

R# 2025-194

A RESOLUTION OF THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES RECOMMENDING AND REQUESTING THAT THE NEW BRAUNFELS CITY COUNCIL TAKE CERTAIN ACTIONS WITH RESPECT TO AN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD'S LEAD SERVICE LINE REPLACEMENT PROGRAM; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; ESTABLISHING AN EFFECTIVE DATE; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, New Braunfels Utilities (*NBU*) deems it necessary to apply to the Texas Water Development Board (*TWDB*) for financial assistance from the TWDB's Lead Service Line Replacement Program; and

WHEREAS, NBU's Board of Trustees (*Board*) desires to request financial assistance from the TWDB in an amount not to exceed \$25,000,000 for the design and construction of improvements to NBU's utility system (*System*); and

WHEREAS, the Board has determined that NBU should apply to the TWDB for financial assistance in an amount not to exceed \$25,000,000 which will be evidenced by the issuance of one or more series of revenue bonds payable from and secured by a lien on and pledge of the net revenues of the System, and purchased by the TWDB to provide funds to acquire, purchase, design, construct, improve, extend, enlarge, and repair the System pursuant to the TWDB's programs, and to pay certain costs of issuance; and

WHEREAS, by virtue of the authority and power vested in the Board with reference to the expenditure and application of the revenues of the System and to comply with the terms and conditions prescribed by the TWDB and in the City ordinances authorizing the issuance of currently-outstanding City bonds payable from and secured by a lien on and pledge of the net revenues of the System, which terms and conditions provide for the issuance of additional City bonds payable from and secured by a lien on and pledge of the net revenues of the System, it is necessary and proper for the Board to formally request the City Council of the City to approve the application for financial assistance to the TWDB; and

WHEREAS, it is hereby found and determined that NBU cannot reasonably finance the proposed project without the financial assistance of the TWDB in the amount requested; and

WHEREAS, in accordance with the rules and regulations of the Board, which govern the procedures in making such an application, the governing body of NBU is required to pass a resolution to accompany such application; now therefore,

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

1. The City Council of the City of New Braunfels, Texas is hereby formally requested to authorize and approve the application for financial assistance to the TWDB for designing and constructing improvements to the System, and to pay the costs of issuing the revenue bonds described in the preamble hereof by adopting a Resolution in substantially the form attached hereto as Exhibit A.

2. The President of the Board of Trustees, Secretary of the Board of Trustees, the CEO and Chief Financial Officer of NBU are hereby authorized to execute and submit to the TWDB the application for such financial assistance, and the President of the Board of Trustees, Secretary of the Board of Trustees, the CEO and Chief Financial Officer of NBU, together with the bond counsel, Norton Rose Fulbright US LLP, the financial advisors, SAMCO Capital Markets, and consulting engineers named in such application, are authorized to appear before the TWDB in support of such application.

3. The President of the Board of Trustees, Secretary of the Board of Trustees, the CEO and Chief Financial Officer of NBU are further specifically authorized to make the required assurances to the Board in accordance with the rules, regulations, and policies of the Board.

4. A certified copy of this Resolution shall be attached to the application for financial assistance herein authorized to be prepared and submitted to the TWDB, and the Secretary of the Board of Trustees of NBU is authorized and directed to prepare and certify such number of copies of this Resolution as may be required for purposes of supporting the submission of such application to the TWDB.

5. The recitals contained in the preamble hereof are hereby 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.

6. All ordinances and 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.

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

8. 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 hereby declares that this Resolution would have been enacted without such invalid provision.

9 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, as amended, Texas Government Code.

10. This Resolution shall be in force and effect from and after its passage on the date shown below.

PASSED AND ADOPTED this the 30th of January, 2025.

BOARD OF TRUSTEES,
NEW BRAUNFELS UTILITIES



Wayne Peters
President of the Board of Trustees

Attest:



Ryan Kelso
Secretary to the Board of Trustees



EXHIBIT A

Application Resolution