

**GUADALUPE-BLANCO RIVER AUTHORITY**  
**Minutes of the Board of Directors**  
**June 15, 2022**

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular meeting on June 15, 2022, at the GBRA Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Don Meador, Sheila Old, William Carbonara, Andra Wisian and Emanuel Valdez. Directors Ehrig, Motl and Fogle were not present. Present in the Annex Building at 905 Nolan Street, Seguin, Texas were Kevin Patteson, General Manager/CEO, 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; Randy Staats, Executive Manager of Finance/Chief Financial Officer; Nathan Pence, Executive Manager of Environmental Science; Tommy Hill, Senior Advisor to the General Manager; Travis Sales, Outside Counsel; Justin Adkins, Assistant General Counsel; and Amanda Reichle, Safety and Risk 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:

Director Meador led the Pledges 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 May 18, 2022 Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for May 2022; Consent Item 4 - Consideration of and possible action approving the monthly operations report for May 2022; Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers for May 2022; and Consent Item 6 - Consideration of and possible action to approve a change order with Zachry Construction in the amount of \$58,817.52 for stoplog support bracket modifications on the Lake Dunlap Spillgate Replacement and Dam Armoring Project.** Upon Motion by Director Meador, seconded by Director Carbonara, the Board unanimously approved Consent Items 2, 3, 4, 5 and 6. Director Old was not present for this vote.

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.** Amanda Reichle, Safety and Risk Manager, gave a safety update stating that in the past month there were no lost time incidents, two incident reports, and two active COVID-19 cases reported. GBRA safety instruction classes in June focused on travel safety and confined space. Active Shooter Preparedness training will be conducted in late June. GBRA is continuing to stress the importance of heat related prevention measures. Next, Charlie Hickman, Executive Manager of Engineering, presented a quarterly update to include staffing, the New Braunfels Campus II construction, Dunlap Dam project, and the McQueeney/Placid Dam projects. Installation of the pipeline from the water treatment plant to the well sites for the Carrizo Groundwater Supply Project (CGSP) should begin later in June and the water treatment plant is about 25% completed. The booster pump station at Maxwell is about 15% completed. Mr. Hickman also discussed the treated transmission facilities, integration facilities, schedule update, cash flow and funding for the project. To meet the demands for Caldwell County, GBRA submitted a permitting package to the district last month for 3 additional wells as part of the CGSP along the SH130 corridor. The Sunfield Wastewater Treatment Plant expansion project is about 90% design complete. The Dietz Collection System lift station has achieved almost substantial completion. The lift station,

force main and gravity lift station at Stein Falls are also substantially complete. Next, Nathan Pence, Executive Manager of Environmental Science, gave a quarterly briefing to the Board on the Canyon Lake Gorge 20<sup>th</sup> anniversary activities and introduction of John LaBonte, Head Gorge program assistant, and Mike Riordon, head Gorge Park Ranger.

The Chairman then called for **Action Item 8 - Consideration of and possible action authorizing the issuance of purchase orders for FY 23 budgeted items having long lead times.** David Harris, Executive Manager of Operations, is seeking authorization to issue purchase orders and initiate the orders to limit delays during the new fiscal year due to current market conditions dictating rising costs and delayed deliveries. Upon Motion by Director Wisian, seconded by Director Carbonara, the Board unanimously approved Action Item 8 authorizing the issuance of purchase orders for FY 23 budgeted items having long lead times.

Next, the Chairman called for **Action Item 9 - Consideration of and possible action approving a resolution authorizing the issuance of up to \$28,000,000 in aggregate principal amount of Guadalupe-Blanco River Authority Revenue Improvement Bonds, Series 2022 (Sunfield Wastewater System Project); delegating authority to certain GBRA officers to determine the method of sale, to select underwriters (if the Series 2022 bonds are to be sold pursuant to a negotiated underwriting), and 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, if necessary; and authorizing all other instruments and procedures related thereto.** Randy Staats, Executive Manager of Finance/CFO, is seeking approval of a resolution authorizing the issuance of bonds to provide funding for design, construction, and equipping of the Sunfield Wastewater Treatment Plant and system. Upon Motion by Director Valdez, seconded by Director Meador, the Board unanimously approved Action Item 9 approving a resolution authorizing the issuance of up to \$28,000,000 in aggregate principal amount of Guadalupe-Blanco River Authority Revenue Improvement Bonds, Series 2022 (Sunfield Wastewater System Project); delegating authority to certain GBRA officers to determine the method of sale, to select underwriters (if the Series 2022 bonds are to be sold pursuant to a negotiated underwriting), and 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, if necessary; and authorizing all other instruments and procedures related thereto. A copy of the Resolution is attached and made a part of these minutes.

The Chairman then called for **Action Item 10 - 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 Sunfield plant expansion.** Sandra Terry, Deputy Executive Manager of Finance, is seeking authorization, pursuant to GBRA Board Policy 413, to initiate a new bank account to serve the accounts for bond proceeds and debt repayment

purposes for the construction of the Sunfield plant expansion. Upon Motion by Director Old, seconded by Director Meador, the Board unanimously approved Action Item 10 authorizing Guadalupe-Blanco River Authority staff to open bank and investment accounts for management of bond proceeds and debt service obligations for the Sunfield plant expansion.

The Chairman called for **Action Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Right-of-Way Services Agreement with one or more firms to provide on-call services for unspecified projects for GBRA.** Teresa Van Booven, Project and Community Representative, is seeking authorization to solicit Statements of Qualifications (SOQ) from consulting right-of-way firms to review appraisal, negotiations, escrow, title coordination, project management and administrative services for acquisition of right-of-way for wastewater collection, and water transmission lines located in the ten (10) counties within GBRA's jurisdictional territory. Upon Motion by Director Carbonara, seconded by Director Valdez, the Board unanimously approved Action Item 11 authorizing the General Manager/CEO to negotiate and execute a Right-of-Way Services Agreement with one or more firms to provide on-call services for unspecified projects for GBRA.

The Chairman called for **Action Item 12 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Contract with the Qualified Engineering Firm(s) to perform Program Management / Owner's Advisor services in conjunction with the Mid-Basin Water Supply Project.** Brian Perkins,

Deputy Executive Manager of Engineering, is seeking authorization to negotiate and execute a contract with a qualified engineering firm(s) to expedite the development and implementation of additional phases of the Mid-Basin Project in order to meet additional demands in the Mid-Basin area over the next decade. Upon Motion by Director Old, seconded by Director Meador, the Board unanimously approved Action Item 12 authorizing the General Manager/CEO to negotiate and execute a Contract with the Qualified Engineering Firm(s) to perform Program Management / Owner's Advisor services in conjunction with the Mid-Basin Water Supply Project.

The Chairman called for **Action Item 13 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Amended and Restated Wholesale Wastewater Treatment Service Agreement with the City of Buda.** Darrell Nichols, Senior Deputy General Manager, is seeking authorization to amend the Wholesale Wastewater Treatment Service Agreement with the city of Buda in order to service additional properties in the City's ETJ multi-family development to receive wastewater treatment services from GBRA's Sunfield Plant. Upon Motion by Director Wisian, seconded by Director Meador, the Board unanimously approved Action Item 13 authorizing the General Manager/CEO to negotiate and execute an Amended and Restated Wholesale Wastewater Treatment Service Agreement with the City of Buda.

The Chairman called for **Action Item 14 - Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority, declaring a public necessity for the acquisition of court orders to obtain entry onto a certain**

**property for the purpose of making boundary, topographic, environmental, archeological, and geotechnical surveys, and appraisals in connection with the expansion of the wastewater collection system for the Stein Falls Reclamation facility onto said property to be identified to wit:**

**Parcel 1, Guadalupe County Appraisal District ID No. 62400, Dorothy M. Rheinlaender, individually and Larry Guy Rheinlaender, Lana Jean Rheinlaender Cole, and Lisa Kay Rheinlaender Whitehouse, as Trustees of the Rheinlaender Credit Trust created under the Last Will and Testament of James G. Rheinlaender filed in Case No. 2009-PC-0106, Probate Records, Guadalupe County, Texas, and identified on map attached as Exhibit "A".**

Justin Adkins, Assistant General Counsel, is seeking a Resolution authorizing GBRA to declare a public necessity for the acquisition of court order to obtain entry onto a certain property for the purpose of making boundary, topographic, environmental, archeological, and geotechnical surveys, and appraisals in connection with the expansion of the wastewater collection system for the Stein Falls Reclamation System in Guadalupe County, Texas. Upon Motion by Director Meador, seconded by Director Wisian, the Board unanimously approved Action Item 14 approving a Resolution by the Guadalupe-Blanco River Authority, declaring a public necessity for the acquisition of court orders to obtain entry onto a certain property for the purpose of making boundary, topographic, environmental, archeological, and geotechnical surveys, and appraisals in connection with the expansion of the wastewater collection system for the Stein Falls Reclamation facility onto said property to be identified to wit:

Parcel 1, Guadalupe County Appraisal District ID No. 62400, Dorothy M. Rheinlaender, individually and Larry Guy Rheinlaender, Lana Jean Rheinlaender Cole, and Lisa Kay Rheinlaender Whitehouse, as Trustees of the Rheinlaender Credit Trust created under the Last Will and Testament of James G. Rheinlaender filed in Case No.

2009-PC-0106, Probate Records, Guadalupe County, Texas, and identified on map attached as Exhibit "A".

A copy of the Resolution is attached and made a part of these minutes.

The Chairman called for **Discussion Item 15 - Discussion and presentation of the Fiscal Year 2023 proposed Guadalupe-Blanco River Authority Work Plan and Budget.** Randy Staats, Executive Manager of Finance/CFO, gave an overview of the Fiscal Year 2023 proposed Work Plan and Budget to include the background of the budget and statutes and policies. Mr. Staats discussed the budget process, budget and financial reporting, operating systems, debt issuance, economic impacts, staffing additions, growth, expenses and revenues.

Next, 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 below average precipitation conditions with declining flows. Canyon Lake is showing about 906.25 feet. Currently, Comal Springs is flowing around 141 cfs.

There being no further business to be brought before the Board, the open meeting was recessed at 11:18 p.m. subject to call by the Chairman and convened the meeting in executive session at 11:35 p.m. pursuant to Chapter 551, Texas Government Code.

The open meeting reconvened at 12:37 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 12:38 p.m. subject to call by the Chairman.

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Chairman

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Secretary