

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 19, 2018, at the GBRA William E. West, Jr., Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Robert “Rusty” Brockman, Dennis L. Patillo, Don B. Meador, William R. Carbonara, Kenneth Motl, Ronald J. Hermes, and Steven B. Ehrig. Directors Oscar H. Fogle and Tommy Mathews were absent. Also present were Kevin Patteson, General Manager/Chief Executive Officer; Darrell Nichols, Senior Deputy General Manager; Jonathan Stinson, Deputy General Manager; Alvin Schuerg, Senior Advisor to the General Manager; Darel Ball, Executive Manager of Operations and Water Quality; Tom Bohl, General Counsel; Vanessa Guerrero, Executive Manager of Administration; Tommy Hill, Executive Manager of Project Engineering and Development/Chief Engineer; Randy Staats, Executive Manager of Finance/Chief Financial Officer; Courtney Kerr-Moore, Associate General Counsel; Charlie Hickman, Manager of Project Engineering; Teresa Van Booven, Project and Community Representative; Lauren Willis, Water Quality Project Coordinator; Christina Chavez, Human Resources Coordinator; Amy Uniacke, Engineer; Joe Pantoja, Construction Inspector; Carrie Kasnicka, Executive Director of the Guadalupe-Blanco River Trust; and Stephen Risinger, Plum Creek Watershed Coordinator.

Chairman Brockman 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, the GBRA main office and the William E. West, Jr., Annex Building in Seguin, Texas, pursuant to Title 5, Chapter 551 of the Texas Government Code. A quorum being present, the following proceedings were had:

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

The Chairman called for **Public Comment Item 1 - Comments from the public.** There were no public comments.

The Chairman called for **Chairman Item 2 - Consideration of and possible action appointing Trustees Seats 1 and 2 to serve on the Guadalupe-Blanco River Trust for the term of September 1, 2018 through August 31, 2019 in accordance with the Articles of Incorporation and Article 9.10.B of the Texas Non-Profit Corporation Act.** Carrie Kasnicka briefed the Board on the Trustee appointments for the Guadalupe-Blanco River Trust. Such appointments include Oscar H. Fogle and Tommy Mathews. The Guadalupe-Blanco River Trust is a nonprofit land trust organization that was developed to conserve land in the Guadalupe River Basin for its natural, recreational, scenic, historic and productive value. It was founded in 2001 by the Guadalupe-Blanco River Authority, a conservation and reclamation district created in 1933 by the Texas Legislature. In accordance with the Bylaws of the Guadalupe-Blanco River Trust, Trustee Seats 1 and 2 shall always be appointed by the governing body of GBRA. Upon motion by Director Motl, seconded by Director Ehrig, the Board unanimously appointed Oscar H. Fogle and Tommy Mathews for Seats 1 and 2 to serve on the Board of Trustees for the

Guadalupe-Blanco River Trust. The Trustees appointed to Seats 1 and 2 shall serve one (1) year terms.

Next, the Chairman called for **Consent Item 3 - Consideration of and possible action approving the minutes of the August 15, 2018, Board meeting; Consent Item 4 - Consideration of and possible action approving the monthly operations report for August 2018; and Consent 5 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Meador, seconded by Director Patillo, the Board unanimously approved Consent Items 3, 4, and 5.

The Chairman then called for **General Manager/CEO Item 6 - The General Manager/CEO and staff may report on, and the Board may discuss, executive reports and/or issues relating to GBRA activities including without limitation, the following: GBRA water and sewer utility operations, hydroelectric operations, GBRA facilities management including plants and dams, safety, water resources planning and operation, construction management, economic and community development, project development, accounting and finance, records management, grants and financial assistance, human resources, information technology, communications, social media, education programs, resource protection, weather and climate, river flows and other scientific issues, non-profit entities partnering with GBRA, water quality services, community affairs, environmental programs, and stewardship.** Quarterly reports were not discussed this month. Jonathan Stinson briefed the Board on the final Texas Sunset Advisory Commission hearing for river authorities. GBRA is implementing the items outlined by the Texas Sunset Advisory

Commission. The next step will be a codification bill presented at the 2019 Legislative Session to amend GBRA's Enabling Act. Vanessa Guerrero introduced Christina Chavez, GBRA's new Human Resources Coordinator. Ms. Guerrero introduced Patty Gonzales. Ms. Gonzales will begin her employment as GBRA's new Communications Manager on September 24, 2018. Charlie Hickman introduced Amy Uniacke, GBRA's new Engineer and Joe Pantoja, GBRA's new Construction Inspector.

The Chairman called for **Action Item 7 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Joint Funding Agreement between the United States Geological Survey and the Guadalupe-Blanco River Authority for the period October 2018 through September 2019 for stream gauge monitoring.** Tommy Hill briefed the Board on the USGS Joint Funding Agreement. GBRA has contracted with the United States Geological Survey (USGS) since the early 1960's to provide stage and stream flow gauging and water quality testing at various sites. Joint funding for Fiscal Year 2018 totaled to \$199,820. The Guadalupe River Basin contains a total of 54 river gauges with funding from various sources including the U. S. Army Corps of Engineers, the Edwards Aquifer Authority, the Upper Guadalupe River Authority, the Texas Water Development Board, and GBRA. The Texas Water Development Board continues to add new gauges. In fiscal year 2016 seven gauges were added, fiscal year 2017 three gauges were added, and in fiscal year 2018 the following were added: West Fork Dry Comal Creek at Schuetz Dam, New Braunfels, Texas and Geronimo Creek near Seguin. The Texas Water Development Board provides funding for both construction and annual operation and maintenance for the new gauges.

The proposed 2018-2019 USGS contract includes 14 gauges and includes continued participation in the Jacob's Well water quality site. GBRA's share of the contract is \$207,390. Upon motion by Director Meador, seconded by Director Patillo, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Joint Funding Agreement between the United States Geological Survey and GBRA for the period October 2018 through September 2019 for stream gauge monitoring. A copy of the Joint Funding Agreement is attached and made a part of these minutes.

Next, the Chairman called for **Action Item 8 - Consideration of and possible action approving a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority authorizing the General Manager/CEO or his designee to be the GBRA representative(s) to furnish information and execute documents as needed in connection with applications to the Texas Parks and Wildlife Department for funds under the Local Park Grant Program.** Darel Ball briefed the Board on the Texas Parks and Wildlife Department grant for Coletto Creek Park. Guadalupe-Blanco River Authority staff proposes to file an application with the Texas Parks and Wildlife Department to secure financial assistance for renovation of certain facilities at Coletto Creek Park. The Texas Parks and Wildlife Department has established grant funding opportunities that assist local government units with acquisition, development, or renovation of public recreation areas and facilities throughout the State of Texas. GBRA proposes to replace three rental trailers with camping cabins. The trailers were acquired from FEMA in 2007, following Hurricane Claudette and subsequently destroyed during Hurricane Harvey in September 2017. GBRA also proposes to replace the playground

located in the camping area. The playground, which was constructed in 2000, has been heavily used and is in need of replacement. Total requested funds are \$74,222. Applicants must provide fifty percent (50%) of the total project costs through cash or in-kind contributions. GBRA's total cash contributions will be \$8,778, and total in-kind contributions of staff time, fringe benefits, and administration/general will be \$65,445. Grants are projected to be awarded in the spring of 2019, and projects must be completed within three years. If received, all funds will be used at Coletto Creek Park. Upon motion by Director Meador, seconded by Director Hermes, the Board unanimously approved a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority authorizing the General Manager/CEO or his designee to be the GBRA representative(s) to furnish information and execute documents as needed in connection with applications to the Texas Parks and Wildlife Department for funds under the Local Park Grant Program. A copy of the Resolution is attached and made a part of these minutes.

The Chairman then called for **Action Item 9 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute the Grant Contract: Clean Water Act Section 319(h) Grant: Coordinating Implementation of the Plum Creek Watershed Protection Plan with the Texas State Soil and Water Conservation Board.** Lauren Willis introduced Stephen Risinger, the new Plum Creek Watershed Coordinator. Ms. Willis briefed the Board on the three (3) year Grant Contract which will support the salary of the Plum Creek Watershed Coordinator and achieve the goals of the Plum Creek Watershed Partnership. The Texas State Soil and Water Conservation Board and AgriLife Extension established the Plum Creek Watershed

Partnership in April 2006. The Plum Creek Watershed Partnership Steering Committee completed the "Plum Creek Watershed Protection Plan" in February 2008. In 2011, GBRA along with 11 other funding entities located in the Plum Creek watershed, partnered with the Texas State Soil and Water Conservation Board and EPA to fund a local watershed coordinator. The other funding partners include Hays County, Caldwell County, City of Luling, City of Kyle, City of Buda, City of Lockhart, City of Umland, Plum Creek Conservation District, Polonia Water Supply Corporation, Caldwell-Travis Soil and Water Conservation District #304, and Hays County Soil and Water Conservation District #351. The watershed coordinator provides technical assistance to the Plum Creek Partnership, evaluates progress toward reducing bacterial contamination and nutrient loading described in the Plum Creek Watershed Protection Plan, and increases the knowledge of citizens, landowners and agricultural producers in the watershed. The total authorized reimbursed amount from Texas State Soil and Water Conservation Board is \$219,920. This includes the salary of the Plum Creek Watershed Coordinator, costs associated with routine office work, training seminars, and training workshops within the watershed for local stakeholders. The grant requires the Plum Creek Watershed Partnership to match 40% of the total cost with either cash or in-kind services. The Guadalupe-Blanco River Authority contributes \$12,287 per year. Upon motion by Director Meador, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute the Grant Contract: Clean Water Act Section 319(h) Grant: Coordinating Implementation of the Plum Creek Watershed Protection Plan with the Texas State Soil and Water Conservation Board.

The Chairman called for **Action Item 10 - Consideration of and possible action approving and adopting the updated Hazard Mitigation Plan that addresses GBRA needs.** Teresa Van Booven briefed the Board on the Hazard Mitigation Plan. In May 2003, GBRA initiated the development of an All-Hazard Mitigation Action Plan for the Guadalupe Basin. All ten counties within GBRA's district were asked to participate and seven chose to participate including Kendall, Caldwell, Gonzales, DeWitt, Victoria, Calhoun and Refugio. The Plan was approved by the Federal Emergency Management Agency (FEMA) in late January of 2005. As required by FEMA, the plan was updated five years later in 2011 with a second update to be completed in 2016. However, due to changes in rules, regional plans (multiple counties) were no longer allowed. The 2016 updated Plan addresses GBRA needs only. In October, 2015, H2O was hired to assist GBRA in updating the Plan. The Plan was then submitted and approved by the Texas Division of Emergency Management on March 29, 2017. It was subsequently submitted to FEMA on April 27, 2018, and was approved on August 22, 2018. FEMA requires the GBRA Board to adopt the approved plan. Once the Resolution has been adopted, an official approval letter will be sent. Upon motion by Director Motl, seconded by Director Hermes, the Board unanimously approved and adopted the updated Hazard Mitigation Plan that addresses GBRA needs. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for **Action Item 11 - Consideration of and possible action authorizing the Chairman of the Board of Directors and/or the General Manager/CEO to negotiate and execute Continuing Disclosure Agreements with**

New Braunfels Utilities, Goforth Special Utility District, and the City of Lockhart relating to the Carrizo Groundwater Supply Project financing. Tom Bohl briefed the Board on the Continuing Disclosure Agreements which are required for financing the Carrizo Groundwater Supply Project. Goforth Special Utility District has executed the Agreement. It is expected that New Braunfels Utilities and the City of Lockhart will be executing their Agreements soon. Upon motion by Director Hermes, seconded by Director Carbonara, the Board unanimously authorized the Chairman of the Board of Directors and/or the General Manager/CEO to negotiate and execute Continuing Disclosure Agreements with New Braunfels Utilities, Goforth Special Utility District, and the City of Lockhart relating to the Carrizo Groundwater Supply Project financing.

The Chairman then called for **Action Item 12 - Consideration of and possible action ratifying a Construction Agreement with Lester Contracting, Inc. and a Rental Agreement with Gulf Coast Aqua Dams for emergency repairs to the Lower Guadalupe Diversion System in Calhoun County.** Charlie Hickman briefed the Board on the emergency repairs to the GBRA Diversion System in the Lower Guadalupe Delta in Calhoun County. Upon motion by Director Motl, seconded by Director Meador, the Board unanimously ratified the General Manager/CEO's execution of a Construction Agreement with Lester Contracting, Inc. and a Rental Agreement with Gulf Coast Aqua Dams for emergency repairs to the Lower Guadalupe Diversion System in Calhoun County.

The Chairman called for **Action Item 13 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Engineering**

Services Agreement to develop an Asset Management Program. Charlie Hickman briefed the Board on the development of an Asset Management Program for maintenance and capital improvements for GBRA operations. Upon motion by Director Patillo, seconded by Director Meador, the Board unanimously authorized the General Manager/CEO to negotiate and execute an Engineering Services Agreement to develop an Asset Management Program.

Next, the Chairman called for **Action Item 14 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Engineering Services Agreement for planning and design of the Carrizo Groundwater Supply Project well field and raw water pipelines.** Charlie Hickman briefed the Board on the planning and design process for the Carrizo Groundwater Supply Project well field and raw water pipelines. Upon motion by Director Hermes, seconded by Director Patillo, the Board unanimously authorized the General Manager/CEO to negotiate and execute an Engineering Services Agreement for planning and design of the Carrizo Groundwater Supply Project well field and raw water pipelines.

The Chairman then called for **Action Item 15 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Milestone Crest Investments, LTD for the Silos, Phase III.** Alvin Schuerg briefed the Board on the Wastewater Service Agreement for the Silos Phase III subdivision development. Currently GBRA provides retail wastewater service to approximately 1,587 customers through the Dunlap Wastewater Reclamation System. The service area is

wholly within Guadalupe County and lies just west of the Guadalupe River and south of the City of New Braunfels. The pace of new housing development within the service area has increased over the last few years requiring the construction of new wastewater infrastructure to interconnect with GBRA's existing infrastructure. Within GBRA's existing service area, Milestone Crest Investments, LTD (Milestone) plans to expand The Silos housing subdivision onto adjacent undeveloped land. The development expansion as currently platted will include 112 single family residences. Milestone has requested that GBRA provide wastewater service to the expanded development. In order to provide the requested wastewater service, GBRA and Milestone will need to execute an Agreement principally requiring: (1) Milestone to provide all construction plans and specifications for GBRA review, (2) Milestone to construct the wastewater collection system within the development, (3) Milestone to construct the connecting infrastructure from the development to GBRA's existing gravity lines in the area, (if any) (4) Milestone to convey all wastewater infrastructure and rights-of-way to GBRA following construction, (5) Milestone to pay GBRA Connection Fees (currently \$5,477 per LUE plus a \$500/LUE reimbursement for the Legend Pond Lift Station interconnect), and, (6) GBRA to merge the expanded Milestone wastewater system into its Dunlap Wastewater Reclamation System as owner and operator. Upon motion by Director Patillo, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Milestone Crest Investments, LTD, the Silos Phase III.

The Chairman called for **Action Item 16 - Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain wastewater pipeline easements and temporary construction easements engaging the use of eminent domain related to the construction, operation, and maintenance of a wastewater system and pipeline for the public use of providing wastewater services to customers of Guadalupe-Blanco River Authority. The pipeline shall be located in portions of Guadalupe County, over, across, and upon private property and public property and beginning at a point near the New Braunfels Utilities facilities located at the intersection of State Highway 46 and Avery Park/Elley Lane and extending to multiple tie-in points near the intersections of Ewald Road and State Highway 46, Krause Lane and State Highway 46, and Pieper Road and State Highway 46. Such easements are to be located over, across, upon and under certain parcels of real property located in parts of the Antonio M. Esnaurizar 11 League Grant Survey, Abstract No. 20. The Guadalupe-Blanco River Authority shall designate the General Manager/CEO as the chief administrative official with authorization to initiate condemnation proceedings. This resolution shall authorize any and all lawful, necessary, incidental and appropriate action by the General Manager/CEO, staff, agents, attorneys(retained and in-house), and engineering and technical consultants, in the institution, prosecution and conclusion of condemnation proceedings to acquire any such needed easements, temporary construction easements and related rights of ingress and egress that cannot be acquired through negotiation with the**

landowner which shall include surveying for archaeological, environmental and linear purposes to define, specify and secure such property interests and ratifying and affirming all acts and proceedings heretofore done or initiated by the chief administrative official, employees, agents and attorneys of GBRA to acquire such property interests. Teresa VanBooven briefed the Board on the Resolution declaring a public necessity for the acquisition of certain wastewater pipeline easements and temporary construction easements engaging the use of eminent domain related to the construction, operation, and maintenance of a wastewater system and pipeline for the public use of providing wastewater services to customers of Guadalupe-Blanco River Authority through the Dietz Wastewater System. Upon motion by Director Hermes, seconded by Director Patillo, the Board unanimously adopted a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain wastewater pipeline easements and temporary construction easements engaging the use of eminent domain related to the construction, operation, and maintenance of a wastewater system and pipeline for the public use of providing wastewater services to customers of Guadalupe-Blanco River Authority. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for **Discussion Item 17 - Discussion on federal issues and update on the Guadalupe Valley Hydroelectric System by Farragut Partners.** Jonathan Stinson introduced Jody Gale. Mr. Gale gave an overview of Farragut Partners. The Board was briefed on the Agency's Congressional outreach to the Federal Energy Regulatory Commission, the Department of Energy, and the

Department of Agriculture (USDA) for possible financial assistance for repairs to Guadalupe Valley Hydroelectric System dam infrastructure. The Department of Agriculture has a budget that may loan funds for repairs to GBRA's hydroelectric dams. The Department of Agriculture-Rural Utility Service has provided funding to the R. C. Thomas Hydroelectric Station that is owned by the Trinity River Authority. Mr. Gale also gave a Senate and House election overview.

The Chairman then called for **Discussion Item 18 - Discussion regarding Base Flow Report, Water Quality Index, long term weather pattern, and condition of the Guadalupe Basin.** Tommy Hill briefed the Board on the Basin hydrologic condition, the Base Flow Report, Water Quality Index, condition of the Guadalupe Basin including rainfall percentages, events and totals, the U. S. Drought Monitor Seasonal Outlook, Comal Springs level, San Marcos Springs level, Guadalupe River stream flows, elevation of Canyon Reservoir and other Texas reservoirs, salinity levels in San Antonio and Aransas Bay, and latest El Niño and La Niña modeled forecast.

The Chairman recessed the open meeting at 11:33 a.m. The Chairman then closed the open meeting and convened the meeting in executive session at 1:43 a.m. pursuant to Chapter 551, Texas Government Code. The Chairman reconvened the meeting in open session at 12:30 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 12:30 p.m. subject to call by the Chairman.

Chairman

Secretary