

GUADALUPE-BLANCO RIVER AUTHORITY Minutes of the Board of Directors

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular meeting on June 16, 2021, at the GBRA, Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Don B. Meador, Oscar Fogle, Kenneth Motl, William R. Carbonara, Steven B. Ehrig, Sheila Old, and Andra Wisian. Present in the Annex Building at 905 Nolan Street, Seguin, Texas were Kevin Patteson, General Manager/Chief Executive Officer; Darrell Nichols, Senior Deputy General Manager; Jonathan Stinson, Deputy General Manager; Vanessa Guerrero, Executive Manager of Administration; David Harris, Executive Manager of Operations; Charlie Hickman, Executive Manager of Engineering; Nathan Pence, Executive Manager of Environmental Science; Randy Staats, Executive Manager of Finance/Chief Financial Officer; Emily Rogers, Outside Counsel; Courtney Kerr-Moore, Associate General Counsel; Amanda Reichle, Safety and Risk Manager; Chad Norris, Deputy Executive Manager of Environmental Science; Lauren Willis, Director of Regulatory and Customer Affairs; Lindsey Campbell, Public Relations/Communication Manager and Bridget Hinze Weber, Strategic and Community Affairs.

Chairman Patillo 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, at the GBRA main office and at the GBRA 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:

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

The Chairman called for **Chairman Item 2 - Comments from the public.** There were no public comments.

The Next, Chairman called for **Chairman Item 1 - Consideration of and possible action accepting Board of Directors' Committee Assignments.** Chairman Patillo recommended that the Board take any recommendations for Committee Assignments and further discuss these recommendations at the July Board Meeting.

The Chairman then called for **Consent Item 3 - Consideration of and possible action approving the minutes of the May 19, 2021 Board meeting. –Consent Item 4- Consideration of and possible action approving the monthly financial report for May 2021 Consent Item 5- Consideration of and possible action approving the monthly operations report for May 2021. –Consent Item 6 -Consideration of and possible action approving Directors' expense vouchers.** Upon Motion by Director Meador, seconded by Director Carbonara, the Board unanimously approved Consent Items 3, 4, 5 and 6.

The Chairman then called for **General Manager/CEO Item 7 - 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, stewardship, and update on GBRA Safety Work Plan. Randy Staats, Executive Manager of Finance/Chief Financial Officer, announced to the Board the retirement of Susan Hubbert, Deputy CFO of Accounting and Purchasing in July, 2021. Next, Charlie Hickman, Executive Manager of Engineering, introduced Jeremy Simmons, new Engineering Inspector, to the Board. Amanda Reichle, Safety and Risk Manager, gave a report indicating that there were no lost time accidents or injuries in the last month. One positive Covid-19 case was reported and GBRA continues to monitor Covid-Data in the surrounding counties. GBRA is continuing to implement additional annual trainings and program exams. The Risk Management Plans are currently in their review cycle for those facilities that are required to have them. The Emergency Response Preparedness programs are currently being assessed as GBRA prepares for the start of hurricane season. Next, Jonathan Stinson, Deputy General Manager, updated the Board on the progress made during the Texas 87th Texas Legislature. Senate Bill 3 passed relating to the Winter Storm Response requiring an emergency preparedness plan for emergencies lasting more than 24 hours and the necessary provisions of the bill were discussed. Mr.

Stinson also briefed the Board on additional bills relating to water policy, eminent domain and purchasing and contracts.

The Chairman called for **Action Item 8 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute Contract No. 582-22-30081 with the Texas Commission on Environmental Quality for the Clean Rivers Program.** Elizabeth Edgerton, Clean Rivers Program Supervisor, is seeking approval to authorize Kevin Patteson, General Manager/CEO to negotiate and execute Contract No. 582-22-30081 with the Texas Commission on Environmental Quality for the Clean Rivers Program. This is a two (2) year continued grant contract with total funding of \$270,756.00 to begin August 2021. Motion by Director Meador, seconded by Director Motl, the Board unanimously approved Action Item 8 authorizing the General Manager/CEO to negotiate and execute a Contract No. 582-22-30081 with the Texas Commission on Environmental Quality for the Clean Rivers Program.

Next, the Chairman called for **Action Item 9 - Consideration of and possible action authorizing the General Manager/CEO to engage the audit firm of Baker Tilly for the Fiscal Year 2021 financial audit.** Randy Staats, Executive Manager of Finance/Chief Financial Officer, is seeking approval to authorize Kevin Patteson, General Manager/CEO to engage the audit firm of Baker Tilly for the Fiscal Year 2021 financial audit, as required by the state legislature, in the amount of \$60,000. Director Fogle was not present for the vote. Upon Motion by Director Meador, seconded by Director Carbonara, the Board unanimously approved Action Item 9 authorizing the General

Manager/CEO to engage the audit firm of Baker Tilly for the Fiscal Year 2021 financial audit.

The Chairman then called for **Action Item 10 - Consideration of a possible action authorizing for the General Manager/CEO to negotiate and execute a Memorandum of Understanding with Goforth Special Utility District, County Line Special Utility District, Maxwell Special Utility District, City of Mustang Ridge, and City of Lockhart.** Darrell Nichols, Senior Deputy General Manager, briefed the Board on the need for treated water supply near Lockhart, Texas. The purpose of this Memorandum of Understanding with Goforth Special Utility District, County Line Special Utility District, Maxwell Special Utility District, City of Mustang Ridge and city of Lockhart is to outline steps for each party to take to evaluate the water supply need, potential supplies, timeline, costs, and develop wholesale water supply agreements. Director Meador recused himself from the vote. Upon Motion by Director Motl, seconded by Director Wisian, the Board unanimously approved Action Item 10 authorizing the General Manager/CEO to negotiate and execute a Memorandum of Understanding with Goforth Special Utility District, County Line Special Utility District, Maxwell Special Utility District, City of Mustang Ridge, and City of Lockhart.

The Chairman called for **Action Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Agreement between Green Valley Special Utility District and Guadalupe-Blanco River Authority Designating Retail Sewer Service Territory in Guadalupe County.** Courtney Kerr-Moore, Associate General Counsel, is seeking approval authorizing the General

Manager/CEO to negotiate and execute an Agreement between Green Valley Special Utility District and Guadalupe-Blanco River Authority Designating Retail Sewer Service Territory in Guadalupe County. This Agreement transfers sewer responsibilities to GBRA in the Stein Falls Wastewater Service Area. Upon Motion by Director Fogle, seconded by Director Meador, the Board unanimously approved Action Item 11 authorizing the General Manager/CEO to negotiate and execute an Agreement between Green Valley Special Utility District and Guadalupe-Blanco River Authority Designating Retail Sewer Service Territory in Guadalupe County.

Next, the Chairman called for **Discussion Item 12 - Discussion and presentation of the Fiscal Year 2022 proposed Guadalupe-Blanco River Authority Work Plan and Budget.** Randy Staats, Executive Manager of Finance/Chief Financial Officer, briefed the Board on the Fiscal Year 2022 Budget to include growth, major projects underway, new initiatives, projected new retail customers and staffing growth. The Board was also briefed on the budget summary and growth, revenue comparison, category revenue comparison, rate changes, expense comparison and remaining budget schedule.

Next, the Chairman called for **Discussion Item 13 - Discussion regarding Base Flow Report, Water Quality Index, long-term weather Pattern and condition of the Guadalupe Basin** Charlie Hickman, Executive Manager of Engineering and Development, briefed the Board on the Guadalupe River Basin hydrologic conditions. The Edwards Aquifer and the majority of the basin are showing average conditions with

medium flow. Canyon Lake is showing about 905.85 feet. Currently, Comal Springs is flowing around 328 cfs.

There being no further business to be brought before the Board, the open meeting was recessed at 11:13 a.m. subject to call by the Chairman and convened the meeting in executive session at 11:30 a.m. pursuant to Chapter 551, Texas.

The Board reconvened in open session at 11:57 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 11:58 p.m. subject to call by the Chairman.

Chairman

Secretary