



**CITY OF NEW BRAUNFELS, TEXAS  
CITY COUNCIL - SPECIAL MEETING**



**CITY HALL - COUNCIL CHAMBERS  
550 LANDA STREET  
NEW BRAUNFELS, TX**

**MONDAY, JUNE 16, 2025 at 5:00 PM**

**AGENDA AMENDED 06-12-2025**

***OUR MISSION***

***The City of New Braunfels serves the community by planning for the future, responding to community needs, and preserving our natural beauty and unique heritage.***

**AGENDA**

**CALL TO ORDER**

**CALL OF ROLL: CITY SECRETARY**

**INVOCATION: COUNCILMEMBER CAPIZZI**

**PLEDGE OF ALLEGIANCE & SALUTE TO THE TEXAS FLAG**

**1. CONSENT AGENDA**

- A) Approval of the first reading of an ordinance establishing [25-761](#) the number of positions in each classification in the New Braunfels Fire Department pursuant to Local Government Code, Chapter 143.  
Becca Miears, Director of Human Resources

**2. PRESENTATIONS**

- A) Presentation providing updated adjustments rates for [25-674](#) Electric rates, Water rates, and Wastewater rates with New Braunfels Utilities (NBU).  
Ryan Kelso, New Braunfels Utilities Chief Executive Officer

**3. INDIVIDUAL ITEMS**

- A) Public Hearing and Approval of the First Reading of an Ordinance Amending Chapter 130, Article III, Sections [25-671](#) 130-56, 130-57, and 130-58, Code of Ordinances of the City of New Braunfels, Texas Adjusting Electric Rates and Charges for Fiscal Year 2026; Providing for Adjustments of Electric Rates and Charges for Fiscal Year 2027; Resolving Other Matters Incident and

Related Hereto; Repealing All Other Ordinances and Parts of Ordinances in Conflict Herewith; Containing a Savings Clause; and Providing an Effective Date.

Dawn Schriewer, Chief Financial Officer

- B) Public Hearing and Approval of the First Reading of an [25-672](#) Ordinance Amending Chapter 130, Article IV, Section 130-167, Code Of Ordinances of the City of New Braunfels, Texas Adjusting Water Rates and Charges for Fiscal Year 2026; Providing for Adjustments of Water Rates and Charges for Fiscal Year 2027; Resolving Other Matters Incident and Related Thereto; Repealing All Other Ordinances and Parts of Ordinances in Conflict Herewith; Containing a Savings Clause; and Providing an Effective Date.

Dawn Schriewer, Chief Financial Officer

- C) Public Hearing and Approval of the First Reading of an [25-673](#) Ordinance Amending Chapter 130, Article V, Section 130-257 Code of Ordinances of the City of New Braunfels, Texas Adjusting Sewer Rates and Charges for Fiscal Year 2026; Providing for Adjustments of Sewer Rates and Charges for Fiscal Year 2027; Resolving Other Matters Incident and Related Thereto; Repealing All Other Ordinances and Parts of Ordinances in Conflict Herewith; Containing a Savings Clause; and Providing an Effective Date.

Dawn Schriewer, Chief Financial Officer

#### 4. **EXECUTIVE SESSION**

In accordance with the Open Meetings Act, Texas Government Code, Ch. 551.071, the City Council may convene in a closed session to discuss any of the items listed on this agenda. Any final action or vote on any executive session item will be taken in open session.

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

#### 6. **ADJOURNMENT**

#### **CERTIFICATION**

I hereby certify the above Notice of Meeting was posted on the bulletin board at the New Braunfels City Hall.

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Gayle Wilkinson, City Secretary

NOTE: Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's Office at (830) 221-4010 at least two (2) work days prior to the meeting so that appropriate arrangements can be made.

6/16/2025

Agenda Item No. A)

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**PRESENTER:**

Becca Miears, Director of Human Resources

**SUBJECT:**

Approval of the first reading of an ordinance establishing the number of positions in each classification in the New Braunfels Fire Department pursuant to Local Government Code, Chapter 143.

**DEPARTMENT:** Human Resources**COUNCIL DISTRICTS IMPACTED:** All**BACKGROUND INFORMATION:**

The City of New Braunfels, having adopted Civil Service under Chapter 143 of the Texas Local Government Code for its Police and Fire Department employees, requires the City Council to establish employee classifications and the number of positions in each classification pursuant to Section 143.021(a). Ordinance No. 24-1125, adopted as part of the FY 2024-25 budget, established these classifications and ranks. This item proposes a temporary increase of one full-time equivalent (FTE) Firefighter position to permit an over hire in response to an extended personnel-related absence.

**ISSUE:**

N/A

**STRATEGIC PLAN REFERENCE:**

☐ Economic Mobility ☐ Enhanced Connectivity ☐ Community Identity  
☒ Organizational Excellence ☒ Community Well-Being ☐ N/A

**FISCAL IMPACT:**

This temporary position increase does not impact overall personnel costs, as it is balanced by adjustments related to the position's current leave status.

**RECOMMENDATION:**

Staff recommends approval of the ordinance.

## ORDINANCE 2025-761

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS, ESTABLISHING THE CLASSIFICATION OF EMPLOYEES WITHIN THE NEW BRAUNFELS FIRE AND POLICE DEPARTMENTS AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION; PROVIDING FOR SEVERABILITY; REPEALING ORDINANCES AND PROVISIONS IN CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of New Braunfels has adopted Civil Service, Chapter 143 of the Texas Local Government Code for its Police and Fire Department employees; and

**WHEREAS**, pursuant to Chapter 143, the City Council shall establish the classifications of employees and prescribe the number of positions in each classification pursuant to Section 143.021(a) of the Texas Local Government Code; and

**WHEREAS**, the City Council adopted Ordinance No. 24-1125 which established the classifications and rank for both the Police Department and Fire Department for FY2024-25 as a part of the annual budget process; and

**WHEREAS**, this amendment proposes to temporarily increase the rank of Firefighter by one full-time equivalent (FTE) to allow for over hire in response to an extended personnel-related absence.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS, THAT**

I.

The Civil Service classifications and number of positions in each classification in the Fire Department shall be approved and effective as indicated below:

<b><u>Classification</u></b>	<b><u>Effective</u> <u>04/08/2024</u></b>	<b><u>Effective</u> <u>10/01/2024</u></b>
<b>1. Assistant Fire Chief</b>	<b>2</b>	<b>2</b>
<b>2. Battalion Chief/ Division Chief</b>	<b>5</b>	<b>5</b>
<b>3. Captain</b>	<b>9</b>	<b>9</b>
<b>4. Lieutenant</b>	<b>21</b>	<b>21</b>
<b>5. Engineer</b>	<b>43</b>	<b>43</b>
<b>6. Firefighter</b>	<b>85</b>	<b>86</b>
<b><i>Totals</i></b>	<b><i>165</i></b>	<b><i>166</i></b>

The classification of Assistant Fire Chief is the rank/classification immediately below the Fire Chief/Department Head. As such, those positions are established by the City Council and will remain positions to which the Department Head may appoint the occupants, in accordance with §143.014 of the Texas Local Government Code. The Fire Chief/Department Head position is not included in the positions listed above.

**II.**

Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity of any other portion, provision, or regulation.

**III.**

Repealer: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

**IV.**

It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

**V.**

This ordinance shall take effect upon the second and final reading, signatures required by City Charter, and filing with the City Secretary's Office.

PASSED AND APPROVED: First reading this 16<sup>th</sup> day of June 2025.

PASSED AND APPROVED: Second reading this 23<sup>rd</sup> day of June 2025.

CITY OF NEW BRAUNFELS, TEXAS

\_\_\_\_\_  
Neal Linnartz, Mayor

ATTEST:

\_\_\_\_\_  
Gayle Wilkinson, City Secretary

APPROVED AS TO FORM:

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Valeria M. Acevedo, City Attorney



## City Council - Special Agenda Item Report

550 Landa Street  
New Braunfels, TX

6/16/2025

Agenda Item No. A)

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**PRESENTER:**

Ryan Kelso, New Braunfels Utilities Chief Executive Officer

**SUBJECT:**

Presentation providing updated adjustments rates for Electric rates, Water rates, and Wastewater rates with New Braunfels Utilities (NBU).

6/16/2025

Agenda Item No. A)

**PRESENTER:**

Dawn Schriewer, Chief Financial Officer

**SUBJECT:**

Public Hearing and Approval of the First Reading of an Ordinance Amending Chapter 130, Article III, Sections 130-56, 130-57, and 130-58, Code of Ordinances of the City of New Braunfels, Texas Adjusting Electric Rates and Charges for Fiscal Year 2026; Providing for Adjustments of Electric Rates and Charges for Fiscal Year 2027; Resolving Other Matters Incident and Related Hereto; Repealing All Other Ordinances and Parts of Ordinances in Conflict Herewith; Containing a Savings Clause; and Providing an Effective Date

**DEPARTMENT:** NBU**COUNCIL DISTRICTS IMPACTED:** All districts**BACKGROUND INFORMATION:**

NBU staff is proposing electric rate changes designed to fund its Fiscal Year 2026 and Fiscal Year 2027 budget. NBU retained Raftelis Financial Consultants, Inc. to conduct a water, wastewater, and electric rate study and to validate forecasted revenue requirements. The revenue requirements identified are driven primarily from the need to build and maintain electric infrastructure to meet regulatory requirements and electric consumption needs.

Based on the rate study results, NBU recommends an average annual retail revenue increase of 4.7% for FY 2026 and 3.2% for FY 2027. The rate plan positions NBU to fund capital improvements with rate revenue (cash) rather than issuing debt for all capital improvements, which also aligns with NBU's financial policies. The rate increases are not a response to ERCOT market prices or pass-through power supply and transmission costs.

On August 31, 2023, the NBU Board approved Resolution #2023-176 establishing the Community Advisory Panel (CAP). On October 26, 2023, the Board approved the CAP Bylaws and appointed (13) CAP members. The CAP was tasked with reviewing and providing feedback on certain NBU projects, including a Fiscal Year 2026-2027 Rate Study. The CAP held four (4) public meetings related to the Fiscal Year 2026-2027 Rate Study. During those meetings, the CAP discussed topics including (i) Identify Financial and Pricing Objectives; (ii) Identify Revenue Requirements and Growth Projections; (iii) Develop Rate Projections and Possible Rate Design Changes; and (iv) Assess Effectiveness in Addressing Financial and Pricing Objectives.

On May 29, 2025, the NBU Board of Trustees recommended changes to Chapter 130, Article III, Sections 130-56, 130-57, and 130-58 relating to electric rates and charges.

The presentation, updated ordinance, and board resolution are attached. The second reading of the proposed



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ordinance is scheduled for June 23, 2025, and, if approved, the proposed rates become effective on August 1, 2025.

**PROPOSED CODE OF ORDINANCE CHANGES**

NBU staff has included in the City Council backup materials a redline version of City of New Braunfels Code of Ordinances Chapters 130-56 - Electric rates, 130-57 - Power factor penalty, and 130-58 - Billing adjustments.

**ISSUE:**

N/A

**STRATEGIC PLAN REFERENCE:**

☐ Economic Mobility ☐ Enhanced Connectivity ☐ Community Identity  
☐ Organizational Excellence ☒ Community Well-Being ☐ N/A

**FISCAL IMPACT:**

N/A

**RECOMMENDATION:**

The New Braunfels Utilities Board of Trustees adopted a resolution on May 29, 2025, recommending the proposed amendments to the electric rate Ordinance. NBU Staff recommends approval of the ordinance.

**ORDINANCE NO. 2025-\_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 130, ARTICLE III, SECTIONS 130-56, 130-57, AND 130-58 CODE OF ORDINANCES OF THE CITY OF NEW BRAUNFELS, TEXAS ADJUSTING ELECTRIC RATES AND CHARGES FOR FISCAL YEAR 2026; PROVIDING FOR ADJUSTMENTS OF ELECTRIC RATES AND CHARGES FOR FISCAL YEAR 2027; RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; REPEALING ALL OTHER ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; CONTAINING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

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**WHEREAS**, the City Council of New Braunfels, Texas (the “City”), owns and operates by and through New Braunfels Utilities its own electric system in accordance with the laws of the State of Texas and the charter of said City; and

**WHEREAS**, the Council of the City of New Braunfels has heretofore established an ordinance providing for assessment and collection of electric rates and which ordinance has been codified as Chapter 130, Article III, Code of Ordinances of the City; and

**WHEREAS**, Sections 130-56, 130-57, and 130-58 of the Code of Ordinances of the City require an update when rates are changed; and

**WHEREAS**, the New Braunfels Utilities Board of Trustees recommended new electric rates and charges for fiscal year 2026 and fiscal year 2027 at a meeting held on May 29, 2025; and

**WHEREAS**, in order to change the electric rates, it is now necessary and advisable that Sections 130-56, 130-57, and 130-58, Article III, Code of Ordinances, as heretofore established by ordinance, be amended; and

**WHEREAS**, the City Council of the City retains the power to consider an additional adjustment of NBU’s rates at any time.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS:**

## **SECTION 1.**

**THAT**, the findings and recitations set out in the preamble to this ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

## **SECTION 2.**

**THAT**, Sections 130-56, 130-57, and 130-58, Chapter 130, Article III, New Braunfels Code of Ordinances, as heretofore established by ordinance, be and hereby are amended to, among other things, (i) adjust electric rates and charges beginning August 1, 2025; (ii) adjust the electric rates and charges in effect on July 31, 2026, beginning August 1, 2026, excluding those covered by contract, with no further action by the City Council of New Braunfels, Texas or by New Braunfels Utilities; and (iii) clarify certain provisions therein.

## **SECTION 3.**

**THAT**, Sections 130-56, 130-57, and 130-58, Chapter 130, Article III, New Braunfels Code of Ordinances, as heretofore established by ordinance, be and hereby are amended as set forth in attached Exhibit A with deleted language signified by strikethrough font and new language signified by underlined font.

## **SECTION 4.**

**THAT**, this ordinance shall be and is hereby declared to be cumulative to all other ordinances of the City of New Braunfels relating to electric rates, and same shall not operate to repeal or affect any such ordinance or ordinances except insofar as the provisions of such ordinance or ordinances are inconsistent or in conflict with the provisions of this ordinance, in which instance or instances those provisions shall be and they are hereby repealed.

## **SECTION 5.**

**THAT**, if any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

## **SECTION 6.**

**THAT**, this ordinance shall be effective on August 1, 2025.

**SECTION 7.**

**PASSED AND APPROVED:** First Reading this 16th day of June, 2025.

**PASSED AND APPROVED:** Second Reading this 23rd day of June, 2025.

**CITY OF NEW BRAUNFELS**

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**NEAL LINNARTZ, Mayor**

**ATTEST:**

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**GAYLE WILKINSON, City Secretary**

**APPROVED AS TO FORM:**

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**VALERIA ACEVEDO, City Attorney**

**R-2025-196**

**A RESOLUTION BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES APPROVING PROPOSED AMENDMENTS TO CHAPTER 130, ARTICLE III, SECTIONS 130-56, 130-57, AND 130-58 OF THE CODE OF ORDINANCES OF THE CITY OF NEW BRAUNFELS (I) ADJUSTING ELECTRIC RATES AND CHARGES FOR FISCAL YEAR 2026; (II) PROVIDING FOR ADJUSTMENTS OF ELECTRIC RATES AND CHARGES FOR FISCAL YEAR 2027; (III) RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND (IV) AUTHORIZING PRESENTATION OF SAME TO THE CITY COUNCIL OF NEW BRAUNFELS FOR ITS CONSIDERATION AND PASSAGE**

WHEREAS, the City Council of the City of New Braunfels (the “City Council”) has established an ordinance containing the rules, regulations, and policies and rate provisions affecting the New Braunfels Utilities electric system and its furnishing of services, fixing rates, deposits and providing for collection procedures and for the operations of said system, and said ordinances have been codified in Chapter 130, Article III, Code of Ordinances of the City;

WHEREAS, the Board of Trustees of New Braunfels Utilities is of the opinion that it is now necessary and advisable that Chapter 130, Article III, Sections 130-56, 130-57, and 130-58 of the Code of Ordinances relating to electric rates and charges be amended for fiscal year 2026 and fiscal year 2027; and

WHEREAS, the Board of Trustees has reviewed the proposed amendments and is of the opinion that the same should be approved and submitted to the City Council for its consideration and passage.

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

SECTION 1. The Board of Trustees hereby approves the 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 as set forth in the attached Exhibit A to, among other things, (i) adjust electric rates and charges beginning August 1, 2025, as specified therein; (ii) adjust the electric rates and charges in effect on July 31, 2026, beginning August 1, 2026, as specified therein, excluding those covered by contract, with no further action by the City Council of New Braunfels, Texas or by New Braunfels Utilities; and (iii) clarify certain provisions as specified therein.

SECTION 2. The Board of Trustees hereby recommends approval of such amendments to the City Council and authorizes and directs the Chief Executive Officer of New Braunfels Utilities to present the proposed ordinance amendments in ordinance form to the City Council for its consideration and passage as provided by law.

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 29th day of May, 2025.



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Wayne Peters  
President, Board of Trustees  
New Braunfels Utilities

ATTEST:



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Ryan Kelso  
Secretary to the Board  
New Braunfels Utilities

## Exhibit A

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## Sec. 130-56. Electric rates.

- (a) Service rate classifications. All electric service supplied by NBU shall be designated by the following classifications with descriptions, rates and conditions of sale as indicated further in this article:
- (1) Residential (RE);
  - (2) Small general service (SGS);
  - (3) Large general service (LGS);
  - (4) Very large power-distribution (VLP-D);
  - (5) Transmission service rate (TSR);
  - (6) Experimental electric rate (EER);
  - (7) Lighting athletic fields (LAF);
  - (8) Area lighting rate (AL);
  - (9) Second feeder service (SFS);
  - (10) Net metering (NM); and
  - (11) Interstate highway lighting rate (HL).
- (b) Upon application for service, NBU shall make the initial determination of the customer's service rate classification, which classification is subject to change in accordance with the provisions of this article.
- (c) Residential service rate (RE).
- (1) *Availability.* The residential rate (RE) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
  - (2) *Applicability.* The residential rate is applicable for electric service used solely for residential purposes, and related activities, consisting of service to single-family dwellings or individually metered multifamily dwellings. Where two residential units are billed through one meter, the electric service availability charge shall be doubled. Where more than two residential units or apartments are billed through one meter, the applicable general service rate shall be used.

This rate shall not be applicable for service to a residence also used for nonresidential purposes, including but not limited to boardinghouses, barbershops, beauty shops, general contractors, storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar nonresidential activities. If the wiring is so arranged that the service for residential purposes and that for commercial purposes are separately metered, this rate is applicable to the service supplied for residential purposes.
  - (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire. Other service voltages may, under certain specific conditions, be furnished with the approval of NBU's chief operations officer.
  - (4) *Monthly rates.* The monthly rates for residential service are as follows:
    - a. Electric service availability charge, \$22.80 per month effective August 1, 2025, and \$24.97 per month effective August 1, 2026.
    - b. Delivery charge, \$0.03016 per kilowatt-hour (kWh) effective August 1, 2025, and \$0.03303 per kWh effective August 1, 2026.
    - c. Cost of power charge:



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Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

Base Transmission Rate (BTR):

\$0.0052 per kWh

- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.

(d) Small general service rate (SGS).

- (1) *Availability.* The small general service rate (SGS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
- (2) *Applicability.* The small general service rate is applicable for electric service to all nonresidential establishments, or where a residence is also used for nonresidential purposes, and billed through one meter, or where the nonresidential part of a residence is separately metered from the part solely residential, or where three or more residential units are billed through one meter, and use does not exceed 25 kilowatt (kW) demand.
- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire; or 120/208 volt three-phase, 60-hertz, four-wire; or 120/240 volt three-phase, 60-hertz, three-wire or four-wire; or 277/480 volt three-phase, 60-hertz, four-wire.

(4) *Monthly rates.* The monthly rates for small general service are as follows:

- a. Electric service availability charge, \$40.42 per month effective August 1, 2025, and \$44.26 per month effective August 1, 2026.
- b. Delivery charge, \$0.01778 per kWh effective August 1, 2025, and \$0.01947 per kWh effective August 1, 2026.
- c. Cost of power charge:

Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

Base Transmission Rate (BTR):

\$0.0052 per kWh

- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.

(5) *Determination of metered kW demand.* The customer's kW demand may be measured when the customer's monthly energy consumption exceeds 3,000 kWhs, and/or where customer's total connected load exceeds 25 kW in motors and other inductive-type equipment. Measurement shall be by maximum 15-minute demand. If after measurement it is determined that the customer's monthly demand has exceeded 25 kW, the customer shall be charged for kW billing demand under the appropriate rate class schedule.

(e) Large general service rate (LGS).

- (1) *Availability.* The large general service rate (LGS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.

- (2) *Applicability.* The large general service rate is applicable for electric service to all nonresidential establishments, or where a residence is also used for nonresidential purposes and billed through one meter, or where the part of a residence is separately metered from the part solely residential, or where three or more residential units are billed through one meter, and use exceeds a maximum 15-minute measured demand of 25 kW during two billing periods for the June through September billing periods or for any four billing periods over a 12-month period, but does not exceed an estimated or measured 1,000 kW, maximum 15-minute measured demand during two billing periods.

When a customer is reclassified to the LGS rate from another rate schedule, the customer may not change to another rate classification within a 12-month period unless there is a substantial change in the character or conditions of service. A customer may request reclassification to another rate classification only after fulfilling all obligations of this rate.

- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire; or 120/208 volt three-phase, 60-hertz, four-wire; 120/240 volt three-phase, 60-hertz, three-wire or four-wire; or 277/480 volt, three-phase, 60-hertz, four-wire; or 7200/12470 volt, three-phase, 60-hertz, four-wire.
- (4) *Monthly rate.* The monthly rates for large general service are as follows:
- a. Electric service availability charge, per month determined by installed kilovolt-amperes (kVA) aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Greater than 12,999	\$8,688.12	\$9,513.49
Less than 13,000 and greater than 7,999	\$7,645.54	\$8,371.86
Less than 8,000 and greater than 3,999	\$5,734.17	\$6,278.91
Less than 4,000 and greater than 2,999	\$3,822.77	\$4,185.94
Less than 3,000 and greater than 1,999	\$2,548.52	\$2,790.62
Less than 2,000 and greater than 1,499	\$1,274.27	\$1,395.32
Less than 1,500 and greater than 750	\$764.56	\$837.20
Less than 751 and greater than 500	\$573.42	\$627.89
Less than 501 and greater than 300	\$445.99	\$488.36
Less than 301 and greater than 150	\$254.87	\$279.08
Less than 151	\$76.46	\$83.72

- b. Delivered Power Distribution Demand charge, \$11.38 per kW effective August 1, 2025, and \$12.46 per kW effective August 1, 2026.
- c. Cost of power charge:
- Base Generation Rate (BGR):
- October—May billing period, \$0.04 per kWh
- June—September billing period, \$0.05 per kWh
- d. Power supply demand charge, \$1.15 per kW billing demand per month.
- e. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (5) *Determination of billing kW demand.* The billing kW demand shall be the highest measured kW demand established in any 15-minute demand interval during the current month.

(f) Very large power distribution rate (VLP-D).

- (1) *Availability.* Very large power-distribution service (VLP-D) shall be available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
- (2) *Applicability.* The very large power-distribution rate is applicable for electric service when the measured kW demand exceeds 1,000 kW during a 15-minute demand interval during two billing periods over a 12-month period.
- (3) *Service conditions.* The service furnished under this section shall be nominal 277/480 volt, three-phase, 60-hertz, four-wire; or 7200/12470 volt, three-phase, 60-hertz, four-wire.
- (4) *Monthly rate.* The monthly rates for very large power-distribution service are as follows:
  - a. Electric service availability charge, per month determined by installed kVA aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Greater than 12,999	\$11,490.69	\$12,582.30
Less than 13,000 and greater than 7,999	\$9,192.53	\$10,065.82
Less than 8,000 and greater than 3,999	\$6,894.41	\$7,549.38
Less than 4,000 and greater than 2,999	\$4,596.26	\$5,032.91
Less than 3,000 and greater than 1,999	\$3,064.17	\$3,355.27
Less than 2,000 and greater than 1,499	\$1,532.08	\$1,677.63
Less than 1,500 and greater than 750	\$919.26	\$1,006.59
Less than 751 and greater than 500	\$689.44	\$754.93
Less than 501 and greater than 300	\$536.24	\$587.19
Less than 301 and greater than 150	\$306.42	\$335.53
Less than 151	\$91.94	\$100.68

- b. Delivered Power Distribution Demand charge, \$8.36 per kW effective August 1, 2025, and \$9.15 per kW effective August 1, 2026.
    - c. Cost of power charge:  
Base Generation Rate (BGR):  
October—May billing period, \$0.04 per kWh  
June—September billing period, \$0.05 per kWh
    - d. Power supply demand charge, \$1.15 per kW billing demand per month.
    - e. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments. The minimum monthly bill will not include the power factor penalty for the first six months to any new customer to this rate class.
  - (5) *Determination of billing kW demand.* The kW billing demand shall be the highest measured kW demand established in any 15-minute period during the current month or 75 percent of the highest 15-minute kW demand in any of the preceding 11 months, but not less than 1,000 kW.
- (g) Transmission service rate (TSR).
- (1) *Availability.* Transmission service rate (TSR) shall be available, as approved by the NBU board of trustees, in the electric service area of NBU under the rules, regulations, and policies as established by

NBU, which are subject to change from time to time, and as provided for in this article, at the rates set forth in this section.

- (2) *Applicability.* The transmission service rate is applicable only for electric service to customers which require transmission level service (operated at 60 kilovolts (kV), or above) at each specifically identified individual service location and which meet all of the service conditions provided in this article.
  - (3) *Service conditions.* The transmission service rate is available in accordance with terms, conditions and rates established by NBU and reviewed by the NBU board of trustees.
  - (4) *Monthly rate.* The monthly rates for transmission service shall be the sum of the following:
    - a. ERCOT charges: The actual fees and rates for ERCOT transmission service as approved by the Public Utility Commission of Texas.
    - b. Local transformation, metering and miscellaneous charges.
    - c. Power supply charge: The monthly power supply charge shall be the total power supply costs as they are incurred by NBU. Such costs shall include, but are not limited to, costs for purchasing, scheduling, coordinating, and providing capacity and energy to the customer, facilities charges plus any special charges or adjustments.
- (h) Experimental electric rate (EER).
- (1) *Applicability.* The experimental electric rate shall be applicable to customers in any rate class at times selected by NBU. The time period for which the experimental electric rate may apply shall not exceed two years. At any time, the number of customers affected by the experimental electric rate shall not exceed one percent of the total number of customers served by NBU.
  - (2) *Purpose.* The purpose of the experimental rate is to aid in design of new rates. NBU shall have the authority to initiate or discontinue the experimental electric rate at NBU's discretion.
  - (3) *Selection.* The methods and criteria for selection for a rate class to be used for the experimental electric rate shall be chosen and defined by NBU. Participation in the experimental electric rate by customers shall be on a voluntary basis.
- (i) Lighting athletic fields (LAF).
- (1) *Applicability.* Service will be supplied through a single point of delivery and shall be used for lighting of outdoor athletic fields and facilities used exclusively in conjunction with athletic events on these fields.
  - (2) *Service conditions.* Single or three-phase service at the voltage of the available primary distribution lines of NBU (primary), or at the secondary voltage of transformation facilities supplied from NBU's distribution system (secondary).
  - (3) *Monthly rate.* The monthly rates for athletic field service are as follows:
    - a. Electric service availability charge, per month determined by installed kVA aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Greater than 12,999	\$6,716.97	\$7,355.08
Less than 13,000 and greater than 7,999	\$5,373.57	\$5,884.06
Less than 8,000 and greater than 3,999	\$4,030.19	\$4,413.05
Less than 4,000 and greater than 2,999	\$2,686.79	\$2,942.03
Less than 3,000 and greater than 1,999	\$1,791.19	\$1,961.35
Less than 2,000 and greater than 1,499	\$895.60	\$980.68
Less than 1,500 and greater than 750	\$537.36	\$588.41

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Less than 751 and greater than 500	\$403.01	\$441.30
Less than 501 and greater than 300	\$313.45	\$343.23
Less than 301 and greater than 150	\$179.12	\$196.13
Less than 151	\$53.74	\$58.84

- b. Delivery charge: \$0.07428 per kWh effective August 1, 2025, and \$0.08134 per kWh effective August 1, 2026.
  - c. Cost of power charge:
    - Base Generation Rate (BGR):
      - October—May billing period, \$0.04 per kWh
      - June—September billing period, \$0.05 per kWh
    - Base Transmission Rate (BTR):
      - \$0.0052 per kWh
  - d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (j) Area lighting rate (AL).
  - (1) *Availability.* The area lighting rate (AL) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section. Service under this tariff is subject to connection charges contained in the NBU electrical connection policy.
  - (2) *Applicability.* The area lighting rate is applicable for electric service for pole-mounted area security lighting near NBU's electric distribution lines.
  - (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single phase, 60-hertz, three wire. Other service voltages may, under certain specific conditions, be furnished with the approval of NBU's chief operations officer.
  - (4) *Monthly rates.* The monthly rates for area lighting service are as follows:
    - a. \$13.17 per lamp per month effective August 1, 2025, and \$14.42 per lamp per month effective August 1, 2026.
    - b. *Minimum monthly bill.* The minimum monthly bill shall be the charge per lamp plus any special charges or adjustments.
- (k) Second feeder service rate (SFS).
  - (1) *Availability.* The second feeder service rate (SFS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section, provided NBU agrees that such service can be feasibly and economically provided by NBU. Service under this tariff is subject to connection charges and specifications contained in NBU electrical connection policy.
  - (2) *Applicability.* The second feeder service rate is applicable only for electric service to customers in LGS and VLP rate classes that require reserve capacity on a second distribution feeder at a specifically identified individual service location and that meet all of the service conditions provided in this article.
  - (3) *Service conditions.* Second feeder service is the reservation of capacity on a second feeder in order to provide redundant feeder capacity and provide the capability to automatically transfer the customer's total load from a primary feeder to an alternate second feeder.

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- a. Service will be provided only by long-term contract approved by the NBU board of trustees. This long-term contract will establish, in addition to other terms and conditions, the amount of capacity reserved on a second feeder for a customer and the adjustment of minimum reserve capacity permitted under this rate.
  - b. Second feeder service does not guarantee continuous service availability and may be interrupted for maintenance activities or when necessary for operational or emergency reasons.
  - c. Where appropriate, the customer will be required to maintain appropriate load balancing as determined by NBU.
- (4) *Monthly rates.* The monthly rates for second feeder service are as follows:
- a. Capacity reservation charge, \$7.51 per used kW per month effective August 1, 2025, and \$8.23 per used kW per month effective August 1, 2026.
  - b. Minimum kW contracted for shall be 1,000kW per month.
- (I) Net metering service rate (NM).
- (1) *Availability.* The net metering service rate is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section. Service under this rate may be subject to additional connection charges and specifications contained in NBU electrical connection policy.
- (2) *Applicability.* The net metering service rate is available to residential customers, small general service customers, and large general service customers with grid-connected solar, wind or other distributed generation facility of less than 50 kW where the customer's load profile exceeds the generating capacity. A distributed generation facility is an electric generation facility of ten megawatts or less and related interconnecting facilities to be interconnected at a voltage less than 60 kilovolts.
- (3) *Service conditions.* Service will be provided in accordance with terms and conditions provided by NBU.
- (4) *Monthly rates.* Monthly net metering service rates are as follows:
- a. Electric service availability charge:
    - Residential customers, \$22.80 per month effective August 1, 2025, and \$24.97 per month effective August 1, 2026.
    - Small general service customers, \$40.42 per month effective August 1, 2025, and \$44.26 per month effective August 1, 2026.
    - Large general service customers (NM)-based on kVa size, same rate schedule as LGS.
  - b. Delivery charge, per kWh, as specified in the appropriate RE or SGS rate plus a fixed cost per type of installed kW as shown below:
    - Residential (RE) solar: \$1.80 per month effective August 1, 2025, and \$1.97 per month effective August 1, 2026.
    - Residential (RE) wind: \$0.84 per month effective August 1, 2025, and \$0.92 per month effective August 1, 2026.
    - Small General Service (SGS) solar: \$0.99 per month effective August 1, 2025, and \$1.09 per month effective August 1, 2026.
    - Small General Service (SGS) wind: \$0.47 per month effective August 1, 2025, and \$0.51 per month effective August 1, 2026.
    - Large General Service (LGS) solar: Not Applicable
    - Large General Service (LGS) wind: Not Applicable

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- c. Cost of power charge:
    - October—May billing period, per kWh, as defined in the appropriate RE, SGS, or LGS rate
    - June—September billing period, per kWh, as defined in the appropriate RE, SGS, or LGS rate
  - d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus the delivery charge per installed kW of generation, and any special charges or adjustments.
- (5) *Determination of delivery charge kWh.* Customer's monthly delivery charge kWh shall equal the customer's kWh purchased from NBU less any kWh generated into the NBU delivery system, but never less than zero.
- (6) *Determination of power charge kWh.* Customer's monthly power charge kWh shall equal the actual kWh purchased from NBU.
- (m) Interstate highway lighting rate (HL).
- (1) *Applicability.* The interstate highway lighting rate (HL) is applicable for electric service for pole mounted interstate highway lighting located in the electric service area of NBU, but within the corporate limits or extra-territorial jurisdiction of another municipality, pursuant to the terms and conditions of a contract between that municipality and NBU and at the rates set forth in this section.
- (2) *Monthly rate.* The monthly rates for interstate highway lighting service are as follows:
- a. Electric service availability charge, \$19.76 per month effective August 1, 2025, and \$21.63 per month effective August 1, 2026.
  - b. Cost of power charge:
    - Base Generation Rate (BGR):
      - October—May billing period, \$0.04 per kWh
      - June—September billing period, \$0.05 per kWh
    - Base Transmission Rate (BTR):
      - \$0.0052 per kWh
- (3) *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (n) NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-05, §§ I, II, 1-23-06; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2009-15, § 2(Exh. A), 3-23-09; Ord. No. 2014-81, § I(Exh. A), 12-8-14; Ord. No. 2015-60, § I(Exh. A), 11-9-15; Ord. No. 2020-65, § 3, 10-26-20; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-\_\_\_\_, § \_\_\_\_ (Exh. A), \_\_\_\_-\_\_\_\_-25)

### **Sec. 130-57. Power factor penalty.**

- (a) NBU shall assess a power factor penalty on VLP customers if the measured power factor during the non-coincident peak kW demand is less than .95.
- (b) If the VLP customer's measured power factor is 0.95 or higher, the customer will be billed on actual kW demand and will not be assessed the power factor penalty fee.
- (c) *Monthly rate.* \$5.013 per kW effective August 1, 2025, and \$5.489 per kW effective August 1, 2026.
- (d) *Glossary*

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*Power factor.* The ratio of real power (KW) to apparent power (kVA). A low power factor indicates inefficient energy use, increasing strain on the utility's system.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2015-60, § I(Exh. A), 11-9-15; Ord. No. 2020-65, § 3, 10-26-20; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-\_\_\_\_, §\_\_\_\_(Exh. A), \_\_\_\_-\_\_\_\_-25)

### **Sec. 130-58. Billing adjustments.**

- (a) *Generation cost recovery factor (GCRF).* GCRF is the generation cost recovery factor expressed as dollars per kWh, to be multiplied by the energy (kWh) sold during a billing period to each customer.

$$\text{GCRF} = \frac{\{A \pm C\}}{S} - \text{BGR}$$

A is the total estimated cost of generation for purchases from all NBU power suppliers. Generation cost includes, but is not limited to, all power costs to serve retail and transmission level loads such as energy purchases from the ERCOT market, load serving entity obligations or related capacity costs, reserves and ERCOT market fees.

C is the additional amount in dollars to be added to or subtracted from the total estimated cost of generation to adjust for differences between the actual cost of generation and the recovery of generation revenue in previous periods.

S is the estimated energy (kWh) sales in the billing period to all customers.

BGR is the base generation rate, expressed as dollars per kWh, included in the base rates for all customers. BGR shall be:

\$0.04 per kWh sold for the October—May billing periods.

\$0.05 per kWh sold for the June—September billing periods.

The GCRF factors calculated may be adjusted accordingly as actual monthly data is available or notification of changes in rates are supplied by generation service providers.

- (b) *Transmission cost recovery factor (TCRF).* TCRF is the transmission system cost recovery factor expressed as dollars per kWh, to be multiplied by the energy (kWh) sold during a billing period to each customer (except TSR customers).

$$\text{TCRF} = \frac{\{T\{A \pm C\}TC\}}{ST} - \text{BTR}$$

T is the estimated total cost of transmission services (including transmission and transformation charges, ERCOT ISO fees, other ERCOT charges, delivery point charges, and other miscellaneous transmission charges), excluding transmission costs directly billed to TSR customers.

ST is the estimated energy (kWh) sales in the billing period to all customers excluding TSR customers.

BTR is the base transmission rate, expressed as dollars per kW for LGS and VLP and as dollars per kWh in other rate classes, included in the base rates for all customers, excluding the TSR customers. BTR shall be:

\$0.0052 per kWh per month.

TC is the additional amount in dollars to be added to or subtracted from the total estimated cost of transmission and transportation services to adjust for differences between the actual total cost of transmission and transformation services and the recovery of transmission and transformation services revenue in previous periods.



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The TCRF factors calculated may be adjusted accordingly as actual monthly data is available or notification of changes in rates are supplied by transmission service providers.

(c) *Glossary.* The following charges are reflected as line items on customer bills:

*Distribution charge.* This charge covers the operation and maintenance of NBU's local distribution infrastructure and the base costs incurred in making service available for customers. The electric service availability charge and delivery charge make up the total distribution charge. The electric service availability charge was formerly known as the customer charge.

*Generation charge.* This charge reflects the pass-through amount of the cost of power and is equal to the GCRF plus the BGR.

*Replenish reserves charge.* This charge is designed to replenish NBU's reserves for emergency events and provide rate stability.

*Transmission charge.* This charge reflects the costs of transmitting energy to the NBU service territory and is equal to the TCRF plus the BTR.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2014-81, § I(Exh. A), 12-8-14; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-\_\_\_\_, § \_\_\_\_ (Exh. A), \_\_\_\_ - \_\_\_\_ -25)

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## Sec. 130-56. Electric rates.

- (a) Service rate classifications. All electric service supplied by NBU shall be designated by the following classifications with descriptions, rates and conditions of sale as indicated further in this article:
- (1) Residential (RE);
  - (2) Small general service (SGS);
  - (3) Large general service (LGS);
  - (4) Very large power-distribution (VLP-D);
  - (5) Transmission service rate (TSR);
  - (6) Experimental electric rate (EER);
  - (7) Lighting athletic fields (LAF);
  - (8) Area lighting rate (AL);
  - (9) Second feeder service (SFS);
  - (10) Net metering (NM); and
  - (11) Interstate highway lighting rate (HL).
- (b) Upon application for service, NBU shall make the initial determination of the customer's service rate classification, which classification is subject to change in accordance with the provisions of this article.
- (c) Residential service rate (RE).
- (1) *Availability.* The residential rate (RE) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
  - (2) *Applicability.* The residential rate is applicable for electric service used solely for residential purposes, and related activities, consisting of service to single-family dwellings or individually metered multifamily dwellings. Where two residential units are billed through one meter, the electric service availability charge shall be doubled. Where more than two residential units or apartments are billed through one meter, the applicable general service rate shall be used.

This rate shall not be applicable for service to a residence also used for nonresidential purposes, including but not limited to boardinghouses, barbershops, beauty shops, general contractors, storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar nonresidential activities. If the wiring is so arranged that the service for residential purposes and that for commercial purposes are separately metered, this rate is applicable to the service supplied for residential purposes.
  - (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire. Other service voltages may, under certain specific conditions, be furnished with the approval of NBU's chief ~~executive~~operations officer.
  - (4) *Monthly rates.* The monthly rates for residential service are as follows:
    - a. Electric service availability charge, ~~\$20.00~~22.80 per month effective August 1, ~~2023~~2025, and ~~\$20.00~~24.97 per month effective August 1, ~~2024~~2026.
    - b. Delivery charge, ~~\$0.01954~~03016 per kilowatt-hour (kWh) effective August 1, ~~2023~~2025, and ~~\$0.02646~~03303 per kWh effective August 1, ~~2024~~2026.

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- c. Cost of power charge:
- Base Generation Rate (BGR):
- October—May billing period, \$0.04 per kWh
- June—September billing period, \$0.05 per kWh
- Base Transmission Rate (BTR):
- \$0.0052 per kWh
- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (d) Small general service rate (SGS).
- (1) *Availability.* The small general service rate (SGS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
- (2) *Applicability.* The small general service rate is applicable for electric service to all nonresidential establishments, or where a residence is also used for nonresidential purposes, and billed through one meter, or where the nonresidential part of a residence is separately metered from the part solely residential, or where three or more residential units are billed through one meter, and use does not exceed 25 kilowatt (kW) demand.
- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire; or 120/208 volt three-phase, 60-hertz, four-wire; or 120/240 volt three-phase, 60-hertz, three-wire or four-wire; or 277/480 volt three-phase, 60-hertz, four-wire.
- (4) *Monthly rates.* The monthly rates for small general service are as follows:
- a. Electric service availability charge, ~~\$29.05~~40.42 per month effective August 1, ~~2023~~2025, and ~~\$35.46~~44.26 per month effective August 1, ~~2024~~2026.
- b. Delivery charge, \$0.~~01278~~01778 per kWh effective August 1, ~~2023~~2025, and \$0.~~0156~~01947 per kWh effective August 1, ~~2024~~2026.
- c. Cost of power charge:
- Base Generation Rate (BGR):
- October—May billing period, \$0.04 per kWh
- June—September billing period, \$0.05 per kWh
- Base Transmission Rate (BTR):
- \$0.0052 per kWh
- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (5) *Determination of metered kW demand.* The customer's kW demand may be measured when the customer's monthly energy consumption exceeds 3,000 kWhs, and/or where customer's total connected load exceeds 25 kW in motors and other inductive-type equipment. Measurement shall be by maximum 15-minute demand. If after measurement it is determined that the customer's monthly demand has exceeded 25 kW, the customer shall be charged for kW billing demand under the appropriate rate class schedule.
- (e) Large general service rate (LGS).
- (1) *Availability.* The large general service rate (LGS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.

- (2) *Applicability.* The large general service rate is applicable for electric service to all nonresidential establishments, or where a residence is also used for nonresidential purposes and billed through one meter, or where the part of a residence is separately metered from the part solely residential, or where three or more residential units are billed through one meter, and use exceeds a maximum 15-minute measured demand of 25 kW during two billing periods for the June through September billing periods or for any four billing periods over a 12-month period, but does not exceed an estimated or measured 1,000 kW, maximum 15-minute measured demand during two billing periods.

When a customer is reclassified to the LGS rate from another rate schedule, the customer may not change to another rate classification within a 12-month period unless there is a substantial change in the character or conditions of service. A customer may request reclassification to another rate classification only after fulfilling all obligations of this rate.

- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single-phase, 60-hertz, three-wire; or 120/208 volt three-phase, 60-hertz, four-wire; 120/240 volt three-phase, 60-hertz, three-wire or four-wire; or 277/480 volt, three-phase, 60-hertz, four-wire; or 7200/12470 volt, three-phase, 60-hertz, four-wire.

- (4) *Monthly rate.* The monthly rates for large general service are as follows:

- a. Electric service availability charge, per month determined by installed kilovolt-amperes (kVA) aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
Greater than 12,999	<del>\$5,728.27</del> \$8,688.12	<del>\$7,621.16</del> \$9,513.49
Less than 13,000 and greater than 7,999	<del>\$5,040.87</del> \$7,645.54	<del>\$6,706.61</del> \$8,371.86
Less than 8,000 and greater than 3,999	<del>\$3,780.66</del> \$5,734.17	<del>\$5,029.97</del> \$6,278.91
Less than 4,000 and greater than 2,999	<del>\$2,520.44</del> \$3,822.77	<del>\$3,353.31</del> \$4,185.94
Less than 3,000 and greater than 1,999	<del>\$1,680.29</del> \$2,548.52	<del>\$2,235.54</del> \$2,790.62
Less than 2,000 and greater than 1,499	<del>\$840.15</del> \$1,274.27	<del>\$1,117.78</del> \$395.32
Less than 1,500 and greater than 750	<del>\$504.09</del> \$764.56	<del>\$670.67</del> \$837.20
Less than 751 and greater than 500	<del>\$378.07</del> \$573.42	<del>\$503.00</del> \$627.89
Less than 501 and greater than 300	<del>\$294.05</del> \$445.99	<del>\$391.22</del> \$488.36
Less than 301 and greater than 150	<del>\$168.04</del> \$254.87	<del>\$223.57</del> \$279.08
Less than 151	<del>\$50.41</del> \$76.46	<del>\$67.07</del> \$83.72

- b. ~~Delivery demand~~b. Delivered Power Distribution Demand charge, ~~\$7.50~~11.38 per kW effective August 1, ~~2023~~2025, and ~~\$9.98~~12.46 per kW effective August 1, ~~2024~~2026.

- c. Cost of power charge:

Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

- d. Power supply demand charge, \$1.15 per kW billing demand per month.

- e. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.

- (5) *Determination of billing kW demand.* The billing kW demand shall be the highest measured kW demand established in any 15-minute demand interval during the current month.

(f) Very large power distribution rate (VLP-D).

- (1) *Availability.* Very large power-distribution service (VLP-D) shall be available, ~~as approved by NBU's board of trustees,~~ in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section.
- (2) *Applicability.* The very large power-distribution rate is applicable for electric service when the measured kW demand exceeds 1,000 kW during a 15-minute demand interval during two billing periods over a 12-month period.
- (3) *Service conditions.* The service furnished under this section shall be nominal 277/480 volt, three-phase, 60-hertz, four-wire; or 7200/12470 volt, three-phase, 60-hertz, four-wire.
- (4) *Monthly rate.* The monthly rates for very large power-distribution service are as follows:
  - a. Electric service availability charge, per month determined by installed kVA aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
Greater than 12,999	<del>\$ 6,888.70</del> <u>\$11,490.69</u>	<del>\$10,079.55</del> <u>12,582.30</u>
Less than 13,000 and greater than 7,999	<del>\$ 5,510.95</del> <u>\$9,192.53</u>	<del>\$ 8,063.62</del> <u>\$10,065.82</u>
Less than 8,000 and greater than 3,999	<del>\$ 4,133.22</del> <u>\$6,894.41</u>	<del>\$ 6,047.73</del> <u>\$7,549.38</u>
Less than 4,000 and greater than 2,999	<del>\$ 2,755.48</del> <u>\$4,596.26</u>	<del>\$ 4,031.82</del> <u>\$5,032.91</u>
Less than 3,000 and greater than 1,999	<del>\$ 1,836.98</del> <u>\$3,064.17</u>	<del>\$ 2,687.87</del> <u>\$3,355.27</u>
Less than 2,000 and greater than 1,499	<del>\$ 918.49</del> <u>\$1,532.08</u>	<del>\$ 1,343.93</del> <u>677.63</u>
Less than 1,500 and greater than 750	<del>\$ 551.10</del> <u>\$919.26</u>	<del>\$ 806.37</del> <u>\$1,006.59</u>
Less than 751 and greater than 500	<del>\$ 413.32</del> <u>\$689.44</u>	<del>\$ 604.77</del> <u>\$754.93</u>
Less than 501 and greater than 300	<del>\$ 321.48</del> <u>\$536.24</u>	<del>\$ 470.39</del> <u>\$587.19</u>
Less than 301 and greater than 150	<del>\$ 183.70</del> <u>\$306.42</u>	<del>\$ 268.79</del> <u>\$335.53</u>
Less than 151	<del>\$ 55.12</del> <u>\$91.94</u>	<del>\$ 80.65</del> <u>\$100.68</u>

~~b. — Delivery demand.~~ Delivered Power Distribution Demand charge, ~~\$5,018.36~~ per kW effective August 1, ~~2023~~2025, and ~~\$7,339.15~~ per kW effective August 1, ~~2024~~2026.

c. Cost of power charge:

Base Generation Rate (BGR):

October—May billing period, \$0.04 per kWh

June—September billing period, \$0.05 per kWh

d. Power supply demand charge, \$1.15 per kW billing demand per month.

e. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments. The minimum monthly bill will not include the power factor penalty for the first six months to any new customer to this rate class.

- (5) *Determination of billing kW demand.* The kW billing demand shall be the highest measured kW demand established in any 15-minute period during the current month or 75 percent of the highest 15-minute kW demand in any of the preceding 11 months, but not less than 1,000 kW.

(g) Transmission service rate (TSR).

- (1) *Availability.* Transmission service rate (TSR) shall be available, as approved by the NBU board of trustees, in the electric service area of NBU under the rules, regulations, and policies as established by NBU, which are subject to change from time to time, and as provided for in this article, at the rates set forth in this section.
  - (2) *Applicability.* The transmission service rate is applicable only for electric service to customers which require transmission level service (operated at 60 kilovolts (kV), or above) at each specifically identified individual service location and which meet all of the service conditions provided in this article.
  - (3) *Service conditions.* The transmission service rate is available in accordance with terms, conditions and rates established by NBU and reviewed by the NBU board of trustees.
  - (4) *Monthly rate.* The monthly rates for transmission service shall be the sum of the following:
    - a. ERCOT charges: The actual fees and rates for ERCOT transmission service as approved by the Public Utility Commission of Texas.
    - b. Local transformation, metering and miscellaneous charges.
    - c. Power supply charge: The monthly power supply charge shall be the total power supply costs as they are incurred by NBU. Such costs shall include, but are not limited to, costs for purchasing, scheduling, coordinating, and providing capacity and energy to the customer, facilities charges plus any special charges or adjustments.
- (h) Experimental electric rate (EER).
- (1) *Applicability.* The experimental electric rate shall be applicable to customers in any rate class at times selected by NBU. The time period for which the experimental electric rate may apply shall not exceed two years. At any time, the number of customers affected by the experimental electric rate shall not exceed one percent of the total number of customers served by NBU.
  - (2) *Purpose.* The purpose of the experimental rate is to aid in design of new rates. NBU shall have the authority to initiate or discontinue the experimental electric rate at NBU's discretion.
  - (3) *Selection.* The methods and criteria for selection for a rate class to be used for the experimental electric rate shall be chosen and defined by NBU. Participation in the experimental electric rate by customers shall be on a voluntary basis.
- (i) Lighting athletic fields (LAF).
- (1) *Applicability.* Service will be supplied through a single point of delivery and shall be used for lighting of outdoor athletic fields and facilities used exclusively in conjunction with athletic events on these fields.
  - (2) *Service conditions.* Single or three-phase service at the voltage of the available primary distribution lines of NBU (primary), or at the secondary voltage of transformation facilities supplied from NBU's distribution system (secondary).
  - (3) *Monthly rate.* The monthly rates for athletic field service are as follows:
    - a. Electric service availability charge, per month determined by installed kVA aggregated per customer as follows:

Electric Availability Charge (kVA per month)	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
Greater than 12,999	\$ <del>5,107.50</del> 6,716.97	\$5,892.7,355.08
Less than 13,000 and greater than 7,999	\$ <del>4,086.00</del> 5,373.57	\$4,713.665,884.06
Less than 8,000 and greater than 3,999	\$ <del>3,064.50</del> 4,030.19	\$3,535.254,413.05
Less than 4,000 and greater than 2,999	\$ <del>2,043.00</del> 686.79	\$2,356.83942.03
Less than 3,000 and greater than 1,999	\$ <del>1,362.00</del> 791.19	\$1,571.22961.35

Less than 2,000 and greater than 1,499	<del>\$ 681.00</del> <u>\$895.60</u>	<del>\$ 785.61</del> <u>\$980.68</u>
Less than 1,500 and greater than 750	<del>\$ 408.60</del> <u>\$537.36</u>	<del>\$ 471.37</del> <u>\$588.41</u>
Less than 751 and greater than 500	<del>\$ 306.45</del> <u>\$403.01</u>	<del>\$ 353.52</del> <u>\$441.30</u>
Less than 501 and greater than 300	<del>\$ 238.35</del> <u>\$313.45</u>	<del>\$ 274.96</del> <u>\$343.23</u>
Less than 301 and greater than 150	<del>\$ 136.20</del> <u>\$179.12</u>	<del>\$ 157.12</del> <u>\$196.13</u>
Less than 151	<del>\$ 40.86</del> <u>\$53.74</u>	<del>\$ 47.14</del> <u>\$58.84</u>

- b. Delivery charge: \$0.~~0564807428~~ per kWh effective August 1, ~~2023~~2025, and \$0.~~0651608134~~ per kWh effective August 1, ~~2024~~2026.
- c. Cost of power charge:
- Base Generation Rate (BGR):
- October—May billing period, \$0.04 per kWh
- June—September billing period, \$0.05 per kWh
- Base Transmission Rate (BTR):
- \$0.0052 per kWh
- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (j) Area lighting rate (AL).
- (1) *Availability.* The area lighting rate (AL) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section. Service under this tariff is subject to connection charges contained in the NBU electrical connection policy.
- (2) *Applicability.* The area lighting rate is applicable for electric service for pole-mounted area security lighting near NBU's electric distribution lines.
- (3) *Service conditions.* The service furnished under this section shall be nominal 120/240 volt single phase, 60-hertz, three wire. Other service voltages may, under certain specific conditions, be furnished with the approval of NBU's chief ~~executive~~operations officer.
- (4) *Monthly rates.* The monthly rates for area lighting service are as follows:
- a. ~~\$11.55~~13.17 per lamp per month effective August 1, ~~2023~~2025, and ~~\$11.55~~14.42 per lamp per month effective August 1, ~~2024~~2026.
- b. *Minimum monthly bill.* The minimum monthly bill shall be the charge per lamp plus any special charges or adjustments.
- (k) Second feeder service rate (SFS).
- (1) *Availability.* The second feeder service rate (SFS) is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section, provided NBU agrees that such service can be feasibly and economically provided by NBU. Service under this tariff is subject to connection charges and specifications contained in NBU electrical connection policy.
- (2) *Applicability.* The second feeder service rate is applicable only for electric service to customers in LGS and VLP rate classes that require reserve capacity on a second distribution feeder at a specifically identified individual service location and that meet all of the service conditions provided in this article.

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- (3) *Service conditions.* Second feeder service is the reservation of capacity on a second feeder in order to provide redundant feeder capacity and provide the capability to automatically transfer the customer's total load from a primary feeder to an alternate second feeder.
- Service will be provided only by long-term contract approved by the NBU board of trustees. This long-term contract will establish, in addition to other terms and conditions, the amount of capacity reserved on a second feeder for a customer and the adjustment of minimum reserve capacity permitted under this rate.
  - Second feeder service does not guarantee continuous service availability and may be interrupted for maintenance activities or when necessary for operational or emergency reasons.
  - Where appropriate, the customer will be required to maintain appropriate load balancing as determined by NBU.
- (4) *Monthly rates.* The monthly rates for second feeder service are as follows:
- Capacity reservation charge, ~~\$5-107.51~~ per used kW per month effective August 1, ~~2023~~2025, and ~~\$6-598.23~~ per used kW per month effective August 1, ~~2024~~2026.
  - Minimum kW contracted for shall be 1,000kW per month.
- (I) Net metering service rate (NM).
- (1) *Availability.* The net metering service rate is available in the electric service area of NBU under the rules, regulations, and policies as provided for in this article, at the rates set forth in this section. Service under this rate may be subject to additional connection charges and specifications contained in NBU electrical connection policy.
  - (2) *Applicability.* The net metering service rate is available to residential customers ~~and small, small~~ general service customers, and large general service customers with grid-connected solar, wind or other distributed generation facility of less than 50 kW where the customer's load profile exceeds the generating capacity. A distributed generation facility is an electric generation facility of ten megawatts or less and related interconnecting facilities to be interconnected at a voltage less than 60 kilovolts.
  - (3) *Service conditions.* Service will be provided in accordance with terms and conditions provided by NBU.
  - (4) *Monthly rates.* Monthly net metering service rates are as follows:
    - Electric service availability charge:  
Residential customers, ~~\$20-0022.80~~ per month effective August 1, ~~2023~~2025, and ~~\$20-0024.97~~ per month effective August 1, ~~2024~~2026.  
Small general service customers, ~~\$29-0540.42~~ per month effective August 1, ~~2023~~2025, and ~~\$35-4644.26~~ per month effective August 1, ~~2024~~2026.  
Large general service customers (NM)-based on kVa size, same rate schedule as LGS.
    - Delivery charge, per kWh, as specified in the appropriate RE or SGS rate plus a fixed cost per type of installed kW as shown below:  
Residential (RE) solar: ~~\$1.58-80~~ per month effective August 1, ~~2025~~, and ~~\$1.97~~ per month effective August 1, ~~2026~~.  
Residential (RE) wind: ~~\$0.74-84~~ per month effective August 1, ~~2025~~, and ~~\$0.92~~ per month effective August 1, ~~2026~~.  
Small General Service (SGS) solar: ~~\$0.87-99~~ per month effective August 1, ~~2025~~, and ~~\$1.09~~ per month effective August 1, ~~2026~~.



Small General Service (SGS) wind: \$0.~~41~~47 per month effective August 1, 2025, and \$0.51 per month effective August 1, 2026.

Large General Service (LGS) solar: Not Applicable

Large General Service (LGS) wind: Not Applicable

- c. Cost of power charge:
- October—May billing period, per kWh, as defined in the appropriate RE, SGS, or ~~SGS~~LGS rate.
- June—September billing period, per kWh, as defined in the appropriate RE, SGS, or ~~SGS~~LGS rate.
- d. *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus the delivery charge per installed kW of generation, and any special charges or adjustments.
- (5) *Determination of delivery charge kWh.* Customer's monthly delivery charge kWh shall equal the customer's kWh purchased from NBU less any kWh generated into the NBU delivery system, but never less than zero.
- (6) *Determination of power charge kWh.* Customer's monthly power charge kWh shall equal the actual kWh purchased from NBU.
- (m) Interstate highway lighting rate (HL).
- (1) *Applicability.* The interstate highway lighting rate (HL) is applicable for electric service for pole mounted interstate highway lighting located in the electric service area of NBU, but within the corporate limits or extra-territorial jurisdiction of another municipality, pursuant to the terms and conditions of a contract between that municipality and NBU and at the rates set forth in this section.
- (2) *Monthly rate.* The monthly rates for interstate highway lighting service are as follows:
- a. Electric service availability charge, \$~~17.33~~19.76 per month effective August 1, 2025, and \$21.63 per month effective August 1, 2026.
- b. Cost of power charge:
- Base Generation Rate (BGR):
- October—May billing period, \$0.04 per kWh
- June—September billing period, \$0.05 per kWh
- Base Transmission Rate (BTR):
- \$0.0052 per kWh
- (3) *Minimum monthly bill.* The minimum monthly bill shall be the electric service availability charge plus any special charges or adjustments.
- (n) NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.
- (Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-05, §§ I, II, 1-23-06; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2009-15, § 2(Exh. A), 3-23-09; Ord. No. 2014-81, § I(Exh. A), 12-8-14; Ord. No. 2015-60, § I(Exh. A), 11-9-15; Ord. No. 2020-65, § 3, 10-26-20; Ord. No. 2023-26, § 3(Exh. A), 4-10-23)
- ; Ord. No. 2025-\_\_\_\_, § \_\_\_\_ (Exh. A), \_\_\_\_ - \_\_\_\_ -25)

## Sec. 130-57. Power factor penalty.

(a) ~~(a)~~ NBU shall assess a power factor penalty on all VLP customers if the ~~necessary equipment for determining power factor is installed and operational and if the~~ measured power factor during the non-coincident peak kW demand is less than 0.95.

~~(b) The power factor penalty shall be calculated by increasing the measured billing demand such that the adjusted billing demand and measured kilovolt-amperes reactive (kVAR) yield a calculated power factor of 0.95. If the measured power factor is 0.95 or greater, the billing kW demand shall be the kW demand in accordance with the appropriate rate schedule. Any additional metering equipment necessary to measure or compute kVAR or power factor may be installed at any demand metered customer, without notice, at the discretion of NBU.~~

~~(b) (c)~~ If the VLP customer's measured power factor is 0.95 or higher, the customer will be billed on actual kW demand and will not be assessed the power factor penalty fee.

~~(c)~~ Monthly rate. ~~\$3.3055.013~~ per kW effective August 1, ~~2023~~2025, and ~~\$4.3975.489~~ per kW effective August 1, ~~2024~~2026.

~~(d)~~ Glossary

Power factor. The ratio of real power (KW) to apparent power (kVA). A low power factor indicates inefficient energy use, increasing strain on the utility's system.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2015-60, § I(Exh. A), 11-9-15; Ord. No. 2020-65, § 3, 10-26-20; Ord. No. 2023-26, § 3(Exh. A), 4-10-23)

~~; Ord. No. 2025-~~ , § (Exh. A), - -25)

## Sec. 130-58. Billing adjustments.

(a) *Generation cost recovery factor (GCRF).* GCRF is the generation cost recovery factor expressed as dollars per kWh, to be multiplied by the energy (kWh) sold during a billing period to each customer.

$$\text{GCRF} = \frac{\{A \pm C\}}{S} - \text{BGR}$$

A is the total estimated cost of generation for purchases from all NBU power suppliers. Generation cost includes, but is not limited to, all power costs to serve retail and transmission level loads such as energy purchases from the ERCOT market, load serving entity obligations or related capacity costs, reserves and ERCOT market fees.

C is the additional amount in dollars to be added to or subtracted from the total estimated cost of generation to adjust for differences between the actual cost of generation and the recovery of generation revenue in previous periods.

S is the estimated energy (kWh) sales in the billing period to all customers.

BGR is the base generation rate, expressed as dollars per kWh, included in the base rates for all customers. BGR shall be:

\$0.04 per kWh sold for the October—May billing periods.

\$0.05 per kWh sold for the June—September billing periods.

The GCRF factors calculated may be adjusted accordingly as actual monthly data is available or notification of changes in rates are supplied by generation service providers.

- (b) *Transmission cost recovery factor (TCRF)*. TCRF is the transmission system cost recovery factor expressed as dollars per kWh, to be multiplied by the energy (kWh) sold during a billing period to each customer (except TSR customers).

$$\text{TCRF} = \frac{\{T\{A \pm C\}TC\}}{ST} - \text{BTR}$$

T is the estimated total cost of transmission services (including transmission and transformation charges, ERCOT ISO fees, other ERCOT charges, delivery point charges, and other miscellaneous transmission charges), excluding transmission costs directly billed to TSR customers.

ST is the estimated energy (kWh) sales in the billing period to all customers excluding TSR customers.

BTR is the base transmission rate, expressed as dollars per kW for LGS and VLP and as dollars per kWh in other rate classes, included in the base rates for all customers, excluding the TSR customers. BTR shall be:

\$0.0052 per kWh per month.

TC is the additional amount in dollars to be added to or subtracted from the total estimated cost of transmission and transportation services to adjust for differences between the actual total cost of transmission and transformation services and the recovery of transmission and transformation services revenue in previous periods.

The TCRF factors calculated may be adjusted accordingly as actual monthly data is available or notification of changes in rates are supplied by transmission service providers.

- (c) *Glossary*. The following charges are reflected as line items on customer bills:

*Distribution charge*. This charge covers the operation and maintenance of NBU's local distribution infrastructure and the base costs incurred in making service available for customers. The electric service availability charge and delivery charge make up the total distribution charge. The electric service availability charge was formerly known as the customer charge.

*Generation charge*. This charge reflects the pass-through amount of the cost of power and is equal to the GCRF plus the BGR.

*Replenish reserves charge*. This charge is designed to replenish NBU's reserves for emergency events and provide rate stability.

*Transmission charge*. This charge reflects the costs of transmitting energy to the NBU service territory and is equal to the TCRF plus the BTR.

(Ord. No. 2003-74, § I(Exh. A), 10-27-03; Ord. No. 2006-49, § I(Exh. A), 6-12-06; Ord. No. 2014-81, § I(Exh. A), 12-8-14; Ord. No. 2023-26, § 3(Exh. A), 4-10-23; Ord. No. 2025-, § (Exh. A), - -25)

**~~Secs. 130-59—130-77. Reserved.~~**

6/16/2025

Agenda Item No. B)

**PRESENTER:**

Dawn Schriewer, Chief Financial Officer

**SUBJECT:**

Public Hearing and Approval of the First Reading of an Ordinance Amending Chapter 130, Article IV, Section 130-167, Code Of Ordinances of the City of New Braunfels, Texas Adjusting Water Rates and Charges for Fiscal Year 2026; Providing for Adjustments of Water Rates and Charges for Fiscal Year 2027; Resolving Other Matters Incident and Related Thereto; Repealing All Other Ordinances and Parts of Ordinances in Conflict Herewith; Containing a Savings Clause; and Providing an Effective Date.

**DEPARTMENT:** NBU**COUNCIL DISTRICTS IMPACTED:** All districts**BACKGROUND INFORMATION:**

NBU staff is proposing water rate changes designed to fund its Fiscal Year 2026 and Fiscal Year 2027 budget. NBU retained Raftelis Financial Consultants, Inc. to conduct a water, wastewater, and electric rate study and to validate forecasted revenue requirements. The revenue requirements identified are driven primarily from the need to acquire water supply and build infrastructure to keep up with growth and meet regulatory requirements. Based on the rate study results, NBU recommends an average system revenue increase of 9.9% for FY 2026 and 9.9% for FY 2027.

On August 31, 2023, the NBU Board approved Resolution #2023-176 establishing the Community Advisory Panel (CAP). On October 26, 2023, the Board approved the CAP Bylaws and appointed (13) CAP members. The CAP was tasked with reviewing and providing feedback on certain NBU projects, including a Fiscal Year 2026-2027 Rate Study. The CAP held four (4) public meetings related to the Fiscal Year 2026-2027 Rate Study. During those meetings, the CAP discussed topics including (i) Identify Financial and Pricing Objectives; (ii) Identify Revenue Requirements and Growth Projections; (iii) Develop Rate Projections and Possible Rate Design Changes; and (iv) Assess Effectiveness in Addressing Financial and Pricing Objectives.

On May 29, 2025, the NBU Board of Trustees recommended changes to Chapter 130, Article IV, Section 130-167 relating to water rates and charges.

The presentation, updated ordinance, and board resolution are attached. The second reading of the proposed ordinance is scheduled for June 23, 2025, and, if approved, the proposed rates become effective on August 1, 2025.

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## **PROPOSED CODE OF ORDINANCE CHANGES**

NBU staff has included in the City Council backup materials a redline version of City of New Braunfels Code of Ordinances Chapter 130-167 - Water Rates.

### **ISSUE:**

N/A

### **STRATEGIC PLAN REFERENCE:**

☐ Economic Mobility ☐ Enhanced Connectivity ☐ Community Identity  
☐ Organizational Excellence ☒ Community Well-Being ☐ N/A

### **FISCAL IMPACT:**

N/A

### **RECOMMENDATION:**

The New Braunfels Utilities Board of Trustees adopted a resolution on May 29, 2025, recommending the proposed amendments to the water rate Ordinance. NBU Staff recommends approval of the ordinance.

**ORDINANCE NO. 2025-\_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 130, ARTICLE IV, SECTION 130-167, CODE OF ORDINANCES OF THE CITY OF NEW BRAUNFELS, TEXAS ADJUSTING WATER RATES AND CHARGES FOR FISCAL YEAR 2026; PROVIDING FOR ADJUSTMENTS OF WATER RATES AND CHARGES FOR FISCAL YEAR 2027; RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; REPEALING ALL OTHER ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; CONTAINING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

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**WHEREAS**, the City Council of New Braunfels, Texas (the “City”), owns and operates by and through New Braunfels Utilities its own water system in accordance with the laws of the State of Texas and the charter of said City; and

**WHEREAS**, the Council of the City of New Braunfels has heretofore established an ordinance providing for assessment and collection of water rates and said ordinance has been codified as Chapter 130, Article IV, Code of Ordinances of the City; and

**WHEREAS**, Section 130-167 of the Code of Ordinances of the City requires an update when rates are changed; and

**WHEREAS**, the New Braunfels Utilities Board of Trustees recommended new water rates and charges for fiscal year 2026 and fiscal year 2027 at a meeting held on May 29, 2025; and

**WHEREAS**, in order to change the water rates, it is now necessary and advisable that Section 130-167, Article IV, Code of Ordinances, as heretofore established by ordinance, be amended; and

**WHEREAS**, the City Council of the City retains the power to consider an additional adjustment of NBU’s rates at any time.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS:**

**SECTION 1.**

**THAT**, the findings and recitations set out in the preamble to this ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

## **SECTION 2.**

**THAT**, Section 130-167, Chapter 130, Article IV, New Braunfels Code of Ordinances, as heretofore established by ordinance, be and hereby is amended to, among other things, (i) adjust water rates and charges beginning August 1, 2025; (ii) adjust water rates and charges in effect on July 31, 2026, beginning August 1, 2026, excluding those covered by contract, with no further action by the City Council of New Braunfels, Texas or by New Braunfels Utilities; and (iii) clarify certain provisions therein.

## **SECTION 3.**

**THAT**, Section 130-167, Chapter 130, Article IV, New Braunfels Code of Ordinances, as heretofore established by ordinance, be and hereby is amended as set forth in attached Exhibit A with deleted language signified by strikethrough font and new language signified by underlined font.

## **SECTION 4.**

**THAT**, this ordinance shall be and is hereby declared to be cumulative to all other ordinances of the City of New Braunfels relating to water rates, and same shall not operate to repeal or affect any such ordinance or ordinances except insofar as the provisions of such ordinance or ordinances are inconsistent or in conflict with the provisions of this ordinance, in which instance or instances those provisions shall be and they are hereby repealed.

## **SECTION 5.**

**THAT**, if any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

## **SECTION 6.**

**THAT**, this ordinance shall be effective on August 1, 2025.

## **SECTION 7.**

**PASSED AND APPROVED:** First Reading this 16th day of June, 2025.

**PASSED AND APPROVED:** Second Reading this 23rd day of June, 2025.

**CITY OF NEW BRAUNFELS**

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**NEAL LINNARTZ, Mayor**

**ATTEST:**

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**GAYLE WILKINSON, City Secretary**

**APPROVED AS TO FORM:**

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**VALERIA ACEVEDO, City Attorney**



## EXHIBIT A

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## Sec. 130-167. Water rates.

- (a) *Service rate classifications.* All water service supplied shall be designated by the following classifications with descriptions, rates and conditions of sale as indicated further in this section:

Residential service.

Multi-unit permanent residential water service.

Small general service.

Large general service.

Fire hydrant service.

Landscaping/irrigation service.

Tanker service.

Wholesale service.

Contractual water service.

Experimental service.

- (b) *Determination of classification.* Upon application for service, NBU shall make the initial determination of the customer's service rate classification. The classification is subject to change in accordance with the provisions of this article.

*Rate schedule administration and assignment.* Upon request for water service from a prospective customer, NBU shall assign the appropriate rate classification for water service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If an existing customer receiving service changes the nature or character of water service requirements, then NBU shall, upon review of the information available pertaining to the revised water service requirement, reassign the customer to the appropriate rate schedule.

If a prospective or existing customer is eligible to receive water service under more than one of NBU's rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then NBU shall assign the most appropriate rate schedule for water service after consideration of the various service requirements, the potential impact on the NBU system, the potential relative costs of serving the customer, and other available pertinent information.

If a customer requests an adjustment to the billing items due to an unusual occurrence or due to unusual or special circumstances, then NBU may, upon review of the information available pertaining to the customer's request and after consideration of the potential impact on NBU, adjust the billing items.

- (c) *Residential service rate.*

- (1) *Availability.* The residential service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The residential service rate is applicable for water service used solely for residential purposes and related activities consisting of service to single-family dwellings, or permanent residential multifamily dwellings where each dwelling unit is individually metered.
- (3) *Excluded uses.* The residential service rate shall not be applicable for service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, motels, hotels, nursing homes, barbershops, beauty shops, general contractors storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional

services offered to the public on the premises, and other similar commercial or nonresidential activities.

- (4) *Monthly rates.* The residential service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge, as shown below, plus any special charges or adjustments.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
5/8-inch and smaller	\$17.64	\$19.39
1-inch	\$31.98	\$35.15
1½-inch	\$36.27	\$39.86
2-inch	\$43.96	\$48.31
3-inch	\$63.85	\$70.17
4-inch and greater	\$75.28	\$82.73

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Gallons of Water Usage	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
0—3,000	\$2.36	\$2.60
3,001—6,000	\$5.71	\$6.28
6,001—12,000	\$8.79	\$9.66
Excess of 12,000	\$13.46	\$14.80

- (5) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.

(d) *Multi-unit permanent residential service rate.*

- (1) *Availability.* The multi-unit permanent residential service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The multi-unit permanent residential service rate is applicable for water service used solely for permanent residential multi-unit development, such as duplexes, triplexes, quadruplexes, apartment buildings, or an individual residence with separate apartment type unit(s) where each dwelling unit is not individually metered.
- (3) *Excluded uses.* The multi-unit permanent residential service rate shall not be applicable for service to individually metered residential dwellings.
- (4) *Monthly rates.* The multi-unit permanent residential service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, as shown below, plus any special charges or adjustments.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

<b>Meter Size</b>	<b>Eff. Aug. 1, 2025</b>	<b>Eff. Aug. 1, 2026</b>
5/8-inch and smaller	\$17.64	\$19.39
1-inch	\$31.98	\$35.15
1½-inch	\$36.27	\$39.86
2-inch	\$43.96	\$48.31
3-inch	\$63.85	\$70.17
4-inch and greater	\$75.28	\$82.73

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

<b>Number of Units</b>	<b>Gallons of Water Usage</b>	<b>Eff. Aug. 1, 2025</b>	<b>Eff. Aug. 1, 2026</b>
2—4	0—8,000	\$4.95	\$5.44
	8,001—20,000	\$4.95	\$5.44
	Excess of 20,000	\$4.95	\$5.44
5—10	0—20,000	\$4.95	\$5.44
	20,001—40,000	\$4.95	\$5.44
	Excess of 40,000	\$4.95	\$5.44
11—25	0—40,000	\$4.95	\$5.44
	40,001—100,000	\$4.95	\$5.44
	Excess of 100,000	\$4.95	\$5.44
26—50	0—100,000	\$4.95	\$5.44
	100,001—200,000	\$4.95	\$5.44
	Excess of 200,000	\$4.95	\$5.44
51—75	0—200,000	\$4.95	\$5.44
	200,001—300,000	\$4.95	\$5.44
	Excess of 300,000	\$4.95	\$5.44

76—100	0— 300,000	\$4.95	\$5.44
	300,001— 400,000	\$4.95	\$5.44
	Excess of 400,000	\$4.95	\$5.44
100 +	0— 400,000	\$4.95	\$5.44
	400,001— 800,000	\$4.95	\$5.44
	Excess of 800,000	\$4.95	\$5.44

*Monthly unit charge.* When a customer with a master metered water service receives service at a duplex, triplex, quadruplex, apartment complex or individual residence with separate apartment type unit(s), each such separate and identifiable permanent residential area and each public bathroom, laundry area, or other area where water service exists shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$13.72 per month effective August 1, 2025, and \$15.07 per month effective August 1, 2026.

NBU will not undertake the apportionment of charges for such users of water among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

(5) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:

- a. The monthly customer charge plus the monthly volume charge, plus the monthly unit charge, plus any special charges or adjustments; or
- b. The amount specified in any contract between the customer and NBU.

(e) *Small general service rate.*

(1) *Availability.* The small general service rate is available under the rules, regulations, policies, and at the rates set forth in this section.

(2) *Applicability.* The small general service rate is applicable to water service for any customer whose volumetric usage is less than 100,000 gallons per month, which does not qualify for service under another rate schedule, and includes, but is not limited to nursing homes, schools, restaurants, cafes, bakeries, grocery stores, motels, hotels, banks, barbershops, beauty shops, child care and day care centers, churches, professional offices, feed and hardware stores, funeral homes, furniture stores, general offices, laundries, nurseries and garden centers, retail businesses, and warehouses and other similar nonresidential customers.

(3) *Monthly rates.* The small general service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below, plus any special charges or adjustments.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
¾-inch and smaller	\$24.18	\$26.57

1-inch	\$26.65	\$29.29
1½-inch	\$34.34	\$37.74
2-inch	\$43.96	\$48.31
3-inch	\$65.94	\$72.47
4-inch	\$100.01	\$109.91
6-inch	\$173.54	\$190.72
8-inch	\$203.32	\$223.44
10 inch and greater	\$247.28	\$271.76

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Gallons of Water Usage	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
0—5,000	\$4.12	\$4.53
5,001—35,000	\$6.32	\$6.94
35,001—75,000	\$8.79	\$9.66
Excess of 75,000	\$13.19	\$14.49

*Monthly unit charge.* When a customer receives service at a multi-unit facility, each separate and identifiable office, retail, wholesale or other type of working areas designed for occupancy by separate tenants or unrelated users shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$13.72 per month effective August 1, 2025, and \$15.07 per month effective August 1, 2026.

NBU will not undertake the apportionment of charges among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus the monthly unit charge, plus any special charges or adjustments, if applicable; or
  - The amount specified in any contract between the customer and NBU.
- (f) *Large general service rate.*
- (1) *Availability.* The large general service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
  - (2) *Applicability.* The large general service rate is applicable to customers with water consumption equal to or exceeding 100,000 gallons per month for at least six months of the immediately preceding 12-month billing period. The aggregate consumption of multiple meters shall not be used to determine eligibility for large general service. At least one non-irrigation meter must meet the stated consumption criteria to be eligible for large general service rates. The LGS rate shall not apply to Small General Service customers with one meter operating a multi-unit commercial property, regardless of usage volume.
  - (3) *Monthly rates.* The large general service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge and the monthly volume charge, as shown below. When a customer is reclassified to the LGS rate from another rate schedule, the customer may not change to another rate classification within a 12-month period unless there is a substantial change in the character or conditions of service.

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Monthly customer charge: \$439.60 effective August 1, 2025, and \$483.12 effective August 1, 2026. Each meter shall incur a monthly customer charge regardless of consumption.

Monthly volume charge: \$4.12 per 1,000 gallons effective August 1, 2025, and \$4.53 per 1,000 gallons effective August 1, 2026

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.

(g) *Fire hydrant service rate.*

- (1) *Availability.* The fire hydrant service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The fire hydrant service rate is applicable to water service provided through a fire hydrant, whether metered or estimated. Any customer requesting service under this rate must make arrangements with NBU prior to the date service is required. A service charge of \$100.00 will be assessed to set and remove the fire hydrant meter.
- (3) *Monthly rates.* The fire hydrant service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge and the monthly volume charge, as shown below.

Monthly customer charge: \$384.65 effective August 1, 2025, and \$422.73 effective August 1, 2026

Monthly volume charge: \$9.34 per 1,000 gallons effective August 1, 2025, and \$10.27 per 1,000 gallons effective August 1, 2026

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.
- (5) *Deposit.* All customers using a fire hydrant meter shall furnish a deposit of \$300.00 or establish other means of credit acceptable to NBU.

(h) *Landscape/irrigation service rate.*

- (1) *Availability.* The landscape/irrigation service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The landscape/irrigation service rate is applicable to water service for a residential, small general service, and large general service rate classification customer who has a sprinkler or irrigation system on a separate water meter:
  - Dedicated exclusively to such purpose, and
  - Which is in addition to one or more other water meters serving the same location.
- (3) *Monthly rates.* The landscape/irrigation service rate will be calculated monthly and will be an amount equal to the sum of the monthly customer charge and the monthly volume charge, as shown below.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
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¾-inch and smaller	\$17.64	\$19.39
1-inch	\$31.98	\$35.15
1½-inch	\$36.27	\$39.86
2-inch	\$43.96	\$48.31
3-inch	\$63.85	\$70.17
4-inch and greater	\$75.28	\$82.73

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Gallons of Water Usage	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
0—6,000	\$8.52	\$9.36
6,001—20,000	\$9.89	\$10.87
Excess of 20,000	\$14.62	\$16.06

(4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:

- a. The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
- b. The amount specified in any contract between the customer and NBU.

(i) *Tanker service rate.*

- (1) *Availability.* The tanker service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The tanker water service rate is applicable to water service provided at locations approved by NBU, whether metered or estimated. Under this rate, a customer may acquire and purchase water through the use of water tanker trucks or other mobile water transport containers. Any customer requesting service under this rate must make arrangements with NBU prior to the date service is required.
- (3) *Rates.* The rate for each tanker or other mobile water transport containers acquiring water at locations approved by NBU shall be the sum of the tanker charge and the volume charge, as shown below.

Tanker charge	Eff. Aug. 1, 2025	Eff. Aug. 1, 2026
Per month	\$384.65	\$422.73
Volume charge, per 1,000 gallons or any part thereof	\$9.34	\$10.27

(4) *Minimum charge.* The minimum charge for each tanker truck connection shall be the larger of the following:

- a. The tanker charge plus the volume charge, plus any special charges or adjustments; or
- b. The amount specified in any contract between the customer and NBU.

(j) *Wholesale water service.*

- (1) *Availability.* Wholesale water service is available under the rules, regulations, and policies, as set by contract and approved by the NBU board of trustees. Contracts for wholesale service will be approved



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- only when water supplies are sufficient to satisfy the requirements of the contract without jeopardizing the water needs of the citizens of the city and customers of NBU.
- (2) *Applicability.* A wholesale service contract is applicable for water service to water systems created by the appropriate agency of the state as well as to other water systems and purveyors which resell water or water service.
- (3) *Rates.* The rate set by contract shall not be less than the marginal cost to serve that customer.
- (k) *Contractual water service.* NBU shall have the right to enter into contracts with customers for water service subject to prior approval of the NBU board of trustees. Such water service charges may be calculated on the basis of customer classification as set forth in this article or on cost of service, at the election of NBU; however, the water service charge shall never be less than cost of service.
- (l) *Experimental rate.*
- (1) *Applicability.* The experimental rate shall be applicable to any and all rate class groups at times chosen by NBU. The time period for which the experimental rate may apply shall not exceed one year. At any time, the number of customers affected by the experimental rate shall not exceed one percent of the total number of customers served by NBU.
- (2) *Purpose.* The purpose of the experimental rate is to aid in design of new rates. NBU shall have the authority to initiate or discontinue the experimental rate at NBU's sole discretion.
- (3) *Selection.* The methods and criteria for selection of rate class groups to be used for the experimental rate shall be chosen and defined by NBU. Participation in the experimental rate by customers shall be on a voluntary basis.
- (m) *Residential and landscape irrigation drought surcharges.*
- (1) If stage III water use reduction measures are in effect, NBU will implement a \$1.00 per 1,000 gallon surcharge for residential usage greater than 15,000 gallons and for irrigation usage greater than 7,500 gallons per month.
- (2) If stage IV water use reduction measures are in effect, NBU will implement a \$2.00 per 1,000 gallon surcharge for residential usage greater than 15,000 gallons and for irrigation usage greater than 7,500 gallons per month.
- (n) NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.
- (Ord. No. 2002-29, § 1(Att. A), 7-22-02; Ord. No. 2002-48, §§ I, II, 12-9-02; Ord. No. 2007-78, § 2, 10-22-07; Ord. No. 2014-16, § I(Exh. A), 2-24-14; Ord. No. 2015-62, § I(Exh. A), 11-9-15; Ord. No. 2018-78, § 2, 11-26-18; Ord. No. 2019-72, § 2, 10-28-19; Ord. No. 2020-63, § 3, 10-26-20; Ord. No. 2023-27, § 3(Exh. A), 4-10-23; Ord. No. 2025-\_\_\_\_, § \_\_\_\_ (Exh. A), \_\_\_\_-\_\_\_\_-25)

**R-2025-197**

**A RESOLUTION BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES APPROVING PROPOSED AMENDMENTS TO CHAPTER 130, ARTICLE IV, SECTION 130-167 OF THE CODE OF ORDINANCES OF THE CITY OF NEW BRAUNFELS (I) ADJUSTING WATER RATES AND CHARGES FOR FISCAL YEAR 2026; (II) PROVIDING FOR ADJUSTMENTS OF WATER RATES AND CHARGES FOR FISCAL YEAR 2027; (III) RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND (IV) AUTHORIZING PRESENTATION OF SAME TO THE CITY COUNCIL OF NEW BRAUNFELS FOR ITS CONSIDERATION AND PASSAGE**

WHEREAS, the City Council of the City of New Braunfels (the “City Council”) has established an ordinance containing the rules, regulations, and policies and rate provisions affecting the New Braunfels Utilities water system and its furnishing of services, fixing rates, deposits and providing for collection procedures and for the operations of said system, and said ordinances have been codified in Chapter 130, Article IV, Code of Ordinances of the City;

WHEREAS, the Board of Trustees of New Braunfels Utilities is of the opinion that it is now necessary and advisable that Chapter 130, Article IV, Section 130-167 of the Code of Ordinances relating to water rates and charges be amended for fiscal year 2026 and fiscal year 2027; and

WHEREAS, the Board of Trustees has reviewed the proposed amendments and is of the opinion that the same should be approved and submitted to the City Council for its consideration and passage.

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

SECTION 1. The Board of Trustees hereby approves the 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 as set forth in attached Exhibit A to, among other things, (i) adjust water rates and charges beginning August 1, 2025, as specified therein; (ii) adjust water rates and charges in effect on July 31, 2026, beginning August 1, 2026, as specified therein, excluding those covered by contract, with no further action by the City Council of New Braunfels, Texas or by New Braunfels Utilities; and (iii) clarify certain provisions as specified therein.

SECTION 2. The Board of Trustees hereby recommends approval of such amendments to the City Council and authorizes and directs the Chief Executive Officer of New Braunfels Utilities to present the proposed ordinance amendments in ordinance form to the City Council for its consideration and passage as provided by law.

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 29th day of May, 2025.

  
\_\_\_\_\_  
Wayne Peters  
President, Board of Trustees  
New Braunfels Utilities

ATTEST:

  
\_\_\_\_\_  
Ryan Kelso  
Secretary to the Board  
New Braunfels Utilities

## Exhibit A

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## Sec. 130-167. Water rates.

- (a) *Service rate classifications.* All water service supplied shall be designated by the following classifications with descriptions, rates and conditions of sale as indicated further in this section:

Residential service.

Multi-unit permanent residential water service.

Small general service.

Large general service.

Fire hydrant service.

Landscaping/irrigation service.

Tanker service.

Wholesale service.

Contractual water service.

Experimental service.

- (b) *Determination of classification.* Upon application for service, NBU shall make the initial determination of the customer's service rate classification. The classification is subject to change in accordance with the provisions of this article.

*Rate schedule administration and assignment.* Upon request for water service from a prospective customer, NBU shall assign the appropriate rate classification for water service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If an existing customer receiving service changes the nature or character of water service requirements, then NBU shall, upon review of the information available pertaining to the revised water service requirement, reassign the customer to the appropriate rate schedule.

If a prospective or existing customer is eligible to receive water service under more than one of NBU's rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then NBU shall assign the most appropriate rate schedule for water service after consideration of the various service requirements, the potential impact on the NBU system, the potential relative costs of serving the customer, and other available pertinent information.

If a customer requests an adjustment to the billing items due to an unusual occurrence or due to unusual or special circumstances, then NBU may, upon review of the information available pertaining to the customer's request and after consideration of the potential impact on NBU, adjust the billing items.

- (c) *Residential service rate.*

- (1) *Availability.* The residential service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The residential service rate is applicable for water service used solely for residential purposes and related activities consisting of service to single-family dwellings, or permanent residential multifamily dwellings where each dwelling unit is individually metered.
- (3) *Excluded uses.* The residential service rate shall not be applicable for service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, motels, hotels, nursing homes, barbershops, beauty shops, general contractors storing equipment or building materials on the

property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar commercial or nonresidential activities.

- (4) *Monthly rates.* The residential service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge, as shown below, plus any special charges or adjustments.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
5/8-inch and smaller	<del>\$15.98</del> <u>17.64</u>	<del>\$16.05</del> <u>19.39</u>
1-inch	<del>\$28.00</del> <u>31.98</u>	<del>\$29.10</del> <u>35.15</u>
1½-inch	<del>\$32.00</del> <u>36.27</u>	<del>\$33.00</del> <u>39.86</u>
2-inch	<del>\$40.00</del> <u>43.96</u>	<del>\$40.00</del> <u>48.31</u>
3-inch	<del>\$57.50</del> <u>63.85</u>	<del>\$58.10</del> <u>70.17</u>
4-inch and greater	<del>\$68.00</del> <u>75.28</u>	<del>\$68.50</del> <u>82.73</u>

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Gallons of Water Usage	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
0—3,000	<del>\$ 1.95</del> <u>\$2.36</u>	<del>\$ 2.15</del> <u>60</u>
3,001—6,000	<del>\$ 4.90</del> <u>\$5.71</u>	<del>\$ 5.20</del> <u>\$6.28</u>
6,001—12,000	<del>\$ 7.65</del> <u>\$8.79</u>	<del>\$ 8.00</del> <u>\$9.66</u>
Excess of 12,000	<del>\$11.50</del> <u>13.46</u>	<del>\$12.25</del> <u>14.80</u>

- (5) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.

(d) *Multi-unit permanent residential service rate.*

- (1) *Availability.* The multi-unit permanent residential service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The multi-unit permanent residential service rate is applicable for water service used solely for permanent residential multi-unit development, such as duplexes, triplexes, quadruplexes, apartment buildings, or an individual residence with separate apartment type unit(s) where each dwelling unit is not individually metered.
- (3) *Excluded uses.* The multi-unit permanent residential service rate shall not be applicable for service to individually metered residential dwellings.
- (4) *Monthly rates.* The multi-unit permanent residential service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge

plus the monthly volume charge plus the monthly unit charge, as shown below, plus any special charges or adjustments.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
¾-inch and smaller	<del>\$15.98</del> <u>17.64</u>	<del>\$16.05</del> <u>19.39</u>
1-inch	<del>\$28.00</del> <u>31.98</u>	<del>\$29.10</del> <u>35.15</u>
1½-inch	<del>\$32.00</del> <u>36.27</u>	<del>\$33.00</del> <u>39.86</u>
2-inch	<del>\$40.00</del> <u>43.96</u>	<del>\$40.00</del> <u>48.31</u>
3-inch	<del>\$57.50</del> <u>63.85</u>	<del>\$58.10</del> <u>70.17</u>
4-inch and greater	<del>\$68.00</del> <u>75.28</u>	<del>\$68.50</del> <u>82.73</u>

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Number of Units	Gallons of Water Usage	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
2—4	0— 8,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	8,001— 20,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 20,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
5—10	0— 20,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	20,001— 40,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 40,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
11—25	0— 40,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	40,001— 100,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 100,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
26—50	0— 100,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	100,001— 200,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 200,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
51—75	0— 200,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>

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(Supp. No. 35, Update 2)

	200,001— 300,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 300,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
76—100	0— 300,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	300,001— 400,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 400,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
100 +	0— 400,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	400,001— 800,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>
	Excess of 800,000	<del>\$3.55</del> <u>4.95</u>	<del>\$4.50</del> <u>5.44</u>

*Monthly unit charge.* When a customer with a master metered water service receives service at a duplex, triplex, quadruplex, apartment complex or individual residence with separate apartment type unit(s), each such separate and identifiable permanent residential area and each public bathroom, laundry area, or other area where water service exists shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be ~~\$12.48~~ 13.72 per month effective August 1, ~~2023~~ 2025, and ~~\$12.48~~ 15.07 per month effective August 1, ~~2024~~ 2026.

NBU will not undertake the apportionment of charges for such users of water among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

(5) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:

- a. The monthly customer charge plus the monthly volume charge, plus the monthly unit charge, plus any special charges or adjustments; or
- b. The amount specified in any contract between the customer and NBU.

(e) *Small general service rate.*

- (1) *Availability.* The small general service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The small general service rate is applicable to water service for any customer whose volumetric usage is less than 100,000 gallons per month, which does not qualify for service under another rate schedule, and includes, but is not limited to nursing homes, schools, restaurants, cafes, bakeries, grocery stores, motels, hotels, banks, barbershops, beauty shops, child care and day care centers, churches, professional offices, feed and hardware stores, funeral homes, furniture stores, general offices, laundries, nurseries and garden centers, retail businesses, and warehouses and other similar nonresidential customers.
- (3) *Monthly rates.* The small general service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below, plus any special charges or adjustments.



*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
½-inch and smaller	<del>\$ 21.50</del> <u>\$24.18</u>	<del>\$ 22.00</del> <u>\$26.57</u>
1-inch	<del>\$ 23.50</del> <u>\$26.65</u>	<del>\$ 24.25</del> <u>\$29.29</u>
1½-inch	<del>\$ 30.50</del> <u>\$34.34</u>	<del>\$ 31.25</del> <u>\$37.74</u>
2-inch	<del>\$ 39.00</del> <u>\$43.96</u>	<del>\$ 40.00</del> <u>\$48.31</u>
3-inch	<del>\$ 58.50</del> <u>\$65.94</u>	<del>\$ 60.00</del> <u>\$72.47</u>
4-inch	<del>\$ 87.00</del> <u>\$100.01</u>	<del>\$ 109.91</del> <u>00</u>
6-inch	<del>\$153.00</del> <u>173.54</u>	<del>\$157.91</del> <u>190.72</u>
8-inch	<del>\$175.00</del> <u>203.32</u>	<del>\$185.00</del> <u>223.44</u>
10 inch and greater	<del>\$200.00</del> <u>247.28</u>	<del>\$225.00</del> <u>271.76</u>

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Gallons of Water Usage	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
0—5,000	<del>\$3.75</del> <u>4.12</u>	<del>\$ 3.75</del> <u>\$4.53</u>
5,001—35,000	<del>\$5.00</del> <u>6.32</u>	<del>\$ 5.75</del> <u>\$6.94</u>
35,001—75,000	<del>\$6.75</del> <u>8.79</u>	<del>\$ 8.00</del> <u>\$9.66</u>
Excess of 75,000	<del>\$8.00</del> <u>13.19</u>	<del>\$12.00</del> <u>14.49</u>

*Monthly unit charge.* When a customer receives service at a multi-unit facility, each separate and identifiable office, retail, wholesale or other type of working areas designed for occupancy by separate tenants or unrelated users shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be ~~\$12.48~~ 13.72 per month effective August 1, ~~2023~~2025, and ~~\$12.48~~ 15.07 per month effective August 1, ~~2024~~2026.

NBU will not undertake the apportionment of charges among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus the monthly unit charge, plus any special charges or adjustments, if applicable; or
  - The amount specified in any contract between the customer and NBU.
- (f) *Large general service rate.*
- (1) *Availability.* The large general service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
  - (2) *Applicability.* The large general service rate is applicable to customers with water consumption equal to or exceeding 100,000 gallons per month for at least six months of the immediately preceding 12-month billing period. The aggregate consumption of multiple meters shall not be used to determine eligibility for large general service. At least one non-irrigation meter must meet the stated consumption criteria

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to be eligible for large general service rates. The LGS rate shall not apply to Small General Service customers with one meter operating a multi-unit commercial property, regardless of usage volume.

- (3) *Monthly rates.* The large general service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge and the monthly volume charge, as shown below. When a customer is reclassified to the LGS rate from another rate schedule, the customer may not change to another rate classification within a 12-month period unless there is a substantial change in the character or conditions of service.

Monthly customer charge: ~~\$350.00~~439.60 effective August 1, ~~2023~~2025, and ~~\$400.00~~483.12 effective August 1, ~~2024~~2026. Each meter shall incur a monthly customer charge regardless of consumption.

Monthly volume charge: ~~\$3.25~~4.12 per 1,000 gallons effective August 1, ~~2023~~2025, and ~~\$3.75~~4.53 per 1,000 gallons effective August 1, ~~2024~~2026

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.

(g) *Fire hydrant service rate.*

- (1) *Availability.* The fire hydrant service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The fire hydrant service rate is applicable to water service provided through a fire hydrant, whether metered or estimated. Any customer requesting service under this rate must make arrangements with NBU prior to the date service is required. A service charge of \$100.00 will be assessed to set and remove the fire hydrant meter.
- (3) *Monthly rates.* The fire hydrant service rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge and the monthly volume charge, as shown below.

Monthly customer charge: ~~\$300.00~~384.65 effective August 1, ~~2023~~2025, and ~~\$350.00~~422.73 effective August 1, ~~2024~~2026

Monthly volume charge: ~~\$7.99~~9.34 per 1,000 gallons effective August 1, ~~2023~~2025, and ~~\$8.50~~10.27 per 1,000 gallons effective August 1, ~~2024~~2026

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.

- (5) *Deposit.* All customers using a fire hydrant meter shall furnish a deposit of \$300.00 or establish other means of credit acceptable to NBU.

(h) *Landscape/irrigation service rate.*

- (1) *Availability.* The landscape/irrigation service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The landscape/irrigation service rate is applicable to water service for a residential, small general service, and large general service rate classification customer who has a sprinkler or irrigation system on a separate water meter:

- a. Dedicated exclusively to such purpose, and
  - b. Which is in addition to one or more other water meters serving the same location.
- (3) *Monthly rates.* The landscape/irrigation service rate will be calculated monthly and will be an amount equal to the sum of the monthly customer charge and the monthly volume charge, as shown below.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
5/8-inch and smaller	<del>\$15.98</del> 17.64	<del>\$16.05</del> 19.39
1-inch	<del>\$28.00</del> 31.98	<del>\$29.10</del> 35.15
1½-inch	<del>\$32.00</del> 36.27	<del>\$33.00</del> 39.86
2-inch	<del>\$40.00</del> 43.96	<del>\$40.00</del> 48.31
3-inch	<del>\$57.50</del> 63.85	<del>\$58.10</del> 70.17
4-inch and greater	<del>\$68.00</del> 75.28	<del>\$68.50</del> 82.73

*Monthly volume charge.* The monthly volume charge for water usage per 1,000 gallons, or any part thereof, shall be:

Gallons of Water Usage	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
0—6,000	<del>\$ 6.50</del> \$8.52	<del>\$ 7.75</del> \$9.36
6,001—20,000	<del>\$ 7.75</del> \$9.89	<del>\$ 9.00</del> \$10.87
Excess of 20,000	<del>\$10.35</del> 14.62	<del>\$13.30</del> 16.06

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- a. The monthly customer charge plus the monthly volume charge, plus any special charges or adjustments; or
  - b. The amount specified in any contract between the customer and NBU.
- (i) *Tanker service rate.*
- (1) *Availability.* The tanker service rate is available under the rules, regulations, policies, and at the rates set forth in this section.
  - (2) *Applicability.* The tanker water service rate is applicable to water service provided at locations approved by NBU, whether metered or estimated. Under this rate, a customer may acquire and purchase water through the use of water tanker trucks or other mobile water transport containers. Any customer requesting service under this rate must make arrangements with NBU prior to the date service is required.
  - (3) *Rates.* The rate for each tanker or other mobile water transport containers acquiring water at locations approved by NBU shall be the sum of the tanker charge and the volume charge, as shown below.

Tanker charge	Eff. Aug. 1, <del>2023</del> 2025	Eff. Aug. 1, <del>2024</del> 2026
Per month	<del>\$300.00</del> 384.65	<del>\$350.00</del> 422.73

Volume charge, per 1,000 gallons or any part thereof	<del>\$ 7.90</del> <u>\$9.34</u>	<del>\$ 8.50</del> <u>\$10.27</u>
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- (4) *Minimum charge.* The minimum charge for each tanker truck connection shall be the larger of the following:
- The tanker charge plus the volume charge, plus any special charges or adjustments; or
  - The amount specified in any contract between the customer and NBU.
- (j) *Wholesale water service.*
- Availability.* Wholesale water service is available under the rules, regulations, and policies, as set by contract and approved by the NBU board of trustees. Contracts for wholesale service will be approved only when water supplies are sufficient to satisfy the requirements of the contract without jeopardizing the water needs of the citizens of the city and customers of NBU.
  - Applicability.* A wholesale service contract is applicable for water service to water systems created by the appropriate agency of the state as well as to other water systems and purveyors which resell water or water service.
  - Rates.* The rate set by contract shall not be less than the marginal cost to serve that customer.
- (k) *Contractual water service.* NBU shall have the right to enter into contracts with customers for water service subject to prior approval of the NBU board of trustees. Such water service charges may be calculated on the basis of customer classification as set forth in this article or on cost of service, at the election of NBU; however, the water service charge shall never be less than cost of service.
- (l) *Experimental rate.*
- Applicability.* The experimental rate shall be applicable to any and all rate class groups at times chosen by NBU. The time period for which the experimental rate may apply shall not exceed one year. At any time, the number of customers affected by the experimental rate shall not exceed one percent of the total number of customers served by NBU.
  - Purpose.* The purpose of the experimental rate is to aid in design of new rates. NBU shall have the authority to initiate or discontinue the experimental rate at NBU's sole discretion.
  - Selection.* The methods and criteria for selection of rate class groups to be used for the experimental rate shall be chosen and defined by NBU. Participation in the experimental rate by customers shall be on a voluntary basis.
- (m) *Residential and landscape irrigation drought surcharges.*
- If stage III water use reduction measures are in effect, NBU will implement a \$1.00 per 1,000 gallon surcharge for residential usage greater than 15,000 gallons and for irrigation usage greater than 7,500 gallons per month.
  - If stage IV water use reduction measures are in effect, NBU will implement a \$2.00 per 1,000 gallon surcharge for residential usage greater than 15,000 gallons and for irrigation usage greater than 7,500 gallons per month.
- (n) NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.

(Ord. No. 2002-29, § 1(Att. A), 7-22-02; Ord. No. 2002-48, §§ I, II, 12-9-02; Ord. No. 2007-78, § 2, 10-22-07; Ord. No. 2014-16, § I(Exh. A), 2-24-14; Ord. No. 2015-62, § I(Exh. A), 11-9-15; Ord. No. 2018-78, § 2, 11-26-18; Ord. No.

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2019-72, § 2, 10-28-19; Ord. No. 2020-63, § 3, 10-26-20; Ord. No. 2023-27, § 3(Exh. A), 4-10-23; Ord. No. 2025-  
§ (Exh. A), - -25)

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(Supp. No. 35, Update 2) Created: 2025-02-18 08:09:06 [EST]

6/16/2025

Agenda Item No. C)

**PRESENTER:**

Dawn Schriwer, Chief Financial Officer

**SUBJECT:**

Public Hearing and Approval of the First Reading of an Ordinance Amending Chapter 130, Article V, Section 130-257 Code of Ordinances of the City of New Braunfels, Texas Adjusting Sewer Rates and Charges for Fiscal Year 2026; Providing for Adjustments of Sewer Rates and Charges for Fiscal Year 2027; Resolving Other Matters Incident and Related Thereto; Repealing All Other Ordinances and Parts of Ordinances in Conflict Herewith; Containing a Savings Clause; and Providing an Effective Date.

**DEPARTMENT:** NBU**COUNCIL DISTRICTS IMPACTED:** All districts**BACKGROUND INFORMATION:**

NBU staff is proposing sewer rate changes designed to fund its Fiscal Year 2026 and Fiscal Year 2027 budget. NBU retained Raftelis Financial Consultants, Inc. to conduct a water, wastewater, and electric rate study and to validate forecasted revenue requirements. The revenue requirements identified are driven primarily from the need to build and maintain infrastructure to meet regulatory requirements. Based on the rate study results, NBU recommends an average system revenue increase of 7.7% for FY 2026 and 7.7% for FY 2027.

On August 31, 2023, the NBU Board approved Resolution #2023-176 establishing the Community Advisory Panel (CAP). On October 26, 2023, the Board approved the CAP Bylaws and appointed (13) CAP members. The CAP was tasked with reviewing and providing feedback on certain NBU projects, including a Fiscal Year 2026-2027 Rate Study. The CAP held four (4) public meetings related to the Fiscal Year 2026-2027 Rate Study. During those meetings, the CAP discussed topics including (i) Identify Financial and Pricing Objectives; (ii) Identify Revenue Requirements and Growth Projections; (iii) Develop Rate Projections and Possible Rate Design Changes; and (iv) Assess Effectiveness in Addressing Financial and Pricing Objectives.

On May 29, 2025, the NBU Board of Trustees recommended changes to Chapter 130, Article V, Section 130-257 relating to sewer rates and charges.

The presentation, updated ordinance, and board resolution are attached. The second reading of the proposed ordinance is scheduled for June 23, 2025, and, if approved, the proposed rates become effective on August 1, 2025.

**PROPOSED CODE OF ORDINANCE CHANGES**

NBU staff has included in the City Council backup materials a redline version of City of New Braunfels Code of Ordinances Chapter 130-257 - Sewer rates.

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**ISSUE:**

N/A

**STRATEGIC PLAN REFERENCE:**

☐ Economic Mobility ☐ Enhanced Connectivity ☐ Community Identity  
☐ Organizational Excellence ☒ Community Well-Being ☐ N/A

**FISCAL IMPACT:**

N/A

**RECOMMENDATION:**

The New Braunfels Utilities Board of Trustees adopted a resolution on May 29, 2025, recommending the proposed amendments to the sewer rate Ordinance. NBU Staff recommends approval of the ordinance.

**ORDINANCE NO. 2025-\_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 130, ARTICLE V, SECTION 130-257, CODE OF ORDINANCES OF THE CITY OF NEW BRAUNFELS, TEXAS ADJUSTING SEWER RATES AND CHARGES FOR FISCAL YEAR 2026; PROVIDING FOR ADJUSTMENTS OF SEWER RATES AND CHARGES FOR FISCAL YEAR 2027; RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; REPEALING ALL OTHER ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HERewith; CONTAINING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

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**WHEREAS**, the City Council of New Braunfels, Texas (the “City”), owns and operates by and through New Braunfels Utilities its own sewer system in accordance with the laws of the State of Texas and the charter of said City; and

**WHEREAS**, the Council of the City of New Braunfels has heretofore established an ordinance providing for assessment and collection of sewer rates and which ordinance has been codified as Chapter 130, Article V, Code of Ordinances of the City; and

**WHEREAS**, Section 130-257 of the Code of Ordinances of the City requires an update when rates are changed; and

**WHEREAS**, the New Braunfels Utilities Board of Trustees recommended new sewer rates and charges for fiscal year 2026 and fiscal year 2027 at a meeting held on May 29, 2025; and

**WHEREAS**, in order to change the sewer rates, it is now necessary and advisable that Section 130-257, Article V, Code of Ordinances, as heretofore established by ordinance, be amended; and

**WHEREAS**, the City Council of the City retains the power to consider an additional adjustment of NBU’s rates at any time.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS:**



## **SECTION 1.**

**THAT**, the findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

## **SECTION 2.**

**THAT**, Section 130-257, Chapter 130, Article V, New Braunfels Code of Ordinances, as heretofore established by ordinance, be and hereby is amended to, among other things, (i) adjust sewer rates and charges beginning August 1, 2025, and (ii) adjust the sewer rates and charges in effect on July 31, 2026, beginning August 1, 2026, excluding those covered by contract, with no further action by the City Council of New Braunfels, Texas or by New Braunfels Utilities.

## **SECTION 3.**

**THAT**, Section 130-257, Chapter 130, Article V, New Braunfels Code of Ordinances, as heretofore established by ordinance, be and hereby are amended as set forth in attached Exhibit A with deleted language signified by strikethrough font and new language signified by underlined font.

## **SECTION 4.**

**THAT**, this ordinance shall be and is hereby declared to be cumulative to all other ordinances of the City of New Braunfels relating to sewer rates, and same shall not operate to repeal or affect any such ordinance or ordinances except insofar as the provisions of such ordinance or ordinances are inconsistent or in conflict with the provisions of this ordinance, in which instance or instances those provisions shall be and they are hereby repealed.

## **SECTION 5.**

**THAT**, if any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

## **SECTION 6.**

**THAT**, this ordinance shall be effective on August 1, 2025.

**SECTION 7.**

**PASSED AND APPROVED:** First Reading this 16th day of June, 2025.

**PASSED AND APPROVED:** Second Reading this 23rd day of June, 2025.

**CITY OF NEW BRAUNFELS**

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**NEAL LINNARTZ, Mayor**

**ATTEST:**

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**GAYLE WILKINSON, City Secretary**

**APPROVED AS TO FORM:**

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**VALERIA ACEVEDO, City Attorney**

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## Sec. 130-257. Sewer rates.

- (a) *Service rate classifications.* All sewage treatment services supplied shall be designated by the following classifications with descriptions, rates, and conditions of service as indicated further in this section:

Residential service 1 (with water service)

Residential service 2 (without water service)

General service 1 (with water service)

General service 2 (without water service)

Contractual service

Experimental service

- (b) *Rate schedule administration and assignment.* Upon request for sewer service from a prospective customer, NBU shall assign the appropriate rate classification for sewer service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If a customer receiving service changes the nature or character of sewer service requirements, then NBU shall, upon review of the information available pertaining to the revised sewer service requirement, reassign the customer to the appropriate rate schedule.

If a prospective or existing customer is eligible to receive sewer service under more than one of the NBU rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then NBU shall assign the most appropriate rate schedule for sewer service after consideration of the various service requirements, potential impact on NBU facilities, the potential relative costs of serving the customer, and other available pertinent information.

If a customer requests an adjustment to the billing units due to an unusual occurrence or due to unusual or special circumstances, then NBU may, upon review of the information available pertaining to the customer's request and after consideration of the potential impact on NBU, adjust the billing units.

- (c) *Residential service 1 rate, with water service provided by NBU.*

- (1) *Availability.* The residential service 1 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The residential service 1 rate is applicable to sewer service used solely for residential purposes and related activities consisting of service to single-family dwellings or permanent residential multifamily dwellings with not more than four separate and identifiable permanent residential dwelling areas, such as duplexes, triplexes, or quadruplexes, and where water service is provided by NBU to all units through one water meter.
- (3) *Excluded uses.* The residential service 1 rate shall not be applicable to service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, motels, hotels, nursing homes, apartment complexes with more than four separate and identifiable residential dwelling areas, barbershops, beauty shops, general contractors storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar commercial or nonresidential activities.
- (4) *Monthly rates.* The residential service 1 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below:

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*Monthly customer charge.* The monthly customer charge shall be \$36.19 effective August 1, 2025, and \$38.97 effective August 1, 2026.

*Monthly volume charge.* The monthly volume charge shall be \$8.51 effective August 1, 2025, and \$9.16 effective August 1, 2026, per 1,000 gallons, or any part thereof, of average water consumption calculated on a monthly basis as specified under determination of sewer volume billing units.

*Monthly unit charge.* The monthly unit charge shall be applicable when a customer with a master metered water service receives service at a duplex, triplex, quadruplex, or an individual residence with separate apartment type unit, each such separate and identifiable permanent residential dwelling area shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$17.63 per month effective August 1, 2025, and \$18.99 per month effective August 1, 2026.

NBU will not undertake the apportionment of charges among the occupants residing in multi-unit residential structures. Charges for multi-unit service will be assessed against the customer of record for such location.

- (5) *Determination of sewer volume billing units.* Sewer volume billing units shall be calculated each month for each residential service 1 rate customer by averaging that customer's water consumption for the lowest three months during the preceding 12-month period. Only one month of metered water consumption of less than 100 gallons will be included in the calculation as long as the customer has two or more months of metered water consumption of more than 100 gallons. If the customer has less than two months of metered water consumption of 100 gallons or more, zero consumption months are not restricted from use in the calculation. This calculated three-month average water consumption will be billed each month using the rate specified under monthly volume charge in the preceding paragraph.

Residential service 1 rate customers who have a water usage history less than 12 months shall be billed at the lesser of the system calculated average consumption for similar residential service 1 rate customers or the current billing month's water consumption until the customer has established a water usage history of 12 months.

- (6) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable; or
  - The amount specified in any contract between the customer and NBU.
- (7) *Maximum monthly charge.* The maximum charge for a single unit residential structure shall be \$194.44 per month effective August 1, 2025, and \$209.41 per month effective August 1, 2026. A maximum charge is not applicable to any multi-unit residential service 1 customer.
- (8) *Proration of bills.* Single unit residential service 1 rate customers who receive less than a full month of sewer service will have their total bill prorated based on the number of days for which service is received by the customer, divided by the number of days in the current calendar month. Days of service received will be calculated based on the date of initial service or cutoff of service by NBU and will not be prorated for partial days. Proration of bills will not be applicable to any multi-unit residential customer.

- (d) *Residential service 2 rate, with water service not provided by NBU.*

- (1) *Availability.* The residential service 2 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The residential service 2 rate is applicable to sewer service used solely for residential purposes and related activities consisting of service to single-family dwellings or permanent residential

multifamily dwellings with not more than four separate and identifiable permanent residential dwelling areas, such as duplexes, triplexes or quadruplexes, where water service is not provided by NBU.

- (3) *Excluded uses.* The residential service 2 rate shall not be applicable to service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, motels, hotels, nursing homes, apartment complexes with more than four separate and identifiable residential dwelling units, barbershops, beauty shops, general contractors storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar commercial or nonresidential activities.

- (4) *Monthly rates.* The residential service 2 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly unit charge, if applicable, as shown below:

*Monthly customer charge.* The monthly customer charge shall be \$103.03 effective August 1, 2025, and \$110.96 effective August 1, 2026, plus the monthly unit charge if applicable. Triplexes and quadruplexes will be billed for two monthly customer charges.

*Monthly unit charge.* When a customer with a master metered water service receives service at a duplex, triplex, quadruplex, or an individual residence with separate apartment type units, each such separate and identifiable permanent residential dwelling area shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$17.63 per month effective August 1, 2025, and \$18.99 per month effective August 1, 2026.

NBU will not undertake the apportionment of charges residing in multi-unit residential structures among the occupants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (5) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly unit charge, if applicable; or
  - The amount specified in any contract between the customer and NBU.

(e) *General service 1 rate, with water service provided by NBU.*

- (1) *Availability.* The general service 1 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The general service 1 rate is applicable to sewer service for any customer which does not qualify for the residential service rate, and where water service is provided by NBU.
- (3) *Monthly rates.* The general service 1 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Customer Charge Eff. Aug. 1, 2025	Customer Charge Eff. Aug. 1, 2026
¾-inch and smaller	\$ 42.13	\$ 45.38
1-inch	\$ 45.72	\$ 49.24
1½-inch	\$ 63.77	\$ 68.68
2-inch	\$ 81.11	\$ 87.35
3-inch	\$125.17	\$134.81
4-inch	\$180.29	\$194.17

6-inch	\$324.93	\$349.95
10-inch and greater	\$560.75	\$603.93

*Monthly volume charge.* The monthly volume charge shall be based upon actual water consumption measured in 1,000-gallon increments or any part thereof, as follows:

Gallons of Water Usage	\$ per 1,000 gallons Eff. Aug. 1, 2025	\$ per 1,000 gallons Eff. Aug. 1, 2026
0—7,000	\$8.81	\$9.49
7,001—25,000	\$8.81	\$9.49
25,001—300,000	\$8.81	\$9.49
Excess of 300,000	\$8.81	\$9.49

*Monthly unit charge.* When a customer with a master metered water service receives service at a multiple unit residential facility with five or more units, such as an apartment complex or mobile home park, each separate and identifiable permanent residential dwelling area and each public bathroom, laundry area, or other area where sewer service exists shall be subject to a monthly unit charge for billing purposes. When a customer receives service at a multi-unit nonresidential facility, each separate and identifiable office, retail, wholesale or other type of working space designed for occupancy by separate tenants or unrelated users shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$17.63 per month effective August 1, 2025, and \$18.99 per month effective August 1, 2026.

NBU will not undertake the apportionment of charges for such users of water among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
  - a. The monthly customer charge plus the monthly volume charge plus the unit charge, if applicable; or
  - b. The amount specified in any contract between the customer and NBU.
- (f) *General service 2 rate, with water service not provided by NBU.*
  - (1) *Availability.* The general service 2 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rate set forth in this section.
  - (2) *Applicability.* The general service 2 rate is applicable to sewer service for any customer which does not qualify for the residential service rate, and where water service is not provided by NBU.
  - (3) *Monthly rates.* The general service 2 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below.

*Monthly customer charge.* The monthly customer charge shall be determined by NBU based on an engineering study or the size of the water meter serving each customer, using the general service 1 monthly customer charge rate schedule.

If the customer receives water service directly from a private well where the water service is not provided through a meter, then the monthly customer charge shall be determined based upon analysis of the water connection, but not less than \$38.58 per month effective August 1, 2025, and \$41.55 per month effective August 1, 2026.

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*Monthly volume charge.* NBU shall have the right to require metered water usage data, to perform individual account analysis of water consumption, or to perform sewer flow analysis for any customer under this rate. If metered water usage data becomes available, or if NBU performs an individual water consumption analysis or sewer flow analysis, then the monthly volume charge shall be determined in accordance with the general service 1 monthly volume charge rate schedule.

If metered water data is not available, and if NBU does not require an individual water consumption analysis or sewer flow analysis, then the monthly volume charge shall be \$94.85 per month effective August 1, 2025, and \$102.15 per month effective August 1, 2026.

*Monthly unit charge.* When a customer receives service at a multiple unit residential facility with five or more units, such as an apartment complex or mobile home park, each separate and identifiable permanent residential dwelling area and each public bathroom, laundry area, or other area where sewer service exists shall be subject to a monthly unit charge for billing purposes. When a customer receives service at a multi-unit nonresidential facility, each separate and identifiable office, retail, wholesale or other type of working space designed for occupancy by separate tenants or unrelated users shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$17.63 per month effective August 1, 2025, and \$18.99 per month effective August 1, 2026.

NBU will not undertake the apportionment of charges for such customers among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- a. The monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable; or
  - b. The amount specified in any contract between the customer and NBU.
- (g) *Contractual sewage treatment.* NBU shall have the right to enter into contracts with customers for sewage treatment subject to prior approval of the city council. Such sewage treatment charges may be calculated on the basis of customer classification as set forth in this article or on cost of service, at the election of NBU; however, the sewage treatment charge shall never be less than cost of service.
- (h) *Experimental rate.*
- (1) *Applicability.* The experimental rate shall be applicable to any and all customer rate classifications at times selected by NBU. The time period for which the experimental rate may apply shall not exceed one year. At any time, the number of customers affected by the experimental rate shall not exceed one percent of the total number of customers served by NBU.
  - (2) *Purpose.* The purpose of the experimental rate is to aid in the design of new rates. NBU shall have the authority to initiate or discontinue the experimental rate as it deems appropriate.
  - (3) *Selection.* The methods and criteria for selection of rate class groups to be used for the experimental rate shall be selected and defined by NBU. Participation in the experimental rate by customers shall be on a voluntary basis.
- (i) *Updates to city council.* NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.

(Ord. No. 2002-29, § 1(Att. A), 7-22-02; Ord. No. 2002-49, §§ I, II, 12-9-02; Ord. No. 2007-79, § 2, 10-22-07; Ord. No. 2008-74, § 2, 11-24-08; Ord. No. 2011-104, § 2, 11-28-11; Ord. No. 2013-50, § I, 8-26-13; Ord. No. 2014-61, § I, 9-8-14; Ord. No. 2015-61, § I(Exh. A), 11-9-15; Ord. No. 2019-73, § 2, 10-28-19; Ord. No. 2020-64, § 3, 10-26-20; Ord. No. 2023-28, § 3(Exh. A), 4-10-23; Ord. No. 2025-\_\_\_\_, § \_\_\_\_ (Exh. A), \_\_\_\_ - \_\_\_\_ -25)

**A RESOLUTION BY THE BOARD OF TRUSTEES OF NEW BRAUNFELS UTILITIES APPROVING PROPOSED AMENDMENTS TO CHAPTER 130, ARTICLE V, SECTION 130-257 OF THE CODE OF ORDINANCES OF THE CITY OF NEW BRAUNFELS (I) ADJUSTING SEWER RATES AND CHARGES FOR FISCAL YEAR 2026; (II) PROVIDING FOR ADJUSTMENTS OF SEWER RATES AND CHARGES FOR FISCAL YEAR 2027; (III) RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO; AND (IV) AUTHORIZING PRESENTATION OF SAME TO THE CITY COUNCIL OF NEW BRAUNFELS FOR ITS CONSIDERATION AND PASSAGE**

WHEREAS, the City Council of the City of New Braunfels (the “City Council”) has established an ordinance containing the rules, regulations, and policies and rate provisions affecting the New Braunfels Utilities sewer system and its furnishing of services, fixing rates, deposits and providing for collection procedures and for the operations of said systems, and said ordinances have been codified in Chapter 130, Article V, Code of Ordinances of the City;

WHEREAS, the Board of Trustees of New Braunfels Utilities is of the opinion that it is now necessary and advisable that Chapter 130, Article V, Section 130-257 of the Code of Ordinances relating to sewer rates and charges be amended for fiscal year 2026 and fiscal year 2027; and

WHEREAS, the Board of Trustees has reviewed the proposed amendments, and is of the opinion that the same should be approved and submitted to the City Council, for its consideration and passage.

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

SECTION 1. The Board of Trustees hereby approves the proposed amendments to Chapter 130, Article V, Section 130-257 of the Code of Ordinances of the City of New Braunfels as set forth in attached Exhibit A to, among other things, (i) adjust sewer rates and charges beginning August 1, 2025, as specified therein and (ii) adjust the sewer rates and charges in effect on July 31, 2026, beginning August 1, 2026, as specified therein, excluding those covered by contract, with no further action by the City Council of New Braunfels, Texas or by New Braunfels Utilities.

SECTION 2. The Board of Trustees hereby recommends approval of such amendments to the City Council and authorizes and directs the Chief Executive Officer of New Braunfels Utilities to present the proposed ordinance amendments in ordinance form to the City Council for its consideration and passage as provided by law.

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 29th day of May, 2025.



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Wayne Peters  
President, Board of Trustees  
New Braunfels Utilities

ATTEST:



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Ryan Kelso  
Secretary to the Board  
New Braunfels Utilities

## Exhibit A

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## Sec. 130-257. Sewer rates.

- (a) *Service rate classifications.* All sewage treatment services supplied shall be designated by the following classifications with descriptions, rates, and conditions of service as indicated further in this section:

Residential service 1 (with water service)

Residential service 2 (without water service)

General service 1 (with water service)

General service 2 (without water service)

Contractual service

Experimental service

- (b) *Rate schedule administration and assignment.* Upon request for sewer service from a prospective customer, NBU shall assign the appropriate rate classification for sewer service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If a customer receiving service changes the nature or character of sewer service requirements, then NBU shall, upon review of the information available pertaining to the revised sewer service requirement, reassign the customer to the appropriate rate schedule.

If a prospective or existing customer is eligible to receive sewer service under more than one of the NBU rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then NBU shall assign the most appropriate rate schedule for sewer service after consideration of the various service requirements, potential impact on NBU facilities, the potential relative costs of serving the customer, and other available pertinent information.

If a customer requests an adjustment to the billing units due to an unusual occurrence or due to unusual or special circumstances, then NBU may, upon review of the information available pertaining to the customer's request and after consideration of the potential impact on NBU, adjust the billing units.

- (c) *Residential service 1 rate, with water service provided by NBU.*

- (1) *Availability.* The residential service 1 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rates set forth in this section.
- (2) *Applicability.* The residential service 1 rate is applicable to sewer service used solely for residential purposes and related activities consisting of service to single-family dwellings or permanent residential multifamily dwellings with not more than four separate and identifiable permanent residential dwelling areas, such as duplexes, triplexes, or quadruplexes, and where water service is provided by NBU to all units through one water meter.
- (3) *Excluded uses.* The residential service 1 rate shall not be applicable to service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, motels, hotels, nursing homes, apartment complexes with more than four separate and identifiable residential dwelling areas, barbershops, beauty shops, general contractors storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar commercial or nonresidential activities.
- (4) *Monthly rates.* The residential service 1 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below:

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*Monthly customer charge.* The monthly customer charge shall be ~~\$30.41~~36.19 effective August 1, ~~2023~~2025, and ~~\$33.60~~38.97 effective August 1, ~~2024~~2026.

*Monthly volume charge.* The monthly volume charge shall be ~~\$7.15~~8.51 effective August 1, ~~2023~~2025, and ~~\$7.99~~9.16 effective August 1, ~~2024~~2026, per 1,000 gallons, or any part thereof, of average water consumption calculated on a monthly basis as specified under determination of sewer volume billing units.

*Monthly unit charge.* The monthly unit charge shall be applicable when a customer with a master metered water service receives service at a duplex, triplex, quadruplex, or an individual residence with separate apartment type unit, each such separate and identifiable permanent residential dwelling area shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be ~~\$16.37~~17.63 per month effective August 1, ~~2023~~2025, and ~~\$16.37~~18.99 per month effective August 1, ~~2024~~2026.

NBU will not undertake the apportionment of charges among the occupants residing in multi-unit residential structures. Charges for multi-unit service will be assessed against the customer of record for such location.

- (5) *Determination of sewer volume billing units.* Sewer volume billing units shall be calculated each month for each residential service 1 rate customer by averaging that customer's water consumption for the lowest three months during the preceding 12-month period. Only one month of metered water consumption of less than 100 gallons will be included in the calculation as long as the customer has two or more months of metered water consumption of more than 100 gallons. If the customer has less than two months of metered water consumption of 100 gallons or more, zero consumption months are not restricted from use in the calculation. This calculated three-month average water consumption will be billed each month using the rate specified under monthly volume charge in the preceding paragraph.

Residential service 1 rate customers who have a water usage history less than 12 months shall be billed at the lesser of the system calculated average consumption for similar residential service 1 rate customers or the current billing month's water consumption until the customer has established a water usage history of 12 months.

- (6) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:

- a. The monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable; or
- b. The amount specified in any contract between the customer and NBU.

- (7) *Maximum monthly charge.* The maximum charge for a single unit residential structure shall be ~~\$163.40~~194.44 per month effective August 1, ~~2023~~2025, and ~~\$180.54~~209.41 per month effective August 1, ~~2024~~2026. A maximum charge is not applicable to any multi-unit residential service 1 customer.

- (8) *Proration of bills.* Single unit residential service 1 rate customers who receive less than a full month of sewer service will have their total bill prorated based on the number of days for which service is received by the customer, divided by the number of days in the current calendar month. Days of service received will be calculated based on the date of initial service or cutoff of service by NBU and will not be prorated for partial days. Proration of bills will not be applicable to any multi-unit residential customer.

- (d) *Residential service 2 rate, with water service not provided by NBU.*

- (1) *Availability.* The residential service 2 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rates set forth in this section.

- (2) *Applicability.* The residential service 2 rate is applicable to sewer service used solely for residential purposes and related activities consisting of service to single-family dwellings or permanent residential multifamily dwellings with not more than four separate and identifiable permanent residential dwelling areas, such as duplexes, triplexes or quadruplexes, where water service is not provided by NBU.
- (3) *Excluded uses.* The residential service 2 rate shall not be applicable to service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, motels, hotels, nursing homes, apartment complexes with more than four separate and identifiable residential dwelling units, barbershops, beauty shops, general contractors storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, and other similar commercial or nonresidential activities.
- (4) *Monthly rates.* The residential service 2 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly unit charge, if applicable, as shown below:

*Monthly customer charge.* The monthly customer charge shall be ~~\$86.57~~103.03 effective August 1, ~~2023~~2025, and ~~\$95.66~~110.96 effective August 1, ~~2024~~2026, plus the monthly unit charge if applicable. Triplexes and quadruplexes will be billed for two monthly customer charges.

*Monthly unit charge.* When a customer with a master metered water service receives service at a duplex, triplex, quadruplex, or an individual residence with separate apartment type units, each such separate and identifiable permanent residential dwelling area shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be ~~\$16.37~~17.63 per month effective August 1, ~~2023~~2025, and ~~\$16.37~~18.99 per month effective August 1, ~~2024~~2026.

NBU will not undertake the apportionment of charges residing in multi-unit residential structures among the occupants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (5) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
  - a. The monthly customer charge plus the monthly unit charge, if applicable; or
  - b. The amount specified in any contract between the customer and NBU.
- (e) *General service 1 rate, with water service provided by NBU.*
  - (1) *Availability.* The general service 1 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rates set forth in this section.
  - (2) *Applicability.* The general service 1 rate is applicable to sewer service for any customer which does not qualify for the residential service rate, and where water service is provided by NBU.
  - (3) *Monthly rates.* The general service 1 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below.

*Monthly customer charge.* The monthly customer charge shall be determined by the size of the water meter serving each customer, as follows:

Meter Size	Customer Charge Eff. Aug. 1, <del>2023</del> <u>2025</u>	Customer Charge Eff. Aug. 1, <del>2024</del> <u>2026</u>
¾-inch and smaller	\$ <del>39.12</del> <u>42.13</u>	\$ <del>39.12</del> <u>45.38</u>
1-inch	\$ <del>42.45</del> <u>72</u>	\$ <del>42.45</del> <u>49.24</u>
1½-inch	\$ <del>59.21</del> <u>63.77</u>	\$ <del>59.21</del> <u>68.68</u>

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(Supp. No. 35, Update 2)

2-inch	\$ <del>75.31</del> <u>81.11</u>	\$ <del>75.31</del> <u>87.35</u>
3-inch	\$ <del>116.22</del> <u>125.17</u>	\$ <del>116.22</del> <u>134.81</u>
4-inch	\$ <del>167.40</del> <u>180.29</u>	\$ <del>167.40</del> <u>194.17</u>
6-inch	\$ <del>301.70</del> <u>324.93</u>	\$ <del>301.70</del> <u>349.95</u>
10-inch and greater	\$ <del>520.66</del> <u>560.75</u>	\$ <del>520.66</del> <u>603.93</u>

**Monthly volume charge.** The monthly volume charge shall be based upon actual water consumption measured in 1,000-gallon increments or any part thereof, as follows:

Gallons of Water Usage	\$ per 1,000 gallons Eff. Aug. 1, <del>2023</del> <u>2025</u>	\$ per 1,000 gallons Eff. Aug. 1, <del>2024</del> <u>2026</u>
0—7,000	\$8. <del>1881</del>	\$8. <del>189.49</del>
7,001—25,000	\$8. <del>1881</del>	\$8. <del>189.49</del>
25,001—300,000	\$8. <del>1881</del>	\$8. <del>189.49</del>
Excess of 300,000	\$8. <del>1881</del>	\$8. <del>189.49</del>

**Monthly unit charge.** When a customer with a master metered water service receives service at a multiple unit residential facility with five or more units, such as an apartment complex or mobile home park, each separate and identifiable permanent residential dwelling area and each public bathroom, laundry area, or other area where sewer service exists shall be subject to a monthly unit charge for billing purposes. When a customer receives service at a multi-unit nonresidential facility, each separate and identifiable office, retail, wholesale or other type of working space designed for occupancy by separate tenants or unrelated users shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be \$~~16.37~~17.63 per month effective August 1, ~~2023~~2025, and \$~~16.37~~18.99 per month effective August 1, ~~2024~~2026.

NBU will not undertake the apportionment of charges for such users of water among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (4) **Minimum monthly charge.** The minimum monthly charge shall be the larger of the following:
  - a. The monthly customer charge plus the monthly volume charge plus the unit charge, if applicable; or
  - b. The amount specified in any contract between the customer and NBU.
- (f) **General service 2 rate, with water service not provided by NBU.**
  - (1) **Availability.** The general service 2 rate is available in the sewer service area of NBU under the rules, regulations, policies, and at the rate set forth in this section.
  - (2) **Applicability.** The general service 2 rate is applicable to sewer service for any customer which does not qualify for the residential service rate, and where water service is not provided by NBU.
  - (3) **Monthly rates.** The general service 2 rate will be calculated monthly in accordance with this section and will be an amount equal to the sum of the monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable, as shown below.

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*Monthly customer charge.* The monthly customer charge shall be determined by NBU based on an engineering study or the size of the water meter serving each customer, using the general service 1 monthly customer charge rate schedule.

If the customer receives water service directly from a private well where the water service is not provided through a meter, then the monthly customer charge shall be determined based upon analysis of the water connection, but not less than ~~\$35.82~~38.58 per month effective August 1, ~~2023~~2025, and ~~\$35.82~~41.55 per month effective August 1, ~~2024~~2026.

*Monthly volume charge.* NBU shall have the right to require metered water usage data, to perform individual account analysis of water consumption, or to perform sewer flow analysis for any customer under this rate. If metered water usage data becomes available, or if NBU performs an individual water consumption analysis or sewer flow analysis, then the monthly volume charge shall be determined in accordance with the general service 1 monthly volume charge rate schedule.

If metered water data is not available, and if NBU does not require an individual water consumption analysis or sewer flow analysis, then the monthly volume charge shall be ~~\$88.07~~94.85 per month effective August 1, ~~2023~~2025, and ~~\$88.07~~102.15 per month effective August 1, ~~2024~~2026.

*Monthly unit charge.* When a customer receives service at a multiple unit residential facility with five or more units, such as an apartment complex or mobile home park, each separate and identifiable permanent residential dwelling area and each public bathroom, laundry area, or other area where sewer service exists shall be subject to a monthly unit charge for billing purposes. When a customer receives service at a multi-unit nonresidential facility, each separate and identifiable office, retail, wholesale or other type of working space designed for occupancy by separate tenants or unrelated users shall be subject to a monthly unit charge for billing purposes. The monthly charge for each unit in excess of one unit shall be ~~\$16.37~~17.63 per month effective August 1, ~~2023~~2025, and ~~\$16.37~~18.99 per month effective August 1, ~~2024~~2026.

NBU will not undertake the apportionment of charges for such customers among the occupants or tenants. Charges for multi-unit service will be assessed against the customer of record for such location.

- (4) *Minimum monthly charge.* The minimum monthly charge shall be the larger of the following:
- The monthly customer charge plus the monthly volume charge plus the monthly unit charge, if applicable; or
  - The amount specified in any contract between the customer and NBU.
- (g) *Contractual sewage treatment.* NBU shall have the right to enter into contracts with customers for sewage treatment subject to prior approval of the city council. Such sewage treatment charges may be calculated on the basis of customer classification as set forth in this article or on cost of service, at the election of NBU; however, the sewage treatment charge shall never be less than cost of service.
- (h) *Experimental rate.*
- (1) *Applicability.* The experimental rate shall be applicable to any and all customer rate classifications at times selected by NBU. The time period for which the experimental rate may apply shall not exceed one year. At any time, the number of customers affected by the experimental rate shall not exceed one percent of the total number of customers served by NBU.
  - (2) *Purpose.* The purpose of the experimental rate is to aid in the design of new rates. NBU shall have the authority to initiate or discontinue the experimental rate as it deems appropriate.

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(3) *Selection.* The methods and criteria for selection of rate class groups to be used for the experimental rate shall be selected and defined by NBU. Participation in the experimental rate by customers shall be on a voluntary basis.

(i) *Updates to city council.* NBU is directed to provide updates to city council and the NBU board on NBU's financial status. City council retains the power to consider a review of NBU's rates at any time.

(Ord. No. 2002-29, § 1(Att. A), 7-22-02; Ord. No. 2002-49, §§ I, II, 12-9-02; Ord. No. 2007-79, § 2, 10-22-07; Ord. No. 2008-74, § 2, 11-24-08; Ord. No. 2011-104, § 2, 11-28-11; Ord. No. 2013-50, § I, 8-26-13; Ord. No. 2014-61, § I, 9-8-14; Ord. No. 2015-61, § I(Exh. A), 11-9-15; Ord. No. 2019-73, § 2, 10-28-19; Ord. No. 2020-64, § 3, 10-26-20; Ord. No. 2023-28, § 3(Exh. A), 4-10-23; [Ord. No. 2025- , § \(Exh. A\), - -25](#))