

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 15, 2020, at the GBRA William E. West, Jr., Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis L. Patillo, Don B. Meador, Kenneth Motl, William R. Carbonara, Oscar H. Fogle, Ronald J. Hermes, and Tommy Mathews. Directors Steven B. Ehrig and Robert “Rusty” Brockman 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; Tom Bohl, General Counsel; Vanessa Guerrero, Executive Manager of Administration; Charlie Hickman, Executive Manager of Engineering and Development; Nathan Pence, Executive Manager of Environmental Science and Community Affairs; Randy Staats, Executive Manager of Finance/Chief Financial Officer; Courtney Kerr-Moore, Associate General Counsel; Earnie Granville, Associate General Counsel; Ashley Freidberg, Engineer; Cheryl Gorden, Accounting Services Supervisor; Jeff McKee, Division Manager-Hydroelectric and Rural Utilities; John Turner, Electrical Instrumentation Supervisor; Lisa Walzem, Office Assistant; Damien Grimaldi, Gorge Park Ranger; Tim Strutz, Youth Program Assistant; Robyn Kramer, Youth Program Assistant; Erin Nelson, Youth Program Assistant; John LaBonte, Youth Program Assistant; Carl A. Korth, GBRA Retiree; and Samia Broadway and Travis Sales with BakerBotts.

Chairman Patillo called the meeting to order at 10:01 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 Carbonara led the Pledge of Allegiance to the United States flag and the Texas flag.

The Chairman called for **Chairman Item 1 - Report from the Nominating Committee and Election of Officers of the Board of Directors for calendar year 2020.** The Nominating Committee for 2020, consisting of Chairman Dennis Patillo and member Rusty Brockman, recommended the following Directors for nomination and election to serve as Board Officers through Calendar Year 2020 in accordance with Sections 6.01 and 6.02 of the GBRA By-Laws of the Board of Directors: **Vice-Chairman** – Don R. Meador and **Secretary-Treasurer** – Kenneth Motl. Pursuant to Section 5 of SB 626 (86th Legislative, R.S., 2019), amending Section 5 of the GBRA Enabling Act, the Chairman of the Board of Directors is to be appointed by, and shall serve at the pleasure of the Governor. Director Dennis L. Patillo continues in office as Chairman. Upon motion by Director Patillo, seconded by Director Fogle, the Board unanimously approved by acclamation the slate of officers for calendar year 2020 as recommended by the Nominating Committee. A copy of the Nominating Committee Report is attached and made a part of these minutes.

Next, the Chairman called for **Chairman Item 2 - Consideration of and possible action approving a Resolution honoring Guadalupe-Blanco River Authority 2020 Carl A. Korth.** Chairman Patillo recognized Carl A. Korth for his 36 years of dedicated and meritorious service to the Guadalupe-Blanco River Authority. Chairman Patillo read a Resolution honoring Carl Korth. Upon motion by Director Carbonara, seconded by Director Motl, the Board unanimously approved a Resolution honoring GBRA 2020 retiree Carl A. Korth. A copy of the Resolution is attached and made a part of these minutes.

General Manager/CEO Patteson informed the Board of the passing of GBRA's employee Jeremy Stanton, Rural Utilities Division, and Director Rusty Brockman's mother. Chairman Patillo called for a moment of silence.

The Chairman then called for **Public Comment 3 - Comments from the public.** There were no public comments at this time.

The Chairman called for **Consent Item 4 - Consideration of and possible action approving the minutes of the November 20, 2019 Board meeting; Consent Item 5 - Consideration of and possible action approving the monthly financial report for December 2019; Consent Item 6 - Consideration of and possible action approving the monthly operations report for December 2019; and Consent Item 7 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Fogle, seconded by Director Motl, the Board unanimously approved Consent Items 4, 5, 6, and 7.

Next, the Chairman called for **General Manager/CEO Item 8 - Report and update on the Guadalupe Valley Hydroelectric System; report and update on actions taken**

by the **General Manager/CEO** relating to the management and operation of the **GBRA Hydroelectric Lakes**, including actions taken to mitigate risks posed by **hydro spillgates**. There were no updates on General Manager/CEO Item 8 at this time.

The Chairman then called for **General Manager/CEO Item 9 - 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, public and private entities partnering with GBRA, water quality services, community affairs, environmental programs, and stewardship.** Nathan Pence briefed the Board on environmental science and community affairs. Mr. Pence introduced new employees at the GBRA Gorge Lisa Walzem, Damien Grimaldi, Tim Strutz, Robyn Kramer, Erin Nelson, and John LaBonte. Discussion continued on the Guadalupe River Basin Habitat Conservation Plan, aquatic life monitoring events, Coletto Creek Reservoir fish habitat activities, Lower Basin Texas Floating Classroom, Warrior's Weekend lunch event, Chamber banquets, Cuero Development Corporation Leaders' meeting, Braunfels Foundation Living Legends event, and activities at the GBRA Gorge at Canyon Lake. Randy Staats briefed the Board

on finance activities including audit and budget, annual fixed asset inventory tracking, development of tracking documents for retail water and wastewater connections, debt planning and administration, records management, grants, compliance with new Texas laws, and a new finance position. Mr. Staats introduced Cheryl Gorden, GBRA's Accounting Services Supervisor. Vanessa Guerrero briefed the Board on activities in education, information technology, communications, and human resources results of GBRA's first employee engagement survey. Darel Ball briefed the Board of some minor safety incidents and safety training. Jeff McKee introduced GBRA's new electrical supervisor Greg Turner.

The Chairman called for **Action Item 10 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Contract with the lowest responsible bidder for construction of capacity improvements required for the FM 3351 Booster Pump Station in Kendall County.** Charlie Hickman briefed the Board on the FM 3351 Booster Pump Station project. Capacity improvements to the FM 3351 booster station on the Western Canyon treated water delivery system are necessary to meet increasing customer water demands. The proposed improvements will consist of replacing existing vertical turbine pumps with larger capacity horizontal pumps, installation of a diesel engine generator to provide emergency power, and associated electrical and yard piping upgrades. The project includes temporary pumping to maintain water deliveries during construction. Upon motion by Director Mathews, seconded by Director Hermes, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Contract with the lowest responsible bidder for construction of

capacity improvements required for the FM 3351 Booster Pump Station in Kendall County.

Next, the Chairman called for **Action Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute contracts with the lowest responsible bidders for the construction of the Dietz Wastewater System Project Phase A – Lift Station and Dietz Wastewater System Project Phase B – Gravity Main and Forcemain.** Ashley Freidberg briefed the Board on the Dietz Wastewater System Project. In October 2017, GBRA filed an application for a Sewer Certificate of Convenience and Necessity (CCN) for approximately 7,356 acres of service area in Northern Guadalupe County between the Cities of New Braunfels and Seguin. GBRA authorized Utility Engineering Group, PLLC to complete the design for a new wastewater collection system within the proposed Dietz Wastewater Service Area. Final design plans for the wastewater infrastructure have been completed and staff is issuing a request for competitive sealed proposals for construction. Phase A of the proposed project will involve the construction of a lift station. Phase B of the proposed project will involve the installation of approximately 9,149 linear feet of gravity main, 9,163 linear feet of force main, three borings under TXDOT roadway, two open-cuts on a county road, one open-cut of a city road, one bore under a city road, manholes, one New Braunfels Utilities metering manhole, and other appurtenant items associated with the installation of wastewater infrastructure. Upon motion by Director Hermes, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute contracts with the lowest responsible bidders for the construction of the Dietz Wastewater

System Project Phase A – Lift Station and Dietz Wastewater System Project Phase B – Gravity Main and Forcemain.

The Chairman then called for **Discussion Item 12 - Discussion regarding Base Flow Report, Water Quality Index, long term weather pattern, and condition of the Guadalupe Basin.** Charlie Hickman briefed the Board on 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, Seadrift tidal levels, El Nino and La Nina modeled forecast, and elevation of Canyon Reservoir.

The Chairman recessed the open meeting at 10:52 a.m. The Chairman reconvened the open meeting at 11:04 a.m. The Chairman then closed the open meeting and convened the meeting in executive session at 11:04 a.m. pursuant to Chapter 551, Texas Government Code. The Chairman reconvened the meeting in open session at 12:26 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 12:27 p.m. subject to call by the Chairman.

Chairman

Secretary