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 June 18, 2014, at the GBRA River Annex Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Oscar H. Fogle, Tommy Mathews, Robert "Rusty" Brockman, Grace G. Kunde, Kenneth Motl, Dennis L. Patillo, Don B. Meador, William R. Carbonara, and Darrell 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; Gary Asbury, Manager of Project Engineering; 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; Cricket Dietert, Executive Assistant to the General Manager; Connie Rothe, Board Relations and Publication Specialist; Leigh Crettenden, IT Manager; Carl Westergard, Web Master; Tommy Schulte, Regional Representative; Jaynellen Ladd, Natural Resource Specialist; Charlie Hickman, Engineer; Jennifer Sanchez, Lab Technician-Seguin Regional Laboratory; Manuel Lopez, Maintenance Crew-Guadalupe Valley Hydroelectric Division; Steve Maricle, Maintenance Crew-Guadalupe Valley Hydroelectric Division; Richard Maxwell, Electrical Instrumentation Technician-Guadalupe Valley Hydroelectric Division; Ryan Boedeker, Maintenance Operator-Calhoun County Rural Water Supply System; Joe Downey,

Chief Operator-Luling Water Treatment Plant; Jeff McKee, Assistant Division Manager-Hydroelectric-Rural Utilities; Jack Murray and James Kirchen, Interns from Sewannee University of the South; Rebekah Cramblitt, Intern from the University of Texas at Austin; Jeff Crosby, Executive Director of the Guadalupe-Blanco River Trust; Dan Alonso, Executive Director of the San Antonio Bay Foundation; Roger Nevola, legal counsel; Jim Dublin with Dublin and Associates; Steve Holzheauser, consultant; David Engel with Engel and Associates; Alan Thompson with LNV Engineering; Ray Whisenant, Jr., Hays County Commissioner; Humberto Ramos with Canyon Regional Water Authority; Stefan Schuster and Nichole Rean with MWH Global; and Jeanne Schnuriger with Springs Hill Water Supply Corporation.

Chair Fogle 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:

Director Kunde 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. Chair Fogle welcomed Hays County Commissioner Ray Whisenant, Jr. Chair Fogle also welcomed and recognized GBRA employees Jennifer Sanchez, Manuel Lopez, Steven Maricle, Richard Maxwell, Ryan Boedeker, Joe Downey, Jack Murray, James Kirchen, and Rebekah Cramblitt.

The Chair called for Chair Item 1 - Consideration of and possible action authorizing the expenditure of funds for Directors and staff to attend the National Water Resources Association 2014 Western Water Seminar July 28 - 30, 2014, in Flagstaff, Arizona. Upon motion by Director Brockman, seconded by Director Meador, the Board unanimously authorized the expenditure of funds for Directors and staff to attend the National Water Resources Association 2014 Western Water Seminar in Flagstaff, Arizona.

Next, the Chair called for Consent Item 2 - Consideration of and possible action approving the minutes of the May 21, 2014, Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for May 2014; Consent Item 4 - Consideration of and possible action approving the monthly operations report for May 2014; and Consent Item 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 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 including matters relating to Northcliffe Wastewater Treatment Plant, regional wastewater service for the Sunfield area and providing wastewater treatment for the City of Point Comfort, water resource operations,

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engineering, including 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, U.S. Army Corps of Engineers Canyon Lake Dam safety workshop, Region L prioritization and subcommittee meetings, Kerr-Kendall ASR Study, construction management including the Mid-Basin Water Supply Project, the Integrated Water Power Project, services provided by GBRA to the Johnson Ranch Subdivision, utility relocation at FM 110 (San Marcos Bypass), Regional Laboratory activities, Clean Rivers Program activities, Plum Creek Projects, including State Soil and Water Conservation Board activities, Plum Creek monitoring and Watershed coordinator grants, Watershed coordinator position activities, Texas Water Utilities Association Laboratory Analyst Section activities, Operations including meeting with Texas Commission on Environmental Quality, the City of Lockhart, and Polonia Water Supply Corporation regarding a regional source water assessment project in Caldwell County, consumer confidents reports for water systems and plants in Caldwell County, Geronimo Creek Watershed Protection Plan, Senate Bill 2 Environmental Flows Project background data, Vegetation and Invasive specifies and GBRA expenditure estimates, Water Quality matters (general), USDA/TWRI Real Hog Farm VTA project, Economic and Community Development activities and events, project development including water and wastewater infrastructure for Johnson Ranch, Rural Utilities-Dunlap wastewater service area

activities, Canyon Lake Wastewater Master Plan, Property Management, Water Project activities including evaluation and development Supply of GBRA/Customer facility plan for the Mid-Basin Water Supply Project, water and wastewater infrastructure needs for the Cherryville Development in Caldwell County, other potential interests including General Land Office, Walton Development and New Braunfels Utilities, Maxwell Water Supply Corporation water supply projects, other water activities including Western Canyon Treated Water Supply System activities, Kendall West, Lerin Hills, Esperanza and Bremer-Couser service agreements, right-of-way review regarding San Marcos Water Supply pipeline, review GBRA easement near old power plant with City of Seguin, review New Braunfels Utilities easement at Dunlap, Resource Protection activities, ongoing discussions and proposed Memorandum of Understanding with Texas Parks and Wildlife Department regarding the Zebra Mussels campaign, continued work on lake restrictions regarding water usage on the hydro lakes, reviewing and updating flood preparedness procedures, presentations regarding drought conditions and water supply matters, Gonzales area flood warning plan, Canyon Lake/Sattler Office, Gorge Preservation Society, Region L planning activities, Texas Water Conservation Association meeting activities, San Antonio Bay Foundation meeting activities, information technology, human resources, accounting and finance. General Manager West informed the Board of the passing of two former GBRA Board members John C. Taylor from Seguin and E. T. Summers, Jr., from Cuero. James Murphy briefed the Board on GBRA operation and engineering activities. Mr. Murphy also briefed the Board on the Texas Water Development Board draft rules for funding of water projects in Texas. Alvin Schuerg also briefed the Board on finance, human resource, and information technology activities. Mr. Schuerg briefed the Board on the financial statements executive summary for the period ending May 31, 2014.

The Chair called for Action Item 7 - Consideration of and possible action approving a Memorandum of Understanding between the Lower Colorado River Authority and the Guadalupe-Blanco River Authority. The Guadalupe-Blanco River Authority and the Lower Colorado River Authority are neighboring river authorities and together serve as major regional water suppliers for one of the fastest growing regions in the country. Collaboration in the form of a Memorandum of Understand provides opportunities for creative planning and solutions that could help meet the current and future water needs for both authorities' respective water needs, particularly in areas near each other's service area boundaries. While the authorities already share considerable data and planning information, the proposed Memorandum of Understanding would formally recognize the potential benefits of such collaboration and guide the authorities' efforts in this regard. The Lower Colorado River Authority approved the Memorandum of Understanding at their May 2014 Board meeting. Upon motion by Director Kunde, seconded by Director Mathews, the Board unanimously approved a Memorandum of Understanding between the Lower Colorado River

Authority and the Guadalupe-Blanco River Authority. A copy of the Memorandum of Understanding is attached and made a part of these minutes.

Next, the Chair called for Action Item 8 - Consideration of and possible action approving a Memorandum of Understanding between the City of Corpus Christi and the Guadalupe-Blanco River Authority. The Guadalupe-Blanco River Authority and the City of Corpus Christi are neighbors and together serve as major regional water entities in the rapidly expanding Coastal Bend area of Texas. Collaboration in the form of a Memorandum of Understand provides opportunities for creative planning and solutions that could help meet the current and future water needs for both the City of Corpus Christi and the Guadalupe-Blanco River Authority's respective water needs, particularly in areas near each other's service area boundaries. While the City of Corpus Christi and the Guadalupe-Blanco River Authority have already shared considerable data and planning information, the proposed Memorandum of Understanding would formally recognize the potential benefits of such collaboration and guide efforts in this regard. The City of Corpus Christi will consider approval of the Memorandum of Understanding at an upcoming meeting of their City Upon motion by Director Kunde, seconded by Director Motl, the Board Council. unanimously approved a Memorandum of Understanding between the City of Corpus Christi and the Guadalupe-Blanco River Authority. A copy of the Memorandum of Understanding is attached and made a part of these minutes.

The Chair then called for **Discussion Item 9 - Discussion regarding the 52nd** Annual Texas Water Safari race. Tommy Schulte briefed the Board on the 52nd Texas Water Safari race. The first race was held in 1962 and the fastest time is 29 hours and 46 minutes. The river race is 260 miles beginning at Aquarena Springs in San Marcos and ends in Seadrift. There are sixteen check points along the race. One hundred and one teams started the race and a six man team finished first. A new record was established by, George Zimmerman. Mr. Zimmerman competed in the first Texas water safari race and is now 76 years old. His four man team finished in 45th place.

The Chair called for **Discussion Item 10 - Report on the 2014 Geronimo Creek and Alligator Creek stream cleanup.** Debbie Magin briefed the Board on the Geronimo and Alligator Creek 2014 Cleanup. The Board was briefed on the various sponsors of the event. There were 230 volunteers that cleaned 17 miles of roadways and creeks collecting over 7,000 pounds of trash.

Next, the Chair called for **Discussion 11 - Report on the 2014 Clean Rivers Program Basin Highlights Report.** Debbie Magin briefed the Board on the 2014 Clean Rivers Program Basin Highlights Report.

The Chair then called for **Discussion Item 12 - Quarterly status report on** grant activities. No discussion was had on Discussion Item 12.

The Chair called for **Discussion Item 13 - Discussion regarding the activities** and transactions of the Edwards Aquifer Authority, South Central Texas Water Advisory Committee, and the Guadalupe Basin Coalition. No discussion was had on Discussion Item 13.

Next, the Chair called for Discussion Item 14 - 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.** Jeff Crosby briefed the Board on activities of the Guadalupe-Blanco River Trust including the 265 acre Plum Creek Mitigation Park in Caldwell County. Negotiations are under way for TXDOT to convey the title of the property to the Guadalupe-Blanco River Trust along with \$400,000 in management funds. The Guadalupe-Blanco River Trust will use the management funds from TXDOT to leverage additional grant dollars. A permanent endowment for conservation and management efforts on the project will be established and a management plan to guide activities on the property will be developed. The Lockhart City Council and Caldwell County Commissioner's Court will be taking action to convey the Plum Creek Mitigation Park to the Guadalupe-Blanco River Trust. Dan Alonso briefed the Board on activities of the San Antonio Bay Foundation including an update on the Whooping Crane nest count and the Rookery Island Restoration Project.

The Chair then called for **Discussion Item15** - **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 called for **Discussion Item 16 - Discussion regarding local and State water planning and water resource issues.** General Manager West briefed the Board on up-coming legislative hearings of the Joint Interim Committee to Study Water Desalination and the State Water Implementation Fund for Texas Advisory Committee.

Next, the Chair called for **Discussion Item 17 - Discussion regarding national water planning and water resource issues.** General Manager West briefed the Board on press release regarding the President signing the Water Resources Reform and Development Act (WRRDA) into law and a summary of the Clean Water Act activities. The Board was also briefed on press release from the Western Governors' Association relating to the Endangered Species Act.

The Chair recessed the open meeting at 11:42 a.m. The Chair then closed the open meeting and convened the meeting in executive session at 12:15 p.m. pursuant to Chapter 551, Texas Government Code. The Chair reconvened the meeting in open session at 1:31 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 1:32 p.m. subject to call by the Chair.

Chair

Secretary