

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 January 20, 2016, at the GBRA River Annex Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Tommy Mathews, Robert “Rusty” Brockman, Dennis L. Patillo, Oscar H. Fogle, Grace G. Kunde, Don B. Meador, Kenneth Motl, William R. Carbonara, and Darrel McLain. Also present were W. E. West, Jr., General Manager; Tom Bohl, General Counsel; James Murphy, Executive Manager of Water Resources and Utility Operations; Alvin Schuerg, Executive Manager of Finance and Administration; LaMarriol Smith, Executive Manager for Strategic Communications and Public Affairs; Todd Votteler, Executive Manager of Science, Intergovernmental Relations and Policy; David Welsch, Executive Manager of Business Development and Resource Management; Gary Asbury, Manager of Project Engineering; Darel Ball, Operations Manager-Lower Basin; Barbara Gunn, Human Resources Manager; Tommy Hill, Chief Engineer; John Smith, Operations Manager-Upper Basin; Michael Urrutia, Director of Water Quality Services; Teresa Van Booven, Project and Community Representative; Cricket Dietert, Executive Assistant to the General Manager; Leigh Crettenden, IT Manager; Carl Westergard, Web Master; Jaynellen Kerr, Natural Resource Specialist; Mary Newman, Project Coordinator; Tim Dusek, Grant Writer/Administrator; Juan Pena, Division Manager-Hays/Caldwell; Tricia Ramirez, Administrative Services Assistant; Miliana Hernandez, Part Time Lab Assistant; Sandra Terry, Investment Manager; Josie Longoria, Regional Laboratory

Director; Carrie Kasnicka, Guadalupe-Blanco River Trust Conservation Director, Dan Alonso, San Antonio Bay Foundation Executive Director; Roger Nevola, legal counsel; Jim Dublin with Dublin and Associates; David Engel with Engel and Associates; Jay Howard with HillCo Partners; Steve Holzheuser, consultant; Rich Roth and Mark Janay with San Jose Water; Amy Campbell with MWH; Stefan Schuster with HydroPlan Devine Holdings, LLC; Humberto Ramos with Canyon Regional Water Authority; Frank Brogan; and Adam Conner with San Antonio Water System.

Chair Mathews called the meeting to order at 10:00 a.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 County Courthouse, 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 announced that in the interest of more transparency, the Guadalupe-Blanco River Authority Board meetings are being videotaped and made available online.

Chair Mathews led the Pledge of Allegiance to the United States flag and Texas flag.

The Chair called for comments from the public. General Manager West introduced Rich Roth and Mark Janay with San Jose Water. There were no public comments.

The Chair called for **Chair Item 1 - Consideration of and possible action authorizing the expenditure of funds for staff to attend the 12th Annual Texas Water Conservation Association Texas Water Day in Washington, D.C. on February 3-5, 2016.** Upon motion by Director Meador, seconded by Director Kunde, the Board unanimously authorized the expenditure of funds for Directors and staff to attend Texas Water Day in Washington, D.C.

Next, the Chair called for **Chair Item 2 - Consideration of and possible action authorizing the expenditure of funds for Directors and staff to attend the Texas Water Conservation Association 72nd Annual Convention March 2-4, 2016, at The Woodlands Waterway Marriott Hotel, The Woodlands, Texas.** Upon motion by Director Meador, seconded by Director Fogle, the Board unanimously authorized the expenditure of funds for Directors and staff to attend the Texas Water Conservation Association Annual Convention.

The Chair then called for **Chair Item 3 - Consideration of and possible action accepting Board of Directors' Committee assignments.** Upon motion by Director Meador, seconded by Director Brockman, the Board unanimously accepted the Committee assignments. A copy of the Committee assignments is attached and made a part of these minutes.

The Chair called for **Chair Item 4 - Consideration of and possible action approving a Guadalupe-Blanco River Authority Board of Director's position on House Bill 910 relating to the authority of a person who is licensed to carry a handgun to openly carry a holster handgun at GBRA facilities and/or property.**

Tom Bohl briefed the Board on House Bill 910 related to openly carrying a holstered handgun at GBRA facilities and/or property. Discussion was had on the open carry law and amendments to the concealed carry law that affect a political subdivision of the State. GBRA, at this time, has not posted any permanent signs at facilities. A poster will be placed in the lobby of the river annex during public meetings. No action was taken on Chair Item 4.

Next, the Chair called for **Consent Item 5 - Consideration of and possible action approving the minutes of the December 16, 2015, Board meeting; Consent Item 6 - Consideration of and possible action approving the monthly financial report for December 2015; Consent Item 7 - Consideration of and possible action approving the monthly operations report for December 2015; and Consent Item 8 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Brockman, seconded by Director Motl, the Board unanimously approved Consent Items 5, 6, 7, and 8.

The Chair then called for **General Manager Item 9 - Discussion of the executive report addressing various matters relating to water resources planning including reports on Regional L Water Planning group activities, State funding issues, water reuse policies, Texas Water Development Board interregional conflict rules, GBRA's Mid-Basin Project (Groundwater and Surface Water components), Integrated Water Power Project and project funding applications, Lower Basin Storage Project and related regional planning and legislative issues, Lower Basin Appropriation (new) Project, Hydropower Regulatory Efficiency Act**

issues, water resources operation including engineering issues and related meetings, regional planning, consultations with the U. S. Army Corps of Engineers, construction management reports relating to GBRA projects and to the FM 110 Bypass in San Marcos, FM 150 near Kyle, U.S. 183 near Lockhart, CR-266 in Caldwell County, rainfall and floodwater monitoring issues in the Guadalupe and Blanco River watersheds, safety issues, utility operations; Water Quality Division and Regional Laboratory reports, reports on the activities of GBRA's Regional Laboratory, sampling and other water quality-related activities, economic and community development reports including reports on the River Heritage Tour Project, Moonlight in the Gorge, reports on various community meetings, community outreach activities in the Guadalupe Basin, reports on demolition of structures at certain locations around Lake Wood/H-5, a Boy Scout project on Lake Wood/H-5 in the cleared areas, budget meetings with customers, project development reports relating to Johnson Ranch, Bulverde, Park Village and 4-S Ranch, Dunlap Area Utilities, Point Comfort, Port Lavaca, Canyon Lake wastewater master plan development, water and wastewater agreements and services provided in various communities throughout the Guadalupe Basin, GBRA's Lower Basin Project, property management reports, water supply studies in the Basin, Western Canyon reports, water supply studies in the middle Guadalupe Basin, resource protection issues, lake management, water safety issues and ordinances, Zebra Mussels, flood management and recovery issues,

issues related to log jams, reports from the Canyon Lake/Sattler office and the Gorge Preservation Society, reports on Lerin Hills and other subdivisions in and around Kendall County, public affairs reports including media reports, public outreach and social media, new website development, education reports, reports on the activities of the Environmental Learning Center, publications, Geographic Information Systems projects, special projects including outreach to various schools and presentation to students, Guadalupe-Blanco River Trust planning for newly acquired conservation easement at Coletto Creek, reports on marketing efforts, GBRA publications, grants, Board relations and public events, administrative reports, information technology reports, Human Resource reports, personnel matters, accounting, and finance reports, water supply and wastewater treatment contract activities. James Murphy briefed the Board on GBRA water resources planning, operations, and engineering activities. Mr. Murphy also briefed the Board on regional planning efforts. David Welsch recognized and welcomed Miliana Hernandez, GBRA's new Part Time Lab Assistant. Mr. Welsch briefed the Board on water quality, regional laboratory, economic and community development, and business development activities. Mary Newman updated the Board on the Emergency Watershed Protection Program related to the 2015 Memorial Day flood event. Teresa Van Booven briefed the Board on Chamber of Commerce banquets, the upcoming New Braunfels 50th Annual Texas Legislative Conference, and repairs on various kiosks on the Guadalupe River Heritage Tour. Michael Urrutia briefed the Board on the City of Flint, Michigan changing sources of water supply and issues relating to trihalomethane

formation concern in the water supply from the old lead service lines. LaMarriol Smith recognized and introduced Tim Dusek, GBRA's new Grant Writer/Administrator. Ms. Smith briefed the Board on media, education, publications, marketing, and grant activities. Alvin Schuerg briefed the Board on finance, human resource, and information technology activities. Mr. Schuerg also briefed the Board on the executive financial summary for the period ending December 31, 2015. Alvin Schuerg recognized and introduced Tricia Rameriz, Administrative Services Assistant promoted from within GBRA. Mr. Murphy recognized and introduced Juan Pena, GBRA's new Division Manager-Hays/Caldwell.

Chair recessed the meeting at 11:16 a.m. and reconvened the meeting at 11:23 a.m.

The Chair called for **Action Item 10 - Consideration of and possible action approving a Resolution honoring 2016 Guadalupe-Blanco River Authority retiree Alan Zolnosky for his thirty-two (32) years of meritorious and faithful service.**

Chair Mathews read a Resolution honoring 2016 retiree Alan Zolnosky. Upon motion by Director Patillo, seconded by Director Kunde, the Board unanimously approved a Resolution honoring retiree Alan Zolnosky for his thirty-two years of meritorious and faithful service to GBRA. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chair called for **Action Item 11 - Consideration of and possible action authorizing Guadalupe-Blanco River Authority staff to close the Port Lavaca Interest and Sinking fund Bank Account at the International Bank of**

Commerce (IBC) due to the final payoff of all bonds associated with the Port Lavaca Water Treatment Plant. GBRA Board Policy 413 – Depository Accounts requires Board of Director approval prior to terminating bank accounts. The bank account “GBRA Port Lavaca Interest and Sinking money market” maintained at International Bank of Commerce was used in conjunction with the GBRA Water Supply Revenue Refunding Bonds (Port Lavaca), Series 2011 for debt payments. The final bond payment was made on January 10, 2016; therefore, the Interest and Sinking account is no longer needed: Upon motion by Director Brockman, seconded by Director Motl, the Board unanimously authorized the Guadalupe-Blanco River Authority staff to close the Port Lavaca Interest and Sinking fund Bank Account at the International Bank of Commerce (IBC) due to the final payoff of all bonds associated with the Port Lavaca Water Treatment Plant.

The Chair then called for **Action Item 12 - Consideration of and possible action authorizing the General Manager to negotiate and execute a letter agreement with the City of Schertz and the Northcliffe Golf Club regarding renewal or extension of the February 1, 1976 agreement until August 31, 2016.** On February 1, 1976, GBRA entered into a wastewater reclamation contract with Guadco Municipal Utility District Number 1 and Homecraft Corporation. Guadco Municipal Utility District Number 1 and Guadco Municipal Utility District Number 2 also entered into a contract regarding treated wastewater services. The City of Schertz annexed the area in 2001 and the Municipal Utility Districts were dissolved. Treated wastewater produced by the Northcliffe Plant is disposed of by GBRA through land application on the

Northcliffe Golf Club golf course adjacent to the Northcliffe Wastewater Treatment Plant. GBRA and City of Schertz and Cibolo Creek Municipal Authority entered into an agreement on July 31, 2008 which added a pump station that the City of Schertz operates on the Northcliffe Wastewater Treatment Plant site. The Northcliffe Wastewater Treatment Plant was to operate as a “base load” facility and a flow splitting structure was added to limit flow to the permitted flow limits and/or the loading to be determined by GBRA. All wastewater in excess of the amount GBRA is authorized to treat and dispose of pursuant to the Permit, were to be diverted by the City to CCMA’s wastewater treatment facilities for treatment and disposal. On February 1, 2016 after 40 years, the contract is set to expire. The City of Schertz and the Northcliffe Golf Club are of aware that the proposed letter extension is until August 31, 2016 to allow the parties time to negotiate further. Upon motion by Director Kunde, seconded by Director Motl, the Board unanimously authorized the General Manager to negotiate and execute a letter agreement with the City of Schertz and the Northcliffe Golf Club regarding renewal or extension of the February 1, 1976 agreement until August 31, 2016. A copy of the letter agreement is attached and made a part of these minutes.

The Chair called for **Action Item 13 - Consideration of and possible action authorizing the General Manager to negotiate and execute a revised Contract between Guadalupe River Trout Unlimited and Guadalupe-Blanco River Authority.**

No discussion or action was taken on Action Item 13 at this time.

Next, the Chair called for **Discussion Item 14 - 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 Authority, the Guadalupe Basin Coalition, and the South Central Texas Water Advisory Committee.

The Chair then called for **Discussion Item 15 - 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.** Todd Votteler briefed the Board on the activities of the Guadalupe-Blanco River Trust. Dan Alonso briefed the Board on the activities of the San Antonio Bay Foundation.

The Chair called for **Discussion Item 16 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** Tommy Hill briefed the Board on the Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin, including 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.

Next, the Chair called for **Discussion Item 17 - Discussion regarding local and State water planning and water resource issues.** General Manager West briefed the Board on the upcoming Senate Natural Resources Committee Interim Hearing, the Texas Water Development Board meeting regarding funding opportunities for river gauges, and other legislative issues.

The Chair then called for **Discussion Item 18 - Discussion regarding national water planning and water resource issues.** General Manager West briefed the

Board on the upcoming Texas Water Day and the draft white paper to be shared with GBRA's delegation in Washington, D.C. The Board was also briefed on the National Water Resources Association's priorities list.

The Chair recessed the open meeting at 11:56 a.m. The Chair then closed the open meeting and convened the meeting in executive session at 12:18 p.m. pursuant to Chapter 551, Texas Government Code. The Chair reconvened the meeting in open session at 1:33 p.m.

The Chair called for **Action Item 13 - Consideration of and possible action authorizing the General Manager to negotiate and execute a revised Contract between Guadalupe River Trout Unlimited and Guadalupe-Blanco River Authority.**

Tom Bohl briefed the Board on the proposed contract with Guadalupe River Trout Unlimited. Upon motion by Director Meador, seconded by Director Motl, the Board unanimously authorized the General Manager to negotiate and execute a revised Contract between Guadalupe River Trout Unlimited and Guadalupe-Blanco River Authority. A copy of the revised Contract is attached and made a part of these minutes.

There being no further business to be brought before the Board, the meeting was adjourned at 1:34 p.m. subject to call by the Chair.

Chair

Secretary