewater, and electric services to its customers without disruption, the NBU Board of Trustees approved a Declaration of Emergency Event Relating to Supply Chain Disruptions Resulting from the Covid-19 Pandemic (the “Declaration”) on February 24, 2022. The Board extended the Declaration on March 31, 2022, April 28, 2022, May 24, 2022, June 30, 2022, August 25, 2022, September 29, 2022, October 25, 2022, December 8, 2022, January 26, 2023, February 23, 2023, and March 30, 2023. During today’s Board of Trustees meeting, NBU staff is requesting the Board to extend the Declaration until May 23, 2023.

The Declaration makes the finding pursuant to Section 252.022(a)(1) of the Texas Local Government Code that a public calamity exists relating to supply chain disruptions resulting from the Covid-19 pandemic. This Section exempts municipalities, including municipally owned utilities like NBU, from the competitive procurement process for procurements due to a public calamity requiring the immediate appropriation of money to relieve the necessity of its residents or to preserve its property.

The NBU Purchasing Manager and the chief officer from the requesting department will determine if the requested expenditure qualifies for the Public Calamity exemption. The Purchasing Manager will prepare a consent agenda item to request approval of the public calamity expenditures that exceed \$250,000 at the next Board of Trustees’ meeting.

Listed below are the public calamity exemption purchases submitted to the Purchasing Manager for the period of February 15, 2023 through March 15, 2023.

## FINANCIAL IMPACT

### Public calamity expenditures of more than \$250,000:

- None reported during this period

**LINK TO STRATEGIC PLAN**

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**Customers and Community**

**People and Culture**

**Stewardship**

**EXHIBITS**

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None



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

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

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

**RECOMMENDED ACTION:** Approve the Change Order Log from February 15, 2023, through March 15, 2023

## 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 February 15, 2023, through March 15, 2023.

## FINANCIAL IMPACT

Change orders less than \$50,000:

- 24-Inch McQueeney Road Parallel Water Line (Downtown), Merriweather St paving, McQueeney pre-pave meeting 1/23/23, bid item 49 scope reduction., Harper Brothers Construction, Change Order No. 5, Cost Increase of \$0.00.
- Landa Pump Station Phase 2 / Well 5, Center column striker plate, weir box mods, crow’s nest mods, center column drain, MGC Contractors, Inc., Change Order No. 2, Cost Increase of \$0.00.
- Landa Pump Station Phase 2 / Well 5, Interior roof patch and repair rafter prep, changes to tank rehab plan, roof rafter rib repair, rafter rib flange repair, rafter web repair, base plat replacement, MGC Contractors, Inc., Change Order No. 3, Cost Increase of \$0.00
- Saengerhalle Lift Station Expansion & Force Main, Odor control pipe support, Pesado Construction Company, Change Order No. 5, Cost Increase of \$3,400.00.
- Well 4 to Grandview Pump Station and Discharge Line Upgrades, \*Owner's Contingency & Board\*

- Kerlick Tie-In Additional Work, Grandview Fiber Extension, Pesado Construction Company, Change Order No. 4, Cost Increase of \$46,493.51.

Change orders more than \$50,000:

- FM 306 Pump Station & Discharge Line, Revised railroad bore - option 2, Harper Brothers Construction, Change Order No.3, Cost Increase of \$318,857.00.

## **LINK TO STRATEGIC PLAN**

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**Customers and Community**

**People and Culture**

**Stewardship**

## **EXHIBITS**

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None



## **FINANCIAL IMPACT**

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The total financial impact of the Professional Engineering Water and Electric Contracts for the period of February 15, 2023, through March 15, 2023, is \$285,900.00.

## **LINK TO STRATEGIC PLAN**

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### **Customers and Community**

### **People and Culture**

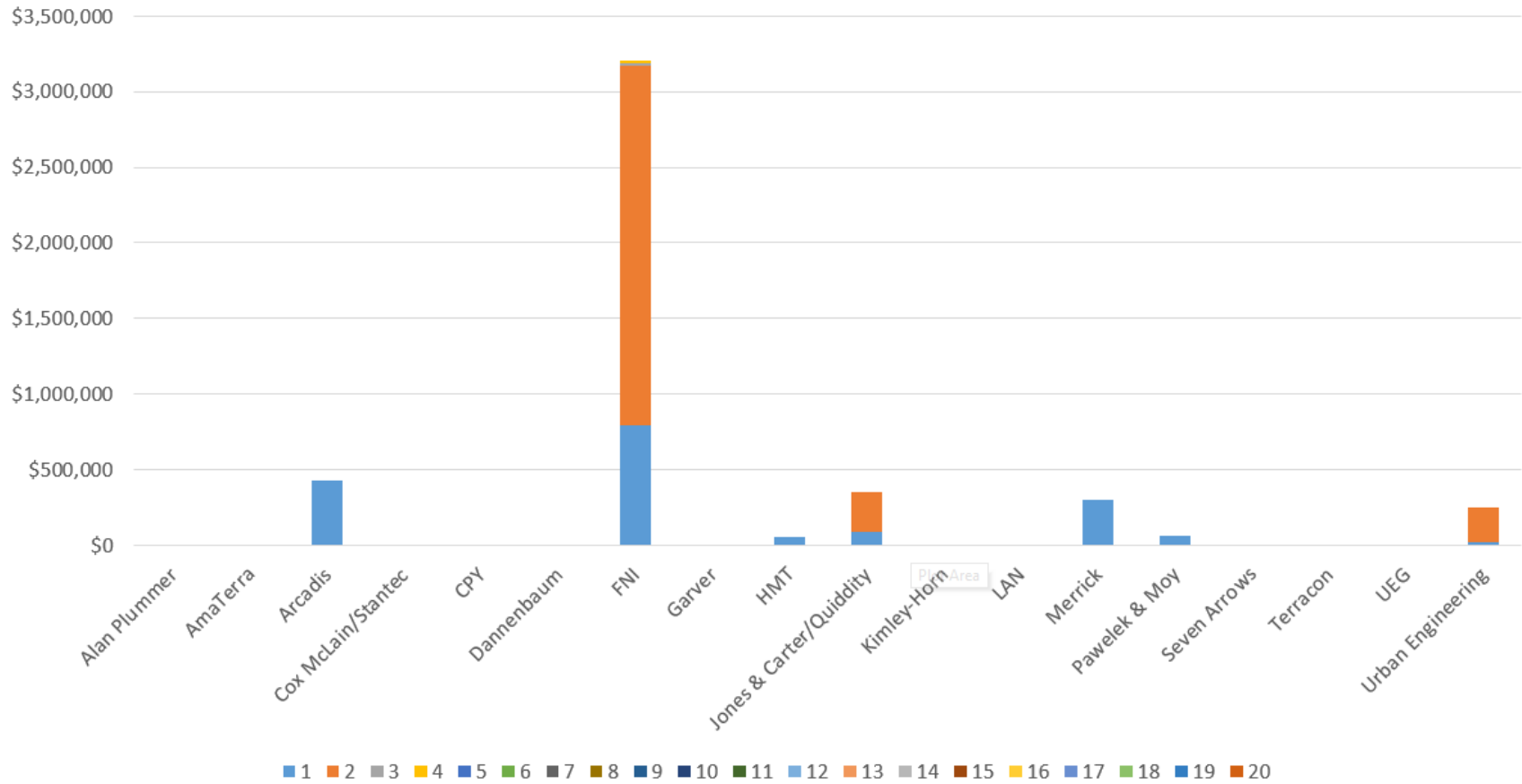
### **Stewardship**

## **EXHIBITS**

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

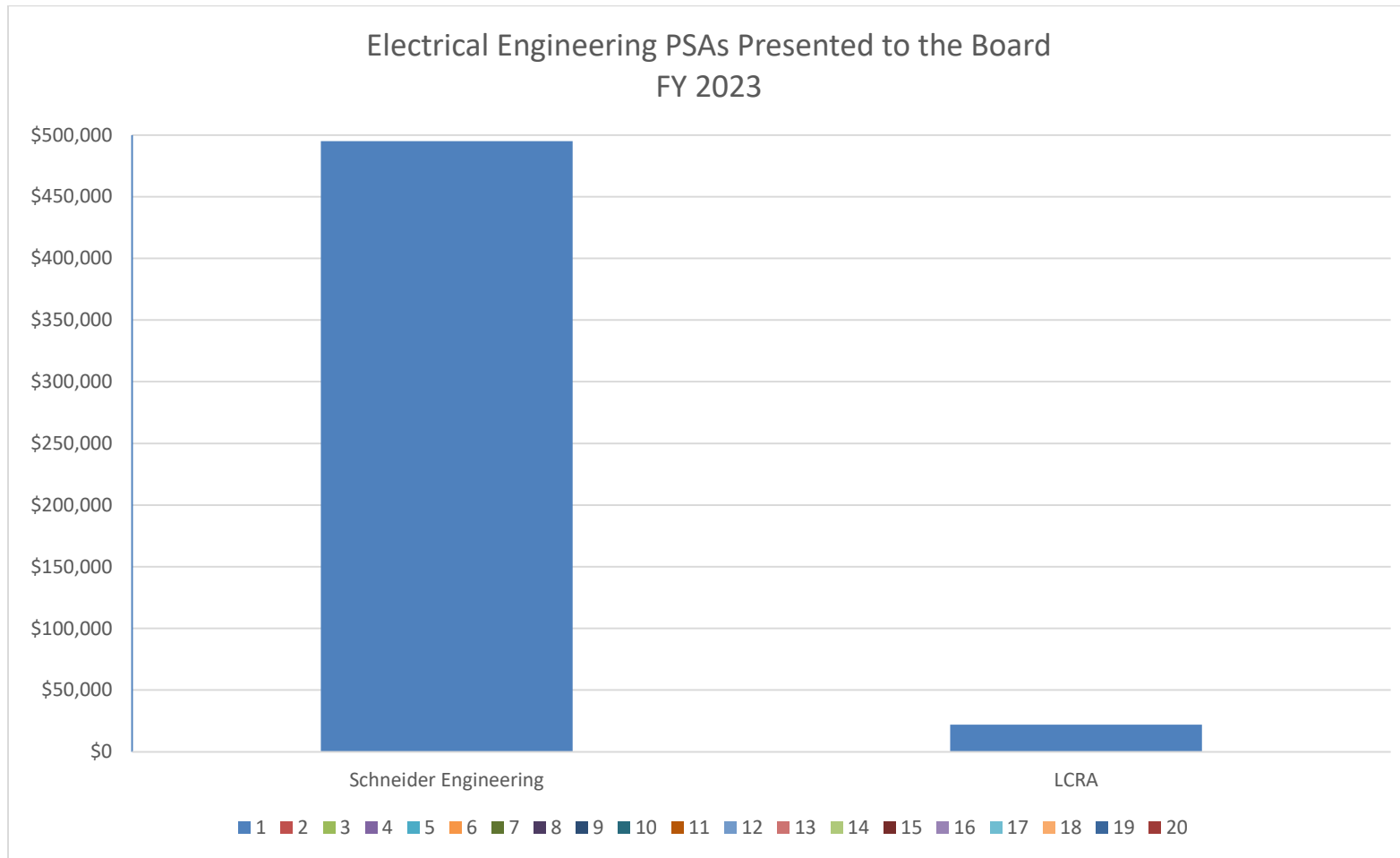
### Water Engineering PSAs Presented to the Board FY 2023



Vendor	Legend	Project Name	Value	Presented to Board
Alan Plummer	1			
		<b>Total</b>	<b>\$0</b>	
AmaTerra	1			
		<b>Total</b>	<b>\$0</b>	
Arcadis	1	Aquifer Strg & Recovery Project	\$432,919	10/25/2022
		<b>Total</b>	<b>\$432,919</b>	
Cox McLain	1			
		<b>Total</b>	<b>\$0</b>	
CP&Y	1			
		<b>Total</b>	<b>\$0</b>	
Dannenbaum	1	Saengerhalle Lift Station Expansion & Force Main	\$7,909	8/25/2022
	2			
		<b>Total</b>	<b>\$7,909</b>	
FNI	1	Construction Management & Inspection Services	\$799,010	8/25/2022
	2	Staff Augmentation	\$2,375,000	8/25/2022
	3	Trinity Expansion Treatment Plant	\$0	
	4	McKenzie WRF Expansion	\$17,144	
	5	Impact Fee Study	\$13,661	
		<b>Total</b>	<b>\$3,204,815</b>	
Garver, LLC.	1			
		<b>Total</b>	<b>\$0</b>	
HMT	1	Infrastructure Replacement Package 1 (HMT)	\$60,900	
	2			
		<b>Total</b>	<b>\$60,900</b>	
INK Civil	1			
		<b>Total</b>	<b>\$0</b>	
Jones & Carter/Quiddity	1	South Kuehler Interceptor Phase 1	\$88,670	10/25/2022
	2	Kuehler WRF Access Road - Courtyard Drive	\$265,000	11/30/2022

Exhibit A – Report for Water Engineering Contracts March 2023

	3	Kuehler WRF Rehabilitation	-\$2,182,000	
		<b>Total</b>	<b>-\$1,828,330</b>	
Kimley-Horn	1			
		<b>Total</b>	<b>\$0</b>	
LAN	1			
		<b>Total</b>	<b>\$0</b>	
Merrick	1	Development Plan Review	\$300,000	1/26/2023
		<b>Total</b>	<b>\$300,000</b>	
Pawelek & Moy	1	North Kuehler Manhole Rehabilitation - Segment 3	\$67,960	
		<b>Total</b>	<b>\$67,960</b>	
Seven Arrows	1			
		<b>Total</b>	<b>\$0</b>	
Terracon	1			
		<b>Total</b>	<b>\$0</b>	
UEG	1			
		<b>Total</b>	<b>\$0</b>	
Urban Engineering		Avery Park 30" Water Main	\$25,000	9/29/2022
		Surveying Services	\$225,000	2/23/2023
		<b>Total</b>	<b>\$25,000</b>	



Vendor	Legend	Project Name	Value	Presented to Board
Schneider Engineering	1	Engineering Services	\$495,000	N/A
		<b>Total</b>	<b>\$495,000</b>	
LCRA	1	Planning Assessment	\$22,000	N/A
		<b>Total</b>	<b>\$22,000</b>	



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

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

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

**RECOMMENDED ACTION:** Approve the Electric Line of Business Alternative Procurements from February 15, 2023, through March 15, 2023

## **BACKGROUND**

Section 252.022(c) of the Texas Local Government Code provides that a municipally owned electric utility may define, by resolution, an alternative procurement procedure for the purchase of goods and services related to the electric utility. On June 28, 2018, the Board of Trustees approved the NBU Purchasing Policy, by resolution, which defined a procedure for procurement of goods and services for NBU's electric line of business. The Purchasing Policy was later revised and approved on October 31, 2019. Among other conditions, the Purchasing Policy requires NBU staff to notify the Board of Trustees of any procurement over \$250,000 that uses the electric line of business procurement procedure.

Listed below are the procurements, in excess of \$250,000, submitted to the Purchasing Manager for the period of February 15, 2023, through March 15, 2023, using the electric line of business alternative procurement process.

## **FINANCIAL IMPACT**

Electric Line of Business purchases more than \$250,000:

- Inventory Materials, Stuart C. Irby Company, Cost of \$358,842.32, see Exhibit A, Quote E1690XLS for reference.

## **LINK TO STRATEGIC PLAN**

**Customers and Community**

**People and Culture**

**Stewardship**

**EXHIBITS**

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1. Exhibit A – Quote E1690XLS

Item	class no.	Description	Qty	UOM	IRBY
					076200
1	540-090-00004	45' H1 DUCTILE IRON POLE - VERMONT BROWN	20	EA	\$3,941.32
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$78,826.40
			DELIVERY		36-38 WKS
2	540-090-00005	50' H1 DUCTILE IRON POLE - VERMONT BROWN	20	EA	\$4,385.09
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$87,701.80
			DELIVERY		36-38 WKS
3	540-090-00006	55' H1 DUCTILE IRON POLE - VERMONT BROWN	8	EA	\$4,882.39
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$39,059.12
			DELIVERY		36-38 WKS
4	540-090-00007	60' H1 DUCTILE IRON POLE - VERMONT BROWN	5	EA	\$5,422.81
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$27,114.05
			DELIVERY		36-38 WKS
5	540-090-00009	60' 10 DEG. STEEL POLE, 3PH CONSTR.	9	EA	\$9,422.96
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$84,806.64
			DELIVERY		16-18 WKS
6	540-090-00011	60' 20 DEG. STEEL POLE, 3PH CONSTR.	2	EA	\$11,873.02
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$23,746.04
			DELIVERY		16-18 WKS
7	540-090-00013	60' 30 DEG. STEEL POLE, 3PH CONSTR.	1	EA	\$17,588.27
		<b><u>(PER NBU SPECS)</u></b>	TOTAL		\$17,588.27
			DELIVERY		16-18 WKS



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

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

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

**RECOMMENDED ACTION:** Authorize CEO or His Designee to Negotiate and Execute a Construction Contract with Jerdon Enterprise, L.P. for the Construction of the Gruene Water Reclamation Facility Spoils and Materials Yard Project

## **BACKGROUND**

On January 10, 2023, New Braunfels Utilities (“NBU”) issued a request for bids for the Gruene Water Reclamation Facility Spoils and Materials Yard, which includes (i) construction of a 22-foot-wide flex-base service road; (ii) site grading; (iii) fencing; (iv) electric gate; (v) various security infrastructure such as light poles, badge reader, and cameras; (vi) water piping (vii) site restoration; (viii) stormwater pollution prevention; and (ix) all other appurtenances necessary to complete the Project (the “Project”). The Project will provide needed space for Water Operations to use for spoils and material storage.

On February 7, 2023, NBU received three (3) bids for the Project during the public bidding process. The project team evaluated the bids and recommends the selection of Jerdon Enterprise, L.P. (“Jerdon”) for the Project. Jerdon was the lowest responsible bidder and submitted a base bid of \$417,888.88.

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

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

## **FINANCIAL IMPACT**

The total financial impact of the Contract with Jerdon for the Project is \$417,888.88. The Project is budgeted within the fiscal year 2023 through fiscal year 2024 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency of \$40,000, approximately 10% of the total contract amount, will be added to the project construction budget. The total Contract amount plus contingency is \$457,888.88.

**LINK TO STRATEGIC PLAN**

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**Infrastructure and Technology**

**Safety and Security**

**EXHIBITS**

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1. Construction Contract with Jerdon
2. Letter of Recommendation from FNI
3. Bid Tab – (RFB 02668)

Bid Tab	
<b><i><u>Bidder</u></i></b>	<b><i><u>Total Cost</u></i></b>
DirtBoys, Inc.	\$449,177.00
Fischer Construction Co., Inc.	\$436,993.00
Jerdon Enterprise, L.P.	\$417,888.88

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

**THIS AGREEMENT** (the “Agreement” or the “Contract”) is between **NEW BRAUNFELS UTILITIES**, a Texas municipally owned utility (“NBU”), and **JERDON ENTERPRISE, L.P.**, a Texas limited partnership (the “Contractor”).

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

**ARTICLE 1 - WORK**

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

**Contract Agreement and the related Exhibits;**  
**Standard General Conditions of the Contract;**  
**Special Conditions;**  
**Technical Specifications;**  
**Payment Bond;**  
**Performance Bond;**  
**Design Drawings produced by Freese and Nichols, Inc. dated August 12, 2021; and**  
**Technical Specifications produced by Freese and Nichols, Inc. dated February 7, 2022.**

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

**The Project has been designed by Freese and Nichols, Inc. The Project is anticipated to include some or all of the following items within its scope: (i) construction of a 22-foot-wide flex-base service road; (ii) site grading; (iii) fencing; (iv) electric gate; (v) various security infrastructure such as light poles, badge reader, and cameras; (vi) water piping (vii) site restoration; (viii) storm water pollution prevention; and (ix) all other appurtenances necessary to complete the Project.**

**ARTICLE 2 - THE PROJECT**

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

**Gruene Reclamation Facility Spoils and Materials Yard**

**ARTICLE 3 - ENGINEER**

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

**Bregger Garrison, P.E.**  
**Freese and Nichols, Inc.**  
**9601 McAllister**  
**Suite 1008**  
**San Antonio, Texas 78209**  
**210-298-3800**

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

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

**ARTICLE 4 - CONTRACT TIMES**

**4.01** *Time of the Essence*

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

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

A. The Work shall be substantially complete within **One hundred (100) calendar days from the Notice to Proceed date** and ready for final payment in accordance with Section 14.07 of the General Conditions within 30 calendar days after the substantially complete date.

**4.03** *Damages*

- A. The Contractor shall achieve Substantial Completion of the entire Work within One Hundred (100) calendar days of Notice to Proceed, subject to and adjustments of the Contract Time as provided in the Contract Documents and Change Orders modifying and extending this Agreement. It is specifically understood and agreed to by and between NBU and the Contractor that time is of the essence in the substantial completion of the Work, and that failure to substantially complete the Work within the designated period, or as it may be extended, shall be construed as a material breach of this Agreement.
- B. Should the Contractor default on its obligations to make progress and complete the Work on time, as allowed in the Contract Documents, NBU may withhold, deduct, or recover from the Contractor all costs and damages for compensable delay caused by the Contractor from the Contract Price. Such costs shall include any professional or consultant's fees (including but not limited to fees for attorneys, architects, engineers, and construction managers), and all other costs, expenses, and damages actually incurred by NBU as a result of such delay. NBU's delay damages may be incidental to and not directly associated with the Project.
- C. Timely final completion is an essential condition of this Agreement. The Contractor agrees to achieve final completion of the Work within 30 days of the designated or extended Substantial Completion date. The date of Substantial Completion shall be fixed by this Agreement, unless modified by Change Order, and memorialized by a Certificate of Substantial Completion as provided in the General Conditions.

**4.04** *Special Damages*

- A. In addition to damages for delay addressed in Section 4.03, the Contractor shall reimburse NBU for (i) any fines or penalties imposed on NBU as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times and (ii) the actual costs reasonably incurred by NBU for engineering, construction observation, inspection, and administrative services needed after the time specified in Section 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.
- B. After the Contractor achieves Substantial Completion, if the Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, the Contractor shall reimburse NBU for the actual costs reasonably incurred by NBU for engineering, construction observation, inspection, and administrative services needed after the time specified in Section 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.

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

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

**ARTICLE 5 - CONTRACT PRICE**

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

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

**ARTICLE 6 - PAYMENT PROCEDURES**

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

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

**6.02** *Progress Payments; Retainage*

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

1. Prior to Substantial Completion, NBU shall make progress payments in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as the Engineer may determine or NBU may withhold, including but not limited to damages, in accordance with Section 14.02 of the General Conditions:

- a. 95% (percent) of Work completed.
- b. 95% (percent) of cost of materials and equipment not incorporated in the Work.

**6.03** *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Section 14.07 of the General Conditions, NBU shall pay the remainder of the Contract Price, including any retainage held, as recommended by the Engineer as provided in said Section 14.07 of the General Conditions.

**ARTICLE 7 – CONTRACTOR'S REPRESENTATIONS**

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

- A. The Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.
- B. The Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. The Contractor is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. The Contractor has obtained and carefully studied (or assumes responsibility for doing so) all examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the Site that may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by the Contractor, including any specific means,

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

methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents, and safety precautions and programs incident thereto.

- E. The Contractor does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- F. The Contractor is aware of the general nature of work to be performed by NBU and others at the Site that relates to the Work as indicated in the Contract Documents.
- G. The Contractor has correlated the information known to the Contractor, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- H. The Contractor has given the Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that the Contractor has discovered in the Contract Documents, and the written resolution thereof by the Engineer is acceptable to the Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

**ARTICLE 8 - MISCELLANEOUS**

**8.01** *Terms*

- A. Terms used in this Agreement will have the meanings stated in the Standard General Conditions of the Contract.

**8.02** *Assignment of Contract*

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

**8.03** *Successors and Assigns*

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

**8.04** *Severability*

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

**8.05** *Governing Law*

- A. The Contract shall be governed by the law of the State of Texas without regard to its conflict of law principles.

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

**8.06** *Venue*

- A. This Agreement is entered into and performed in Comal County, Texas, and the Contractor and NBU agree that exclusive and mandatory venue for any legal action related to this Agreement shall be in the District Courts of Comal County, Texas.

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

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

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

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

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

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

**8.09** *Prohibition on Contracts with Companies in China, Iran, North Korea, or Russia*

- A. To the extent this Agreement relates to critical infrastructure in the State of Texas, the Contractor represents the following:
1. it is not owned by or the majority of stock or other ownership interest in the Contractor is not held or controlled by:
    - a. individuals who are citizens of China, Iran, North Korea, Russia, or a country designated by the Governor of Texas as a threat to critical infrastructure under Section 2274.0103 of the Texas Government Code, as amended ("designated country"); or

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

b. a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or

2. it is not headquartered in China, Iran, North Korea, Russia, or a designated country.

B. The foregoing representation is made solely to comply with Chapter 2274 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law. As used in the foregoing verification, “critical infrastructure” means a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility.

**8.10 *Prohibition on Contracts with Companies Boycotting Energy Companies***

A. The Contractor hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, to the extent this Agreement is a contract for goods or services, will not boycott energy companies during the term of this Agreement as described in Chapter 2274 of the Texas Government Code, as amended.

B. The foregoing verification is made solely to comply with Section 2274.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “boycott energy companies” has the meaning used in Section 809.001 of the Texas Government Code, as amended. The Contractor understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Contractor and exists to make a profit.

**8.11 *Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries***

A. The Contractor hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and, to the extent this Agreement is a contract for goods or services, will not discriminate against a firearm entity or firearm trade association during the term of this Agreement as described in Chapter 2274 of the Texas Government Code, as amended.

B. The foregoing verification is made solely to comply with Section 2274.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning used in Section 2274.001(3) of the Texas Government Code, as amended. The Contractor understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Contractor and exists to make a profit.

**8.12 *Texas Public Information Act***

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

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

C. The Contractor must

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

1. preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to NBU for the duration of the Agreement;
  2. promptly provide to NBU any contracting information related to the Agreement that is in the custody or possession of the Contractor on request of NBU; and
  3. on completion of the Agreement, either:
    - a. provide at no cost to NBU all contracting information related to the Agreement that is in the custody or possession of the Contractor; or
    - b. preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to NBU.
- D. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and the Contractor agrees that the Agreement can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

**8.13** *Electronic Signatures*

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

**ARTICLE 9 - INSURANCE**

**9.01** *Evidence of the Contractor's Insurance*

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

**Exhibit A – Insurance Rider**

**Exhibit B – Contractor's Bid Form**

**Exhibit C – Evidence of Insurance**

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

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

NBU:

JERDON ENTERPRISE, L.P.:

\_\_\_\_\_

\_\_\_\_\_

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

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

Printed Name: Ian Taylor

Printed Name: Brandon White

Title: CEO

Title: President

[CORPORATE SEAL]

[CORPORATE SEAL]

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

Attest: Kathryn Tennell

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

Title: Project Administrator

Address for giving notices:

Address for giving notices:

\_\_\_\_\_

825 W. Bitters Rd.

\_\_\_\_\_

Ste. 203

\_\_\_\_\_

San Antonio, TX 78216

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

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

Agent for service or process:

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

**END OF DOCUMENT**

**Bidding Requirements, Contracts Forms & Conditions of the Contract**  
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**Exhibit A to Contract Agreement**  
**Owner's Insurance Requirements of Contractor**

**1. Specific Insurance Requirements**

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

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

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

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

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

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

- i. "ISO" means Insurance Services Office.
- ii. "Contractor" shall include the Builder and its subcontractors of any tier.

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

**B. Policies.**

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

**C. Limits, Deductibles and Retentions**

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

**D. Evidence of Insurance.**

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

Insurance must be evidenced as follows:

- i. ACORD Form 25 Certificate of Liability Insurance for liability coverages.
- ii. ACORD Form 28 Evidence of Commercial Property Insurance for property coverages.
- iii. Evidence shall be provided to Owner prior to commencing Work and prior to the expiration of any required coverage.
- iv. ACORD Forms specify:
  - a. Owner as certificate holder at Owner's mailing address;
  - b. Insured's name, which must match that on this Agreement;

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- c. Insurance companies producing each coverage and the policy number and policy date of each coverage;
  - d. Producer of the certificate with correct address and phone number and have the signature of the authorized representative of the producer;
  - e. Additional Insured status in favor of Owner Parties;
  - f. Amount of any deductible or self-insured retention in excess of \$25,000;
  - g. Designated Construction Project(s) General Aggregate Limit;
  - h. Primary and non-contributory status;
  - i. Waivers of subrogation; and
  - j. All exclusions and limitations added by endorsement to the General Liability coverage. This can be achieved by attachment of the Schedule of Forms and Endorsements page.
- v. Copies of the following shall also be provided:
- a. General Liability Additional insured endorsement(s);
  - b. General Liability Schedule of Forms and Endorsements page(s); and
  - c. 30 Day Notice of Cancellation endorsement applicable to all required policies.

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

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

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

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

**Bidding Requirements, Contracts Forms & Conditions of the Contract**  
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agreed that the Contractor hereby waives, and shall cause its subcontractors to waive, any claim for damage or loss to said property in favor of the Owner Parties.

**G. Use of the Owners Equipment**

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

**H. Release and Waiver**

The Contractor hereby releases, and shall cause its subcontractors to release, the Owner Parties from any and all claims or causes of action whatsoever which the Contractor and/or its subcontractors might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered by insurance, whether required herein or not, or which should have been covered by insurance required herein, including the deductible and/or uninsured portion thereof, maintained and/or required to be maintained by the Contractor and/or its subcontractors pursuant to this Agreement. **THE FOREGOING RELEASE AND WAIVER APPLY EVEN IF THE LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE FAULT OR NEGLIGENCE OR STRICT LIABILITY OF THE OWNER PARTIES.**

**Bidding Requirements, Contracts Forms & Conditions of the Contract**  
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**Exhibit B – Contractor’s Bid Form**

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

New Braunfels Utilities  
 355 FM 306  
 New Braunfels, TX 78130

**PROJECT:** Gruene Reclamation Facility Spoils and Materials Yard

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

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

4. BIDDER will complete the Work for the following prices:

**Water Utility Items**

<u>ITEM</u>	<u>SPEC</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
1	510	2" Water Service Line (Copper)	LF	50	135.00	6,750.00
2	511	2" Gate Valve	EA	1	750.00	750.00

**Earthwork and Site Improvement Items**

<u>ITEM</u>	<u>SPEC</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
3	TxDOT 105	Removal	LS	1	11,500.00	11,500.00
4	TxDOT 110	Excavation	CY	1774	28.00	49,672.00
5	TxDOT 132	Embankment (Ord Comp) (Type A)	CY	830	15.60	12,948.00
6	TxDOT 247	Flex Base (TYD GR1-2)	CY	1774	74.00	131,276.00
7	TxDOT 340	D-GR HMA (SQ) TY-D PG 64-22	TON	1.2	17,500.00	21,000.00
8	TxDOT 550	Chain Link Fence (8')	LF	341	142.00	48,422.00
9	TxDOT 610	Area Light with Pole Foundation	LS	1	21,000.00	21,000.00
10	TxDOT 618 & 620	Power Cable & Conduit	LS	1	58,000.00	58,000.00
11	32 31 13.53	Access Control & Video	LS	1	38,500.00	38,500.00

**Exhibit B to Contract Agreement  
Bidding Requirements, Contract Forms & Conditions of the Contract  
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**Erosion Control**

<u>ITEM</u>	<u>SPEC</u>	<u>DESCRIPTION</u>	<u>UNIT</u>	<u>QUANTITY</u>	<u>UNIT COST, \$</u>	<u>TOTAL, \$</u>
12	TxDOT 506	Stormwater Pollution Prevention Plan	LS	1	18,070.88	18,070.88

BASE BID WATER UTILITY ITEMS: \$ 7,500.00

BASE BID EARTHWORK AND SITE IMPROVEMENT ITEMS: \$ 392,318.00

BASE BID EROSION CONTROL: \$ 18,070.88

TOTAL BASE BID \$ 417,888.88

5. BIDDER agrees that the Work will be substantially complete and ready for final payment in accordance with Section 14.07 of the Standard General Conditions of the Contract within the Calendar days indicated in the Agreement. BIDDER accepts the provisions of the Agreement as to delay damages and special damages in the event of failure to complete the Work on time.
6. The following documents are attached to and made a condition of this Bid:
  - a) Required Bid security of five percent (5%) of the Bidder's maximum base bid price and in the form of approved Bid Bond.
7. Communication concerning this Bid shall be addressed to:  
 New Braunfels Utilities  
 Purchasing Manager  
 355 FM 306  
 New Braunfels, TX 78130  
 Phone: 830-608-8867  
 Email: [Purchasing@NBUTexas.com](mailto:Purchasing@NBUTexas.com)
8. The terms used in this Bid that are defined in the Standard General Conditions of the Contract included as part of the Contract Documents have the meanings assigned to them in the Standard General Conditions of the Contract.
9. The undersigned acknowledges receipt of the following addenda:
 

Addendum No. 1 dated <u>01/27/2023</u>	Received	<u>BW</u>
Addendum No. 2 dated <u>02/02/2023</u>	Received	<u>BL</u>
Addendum No. 3 dated _____	Received	_____

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

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

(Seal)

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

Jerdon Enterprise, L.P.  
\_\_\_\_\_  
Company Name of Bidder

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

02/02/2023  
\_\_\_\_\_  
Date

Brandon White, President  
\_\_\_\_\_  
Printed Name of Authorized Signature

825 W. Bitters Rd., Ste. 203  
\_\_\_\_\_

San Antonio, TX 78216  
\_\_\_\_\_  
Address

210-590-1110/210-590-7515  
\_\_\_\_\_  
Telephone Number/Fax Number

**END OF DOCUMENT**

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

**Exhibit C – Evidence of Insurance**



## DESCRIPTIONS (Continued from Page 1)

Item 10.

Workers Compensation and Automobile policies include a blanket automatic waiver of subrogation endorsement that provides this feature only when there is a written contract between the named insured and the certificate holder that requires it. The General Liability, Workers Compensation and Automobile policies include a blanket notice of cancellation to certificate holders endorsement, providing for 30 days advance notice if the policy is cancelled by the company other than for nonpayment of premium, 10 days notice after the policy is cancelled for nonpayment of premium. Notice is sent to certificate holders with mailing addresses on file with the agent or the company. The endorsement does not provide for notice of cancellation

if the named insured requests cancellation. The General Liability policy includes an endorsement that contains primary and non-contributory wording. The Umbrella policy is following form.

**\*\*PROFESSIONAL LIABILITY-\$1,000,000 Limit - Claims Made-Retro date 06/30/2019 - Retention \$10,000 Each Claim**

**\*\*POLLUTION LIABILITY - \$5,000,000 Limit; Non-Owned Disposal Sites-Claims Made-Retro date 06/30/2020 Deductible \$10,000 Each Occurrence for Contractors Pollution, Transportation Pollution, Third Party Non Owned Disposal Sites, Microbial Substance**



Innovative approaches  
Practical results  
Outstanding service

9601 McAllister Fwy., Suite 1008 + San Antonio, Texas 78216 + 210-298-3800 + FAX 817-735-7491

www.freese.com

February 10, 2023

Adam Willard, P.E.  
Chief Engineer of Water Systems  
New Braunfels Utilities  
P.O. Box 310289  
New Braunfels, TX 78131

Subject: Gruene WRF Spoils & Materials Yard  
Recommendation of Award of Contract

Dear Mr. Willard,

Listed below is the summary of the bids for the Gruene WRF Spoils & Materials Yard Project. Three (3) bids were received on February 7, 2023.

Bidder	Total Base Bid
DirtBoys, Inc.	\$449,177.00
Fischer Construction Co., Inc.	\$436,993.00
Jerdon Enterprise, L.P.	\$417,888.88

Jerdon Enterprise, L.P. (Jerdon) submitted the lowest bid for Base Bid. FNI’s evaluation of the bid and qualifications suggest Jerdon is capable of performing the work required to successfully complete this project. Therefore, Freese and Nichols recommends that NBU award the construction contract for this project to Jerdon.

If you have any questions or require additional information, please do not hesitate to contact me at (210)-298-3841.

Sincerely,

Bregger Garrison. PE  
Project Manager

cc: Paula Dubois

Attachment A - Detailed Tabulation of Bids Received

Project		Owner		Project Number		Jerdon Enterprise, L.P.		Fischer Construction Co., Inc.		DirtBoys, Inc.		AVERAGE			ENGINEER'S ESTIMATE			DIFFERENCE		
Gronse WRF Spoils & Materials Yard		New Braunfels Utilities		NBU16356		825 W. Bitters Rd., Ste. 203 San Antonio, TX 78216		1504 Wald Rd. New Braunfels, TX 78132		825 West Bitters Road, Suite 202 San Antonio, TX 78216		Unit Cost	Extended Amount	Note	Unit Cost	Extended Amount	Note	Percentage	Note	
Construction Manager		Design Professional		Freese and Nichols, Inc.								Unit Cost	Extended Amount	Note	Unit Cost	Extended Amount	Note	Percentage	Note	
Item No.	Description	Quantity	Units	Unit Cost	Extended Amount	Note	Unit Cost	Extended Amount	Note	Unit Cost	Extended Amount	Note	Unit Cost	Extended Amount	Note	Unit Cost	Extended Amount	Note	Percentage	Note
Items in Base Offer (excluding Allowances) per Section 01 29 01 Measurement and Basis for Payment																				
Water Utility Items																				
NBU Item 510	2" Water Service Line (Copper)	50	LF	135.00	6,750.00		205.00	10,250.00		500.00	25,000.00		280.00	14,000.00		22.00	1,100.00		1172.72%	
NBU Item 511	2" Gate Valve	1	EA	750.00	750.00		7,000.00	7,000.00		6,800.00	6,800.00		4,850.00	4,850.00		1,700.00	1,700.00		185.29%	
Earthwork and Site Improvement Items																				
TxDOT 105	Removal	1	LS	11,500.00	11,500.00		29,500.00	29,500.00		26,000.00	26,000.00		22,333.33	22,333.33		9,618.00	9,618.00		132.20%	
TxDOT 110	Excavation	1774	CY	28.00	49,672.00		35.00	62,090.00		18.00	31,932.00		27.00	47,898.00		12.00	21,288.00		125.00%	
TxDOT 132	Embankment (Ord Comp/Type A)	830	CY	15.60	12,948.00		15.00	12,450.00		40.00	33,200.00		23.53	19,532.67		15.00	12,450.00		56.87%	
TxDOT 247	Flex Base (TY D GR 1-2)	1774	CY	74.00	131,276.00		92.00	163,208.00		50.00	88,700.00		72.00	127,776.00		75.00	133,450.00		-4.00%	
TxDOT 340	D-GR HMA (SQ) TY-D PG 64-22	12	TON	17,500.00	210,000.00		3,000.00	36,000.00		17,900.00	214,800.00		12,800.00	153,600.00		92.00	1,104.00		13813.04%	
TxDOT 550	Chain Link Fence 18"	341	LF	142.00	48,422.00		95.00	32,395.00		142.00	48,422.00		126.33	43,079.67		78.00	26,598.00		61.96%	
TxDOT 610	Area Light with Pole Foundation	1	LS	21,000.00	21,000.00		27,000.00	27,000.00		33,000.00	33,000.00		27,000.00	27,000.00		14,600.00	14,600.00		84.93%	
TxDOT 618 & 620	Power Cable & Conduit	1	LS	58,000.00	58,000.00		35,000.00	35,000.00		66,000.00	66,000.00		53,000.00	53,000.00		76,900.00	76,900.00		-31.79%	
FNI 32.31.13.53	Access Control & Video	1	LS	38,500.00	38,500.00		35,000.00	35,000.00		64,000.00	64,000.00		45,833.33	45,833.33		32,800.00	32,800.00		39.74%	
Erosion Control																				
TxDOT 506	Stormwater Pollution Prevention Plan	1	LS	18,070.88	18,070.88		19,500.00	19,500.00		4,800.00	4,800.00		14,123.63	14,123.63		9,617.89	9,617.89		46.85%	
Engineers Estimate (Additional Line Items)																				
Contingency		1	LS													25%	94,000.00			
Summary																				
A		Base Bid Water Utilities			\$ 7,500.00			\$ 17,250.00			\$ 31,800.00			\$ 18,850.00			\$ 2,800.00		573.21%	
B		Base Bid Earthwork and Site Improvement Items			\$ 302,318.00			\$ 400,243.00			\$ 412,577.00			\$ 401,765.00			\$ 401,765.00		22.71%	
C		Base Bid Erosion Control			\$ 18,070.88			\$ 19,500.00			\$ 4,800.00			\$ 14,123.63			\$ 9,617.89		46.85%	
D		Engineers Estimate (Additional Line Items)			\$ 0.00			\$ 0.00			\$ 0.00			\$ 0.00			\$ 94,000.00		-	
A+B+C		Total Base Bid			\$ 417,888.88			\$ 436,993.00			\$ 449,177.00			\$ 434,738.63			\$ 433,832.24		0.21%	
General Notes																				
1	Engineer's estimate provided risk as a separate line item that was not provided in the bid tab.																			
2	Highlighted cells represent mis-calculated values submitted by the contractor.																			
3																				
4																				
5																				
6																				
7																				
8																				
9																				
10																				

Tabulation of Offers Received



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

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

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

**RECOMMENDED ACTION:** Authorize CEO or His Designee to Negotiate and Execute a Joint Construction Contract with the City of New Braunfels and Capital Excavation Company for the Construction of the Klein Road Reconstruction Phase 2 Project

## **BACKGROUND**

On January 19, 2023, New Braunfels Utilities (“NBU”), along with the City of New Braunfels (the “City”), issued a request for bids for the Klein Road Reconstruction Phase 2 Project, which includes relocating approximately 1,100 linear feet (“LF”) of 12-inch water main along Klein Road between the intersections of Wise Owl and Dove Crossing (the “Project”). The Project will relocate an existing water main that is in conflict with the City’s project.

On March 03, 2023, NBU and the City 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 Company (“Cap Ex”) for the Project. Cap Ex was selected as the respondent who provides the best value to NBU and the City 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 of \$13,388,128.16, of which \$496,708 is NBU’s portion.

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.

## FINANCIAL IMPACT

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The total financial impact of the Contract with Cap Ex for the Project is \$496,708. The Project is budgeted within the fiscal year 2023 through fiscal year 2024 NBU Board approved Capital Improvements Projects Budget. Anticipating the need for project change orders, a contract contingency for \$ 25,000 which is roughly 5% of the total contract amount, will be added to the project construction budget. The total contract amount plus contingency is \$521,708.

## LINK TO STRATEGIC PLAN

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### Infrastructure and Technology

## EXHIBITS

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1. Construction Contract with Cap Ex
2. Award Recommendation
3. Bid Tab – (CSP 23-004)

Bid Tab			
<b><i>Bidder</i></b>	<b><i>NBU Cost</i></b>	<b><i>CONB Cost</i></b>	<b><i>Total Cost</i></b>
Capital Excavation Company	\$496,708	\$12,891,420.16	\$13,388,128.16
Cash Construction Company	\$417,460	\$13,064,070	\$13,481,530
D & D Contractors	\$375,016.13	\$13,920,535.13	\$14,250,594.26
E-Z Bel Construction	\$479,420	\$13,863,805.42	\$14,343,225.42
Harper Brothers Construction	\$364,576.91	\$12,802,423.09	\$13,167,000

3. Bid Evaluation Matrix – Competitive Sealed Proposal (23-004)

Criteria	Capital Excavation Company	Cash Construction Company	D & D Contractors	E-Z Bel Construction	Harper Brothers Construction
Cost of Proposal	68.84	68.37	64.68	64.26	70.00
Experience and Qualifications	18.5	14.5	13	15.5	16
Plan & Schedule	8.5	8.5	5.5	7.5	7
Interview	9	0	0	0	7
Total Score	104.84	91.37	83.18	87.26	100.00

# CITY OF NEW BRAUNFELS

joint solicitation with

# NEW BRAUNFELS UTILITIES



## REQUEST FOR COMPETITIVE SEALED PROPOSALS for

### Klein Road Reconstruction Phase 2

Solicitation # **CSP 23-004**

New Braunfels Purchasing Department:

Barbara Coleman

Phone: 830-221-4389

Email: [bcoleman@nbtexas.org](mailto:bcoleman@nbtexas.org)

**CONTRACT AGREEMENT**

**THIS AGREEMENT is dated as of the 9<sup>th</sup> day of May of the year 2023 by and between CITY OF NEW BRAUNFELS (the “City”) and NEW BRAUNFELS UTILITIES (“NBU”) (collectively Owners) and CAPITAL EXCAVATION COMPANY (Contractor).**

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

### **ARTICLE 1 - WORK**

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

- The Contract Agreement
- Standard General Conditions of the Contract
- Special Specifications and Provisions
- Payment Bond
- Performance Bond
- Warranty Bond (if requested by Owners)
- Plans and Standard Specifications

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

Klein Road Reconstruction Phase 2

The proposed improvements are detailed in 3 construction plan documents defined as:

Volumes I & II

City of New Braunfels Klein Rd Ph 2 Reconstruction Project S Walnut Ave to FM 725

Volume III

Klein Rd Ph 2 Reconstruction 12” Water Line Adjustments (S. Walnut Ave. to F.M. 725)

Construction of 1,120 linear feet of 12 inch PVC C-900 water line and a temporary bypass connection consisting of 745 linear feet of 4 inch pipe.

### **ARTICLE 2 - THE PROJECT**

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

Klein Road Reconstruction Phase 2

### **ARTICLE 3 - ENGINEER**

**3.01** The Project has been designed by the following engineers:

Klein Rd Ph 2 Reconstruction - Volumes I & II

John Tyler, P.E., RAS  
Pape-Dawson Engineers, Inc.  
2000 NW Loop 410  
San Antonio, TX 78213,  
(210) 375-9000

Klein Rd Ph 2 Reconstruction – 12” Water Line Adjustments (Volume III)  
John Moy, Engineer, P.E.  
Pawelek & Moy, Inc.  
130 W. Jahn Street  
New Braunfels, Texas 78130  
(830) 629-2563

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

#### **ARTICLE 4 - CONTRACT TIMES**

##### *4.01 Time of the Essence*

A. Time is of the essence in all phases of the Work and performance of obligations owed by the Contractor to the Owners as stated in the Agreement and the Contract Documents. All time limits for Milestones, if any, Substantial Completion, and completion and **readiness for final payment** as stated in the Contract Documents are of the essence of the Contract. It is specifically understood and agreed by and between Owners and Contractor that time is of the essence in the substantial completion of the Work, and that failure to substantially complete the Work within the designated period, or as it may be extended, shall be construed as a breach of this Agreement.

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

A. The Work will be substantially completed within **562** calendar days after the date when the Contract Times commence to run as provided in Paragraph 2.3 of the Project Manual General Conditions and completed and ready for final payment in accordance with Section 6 Article 14.7 of the General Conditions within **592** calendar days after the date when the Contract Times commence to run.

##### *4.03 Liquidated Damages*

A. Contractor and Owners recognize that time is of the essence of this Agreement and that Owners will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owners if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owners and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owners (\$1,285.00) per calendar day for each day that expires after the time specified in Paragraph 4.02 for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owners, Contractor shall pay Owners (\$1,285.00) per calendar day for each day that expires after the time specified in Paragraph 4.02 for completion and readiness for final payment until the Work is completed and ready for final payment.

##### *4.04 Special Damages*

A. In addition to the amount provided for in liquidated damages, Contractor shall reimburse Owners (1) for any fines or penalties imposed on Owners as a direct result of the Contractor’s failure to attain Substantial Completion according to the Contract Times, and (2) for the actual

costs reasonably incurred by Owners for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.

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

4.05 *Claims for Additional Time*

A. Contractor shall be entitled to an extension of the contract time for delays or disruptions due to unusually severe weather in excess of that normally experienced at the job site only as determined from climatological data set forth in this subsection. Contractor shall bear the entire economic risk of all weather delays and disruptions, and shall not be entitled to any increase in the Contract Price by reason of such delays or disruptions. Rainy days shall not be considered an abnormal or adverse weather condition for which an extension of time will be granted unless and except in those months during which the actual cumulative number of rainy days within the month exceed the historical average cumulative number of rainy days for said month, provided that the rainfall prevented the execution of major items of work on normal working days. A rain day is defined as a day when rainfall exceeds one-tenth (.1) inch during a twenty-four (24) hour period. The historical number of Weather Days per calendar month is as follows, based upon regional weather data from the National Weather Service or NOAA:

Average Weather Days per Month

Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
(4)	(4)	(4)	(3)	(5)	(6)	(4)	(3)	(4)	(4)	(4)	(4)

The number of rain days shown in the Rainfall Table for the first and last months of this Agreement will be prorated in determining the total number of rain days expected during the period of this Agreement.

B. Requests for an extension of time pursuant to this subsection shall be promptly submitted to Owners. Failure to timely submit a complete notice of claim for delays and extension of time for completion due to abnormal or adverse weather conditions or rainy days pursuant to this subsection shall result in the denial of a request for extra time for performance under the Contract Documents.

**ARTICLE 5 - CONTRACT PRICE**

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

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

**ARTICLE 6 - PAYMENT PROCEDURES****6.01 *Submittal and Processing of Payments***

A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions and Supplemental Conditions (if applicable). Contractor delivers to Owners a Full and Final Release and Affidavit of Bills Paid in the form attached hereto as Attachment No. 1, executed by Contractor.

Applications for Payment will be processed by Engineer as provided in the General Conditions.

**6.02 *Progress Payments; Retainage***

A. Owners shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 15th day of each month during performance of the Work as provided herein:

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

**6.03 *Final Payment***

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

**ARTICLE 7 – CONTRACTOR'S REPRESENTATIONS**

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

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

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

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

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

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

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

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

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

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

## **ARTICLE 8 - MISCELLANEOUS**

### *8.01 Terms*

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

### *8.02 Assignment of Contract*

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

### *8.03 Successors and Assigns*

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

### *8.04 Severability*

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

### *8.05 Governing Law*

A. The Contract shall be governed by the law of the state of Texas without regard to its conflict of law principles.

### *8.06 Venue*

A. This Agreement is entered into and performed in Comal County, Texas, and the Contractor and the Owners agree that mandatory venue for any legal action related to this contract shall be

in the District Courts of Comal County, Texas.

**8.07 Indemnity Against Loss**

A. TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND CITY OF NEW BRAUNFELS AND NEW BRAUNFELS UTILITIES, AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES FROM ANY LOSS, DAMAGE, LIABILITY OR EXPENSE, INCLUDING REASONABLE ATTORNEY'S FEES, ON ACCOUNT OF DAMAGE TO PROPERTY AND INJURIES, INCLUDING DEATH, TO ALL PERSONS, INCLUDING EMPLOYEES OF THE CONTRACTOR OR ANY OF ITS CONSULTANTS, WHICH MAY ARISE FROM ANY NEGLIGENT ACT, ERROR OR OMISSION, ON THE PART OF THE CONTRACTOR, ITS EMPLOYEES, AGENTS, AND CONSULTANTS, PURSUANT TO THIS CONTRACT.

B. THE OWNERS DO NOT ASSUME ANY LIABILITY TO THIRD PERSONS, NOR WILL THE OWNERS REIMBURSE THE CONTRACTOR FOR ITS LIABILITY TO A THIRD PERSON, WITH RESPECT TO LOSS DUE TO DEATH, BODILY INJURY, OR DAMAGE TO PROPERTY RESULTING IN ANY WAY FROM THE PERFORMANCE OF THIS CONTRACT OR ANY SUBCONTRACT HEREUNDER, AND CONTRACTOR FURTHER AGREES TO PROVIDE THE DEFENSE FOR, AND INDEMNIFY AND HOLD HARMLESS OWNERS FROM ANY AND ALL CLAIMS, SUITS, CAUSES OF ACTION, AND LIABILITY, ARISING IN CONNECTION WITH THIS CONTRACT.

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

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

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

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

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

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

#### 8.10 *Electronic Signatures (this section is omitted)*

#### 8.11 *Texas Public Information Act*

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

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

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

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

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

## **ARTICLE 9 - INSURANCE**

### 9.01 *Evidence of Contractor’s Insurance*

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

Exhibit C to this Agreement.

Exhibit A – Insurance Rider

Exhibit B – Contractor’s Bid Form

Exhibit C – Evidence of Insurance

See next page for signatures.

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

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

OWNERS:

CITY OF NEW BRAUNFELS

By: \_\_\_\_\_  
Printed Name: Robert Camareno  
Title: City Manager

[SEAL]

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

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

Address for giving notices:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NEW BRAUNFELS UTILITIES

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

[SEAL]

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

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

Address for giving notices:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CONTRACTOR:

\_\_\_\_\_

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

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

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

[CORPORATE SEAL]

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

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

Address for giving notices:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

Agent for service or process:

\_\_\_\_\_

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

**END OF DOCUMENT**

**EXHIBIT A**

**City of New Braunfels Insurance Requirements Construction and/or Renovation**

INSURANCE AND LIABILITY: During the period of this contract, Contractor shall maintain at his expense, insurance with limits not less than those prescribed below. Contractor further agrees to indemnify, defend, and hold City of New Braunfels and NBU harmless from any and all causes of action arising from this contract. With respect to required insurance, Contractor shall:

- A. Name City of New Braunfels and New Braunfels Utilities as additional insured/or an insured, as its interests may appear.
- B. Provide City of New Braunfels and New Braunfels Utilities a waiver of subrogation.
- C. Provide City of New Braunfels and New Braunfels Utilities with a thirty (30) day advance written notice of cancellation or material change to said insurance.
- D. Provide the Purchasing Representative at the address shown on Page 1 of this contract, a Certificate of Insurance evidencing required coverage within ten (10) days after receipt of Notice of Award.

**Submit a certificate of insurance reflecting the following coverages.**

- a. Automobile Liability:
  - Bodily Injury (Each person) - \$1,000,000.00
  - Bodily Injury (Each accident) - \$1,000,000.00
  - Property Damage - \$1,000,000.00
- b. General Liability (Including Contractual Liability):
  - Bodily Injury - \$1,000,000.00
  - Property Damage - \$1,000,000.00
  - Aggregate - \$2,000,000.00
- c. Excess Liability:
  - Umbrella Form - \$5,000,000.00
- d. Worker's Compensation: - Statutory
- Or Employer's Liability Insurance:
  - Each Accident - \$1,000,000.00
  - Disease each employee - \$1,000,000.00
  - Policy Limit - \$1,000,000.00

## Exhibit B – Contractor’s Bid Form



**CSP 23-004**  
**KLEIN ROAD RECONSTRUCTION PHASE 2**  
**BID PROPOSAL SUBMITTAL**

**TAB 4**

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- **Cost Proposal Form**

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**NB 23-004 - KLEIN RD PHASE 2**  
**EXHIBIT 1 COST PROPOSAL FORM**  
**ADDENDUM 3**

**Klein Rd Ph 2 Volumes I & II**  
**CITY - ROADWAY IMPROVEMENTS PROPOSAL**

The City only will accept bid pricing to the hundredths. Any pricing extended out to three decimal points will be truncated to two decimal points in the City's favor.

Item No.	Description	Unit	Estimated Quantity	Unit Price	Total
0100-6002	PREPARING ROW	STA	50.6	\$3,080.00	\$155,848.00
0104-6001	REMOVING CONC (PAV)	SY	503	\$19.40	\$9,758.20
0105-6037	REMOVING STAB BASE AND ASPH PAV(0"-16")	SY	17784	\$5.35	\$95,144.40
0110-6001	EXCAVATION (ROADWAY)	CY	29048	\$10.00	\$290,480.00
0110-6002	EXCAVATION (CHANNEL)	CY	206	\$21.55	\$4,439.30
0132-6003	EMBANKMENT (FINAL)(ORD COMP)(TY B)	CY	8296	\$23.00	\$190,808.00
0160-6003	FURNISHING AND PLACING TOPSOIL (4")	SY	11345	\$4.20	\$47,649.00
0162-6002	BLOCK SODDING	SY	11345	\$6.30	\$71,473.50
0164-6007	BROADCAST SEED (PERM) (URBAN) (CLAY)	SY	3450	\$0.35	\$1,207.50
0164-6009	BROADCAST SEED (TEMP) (WARM)	SY	3450	\$0.25	\$862.50
0164-6011	BROADCAST SEED (TEMP) (COOL)	SY	3450	\$0.25	\$862.50
0168-6001	VEGETATIVE WATERING	MG	338.53	\$35.50	\$12,017.82
0169-6001	SOIL RETENTION BLANKETS (CL 1) (TY A)	SY	3450	\$2.10	\$7,245.00
0216-6001	PROOF ROLLING	HR	4.0	\$221.00	\$884.00
0247-6041	FL BS (CMP IN PLC)(TYA GR1&2)(FNAL POS)	CY	9571	\$45.00	\$430,695.00
0260-6002	LIME (HYDRATED LIME (SLURRY))	TON	349.6	\$280.00	\$97,888.00
0260-6027	LIME TRT (EXST MATL)(8")	SY	34867	\$8.00	\$278,936.00
0310-6001	PRIME COAT (MULTI OPTION)	GAL	10143.22	\$4.25	\$43,108.69
0316-6251	AGGR(TY-PE GR-5 SAC-B)	CY	243	\$128.00	\$31,104.00
0316-6400	ASPH (AC-15P OR AC-10-2TR OR CRS-2P)	GAL	6762.18	\$3.45	\$23,329.52
0400-6005	CEM STABIL BKFL	CY	62.5	\$244.00	\$15,250.00
0401-6001	FLOWABLE BACKFILL	CY	16.0	\$350.00	\$5,600.00
0402-6001	TRENCH EXCAVATION PROTECTION	LF	5289	\$6.80	\$35,965.20
0416-6004	DRILL SHAFT (36 IN)	LF	810	\$224.00	\$181,440.00
0420-6010	CL A CONC (PLUG)	EA	2	\$4,650.00	\$9,300.00
0420-6013	CL C CONC (ABUT)	CY	85.1	\$1,160.00	\$98,716.00
0420-6025	CL C CONC (BENT)	CY	86.6	\$1,510.00	\$130,766.00
0420-6066	CL C CONC (RAIL FOUNDATION)	CY	61	\$690.00	\$42,090.00
0420-6074	CL C CONC (MISC)	CY	3.6	\$4,100.00	\$14,760.00
0422-6001	REINF CONC SLAB	SF	18069	\$21.00	\$379,449.00

**CONTRACT AGREEMENT**

**CSP 23-004 Klein Road Reconstruction Phase 2 – Joint Project**  
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0422-6013	BRIDGE SIDEWALK	SF	1470	\$13.75	\$20,212.50
0422-6015	APPROACH SLAB	CY	152.1	\$740.00	\$112,554.00
0423-6001	RETAINING WALL (MSE)	SF	3859	\$123.00	\$474,657.00
0423-6008	RETAINING WALL (CAST - IN - PLACE)	SF	517	\$112.00	\$57,904.00
0425-6036	PRESTR CONC GIRDER (TX34)	LF	1490	\$160.00	\$238,400.00
0425-6038	PRESTR CONC GIRDER (TX46)	LF	945	\$170.00	\$160,650.00
0432-6003	RIPRAP (CONC)(6 IN)	CY	56.9	\$650.00	\$36,985.00
0432-6045	RIPRAP (MOW STRIP)(4 IN)	CY	1	\$1,290.00	\$1,290.00
0450-6034	RAIL (TY C402)	LF	1835	\$180.00	\$330,300.00
0450-6048	RAIL (HANDRAIL)(TY B)	LF	115	\$92.80	\$10,672.00
0450-6103	RAIL (TY PR11)	LF	494	\$115.00	\$56,810.00
0454-6020	SEALED EXPANSION JOINT (4 IN) (SEJ - B)	LF	140	\$110.00	\$15,400.00
0460-6001	CMP (GAL STL 12 IN)	LF	100	\$56.90	\$5,690.00
0462-6006	CONC BOX CULV (5 FT X 2 FT)	LF	646	\$500.00	\$323,000.00
0462-6007	CONC BOX CULV (5 FT X 3 FT)	LF	2854	\$550.00	\$1,569,700.00
0462-6008	CONC BOX CULV (5 FT X 4 FT)	LF	162	64000%	\$103,680.00
0462-6011	CONC BOX CULV (6 FT X 4 FT)	LF	120	\$730.00	\$87,600.00
0464-6005	RC PIPE (CL III)(24 IN)	LF	1900	\$148.00	\$281,200.00
0464-6007	RC PIPE (CL III)(30 IN)	LF	56	\$165.00	\$9,240.00
0464-6025	RC PIPE (CL V)(18 IN)	LF	115	\$122.00	\$14,030.00
0465-6013	INLET (COMPL)(PCO)(3FT)(NONE)	EA	9	\$6,000.00	\$54,000.00
0465-6014	INLET (COMPL)(PCO)(3FT)(LEFT)	EA	14	\$7,500.00	\$105,000.00
0465-6015	INLET (COMPL)(PCO)(3FT)(RIGHT)	EA	10	\$7,500.00	\$75,000.00
0465-6030	INLET (COMPL)(PCU)(3FT)(LEFT)	EA	6	\$7,900.00	\$47,400.00
0465-6031	INLET (COMPL)(PCU)(3FT)(RIGHT)	EA	6	\$7,900.00	\$47,400.00
0465-6045	INLET (COMPL)(PMBD)(4FT)	EA	3	\$7,200.00	\$21,600.00
0465-6070	INLET (COMPL)(PSL)(RC)(3FTX3FT)	EA	3	\$4,460.00	\$13,380.00
0465-6072	INLET (COMPL)(PSL)(RC)(3FTX5FT)	EA	1	\$6,900.00	\$6,900.00
0465-6077	INLET (COMPL)(PSL)(RC)(8FTX8FT)	EA	18	\$17,800.00	\$320,400.00
0465-6158	INLET (COMPL)(PAZD)(FG)(3FTX3FT-3FTX3FT)	EA	1	\$4,360.00	\$4,360.00
0465-6160	INLET (COMPL)(PAZD)(FG)(4FTX4FT-4FTX4FT)	EA	3	\$5,100.00	\$15,300.00
0465-6269	INLET (COMPL)(TY C)	EA	1	\$8,100.00	\$8,100.00
0466-6179	WINGWALL (PW - 1) (HW=4 FT)	EA	1	\$2,100.00	\$2,100.00

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0466-6180	WINGWALL (PW - 1) (HW=5 FT)	EA	1	\$4,190.00	\$4,190.00
0471-6003	GRATE & FRAME	EA	15	\$1,390.00	\$20,850.00
0479-6003	ADJUSTING MANHOLES & INLETS	EA	1	\$2,600.00	\$2,600.00
0496-6007	REMOV STR (PIPE)	LF	197	\$14.65	\$2,886.05
0500-6001	MOBILIZATION	LS	1.0	\$1,200,000.00	\$1,200,000.00
0502-6001	BARRICADES, SIGNS AND TRAFFIC HANDLING	MO	21	\$7,300.00	\$153,300.00
0506-6002	ROCK FILTER DAMS (INSTALL) (TY 2)	LF	250	\$34.40	\$8,600.00
0506-6003	ROCK FILTER DAMS (INSTALL) (TY 3)	LF	335	\$62.30	\$20,870.50
0506-6011	ROCK FILTER DAMS (REMOVE)	LF	585	\$16.10	\$9,418.50
0506-6020	CONSTRUCTION EXITS (INSTALL) (TY 1)	SY	2146	\$20.40	\$43,778.40
0506-6024	CONSTRUCTION EXITS (REMOVE)	SY	2146	\$9.65	\$20,708.90
0506-6037	SANDBAGS FOR EROSION CONTROL (12")	LF	183	\$6.45	\$1,180.35
0506-6038	TEMP SEDMT CONT FENCE (INSTALL)	LF	2622	\$2.35	\$6,161.70
0506-6039	TEMP SEDMT CONT FENCE (REMOVE)	LF	2622	\$0.90	\$2,359.80
0506-6041	BIODEG EROSN CONT LOGS (INSTL) (12")	LF	1176	\$4.85	\$5,703.60
0506-6043	BIODEG EROSN CONT LOGS (REMOVE)	LF	1176	\$1.35	\$1,587.60
0508-6001	CONSTRUCTING DETOURS	SY	8185	\$61.80	\$505,833.00
0512-6009	PORT CTB (FUR & INST)(LOW PROF)(TY 1)	LF	4980	\$20.70	\$103,086.00
0512-6010	PORT CTB (FUR & INST)(LOW PROF)(TY 2)	LF	680	\$20.70	\$14,076.00
0512-6033	PORT CTB (MOVE)(LOW PROF)(TY 1)	LF	360	\$9.15	\$3,294.00
0512-6034	PORT CTB (MOVE)(LOW PROF)(TY 2)	LF	140	\$9.15	\$1,281.00
0512-6045	PORT CTB (STKPL)(LOW PROF)(TY 1)	LF	360	\$9.15	\$3,294.00
0512-6046	PORT CTB (STKPL)(LOW PROF)(TY 2)	LF	140	\$9.15	\$1,281.00
0512-6057	PORT CTB (REMOVE)(LOW PROF)(TY 1)	LF	4980	\$20.70	\$103,086.00
0512-6058	PORT CTB (REMOVE)(LOW PROF)(TY 2)	LF	680	\$20.70	\$14,076.00
0529-6002	CONC CURB (TY II)	LF	10795	\$19.55	\$211,042.25
0530-6004	DRIVEWAYS (CONC)	SY	1210	\$177.00	\$214,170.00
0531-6001	CONC SIDEWALKS (4")	SY	2884	\$67.10	\$192,174.40
0531-6003	CONC SIDEWALKS (6")	SY	4965	\$67.80	\$336,627.00
0531-6019	CURB RAMPS (TY 2)	SY	161	\$105.00	\$16,905.00
0531-6020	CURB RAMPS (TY 3)	SY	325	\$146.00	\$47,450.00
0531-6024	CURB RAMPS (TY 7)	SY	22	\$94.00	\$2,068.00
0531-6030	CURB RAMPS (TY 21)	SY	17	\$270.00	\$4,590.00

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0536-6002	CONC MEDIAN	SY	1292	\$79.90	\$103,230.80
0540-6006	MTL BEAM GD FEN TRANS (THRIE-BEAM)	EA	1	\$4,740.00	\$4,740.00
0540-6016	DOWNSTREAM ANCHOR TERMINAL SECTION	EA	1	\$1,690.00	\$1,690.00
0545-6019	CRASH CUSH ATTEN (INSTL)(S)(N)(TL3)	EA	1	\$12,600.00	\$12,600.00
0560-6014	MAILBOX INSTALL-S (TWG-POST) TY 4	EA	8	\$340.00	\$2,720.00
0618-6033	CONDT (PVC) (SCH 40) (4")	LF	9270	\$22.80	\$211,356.00
0618-6034	CONDT (PVC) (SCH 40) (4") (BORE)	LF	806	\$43.45	\$35,020.70
0618-6046	CONDT (PVC) (SCH 80) (2")	LF	150	\$32.55	\$4,882.50
0618-6053	CONDT (PVC) (SCH 80) (3")	LF	70	\$48.85	\$3,419.50
0620-6009	ELEC CONDR (NO.6) BARE	LF	190	\$3.25	\$617.50
0620-6010	ELEC CONDR (NO.6) INSULATED	LF	70	\$3.25	\$227.50
0621-6005	TRAY CABLE (4 CONDR) (12 AWG)	LF	275	\$3.25	\$893.75
0624-6010	GROUND BOX TY D (162922)W/APRON	EA	2	\$1,740.00	\$3,480.00
0624-6012	GROUND BOX TY E (122317)W/APRON	EA	29	\$1,520.00	\$44,080.00
0625-6002	ZINC-COAT STL WIRE STRAND (3/16")	LF	589	\$4.35	\$2,562.15
0625-6004	ZINC-COAT STL WIRE STRAND (5/16")	LF	589	\$4.35	\$2,562.15
0627-6002	TIMBER POLE (CL 2) 40 FT	EA	4	\$2,710.00	\$10,840.00
0628-6164	ELC SRV TY D 120/240 070(NS)AL(E)PS(U)	EA	1	\$10,000.00	\$10,000.00
0644-6001	IN SM RD SN SUP&AM TY10BWG(1)SA(P)	EA	15	\$810.00	\$12,150.00
0644-6004	IN SM RD SN SUP&AM TY10BWG(1)SA(T)	EA	1	\$1,010.00	\$1,010.00
0644-6007	IN SM RD SN SUP&AM TY10BWG(1)SA(U)	EA	1	\$1,100.00	\$1,100.00
0644-6060	IN SM RD SN SUP&AM TYTWT(1)WS(P)	EA	12	\$490.00	\$5,880.00
0644-6061	IN SM RD SN SUP&AM TYTWT(1)WS(T)	EA	2	\$580.00	\$1,160.00
0644-6068	RELOCATE SM RD SN SUP&AM TY 10BWG	EA	1	\$700.00	\$700.00
0662-6004	WK ZN PAV MRK NON-REMOV (W)4"(SLD)	LF	20899	\$0.60	\$12,539.40
0662-6012	WK ZN PAV MRK NON-REMOV (W)8"(SLD)	LF	202	\$3.25	\$656.50
0662-6016	WK ZN PAV MRK NON-REMOV (W)24"(SLD)	LF	21	\$29.70	\$623.70
0662-6034	WK ZN PAV MRK NON-REMOV (Y)4"(SLD)	LF	20956	\$0.60	\$12,573.60
0662-6063	WK ZN PAV MRK REMOV (W)4"(SLD)	LF	724	\$1.60	\$1,158.40
0662-6071	WK ZN PAV MRK REMOV (W)8"(SLD)	LF	332	\$3.25	\$1,079.00
0662-6094	WK ZN PAV MRK REMOV (Y)4"(DOT)	LF	50	\$1.60	\$80.00
0662-6095	WK ZN PAV MRK REMOV (Y)4"(SLD)	LF	1525	\$1.60	\$2,440.00
0666-6036	REFL PAV MRK TY I (W)8"(SLD)(100MIL)	LF	1693	\$0.60	\$1,015.80

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0666-6048	REFL PAV MRK TY I (W)24"(SLD)(100MIL)	LF	834	\$11.35	\$9,465.90
0666-6054	REFL PAV MRK TY I (W)(ARROW)(100MIL)	EA	21	\$189.00	\$3,969.00
0666-6147	REFL PAV MRK TY I (Y)24"(SLD)(100MIL)	LF	759	\$11.35	\$8,614.65
0666-6156	REFL PAV MRK TY I (Y)(MED NOSE)(100MIL)	EA	5	\$1,030.00	\$5,150.00
0666-6224	PAVEMENT SEALER 4"	LF	11080	\$0.20	\$2,216.00
0666-6226	PAVEMENT SEALER 8"	LF	1693	\$0.45	\$761.85
0666-6230	PAVEMENT SEALER 24"	LF	1593	\$1.10	\$1,752.30
0666-6231	PAVEMENT SEALER (ARROW)	EA	21	\$27.00	\$567.00
0666-6233	PAVEMENT SEALER (MED NOSE)	EA	5	\$162.00	\$810.00
0666-6300	RE PM W/RET REQ TY I (W)4"(BRK)(100MIL)	LF	2268	\$0.95	\$2,154.60
0666-6312	RE PM W/RET REQ TY I (Y)4"(BRK)(100MIL)	LF	414	\$1.35	\$558.90
0666-6315	RE PM W/RET REQ TY I (Y)4"(SLD)(100MIL)	LF	8398	\$0.95	\$7,978.10
0672-5009	REFL PAV MRKR TY II-B-B	EA	5	\$8.35	\$41.75
0672-6007	REFL PAV MRKR TY I-C	EA	206	\$8.35	\$1,720.10
0672-6009	REFL PAV MRKR TY II-A-A	EA	313	\$8.35	\$2,613.55
0672-6010	REFL PAV MRKR TY II-C-R	EA	67	\$8.35	\$559.45
0677-6001	ELIM EXT PAV MRK & MRKS (4")	LF	4696	\$0.30	\$1,408.80
0677-6003	ELIM EXT PAV MRK & MRKS (8")	LF	352	\$1.10	\$387.20
0677-6007	ELIM EXT PAV MRK & MRKS (24")	LF	97	\$2.15	\$208.55
0677-6008	ELIM EXT PAV MRK & MRKS (ARROW)	EA	1	\$59.40	\$59.40
0677-6020	ELIM EXT PAV MRK & MRKS (MED NOSE)	EA	1	\$270.00	\$270.00
0678-6001	PAV SURF PREP FOR MRK (4")	LF	11080	\$0.10	\$1,108.00
0678-6004	PAV SURF PREP FOR MRK (8")	LF	1693	\$0.20	\$338.60
0678-6008	PAV SURF PREP FOR MRK (24")	LF	1593	\$0.55	\$876.15
0678-6009	PAV SURF PREP FOR MRK (ARROW)	EA	21	\$27.00	\$567.00
0678-6024	PAV SURF PREP FOR MRK (MED NOSE)	EA	5	\$108.00	\$540.00
0680-6002	INSTALL HWY TRF SIG (ISOLATED)	EA	1	\$31,500.00	\$31,500.00
0680-6004	REMOVING TRAFFIC SIGNALS	EA	1	\$9,200.00	\$9,200.00
0681-6001	TEMP TRAF SIGNALS	EA	1	\$4,780.00	\$4,780.00
0682-6001	VEH SIG SEC (12")LED(GRN)	EA	8	\$380.00	\$3,040.00
0682-6002	VEH SIG SEC (12")LED(GRN ARW)	EA	4	\$380.00	\$1,520.00
0682-6003	VEH SIG SEC (12")LED(YEL)	EA	8	\$380.00	\$3,040.00
0682-6004	VEH SIG SEC (12")LED(YEL ARW)	EA	6	\$380.00	\$2,280.00

**CONTRACT AGREEMENT**  
**CSP 23-004 Klein Road Reconstruction Phase 2 – Joint Project**  
**NB 23-099**

NB 23-004 - KLEIN RD PHASE 2  
 EXHIBIT 1 COST PROPOSAL FORM  
 ADDENDUM 3

0682-6005	VEH SIG SEC (12")LED(RED)	EA	8	\$380.00	\$3,040.00
0682-6006	VEH SIG SEC (12")LED(RED ARW)	EA	4	\$380.00	\$1,520.00
0682-6018	PED SIG SEC (LED)(COUNTDOWN)	EA	2	\$650.00	\$1,300.00
0682-6049	BACKPLATE W/REFL BRDR(4 SEC)	EA	2	\$179.00	\$358.00
0682-6060	BACKPLATE W/REFL BRDR(3 SEC)	EA	10	\$152.00	\$1,520.00
0684-6009	TRF SIG CBL (TY A)(12 AWG)(4 CONDR)	LF	485	\$3.25	\$1,576.25
0684-6012	TRF SIG CBL (TY A)(12 AWG)(7 CONDR)	LF	1960	\$3.25	\$6,370.00
0684-6080	TRF SIG CBL (TY C)(14 AWG)(2 CONDR)	LF	485	\$3.25	\$1,576.25
0687-6001	PED POLE ASSEMBLY	EA	4	\$3,370.00	\$13,480.00
0688-6001	PED DETECT PUSH BUTTON (APS)	EA	2	\$1,250.00	\$2,500.00
0688-6003	PED DETECTOR CONTROLLER UNIT	EA	1	\$3,800.00	\$3,800.00
2005-6002	FILTER FABRIC (TY 1)	SY	8850	\$2.50	\$22,125.00
3076-6001	D-GR HMA TY-B PG64-22	TON	467.5	\$83.00	\$38,802.50
3076-6006	D-GR HMA TY-B PG70-22	TON	5908.1	\$83.00	\$490,372.30
3076-6023	D-GR HMA TY-C PG70-22	TON	5445.4	\$87.20	\$474,838.88
3076-6048	D-GR HMA TY-D PG76-22	TON	3705.5	\$102.00	\$377,961.00
3076-6066	TACK COAT	GAL	6312.44	\$4.80	\$30,299.71
5001-6002	GEOGRID BASE REINFORCEMENT (TY II)	SY	34867	\$1.50	\$52,300.50
5009-6001	STONE MASONRY COLUMNS	EA	3	\$3,050.00	\$9,150.00
5009-6002	STONE MASONRY (ROCK WALL)	SF	534	\$94.60	\$50,516.40
5071-6001	WOOD FENCE (REMOVE)	LF	188	\$4.20	\$789.60
5071-6002	WOOD FENCE (INSTALL)	LF	188	\$71.60	\$13,460.80
6001-6001	PORTABLE CHANGEABLE MESSAGE SIGN	DAY	483	\$45.50	\$21,976.50
6002-6001	VIVDS PROCESSOR SYSTEM	EA	1	\$11,900.00	\$11,900.00
6002-6002	VIVDS CAMERA ASSEMBLY	EA	4	\$3,690.00	\$14,760.00
6002-6003	VIVDS SET-UP SYSTEM	EA	1	\$1,360.00	\$1,360.00
6002-6005	VIVDS COMMUNICATION CABLE (COAXIAL)	LF	880	\$3.25	\$2,860.00
6185-6002	TMA (STATIONARY)	DAY	13	\$340.00	\$4,420.00
6185-6005	TMA (MOBILE OPERATION)	DAY	1	\$820.00	\$820.00
<b>CITY TOTAL</b>					<b>\$12,891,420.16</b>



**CONTRACT AGREEMENT**  
**CSP 23-004 Klein Road Reconstruction Phase 2 – Joint Project**  
**NB 23-099**

NB 23-004 - KLEIN RD PHASE 2  
 EXHIBIT 1 COST PROPOSAL FORM  
 ADDENDUM 3


**Klein Road Reconstruction Phase 2 - Water Line Adjustments**

Item No.	Spec No.	Description	Unit	Estimated Quantity	Unit Price	Total
1	100 (TXDOT)	PREPARING RIGHT OF WAY	LS	1	\$ 18,000.00	\$ 18,000.00
2	340 (TXDOT)	D-GR HMA(SQ), TY-B, PG64-22 (PAVEMENT REPAIR)	TON	100	\$ 330.00	\$ 33,000.00
3	500 (TXDOT)	MOBILIZATION	LS	1	\$ 5,600.00	\$ 5,600.00
4	502 (TXDOT)	BARRICADES, SIGNS AND TRAFFIC HANDLING	MO	3	\$ 960.00	\$ 2,880.00
5	504 (NBU)	ADJUSTING WATER VALVE BOXES TO GRADE	EA	4	\$ 2,560.00	\$ 10,240.00
6	504 (NBU)	ADJUSTING WATER METERS AND BOXES	EA	2	\$ 1,760.00	\$ 3,520.00
7	509 (NBU)	TRENCH EXCAVATION PROTECTION	LF	1120	\$ 12.00	\$ 13,440.00
8	510 (NBU)	PIPE, 12" DIA. (ALL DEPTHS) (C-900) (DR 18)	LF	1120	\$ 206.00	\$ 230,720.00
9	510 (NBU)	PIPE, 24" PVC ENCASEMENT PIPE (DR 25, C905)	LF	30	\$ 270.00	\$ 8,100.00
10	510 (NBU)	12" WATER TIE-IN	EA	4	\$ 8,700.00	\$ 34,800.00
11	510 (NBU)	REPLACE SERVICE (1" DIA.) (SHORT) (NEW MAIN)	EA	1	\$ 3,710.00	\$ 3,710.00
12	510 (NBU)	DUCTILE IRON FITTINGS	TON	2	\$ 169.00	\$ 338.00
13	510 (NBU)	HYDROSTATIC TESTING	EA	2	\$ 8,800.00	\$ 17,600.00
14	510 (NBU)	TEMPORARY BYPASS CONNECTION (COMPLETE)	LS	1	\$ 32,800.00	\$ 32,800.00
15	511 (NBU)	FIRE HYDRANT ADJUSTMENT	EA	1	\$ 1,760.00	\$ 1,760.00
16	511 (NBU)	12" GATE VALVES W/ BOXES	EA	1	\$ 5,200.00	\$ 5,200.00
17		OWNER'S CONTINGENCY	ALW	1	\$ 75,000.00	\$ 75,000.00
<b>NBU WATERLINE TOTAL</b>						<b>\$496,708.00</b>

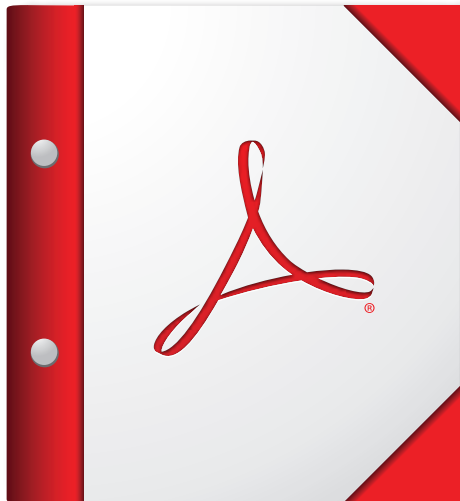
<b>TOTAL PROPOSALS - BOTH CITY AND NBU</b>		<b>\$ 13,388,128.16</b>
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**Company Name:** Capital Excavation Co

**Proposers Name:** Scott Budd

**Signed By:**   
 (Authorized Representative)

## Exhibit C – Evidence of Insurance



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**PROJECT:** Klein Road Reconstruction Phase 2 - Water Line Adjustments  
**LOCATION:** New Braunfels, Texas  
**DATE:** 3/7/2023

Bid Tab				Capital Excavation Co.		Cash Construction Co.		D&D Contractors		E-Z Bel Construction		Harper Brothers Construction	
Item No.	Description	Unit	Estimated Quantity	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
100 (TxDOT)	PREPARING RIGHT OF WAY	LS	1	\$18,000.00	\$18,000.00	\$30,000.00	\$30,000.00	\$4,245.69	\$4,245.69	\$10,000.00	\$10,000.00	\$18,104.00	\$18,104.00
340 (TXDOT)	D-GR HMA(SQ), TY-B, PG64-22 (PAVEMENT REPAIR)	TON	100	\$330.00	\$33,000.00	\$300.00	\$30,000.00	\$172.41	\$17,241.00	\$170.00	\$17,000.00	\$175.00	\$17,500.00
500 (TxDOT)	MOBILIZATION	LS	1	\$5,600.00	\$5,600.00	\$5,000.00	\$5,000.00	\$20,563.80	\$20,563.80	\$20,000.00	\$20,000.00	\$14,481.91	\$14,481.91
502 (TXDOT)	BARRICADES, SIGNS AND TRAFFIC HANDLING	MO	3	\$960.00	\$2,880.00	\$3,700.00	\$11,100.00	\$3,007.37	\$9,022.11	\$2,500.00	\$7,500.00	\$1,500.00	\$4,500.00
504 (NBU)	ADJUSTING WATER VALVE BOXES TO GRADE	EA	4	\$2,560.00	\$10,240.00	\$500.00	\$2,000.00	\$1,142.38	\$4,569.52	\$600.00	\$2,400.00	\$1,073.00	\$4,292.00
504 (NBU)	ADJUSTING WATER METERS AND BOXES	EA	2	\$1,760.00	\$3,520.00	\$100.00	\$200.00	\$452.82	\$905.64	\$600.00	\$1,200.00	\$816.00	\$1,632.00
509 (NBU)	TRENCH EXCAVATION PROTECTION	LF	1120	\$12.00	\$13,440.00	\$0.50	\$560.00	\$7.08	\$7,929.60	\$1.00	\$1,120.00	\$2.50	\$2,800.00
510 (NBU)	PIPE, 12" DIA. (ALL DEPTHS) (C-900) (DR 18)	LF	1120	\$206.00	\$230,720.00	\$150.00	\$168,000.00	\$96.92	\$108,550.40	\$185.00	\$207,200.00	\$116.00	\$129,920.00
510 (NBU)	PIPE, 24" PVC ENCASMENT PIPE (DR 25, C905)	LF	30	\$270.00	\$8,100.00	\$510.00	\$15,300.00	\$302.55	\$9,076.50	\$600.00	\$18,000.00	\$426.00	\$12,780.00
510 (NBU)	12" WATER TIE-IN	EA	4	\$8,700.00	\$34,800.00	\$2,500.00	\$10,000.00	\$2,290.51	\$9,162.04	\$10,000.00	\$40,000.00	\$6,628.00	\$26,512.00
510 (NBU)	REPLACE SERVICE (1" DIA.) (SHORT) (NEW MAIN)	EA	1	\$3,710.00	\$3,710.00	\$3,000.00	\$3,000.00	\$1,955.62	* \$1,955.62	\$5,000.00	\$5,000.00	\$3,642.00	\$3,642.00
510 (NBU)	DUCTILE IRON FITTINGS	TON	2	\$169.00	\$338.00	\$6,500.00	\$13,000.00	\$5,146.70	* \$10,293.40	\$3,000.00	\$6,000.00	\$4,192.00	\$8,384.00
510 (NBU)	HYDROSTATIC TESTING	EA	2	\$8,800.00	\$17,600.00	\$2,500.00	\$5,000.00	\$2,375.40	\$4,750.80	\$4,500.00	\$9,000.00	\$2,800.00	\$5,600.00
510 (NBU)	TEMPORARY BYPASS CONNECTION (COMPLETE)	LS	1	\$32,800.00	\$32,800.00	\$40,000.00	\$40,000.00	\$38,736.50	\$38,736.50	\$50,000.00	\$50,000.00	\$29,321.00	\$29,321.00
511 (NBU)	FIRE HYDRANT ADJUSTMENT	EA	1	\$1,760.00	\$1,760.00	\$4,300.00	\$4,300.00	\$3,750.86	\$3,750.86	\$5,000.00	\$5,000.00	\$4,701.00	\$4,701.00
511 (NBU)	12" GATE VALVES W/ BOXES	EA	1	\$5,200.00	\$5,200.00	\$5,000.00	\$5,000.00	\$4,305.65	\$4,305.65	\$5,000.00	\$5,000.00	\$5,407.00	\$5,407.00
	OWNERS CONTINGENCY	ALW	1	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00
<b>NBU Waterline Total \$</b>				<b>\$496,708.00</b>		<b>\$417,460.00</b>		<b>\$330,059.13</b>		<b>\$479,420.00</b>		<b>\$364,576.91</b>	
									Bid Amount = \$375,016.13				
									* Error in price calculations affecting total cost				



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

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

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

**RECOMMENDED ACTION:** Authorize CEO or His Designee to Negotiate and Execute a Second Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. for the Design of the Interstate Highway 35 24-inch Water Line Downtown Project

## **BACKGROUND**

On October 10, 2019, the New Braunfels Utilities (“NBU”) Board of Trustees approved a Professional Services Agreement (the “Agreement”) with Kimley-Horn and Associates, Inc. (“Kimley-Horn”) for professional engineering services for the Interstate Highway 35 24-inch Water Line Downtown Project (the “Project”). On February 8, 2021, the Board approved a First Amendment to the Agreement (the “First Amendment”) to (i) define the professional supplemental services to include preliminary and final construction plans and specifications for 2,000 linear feet of 8-inch water and sewer lines; (ii) modify the subsurface utility engineering services; (iii) modify the easement survey services; (iv) add Geotech Supplemental Services; (v) define the completion time for the Supplemental Services; and (vi) adjust the related compensation for the modified Supplemental Services.

NBU bid the Project beginning on March 11, 2022, and subsequently postponed the Project prior to presenting the construction contract to the NBU Board of Trustees due to budgetary constraints. This Project will once again be solicited in 2023 for construction to commence in fiscal year 2024. As a result, NBU staff requests that the Board approve the Second Amendment to the Agreement (the “Second Amendment”), which includes (i) adding additional services for final design, bid phase services, and permitting services; (ii) authorizing the related compensation for additional services; and (iii) extending the time of completion for the Project to December 29, 2024.

Upon completion of the final design, NBU staff will solicit a construction contract and anticipates bringing the construction contract to the Board for approval in June 2023. NBU staff plans to begin construction in August 2023 and complete construction by December 2024.

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

**FINANCIAL IMPACT**

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The total financial impact for the Second Amendment is \$27,000. The total contract amount for the Agreement, the First Amendment, and the Second Amendment with Kimley-Horn for the Project is \$616,000. The Project is budgeted within the fiscal year 2023 through fiscal year 2025 NBU Board approved Capital Improvements Projects Budget.

**LINK TO STRATEGIC PLAN**

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**Infrastructure and Technology****EXHIBITS**

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

**SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT  
(INTERSTATE HIGHWAY 35 24-INCH WATER LINE DOWNTOWN PROJECT)**

This **SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT** (the “Second Amendment”) is made and entered into by and between **NEW BRAUNFELS UTILITIES**, a Texas municipal owned utility (“NBU”), and **KIMLEY-HORN AND ASSOCIATES, INC.**, a North Carolina corporation authorized to transact business in the State of Texas (the “Professional”) (collectively, “the Parties”).

**RECITALS**

WHEREAS, NBU and the Professional entered into the Professional Services Agreement dated October 10, 2019 (the “Original Agreement”), for project management, routing and alignment study, preliminary design, final design, bid phase services, construction phase services, and permitting services (the “Original Services”) for construction of the Interstate Highway 35 24-inch Water Line Downtown Project (“Project”) to be completed by December 31, 2022;

WHEREAS, NBU and the Professional entered into an Amendment to Professional Services Agreement dated February 8, 2021 (“First Amendment” and, together with the Original Agreement, the “Agreement”) to do the following: (i) define the professional supplemental services described in the Supplemental Services to include preliminary and final construction plans and specifications for the 2,000 linear feet of 8-inch water and sewer lines; (ii) modify the subsurface utility engineering services described in the Supplemental Services; (iii) modify the easement survey services described in the Supplemental Services; (iv) add Geotech Supplemental Services in the Agreement; (v) define the completion time for the Supplemental Services in the Agreement; and (vi) adjust the related compensation for the modified Supplemental Services (the “Modified Services” and, together with the Original Services, the “Existing Services”);

WHEREAS, due to budgetary constraints, NBU delayed the Project and cancelled the solicitation of construction of the Project;

WHEREAS, NBU will now solicit for the construction of the Project in late 2023;

WHEREAS, as a result of the delay, NBU and the Professional require additional services for (i) final design services; (ii) bid phase services; and (iii) permitting services (the “New Services” and, together with the Existing Services, the “Services”);

WHEREAS, the New Services require an increase in compensation to the Professional;

WHEREAS, the New Services will extend the time of completion;

WHEREAS, the Original Agreement requires NBU and the Professional to agree in writing to amend or modify the Original Agreement; and

WHEREAS, NBU and the Professional desire to amend the Agreement to (i) add New Services; (ii) authorize the related compensation; and (iii) extend the time of completion for the Services.

NOW THEREFORE, in consideration of the foregoing promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

#### AGREEMENT

Section 1. Amendment to Exhibit A. Exhibit A to the Agreement is hereby amended, in part, as described by Exhibit A to this Second Amendment as of the effective date of this Second Amendment.

Section 2. Amendment to Exhibit B. Exhibit B to the Agreement is hereby replaced in its entirety by Exhibit B to this Second Amendment as of the effective date of this Second Amendment.

Section 3. Remaining Terms. Except as stated herein, all other terms and conditions of the Agreement remain in full force and effect.

Section 4. Entire Agreement. This Second Amendment, together with the Agreement, set forth the entire understanding of NBU and the Professional and supersedes all prior agreements and understandings, whether written or oral, with respect to the subject matter hereof.

Section 5. Binding Effect. This Second Amendment will extend to and be binding upon NBU and the Professional and their respective successors and permitted assigns.

Section 6. Severability. If any term or provision of this Second Amendment is held to be invalid, illegal, or unenforceable in any respect under applicable law, the legality, validity or enforceability of the remaining terms or provisions of this Second Amendment shall not be affected thereby, and this Second Amendment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 7. Governing Law. This Second Amendment shall be governed by and construed in accordance with the laws of the State of Texas.

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

IN WITNESS WHEREOF, the Parties hereto, upon lawful approval and authority, have executed this Second Amendment on this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

NBU:

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

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

Name: Ian Taylor

Title: CEO

**THE PROFESSIONAL:**  
**KIMLEY-HORN AND ASSOCIATES, INC.,**  
a North Carolina corporation

By: 

Name: SEAN MASON

Title: ASSOCIATE

Exhibit A  
Scope of Services

NO CHANGE

**Task 1 – Project Management**

NO CHANGE

**Task 2 – Routing and Alignment Study**

NO CHANGE

**Task 3 – Preliminary Design**

NO CHANGE

**Task 4 – Final Design**

1. NO CHANGE
2. NO CHANGE
3. NO CHANGE
4. The Professional shall provide additional review of the plans and OPCC prior to the second round of bidding services commencing. The additional review shall include a full review of plans, quantities, and cost estimates, as well as review of constructability and of the nearby TxDOT project titled C 16-5-120.

Meetings and Deliverables

1. Meetings:
  - a. NO CHANGE
  - b. One (1) review meeting with NBU prior to bidding in 2023.
2. Deliverables:
  - a. NO CHANGE
  - b. NO CHANGE
  - c. NO CHANGE
  - d. NO CHANGE
  - e. One (1) PDF copy of the final plans, specifications, and OPCC for bidding in 2023.
3. Deliverables provided by NBU:
  - a. NO CHANGE

**Task 5 – Bid Phase Services**

The Professional shall perform the bid phase services to manage the construction contract as described herein. If multiple solicitations are required due to budgetary constraints, the Professional shall provide bid phase services for all solicitations as described herein.

1. NO CHANGE
2. NO CHANGE
3. NO CHANGE
4. NO CHANGE

**Meetings and Deliverables**

1. Meetings:
  - a. Two (2) pre-bid meetings held at NBU's office.
2. Deliverables:
  - a. NO CHANGE
  - b. NO CHANGE
  - c. NO CHANGE
  - d. NO CHANGE

**Task 6 – Construction Phase Services**

NO CHANGE

**Task 7 – Permitting Services**

NO CHANGE

1. NO CHANGE
2. NO CHANGE
3. NO CHANGE
4. The Professional shall coordinate with permitting entities to verify necessary permits are still current and shall request any necessary permit extensions.

**SUPPLEMENTAL SERVICES**

NO CHANGE

**TIME OF COMPLETION:** The Professional is authorized to commence work on the Services upon execution of this Agreement and agrees to complete the Services in accordance with the following schedule.

Task	Beginning Date	Ending Date
Notice to Proceed	NO CHANGE	
Task 1 – Project Management	NO CHANGE	NO CHANGE
Task 2 – Routing and Alignment Study	NO CHANGE	NO CHANGE
Task 3 – Preliminary Design	NO CHANGE	NO CHANGE
Task 7 – Permitting Services	NO CHANGE	NO CHANGE
Task 4 – Final Design	NO CHANGE	April 30, 2023
Task 5 – Bid Phase Services	July 1, 2021	July 31, 2023
Task 6 – Construction Phase Services	August 1, 2023	December 29, 2024

The Professional shall complete the Services as described above in the Time of Completion schedule.

Exhibit B  
Compensation

**Fee and Expenses**

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

**Services:**

NBU shall pay the Professional for the Services during the term of this Agreement in an amount not to exceed \$521,000.

<b>Cost Breakdown</b>	<b>Original Agreement</b>	<b>First Amendment</b>	<b>Second Amendment</b>	<b>Contract Amount</b>
<b>Task 1 – Project Management</b>	\$29,000	\$0	\$0	\$29,000
<b>Task 2 – Routing and Alignment Study</b>	\$39,000	\$0	\$0	\$39,000
<b>Task 3 – Preliminary Design</b>	\$261,000	\$0	\$0	\$261,000
<b>Task 4 – Final Design</b>	\$64,000	\$0	\$10,000	\$74,000
<b>Task 5 – Bid Phase Services</b>	\$13,000	\$0	\$13,000	\$26,000
<b>Task 6 – Construction Phase Services</b>	\$79,000	\$0	\$0	\$79,000
<b>Task 7 – Permitting Services</b>	\$9,000	\$0	\$4,000	\$13,000
<b>Sub-Total</b>	<b>\$494,000</b>	<b>\$0</b>	<b>\$27,000</b>	<b>\$521,000</b>

**Supplemental Services:**

NBU shall pay the Professional for the Supplemental Services performed throughout the term of this Agreement in an amount not to exceed \$95,000; provided, however, that NBU must provide written approval prior to the Professional performing the Supplemental Services.

<b>Supplemental Cost Breakdown</b>	<b>Original Agreement</b>	<b>First Amendment</b>	<b>Second Amendment</b>	<b>Contract Amount</b>
<b>Task 1 - Professional Supplemental Services</b>	\$30,000	\$18,000	\$0	\$48,000
<b>Task 2 - Subsurface Utility Engineering</b>	\$25,000	\$0	\$0	\$25,000
<b>Task 3 -Easement Survey</b>	\$40,000	(\$28,000)	\$0	\$12,000
<b>Task 4 - Geotech</b>	N/A	\$10,000	\$0	\$10,000
<b>Total Supplemental Services</b>	<b>\$95,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$95,000</b>



**Meeting Date:** April 27, 2023      **Agenda Type:** Consent Items for Action

**From:** Jacob Tschoepe      **Reviewed by:** Shawn Schorn, P.E.  
 Fleet and Facilities Manager      Director of Business Planning

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

**RECOMMENDED ACTION:** Authorize CEO or His Designee to Negotiate and Execute the First Amendment to the Lease Agreement with the City of New Braunfels for the NBU Service Center, Located at 355 FM 306, New Braunfels, Texas 78130

## **BACKGROUND**

On August 1, 2020, the City of New Braunfels (the “City”) transferred the New Braunfels Utilities (“NBU”) Service Center, located at 355 FM 306. At that time of the transfer, NBU was in the process of designing a new headquarters to house its employees, and was unable to vacate the property. In order for NBU employees to remain at the Service Center until the new headquarters is complete, NBU entered into an agreement with the City to lease the Service Center (the “Agreement”). The Agreement expires on December 31, 2023.

Due to unforeseen circumstances, the NBU Headquarters project was delayed, and as a result, NBU and the City have agreed to amend the Agreement by extending the term to December 31, 2027 (the “First Amendment”).

NBU staff requests that the Board of Trustees approve the First Amendment to the Agreement.

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

## **FINANCIAL IMPACT**

The First Amendment to the lease agreement between the City and NBU for property located at 355 FM 306 known as the Service Center Facility will not have a financial impact to NBU.

## **LINK TO STRATEGIC PLAN**

**People and Culture**

**Safety and Security**

**EXHIBITS**

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1. Lease Agreement
2. First Amendment to the Lease Agreement

**LEASE**  
**Basic Information**

Date: August 1, 2020

Landlord: CITY OF NEW BRAUNFELS

Landlord's Address: 550 Landa Street  
New Braunfels, TX 78130

Tenant: NEW BRAUNFELS UTILITIES

Tenant's Address: 263 Main Plaza  
New Braunfels, TX 78130

Premises: Approximately 35.452 acres out of the Henry Foster Survey No. 34. Abstract No. 154, also known as 355 FM 306, New Braunfels, Comal County, Texas, SAVE and EXCEPT a 13-acre tract as depicted on **APPENDIX A** in blue (except as otherwise stated herein), as well as a 2-acre tract for proposed fire station as depicted on **APPENDIX A** in red.

Term (months): 41 months, plus partial month

Commencement Date: August 1, 2020

Termination Date: The earlier of December 31, 2023, or the date Tenant vacates the Premises

Option to Extend: Tenant has the option to extend the term 12 months with 90 days prior written notice to Landlord

Base Rent: Ten and No/100 Dollars (\$10.00)

Permitted Use: Tenant's Service Center

Tenant's Insurance: See attached Insurance Addendum on **APPENDIX B**

Landlord's Insurance: See attached Insurance Addendum on **APPENDIX B**

Tenant's Rebuilding Obligations: See Section D.3.

License to Use Portion  
Of 13Acre Tract:

During the Term of this Lease, Tenant will have the limited right to use a 1/2 acre parcel out of the 13-acre tract as Tenant's spoils yard and training area as depicted on **APPENDIX A** ("Licensed Area"). Tenant will also have the right to use the existing spoils yard (being the remainder of the 13-acre tract) for non-hazardous spoils materials. See Section C.1.b. The terms and conditions of the License are set out on **APPENDIX C**, attached hereto.

**A. Definitions**

A.1. "Agent" means agents, contractors, employees, licensees, and, to the extent under the control of the principal, invitees.

A.2. "Injury" means (a) harm to or impairment or loss of property or its use, (b) harm to or death of a person, or (c) "personal and advertising injury" as defined in the form of liability insurance Tenant is required to maintain.

A.3. "Rent" means Base Rent.

**B. Tenant's Obligations**

**B.1. Tenant agrees to—**

B.1.a. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.

B.1.b. Accept the Premises in their present condition "AS IS," the Premises being currently suitable for the Permitted Use.

B.1.c. Obey (i) all laws relating to Tenant's use, maintenance of the condition, and occupancy of the Premises and Tenant's use of any common areas and (ii) any requirements imposed by utility companies serving or insurance companies covering the Premises.

B.1.d. Obtain and pay for all utility services used by Tenant.

B.1.e. Repair, replace, and maintain any part of the Premises, normal wear excepted.

B.1.f. Submit in writing to Landlord any request for repairs, replacement and maintenance that are the obligations of Landlord.

B.1.g. Vacate the Premises on the last day of the Term.

B.1.h. Within 60 days after termination of this Lease, remove spoils materials deposited into the Licensed Area during the term hereof and remediate if necessary any contamination caused by the new spoils. Within the term of the Lease and with 60 days' written notice from Landlord, Tenant will make a reasonable effort to remove in a timely manner the New Materials (defined in Section C.1.b. below) that Tenant deposits on the 13-acre tract after the execution of this Lease. Tenant will not be responsible for removal of the existing spoils materials on the 13-acre tract that were deposited prior to execution of this Lease.

**B.2. Tenant agrees not to—**

B.2.a. Use the Premises for any purpose other than the Permitted Use.

B.2.b. Create a nuisance.

B.2.c. Permit any waste.

B.2.d. Use the Premises in any way that would increase insurance premiums or void insurance on the Premises.

B.2.e. Alter the Premises, without the written approval of the City Manager or his designee.

B.2.f. Allow a lien to be placed on the Premises.

B.2.g. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

**C. Landlord's Obligations**

**C.1. Landlord agrees to—**

C.1.a. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.

C.1.b. At no additional rent, License to Tenant the use of a ½-acre tract out of the 13-acre site for Tenant's spoils yard and training area, as depicted on **APPENDIX A** and under the terms and conditions as set forth in the License attached as **APPENDIX C**. Additionally, Tenant will also be permitted to use the 13-acre tract outside of the Licensed Area during the term of Lease for depositing non-hazardous spoils materials until the Landlord provides 60 days' notice to remove materials deposited after the execution of this Agreement (the "New Materials"). Tenant will make reasonable effort to remove the New Materials in a timely manner after receiving such notice. Tenant will not be responsible for removal of the existing spoils materials on the 13-acre tract that were deposited prior to execution of this Lease. In order to differentiate the New Materials from

the existing spoils within the portion of the 13-acre site currently used as the spoils yard, Tenant will designate a specific site for depositing the New Materials, marked off with stakes and tape, and will take “before” and “after” pictures to establish what is and what is not “New Materials.”

C.1.c. Obey all laws relating to Landlord’s operation of the Premises.

**C.2. Landlord agrees not to—**

C.2.a. Interfere with Tenant’s possession of the Premises as long as Tenant is not in default.

**D. General Provisions**

**Landlord and Tenant agree to the following:**

D.1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at the end of the Term and at Tenant’s expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted. Notwithstanding anything contained herein to the contrary, within 60 days after lease termination, Tenant will remove new material placed on the Licensed Area that was deposited by Tenant during the Term hereof.

D.2. *Insurance.* Tenant and Landlord will maintain the respective insurance coverages described in the attached Insurance Addendum.

D.3. *Casualty/Total or Partial Destruction*

D.3.a. If the Premises are damaged by an insured event, the parties will mutually agree if the buildings and structures should be restored, repaired or rebuilt and if they agree, Landlord will, utilizing proceeds from Tenant’s insurance, restore the roof, foundation, and structural soundness of those structures on the Premises.

D.4. *Condemnation/Substantial or Partial Taking*

D.4.a. If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.

D.4.b. If there is a condemnation or purchase in lieu of condemnation and this lease is not terminated, Landlord will, at Landlord’s expense, restore the Premises, and the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.

D.4.c. Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation.

D.5. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this lease within thirty days after written notice.

D.6. *Default by Tenant/Events.* Defaults by Tenant are failing to comply with any provision of this lease within thirty days after written notice.

D.7. *Default/Waiver.* It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays in taking any action. Pursuit of a remedy does not preclude pursuit of another remedy.

D.8. *Holdover.* If Tenant does not vacate the Premises following termination of this lease, Tenant will become a tenant at will and must vacate the Premises on receipt of notice from Landlord. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term.

D.9. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith.

D.10. *Venue.* Exclusive venue is in Comal County, Texas.

D.11. *Entire Agreement.* This Lease, with its appendices, is the entire agreement of the parties concerning the lease of the Premises by Landlord to Tenant. There are no representations, warranties, agreements, or promises pertaining to the Premises or the lease of the Premises by Landlord to Tenant, and Tenant is not relying on any statements or representations of any agent of Landlord, that are not in this lease.

D.12. *Amendment of Lease.* This lease may be amended only by an instrument in writing signed by Landlord and Tenant.

D.13. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

D.14. *Notices.* Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be given (whether received or not) the earlier of receipt or three business days after being deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, or e-mail and will be effective when

received. Any address for notice may be changed by written notice given as provided herein.

D.15. *Abandoned Property.* Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term and Tenant will be responsible for such related expense.

D.16. *Traffic Signal.* Landlord may install a traffic signal at the Premises to assist with traffic flow as depicted on **APPENDIX A** to and from the Premises and Tenant will cooperate with Landlord's contractors in connection with the work required to install the traffic signal.

**LANDLORD**

**TENANT**

CITY OF NEW BRAUNFELS

NEW BRAUNFELS UTILITIES

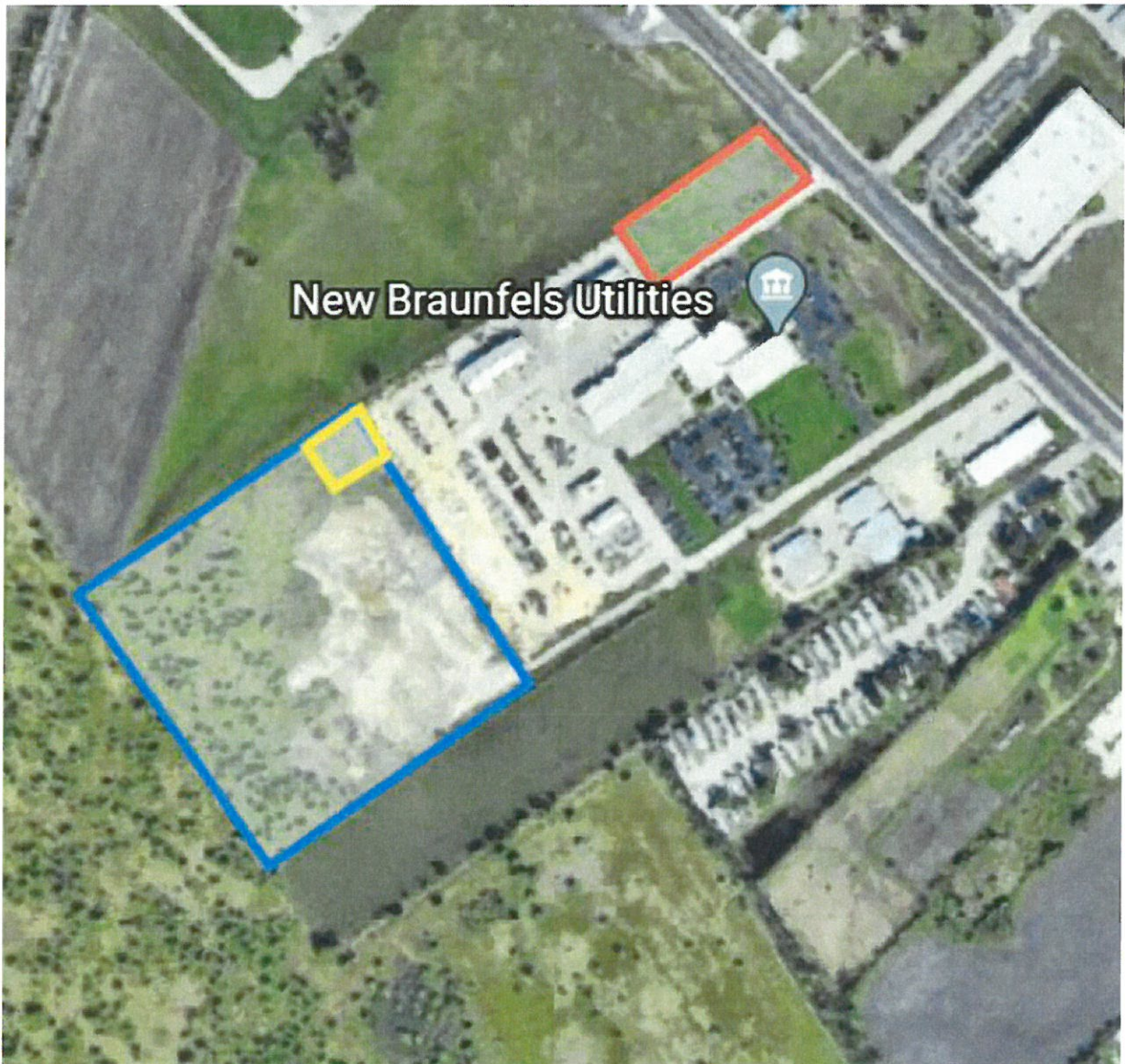


By: Robert Camareno  
ITS: City Manager

By: Ian Taylor  
ITS: Chief Executive Officer

**APPENDIX A**  
**Legal Description**

Approximately 35.452 acres out of the Henry Foster Survey No. 34, Abstract No. 154, also known as 355 FM 306, New Braunfels, Comal County, Texas, SAVE and EXCEPT: (i) the 13 acres depicted in blue; and (ii) the 2 acres depicted in red for the future fire station location.



**APPENDIX B**  
**Insurance Addendum to Lease**

Lease

Date: August 1, 2020

Landlord: CITY OF NEW BRAUNFELS

Tenant: NEW BRAUNFELS UTILITIES

This insurance addendum is part of the Lease.

**Tenant agrees to—**

1. Maintain the following coverages:
  - a. Commercial property insurance written on a causes of loss—special form covering the buildings located on the Premises with all proceeds payable to City, naming Landlord as “additional insured.”
  - b. Commercial property insurance written on a causes of loss—special form (formerly known as “all risks” form) covering Tenant’s personal property, fixtures, and leasehold improvements in the Premises, and naming Landlord as “Building Owner Loss Payable.”
  - c. Commercial general liability insurance written on an occurrence basis, including contractual liability, covering Tenant’s operations within the Premises, naming Landlord, Landlord’s property manager, if any, and Landlord’s Lienholder, if any, as “additional insured,” and having limits of not less than \$2,000,000 each occurrence and \$4,000,000 general aggregate.
  - d. Business auto liability insurance written on an occurrence basis and having a combined single limit of not less than \$1,000,000.
  - e. Workers’ compensation insurance in the statutory amount and employer’s liability insurance having limits of not less than \$500,000 each accident for bodily injury by accident, \$500,000 each employee for bodily injury by disease, and \$500,000 bodily injury by disease for entire policy. Both policies must have a waiver of subrogation in favor of Landlord.
2. Deliver certificates of insurance and copies of any additional insured and waiver of subrogation endorsements to Landlord before entering the Premises and thereafter at least ten days before the expiration of the policies.

## APPENDIX C

### License

1. City desires to license to NBU and NBU desires to license from City a 1/2 acre tract of land (depicted in yellow) out of the 13-acre tract of land (depicted in blue), both shown on **APPENDIX A** attached to the Lease ("Licensed Premises"), which Licensed Premises are located at 355 FM 306, Service Center, subject to the terms, covenants and conditions set forth in this License.
2. NBU will have access to the Licensed Premises to use as a spoils yard and for backhoe training and for no other use or purpose without the prior written consent of City. As set out in Sections B.1.h. and C.1 b. of the Lease, NBU will also have the right to use the existing spoils yard (being the remainder of the 13-acre tract) for depositing new non-hazardous spoils materials.
3. This License begins on the Date of the Lease and ends on Termination Date of the Lease. The term of this License can be extended up to 60 days to allow NBU to remove spoils deposited by NBU during the term of the Lease.
4. In consideration for this License, NBU will pay to CITY the amount of \$10.00 for the term hereof. The Premises are licensed to NBU on an "AS IS, WHERE IS" BASIS, WITH ALL FAULTS. After removal of spoils by NBU within the Licensed Premises NBU agrees to remediate the area as determined by CITY. The location of the 1/2 acre of the Licensed Premises can be changed with mutual consent of the parties in writing and such consent will not be unreasonably withheld, conditioned or delayed.
5. NBU is permitted to construct an opening with a secured gate in the fence for direct access to the Licensed Premises.
6. NBU is not authorized to make any improvements or alterations to the Licensed Premises and doing so will result (i) in termination of this License, and (ii) in NBU becoming liable for reimbursement to CITY for the cost of restoration of the Premises.
7. NBU will fully insure its property stored or used in the Licensed Premises and NBU will not seek compensation from CITY if any of NBU's property is damaged as a result of a hazard and/or the condition of the Premises.
8. This License is personal to NBU. It is not assignable and any attempt to assign this License will terminate this License.

## FIRST AMENDMENT TO LEASE

This **FIRST AMENDMENT TO LEASE** (this “**Amendment**”) is entered into by and between **CITY OF NEW BRAUNFELS** (“**Landlord**”), and **NEW BRAUNFELS UTILITIES** (“**Tenant**”) effective as of \_\_\_\_\_, 2023 (the “**Effective Date**”).

### RECITALS

**WHEREAS**, Landlord and Tenant entered into that certain Lease Agreement, dated August 1, 2020 (the “**Lease**”) in which Landlord leased to Tenant and Tenant leased from Landlord certain premises (the “**Premises**”) more particularly described in the Lease;

**WHEREAS**, Landlord and Tenant desire to extend the Term and the Termination Date of the Lease subject to and in accordance with the terms specified below.

**NOW THEREFORE**, in consideration of the sum of Ten Dollars (\$10.00), the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. **Definitions.** Each capitalized term used herein but not defined in this First Amendment shall have the meaning ascribed to such term in the Lease.
2. **Termination Date.** The Termination Date of the Lease, as specified in the Basic Information of the Lease, is hereby extended to and through December 31, 2027.
3. **Term.** The Term of the Lease, as specified in the Basic Information, is hereby amended to be eighty-nine (89) months.
4. **Ratification; Conflicts.** Except as modified in this First Amendment, the terms of the Lease are hereby ratified and confirmed and shall remain in full force and effect as provided. In the event of any conflict between the terms of the Lease and the terms of this First Amendment, the terms and provisions of this First Amendment shall govern and control.
5. **Brokerage.** Each of Landlord and Tenant warrants that it has had no dealing with any broker or agent in connection with the negotiation or execution of this First Amendment, and each of Landlord and Tenant agrees to indemnify the other party against all costs, expenses, attorneys’ fees, or other liability for commissions or other compensation or charges claimed by any other broker or agent claiming the same by, through, or under it.
6. **Miscellaneous.**
  - a. **Headings.** The descriptive headings contained in this First Amendment are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.
  - b. **Authority.** Tenant has the full legal authority to execute and deliver this First Amendment.
  - c. **Time.** Time is of the essence of this First Amendment.
  - d. **Severability.** If any clause or provision of this First Amendment is illegal, invalid or unenforceable under the present or future laws effective during the term hereunder, then it is the intention of the parties hereto that the remainder of this First Amendment shall not be affected thereby, and it is also the intention of the parties to this First Amendment that, in lieu of each clause or provision of this First Amendment that is illegal, invalid or unenforceable, there be added as a part of this First Amendment a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

e. Amendment. This First Amendment may not be modified or amended, except by an agreement in writing signed by Landlord and Tenant.

f. Entire Agreement. This First Amendment constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement or condition not expressed in this First Amendment shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this First Amendment.

g. Complete Signatures. This First Amendment shall be null and void and of no force or effect unless it is executed by all of the signatories shown below.

h. Multiple Counterparts. Multiple electronic copies of this First Amendment may be executed by the parties hereto. Each such executed copy shall have the full force and effect of an original executed instrument.

IN WITNESS WHEREOF, the parties have executed this First Amendment on the dates shown below, effective however, as of the Effective Date.

**LANDLORD:**

**CITY OF NEW BRAUNFELS**

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

**TENANT:**

**NEW BRAUNFELS UTILITIES**

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



5. Programs that include NBU's participation in professional association events offering information exchanges and educational benefits;
6. Maintenance of the Headwaters site; or
7. Promotion and/or administrative support of the aforementioned items.

NBU staff requests that the Board of Trustees approve the Agreement with the Headwaters.

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

### **FINANCIAL IMPACT**

The total financial impact of the Agreement with the Headwaters is \$296,750, which was approved in the Fiscal Year 2024 Operations and Maintenance Budget.

### **LINK TO STRATEGIC PLAN**

### **Stewardship**

### **EXHIBITS**

1. Grant Agreement (Fiscal Year 2024)

**GRANT AGREEMENT**  
**(Fiscal Year 2024)**

**THIS GRANT AGREEMENT (“Agreement”)** is between **NEW BRAUNFELS UTILITIES**, a municipally owned utility (“NBU”), and **HEADWATERS AT THE COMAL**, a 501(c)(3) nonprofit organization (“Headwaters” and, individually, referred to as “Party” or collectively, with NBU, referred to as the “Parties.”).

**WHEREAS**, Article III, Section 52 of the Texas Constitution prohibits a municipal owned utility from lending its credit or granting public money or other things of value to an individual, association, or corporation in order to prevent the gratuitous application of public funds for private use;

**WHEREAS**, the Texas Constitution provides an exception to Article III, Section 52 of the Texas Constitution, when an expenditure benefits a private interest if it is made for the direct accomplishment of a legitimate public interest;

**WHEREAS**, as agent of the City of New Braunfels, NBU owns sixteen (16) acres of real property located at 333 E. Klingemann Street, New Braunfels, Texas 78130 (“Site”), which is adjacent to the Comal River and the springs that feed it;

**WHEREAS**, in keeping with a longstanding commitment to the environment and to the community, NBU engaged with stakeholders and community members in a visioning process to restore and redevelop the Site into an education and community center that highlights the cultural and environmental significance of the Comal Springs (the “Center”);

**WHEREAS**, in 2012, following input from stakeholders and community members, NBU completed a master plan dated April 20, 2012, and designated “Comal Headwaters Conservation Center,” outlining NBU’s intention for the Site to be a place that enhances the community’s connection with nature and honors the cultural and environmental history of the Site, encouraging future stewardship of the environment, water, and community (“Master Plan”);

**WHEREAS**, in 2017, Headwaters was formed as a tax-exempt nonprofit organization to facilitate the process of restoring the Site in accordance with the Master Plan;

**WHEREAS**, NBU desires to grant public money and administrative support to Headwaters under an annual contract to assist NBU in the process of restoring the Site; and

**WHEREAS**, Headwaters is willing to accept the grant of public money and administrative support for the development of the cultural and environmental history of the Site and encouraging future stewardship of the environment, water, and community as provided for within this Agreement.

**NOW THEREFORE**, in consideration of the mutual promises contained in this agreement and as authorized by the laws of the State of Texas:

**AGREEMENT:**

1. **Term:** This Agreement is for the NBU’s fiscal year beginning on August 1, 2023, and ending July 31, 2024.
2. **Grant:** NBU shall provide a grant in the sum of \$296,750 (the “Grant”) to Headwaters for the purposes described herein. The Grant shall be distributed to Headwaters in one lump-sum payment no later than August 31, 2023.
3. **Sources for Grant Funding.** In compliance with Texas law, the Grant shall be paid from any source lawfully available to the NBU, including NBU revenues but shall not include the proceeds of any bonds or other obligations.
4. **Headwaters’ Responsibility.** During the term of this Agreement, Headwaters shall:
  - a. ensure the Grant funds provided under this Agreement are utilized only for the purposes described in Exhibit A to this Agreement;
  - b. submit any proposed change in use of funds for prior approval to the NBU Board of Trustees.
  - c. serve as the first point of contact for restoring the Site to a world class environmental education center highlighting the cultural and environmental significance of the Comal Springs;
  - d. assist in the maintenance of Phase One of the Center, which includes the environmental zones, water quality improvement through construction of bioswales and grasslands, partial removal of the spring cap, restoration of the spring run, walking trails and an outdoor classroom;
  - e. seek and ensure additional funds to assist in the completion of Phase Two of the Center, which includes the modification, renovation and improvement of the existing facilities to create an education and exhibition space, conference and meeting rooms, visitor’s center and restroom facility and the related professional services and fees associated with the design, development, and construction of the Center;
  - f. develop, manage, and operate the Center to provide safe access to the community;
  - g. maintain all documents, papers, and records, and other evidence pertaining to the Grant funds provided hereunder in an accurate and complete manner, and make such materials available to NBU at its office and at a reasonable time if NBU deems necessary during the Term for purposes of inspection, examination, and making excerpts and/or copies of same by NBU or its authorized representatives;

- h. work in conjunction with NBU to establish and use commercially reasonable internal accounting and administrative controls to preclude theft, embezzlement, and to prevent fraud or abuse;
  - i. produce materials that market the Center, including a website that caters to existing and prospective donors and information packets for targeted companies to donate;
  - j. hold workshops or educational seminars highlighting the cultural and environmental significance of the Center; and
  - k. collaborate with NBU and the media to promote the Center.
5. **NBU Responsibility.** During the term of this Agreement, NBU shall provide the following to Headwaters:
- a. an annual grant as described in this Agreement;
  - b. three full-time NBU employees, including the Headwaters Managing Director, the Headwaters Assistant Manager, and the Headwaters Program and Restoration Coordinator, for Headwaters professional and administrative services;
  - c. technical support with IT, fiduciary record keeping, and other administrative support for Headwaters;
  - d. procurement assistance for purchases of goods and services for contracts that include NBU as a party; and
  - e. office space to facilitate the business operations of Headwaters.
6. **Default, Termination, and Repayment of Grant:** During the Term, if NBU determines that Headwaters has failed to comply with any term or condition of this Agreement (each, a “*Default*”), NBU may declare a Default and terminate this Agreement in accordance with the procedure described herein. If NBU provides written notice of a Default(s) (“*Default Notice*”) to Headwaters, and the Default(s) as identified in the Default Notice is not cured within sixty (60) days from the date the Default Notice is sent (“*Cure Period*”), then this Agreement shall automatically terminate effective as of the date of the expiration of the Cure Period (“*Termination Date*”). NBU may, in its sole discretion, extend the Cure Period if Headwaters commences the cure within the Cure Period and is diligently pursuing such cure. Upon termination of this Agreement, any Grant funds that have not been utilized upon the Termination Date shall be the property of NBU and Headwaters hereby agrees to return such funds to NBU immediately.

It is not, and shall not be construed as, a waiver if NBU fails to declare immediately a Default, or delays in taking any action with respect to a Default, or fails to take any action

with respect to a Default. Additionally, the remedies contained herein are non-exclusive, and NBU shall have any and all remedies it may be entitled to in law or in equity. The exercise of any remedy by NBU shall not be deemed as a waiver of any other remedy to which NBU may be entitled.

7. **Notices:** All notices provided to be given under this Agreement must be in writing, and shall either be personally served against a written receipt therefore or given by certified mail or registered mail, return receipt requested, postage prepaid, and addressed to the proper Party at the address which appears below, or at such other address as the Parties hereto may hereafter designate in accordance herewith. All notices given by mail shall be deemed to have been given at the time of deposit in the United States mail and shall be effective from such date.

If to NBU:       New Braunfels Utilities  
                      263 Main Plaza  
                      New Braunfels, Texas 78130  
                      Attention: Chief Strategic, Communications, and Security Officer  
                      Attention: General Counsel

Headwaters:     Headwaters  
                      333 E. Klingemann Street  
                      New Braunfels, Texas 78130  
                      Attention: President, Headwaters Board of Directors  
                      Attention: Managing Director

8. **Contract Administration:** The NBU Chief Executive Officer or his designated representative shall be the administrator for this Agreement. The Headwaters Board President or his/her designated representative shall be the primary contact for all matters pertaining to this Agreement.
9. **Applicable Law:** This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Comal County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Comal County, Texas.
10. **Entire Agreement:** It is understood and agreed that this Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.
11. **Amendments and Waivers:** No modification of this Agreement shall be binding unless made in writing and executed by both parties. No waiver by either party or any breach or obligation of the other party under this Agreement shall constitute a waiver of any other prior or subsequent breach or obligation.

12. **Authority:** NBU and Headwaters represent that the execution and performance of this Agreement has been duly authorized by its respective board and does not require the consent or approval of any other person or entity that has not been obtained. Additionally, the individuals executing this Agreement on behalf of NBU and Headwaters represent, warrant, assure, and guarantee that they have full legal authority to execute this Agreement on behalf of NBU and Headwaters and to bind NBU and Headwaters to all terms, performances, and provisions herein contained.
13. **Assignment:** No legal or business entity other than Headwaters shall be entitled to receive the benefit of the Grant provided under this Agreement, including any entity resulting from a reorganization, or any other form of business combination involving Headwaters, without the prior written consent of NBU. In addition, this Agreement shall not be assigned by Headwaters to any other legal entity without the prior written consent of NBU. Any attempted transfer of the rights and responsibilities under this Agreement or the assignment of this Agreement without prior approval of NBU shall be void and this Agreement shall terminate.
14. **Severability:** In the event any section, subsection, paragraph, subparagraph, sentence, phrase, or word contained in this Agreement is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase, or word. In such event, there shall be substituted for such deleted provision a provision as similar in terms and in effect to such deleted provision as may be valid, legal, and enforceable to effectuate the purpose of this Agreement.
15. **Applicable Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of law principles that would require the application of the laws of any other state. Venue for any action brought hereunder will be exclusively in Comal County, Texas.

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

**IN WITNESS WHEREOF, THIS AGREEMENT IS EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023.**

**NEW BRAUNFELS UTILITIES**

**HEADWATERS AT THE COMAL**

By: \_\_\_\_\_  
Ian Taylor, Chief Executive Officer

By: \_\_\_\_\_  
Melissa Krause, President

### **Exhibit A**

The Grant shall only be used for the following purposes:

1. programs that promote the safe and efficient use of water;
2. programs that promote water education;
3. programs that promote and/or provide education regarding environmental preservation and conservation;
4. programs that enhance NBU's support for and standing in the national, state, and regional water utility industry;
5. programs that include NBU's participation in professional association events offering information exchanges and educational benefits;
6. maintenance of the Site;
7. promotion of the programs specified in this Exhibit; or
8. administrative support of the programs specified in this Exhibit.



- Any law enforcement entity employed as a college campus security employee at a Texas institution of higher education
- Any Statewide Proportionate Retirement System

### **FINANCIAL IMPACT**

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If adopted, NBU's contribution rate and liabilities will not be immediately affected. NBU's rate and liabilities will only be impacted as current and future employees apply for the credit and the credit is reflected in the valuation data. Generally, the rate impact is minimal (less than 0.05%) because employees that retire sooner have smaller benefits.

### **LINK TO STRATEGIC PLAN**

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#### **People and Culture**

### **EXHIBITS**

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1. Resolution #2023-171

**R-2023-171**

**A RESOLUTION AUTHORIZING AND ALLOWING, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, RESTRICTED PRIOR SERVICE CREDIT TO EMPLOYEES WHO ARE MEMBERS OF THE SYSTEM FOR SERVICE PREVIOUSLY PERFORMED FOR VARIOUS OTHER PUBLIC ENTITIES FOR WHICH THEY HAVE NOT RECEIVED CREDITED SERVICE AND REPEALING RESOLUTION NO. R-2023-166**

WHEREAS, New Braunfels Utilities ("NBU") is a member of the Texas Municipal Retirement System ("TMRS");

WHEREAS, NBU does not currently provide employees with restricted prior service credit for service previously performed for other public entities;

WHEREAS, the Board of Trustees of NBU desires to authorize restricted prior service credit for NBU employees with credit for previously performed service with other public entities;

WHEREAS, the Board of Trustees of NBU previously approved Resolution No. R-2023-166 on March 30, 2023, which contained an incorrect effective date;

WHEREAS, the Board of Trustees of NBU wishes to repeal Resolution No. R-2023-166 in its entirety and replace it with this Resolution; and

WHEREAS, the Board of Trustees of NBU desires for this Resolution to serve as an official action of the Board of Trustees to satisfy the requirements of Texas Government Code Section 853.305.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES THAT:

SECTION 1. Authorization of Restricted Prior Service Credit.

(a) On the terms and conditions set out in Section 853.305 of Subtitle G, Title 8, Texas Government Code, as amended (which Subtitle is referred to as the "TMRS Act"), each member of the Texas Municipal Retirement System (the "System") who is now or who becomes an employee of New Braunfels Utilities shall receive restricted prior service credit for service previously performed as an employee of any of the entities described in TMRS Act Section 853.305 provided that (1) the person does not otherwise have credited service in the System for that service, and (2) the service meets the requirements of TMRS Act Section 853.305.

(b) The service credit granted by this resolution may be used only to satisfy length-of-service requirements for retirement eligibility, has no monetary value in computing the annuity payments allowable to the member, and may not be used in other computations, including computation of Updated Service Credits.

(c) A System member seeking to establish restricted prior service credit under this resolution must take the action required under TMRS Act Section 853.305 while still a System member.

(d) The NBU Human Resources Manager shall serve as the clerk of NBU for purpose of verifying restricted prior service credit under TMRS Act Section 853.305. Item 15.

SECTION 2. This resolution shall become effective on May 1, 2023.

SECTION 3. The recitals contained in the preamble hereof are found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board of Trustees.

SECTION 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board of Trustees hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

SECTION 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

Passed, approved, and adopted, this the 27th day of April, 2023.

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Dr. Judith Dykes-Hoffmann  
President, Board of Trustees  
New Braunfels Utilities

**ATTEST:**

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Ian Taylor  
Secretary to the Board  
New Braunfels Utilities



**Meeting Date:** April 27, 2023      **Agenda Type:** Action Items

**From:** Jacob Tschoepe      **Reviewed by:** Shawn Schorn, P.E.  
 Fleet and Facilities Manager      Director of Business Planning

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

**RECOMMENDED ACTION:** Discuss and Consider Adopting Resolution #2023-170 by the Board of Trustees of New Braunfels Utilities Approving (I) The Transfer of the Real Property Located at 1488 South Seguin Avenue, New Braunfels, Texas (the “City Property”), from the City of New Braunfels to New Braunfels Utilities; (II) Execution of Any and All Documents Necessary to Accomplish the Transfer; and (III) Other Matters in Connection Therewith

## BACKGROUND

New Braunfels Utilities (“NBU”) has maximized its office space at each of its various facilities across New Braunfels and is currently at maximum capacity. On March 30, 2023, the NBU Board of Trustees approved its fiscal year 2024 budget and Five Year Operating Plan, which includes NBU’s intention to hire sixty-eight (68) full time employees in fiscal years 2024 and 2025.

In order to house its current and future employees, NBU plans to build a new headquarters office that will serve as NBU’s main office building and will have the capacity to house employees for the next twenty (20) years. The NBU headquarters building is projected to be completed in December of 2027. In the interim, NBU began its search for viable office space for its employees.

The City of New Braunfels (the “City”) owns property located at 1488 South Seguin Avenue (the “Property”) that was previously used for the New Braunfels Police Department. The City is amenable to transferring this Property to NBU. This transfer would allow NBU to house approximately seventy-five (75) employees until the new headquarters is designed and built.

The City of New Braunfels and NBU agree the market value of the Property is \$2,900,000, based on an appraisal performed by Lowery Property Advisors, LLC.

NBU staff requests that the Board of Trustees approve the transfer of the Property and authorize the execution of all related documents associated with the transfer.

This item is being presented to the Board because the NBU Purchasing and Governance Policies require that staff present all land purchases to the Board for approval.

**FINANCIAL IMPACT**

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The total financial impact of transferring the Property to NBU is \$2,900,000. NBU would be required to pay \$400,000 as a down payment at closing of the transaction and the remaining balance of \$2,500,000 would be credited against the balance that the City owes to NBU for the transfer of the Service Center.

**LINK TO STRATEGIC PLAN**

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**People and Culture**

**Safety and Security**

**EXHIBITS**

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1. Resolution #2023-170
2. Real Estate Transfer Agreement

**R-2023-170****A RESOLUTION BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES APPROVING (I) THE TRANSFER OF THE REAL PROPERTY LOCATED AT 1488 SOUTH SEGUIN AVENUE, NEW BRAUNFELS, TEXAS (THE “CITY PROPERTY”), FROM THE CITY OF NEW BRAUNFELS TO NEW BRAUNFELS UTILITIES; (II) EXECUTION OF ANY AND ALL DOCUMENTS NECESSARY TO ACCOMPLISH THE TRANSFER; AND (III) OTHER MATTERS IN CONNECTION THEREWITH**

WHEREAS, New Braunfels Utilities (“NBU”) is a Texas municipally owned utility that provides water, wastewater, and electricity to ratepayers in its service area;

WHEREAS, NBU continues to experience exponential growth to its service area;

WHEREAS, in order to properly serve its customers, NBU has added additional employees and has plans to hire 68 full-time employees in fiscal years 2024 and 2025;

WHEREAS, NBU plans to build a new headquarters office to serve as NBU’s main office building, which is projected to be completed in December of 2027;

WHEREAS, in the interim, NBU requires adequate office space for its employees;

WHEREAS, the City of New Braunfels (the “City”) owns the real property located at 1488 South Seguin Avenue (the “Property”);

WHEREAS, the City formerly used the Property as a police station but it is no longer being used by the City;

WHEREAS, NBU previously transferred the real property situated at 355 FM 306, commonly known as the Service Center, to the City on July 31, 2020, for \$10,180,000;

WHEREAS, the City paid a portion of the transfer price in the amount of \$5,180,000 on August 2, 2021, with the remaining balance of \$5,000,000 to be paid annually for ten years;

WHEREAS, the City has agreed to transfer the Property to NBU for \$2,900,000, with NBU paying \$400,000 as a down payment at closing of the transaction and the remaining balance of \$2,500,000 being credited against a portion of the \$5,000,000 balance that the City owes to NBU for the transfer of the Service Center; and

WHEREAS, the Board of Trustees has reviewed the Real Estate Transfer Agreement, the Special Warranty Deed, and other documents in connection with the transfer of the City Property, and is of the opinion that the same should be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES THAT:

SECTION 1. The Board of Trustees hereby approves the transfer of the Property for a transfer price of \$2,900,000 with NBU paying \$400,000 as a down payment at closing of the transaction and the remaining balance of \$2,500,000 being credited against a portion of the \$5,000,000 balance that the City owes to NBU for the transfer of the Service Center.

SECTION 2. The Chief Executive Officer of NBU is hereby authorized to negotiate and execute any and all documents necessary to accept the transfer of the City Property from the City, including without limitation, the Real Estate Transfer Agreement and the Special Warranty Deed. The Board of Trustees also authorizes the Chief Executive Officer or his designee to pay or arrange for payment of the costs necessary to complete the transfer of the City Property, including, but not limited to, the title report and NBU legal fees.

SECTION 3. The recitals contained in the preamble hereof are found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board of Trustees.

SECTION 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board of Trustees hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 7. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

SECTION 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, APPROVED, AND ADOPTED, this the 27th day of April, 2023.

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Dr. Judith Dykes-Hoffmann  
President, Board of Trustees  
New Braunfels Utilities

ATTEST:

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Ian Taylor  
Secretary, Board of Trustees  
New Braunfels Utilities

## Real Estate Transfer Agreement

This agreement to transfer real property (“Agreement”) is between NBU and City as identified below and is effective on the date (“Effective Date”) of the last of the signatures by NBU and City as parties to this Agreement.

**Date:** April 24, 2023

**NBU:** NEW BRAUNFELS UTILITIES

**Address:** 263 Main Plaza  
New Braunfels, Texas 78130  
Attn: Connie C. Lock, General Counsel & Chief Ethics Officer

**Phone/Fax:** P: (830) 629-8428 F: (830) 629-8435

**Email:** [clock@nbutexas.com](mailto:clock@nbutexas.com)

**NBU’s Attorney:** Andrew S. Cohen.

**Address:** Hornberger Fuller Garza & Cohen, Inc.  
7373 Broadway, Suite 300  
San Antonio, Texas 78209

**Phone/Fax:** P: (210) 271-1715 F: (210) 271-1740

**Email:** [acohen@hfgtx.com](mailto:acohen@hfgtx.com)

**CITY:** CITY OF NEW BRAUNFELS

**Address:** 550 Landa Street  
New Braunfels, Texas 78130  
Attn: Robert Camareno, City Manager

**Phone/Fax:** P: (830) 221-4280 F: (830) 626-9622

**Email:** [rcamareno@newbraunfels.gov](mailto:rcamareno@newbraunfels.gov)

**City’s Attorney:** Valeria Acevedo, City Attorney

**Address:** 550 Landa Street  
New Braunfels, Texas 78130

**Phone/Fax:** P: (830) 221-4281 F: (830) 626-5578

**Email:** [vacevedo@newbraunfels.gov](mailto:vacevedo@newbraunfels.gov)

**Property:** Approximately 4 acres known as 1488 South Seguin Avenue, New Braunfels, Comal County, Texas. A legal description is contained in **APPENDIX A.**

**Title Company:** Corridor Title Company  
210 W. San Antonio Street, Suite 100  
New Braunfels, Texas 78130  
Attn: Cindy Carroll  
P: (830) 387-4739  
email: cindy@corridortitleco.com

**Transfer Price:** **\$2,900,000**

NBU shall pay Four Hundred Thousand Dollars of the Transfer Price to City no later than August 31, 2023, in cash, wire transfer or other immediately available funds. Reference is hereby made to that certain Real Estate Transfer Agreement dated July 31, 2020, by and between NBU and City with respect to the real property situated at 355 FM 306, New Braunfels, Texas (the "Service Center Transfer Agreement"). Pursuant to the Service Center Transfer Agreement, City paid a portion of the transfer price in the amount of \$5,180,000.00 to NBU on August 2, 2021. The parties acknowledge and agree that City owes the remaining transfer price of \$5,000,000.00 to NBU under the Service Center Transfer Agreement (the "Service Center Transfer Balance"). NBU and City agree that the balance of the Transfer Price of \$2,500,000 owed hereunder (i) shall be credited against the next five annual installments of \$500,000.00 that City owes to NBU for the unpaid balance of the Service Center Transfer Balance under the Service Center Transfer Agreement and (ii) that the Transfer Price shall be deemed paid in full on the Transfer Date. After the credit has been exhausted towards the installments associated with the Service Center, payments will commence on or about October 1, 2027. City shall be obligated to pay the remaining unpaid balance of the Service Center Transfer Balance consisting of five installments of \$500,000.00 per year to NBU in the total amount of \$2,500,000.00 as required under the Service Center Transfer Agreement.

**Condition of the Property:**

NBU has agreed to accept the property "As Is-Where Is," without warranty of any kind except warranty of title, which will be set out in the deed.

**County for Performance:**

Comal County, Texas

**A. Deadlines and Other Dates**

All deadlines in this Agreement expire at *11:59 P.M.* local time where the Property is located. If a deadline falls on a Saturday, Sunday, or national holiday, the deadline will be extended to *11:59 P.M.* the next day that is not a Saturday, Sunday, or national holiday. A national holiday is a holiday designated by the federal government. Time is of the essence.

1. **Delivery of Title Report:** Within ten (10) business days following the Effective Date, City, at City's sole cost and expense, will cause the Title Company to issue and deliver to NBU a title report with a list of all encumbrances, easements and other matters affecting title to the Property (the "**Commitment**").

2. **Delivery of Survey:** NBU will obtain a survey of the Property.

3. **Transfer Date:** No later than August 31, 2023

4. **Transfer Time:** Between 8:00 o'clock A.M. and 5:00 o'clock P.M.

**B. Transfer Documents**

See Section K.3.

**C. Exhibits**

The following are attached to and are a part of this Agreement:

**APPENDIX A** – Description of the Land

**APPENDIX B** – Representations; Environmental Matters

**APPENDIX C** – Special Warranty Deed

#### **D. Transfer of Property**

Subject to the terms and provisions of this Agreement, City agrees to transfer the Property to NBU, and NBU agrees to pay City for the transfer of the Property. The promises by City and NBU stated in this Agreement are the consideration for the formation of this Agreement.

#### **E. RESERVED**

#### **F. Title and Survey**

1. *Review of Title.* The following statutory notice is provided to NBU on behalf of the real estate licensees, if any, involved in this transaction: NBU is advised that it should either have the abstract covering the Property examined by an attorney of NBU's own selection or be furnished with or obtain a title report.

2. *Survey.* "Survey" means an on-the-ground, staked survey and metes-and-bounds description of the Land.

3. If the Commitment or the Survey or any new or updated survey obtained by NBU discloses defects or exceptions that are objectionable to NBU (the "**Title Defects**"), then NBU shall notify City (the "**Title Notice**"), in writing, within ten (10) days following receipt of (x) both the Commitment and the Survey or (y) any such new or updated survey. If NBU so notifies City of such objections, then City shall have a period of ten (10) days from receipt of the Title Notice to notify NBU of any Title Defects that City is unwilling or unable to cure ("**City's Notice**"). City shall use commercially reasonable efforts to cure the other Title Defects and shall have until the Transfer Date to do so. If City is unwilling or unable to cure all of the Title Defects in the Title Notice, NBU shall have the right to terminate this Agreement by delivering written notice to City within ten (10) days following receipt of the City's Notice. If NBU does not elect to terminate this Agreement pursuant to the preceding sentence, then any matters disclosed by the Commitment and the Survey which are not objected to by NBU or which are identified in City's Notice as matters City is unable to cure shall constitute "**Permitted Exceptions.**" Notwithstanding anything to the contrary, whether or not objected to by NBU, City shall satisfy or remove any mortgage, tax, mechanics, judgment or other lien or encumbrance of a definitive or ascertainable amount on or before the Transfer Date as well as Title Defects set forth in the Title Notice that City does not object to curing pursuant to City's Notice.

#### **G. Environmental Testing**

NBU shall have the right during the pendency of this Agreement to obtain such environmental reports regarding the Property as it may deem desirable.

#### **H. Representations**

The parties' representations stated in **APPENDIX B** are true and correct as of the Effective

Date and must be true and correct on the Transfer Date. Notwithstanding anything contained herein to the contrary, the representations made by City in Section C of **APPENDIX B** will survive any inspection or investigation made by or on behalf of NBU and the transfer of title from City to NBU for a period of 12 months from the date of transfer, at which time they will terminate.

**I. Condition of the Property until Transfer; Cooperation; No Recording of Agreement**

1. *Maintenance and Operation.* Until Transfer, City will maintain the Property as it existed on the Effective Date.

2. *Casualty Damage.* City will notify NBU promptly after discovery of any casualty damage to the Property. City will have no obligation to repair or replace the Property if it is damaged by casualty before Transfer. NBU may terminate this Agreement if the casualty damage that occurs before Transfer would affect NBU’s intended use of the Property by giving notice to City within fifteen days after receipt notice of the casualty (or before Transfer if City’s notice of the casualty is received less than fifteen days before Transfer). If NBU does not terminate this Agreement, City will (a) convey the Property to NBU in its damaged condition, (b) assign to NBU all of City’s rights under any property insurance policies covering the Property, and (c) pay to NBU the amount of the deductibles and coinsurance provisions under any insurance policies covering the Property, but not in excess of the cost to repair the casualty damage and less any amounts previously paid by City to repair the Property. If City has not insured or self-insures the Property and NBU does not elect to terminate this Agreement in accordance with this section, the Transfer Price will be reduced by the cost to repair the casualty damage.

3. *Condemnation.* City will notify NBU promptly after City receives notice that any part of the Property has been or is threatened to be condemned or otherwise taken by a governmental or quasi-governmental authority. NBU may terminate this Agreement if the condemnation or threatened condemnation would affect NBU’s intended use of the Property by giving notice to City within fifteen days after receipt of City’s notice to NBU (or before Transfer if City’s notice is received less than fifteen days before Transfer). If NBU does not terminate this Agreement, (a) City and NBU will each have the right to appear and defend their respective interests in the Property in the condemnation proceedings, (b) any award in condemnation will be assigned to NBU, and (c) if the taking occurs before Transfer, the description of the Property will be revised to delete the portion taken.

4. *Claims; Hearings.* City will notify NBU promptly of any claim or administrative hearing that is threatened, filed, or initiated before Transfer that affects the Property.

5. *No Recording.* NBU may not file this Agreement or any memorandum or notice of this Agreement in the real property records of any county. If, however, NBU records this Agreement or a memorandum or notice, City may terminate this Agreement and record a notice of termination.

6. *Representations.* City will promptly notify NBU if any of the representations are no longer accurate.

**J. Termination**

*Duties after Termination.* Subject to the Texas Public Information Act and other state laws, if this Agreement is terminated, NBU will promptly return to City or destroy all documents relating to the Property that City has delivered to NBU and all copies that NBU has made of the documents; provided, however, if NBU elects to destroy rather than return the documents, NBU will send City written notice that it has done so. After return or destruction of the documents and copies, neither party will have further duties or obligations to the other under this Agreement, except for those obligations that cannot be or were not performed before termination of this Agreement.

## **K. Transfer**

1. *Transfer.* The transfer will occur at NBU's offices at the Transfer Date and Transfer Time. At Transfer, the following will occur:

- a. *Transfer Documents.* The parties will execute and deliver the Transfer Documents defined in K.3.
- b. *Define Payment of Transfer Price.* The Transfer Price is \$2,900,000.00. The Transfer Price will be paid as provided above.
- c. *Possession.* City will deliver possession of the Property to NBU, subject to the Permitted Exceptions existing at Transfer.

2. *Transaction Costs.*

- a. *City's Costs.* City will pay the cost of the Title Report; the cost to prepare the Special Warranty Deed; and City's expenses and attorney's fees.
- b. *NBU's Costs.* NBU will pay the cost of the survey obtained by NBU; the costs to obtain, deliver, and record all documents other than those to be recorded at City's expense; and NBU's expenses and attorney's fees.
- c. *Ad Valorem Taxes.* City is tax exempt; therefore, no taxes are owed on the Property as of Transfer.

3. *Transfer Documents.*

At Transfer, City will deliver the following items:

- (i) Special Warranty Deed in form and substance as in **APPENDIX C** attached hereto and incorporated for all purposes herein (the "Deed"); and
- (ii) Evidence of City's authority to close this transaction.

At Transfer, NBU will deliver the following items:

- (i) Counter-sign of the Special Warranty Deed; and
- (ii) Evidence of NBU's authority to consummate this transaction.

The documents listed in this section K.3. are collectively known as the "Transfer Documents." Unless otherwise agreed by the parties before Transfer, the Deed will substantially conform to the model deed attached hereto as **APPENDIX C**.

#### **L. Default and Remedies**

1. *City's Default.* In the event of a default by City under this Agreement, NBU will notify City in writing of the nature of and occurrence of the event of default and City will have 15 days after receipt of such notice to cure such event of default. If City fails to perform any of its obligations under this Agreement or if any of City's representations are not true and correct as of the Effective Date or on the Transfer Date ("City's Default"), NBU, as its sole and exclusive remedy, may elect to:

- (a) Terminate this Agreement by giving written notice thereof to City on or before the Transfer Date, in which event the parties will have no further obligation to each other except for any obligations that may survive this Agreement;
- (b) Waive such default and consummate the transactions contemplated hereby in accordance with the terms of this Agreement; or
- (c) Specifically enforce this Agreement.

2. *NBU's Default.* In the event of a default by NBU under this Agreement, City will notify NBU in writing of the nature of and occurrence of the event of default and NBU will have 15 days to cure such event of default. If NBU fails to perform any of its obligations under this Agreement ("NBU's Default"), City may, as its sole and exclusive remedy, terminate this Agreement by giving notice to NBU on or before the Transfer Date and Transfer Time.

#### **M. Special Provisions:**

1. *Platting/Zoning.* The Property is platted. The Property is zoned C-3 and it is up to NBU to determine if this zoning designation will accommodate NBU's intended use; City has no duty to re-zone the Property.

#### **N. Miscellaneous Provisions**

1. *Notices.* Any notice required by or permitted under this Agreement must be in writing. Any notice required by this Agreement will be given by email, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Copies of each notice must be given by one of these methods to the attorney of the party to whom notice is given.

2. *Entire Agreement.* This Agreement, together with its exhibits, and any Transfer Documents delivered at Transfer constitute the entire agreement of the parties concerning the transfer of the Property by City to NBU. There are no oral representations, warranties, agreement, or promises pertaining to the transfer of the Property by City to NBU not incorporated in writing in this Agreement.

3. *Amendment.* This Agreement may be amended only by an instrument in writing signed by the parties.

4. *Prohibition of Assignment.* NBU may not assign this Agreement or any of NBU's rights under it without City's prior written consent and any attempted assignment is void; provided, however, that NBU may assign all of its rights and obligations hereunder to an affiliate of NBU. This Agreement binds, benefits, and may be enforced by the parties and their respective heirs, successors, and permitted assigns.

5. *Survival.* The obligations of this Agreement that cannot be performed before termination of this Agreement or before Transfer will survive termination of this Agreement or Transfer. The legal doctrine of merger will not apply to these matters and, if there is any conflict between the Transfer Documents and this Agreement, the Transfer Documents will control.

6. *Counterpart Execution.* This Agreement may be executed and delivered (including by facsimile or Portable Document Format (.pdf) transmission) in several counterparts, each of which will be fully effective as an original and all of which together will constitute one and the same instrument. Facsimile and other electronic copies of manually signed originals will have the same effect as manually-signed originals and will be binding on the undersigned parties.

7. *Choice of Law; Venue; Alternative Dispute Resolution.* This Agreement will be construed under the laws of the State of Texas, without regard to choice-of-law rules of any jurisdiction. Venue is in Comal County, Texas. Time permitting, the parties will submit in good faith to an alternative dispute resolution process before filing a suit concerning this Agreement.

8. *Waiver of Default.* It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays taking any action with respect to the default.

9. *No Third-Party Beneficiaries.* There are no third-party beneficiaries of this Agreement.

10. *Severability.* The provisions of this Agreement are severable. If a court of competent jurisdiction finds that any provision of this Agreement is unenforceable, the remaining provisions will remain in effect without the unenforceable parts.

11. *Ambiguities Not to Be Construed against Party Who Drafted Agreement.* The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this Agreement.

12. *Counterparts.* If this Agreement is executed in multiple counterparts, all counterparts taken together will constitute this Agreement.

*[Signatures follow on next page]*

**NBU**

**CITY**

NEW BRAUNFELS UTILITIES

CITY OF NEW BRAUNFELS

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

By: \_\_\_\_\_  
Name: Robert Camareno  
Title: City Manager

**APPENDIX A**  
**Description of the Property**

All that certain tract or parcel of land lying and being situated within the corporate limits of the City of New Braunfels, Comal County, Texas, designated as Lot 4A, RESUBDIVISION PLAT OF SHOPPING PLAZA UNIT ONE, according to the map or plat recorded in Volume 7, Page 142-143, Comal County, Texas Map and Plat Records.

**APPENDIX B**  
**Representations; Environmental Matters**

**A. City's Representations to NBU**

City represents to NBU that the following are true and correct as of the Effective Date and will be true and correct on the Transfer Date.

1. *Litigation.* There is no action, litigation, investigation, condemnation or proceeding pending or threatened against City or the Property that might affect the Property or City's ability to perform its obligations under this Agreement, except: None.

2. *Violation of Laws.* City has not received notice of violation of any law, ordinance, regulation, or requirements affecting the Property or NBU's use of the Property, except: None.

3. *Condemnation; Zoning; Land Use; Hazardous Materials.* City is not aware of hazardous materials or toxic substances on the Property and has not received notice of any condemnation, zoning, or land-use proceedings affecting the Property or any inquiries or notices by any governmental authority or third party with respect to the presence of hazardous materials or toxic substances on the Property or the migration of hazardous materials or toxic substances from the Property.

4. *Possession.* To City's actual knowledge, there are no adverse parties in possession of the Property or of any part thereof and no parties in possession thereof except City, except as otherwise expressly disclosed herein, and no party has been granted any license, lease, or other right relating to the use or possession of the Property. There are no contracts or other obligations outstanding for the sale, exchange or transfer of the Property or any portion thereof or the business operated thereon. There is no agreement of sale or option or right of first refusal or right of first offer or similar agreement with respect to the Property giving any party a right to purchase all or any interest in the Property, except for this Agreement.

5. *Full Disclosure.* The copies of any documents furnished or to be furnished to NBU in connection with this transaction are true and complete copies of the document they purport to be.

6. *No Other Representation.* City makes no other representation with respect to the Property.

7. *No Warranty.* City has made no warranty in connection with this Agreement.

**B. "As Is, Where Is"**

THIS AGREEMENT IS AN ARMS-LENGTH AGREEMENT BETWEEN THE PARTIES. THE TRANSFER PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS,

WHERE IS” TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THE TRANSFER DOCUMENTS AND CITY’S REPRESENTATIONS TO NBU SET FORTH IN SECTION A OF THIS **APPENDIX B**.

THE PROPERTY WILL BE TRANSFERRED TO NBU IN AN “AS IS, WHERE IS” CONDITION, WITH ALL FAULTS. ALL WARRANTIES, EXCEPT THE WARRANTY OF TITLE IN THE TRANSFER DOCUMENTS, ARE DISCLAIMED.

The provisions of this section B regarding the Property will be included in the deed with appropriate modification of terms, as the context requires.

### **C. Environmental Matters**

AFTER TRANSFER, AS BETWEEN CITY AND NBU, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE TRANSFER, WILL BE THE SOLE RESPONSIBILITY OF NBU, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT TRANSFER, SUBJECT ONLY TO CITY’S BREACH OF ITS EXPRESS REPRESENTATION SET OUT IN SECTION A3 ABOVE (“EXPRESS REPRESENTATION”). SUBJECT ONLY TO CITY’S BREACH OF SUCH REPRESENTATION, ONCE TRANSFER HAS OCCURRED, NBU RELEASES CITY FROM LIABILITY FOR ANY LATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE. SUBJECT ONLY TO CITY’S BREACH OF THE EXPRESS REPRESENTATION, NBU RELEASES CITY FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF THEORIES OF PRODUCTS LIABILITY AND STRICT LIABILITY, OR UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE THAT WOULD OTHERWISE IMPOSE ON CITY IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY.

The provisions of this section C regarding the Property will be included in the deed with appropriate modification of terms as the context requires.

**APPENDIX C**  
**SPECIAL WARRANTY DEED**

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

**Date:** \_\_\_\_\_, 2023

**Grantor:** CITY OF NEW BRAUNFELS

**Grantor's Mailing Address:** 550 Landa Street  
 New Braunfels, TX 78130  
 Attn: Valeria Acevedo,  
 City Attorney

**Grantee:** NEW BRAUNFELS UTILITIES, acting by and through its Board of Trustees as an agency of the City of New Braunfels

**Grantee's Mailing Address:** 263 Main Plaza  
 New Braunfels, TX 78130  
 Attn: Connie C. Lock,  
 General Counsel & Chief Ethics Officer

**Consideration:** For the amount of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

**Property (including any improvements):** Lot 4A, RESUBDIVISION PLAT OF SHOPPING PLAZA UNIT ONE, according to the map or plat recorded in Volume 7, Page 142-143, Comal County, Texas Map and Plat Records (collectively, the "Property").

**Vesting Deed:** The Property was sold and conveyed to City, as Grantee by Deed Without Warranty dated October 24, 1996, by Texas Properties 1994-N1, L.P., a Delaware limited partnership, as Grantor and was recorded as Document No. 9606021385 in the Official Records of Comal County, Texas.

**Exceptions to Conveyance and Warranty:** Those matters set forth on Exhibit A attached hereto.

**Reservations from Conveyance:** None

Grantor, for the Consideration and subject to the Reservations from Conveyance, the Exception to Conveyance and Warranty, GRANTS, TRANSFERS, and CONVEYS to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, TO HAVE AND TO HOLD it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to WARRANT AND FOREVER DEFEND all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part hereof when the claim is by, through or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

Except for the express representations and warranties of Grantor contained in that certain Transfer Agreement entered into by and between Grantor and Grantee dated effective \_\_\_\_\_, 2023 (the "Transfer Agreement"), Grantee, its successors and assigns, forever hereby releases Grantor from liability for any latent defects and from any liability for environmental problems affecting the Property, including liability under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), the Resource Conservation and Recovery Act ("RCRA"), the Texas Solid Waste Disposal Act ("TSWDA"), or the Texas Water Code ("TWC"). Except for breach of the express representations and warranties of Grantor in the Transfer Agreement, Grantee, its successors and assigns, forever releases Grantor from any liability for environmental problems affecting the Property arising as the result of theories of products liability and strict liability, or under new laws or changes to existing laws enacted after the effective date that would otherwise impose on Grantor in this type of transaction new liabilities for environmental problems affecting the Property.

The Property is conveyed "AS IS," "WHERE IS," and with all faults. Except for the warranty of title contained in this Deed and the express representations and warranties of Grantor contained in the Transfer Agreement, Grantor has not, does not, and will not make any warranties, guaranties, or representations, oral or written, past or present, express or implied, concerning (i) the condition of the Property or any element thereof, including, without limitation, warranties related to environmental conditions, suitability for habitation, merchantability or fitness for a particular purpose; (ii) the nature or quality of construction, structural, design and engineering of the improvements; (iii) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electricity; (iv) geological conditions, the soil conditions, drainage, floodplain designation, access or other conditions existing at the Property with respect to any particular purpose, developmental potential or otherwise (v) quantity, quality, value, condition, make, model, composition, authenticity, or amount; (vi) any warranties created by and affirmation of fact or promise or by any description of the Property; and (vii) any other warranties and representations whatsoever, except the warranty of title expressly set forth herein and the express representations and warranties of Grantor contained in the Transfer Agreement.

When the context requires, singular nouns and pronouns include the plural.

**GRANTOR**

CITY OF NEW BRAUNFELS,  
a municipality

By: [DO NOT SIGN – FORM ONLY]

\_\_\_\_\_  
Robert Camareno, City Manager

**ACKNOWLEDGMENT**

STATE OF TEXAS           §  
  §  
COUNTY OF COMAL       §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_ 2023, by Robert Camareno, in his capacity as City Manager of City of New Braunfels, the Grantee herein.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Notary Name Printed

Notary commission expires: \_\_\_\_\_

**GRANTEE**

NEW BRAUNFELS UTILITIES,  
an agency of the City of New Braunfels, a municipality

By: [DO NOT SIGN – FORM ONLY]

\_\_\_\_\_  
Ian Taylor, Chief Executive Officer

**ACKNOWLEDGMENT**

STATE OF TEXAS           §  
  §  
COUNTY OF COMAL       §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_2023, by Ian Taylor, in his capacity as Chief Executive Officer of New Braunfels Utilities, the Grantor herein.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_  
Notary Name Printed

Notary commission expires: \_\_\_\_\_

**Exhibit "A"**

**Permitted Exceptions**

[To be added when determined.]



Transfer of Real Property Located at 1488 South Seguin Avenue from the City of New Braunfels

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# Overview

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- Background
- Property Overview
- Transfer Price
- Due Diligence
- Planned Renovations
  - Interior
  - Exterior
- Total Estimated Project Costs
- Next Steps/Move In Schedule
- Questions

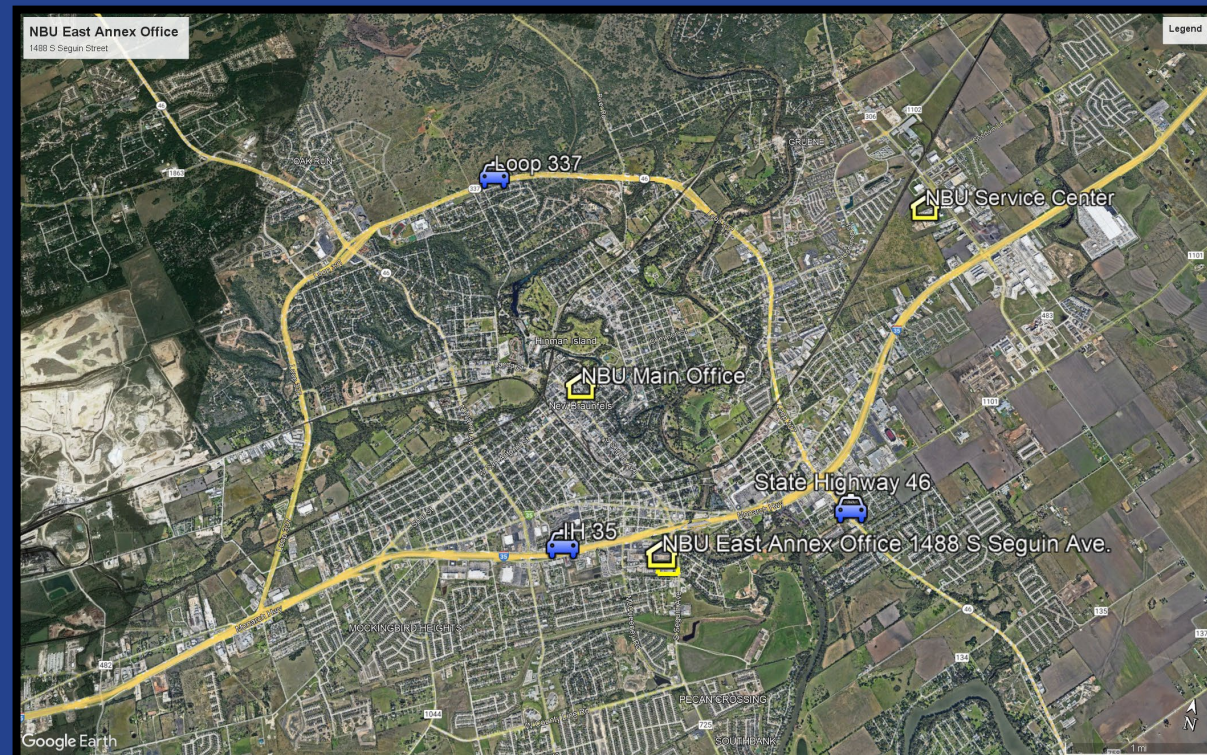
# Background

- NBU needs additional office space ahead of new HQ
- The New Braunfels Police Department (NBPD) recently vacated and moved operations to their new facility located on West San Antonio Street near Loop 337
- The City has agreed to transfer the NBPD facility to NBU via a transfer agreement



# Property Overview

- Centralized location
- Property
  - Approximately 4 acres
  - Approximately 50 Office spaces
  - Room for approximately 75 employees
  - Covered warehouse in back of building
  - Potential covered parking
- Safety
  - Fenced in parking
  - Bullet proof glass in lobby
  - NBU badge system already in place



# Transfer Price

## NBPD

\$2,900,000	Appraisal and transfer price
<u>-\$400,000</u>	NBU Payment to City August 2023
\$2,500,000	Balance NBU will owe City
<u>-\$2,500,000</u>	Credit against City's SC Payments
\$0	Outstanding balance after August Payment

## Service Center

\$10,180,000	Appraisal and transfer price
<u>-\$5,180,000</u>	City Payment to NBU on August 2, 2021
\$5,000,000	Balance City owes (Over 10 installments)
<u>(\$2,500,000)</u>	Credit from NBPD facility
\$2,500,000	Outstanding balance – City to begin payment on or about August 1, 2027 (Over 5 installments)

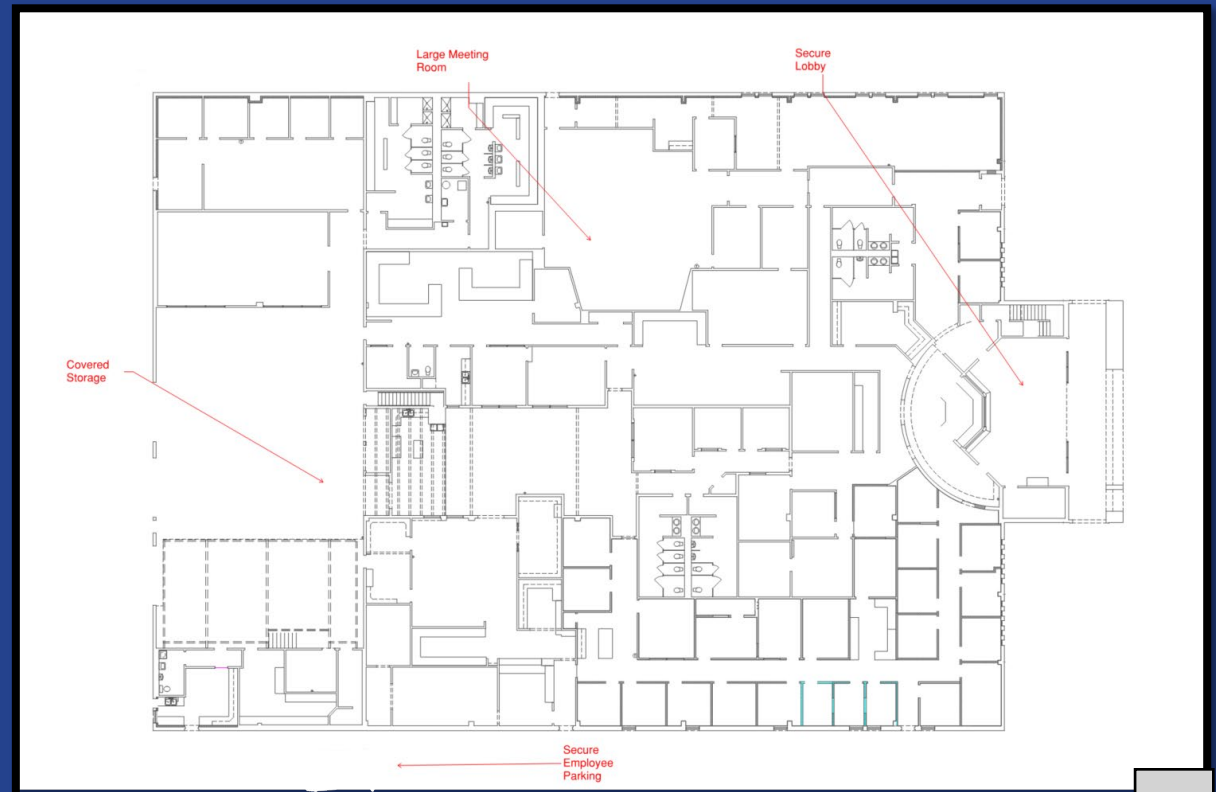
# Due Diligence

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- Property assessment
  - Assessment done by Freese and Nichols, Inc. Dated March 30, 2023
  - No major issues found
    - Floodplain
      - Property within 100-year floodplain
      - Building FFE is 1.9 feet above existing 100-year floodplain elevation
      - Building FFE is also 0.10 feet above 500-year floodplain elevation.
    - Asbestos, lead, and mold
      - Asbestos found in two locations. Full remediation to be done (\$3,100)
      - Mold was found, but not at dangerous levels. Areas to be thoroughly cleaned as needed
      - Lead was not found in 8 tested locations
    - Minor issues found on roof, in building interior, on the building exterior, and across the site
  - Planned renovations will address issues found in the assessment

# Planned Renovations - Interior

- Interior
  - Replace carpet, repaint interior, replace interior ceiling tiles, replace interior lighting with LED lights, remediate minor findings of mold and asbestos, and make minor facility repairs
- Information Technology improvements
  - Sever rooms, computers, telephones, fiber, internet
- Furniture, Fixtures, and Equipment
  - Desks, chairs, tables, shelves, etc.



# Planned Renovations - Exterior

- Exterior
  - Repair roof, repaint exterior, seal exterior wall penetrations, replace exterior lighting as needed, and make minor facility repairs
- Miscellaneous site improvements
  - Perform spot asphalt repair, apply crack sealant, restriping parking lot, replace damaged curb stops, repair irrigation systems, remove left over equipment, clear brush from fence,
- Miscellaneous
  - Branding and any debris removal



# Total Estimated Project Costs

- Proposed Costs
  - Transfer- \$2,900,000
  - Renovation/FFE/IT - \$3,145,000
  - Total Cost - \$6,045,000



# Next Steps/Move In Schedule

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- Initial \$400,000 payment from NBU to City – August 2023
- Transfer of NBPD Facility from City of New Braunfels – August 2023
- Design – May 2023 to September 2023
- Construction – September 2023 to April 2024
- Projected Move In – April 2024



Questions?

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# Water Service Line Inventory

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Brent Lundmark

Water Treatment & Compliance Manager

# Lead and Copper Rule and Revisions

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- EPA finalized LCR in 1991
  - Goal was to protect the public health and reduce exposure to lead in drinking water
    - Established Maximum Contaminant Level Goal of zero for lead
    - Required regular sampling of public water supply systems for lead and copper
      - Targeted customers with lead service lines or copper piping with lead solder
      - Established action levels in sampling which triggered separate corrosion control treatment, public education requirements, and additional water quality parameter sampling
- EPA finalized LCRR on December 16, 2021
  - Goals
    - ‘Get the Lead Out’
    - Improving lead sampling and corrosion control requirements
    - Requiring lead testing in schools and childcare facilities
    - Expanding public education and customer outreach
    - Creating a public inventory of lead service lines
    - Developing lead service line replacement program

# How Does NBU Treat for Lead?

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- We don't have to treat our water
  - Lead does not naturally occur in any of our water supplies
  - NBU water would be classified as 'very hard' on the hardness scale
    - Since it's so hard, the precipitant or hard water stains many of our customer see actually provide a coating of protection inside the pipes
- Additionally, NBU provides TCEQ with a Corrosion Control Study every time we bring on a new water source
  - Blending studies are performed by an engineering consultant prior to us accepting any new water source into the system

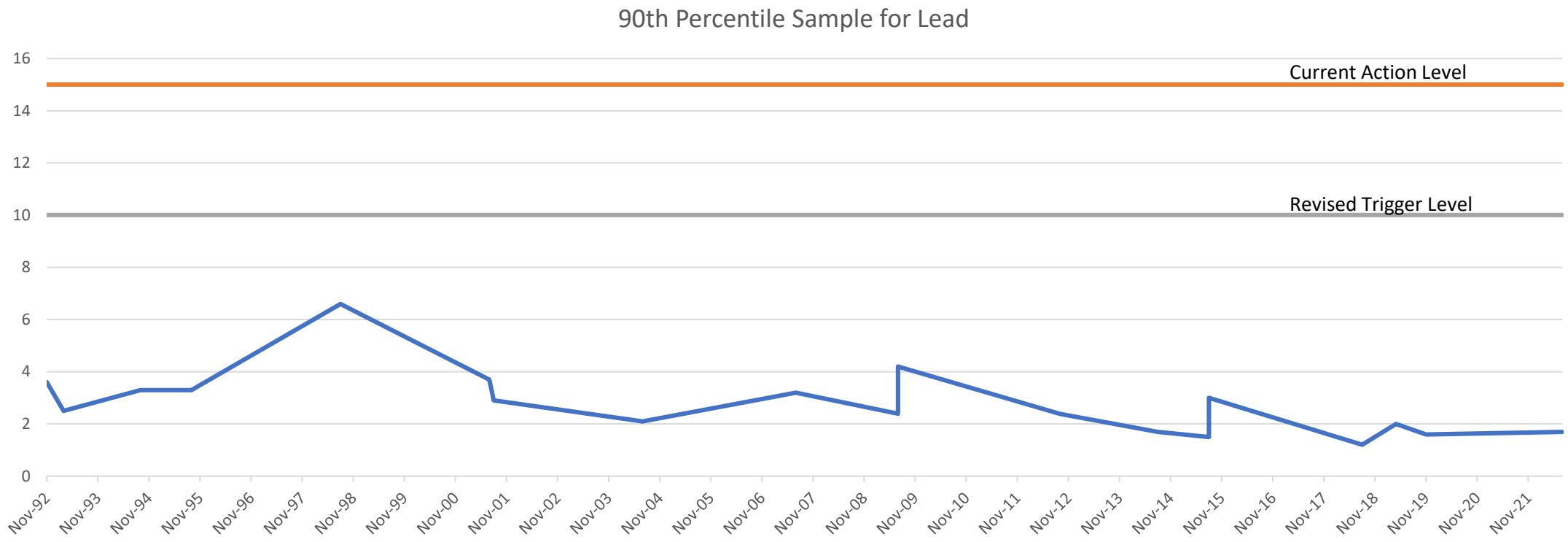
# NBU's Current Requirements

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- Currently on reduced monitoring schedule
  - 30 samples every three years
    - Last sampling event was completed in July 2022
  - Samples are 'first flush'
    - Customers are required to take samples because water has to sit in house for at least six hours
  - Action levels
    - 15 ppb – lead
    - 1.3 ppm – copper
  - Exceeding 90<sup>th</sup> percentile action level triggers Treatment Technique and resuming routine monitoring
    - 60 samples taken every six months until 4 consecutive sampling events are under action level



# Summary of Past Sampling Events



# Improved Lead Sampling Methods

- Current requirements are for a 'first flush' sample
  - Customer required to collect sample
  - Water must be stagnant for at least six hours prior to sampling
- New requirement is for 'first flush' and 'fifth flush' sample



# Sample Site Selection

- Greater focus on lead service lines
- Improved tiering system
  - Moving from 3 tiers to 5 tiers



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY  
LEAD/COPPER SAMPLE SITE POOL SELECTION FORM

PWS NUMBER: 0460001

Make sure you include all regular and backup sites and make as many pages as you need.

No	Site Name	Tier 1, 2, 3, Other	(R)egular sample sites or (B)ack-up site	Type of Plumbing Material	Date of Construction
1	690 W. Mill St.	Tier 1	R	Pb Services	1920
2	842 Northstar Loop	Tier 1	R	Cu Plumbing Pb Joints	1985
3	595 W. Mill St.	Tier 1	R	Pb Services	1903
4	512 East Main	Tier 1	R	Cu Plumbing Pb Joints	1985
5	1528 West Katy St.	Tier 2	R	Cu Plumbing Pb Joints	1986
6	215 Oak Court	Tier 1	R	Cu Plumbing Pb Joints	1986
7	1225 Bluff Creek Circle	Tier 1	R	Cu Plumbing Pb Joints	1986
8	834 Candlewood	Tier 1	R	Cu Plumbing	1986

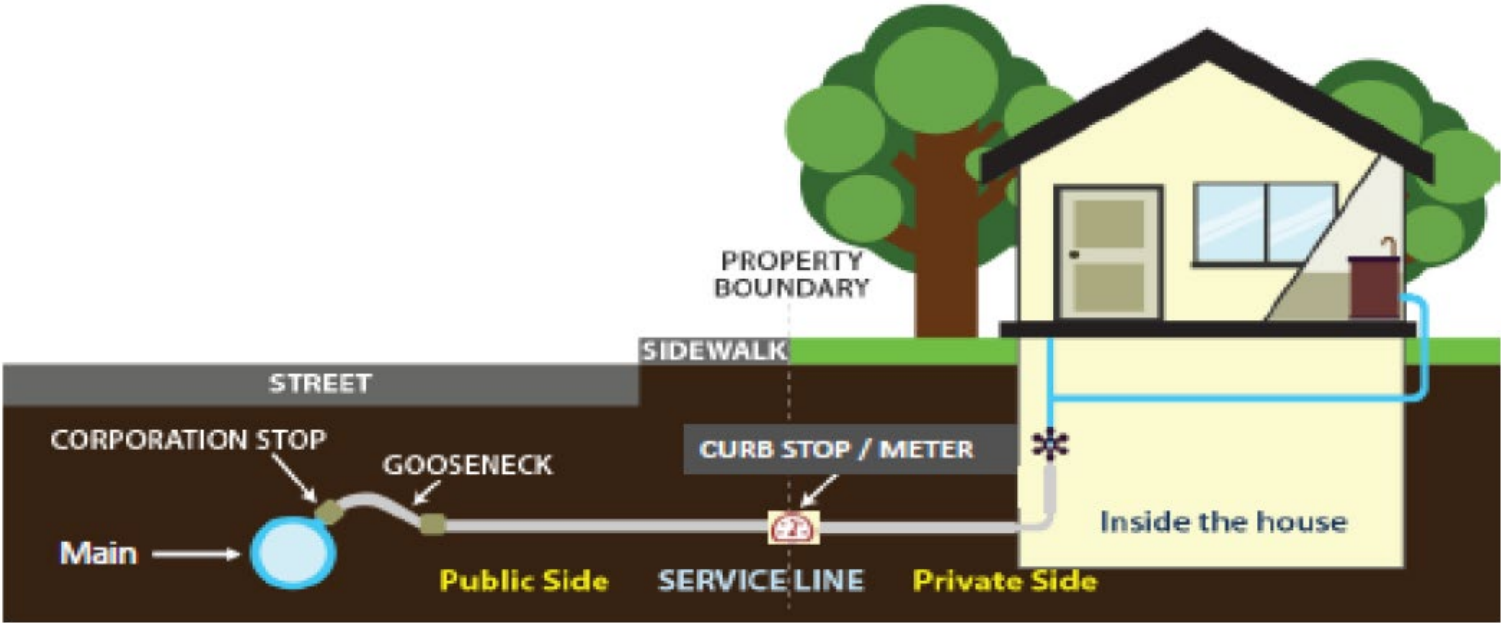
# School and Child Care Testing

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- NBU will be required to test all elementary schools, middle schools, and child care facilities in a five year period (20% per year)
- High schools are only required to be sampled if requested

# Water Service Line Inventory

- Public Water Systems will be required to identify and inventory the public and private side of the lateral service line



# Water Service Line Inventory

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- NBU has roughly 52,000 services in our territory
  - All will need to be on the inventory, but we can narrow down the list that have to be physically identified
  - Lead was prohibited by the Texas Legislature in 1988
  - The Plumbing Code adopted in New Braunfels 1982 did not list lead as an acceptable water service line material
  - As such, TCEQ is allowing us to presume all water services installed after 1982 can be classified as 'Non-Lead' services. We will not have to verify materials for these services
  - We've been able to narrow down the list to roughly 10,000 services
  - NBU must submit the inventory to TCEQ by October 16, 2024
    - This list can include 'Unknowns'



# How are we going to identify service line material?

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- Records search
  - EPA requires NBU to do a record search
  - Unfortunately, we have never historically documented the customer's service line material
- Visual Identification
  - Meter pit search
  - Hydroexcavation - Potholing



# Inventory

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- This is what a typical water meter pit looks like



# Hydroexcavator



# Meter Pit after Hydroexcavation



# Cost

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- NBU has three Board approved unit price contracts that include ‘general potholing’ services
- Staff anticipates one year of work to complete this project
  - Rough cost of \$3,000 per day
  - Estimated total cost of \$600,000
    - Funded through Capital Budget – System Extensions

# Lead Service Line Replacement

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- NBU will be required to submit a Lead Service Line Replacement (LSLR) Plan to TCEQ by October 16, 2024 which must include:
  - Strategy for determining composition of lead status unknown lines in inventory
  - Procedures to conduct a full LSLR
  - Strategy for informing customers before a partial or full LSLR
  - Recommended LSLR goal rate if the trigger level is exceeded
  - Procedures for customers on how to flush lines after LSLR
  - Prioritization strategy based on known LSLs, disadvantaged customers, and sensitive populations
  - Funding strategy for customers who are unable to pay to replace the portion they own
- As rule is currently written, LSLR is not required until either the trigger level or action level has been exceeded by the 90<sup>th</sup> Percentile sample
  - >10 ppb and <15 ppb
    - Goal based percentage of replacements (percentage approved by TCEQ)
  - >15 ppb
    - Mandatory 3% replacement annually

# Questions?

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# Proposed NBU Community Advisory Panel





# Community Input

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**ACCOUNTABILITY – COLLABORATION - TRANSPARENCY**

# Background

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New Braunfels Utilities exists to serve the New Braunfels area community. NBU's customers are diverse and we strive to make decisions that meet their needs as we deliver on our mission of strengthening our community by providing resilient essential services. In addition, to continue to be a trusted community partner dedicated to excellence in service.

# Rate Advisory Committee (RAC) Feedback

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The inaugural NBU Rate Advisory Committee (RAC) ended their work in March 2023 and provided feedback that NBU may want to consider establishing a community advisory group to provide the community a voice and respond to the need for more direct communication and feedback from the community. The idea being that this would provide the community more accountability, collaboration, and transparency from NBU.

# Benefits of Advisory Group

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- Provide a forum for the community to provide diverse views on topics of significance
- Ensure Board of Trustees are making the most informed decisions possible that represent our community's values
- Help improve current operations and shape future policy
- Provide an opportunity for the community to learn about NBU at a granular level
- Educate community on best practices, trends, and industry standards
- Establish open and honest channel of communication with the community

# Lessons Learned from the RAC

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- Consider adding at-large members through an application process
- Staff workload significantly larger than expected
- Dedicated consulting services for community engagement
- Hours required to manage the committee

# Opportunities for Advisory Group

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- Integrated Resource Plan (IRP)
- Water Resource Topics
  - One Water
  - Drought
  - Water Supply
  - Conservation
- RAC: Rate Design FY 2026-2027

# Implementation Option #1

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1. Create standalone committee for each effort
  - Own rules/procedures
  - Possible shared membership between committees
  - Consider how members are selected

# Implementation Option #2

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2. One committee for all three
  - If members are identical, how do we ensure proper subject matter experts are available to provide input?
  - One set of rules/procedures

# Implementation Option #3

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3. Community Advisory Panel (CAP)
  - Is it a panel, board, or a committee?
  - If members are identical, how do we ensure proper subject matter experts are available to provide input?
  - One set of rules/procedures
  - Do we have subcommittees assigned for individual efforts?
  - Does one document (bylaws) establish the group, then separate document (rules/procedures) for individual efforts?

# Next Steps

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- Decide which option is best
- Integrate into the schedule for the Integrated Resource Plan which will kick off in FY 2024
- Get to work

# Board Feedback?

