

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 September 18, 2013, at the First Victoria National Bank, Town Hall Meeting Room, 101 South Main Street, Victoria, Victoria County, Texas. Directors present were Oscar H. Fogle, Grace G. Kunde, Tommy Mathews, Robert “Rusty” Brockman, Dennis L. Patillo, Kenneth Motl, William R. Carbonara, Darrell McLain, and Don B. Meador. Also present were W. E. West, Jr., General Manager; James Murphy, Executive Manager of Water Resources and Utility Operations; Alvin Schuerg, Executive Manager of Finance and Administration; Todd Votteler, Executive Manager of Science, Intergovernmental Relations and Policy; David Welsch, Executive Manager of Business Development and Resource Management; Barbara Gunn, Human Resources Manager; Tommy Hill, Chief Engineer; Debbie Magin, Director of Water Quality Services; Bryan Serold, Operations Manager-Lower Basin; John Smith, Operations Manager-Upper Basin; LaMarriol Smith, Chief Strategic Communications and Public Affairs Officer; Teresa Van Booven, Project and Community Representative; Cricket Dietert, Executive Assistant to the General Manager; Connie Rothe, Board Relations and Publication Specialist; Leigh Crettenden, IT Manager; Amanda Johnson, Web Master; Tommy Schulte, Regional Representative; Charlie Hickman, Engineer; Patti Coggins, Grant Writer/Administrator; Cinde Thomas-Jimenez, Environmental Education Administrator; Herb Wittliff, Manager of Port Lavaca Operations; Stephanie Shelly, Chief Operator-Port Lavaca Water Treatment Plant; Richard Gaona, Chief Water Tender-

Calhoun Canal System; Wilfred Korth, Chief Ranger, Coletto Creek Park and Reservoir; Alan Schneider, Chief Operator-Coletto Creek Reservoir; Dan Alonso, Executive Director of the San Antonio Bay Foundation; Roger Nevola, legal counsel; Rose Marie Eash with Dublin and Associates; David Engel with Engel and Associates; Steve Holzheuser, consultant; Frank Pagel, former GBRA Board member-Refugio County; Roger Welder with the Guadalupe-Blanco River Trust; Don Pozzi, Victoria County Judge; Paul Polasek, Mayor-City of Victoria; Charmelle Garrett and Jerry James with the City of Victoria; Kevin Janak, Victoria County Commissioner; James Pilchick, DeWitt County Commissioner; Wesley Ball, Goliad County Groundwater Conservation District; Tim Delaney, Refugio County Press; Bob Keith; Rick Menchaca representing BOSC, Inc.; and James Dodson with the San Antonio Bay Partnership.

Chair Fogle called the meeting to order at 2:00 p.m., and took note of the certifications presented that notice of the meeting had been properly posted in the office of the Secretary of State, in the Guadalupe and Victoria County Courthouses, the First Victoria National Bank, and at the GBRA main office and river annex in Seguin, Texas, pursuant to Title 5, Chapter 551 of the Texas Government Code. A quorum being present, the following proceedings were had:

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

The Chair called for comments from the public. Chair Fogle welcomed and recognized guests. Victoria County Judge Don Pozzi addressed the Board and welcomed everyone to Victoria County. Victoria Mayor Paul Polasek also addressed

the Board and welcomed everyone to the City of Victoria. There were no other public comments.

The Chair called for **Chair Item 1 - Consideration of and possible action authorizing the expenditure of funds for Directors and staff to attend the Texas Water Conservation Association 2013 fall conference October 23-25, 2013, at the Crowne Plaza Riverwalk Hotel in San Antonio, Texas.** Upon motion by Director Mathews, seconded by Director Kunde, the Board unanimously authorized the expenditure of funds for Directors and staff to attend the Texas Water Conservation Association 2013 fall conference in San Antonio, Texas.

Next, the Chair called for **Consent Item 2 - Consideration of and possible action approving the minutes of the August 21, 2013, Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for August 2013; Consent Item 4 - Consideration of and possible action approving the monthly operations report for August 2013; and Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Patillo, seconded by Director Brockman, the Board unanimously approved Consent Items 2, 3, 4, and 5.

The Chair then called for **General Manager Item 6 - Discussion of the Executive Report addressing various matters, including matters relating to: safety, utility operations, 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, Region L Water Planning meeting, Kerr-Kendall Water Supply Study, U.S. Army Corps of Engineers Lower Guadalupe Feasibility Study, Construction Management including River Bend pump station replacement matters with construction complete, Mid-Basin Water Supply Project, Feasibility Study for the Integrated Water Power Project, Regional Laboratory activities, Clean Rivers Program activities, Plum Creek Projects, Texas Water Utilities Association Laboratory Analyst Section, Operations, Geronimo Creek Watershed Protection Plan, Environmental Flows Project including background data collections and environmental sampling, Vegetation, Water Quality (general), TDA/TWRI Real Hog Farm VTA project, San Antonio Bay Foundation and Partnership, Economic and Community Development activities, events and projects, development including water and wastewater services activities, Bulverde area wastewater operations including Singing Hills, Berry Oaks, Berryman Investments, SH 46-SH 281 area, and Johnson Ranch, Rural Utilities - Dunlap wastewater service area activities, Water Supply Project activities including development of GBRA/Customer facility plan for the Mid-Basin Water Supply Project, potential wastewater and water supply service in the I-35/SH-130 area, Maxwell Water Supply water supply project; Right of Entry for studies on Cannonade Ranch in Gonzales, work on Wastewater Master Plan for Canyon Lake area, Resource Protection activities including lake management and water safety, work on press releases regarding water/boating safety on area hydro lakes, work on lake advisories/restrictions to address lake safety, work on lake restrictions

regarding water usage on the hydro lakes during drought conditions, implementation of water conservation measures, water strategies, Gonzales area flood warning plan, Canyon Lake/Sattler Office, Gorge Preservation Society, information technology, human resources, accounting and finance. Bryan Serold introduced GBRA's Lower Basin staff including Herb Wittliff, Stephanie Shelly, Richard Gaona, Wilfred Korth and Alan Schneider. Mr. Serold also briefed the Board on GBRA's Safety Program and there were no lost time accidents during Fiscal Year 2013. James Murphy briefed the Board on GBRA operation and engineering activities. David Welsch briefed the Board on water quality, regional laboratory, economic and community development, and business development activities. Alvin Schuerg briefed the Board on finance, human resource, and information technology activities. Mr. Schuerg also briefed the Board on the financial statements executive summary for the period ending August 31, 2013.

The Chair called for **Action Item 7 - Consideration of and possible action approving a Joint Funding Agreement between the United States Geological Survey and the Guadalupe-Blanco River Authority for the period October 2013 through September 2014.** GBRA has contracted with the United States Geological Survey since the early 1960's to provide stage and stream flow gauging and water quality testing at various sites. The United States Geological Survey typically provides approximately 33-50 percent funding for selected sites. The contract includes funding for thirteen gauges and testing for pesticides in the Calhoun Canal System. In Fiscal Years 2010-2013, the United States Geological Survey picked up 100 percent funding

for Comfort, Luling, and Victoria gauges, Spring Branch, Blanco at Kyle, and Peach Creek under the National Streamflow Information Program. The proposed 2014 contract with the United States Geological Survey includes GBRA's continued participation in the Jacob's Well water quality site. Upon motion by Director Mathews, seconded by Director Meador, the Board unanimously authorized the General Manager to negotiate and execute the Joint Funding Agreement between the United States Geological Survey and GBRA for the period October 2013 through September 2014.

Next, the Chair called for **Action Item 8 - Consideration of and possible action authorizing the General Manager to negotiate and execute a First Amendment to the Water Supply Agreement between Guadalupe-Blanco River Authority, City of Lockhart, Texas, and City of Luling, Texas.** On December 11, 2002, GBRA executed a Water Supply Agreement with the Cities of Lockhart and Luling. The Water Supply Agreement basically provides that water produced at the Luling Water Treatment Plant that is in excess of the City of Luling's daily demands will be delivered via a new transmission pipeline to the City of Lockhart. One of the additional negotiated terms of the 2002 Water Supply Agreement was the requirement for GBRA to bill the City of Lockhart and remit to the City of Luling an added fee of eleven cents per thousand gallons for a Capital Recovery Charge. Now the two cities have negotiated an increase in that fee of four cents per thousand gallons. To effectuate the intent of the two cities, GBRA has agreed to amend the 2002 Water Supply Agreement, specifically Section 4.7 Capital Recovery Charge, to provide for the original eleven cents per thousand gallons Capital Recovery Charge and add a

Supplemental Capital Recovery Charge of four cents per thousand gallons. Upon motion by Director Kunde, seconded by Director Patillo, the Board unanimously approved the First Amendment to Water Supply Agreement between Guadalupe-Blanco River Authority, City of Lockhart, Texas, and City of Luling, Texas. A copy of the First Amendment is attached and made a part of these minutes.

The Chair then called for **Discussion Item 9 - Briefing on the status of the proposed Post Oak Landfill in Guadalupe County, Texas.** Debbie Magin briefed the Board on the proposed Post Oak Clean Green Landfill in Guadalupe County. An application was submitted to the Texas Commission on Environmental Quality in December 2011 by Post Oak Clean Green Landfill for a proposed 365 acre landfill on a 1,003 acre tract of land located in Guadalupe County. The proposed landfill would have a 67 year life expediency. The Texas Commission on Environmental Quality is the regulatory agency responsible for the oversight for landfills and GBRA will continue to monitor the application. Chair Fogle informed the Board on another proposed 220 acre landfill on a 1,229 acre tract of land located in Caldwell County by Green Group Holdings.

The Chair called for **Discussion Item 10 - Presentation regarding GBRA's new middle school program *Waters to the Sea-Guadalupe River Project.*** Cinde Thomas-Jimenez made a presentation to the Board on GBRA's new middle school program *Waters to the Sea-Guadalupe River Project.* The program has been launched this year in school districts throughout the GBRA service area and is science and social studies based.

Next, the Chair called for **Discussion Item 11 - Quarterly status report on grant activities.** Patti Coggins briefed the Board on grant activities including work on 37 possible funding opportunities.

The Chair then 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 discussed the Edwards Aquifer J-17 well level, Comal Springs at New Braunfels level, and the springflow protection measures in the Edwards Aquifer Habitat Conservation Plan. Todd Votteler briefed the Board on activities of the Edwards Aquifer Authority, the Edwards Aquifer Recovery Implementation Program Habitat Conservation Plan, and the Guadalupe Basin Coalition.

The Chair called for **Discussion Item 13 - Discussion regarding the activities and transactions of the Guadalupe-Blanco River Trust, the San Antonio Bay Foundation, the Gorge Preservation Society, and the Guadalupe River Foundation.** Dan Alonso briefed the Board on activities of the San Antonio Bay Foundation. Todd Votteler briefed the Board on the activities of the Guadalupe-Blanco River Trust. Dr. Votteler introduced Roger Welder the outgoing Guadalupe-Blanco River Trust President and thanked him for his dedicated service to the Trust. Roger Welder addressed the Board and stated it has been a privilege to serve on the Guadalupe-Blanco River Trust Board and a great experience to help create an opportunity for landowners to conserve the resources of the Guadalupe River.

Next, the Chair called for **Discussion Item 14 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** The reports were discussed with the Board. Tommy Hill briefed the Board on the Comal Springs level, San Marcos Springs level, Guadalupe River stream flows, elevation of Canyon Reservoir and other reservoirs, rainfall events, and the U. S. Drought Monitor Seasonal Outlook.

The Chair then called for **Discussion Item 15 - Discussion regarding local and State water planning and water resource issues.** General Manager West briefed the Board on news articles and presentations being made relating to the GBRA Mid-Basin Project. The Board was also briefed on a publication from Texas A&M University AgriLife Research Extension Service entitled *State and Trends of Irrigated Agriculture in Texas.*

The Chair called for **Discussion Item 16 - Discussion regarding national water planning and water resource issues.** General Manager West briefed the Board on various national issues including the Endangered Species Act and emission standards for power plants.

The Chair recessed the open meeting at 4:20 p.m. The Chair then closed the open meeting and convened the meeting in executive session at 4:31 p.m. pursuant to Chapter 551, Texas Government Code. The Chair reconvened the meeting in open session at 5:09 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 5:10 p.m. subject to call by the Chair.

Chair

Secretary

GUADALUPE-BLANCO RIVER AUTHORITY

Minutes of the Board of Directors

The Board of Directors of the Guadalupe-Blanco River Authority met in a public meeting/reception on September 18, 2013, at the First Victoria National Bank, Town Hall Meeting Room, 101 South Main Street, Victoria, Victoria County, Texas. Directors present were Oscar H. Fogle, Grace G. Kunde, Tommy Mathews, Robert “Rusty” Brockman, Dennis L. Patillo, Kenneth Motl, William R. Carbonara, Darrell McLain, and Don B. Meador. Also present were W. E. West, Jr., General Manager; James Murphy, Executive Manager of Water Resources and Utility Operations; Alvin Schuerg, Executive Manager of Finance and Administration; Todd Votteler, Executive Manager of Science, Intergovernmental Relations and Policy; David Welsch, Executive Manager of Business Development and Resource Management; Barbara Gunn, Human Resources Manager; Tommy Hill, Chief Engineer; Debbie Magin, Director of Water Quality Services; Bryan Serold, Operations Manager-Lower Basin; John Smith, Operations Manager-Upper Basin; LaMarriol Smith, Chief Strategic Communications and Public Affairs Officer; Teresa Van Booven, Project and Community Representative; Cricket Dietert, Executive Assistant to the General Manager; Connie Rothe, Board Relations and Publication Specialist; Leigh Crettenden, IT Manager; Amanda Johnson, Web Master; Tommy Schulte, Regional Representative; Charlie Hickman, Engineer; Patti Coggins, Grant Writer/Administrator; Cinde Thomas-Jimenez, Environmental Education Administrator; Herb Wittliff, Manager of Port Lavaca Operations; Stephanie Shelly, Chief Operator-Port Lavaca Water Treatment Plant; Richard Gaona, Chief Water Tender-

Calhoun Canal System; Wilfred Korth, Chief Ranger, Coletto Creek Park and Reservoir; Alan Schneider, Chief Operator-Coletto Creek Reservoir; Dan Alonso, Executive Director of the San Antonio Bay Foundation; Roger Nevola, legal counsel; Rose Marie Eash with Dublin and Associates; David Engel with Engel and Associates; Steve Holzheuser, consultant; and various guests.

Chair Fogle called the meeting to order at 5:30 p.m., and took note of the certifications presented that notice of the meeting had been properly posted in the office of the Secretary of State, in the Guadalupe and Victoria County Courthouses, the First Victoria National Bank, and at the GBRA main office and river annex in Seguin, Texas, pursuant to Title 5, Chapter 551 of the Texas Government Code. A quorum being present, the following proceedings were had:

General Manager West welcomed all in attendance. A brief discussion was had on various GBRA water related projects and the Board members and staff in attendance briefly greeted guests. No action was taken at the meeting/reception.

There being no further business to be brought before the Board, the meeting was adjourned at 6:00 p.m. subject to call by the Chair.

Chair

Secretary