

GUADALUPE-BLANCO RIVER AUTHORITY

Minutes of the Board of Directors

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular monthly meeting on November 18, 2009, at the GBRA River Annex Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were T. L. Walker, Grace G. Kunde, Oscar H. Fogle, James L. Powers, Arlene N. Marshall, Frank J. Pagel, and Michael D. Schultz. Directors Clifton L. Thomas, Jr. and Myrna P. McLeroy were absent. Also present were W. E. West, Jr., General Manager; James Lee Murphy, Executive Manager of Water Resources and Utility Operations; Alvin Schuerg, Executive Manager of Finance and Administration; Todd Votteler, Executive Manager of Intergovernmental Relations and Policy; Bruce Wasinger, General Counsel; David Welsch, Executive Manager of Business Development and Resource Management; Gary Asbury, Project Development Manager; Barbara Gunn, Human Resources Manager; Debbie Magin, Director of Water Quality Services; Bryan Serold, Operations Manager-Lower Basin; Tommie Streeter-Rhoad, Economic Development Manager; John Smith, Operations Manager-Upper Basin; LaMarriol Smith, Manager of Communications and Education; Cricket Dietert, Executive Assistant to the General Manager; Tammy Beutnagel, Public Communications Assistant; Connie Rothe, Board Relations Assistant; Leigh Crettenden, Web Master; Lee Gudgell, Water Quality Technician; Roger Nevola, legal counsel; Janae Reneaud representing the Guadalupe-Blanco River Trust; Rose Marie Eash representing Dublin and Associates, Inc.; David P. Engel representing Engel and Associates; Sam Vaugh representing HDR Engineering; Jason Pinchback representing RSI-Texas Stream Team; Steve Holzheuser,

consultant; Alan Thompson representing Klotz Associates; and David McMullen representing Maxwell Water Supply Corporation.

Chair Walker called the meeting to order at 10:08 a.m., and took note of the certifications presented by the General Manager that notice of the meeting had been properly posted in the office of the Secretary of State, in the Guadalupe County Courthouse, and at the GBRA main office and river annex in Seguin, Texas, pursuant to Title 5, Chapter 551 of the Government Code. A quorum being present, the following proceedings were had:

Director Fogle led the Pledge of Allegiance to the United States flag and Texas flag.

The Chair called for comments from the public. There were no public comments at this time.

The Chair called for **Items from the Chair 1 - Appointment of a Nominating Committee for Officers of the Board of Directors for calendar year 2010**. Chair Walker appointed Director Powers to serve as Chair and Directors Marshall and Fogle to serve members on the Nominating Committee. The Committee was instructed to present a slate of offices for calendar year 2010 at the December 2009 Board meeting.

Next, the Chair called for **Items from the Chair 2 - Presentation of Outstanding Service Award to the Guadalupe-Blanco River Authority by Texas Stream Team**. Debbie Magin introduced Jason Pinchback, Director of Texas Stream Team Program. Mr. Pinchback briefed the Board on the Texas Stream Team Program and recognized and presented an Outstanding Service Award to Lee Gudgell. Mr.

Pinchback also recognized Cinde Thomas-Jimenez and Debbie Magin and presented a plaque for outstanding service to the Texas Stream Team.

The Chair then called for **Consent Item 3 - Consideration of and possible action approving the October 21, 2009, Board meeting minutes; Consent Item 4 - Consideration of and possible action approving the monthly financial report for September and October 2009; Consent Item 5 - Consideration of and possible action approving the monthly operations report for October 2009; and Consent Item 6 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Kunde, seconded by Director Schultz, the Board unanimously approved Consent Items 3, 4, 5, and 6.

The Chair called for **Items from the General Manager 7 - Discussion of the Executive Report addressing matters relating to safety, utility operations, preparation of Type V Municipal Solid Waste registration (permit) for Victoria Wastewater Treatment Plant, discussions regarding log jam issues, water resource operations, engineering, coordination with the U.S. Army Corps of Engineers regarding Canyon Reservoir operations, Nueces Recharge Study, the seasonal deviation study for Canyon Reservoir and Cibolo Watershed Study, work on Region L Planning Group for 2011 Water Plan, FEMA remapping projects, work on development of the Hydroelectric Division emergency action plan, project to digitize historical bay and estuary biological data is on-going, development of Hazard Mitigation Action Plan update, San Marcos Water Treatment Plant repairs, and IH-35 transmission line improvements, Canyon Park Estate Wastewater Treatment Plant expansion, Regional Laboratory purchased a**

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Metrohm Ion Chromatograph, Fiscal Year 2010 Clean Rivers monitoring has begun, Plum Creek Project activities including work on continuous monitoring module, Kendall County and City of Fair Oaks Ranch Regional Planning Study, Geronimo Creek Watershed Protection Plan, Caldwell County Regional Planning Study, water quality (general), economic development activities, events and projects, Bulverde area regional wastewater, continued meetings with Comal County WCID No. 6 for regional wastewater services, Wimberley Wastewater Treatment Plant improvements, options for treated water for Wimberley, Hays County water and wastewater study, FM 725 wastewater project, processing of wastewater service agreements completed in Oasis subdivision, finalizing agreements for wastewater services in Legend Pond subdivision, new lift station construction in Lake Dunlap area, Mid-Basin water supply, Caldwell County water supply, continued evaluation of new water supplies options, discussions with Tri-Community Water Supply Corporation regarding water supply, resource protection, water conservation and drought contingency issues including implementation of hydro lakes water use restrictions, lake management including “Lake Capacity Study”, Canyon Lake operations, Canyon Lake and hydro lake access, information technology, human resources, budget activities, and accounting and finance. General Manager West briefed the Board on operations and activities of GBRA. Alvin Schuerg briefed the Board on the financial statements executive summary for the period ending October 31, 2009, and GBRA’s receipt of the Government Finance Officers Association Distinguished Budget Award.

Next, the Chair called for **Action Item 8 - Consideration of and possible action authorizing the General Manager to enter into a contract with AECOM Technical Services, Inc., for consulting services for the Water and Wastewater Regional Planning Study for Kendall County and the City of Fair Oaks Ranch.** The Texas Water Development Board selected the Kendall County and City of Fair Oaks Ranch Regional Water and Wastewater Planning Study for funding. AECOM Technical Services, Inc. has been selected to perform the consulting services. Kendall County, including the Cities of Fair Oaks Ranch and Boerne, is one of the fastest growing counties in Texas. As the area continues to grow, water availability and water quality issues become increasingly important to residents and businesses in the County. The broad objective of the Study is to identify the water supplies needed for orderly growth while protecting the surface and ground water quality in the area from adverse effects. The Study will evaluate existing and proposed water supplies and wastewater treatment facilities as to location, capacity and ability to expand to meet the needs of the growth being experienced in Kendall County. Five firms submitted qualifications for consideration by a selection committee made up of representatives of GBRA, the Cities of Boerne and Fair Oaks Ranch, Kendall County WC&ID, the San Antonio River Authority and the Cow Creek Groundwater Conservation District. The contract for consulting services is for \$185,000. GBRA's share of the study is \$75,000 which is included in the current budget. Services to be performed include mapping of land use, infrastructure and growth projections, formulation of development scenarios based on information gathered from stakeholders, analysis of water and wastewater options to serve the growth scenarios and the production of a regional water supply and water

quality protection plan. Upon motion by Director Powers, seconded by Director Fogle, the Board unanimously authorized the General Manager to enter into a contract with AECOM Technical Services, Inc., for consulting services needed for the Regional Water and Wastewater Planning Study for Kendall County and the City of Fair Oaks Ranch.

The Chair then called for **Action Item 9 - Consideration of and possible action approving a Board Resolution in support of GBRA's application for Texas Water Development Board grant funding for the Calhoun County Regional Wastewater Planning Study.** GBRA proposes to serve as the primary applicant for a Texas Water Development Board Regional Facility Planning Grant for a regional wastewater study in Calhoun County. This study would potentially involve a number of cities and unincorporated areas in the County. These grants, offered by the Texas Water Development Board at fifty percent (50%) of the total cost of the project, are available to political subdivisions of the State to evaluate and determine the most feasible alternative(s) for satisfying the needs of regional water and wastewater treatment. There is potential for increased development and an attendant increase in population growth in Calhoun County, and GBRA intends to develop a regional wastewater plan to identify the best possible solution to provide wastewater service to this area. The study area is located within GBRA's statutory boundaries. The proposed planning study for Calhoun County would provide a regional solution for wastewater disposal, while addressing regional objectives such as beneficial reuse of effluent and protection of water quality. A regional wastewater system would be designed in conformance with the flow and effluent limits of the State Water Quality Management Plan and would be committed to water conservation. Planning efforts conducted for regional wastewater

collection and treatment facilities would address any issues related to aging infrastructure and failing septic systems. Costs associated with the study would be covered by the Texas Water Development Board grant and matching contributions from the study participants. Upon motion by Director Marshall, seconded by Director Schultz, the Board unanimously approved a Board Resolution in support of GBRA's application for Texas Water Development Board grant funding for the Calhoun County Regional Wastewater Planning Study in Calhoun County, Texas. A copy of the Resolution is attached and made a part of these minutes.

The Chair called for **Action Item 10 - Consideration of and possible action approving the creation of a Section 105 Health Reimbursement Agreement for vision related to health costs.** GBRA is transitioning its health and dental insurance plans from the current self funding account to fully insured plans effective January 1, 2010. The Blue Cross Health Plan and the Guardian Dental Plan do not provide cost effective vision benefits. GBRA may continue to provide vision care benefits to its employees and their dependents through a self funded account by adopting a Health Reimbursement Arrangement (HRA) as provided for under Internal Revenue Code Section 105. Upon motion by Director Powers, seconded by Director Kunde, the Board unanimously approved the adoption of a Section 105 Health Reimbursement Arrangement to provide vision care benefits to participating GBRA employees and their dependents. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chair called for **Discussion Item 11 - Drought status, presentation by Sam Vaughn regarding Canyon Reservoir drought contingency planning, and river reconnaissance.** David Welsch briefed the Board on a drought timeline and

meetings with customers regarding drought restrictions. Welsch also briefed the Board on Guadalupe River conditions, rainfall precipitation, conservation storage in various reservoirs and current river flow conditions. Sam Vaughn representing HDR Engineering made a presentation to the Board regarding Canyon Reservoir Drought Contingency Planning. James Murphy briefed the Board on a river monitoring study reflecting the amount of water withdrawn by landowners with and without permits from the San Marcos River from San Marcos to Luling Dam entitled "San Marcos River Survey".

Next, the Chair called for **Discussion Item 12 - Discussion regarding the activities and transactions of the Edwards Aquifer Authority, South Central Texas Water Advisory Committee, and the Guadalupe Basin Coalition.** Todd Votteler briefed the Board on activities of the Edwards Aquifer Recovery Implementation Program meeting(s) and activities of the Edwards Aquifer Authority.

The Chair then called for **Discussion Item 13 - Discussion regarding the activities and transactions of the Guadalupe-Blanco River Trust.** Janae Reneaud briefed the Board on Guadalupe-Blanco River Trust activities.

The Chair called for **Discussion Item 14 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** There was no discussion on Discussion Item 14.

Next, the Chair called for **Discussion Item 15 - Discussion regarding local, State and national water planning and water resource issues.** General Manager West briefed the Board on the South Central Texas Regional Water Planning Region L Group project list, Federal initiatives, and the H204 Texas water conference.

The Chair recessed the open meeting at 12:10 p.m. The Chair closed the open meeting and convened the meeting in executive session at 12:30 p.m. The open meeting reconvened in open session at 1:16 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 1:17 p.m. subject to call by the Chair.

Chair

Secretary