

## GENERAL CERTIFICATE

THE STATE OF TEXAS	§
	§
COUNTIES OF COMAL AND GUADALUPE	§
	§
CITY OF NEW BRAUNFELS	§

We, the undersigned, City Secretary of the City of New Braunfels, Texas, and Chief Executive Officer of New Braunfels Utilities, DO HEREBY CERTIFY, with respect to the "City of New Braunfels, Texas, Utility System Revenue Refunding Bonds, Series 2022" dated July 1, 2022 (the "Bonds"), as follows:

1. Relative to Nonencumbrance. Save and except for the pledge of the income and revenues of the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems to the payment of (i) the principal of and interest to become due with respect to the outstanding (a) "City of New Braunfels, Texas, Utility System Revenue Bonds, Series 2004," dated January 15, 2004, (b) "City of New Braunfels, Texas, Utility System Revenue Bonds, Series 2015," dated January 15, 2015, (c) "City of New Braunfels, Texas, Utility System Revenue and Refunding Bonds, Series 2016," dated March 1, 2016, (d) "City of New Braunfels, Texas, Utility System Revenue Bonds, Series 2018," dated April 1, 2018, (e) "City of New Braunfels, Texas, Utility System Commercial Paper Notes, Series 2019A" and "City of New Braunfels, Texas, Utility System Commercial Paper Notes, Series 2019B" in the maximum principal amount of \$75,000,000, (f) "City of New Braunfels, Texas, Utility System Revenue Refunding Bonds, Series 2020," dated May 1, 2020, (g) "City of New Braunfels, Texas, Utility System Program Notes, Taxable Series 2021" in the maximum principal amount of \$100,000,000, (h) "City of New Braunfels, Texas, Utility System Revenue Refunding Bonds, Series 2021," dated July 1, 2021 (hereinafter collectively referred to as the "Outstanding Obligations") and (i) the proposed Bonds, and (ii) various contracts for the purchase of electric power, said income and revenues of said Systems have not been pledged or hypothecated in any other manner or for any other purpose; and the Outstanding Obligations, the Bonds and the contracts mentioned above evidence the only liens, encumbrances or indebtedness of said Systems or against the income and revenues of such Systems.

2. Relative to No-Default.

(a) The City is not now in default as to any covenant, obligation or agreement contained in any ordinance or other proceeding relating to any obligations of the City payable from and secured by a lien on and pledge of the Net Revenues of the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems, and

(b) All payments into all special funds or accounts created and established solely for the payment and security of any outstanding obligations payable from and secured by a lien on and pledge of the Net Revenues of the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems have been duly made and the amounts on deposit in such special funds or accounts are the amounts now required to be deposited therein.

3. Relative to Utility Properties. The City secures its water from eleven (11) wells and the Guadalupe River and purchases its electric power from various providers. As of the date hereof, no question is pending and no proceedings of any nature have been instituted in any manner questioning the City's right and title to its utility properties or its authority to operate the same.

4. Relative to Rates and Charges. The current monthly rates and charges for services provided by the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems are as shown in **Exhibit A**, which is incorporated herein by reference and made a part of this certificate for all purposes.

5. Relative to Income and Revenues. The following is a schedule of the gross receipts, operating expenses and net revenues of the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems for the years stated:

<u>Fiscal Year Ending 7/31</u>	<u>Gross Receipts (\$)</u>	<u>Operating Expenses (\$)</u>	<u>Revenues (\$)</u>
2017	142,201,382	104,323,542	37,877,840
2018	154,625,115	117,386,777	37,238,338
2019	159,495,987	119,313,358	40,182,629
2020	205,457,749	135,671,455	69,786,294
2021			

6. Relative to Debt Service Requirements. That a debt service requirement schedule for the City's indebtedness payable from the net revenues of the City's Waterworks, Sanitary Sewer and Electric Light and Power Systems, is attached hereto as **Exhibit B** and made a part of this certificate for all purposes.

7. Relative to City Officials. Certain duly qualified and acting officials of the City are as follows:

RUSTY BROCKMAN	MAYOR
HARRY BOWERS	MAYOR PRO TEM
ROBERT CAMARENO	CITY MANAGER
GAYLE WILKINSON	INTERIM CITY SECRETARY
VALERIA ACEVEDO	CITY ATTORNEY

8. Relative to Incorporation. The City is incorporated under the general laws of the State of Texas, and is operating under the Home Rule Amendment to the Texas Constitution, Section 5, Section XI, as amended in 1912; pursuant to a City Charter adopted at an election held on November 22, 1966. The City Charter has not been amended in any respect since the amendment(s) adopted at the election held on May 7, 2005.

9. Relative to Incumbency of Utility Board. The duly appointed, qualified and acting members and officers of the Board of Trustees of New Braunfels Utilities and administrators of the City's said Systems are as follows:

Board of Trustees:

DR. JUDITH DYKES-HOFFMANN	PRESIDENT
WAYNE PETERS	VICE PRESIDENT
RUSTY BROCKMAN	TRUSTEE
JOHN HARRELL	TRUSTEE
YVETTE VILLANUEVA BARRERA	TRUSTEE

Officers (not on the Board of Trustees):

IAN TAYLOR	CHIEF EXECUTIVE OFFICER AND SECRETARY OF THE BOARD OF TRUSTEES
DAWN SCHRIEWER	CHIEF FINANCIAL OFFICER

10. Relative to Execution of Contracts. Prior to the execution of certain contracts related to the issuance of the Bonds, if required by the provisions of Texas Government Code, Section 2252.908, the City received a completed disclosure of interested parties form and certification of filing (collectively a "Form 1295") from the business entity contracting with the City pursuant to the requirements of Texas Government Code Section 2252.908 and rules promulgated thereunder by the Texas Ethics Commission (the "TEC"). If required, not later than the 30<sup>th</sup> day after the date the contract for which a Form 1295 was received by the City, the City has or will notify the TEC, in an electronic format prescribed by the TEC, of the receipt of such Form 1295.

11. Relative to Refunded Commercial Paper Notes. \$\_\_\_\_\_ (consisting of \$\_\_\_\_\_ of proceeds of the Bonds and \$\_\_\_\_\_ of other lawfully available funds of New Braunfels Utilities) shall be used to pay the principal of and interest on the \$\_\_\_\_\_ principal amount of the "City of New Braunfels, Texas, Utility System Commercial Paper Notes, Series 2019A" being refunded by the Bonds on the maturity date of July 15, 2022.

*[remainder of page intentionally left blank]*

WITNESS OUR HANDS AND THE SEAL OF THE CITY OF NEW BRAUNFELS, TEXAS,  
this \_\_\_\_\_.

\_\_\_\_\_  
City Secretary, City of New Braunfels, Texas

\_\_\_\_\_  
Chief Executive Officer, New Braunfels Utilities

(City Seal)

## EXHIBIT A

### Current Rates and Charges of New Braunfels Utilities

# WATER RATES

EFFECTIVE AUGUST 1, 2021



#### GOALS FOR WATER RATE DESIGN

- Fund needed investments to bring our systems back into compliance and build resiliency
- Protect customers who only use water for domestic purposes (drinking, bathing, preparing food)
- Place the majority of costs on high volume, landscape watering
- Encourage conservation – this is the lowest cost water supply option
- Meet rating agency highest criteria for affordability and cost recovery

#### RESIDENTIAL

##### Monthly Service Availability Charge

Meter Size	Customer Charge
5/8 inch and smaller	\$14.80
1 inch	\$25.16
1 1/2 inch	\$29.25
2 inch	\$35.70
3 inch	\$52.10
4 inch and greater	\$61.43

##### Monthly Volume Charge - Off Peak, October through May

Usage (Gallons)	Rate per 1,000 gallons
0 - 7,500	\$1.79
7,501 - 15,000	\$4.51
15,001 - 25,000	\$6.16
Excess of 25,000	\$8.47

##### Monthly Volume Charge - Peak, June through September

Usage (Gallons)	Rate per 1,000 gallons
0 - 7,500	\$1.87
7,501 - 15,000	\$4.86
15,001 - 25,000	\$7.39
Excess of 25,000	\$11.02

##### Residential and Landscape Irrigation Drought Surcharges

- (1) As of June 2014 or any time thereafter, if stage III water restrictions 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) As of June 2014 or any time thereafter, if stage IV water restrictions 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.

#### MULTI-UNIT

##### Monthly Service Availability Charge

Meter Size	Customer Charge
5/8 inch and smaller	\$14.80
1 inch	\$19.30
1 1/2 inch	\$22.42
2 inch	\$27.38
3 inch	\$39.94
4 inch and greater	\$47.10

##### Monthly Volume Charge - Off Peak, October through May

Number of Units	Usage (Gallons)	Rate per 1,000 gallons
2-4	0 - 8,000	\$2.51
	8,001 - 20,000	\$2.51
	Excess of 20,000	\$2.51
5-10	0 - 20,000	\$2.51
	20,001 - 40,000	\$2.51
	Excess of 40,000	\$2.51
11-25	0 - 40,000	\$2.51
	40,001 - 100,000	\$2.51
	Excess of 100,000	\$2.51
26-50	0 - 100,000	\$2.51
	100,001 - 200,000	\$2.51
	Excess of 200,000	\$2.51
51-75	0 - 200,000	\$2.51
	200,001 - 300,000	\$2.51
	Excess of 300,000	\$2.51
76-100	0 - 300,000	\$2.51
	300,001 - 400,000	\$2.51
	Excess of 400,000	\$2.51
100+	0 - 400,000	\$2.51
	400,001 - 800,000	\$2.51
	Excess of 800,000	\$2.51

##### Monthly Volume Charge - Peak, June through September

Number of Units	Usage (Gallons)	Rate per 1,000 gallons
2-4	0 - 8,000	\$2.89
	8,001 - 20,000	\$2.89
	Excess of 20,000	\$2.89
5-10	0 - 20,000	\$2.89
	20,001 - 40,000	\$2.89
	Excess of 40,000	\$2.89
11-25	0 - 40,000	\$2.89
	40,001 - 100,000	\$2.89
	Excess of 100,000	\$2.89
26-50	0 - 100,000	\$2.89
	100,001 - 200,000	\$2.89
	Excess of 200,000	\$2.89
51-75	0 - 200,000	\$2.89
	200,001 - 300,000	\$2.89
	Excess of 300,000	\$2.89
76-100	0 - 300,000	\$2.89
	300,001 - 400,000	\$2.89
	Excess of 400,000	\$2.89
100+	0 - 400,000	\$2.89
	400,001 - 800,000	\$2.89
	Excess of 800,000	\$2.89

Monthly charge for each unit in excess of one unit - \$11.56

## SMALL COMMERCIAL

Monthly Service Availability Charge	
Meter Size	Customer Charge
5/8 inch and smaller	\$18.57
1 inch	\$20.92
1 1/2 inch	\$27.17
2 inch	\$34.53
3 inch	\$52.28
4 inch	\$79.50
6 inch	\$138.03
8 inch	\$138.03
10 inch and greater	\$143.56

Monthly Volume Charge - Off Peak, October through May	
Usage (Gallons)	Rate per 1,000 gallons
0 - 5,000	\$2.76
5,001 - 50,000	\$3.00
50,001 - 200,000	\$3.50
Excess of 200,000	\$4.32

Monthly Volume Charge - Peak, June through September	
Usage (Gallons)	Rate per 1,000 gallons
0 - 5,000	\$3.03
5,001 - 50,000	\$3.46
50,001 - 200,000	\$4.56
Excess of 200,000	\$6.05

Monthly charge for each unit in excess of one unit - \$11.56

## LARGE COMMERCIAL

Rates		
Usage (Gallons)	Customer Charge	Rate per 1,000 gallons
ALL	\$1,661.21	\$2.22

## FIRE HYDRANTS

Monthly Service Availability Charge	
Usage (Gallons)	Customer Charge
ALL	\$191.95

Monthly Volume Charge - Off Peak, October through May	
Usage (Gallons)	Rate per 1,000 gallons
ALL	\$6.36

Monthly Volume Charge - Peak, June through September	
Usage (Gallons)	Rate per 1,000 gallons
ALL	\$8.09

## LANDSCAPE/IRRIGATION

Monthly Service Availability Charge	
Meter Size	Customer Charge
5/8 inch and smaller	\$10.93
1 inch	\$13.26
1 1/2 inch	\$17.33
2 inch	\$18.49
3 inch	\$28.89
4 inch and greater	\$34.67

Monthly Volume Charge - Off Peak, October through May	
Usage (Gallons)	Rate per 1,000 gallons
0 - 7,500	\$4.84
7,501 - 25,000	\$5.92
Excess of 25,000	\$8.15

Monthly Volume Charge - Peak, June through September	
Usage (Gallons)	Rate per 1,000 gallons
0 - 7,500	\$6.06
7,501 - 25,000	\$7.40
Excess of 25,000	\$10.20

### Residential and Landscape Irrigation Drought Surcharges

- (1) As of June 2014 or any time thereafter, if stage III water restrictions 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) As of June 2014 or any time thereafter, if stage IV water restrictions 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.

## WATER SUPPLY FEE

Usage (Gallons)		Rate per 1,000 gallons
ALL*		\$2.49

The water supply fee is the cost assessed to customers who have a volumetric usage. It consists of the cost of certain water supplies expressed as dollars per thousand gallons, to be multiplied by the gallons sold during a billing period to each customer. Prior to August 1 of each fiscal year, the water supply fee applicable to the months of August-July billing periods is to be calculated based on estimated variables for the period. The amount will be reconciled annually with actual costs and credits. The New Braunfels Utilities Board will be apprised of any changes to the water supply fee.

\* A water supply fee for residential is charged for gallons over 7,500. All other rate classes apply to any/all gallons.

# WASTEWATER RATES

EFFECTIVE AUGUST 1, 2021



## GOALS FOR WASTEWATER RATE DESIGN DEVELOPMENT

- Fund needed investments to bring our systems back into compliance and build resiliency
- Meet rating agency highest criteria for affordability and cost recovery

### Residential 1

Availability Charge	\$24.35
Rate per 1,000 gallons	\$5.73
Maximum Monthly Charge	\$130.93

### Residential 2

Water service not provided by New Braunfels Utilities	
Residential Wastewater Only	\$69.33

### Multi-Use 2-4

Availability Charge	\$24.35
Rate per 1,000 gallons	\$5.73

Monthly charge for each unit in excess of one unit - \$14.49

### Small General Service & Multi-Unit 5+

Meter Size	Customer Charge
5/8 inch and smaller	\$34.62
1 inch	\$37.57
1 1/2 inch	\$52.40
2 inch	\$66.65
3 inch	\$102.85
4 inch	\$148.14
6 inch	\$266.99
10 inch	\$460.76
Usage in Gallons	Rate per 1,000 Gallons
0-7,000	\$7.24
7,001 - 25,000	\$7.24
25,001 - 300,000	\$7.24
Excess of 300,000	\$7.24

Monthly charge for each unit in excess of one unit - \$14.49

### General Service 2

Water service not provided by New Braunfels Utilities	
Commercial Wastewater Only	\$77.94
Private Well Service	\$31.70

# ELECTRIC RATES

## EFFECTIVE AUGUST 1, 2021



Residential Rates	
Customer charge, per month	\$15.51/Month
Delivery charge	\$0.0135 per kWh
Cost of Power Charge	\$0.0452 (October-May, per kWh) \$0.0552 (June-September, per kWh)
Minimum Monthly Bill	Customer Charge plus any special charges or adjustments

Small General Service Rates	
Customer Charge	\$21.00/Month
Delivery Charge	\$0.008733 per kWh
Cost Of Power Charge	\$0.0452 (October-May, per kWh) \$0.0552 (June-September, per kWh)
Minimum Monthly Bill	Customer Charge plus any special charges or adjustments

### DETERMINATION OF METERED KW DEMAND

The customer's kW demand may be measured when customer's monthly energy consumption exceeds 3,000 kilowatt hours and/or where customer's total connected load exceeds 25 kilowatts in motors and other inductive-type equipment. Measurement shall be by maximum 15-minute demand. If the customer's demand exceeds 25 kilowatts for any two months during the June through September period, or any four months in a 12-month period, the customer shall be charged for kW billing demand under the appropriate rate class schedule.

Large General Service Rates	
<b>Customer Charge</b>	<b>\$30 to \$3,937.50 / Month determined by installed kVA aggregated per customer as follows:</b>
Greater than 12,999 kVA	\$4,134.38/Month
Less than 13,000 kVA and greater than 7,999 kVA	\$3,307.50/Month
Less than 8,000 kVA and greater than 3,999 kVA	\$2,480.63/Month
Less than 4,000 kVA and greater than 2,999 kVA	\$1,653.75/Month
Less than 3,000 kVA and greater than 1,999 kVA	\$1,102.50/Month
Less than 2,000 kVA and greater than 1,499 kVA	\$551.25/Month
Less than 1,500 kVA and greater than 750 kVA	\$330.75/Month
Less than 751 kVA and greater than 500 kVA	\$248.06/Month
Less than 501 kVA and greater than 300 kVA	\$192.94/Month
Less than 301 kVA and greater than 150 kVA	\$110.25/Month
Less than 151 kVA	\$33.08/Month
Delivery Demand Charge	\$4.85 per KW
Cost of Power Charge	\$0.0400 (October-May, per kWh) \$0.0500 (June-September, per kWh)
Power Supply Demand Charge	\$1.15 per KW
Minimum Monthly Bill	Customer Charge plus any special charges or adjustments

### 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.

### NET METER SERVICE RATE

The net metering service rate is available in the electric service area of New Braunfels Utilities (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 the NBU Electrical Connection Policy.

The net metering service rate is available to residential customers and small general service customers with grid connected solar or wind generation of ten kilowatts or less where the customer's load profile exceeds the generating capacity.

Service will be provided only by contract approved by the NBU Board of Trustees. Any power generated by the customer may be used to offset the amount of power purchased from NBU. New Braunfels Utilities will not purchase excess generation.



## **EXHIBIT B**

### **Debt Service Schedule for New Braunfels Utilities Outstanding Debt and the Bonds**