

## **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 July 21, 2021, at the GBRA, Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Don B. Meador, Oscar Fogle, Steven B. Ehrig, Sheila Old, and Andra Wisian. Directors absent were William Carbonara and Kenneth Motl. 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; Tommy Hill, Senior Advisor to the General Manager; Emily Rogers, Outside Counsel; Courtney Kerr-Moore, Associate General Counsel; Earnie Granville, 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; and Lindsey Campbell, Public Relations/Communication Manager.

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:

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

The Chairman then called for **Consent Item 2 -Consideration of and possible action approving the minutes of the June 16, 2021 Board meeting and Workshop session; 3 - Consideration of and possible action approving the monthly financial report for June 2021; 4 - Consideration of and possible action approving the monthly operations report for June 2021 and 5 - Consideration of and possible action approving Directors' expense vouchers**. Director Old was not present for this vote. Upon Motion by Director Meador, seconded by Director Fogle, the Board unanimously approved Consent Items 2, 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, public and private entities**

**partnering with GBRA, water quality services, community affairs, environmental programs, stewardship, and update on GBRA Safety Work Plan.** Amanda Reichle, Safety and Risk Manager, gave a report indicating that there were no lost time accidents or injuries in the last month. Two positive Covid-19 cases were reported and GBRA continues to monitor Covid-Data in the surrounding counties. Safety Training calendars have been created for the Fiscal Year 2022 for office and field staff. GBRA is also reviewing the Safety Manual Policy regarding Pathogen Exposure Control Plan and aligning specific training. David Harris, Executive Manager of Operations, briefed the Board on projects, safety and training completed or in progress since the June Board meeting. Charlie Hickman, Executive Manager of Engineering, briefed the Board on the projects completed and in progress to include the Carrizo Groundwater Supply Project overview, the SH 130 Corridor Project, the Dunlap Dam Emergency Spillway status, the Stein Falls Collection System expansion and the Grove Lane Life Station. Randy Staats, Executive Manager of Finance/Chief Financial Officer, announced to the Board the reassignment of responsibilities within the finance department.

Chairman Patillo called for a ten-minute recess at 10:54 a.m.

Chairman Patillo reconvened in open session at 11:05 a.m.

The Chairman called for **Action Item 7 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Buzzworks Development LLC.** Courtney Kerr-Moore, Associate General Counsel, is seeking authorization for the General Manager/CEO to negotiate and execute a Wastewater

Service Agreement between GBRA and Buzzworks Development, LLC for the Dietz System for approximately 250-350 apartments containing standard wastewater provisions. Motion by Director Meador, seconded by Director Fogle, the Board unanimously approved Action Item 7 authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Buzzworks Development LLC.

Next, the Chairman called for **Action Item 8 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Lennar Homes of Texas Land and Construction, Ltd for the Hilltop Meadows development.** Courtney Kerr-Moore, Associate General Counsel, is seeking authorization for the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Lennar Homes of Texas Land and Construction, Ltd for the Hilltop Meadows development contained in the Stein Falls system for sewer service for 207 to 228 homes containing standard sewer provisions. Upon Motion by Director Meador, seconded by Director Fogle, the Board unanimously approved Action Item 8 authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Lennar Homes of Texas Land and Construction, Ltd for the Hilltop Meadows development.

The Chairman then called for **Action Item 9- Consideration of and possible action approving a Resolution by the Guadalupe Blanco River Authority to adopt a**

**policy governing the terms under which a food truck, mobile food vendor or other commercial use activity may operate on GBRA owned or leased parkland and recreational areas.** Courtney Kerr-Moore, Associate General Counsel, is seeking approval of a Resolution by GBRA to adopt a policy governing the terms under which a food truck, mobile food vendor or other commercial use activity may operate on GBRA owned or leased parkland and recreational areas. Upon Motion by Director Meador seconded by Director Fogle, the Board unanimously approved Action Item 9 approving a Resolution by the Guadalupe Blanco River Authority to adopt a policy governing the terms under which a food truck, mobile food vendor or other commercial use activity may operate on GBRA owned or leased parkland and recreational areas. A copy of the Resolution is attached and made a part of these minutes.

The Chairman called **for Action Item 10 -Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a wholesale wastewater treatment agreement with DR Horton and East Hays County Municipal Utility District No. 1 and East Hays County Municipal Utility District No. 2.** Darrell Nichols, Senior Deputy General Manager, is seeking authorization for the General Manager/CEO to negotiate and execute a wholesale wastewater treatment agreement with DR Horton and East Hays County Municipal Utility District No. 1 and East Hays County Municipal Utility District No. 2 for a 3500 unit development to provide wholesale wastewater treatment services through GBRA's Sunfield WWTP. The proposed agreement will also provide an opportunity in the future for the retail system and customers to be transferred to GBRA with Board approval for each entity. Upon Motion

by Director Meador, seconded by Director Fogle, the Board unanimously approved Action Item 10 authorizing the General Manager/CEO to negotiate and execute a wholesale wastewater treatment agreement with DR Horton and East Hays County Municipal Utility District No. 1 and East Hays County Municipal Utility District No. 2.

Next, the Chairman called for **Discussion Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Contract with the highest ranked bidder, based on a Competitive Sealed Proposal process, for construction of a new office building in New Braunfels, Texas.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization for the General Manager/CEO to negotiate and execute a Contract with the highest ranked bidder, based on a Competitive Sealed Proposal process, for construction of an expansion office building in New Braunfels, Texas. The Request for Proposal Scoring Criteria will be based on general information, project management, applicant project experience and fee proposal. The site is a 6 acre tract with a 21,000 sq.ft. building. Vanessa Guerrero, Executive Manager of Administration, further briefed the Board on the second office campus that is planned for the significant growth in staffing that has already occurred and expected in the future. The proposed office building will be a single story commercial office with more than seventy offices. Campus 1 (Seguin) currently has 88 employees in a space set up for 55 employees. Campus 2 (New Braunfels) will have 71 total workspaces. The campuses combined will have a total of 127 workspaces with 88 spaces filled immediately and 38 estimated for future growth.

For public comment regarding this item Chairman Patillo recognized Saide Stanley. Ms. Stanley stated to the Board that GBRA should expand in Seguin. Chairman Patillo also recognized Bob Dodson, who expressed his opinion regarding funding of the additional office space. Jim Holster was also recognized by Chairman Patillo. Mr. Holster expressed his concerns relating to the additional office space and his acknowledgment of cultural additions to the Board.

Kevin Patteson, General Manager/CEO briefed the Board that the Board meetings will remain in Seguin, along with the lab department, and the majority of the operational staff. Mr. Patterson also discussed the various significant contributions GBRA has made to the multiple issues related to the current dam issues. The Texas Statute (Enabling Act) states that the GBRA main office is to be based in New Braunfels, Texas. Vanessa Guerrero, Executive Manager of Administration, further briefed the Board stating that the following departments will still maintain various personnel at Seguin to include IT, data operations, and records. Upon Motion by Director Meador, seconded by Director Fogle, the Board unanimously approved Action Item 11 authorizing the General Manager/CEO to negotiate and execute a Contract with the highest ranked bidder, based on a Competitive Sealed Proposal process, for construction of a new office building in New Braunfels, Texas.

Next, the Chairman called for Action Item 12 - **Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Consulting Services Agreement to provide owner's representative services for a new GBRA office building in New Braunfels, Texas.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization for the General Manager/CEO to negotiate and

execute a Consulting Services Agreement to provide owner's representative services for a new GBRA office building in New Braunfels, Texas. The job of the owner's representative will oversee the planning, design and provide construction administration and inspections, furnishing equipment and furniture for the project. Upon Motion by Director Meador, seconded by Director Old, the Board unanimously approved Action Item 12 authorizing the General Manager/CEO to negotiate and execute a Consulting Services Agreement to provide owner's representative services for a new GBRA office building in New Braunfels, Texas.

Next, the Chairman called for **Action Item 13 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an agreement with RVK Architects, Inc. to provide architect services for a new GBRA office building in New Braunfels, Texas.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization for the General Manager/CEO to negotiate and execute an agreement with RVK Architects, Inc. to provide architect services for a new GBRA office building in New Braunfels, Texas. Upon Motion by Director Fogle, seconded by Director Meador, the Board unanimously approved Action Item 13 authorizing the General Manager/CEO to negotiate and execute an agreement with RVK Architects, Inc. to provide architect services for a new GBRA office building in New Braunfels, Texas.

Next, the Chairman called for **Action Item 14 - Consideration of and possible action adopting a Resolution Expressing Official Intent to reimburse costs incurred to construct and equip office facilities in the city of New Braunfels.** Randy Staats, Executive Manager of Finance/Chief Financial Officer, is seeking adoption of a Resolution



Expressing Official Intent to reimburse costs incurred to construct and equip office facilities in the city of New Braunfels. Upon Motion by Director Meador, seconded by Director Ehrig, the Board unanimously approved Action Item 14 adopting a Resolution Expressing Official Intent to reimburse costs incurred to construct and equip office facilities in the city of New Braunfels. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for **Action Item 15 - Consideration of and possible action approving a resolution authorizing the issuance of up to \$35,000,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2021 to finance improvements for the Dietz Wastewater System and Stein Falls Wastewater System; authorizing the sale thereof pursuant to a negotiated underwriting; delegating authority to the General Manager/CEO and the Executive Manager of Finance/CFO to select underwriters and to approve all final terms of the Series 2021 Bonds; approving and authorizing the execution of all instruments and procedures related thereto including a paying agent/registrar agreement and a purchase contract; authorizing the preparation and distribution of an official statement; and containing other provisions related thereto.** Randy Staats, Executive Manager of Finance/Chief Financial Officer, is seeking approval of a resolution authorizing, with certain parameters, the issuance of bonds to provide funding for construction of new infrastructure to finance the new Dietz Wastewater Collection System and improvements to the Stein Falls Wastewater System. The funds needed for Stein Falls are \$23 million to be used for easement acquisition, engineering design, and

construction of expansion. The maximum maturity date is 30 years. The Dietz Project will need \$7 million to be used for easement acquisition, engineering design and construction. Mr. Staats introduced Steven Adams of Specialized Public Finance Inc., GBRA Financial (Municipal) Advisor and GBRA Bond Counsel, Tom Spurgeon of McCall, Parkhurst & Horton LLP. Steven Adams briefed the Board on the specific bond transaction and discussion of historical municipal rates, bonding analysis, the open market debt service, borrowing by Purpose (30-year Term with 3-year call), sources and uses of funds, parameters for the Bonds and the proposed Series 2021 financing timeline. Tom Spurgeon briefed the Board on additional bond information on the parameters set for the General Manager/CEO to approve the bond transactions. Upon Motion by Director Meador, seconded by Director Ehrig, the Board unanimously approved Action Item 15 approving a resolution authorizing the issuance of up to \$35,000,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2021 to finance improvements for the Dietz Wastewater System and Stein Falls Wastewater System; authorizing the sale thereof pursuant to a negotiated underwriting; delegating authority to the General Manager/CEO and the Executive Manager of Finance/CFO to select underwriters and to approve all final terms of the Series 2021 Bonds; approving and authorizing the execution of all instruments and procedures related thereto including a paying agent/registrars agreement and a purchase contract; authorizing the preparation and distribution of an official statement; and containing other provisions related thereto. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for **Action Item 16 - Consideration of and possible action authorizing Guadalupe-Blanco River Authority staff to open bank and investment accounts for management of bond proceeds and debt service obligations for the Stein Falls and Dietz wastewater construction projects.** Randy Staats, Executive Manager of Finance/Chief Financial Officer, is seeking authorization for GBRA staff to initiate two bank accounts to handle the receipt of bond funds for the Stein Falls Wastewater Treatment System and Dietz Wastewater System. Upon Motion by Director Fogle, seconded by Director Meador, the Board unanimously approved Action Item 16 authorizing Guadalupe-Blanco River Authority staff to open bank and investment accounts for management of bond proceeds and debt service obligations for the Stein Falls and Dietz wastewater construction projects.

The Chairman called for **Action Item 17 - Consideration of and possible action approving the use of financial reserves to purchase a sewer jetter/vacuum truck and authorizing the General Manager/CEO to negotiate and execute a purchase agreement.** David Harris, Executive Manager of Operations, is seeking approval to purchase (using financial reserves) a sewer jetter/vacuum truck to meet the specific needs of GBRA's collection systems and placed into service, after appropriate staff training, in Hays County and throughout the basin. Upon Motion by Director Wisian, seconded by Director Meador, the Board unanimously approved Action Item 17 approving the use of financial reserves to purchase a sewer jetter/vacuum truck and authorizing the General Manager/CEO to negotiate and execute a purchase agreement.

Next, the Chairman called for **Discussion Item 20 - 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 290 cfs.

There being no further business to be brought before the Board, the open meeting was recessed at 12:15 p.m. subject to call by the Chairman and convened the meeting in executive session at 12:30 p.m. pursuant to Chapter 551, Texas.

The Board reconvened in open session at 1:38 p.m.

Next, the Chairman called for **Action Item 18 - Consideration of and possible action approving a Resolution by the Guadalupe Blanco River Authority to adopt a Relocation Policy for displaced persons, as defined in Texas Property Code Chapter 21, in connection with GBRA capital improvement projects.** Courtney Kerr-Moore, Associate General Counsel, is seeking approval of a resolution adopting a Relocation Policy, for an individual, family, business concern, farming or ranch operation or nonprofit organization, as required by Chapter 21 of the Texas Property Code and being compatible with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C 4601, et seq. Upon Motion by Director Wisian, seconded by Director Meador, the Board unanimously approved Action Item 18 approving a Resolution by the Guadalupe Blanco River Authority to adopt a Relocation Policy for

displaced persons, as defined in Texas Property Code Chapter 21, in connection with GBRA capital improvement projects. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for **Action Item no. 19 - Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority, declaring a public necessity for the acquisition of court orders requiring the current owners of the properties identified herein to grant GBRA, its representatives, agents and contractors certain temporary restraining orders to obtain entry onto the certain properties for the purpose of making boundary, topographic, environmental, archeological, and geotechnical surveys, and appraisals in connection with the McQueeney Emergency Spillway Acquisition said properties to be identified to wit:**

**Parcel 1, Guadalupe County Appraisal District ID No. 29521, listed under Anthony O. and Karen M. Schaker, Hot Shot Lane, Guadalupe County, Texas, and identified on map attached as Exhibit "A";**

**Parcel 8, Guadalupe County Appraisal District ID No. 55239, listed under Frank S. Kerno, Hot Shot Lane, Guadalupe County, Texas, and identified on map attached as Exhibit "A".**

Courtney Kerr-Moore, Associate General Counsel, is seeking approval of a Resolution declaring public necessity for the acquisition of court orders requiring the current owners of the properties to grant GBRA, its representatives, agents and contractors certain temporary restraining orders to obtain entry onto the certain properties for the purpose of making boundary, topographic, environmental, archeological, and geotechnical surveys, and appraisals in connection with the McQueeney Emergency

Spillway Acquisition. Upon Motion by Director Fogle, seconded by Director Meador, the Board unanimously approved Action Item 19 approving a Resolution by the Guadalupe-Blanco River Authority, declaring a public necessity for the acquisition of court orders requiring the current owners of the properties identified herein to grant GBRA, its representatives, agents and contractors certain temporary restraining orders to obtain entry onto the certain properties for the purpose of making boundary, topographic, environmental, archeological, and geotechnical surveys, and appraisals in connection with the McQueeney Emergency Spillway Acquisition. A copy of the Resolution 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 1:51 p.m. subject to call by the Chairman.

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Chairman

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Secretary