

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 March 23, 2022, at the GBRA Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Don B. Meador, William Carbonara, Sheila Old, Oscar Fogle, Andra Wisian and Emanuel Valdez. Directors Motl and Ehrig were not present. Present in the Annex Building at 905 Nolan Street, Seguin, Texas were 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; Travis Sales, Outside Counsel; Joe Cole, General Counsel; Courtney Kerr-Moore, Assistant General Counsel; and Justin Adkins, Assistant General Counsel.

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:

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

The Chairman then called for **Public Comments - 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 February 16, 2022 Board meeting; Consent item 3 - Consideration of and possible action approving the monthly financial report for February 2022; Consent Item 4 - Consideration of and possible action approving the monthly operations report for February 2022; and Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers for February 2022.** Upon Motion by Director Meador, seconded by Director Old, 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.** Charlie Hickman,

Executive Manager of Engineering, gave a department update and introduced Nathan Videll, Project Engineer. The Construction on the GBRA Campus 2 building in New Braunfels, Texas is underway on the site, including site grading and foundation excavation. GBRA's onsite Representative is conducting regular inspections. The Lake McQueeney and Placid dam projects were discussed including the status of the spillway and permits of each dam project. The wells are complete on the Carrizo Groundwater Supply Project and construction is underway on the associated well pumps and raw water pipelines. Mr. Hickman also briefed the Board on growth in GBRA's retail wastewater service areas. The Stein Falls Water Reclamation Facility has three separate construction contracts: (1) the Force Main which is 99% complete; (2) the Lift Station which is approximately 78% complete; and (3) the Gravity Main which is 65% complete. The Sunfield WWTP Expansion project final design is due in May 2022. Next, Randy Staats, Executive Director of Finance/CFO, briefed the Board on the following areas: Record Management; the new P-Card; grants; Defined Benefit Pension Plan; audit, budget and financials; debt issuance and reimbursement resolutions. Amanda Reichle, Safety and Risk Manager, gave an update stating that in the past month there were no lost time incidents, four near miss reports, three incident reports, and one positive COVID-19 case was reported. The audiometric testing will be scheduled in May/June. Several safety site visits were conducted at the outdoor nature classroom at the Gorge for 5th grade students and Johnson Ranch for Comal ISD. Employee training focus this month is on fire prevention, first extinguisher safety, and understanding evacuation routes.

GBRA continues to monitor COVID-19 data in the surrounding counties and the cases in the State of Texas are continually decreasing.

The Chairman then 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 Golf Associates Ltd., for a wastewater service expansion within the Long Creek development.** Courtney Kerr-Moore, Assistant General Counsel, is seeking authorization for the General Manager/CEO to negotiate a standard Wastewater Service Agreement for the Stein Falls Wastewater Reclamation System, Long Creek development, with Golf Associates Ltd. The construction of new wastewater infrastructure is necessary to interconnect with GBRA's existing infrastructure for the 63 additional homes on this tract. Upon Motion by Director Meador, seconded by Director Carbonara, 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 Golf Associates Ltd., for a wastewater service expansion within the Long Creek development.

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 Pieper Point, LLC.** Justin Adkins, Assistant General Counsel, is seeking authorization for the General Manager/CEO to negotiate a standard Wastewater Service Agreement for the Dietz Wastewater Collection System with Pieper Point, LLC. The construction of

new wastewater infrastructure is necessary to interconnect with GBRA's existing infrastructure for the 135 homes on this tract. Upon Motion by Director Fogle, seconded by Director Meador, 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 Pieper Point, LLC.

The Chairman then called for **Action Item 9 - Consideration of and possible action approving a resolution authorizing the issuance of up to \$16,250,000 in principal amount of Guadalupe-Blanco River Authority Contract Revenue Refunding Bonds, Series 2022 (IH 35 Treated Water Delivery System Project); authorizing the sale thereof; authorizing the General Manager/CEO and the Executive Manager of Finance/CFO to approve all final terms of the bonds; approving the preparation and distribution of an official statement; authorizing the execution of a purchase contract, a paying agent/registrars agreement, and an escrow agreement; calling certain bonds for redemption; and containing other provisions relating to the subject.** Randy Staats, Executive Manager of Finance/CFO, is seeking authorization of a resolution to issue Contract Revenue Bonds, Series 2022, and to refund and redeem certain outstanding Contract Revenue Refunding Bonds, Series 2013. Upon Motion by Director Wisian, seconded by Director Fogle, the Board unanimously approved Action Item 9 approving a resolution authorizing the issuance of up to \$16,250,000 in principal amount of Guadalupe-Blanco River Authority Contract Revenue Refunding Bonds, Series 2022 (IH 35 Treated Water Delivery System Project); authorizing the sale thereof; authorizing the General Manager/CEO and the Executive

Manager of Finance/CFO to approve all final terms of the bonds; approving the preparation and distribution of an official statement; authorizing the execution of a purchase contract, a paying agent/registrars agreement, and an escrow agreement; calling certain bonds for redemption; and containing other provisions relating to the subject. 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 approving a resolution authorizing the issuance of up to \$9,900,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2022; authorizing the sale thereof pursuant to a competitive underwriting; delegating authority to the General Manager/CEO and the Executive Manager of Finance/CFO to approve all final terms of the Series 2022 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.** Randy Staats, Executive Manager of Finance/CFO, is seeking authorization of a resolution to issue General Improvement Revenue Bonds, Series 2022, to finance the design, construction, and equipping of the New Braunfels GBRA Campus Two. Upon Motion by Director Meador, seconded by Director Wisian, the Board unanimously approved Action Item 10 approving a Resolution approving a resolution authorizing the issuance of up to \$9,900,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2022; authorizing the sale thereof pursuant to a competitive underwriting; delegating authority to the

General Manager/CEO and the Executive Manager of Finance/CFO to approve all final terms of the Series 2022 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.

The Chairman called for **Action Item 11 - Consideration of and possible action adopting a Resolution Expressing Official Intent to reimburse costs incurred to construct and equip an expansion to the Carrizo Groundwater Supply Project.** Randy Staats, Executive Manager of Finance/CFO, is seeking authorization for a Reimbursement Resolution for the financing of costs incurred to construct and equip an expansion to the Carrizo Groundwater Supply Project. Upon Motion by Director Old, seconded by Director Meador, the Board unanimously approved Action Item 11 adopting a Resolution Expressing Official Intent to reimburse costs incurred to construct and equip an expansion to the Carrizo Groundwater Supply Project. A copy of the Resolution is attached and made a part of these minutes.

The Chairman called for **Action Item 12 - Consideration of and possible action adopting a Resolution Expressing Official Intent to reimburse costs incurred to design, construct, and equip an expansion to the Stein Falls wastewater treatment plant.** Randy Staats, Executive Manager of Finance/CFO, is seeking authorization for a Reimbursement Resolution for the financing of costs incurred to construct and equip an expansion to the Stein Falls Wastewater Treatment Plant. Upon Motion by Director

Wisian, seconded by Director Carbonara, the Board unanimously approved Action Item 12 approving a Resolution Expressing Official Intent to reimburse costs incurred to design, construct, and equip an expansion to the Stein Falls wastewater treatment plant. A copy of the Resolution is attached and made a part of these minutes.

The Chairman called for **Action Item 13 - 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 New Braunfels office expansion.** Sandra Terry, Deputy Executive Manager of Finance, is seeking authorization to open new bank accounts at FirstUnited and Texpool for the receipt of bond proceeds for construction of the New Braunfels office expansion. Upon Motion by Director Fogle, seconded by Director Meador, the Board unanimously approved Action Item 11 authorizing Guadalupe-Blanco River Authority staff to open bank and investment accounts for management of bond proceeds and debt service obligations for the New Braunfels office expansion.

The Chairman called for **Action Item 14 - Consideration of and possible action approving an amendment to the GBRA Fiscal Year 2022 Work Plan and Budget to adopt a wastewater rate for the Johnson Ranch wastewater system.** Sandra Terry, Deputy Executive Manager of Finance, is seeking approval for a proposed amendment to the FY2022 GBRA Annual Work Plan and Budget to establish a new wastewater rate for a new nursing facility in the Johnson Ranch wastewater system. Upon Motion by Director Carbonara, seconded by Director Meador, the Board unanimously approved

Action Item 14 approving an amendment to the GBRA Fiscal Year 2022 Work Plan and Budget to adopt a wastewater rate for the Johnson Ranch wastewater system.

The Chairman called for **Action Item 15 - 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 which provides the best value for the Guadalupe-Blanco River Authority, for the Western Canyon Regional Water Supply System Zebra Mussel Mitigation Project.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization for the General Manager/CEO to execute a contract for the proposed project to perform mechanical removal and install a chemical injection system designed to prevent future growth of Zebra mussels in the Western Canyon Regional Water Supply Water System. Upon Motion by Director Fogle, seconded by Director Carbonara, the Board unanimously approved Action Item 15 authorizing the General Manager/CEO to negotiate and execute a contract with the highest ranked bidder, based on a Competitive Sealed Proposal process which provides the best value for the Guadalupe-Blanco River Authority and for the Western Canyon Regional Water Supply System Zebra Mussel Mitigation Project.

The Chairman called for **Discussion Item 16 - Discussion regarding Base Flow Report, Water Quality Index, long-term weather pattern, and condition of the Guadalupe Basin.** Charlie Hickman, Executive Manager of Engineering, briefed the Board on the Guadalupe River Basin hydrologic conditions. The Edwards Aquifer and the majority of the basin are showing dry conditions with median flow. Canyon Lake is showing about 907.93 feet. Currently, Comal Springs is flowing around 261 cfs.

There being no further business to be brought before the Board, the open meeting was recessed at 11:15 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 Government Code.

The open meeting reconvened at 12:58 p.m. There being no further business to be brought before the Board, the meeting was adjourned at 1:00 p.m. subject to call by the Chairman.

Chairman

Secretary