

GUADALUPE-BLANCO RIVER AUTHORITY

Board of Directors Meeting

October 19, 2022



GUADALUPE-BLANCO RIVER AUTHORITY

October Meeting Schedule

Board of Director's Meeting

Wednesday, October 19, 2022

10:00 a.m.

GBRA, River Annex Board Room
905 Nolan St., Seguin, Texas 78155

NOTICE OF MEETING GUADALUPE-BLANCO RIVER AUTHORITY BOARD OF DIRECTORS

In accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code, the Guadalupe-Blanco River Authority (GBRA), whose principal office is in the City of Seguin, Guadalupe County, Texas, hereby gives notice of a meeting of its **BOARD OF DIRECTORS** to be held at the **Guadalupe-Blanco River Authority, Annex Building, 905 Nolan, Seguin, Guadalupe County, Texas, at 10:00 a.m., on Wednesday, October 19, 2022.**

CALL TO ORDER

- Chair's consideration of posted notices
- Pledge of Allegiance
- Welcome guests

PUBLIC COMMENTS

1. Comments from the public. **NOTE:** This portion of the meeting is intended for comments from the public on non-agenda item related topics. Please limit comments to **3 MINUTES**. To address the Board please sign and completely fill out the Attendance Sheet maintained at the entrance to the building where meeting is being held. **NO RESPONSE MAY BE MADE OR ACTION TAKEN BY THE BOARD DURING PUBLIC COMMENTS.** To address the Board related to an item posted on the agenda for action or discussion, please indicate the Item number you wish to comment on using the Attendance Sheet. The Board will call individuals to make comments at the appropriate time.

CONSENT ITEMS

2. Consideration of and possible action approving the minutes of the September 21, 2022 Board meeting.

Attachment

3. Consideration of and possible action approving the monthly financial report for September 2022.

Attachment

4. Consideration of and possible action approving the monthly operations report for September 2022.

Attachment

5. Consideration of and possible action approving Directors' expense vouchers for September 2022.

Attachment

6. Consideration of and possible action approving the sale of equipment in accordance with GBRA Board Policy 411-Capital Assets. **(Sandra Terry)**

Attachment

7. Consideration of and possible action approving a change order with M5 Utilities, LLC in the amount of \$93,516.29 for additional work for the Carrizo Groundwater Supply Program Delivery Points Pipeline Project. **(Daniel Worley, Peter Newell)**

Attachment

GENERAL MANAGER/CEO ITEMS

8. 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. **(David Harris, Charlie Hickman, Nathan Pence, Randy Staats, Vanessa Guerrero, Amanda Reichle)**

Attachment

ACTION ITEMS

9. Consideration of and possible action authorizing the Acting General Manager/CEO to seek competitive quotes, negotiate and execute a contract to rehabilitate and repave portions of Coleta Creek Park Roads. **(David Harris)**

Attachment

10. Consideration of and possible action approving the January 1, 2022 Actuarial Valuation for the Retirement Plan for Employees of the Guadalupe-Blanco River Authority, the recommended contribution of \$708,115 included therein, and a supplemental contribution of \$91,885. **(Randy Staats)**

Attachment

11. Consideration of and possible action approving a Resolution authorizing the Issuance of \$39,670,000 in Aggregate Principal Amount of Guadalupe-Blanco River Authority Contract Revenue Bonds, Series 2022 (Low-Interest Financing) (Carrizo Groundwater Supply Expansion Project); authorizing the sale thereof to the Texas Water Development Board (TWDB) through its State Water Implementation Fund for Texas (SWIFT) Program; approving and authorizing the execution of a Paying Agent/Registrar Agreement and an Escrow Agreement related to such bonds; approving and authorizing the execution of separate Continuing Disclosure Agreements with County Line Special Utility District, Goforth Special Utility District, and Maxwell Special Utility District; approving and authorizing all other instruments and procedures related thereto; and providing for an immediate effective date. **(Randy Staats)**

Attachment

12. Consideration of and possible action approving a Resolution authorizing the issuance of up to \$5,000,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, for the primary purpose of financing improvements to the Diversion Dam & Saltwater Barrier; authorizing the sale thereof pursuant to a competitive sale; delegating authority to the Acting General Manager/CEO and the Executive Manager of Finance/CFO to approve all final terms of the Bonds; approving and authorizing the execution of all instruments and procedures related thereto including a Paying Agent/Registrar Agreement; authorizing the preparation and distribution of an Official Statement; and containing other provisions related thereto. **(Randy Staats)**

Attachment

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 improvements to the Diversion Dam & Saltwater Barrier.

(Sandra Terry)

Attachment

14. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an asset purchase agreement with Undine Wholesale Supply, LLC for the sale and transfer of the GBRA Port Lavaca Water Treatment Plant property and assets in Calhoun County, Texas. **(Darrell Nichols, Joe Cole)**

15. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an asset purchase agreement with Undine Texas, LLC, and Undine Texas Environmental, LLC for the sale and transfer of the GBRA Calhoun County Rural Water System and Crestview Wastewater System properties and assets in Calhoun County, Texas. **(Darrell Nichols, Joe Cole)**

16. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement with Undine Texas, LLC and Undine Wholesale Supply, LLC to operate the Calhoun County Rural Water System. **(Courtney Kerr-Moore, Darrell Nichols)**

Attachment

17. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement with Undine Texas Environmental, LLC to operate the Crestview Wastewater System. **(Courtney Kerr-Moore, Darrell Nichols)**

Attachment

18. Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain water pipeline easements for the San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project in connection therewith, over, across, upon and under certain privately owned real properties; authorizing all appropriate action by the General Manager/CEO, staff, retained attorneys, other governmental entities conducting eminent domain proceedings on GBRA's behalf, and engineering and technical consultants in the institution and prosecution of condemnation proceedings to acquire any such needed easements and related rights of ingress and egress that cannot be acquired through negotiation; declaring further negotiations futile; ratifying and affirming all acts and proceedings heretofore done or initiated by employees, agents, and attorneys of GBRA, and other governmental entities conducting eminent domain proceedings on GBRA's behalf to acquire such property interests, including necessary acts for any applicable lienholders for such properties; authorizing all other lawful action necessary and incidental to such acquisitions or eminent domain proceedings to survey, specify, define, and secure the necessary interests in real property; declaring the sections of the Resolution to be severable one from the other in the event any section of the Resolution is determined to be invalid; said property to be identified to wit:

Parcel 7 – HK Riley's Pointe, LLC, a Texas limited liability company, being approximately 0.040 acre or 1,744 square feet, and 0.004 acre or 161 square feet out of the Jesse W. Wilson Survey, Abstract No. 481, in Hays County, Texas, being a portion of that called 267.339 acre tract conveyed to HK Riley's Pointe, LLC by Special Warranty Deed, as recorded in Document No. 200111114 of the Official Public Records of Hays County, Texas, attached as Exhibit "A", and;

Parcel 6 – HK Baugh Ranch, LLC, a Texas limited liability company, being approximately 0.021 acre tract of land (approximately 906 sq. ft.), out of the John McGuire Survey, Abstract No. 320, in Hays County, Texas, being a portion of that 119.988 acre tract conveyed to HK Baugh Ranch, LLC by Special Warranty Deed with Vendor's Lien dated October 30, 2019, as recorded in Document No. 19040023 of the Official Public Records of Hays County, Texas, attached as Exhibit "B". **(Courtney Kerr-Moore, Peter Newell)**

Attachment

DISCUSSION ITEMS

19. Discussion regarding Base Flow Report, Water Quality Index, long term weather pattern, and condition of the Guadalupe Basin. **(Charlie Hickman)**

Attachment

ITEMS FOR EXECUTIVE SESSION

20. The Board may meet in Executive Session as authorized by Chapter 551, Texas Government Code, to discuss the following matters: a. Any items listed on this agenda; b. Advice from legal counsel about pending or threatened litigation, including litigation options, representation, settlements, settlement-related agreements and memoranda of understanding and, if applicable, the impact of pending or contemplated litigation on GBRA projects and proposed projects; c. The following matters: (i) Williams v. GBRA (25th Judicial District Court); (ii) GBRA's Mid-Basin Water User Permit Application in Gonzales County (98th District Court of Travis County); (iii) San Antonio Water System's application to TCEQ for a bed and banks permit on the San Antonio River (TCEQ); (iv) Cibolo Creek Municipal Authority's application to TCEQ for a bed and banks permit on the San Antonio River (TCEQ); (v) GBRA v. Henke (24th District Court of Calhoun County); (vi) other pending applications for TCEQ water use or water quality permits on which GBRA is the permittee or co-permittee; (vii) pending applications for TCEQ water use or water quality permits in the Guadalupe or adjacent river basins; and (viii) pending or threatened litigation to which GBRA is a party or potential party; d. Advice from legal counsel about pending litigation or threatened litigation relating to right of way acquisition; deliberation on matters relating to the purchase, exchange, lease, or value of real property interests and advice from legal counsel on those matters, including without limitation, issues relating to (i) right-of-way acquisitions for GBRA-related projects within or adjacent to the boundaries of GBRA; (ii) exchange, sale, or transfer of real property interests within or adjacent to the boundaries of GBRA; and (iii) sale, acquisition, and/or transfer of GBRA water treatment and distribution assets in Calhoun County; e. Briefing and advice from legal counsel relating to matters covered by legal counsel's duty of confidentiality, including without limitation: (i) issues relating to agreements under negotiation; (ii) issues relating to potential litigation and representation in that litigation, including without limitation, issues or disputes arising from existing contracts to which GBRA is a party and bid protests, (iii) legal and regulatory issues relating to GBRA's groundwater and/or surface water rights and permits throughout the Guadalupe River Basin; (iv) issues relating to GBRA easement rights, enforcement of same, and other property rights; and (v) issues relating to agricultural water sales; f. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of public officers or employees; and to receive and obtain legal advice regarding same from legal counsel.
- General Manager/CEO, public officers, or employees

No action will be taken in executive session. The Board may take final action on any of the above-mentioned matters while convened in open session pursuant to Chapter 551 of the Texas Government Code.

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PUBLIC COMMENTS

1. Comments from the public. **NOTE:** This portion of the meeting is intended for comments from the public on non-agenda item related topics. Please limit comments to **3 MINUTES**. To address the Board please sign and completely fill out the Attendance Sheet maintained at the entrance to the building where meeting is being held. NO RESPONSE MAY BE MADE OR ACTION TAKEN BY THE BOARD DURING PUBLIC COMMENTS. To address the Board related to an item posted on the agenda for action or discussion, please indicate the Item number you wish to comment on using the Attendance Sheet. The Board will call individuals to make comments at the appropriate time.

CONSENT ITEM

2. Consideration of and possible action approving the minutes of the September 21, 2022 Board meeting. **Attachment**

GUADALUPE-BLANCO RIVER AUTHORITY
Minutes of the Board of Directors
September 21, 2022

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular meeting on September 21, 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, Steve Ehrig, Kenneth Motl, Oscar Fogle and Emanuel Valdez. Present in the Annex Building at 905 Nolan Street, Seguin, Texas were Kevin Patteson; Darrell Nichols, Acting General Manager/CEO; 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; Joe Cole, General Counsel; Courtney Kerr-Moore, Assistant General Counsel; Justin Adkins, Assistant General Counsel; Amanda Reichle, Safety and Risk Manager; and Kevin Jacobs, Outside 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 Wisian led the Pledges of Allegiance to the United States flag and the Texas flag.

The Chairman then called for **Public Comments from the public**. There were no public comments.

The Chairman called for **Consent Item 2 - Consideration of and possible action approving the minutes of the August 17, 2022 Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for August 2022; Consent Item 4 - Consideration of and possible action approving the monthly operations report for August 2022; Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers for August 2022; Consent Item 6 - Consideration of and possible action to approve a change order with Zachry Construction in the amount of \$57,075.47 for work associated with the October 14, 2021 flood event on the Lake Dunlap Spillgate Replacement and Dam Armoring Project (Change Order #16); and Consent Item 7 - Consideration of and possible action to approve a change order with FA Nunnelly in the amount of \$107,453.88 for audio/visual system changes, office safety changes, structural changes, and civil changes on the New Braunfels Office Expansion project (Change Order #2)**. Upon Motion by Director Meador, seconded by Director Carbonara, the Board unanimously approved Consent Items 2, 3, 4, 5, 6 and 7.

The Chairman then called for **General Manager/CEO Item 8 - 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/CFO, briefed the Board on bond issuance activities, reimbursement resolutions, recent fraud attempts and internal controls and upcoming items to include bond transactions, defined benefits pension plan, and the FY22 financial audit. Next, Amanda Reichle, Safety and Risk Manager, gave a safety update stating that in the past month there were no lost time incidents of injuries or illnesses. Safety awards were presented to all eligible employees at the recent staff meeting in New Braunfels. Focused efforts will begin with the selected consultants on the FY 2023 Hazard Mitigation Plan due next fall. Charlie Hickman, Executive Manager of Engineering, introduced a new employee, Ernest Saldonyo, Construction Inspector, to the Board.

Next, the Chairman called for **Action Item 9 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute a Small Utility Enterprise Agreement (SUEA) contract with Esri, GBRA's existing GIS software vendor, to significantly increase available GIS licensing and advance the**

use and functionality of GBRA's enterprise GIS platform. Mysti Downing, GIS Administrator, is seeking authorization for a three-year unlimited licensing agreement with ESRI GIS Software for a suite of advanced licensing including unlimited server, desktop and extension licenses, a developer license for creating custom tools, Creator and Utility Network user licenses for GBRA's Portal, custom applications and tools. Upon Motion by Director Fogle, seconded by Director Wisian, the Board unanimously approved Action Item 9 authorizing the Acting General Manager/CEO to negotiate and execute a Small Utility Enterprise Agreement (SUEA) contract with Esri, GBRA's existing GIS software vendor, to significantly increase available GIS licensing and advance the use and functionality of GBRA's enterprise GIS platform.

The Chairman then called for **Action Item 10 - Consideration of and possible action adopting the GBRA Strategic Plan for 2023-2028.** Jonathan Stinson, Deputy General Manager, is seeking adoption of the GBRA Strategic Plan for 2023-2028. Upon Motion by Director Fogle, seconded by Director Carbonara, the Board unanimously approved Action Item 10 adopting the GBRA Strategic Plan for 2023-2028.

The Chairman called for **Action Item 11 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate a contract with the Texas Water Trade for water for environmental flows for up to 3 years.** Nathan Pence, Executive Manager of Environmental Science, is seeking authorization to negotiate a contract with Texas Water Trade, a Texas nonprofit organization, to purchase water from GBRA for wildlife water purposes. Upon Motion by Director Meador, seconded by Director Carbonara, the Board unanimously approved Action Item 11 authorizing the

Acting General Manager/CEO to negotiate a contract with the Texas Water Trade for water for environmental flows for up to 3 years.

The Chairman called for **Action Item 12 - Consideration of and possible action ratifying execution of a purchase order by the Acting General Manager/CEO related to repairs at the Saltwater Barrier in Calhoun County.** Courtney Kerr-Moore, Assistant General Counsel, is seeking ratification of the purchase order for repairs at the Saltwater Barrier in Calhoun County. Upon Motion by Director Motl, seconded by Director Ehrig, the Board unanimously approved Action Item 12 ratifying execution of a purchase order by the Acting General Manager/CEO related to repairs at the Saltwater Barrier in Calhoun County.

The Chairman called for **Action Item 13 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute multiple contracts with a collective amount not to exceed \$5,000,000 related to the design and construction of repairs to the Saltwater Barrier Dam.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization to negotiate multiple contracts for the gate system, on-call design services and various other contracts relating to crane and pump rental, demolition, building modification and electrical system installation for repairs to the Saltwater Barrier Dam. Upon Motion by Director Motl, seconded by Director Meador, the Board unanimously approved Action Item 13 authorizing the Acting General Manager/CEO to negotiate and execute multiple contracts with a collective amount not to exceed \$5,000,000 related to the design and construction of repairs to the Saltwater Barrier Dam.

The Chairman then called for **Action Item 14 - Consideration of and possible action adopting a Resolution Expressing Official Intent to reimburse costs incurred to design, construct, and equip infrastructure repairs and replacement to the Diversion Dam & Saltwater Barrier.** Randy Staats, Executive Manager of Finance/CFO, is seeking adoption of a Resolution allowing reimbursement from bond funds for funds expended related to the design, construction, equipping of infrastructure, repairs to and replacement of the Diversion Dam & Saltwater Barrier. Upon Motion by Director Motl, seconded by Director Carbonara, the Board unanimously approved Action Item 14 adopting a Resolution Expressing Official Intent to reimburse costs incurred to design, construct, and equip infrastructure repairs and replacement to the Diversion Dam & Saltwater Barrier. A copy of the Resolution is attached and made a part of these minutes.

The Chairman then called for **Action Item 15 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute purchase orders for the purchase of furniture, fixtures, and equipment for the GBRA office building in New Braunfels.** Randy Staats, Executive Manager of Finance/CFO, is seeking authorization to purchase furniture, fixtures, equipment and the necessary technology for the GBRA office building in New Braunfels. Bond proceeds for the project were received in May 2022, which included funds to furnish the building. Upon Motion by Director Old, seconded by Director Wisian, the Board unanimously approved Action Item 15 authorizing the Acting General Manager/CEO to negotiate and execute purchase orders for the purchase of furniture, fixtures, and equipment for the GBRA office building in New Braunfels.

The Chairman then called for **Action Item 16 - Consideration of and possible action adopting the Management Audit Report performed during 2022 and authorizing submission to the Texas Commission on Environmental Quality.** Randy Staats, Executive Manager of Finance/CFO, is seeking adoption of the Management Audit Report conducted by ABIP in June and July 2022 as prescribed by Texas Administrative Code (TAC) Title 30 Rule 292.13(6)(a) to be submitted to the Texas Commission on Environmental Quality. Mike Del Toro, the representative from ABIP, provided a summary to the Board of the management audit. Upon Motion by Director Wisian, seconded by Director Motl, the Board unanimously approved Action Item 16 adopting the Management Audit Report performed during 2022 and authorizing submission to the Texas Commission on Environmental Quality.

Next, the Chairman then called for **Action Item 17 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute a Joint Funding Agreement between the United States Geological Survey and GBRA for the period October 2022 through September 2023 for stream gauge monitoring.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization to execute a Joint Funding Agreement to fund ongoing maintenance to the existing fifty-four river gauges to continue to provide stage and stream flow gauging and water quality testing at various sites in the basin. Upon Motion by Director Fogle, seconded by Director Wisian, the Board unanimously approved Action Item 17 authorizing the Acting General Manager/CEO to negotiate and execute a Joint Funding

Agreement between the United States Geological Survey and GBRA for the period October 2022 through September 2023 for stream gauge monitoring.

Next, the Chairman then called for **Action Item 18 - Consideration of and possible action authorizing the Acting General Manager/CEO to make payment to the Sunfield Municipal Utility District for pipeline work and approving an amendment to the GBRA Fiscal Year 2023 Work Plan and Budget for the project.**

Amy Uniacke, Treatment Design Director, briefed the Board on the sewer pipe owned by GBRA within the Sunfield Municipal Utility District that was exposed due to stormwater erosion. Ms. Uniacke is seeking authorization to make payment on behalf of GBRA to Sunfield Municipal Utility District for GBRA's portion of the repair work. Upon Motion by Director Motl, seconded by Director Ehrig, the Board unanimously approved Action Item 18 authorizing the Acting General Manager/CEO to make payment to the Sunfield Municipal Utility District for pipeline work and approving an amendment to the GBRA Fiscal Year 2023 Work Plan and Budget for the project.

The Chairman then called for **Action Item 19 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute a Memorandum of Understanding (MOU) with Gulf Coast Authority (GCA) to collaborate on the provision of industrial wastewater treatment operations in GBRA's service area.** Joe Cole, General Counsel, is seeking authorization to negotiate an MOU with GCA for collaboration on potential industrial wastewater treatment operations in GBRA's service area. Upon Motion by Director Wisian, seconded by Director Meador, the Board unanimously approved Action Item 19 authorizing the Acting

General Manager/CEO to negotiate and execute a Memorandum of Understanding (MOU) with Gulf Coast Authority (GCA) to collaborate on the provision of industrial wastewater treatment operations in GBRA's service area.

Next, the Chairman then called for **Action Item 20 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute a Letter of Agreement with Alliance Regional Water Authority (ARWA) to collaborate and support respective efforts regarding wellfield siting and groundwater production permitting.** Darrell Nichols, Acting General Manager/CEO, is seeking authorization to negotiate a Letter of Agreement with ARWA regarding wellfield development within the Plum Creek Water Conservation District and Gonzales County Underground Water Conservation District. Upon Motion by Director Meador, seconded by Director Fogle, the Board unanimously approved Action Item 20 authorizing the Acting General Manager/CEO to negotiate and execute a Letter of Agreement with Alliance Regional Water Authority (ARWA) to collaborate and support respective efforts regarding wellfield siting and groundwater production permitting.

Next, the Chairman then called for **Action Item 21 - Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute a Raw Water Supply Agreement between Guadalupe-Blanco River Authority and the Port O'Connor Improvement District.** Joe Cole, General Counsel, is seeking authorization to negotiate a new raw water supply agreement to provide raw water to the Port O'Connor Improvement District for a term of forty years. Upon Motion by Director Meador, seconded by Director Fogle, the Board unanimously approved Action

Item 21 authorizing the Acting General Manager/CEO to negotiate and execute a Raw Water Supply Agreement between Guadalupe-Blanco River Authority and the Port O'Connor Improvement District.

The Chairman called for a brief recess at 11:19 a.m. and reconvened in open session at 11:30 a.m.

The Chairman then called for **Discussion Item 22 - 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 903.19 feet. Comal Springs is flowing around 119 cfs.

There being no further business to be brought before the Board, the open meeting was recessed at 11:35 a.m. subject to call by the Chairman and convened the meeting in executive session at 11:37 a.m. pursuant to Chapter 551, Texas Government Code.

The open meeting reconvened at 12:41 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 12:41 p.m. subject to call by the Chairman.

Chairman

Secretary

CONSENT ITEM

3. Consideration of and possible action approving the monthly financial report for September 2022.

Attachment



**FINANCIAL REPORT
TO THE
BOARD OF DIRECTORS**

Month Ending September 2022

Financial Report To The
BOARD OF DIRECTORS
Month Ending September 2022

Board of Directors

NAME	POSITION	COUNTY REPRESENTING
Dennis L. Patillo	Chair	Victoria
Don B. Meador	Vice Chair	Hays
William R. Carbonara	Sec/Treasurer	Dewitt
Emanuel Valdez	Director	Comal
Oscar H. Fogle	Director	Caldwell
Kenneth A. Motl, DVM	Director	Calhoun
Stephen B. “Steve” Ehrig	Director	Gonzales
Sheila L. Old	Director	Guadalupe
Andra Wisian	Director	Kendall

Executive Team

NAME	POSITION
Darrell Nichols	Acting General Manager/CEO
Jonathan Stinson	Deputy General Manager
Joe Cole	General Counsel
Vanessa Guerrero	Executive Manager of Administration
Charlie Hickman	Executive Manager of Engineering
Nathan Pence	Executive Manager of Environmental Science
Randy Staats	Executive Manager of Finance/CFO
David Harris	Executive Manager of Operations

Guadalupe-Blanco River Authority

Financial Statements Executive Summary

For the Period Ending September 30, 2022

FINANCIAL RESULTS - MONTH

	Budget	Actual	% of Budget
Revenue	\$6,907,155	\$5,970,542	86.4%
Expenses	\$5,822,756	\$3,789,717	65.1%
Net Revenue	\$1,084,399	\$2,180,825	

Note> Budget figures represent 1/12th of the Fiscal Year budget.



COMMENTS FOR MONTH

REVENUE:

Monthly total revenue was less than budget by \$936 K.
Water Sales were under budget by \$796 K due to end of fiscal year revenue recognition accounting standard requirements and timing of posting of reversing accounting entries.
Wastewater Services were less than budget by \$110 K due to limited connection fee revenue, which is cyclical during the fiscal year.
Power Sales were less than budget by \$107 K due low river flows.
Recreation was over budget by \$29 K due to seasonality.
Administrative & General was under budget by \$38 K due salary accruals at the end of FY 22 and timing of new position hiring. Revenue is offset by the same amount in A & G expense.

EXPENSES:

Overall, expenses were less than budget by \$2 M.

At the beginning of the fiscal year, many of the invoices presented for payment in September are related to goods or services received during August and are therefore recorded as expenses in the prior fiscal year (FY 22).

The FY 23 budget included the addition of 9 full time equivalent positions. Many of these positions have not been filled yet.

FINANCIAL RESULTS - FISCAL YEAR

	Budget	Actual	% of Budget
Revenue	\$6,907,155	\$5,970,540	86.4%
Expenses	\$5,822,756	\$3,789,718	65.1%
Net Revenue	\$1,084,399	\$2,180,822	

Note> Budget figures represent the portion of the Fiscal Year completed.



COMMENTS FOR FISCAL YEAR

REVENUE:

One month into the fiscal year, the Fiscal Year revenues will match the Monthly revenues. Explanations are presented above.

EXPENSES:

One month into the fiscal year, the Fiscal Year expenses will match the Monthly expenses. Explanations are presented above.

GENERAL COMMENTS:

- One month into the fiscal year, there have been no financial concerns.
- The Financial Practices & Strategies (adopted by the Board of Directors in November 2021) includes the establishment of a target reserve level of 90 days or 25% of budgeted operations and maintenance expenses. As of September 30, unrestricted cash and investments totaled **\$43.7 million**. This equates to **251 days** or **69%** of budgeted operations & maintenance expenses. A designated capital improvement project list is included in the annual Budget Binder to identify projects in which reserves may be necessary in the future.

Guadalupe-Blanco River Authority
Combining Income and Expense
September 30, 2022

	CURRENT		YEAR TO DATE	ANNUAL	%
	ACTUAL	BUDGET	ACTUAL	BUDGET	of BDGT
REVENUE					
Power Sales	\$ 49,900	\$ 36,068	\$ 49,900	\$ 432,813	11.53%
Water Sales and Lake Operations	3,961,419	4,757,579	3,961,419	57,090,952	6.94%
Recreation and Land Use	106,640	98,487	106,640	1,181,849	9.02%
Wastewater Services	954,310	1,065,167	954,310	12,782,002	7.47%
Laboratory Services	77,802	81,667	77,802	980,000	7.94%
Rental Income	24,264	32,553	24,264	390,633	6.21%
Administrative and General	196,770	407,092	196,770	4,885,106	4.03%
Interest Income	189,495	42,231	189,495	506,775	37.39%
Transfer to Project Fund Rev	4,800	-	4,800	-	-
Gain (Loss) on Cap. Assets	-	-	-	-	-
Miscellaneous	332,049	189,153	332,049	2,269,837	14.63%
Grants & Local Contributions	73,090	197,158	73,090	2,365,892	3.09%
Total Revenue	\$ 5,970,542	\$ 6,907,155	\$ 5,970,542	\$ 82,885,859	7.20%
EXPENSES					
Operating Expenses	\$ 2,620,609	\$ 4,331,006	\$ 2,620,609	\$ 51,972,077	5.04%
Maintenance and Repairs	160,677	425,599	160,677	5,107,187	3.15%
Administrative and General	196,770	407,092	196,770	4,885,106	4.03%
Interest Expense	811,661	664,996	811,661	7,979,957	10.17%
Transfer to Project Fund Exp	-	19,863	-	238,354	0.00%
Transfers-Restricted/Bond Covenant Fund Exp	-	-	-	-	-
Transfers-Reserve Fund Exp	-	(26,157)	-	(313,881)	0.00%
Customer-owned Capital Exp	-	358	-	4,300	0.00%
GBRA-owned Capital Exp	-	-	-	-	-
Total Expenses	\$ 3,789,717	\$ 5,822,758	\$ 3,789,717	\$ 69,873,100	5.42%
Net Operating Revenues	\$ 2,180,825	\$ 1,084,397	\$ 2,180,825	\$ 13,012,759	16.76%
Depreciation and Amortization	\$ 494,863	\$ -	494,863	-	-
Contributed Capital	-	-	-	-	-
Total Long-Term Assets	\$ 494,863	\$ -	\$ 494,863	\$ -	-
Net Income	1,685,962	1,084,397	1,685,962	13,012,759	12.96%
Deferred Revenues	\$ (174,269)	\$ -	\$ (174,269)	\$ -	-
NET INCOME TRANSFERRED TO RETAINED EARNINGS	\$ 1,511,693	\$ 1,084,397	\$ 1,511,693	\$ 13,012,759	11.62%

Guadalupe-Blanco River Authority
Combined Balance Sheet
September 30, 2022

CURRENT ASSETS

Cash	\$ 11,575,905
Designated Cash	0
Operating Investments	32,176,811
Designated Investment	-
Interest Receivable	65,281
A/R-Operating	3,683,488
Other Current Assets	651,702
Total Current Assets	48,153,187

RESTRICTED ASSETS

Cash	118,415,354
Investments	60,527,039
Interest Receivable	127,541
Total Restricted Assets	179,069,933

LONG-TERM ASSETS

Interfund Loans Receivable	11,274,415
Long-term Loan Receivable	4,384,173
Deferred Revenue	123,887
Total Long-Term Assets	15,782,475

FIXED ASSETS

Land and Land Rights	19,013,934
Water and Storage Rights	59,047,185
Dams, Plants and Equip.	222,651,271
Work in Progress	205,913,740
Capital Improvement Projects	2,208,809
Less Accum. Depreciation	(110,171,125)
Total Fixed Assets	398,663,815

OTHER ASSETS

Contract Development Costs	-
Debt Issuance Costs	-
FERC Permit/Wheeling Agree.	312,385
Deferred Outflows-DB Pension Plan	-
Deferred Outflows-TCDRS	1,106,210
Deferred Outflows-Bond Refunding	1,347,538
Total Other Assets	2,766,132

TOTAL ASSETS

\$ 644,435,543

CURRENT LIABILITIES (Unrestricted)

Curr. Portion, Long-term Loans	\$ 404,840
Interest Payable	21,788
A/P-Operating	2,997,530
A/P-Interfund	-
Total Current Liab. (Unrest.)	3,424,158

CURRENT LIABILITIES (Restricted)

Current Portion, Revenue Bonds	9,745,000
Interest Payable	9,728,568
A/P-Construction	-
Total Current Liab. (Restr.)	19,473,568

LONG-TERM LIABILITIES

Revenue Bonds Payable	457,054,131
Long-Term Loans Payable	2,677,037
Interfund Loans Payable	11,274,415
Less Current Portion	(10,149,840)
Total Long-Term Liabilities	460,855,743

OTHER LIABILITIES

Advances for Operations	158,298
Defined Benefit Pension Plan Liability	1,321,358
Deferred Inflows	39,096,569
Total Other Liabilities	40,576,225

TOTAL LIABILITIES

524,329,694

NET POSITION

Reserved/Unreserved Retained Earnings	118,594,157
Net Income	1,511,693
Total Net Position	120,105,849

TOTAL LIABILITIES & NET POSITION

\$ 644,435,543

Guadalupe-Blanco River Authority
Combining Balance Sheet
September 30, 2022

	GENERAL	G.V. HYDRO	RURAL UTILITIES	WATER SUPPLY	PORT LAVACA	RURAL WATER	COLETO CREEK	LULING	CANYON HYDRO	LOCKHART	TOTAL
CURRENT ASSETS											
Cash	\$ (81,499)	\$ (64,610)	\$ 8,307,417	\$ 1,906,581	\$ 204,204	\$ 85,709	\$ 240,088	\$ 279,885	\$ (6,978)	\$ 705,106	\$ 11,575,905
Designated Cash	-	-	-	-	-	-	-	-	-	-	-
Operating Investments	5,100,816	-	803,985	25,052,734	-	540,384	-	678,893	-	-	32,176,811
Designated Investments	-	-	-	-	-	-	-	-	-	-	-
Interest Receivable	10,561	-	715	46,047	-	4,350	-	3,609	-	-	65,281
A/R-Operating	41,739	49,950	556,803	2,115,987	147,577	152,574	219,979	35,652	368,943	(5,718)	3,683,488
Other Current Assets	29,367	118,631	25,459	328,019	79,371	12,428	7,039	9,483	13,934	27,971	651,702
Total Current Assets	5,100,985	103,971	9,694,377	29,449,369	431,152	795,445	467,107	1,007,522	375,899	727,360	48,153,187
RESTRICTED ASSETS											
Cash	-	70,447,090	373,131	47,595,132	-	-	-	-	-	-	118,415,354
Investments	-	19,403,250	4,845,460	36,039,268	-	-	-	239,060	-	-	60,527,039
Interest Receivable	95	39,355	10,177	77,770	-	-	-	143	-	-	127,541
Total Restricted Assets	95	89,889,696	5,228,768	83,712,171	-	-	-	239,204	-	-	179,069,933
LONG-TERM ASSETS											
Interfund Loans Receivable	11,274,415	-	-	-	-	-	-	-	-	-	11,274,415
Long-term Loan Receivable	15,288	-	-	4,368,885	-	-	-	-	-	-	4,384,173
Deferred Revenue	-	-	-	123,887	-	-	-	-	-	-	123,887
Total Long-Term Assets	11,289,703	-	-	4,492,772	-	-	-	-	-	-	15,782,475
FIXED ASSETS											
Land and Land Rights	1,035,561	5,835,231	1,180,974	9,974,579	41,424	51,396	-	869,584	12,187	13,000	19,013,934
Water and Storage Rights	-	1,239,504	-	57,801,973	-	-	-	5,708	-	-	59,047,185
Dams, Plants and Equip.	2,980,687	11,205,105	18,597,170	155,316,859	7,007,372	3,676,306	2,341,466	7,798,849	12,553,881	1,173,576	222,651,271
Work in Progress	-	22,191,248	25,207,942	157,849,880	664,670	-	-	-	-	-	205,913,740
Capital Improvement Projects	-	2,208,809	-	-	-	-	-	-	-	-	2,208,809
Less Accum. Depreciation	(2,175,986)	(8,901,312)	(6,663,509)	(68,249,126)	(6,041,860)	(2,137,875)	(1,862,042)	(4,187,263)	(9,045,581)	(906,571)	(110,171,125)
Total Fixed Assets	1,840,262	33,778,586	38,322,578	312,694,164	1,671,606	1,589,826	479,424	4,486,877	3,520,487	280,005	398,663,815
OTHER ASSETS											
Contract Development Costs	-	-	-	-	-	-	-	-	-	-	-
FERC Permit	-	-	-	-	-	-	-	-	312,385	-	312,385
Deferred Outflows-DB Pension Plan	-	-	-	-	-	-	-	-	-	-	-
Deferred Outflows-TCDRS	1,106,210	-	-	-	-	-	-	-	-	-	1,106,210
Deferred Outflows-Bond Refunding	-	-	-	1,347,538	-	-	-	-	-	-	1,347,538
Total Other Assets	1,106,210	-	-	1,347,538	-	-	-	-	312,385	-	2,766,132
TOTAL ASSETS	\$ 19,337,255	\$ 123,772,252	\$ 53,245,724	\$ 431,696,014	\$ 2,102,758	\$ 2,385,271	\$ 946,531	\$ 5,733,604	\$ 4,208,770	\$ 1,007,365	\$ 644,435,543

Guadalupe-Blanco River Authority
Combining Balance Sheet
September 30, 2022

	GENERAL	G.V. HYDRO	RURAL UTILITIES	WATER SUPPLY	PORT LAVACA	RURAL WATER	COLETO CREEK	LULING	CANYON HYDRO	LOCKHART	TOTAL
CURRENT LIABILITIES (Unrestricted)											
Curr. Portion, Long-term Loans	-	-	125,000	279,839	(0)	-	-	-	-	-	404,840
Interest Payable	-	-	-	21,788	-	-	-	-	-	-	21,788
A/P-Operating	455,108	96,502	235,458	1,244,077	118,340	52,582	172,774	37,236	14,358	571,095	2,997,530
A/P-Interfund	-	-	-	-	-	-	-	-	-	-	-
Total Current Liab. (Unrest.)	455,108	96,502	360,458	1,545,704	118,340	52,582	172,774	37,236	14,358	571,095	3,424,158
CURRENT LIABILITIES (Restricted)											
Current Portion, Revenue Bonds	-	2,360,000	-	7,075,000	-	-	-	310,000	-	-	9,745,000
Interest Payable	-	120,929	141,482	9,454,039	-	-	-	12,118	-	-	9,728,568
A/P-Construction	-	-	-	-	-	-	-	-	-	-	-
Total Current Liab. (Restr.)	-	2,480,929	141,482	16,529,039	-	-	-	322,118	-	-	19,473,568
LONG-TERM LIABILITIES											
Revenue Bonds Payable	-	112,495,000	30,211,775	311,541,348	-	-	-	2,806,008	-	-	457,054,131
Long-Term Loans Payable	-	-	1,514,228	1,162,809	-	-	-	-	-	-	2,677,037
Interfund Loans Payable	-	8,538,367	1,649,799	-	800,268	-	-	-	285,980	-	11,274,415
Less Current Portion	-	(2,360,000)	(125,000)	(7,354,839)	0	-	-	(310,000)	-	-	(10,149,840)
Total Long-Term Liabilities	-	118,673,367	33,250,802	305,349,318	800,269	-	-	2,496,008	285,980	-	460,855,743
OTHER LIABILITIES											
Advances for Operations	-	-	-	64,830	28,250	-	-	34,805	-	30,412	158,298
Defined Benefit Pension Plan Liability	1,321,358	-	-	-	-	-	-	-	-	-	1,321,358
Deferred Inflows	2,484,862	-	-	32,046,058	86,998	-	-	659,013	3,819,638	-	39,096,569
Total Other Liabilities	3,806,220	-	-	32,110,888	115,249	-	-	693,818	3,819,638	30,412	40,576,225
TOTAL LIABILITIES	4,261,328	121,250,799	33,752,741	355,534,949	1,033,857	52,582	172,774	3,549,180	4,119,977	601,507	524,329,694
NET POSITION											
Reserved/Unreserved Retained Earnings	15,273,909	2,513,778	19,279,142	75,108,114	1,001,004	2,270,799	693,856	2,085,021	100,605	267,929	118,594,157
Net Income	(197,981)	7,676	213,840	1,052,951	67,897	61,889	79,900	99,402	(11,811)	137,930	1,511,693
Total Net Position	15,075,928	2,521,453	19,492,982	76,161,064	1,068,901	2,332,688	773,756	2,184,423	88,794	405,859	120,105,849
TOTAL LIABILITIES & NET POSITION	\$ 19,337,256	\$ 123,772,252	\$ 53,245,724	\$ 431,696,014	\$ 2,102,758	\$ 2,385,270	\$ 946,531	\$ 5,733,603	\$ 4,208,771	\$ 1,007,365	\$ 644,435,543

Guadalupe-Blanco River Authority
Combining Income and Expense
September 30, 2022

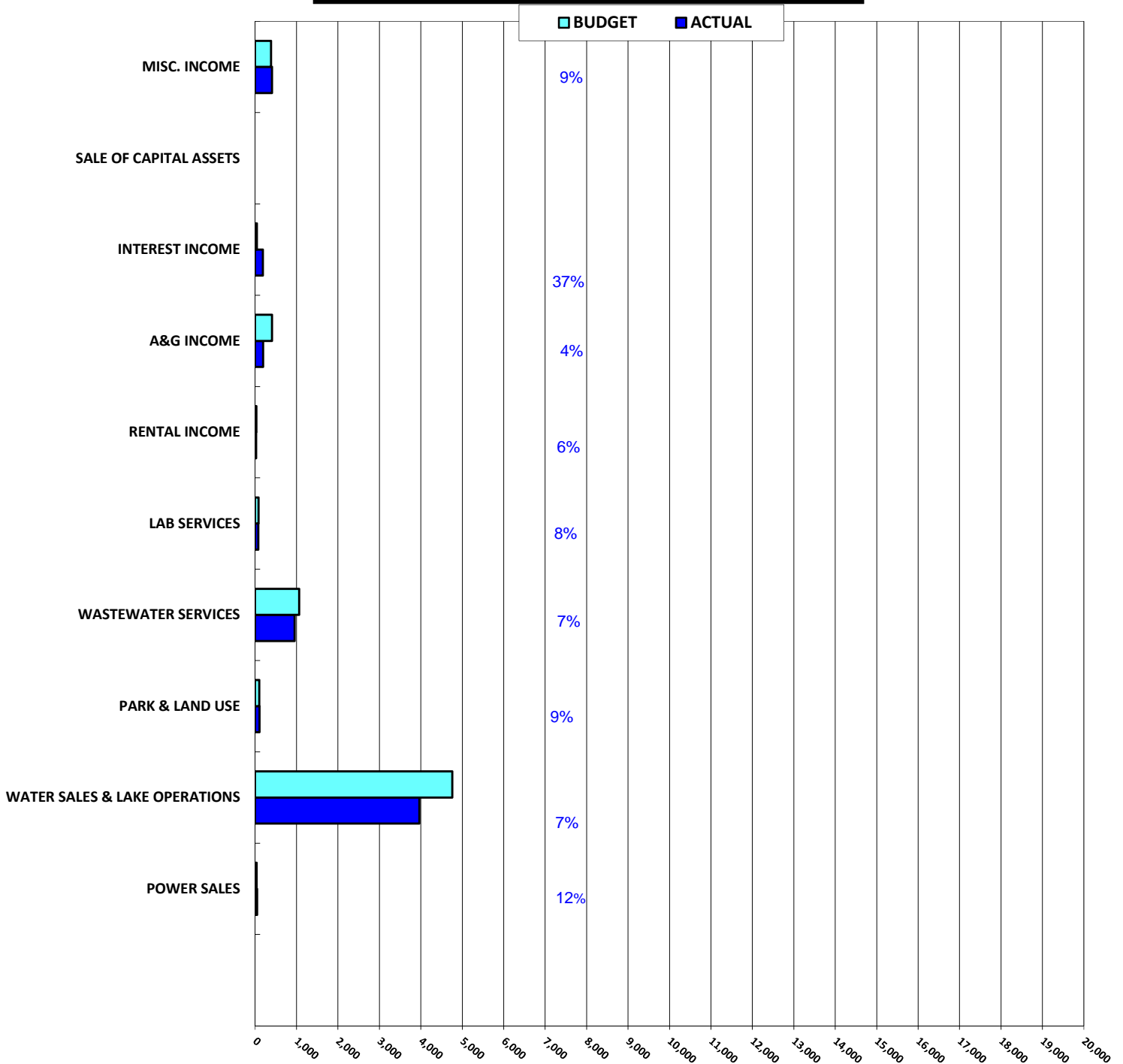
	GENERAL	G.V. HYDRO	RURAL UTILITIES	WATER SUPPLY	PORT LAVACA	RURAL WATER	COLETO CREEK	LULING	CANYON HYDRO	LOCKHART	TOTAL
REVENUE											
Power Sales	\$ -	\$ 49,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,900
Water Sales and Lake Operations	-	-	-	3,287,631	146,457	143,359	108,474	197,701	-	77,798	3,961,419
Recreation and Land Use	-	-	-	17,489	-	-	89,151	-	-	-	106,640
Wastewater Services	-	-	600,463	287,819	-	4,875	-	-	-	61,154	954,310
Laboratory Services	-	-	-	77,802	-	-	-	-	-	-	77,802
Rental Income	8,853	-	-	15,411	-	-	-	-	-	-	24,264
Administrative and General	196,770	-	-	-	-	-	-	-	-	-	196,770
Interest Income	19,530	126,689	(776)	43,750	-	171	7	125	-	-	189,495
Transfer to Project Fund Rev	4,800	-	-	-	-	-	-	-	-	-	4,800
Gain (Loss) on Cap. Assets	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	266	43	226,351	-	3,407	255	-	-	101,727	332,049
Grants & Local Contributions	-	-	-	73,090	-	-	-	-	-	-	73,090
Total Revenue	\$ 229,953	\$ 176,855	\$ 599,730	\$ 4,029,343	\$ 146,457	\$ 151,812	\$ 197,887	\$ 197,826	\$ -	\$ 240,679	\$ 5,970,542
EXPENSES											
Operating Expenses	407,010	61,031	198,164	1,566,042	65,182	69,677	100,032	54,668	10,299	88,503	2,620,609
Maintenance and Repairs	521	2,696	25,515	115,735	1,665	4,288	3,694	3,938	5	2,621	160,677
Administrative and General	-	8,820	21,135	128,869	5,881	5,218	9,748	7,441	1,507	8,152	196,770
Interest Expense	-	80,619	86,780	636,182	-	-	-	8,079	-	-	811,661
Transfer to Project Fund Exp	-	-	-	-	-	-	-	-	-	-	-
Transfers-Restricted/Bond Covenant Fund Exp	-	-	-	-	-	-	-	-	-	-	-
Transfers-Reserve Fund Exp	-	-	-	-	-	-	-	-	-	-	-
Customer-owned Capital Exp	-	-	-	-	-	-	-	-	-	-	-
GBRA-owned Capital Exp	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	407,531	153,167	331,594	2,446,828	72,728	79,183	113,474	74,125	11,811	99,276	3,789,717
Net Operating Revenues	(177,578)	23,688	268,136	1,582,515	73,729	72,628	84,413	123,701	(11,811)	141,403	2,180,825
Depreciation and Amortization	20,404	16,013	54,295	339,618	13,741	10,739	4,514	12,036	20,031	3,473	494,863
Contributed Capital	-	-	-	-	-	-	-	-	-	-	-
Total Long-Term Assets	20,404	16,013	54,295	339,618	13,741	10,739	4,514	12,036	20,031	3,473	494,863
Net Income	(197,982)	7,676	213,840	1,242,897	59,988	61,889	79,900	111,665	(31,842)	137,930	1,685,962
Deferred Revenues	-	-	-	(189,946)	7,909	-	-	(12,263)	20,031	-	(174,269)
NET INCOME TRANSFERRED TO RETAINED EARNINGS	\$ (197,982)	\$ 7,676	\$ 213,840	\$ 1,052,951	\$ 67,897	\$ 61,889	\$ 79,900	\$ 99,402	\$ (11,811)	\$ 137,930	\$ 1,511,693

Guadalupe-Blanco River Authority
Combining Income and Expense
Year to Date at
September 30, 2022

	GENERAL	G.V. HYDRO	RURAL UTILITIES	WATER SUPPLY	PORT LAVACA	RURAL WATER	COLETO CREEK	LULING	CANYON HYDRO	LOCKHART	TOTAL
REVENUE											
Power Sales	\$ -	\$ 49,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,900
Water Sales and Lake Operations	-	-	-	3,287,631	146,457	143,359	108,474	197,701	-	77,798	3,961,419
Recreation and Land Use	-	-	-	17,489	-	-	89,151	-	-	-	106,640
Wastewater Services	-	-	600,463	287,819	-	4,875	-	-	-	61,154	954,310
Laboratory Services	-	-	-	77,802	-	-	-	-	-	-	77,802
Rental Income	8,853	-	-	15,411	-	-	-	-	-	-	24,264
Administrative and General	196,770	-	-	-	-	-	-	-	-	-	196,770
Interest Income	19,530	126,689	(776)	43,750	-	171	7	125	-	-	189,495
Transfer to Project Fund Rev	4,800	-	-	-	-	-	-	-	-	-	4,800
Gain (Loss) on Cap. Assets	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	266	43	226,351	-	3,407	255	-	-	101,727	332,049
Grants & Local Contributions	-	-	-	73,090	-	-	-	-	-	-	73,090
Total Revenue	\$ 229,953	\$ 176,855	\$ 599,730	\$ 4,029,343	\$ 146,457	\$ 151,812	\$ 197,887	\$ 197,826	\$ -	\$ 240,679	\$ 5,970,542
EXPENSES											
Operating Expenses	407,010	61,031	198,164	1,566,042	65,182	69,677	100,032	54,668	10,299	88,503	2,620,609
Maintenance and Repairs	521	2,696	25,515	115,735	1,665	4,288	3,694	3,938	5	2,621	160,677
Administrative and General	-	8,820	21,135	128,869	5,881	5,218	9,748	7,441	1,507	8,152	196,770
Interest Expense	-	80,619	86,780	636,182	-	-	-	8,079	-	-	811,661
Transfer to Project Fund Exp	-	-	-	-	-	-	-	-	-	-	-
Transfers-Restricted/Bond Covenant Fund Exp	-	-	-	-	-	-	-	-	-	-	-
Transfers-Reserve Fund Exp	-	-	-	-	-	-	-	-	-	-	-
Customer-owned Capital Exp	-	-	-	-	-	-	-	-	-	-	-
GBRA-owned Capital Exp	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	407,531	153,167	331,594	2,446,828	72,728	79,183	113,474	74,125	11,811	99,276	3,789,717
Net Operating Revenues	(177,578)	23,688	268,136	1,582,515	73,729	72,628	84,413	123,701	(11,811)	141,403	2,180,825
Depreciation and Amortization	20,404	16,013	54,295	339,618	13,741	10,739	4,514	12,036	20,031	3,473	494,863
Contributed Capital	-	-	-	-	-	-	-	-	-	-	-
Total Long-Term Assets	20,404	16,013	54,295	339,618	13,741	10,739	4,514	12,036	20,031	3,473	494,863
Net Income	(197,982)	7,676	213,840	1,242,897	59,988	61,889	79,900	111,665	(31,842)	137,930	1,685,962
Deferred Revenues	-	-	-	(189,946)	7,909	-	-	(12,263)	20,031	-	(174,269)
NET INCOME TRANSFERRED TO RETAINED EARNINGS	\$ (197,982)	\$ 7,676	\$ 213,840	\$ 1,052,951	\$ 67,897	\$ 61,889	\$ 79,900	\$ 99,402	\$ (11,811)	\$ 137,930	\$ 1,511,693

GUADALUPE-BLANCO RIVER AUTHORITY BUDGET TO ACTUAL REVENUE COMPARISON

BUDGETED INCOME TO DATE GENERALLY REPRESENTS 8% OF ANNUAL BUDGET



Thousands

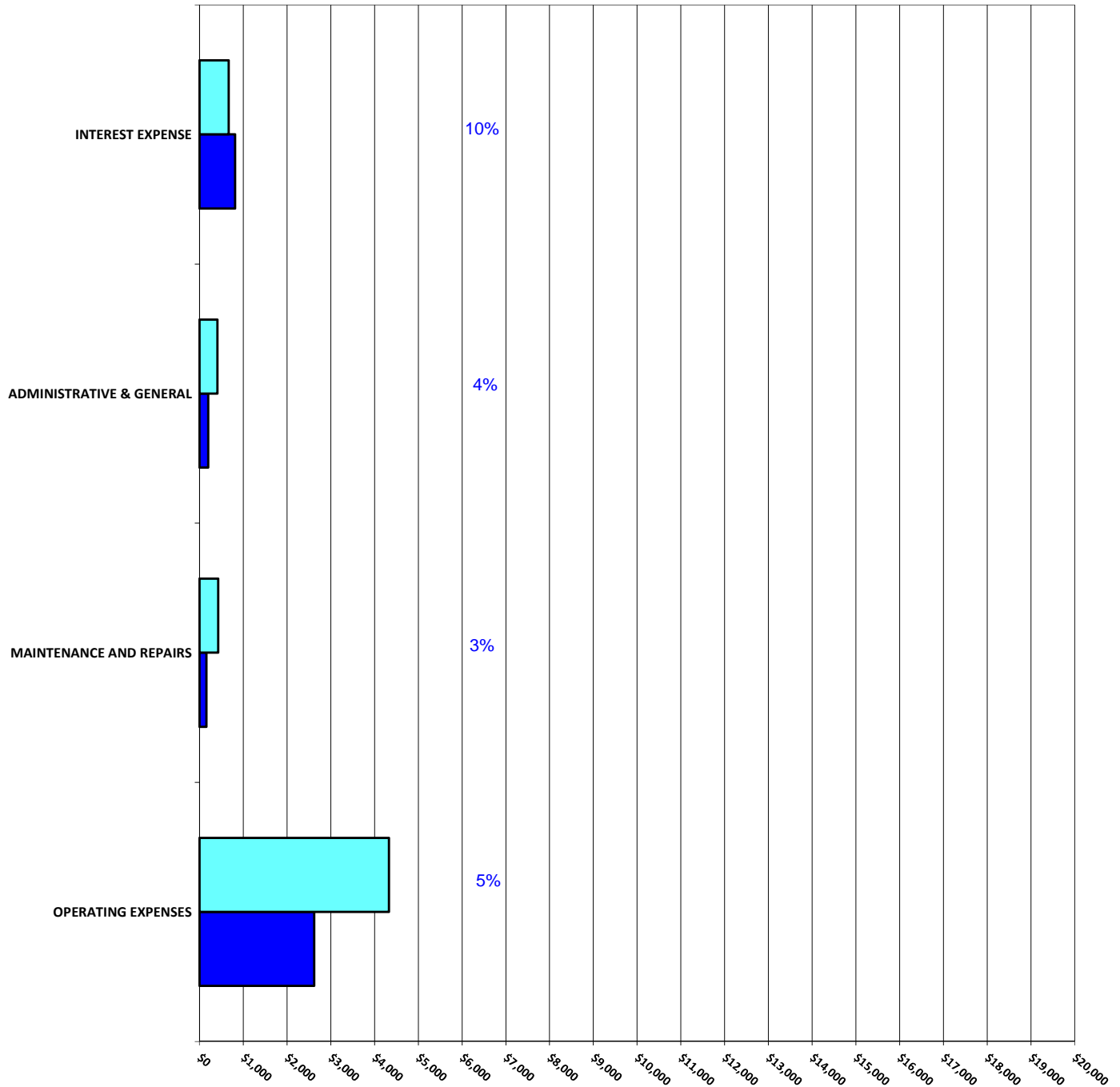
(Percentages represent actual income to date compared to annual budgeted income)

AS OF SEPTEMBER 30, 2022

GUADALUPE-BLANCO RIVER AUTHORITY BUDGET TO ACTUAL EXPENSE COMPARISON

BUDGETED EXPENSES TO DATE GENERALLY REPRESENTS 8% OF ANNUAL BUDGET

BUDGET ACTUAL



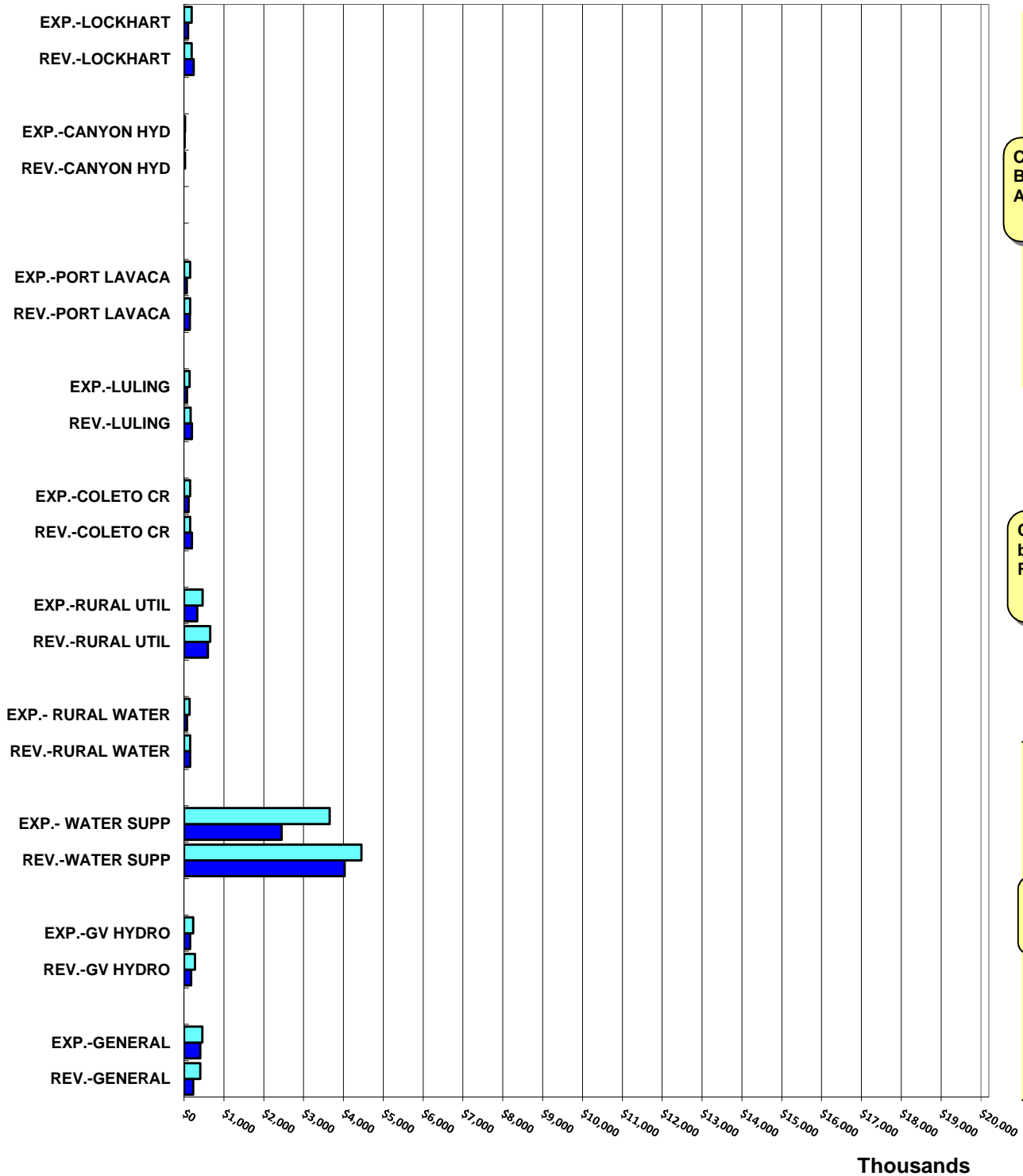
Thousands

(Percentages represent actual expenses to date compared to annual budgeted expenses)

AS OF SEPTEMBER 30, 2022

GUADALUPE-BLANCO RIVER AUTHORITY **DIVISIONAL OPERATING REVENUE AND EXPENSES**

■ BUDGET
 ■ ACTUAL



Contract or Budget-to-Actual Divisions

Components of both Contract & Retail Divisions.

Retail or Unit-of-Sales Divisions

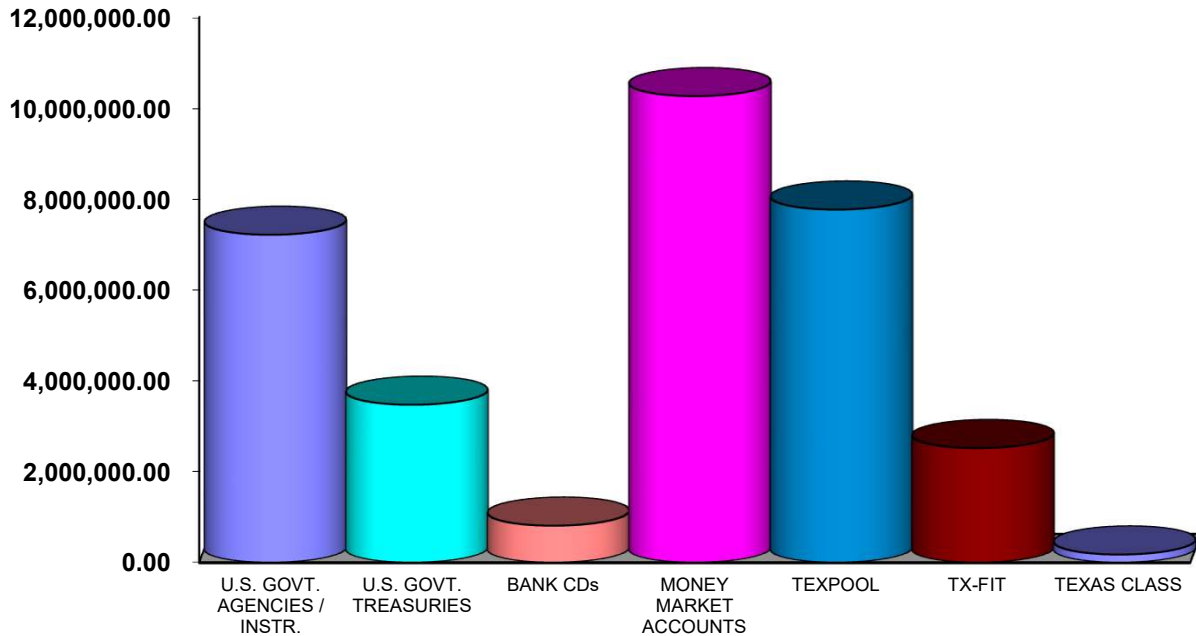
AS OF SEPTEMBER 30, 2022

GUADALUPE-BLANCO RIVER AUTHORITY OPERATING INVESTMENTS

September 30, 2022

TOTAL OPERATING PORTFOLIO:

\$32,213,870



INVESTMENT POLICY: The operating funds portfolio should consist of no more than 75% U.S. government, its agencies and instrumentalities securities with no more than 25% of the portfolio in any one instrumentality; 75% public funds investment pools; 75% money market accounts; 50% bank certificates of deposit; or 50% of other types of eligible instruments.

US GOV'T, AGENCIES & INSTRUMENTALITIES

Type	Amount	% of Portfolio
US TREAS	\$3,470,880	10.8%
FHLB	4,798,137	14.9%
FNMA	-	0.0%
FAMC	-	0.0%
FFCB	2,411,175	7.5%
	\$10,680,192	33.2%

BANK CERTIFICATE OF DEPOSITS (CDs)

Type	Amount	% of Portfolio
CD	\$812,032	2.5%

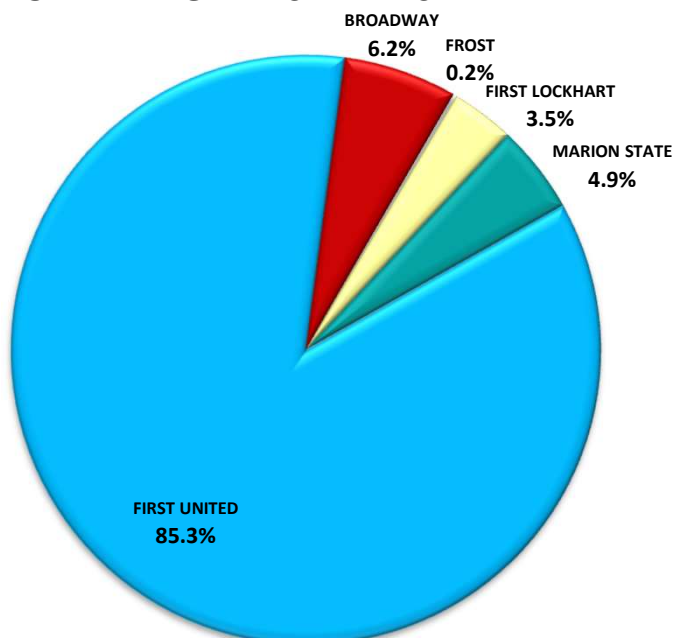
MONEY MARKET ACCOUNTS

Type	Amount	% of Portfolio
MM	\$10,261,517	31.9%

PUBLIC FUNDS INVESTMENT POOLS

Type	Amount	% of Portfolio
TEXPOOL	7,764,656	24.1%
TX-FIT	2,517,935	7.8%
TEXAS CLASS	177,538	0.6%
	\$10,460,128	32.5%

OPERATING INVESTMENTS BY BANK

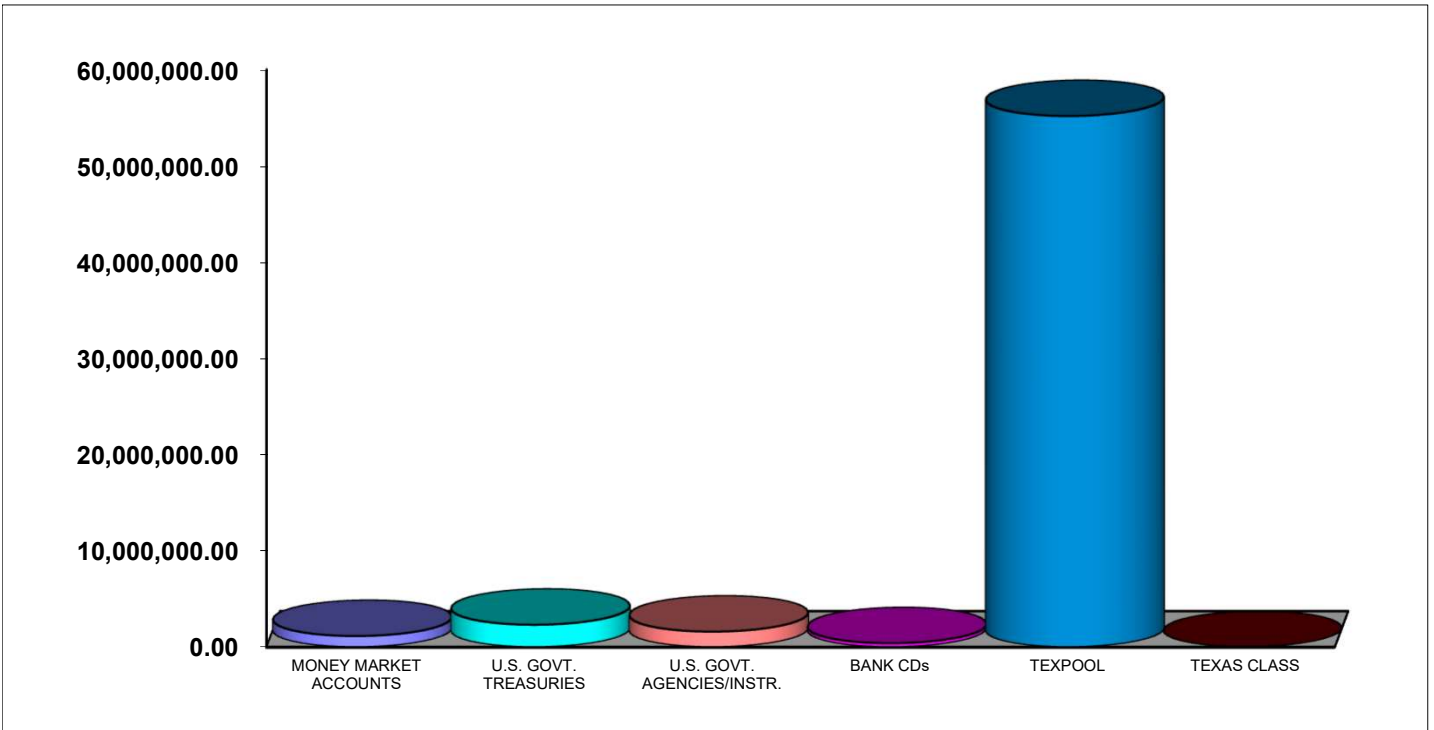


GUADALUPE-BLANCO RIVER AUTHORITY RESTRICTED INVESTMENTS

September 30, 2022

TOTAL RESTRICTED PORTFOLIO:

\$60,642,401



INVESTMENT POLICY: The restricted funds portfolio should consist of no more than 75% U.S. government, its agencies and instrumentalities securities with no more than 25% of the portfolio in any one instrumentality; 100% public funds investment pools; 100% money market accounts; 50% bank certificates of deposit; or 50% of other types of eligible instruments.

US GOV'T, AGENCIES & INSTRUMENTALITIES

Type	Amount	% of Portfolio
US TREAS	\$ 2,317,890	3.8%
FHLB	1,604,082	2.6%
FNMA	-	0.0%
FHLMC	-	0.0%
FFCB	-	0.0%
	\$ 3,921,972	6.5%

BANK CERTIFICATE OF DEPOSITS (CDs)

Type	Amount	% of Portfolio
CD	\$ 402,626	0.7%

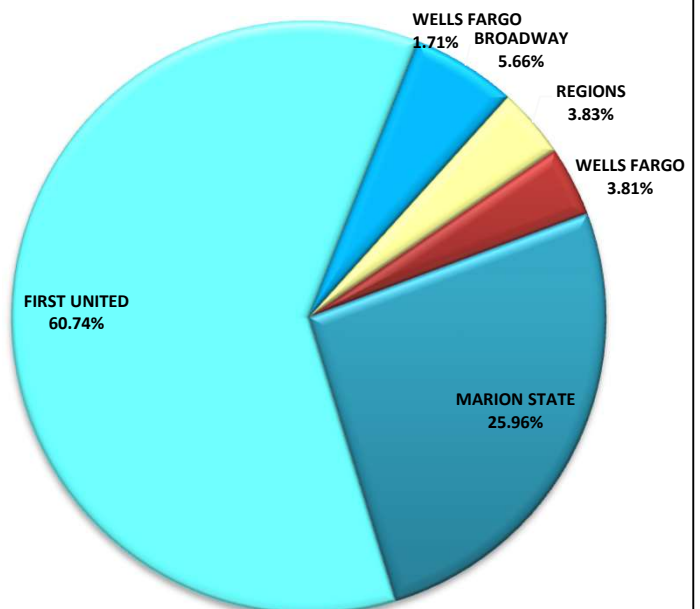
MONEY MARKET ACCOUNTS

Type	Amount	% of Portfolio
MM	\$ 1,148,202	1.9%

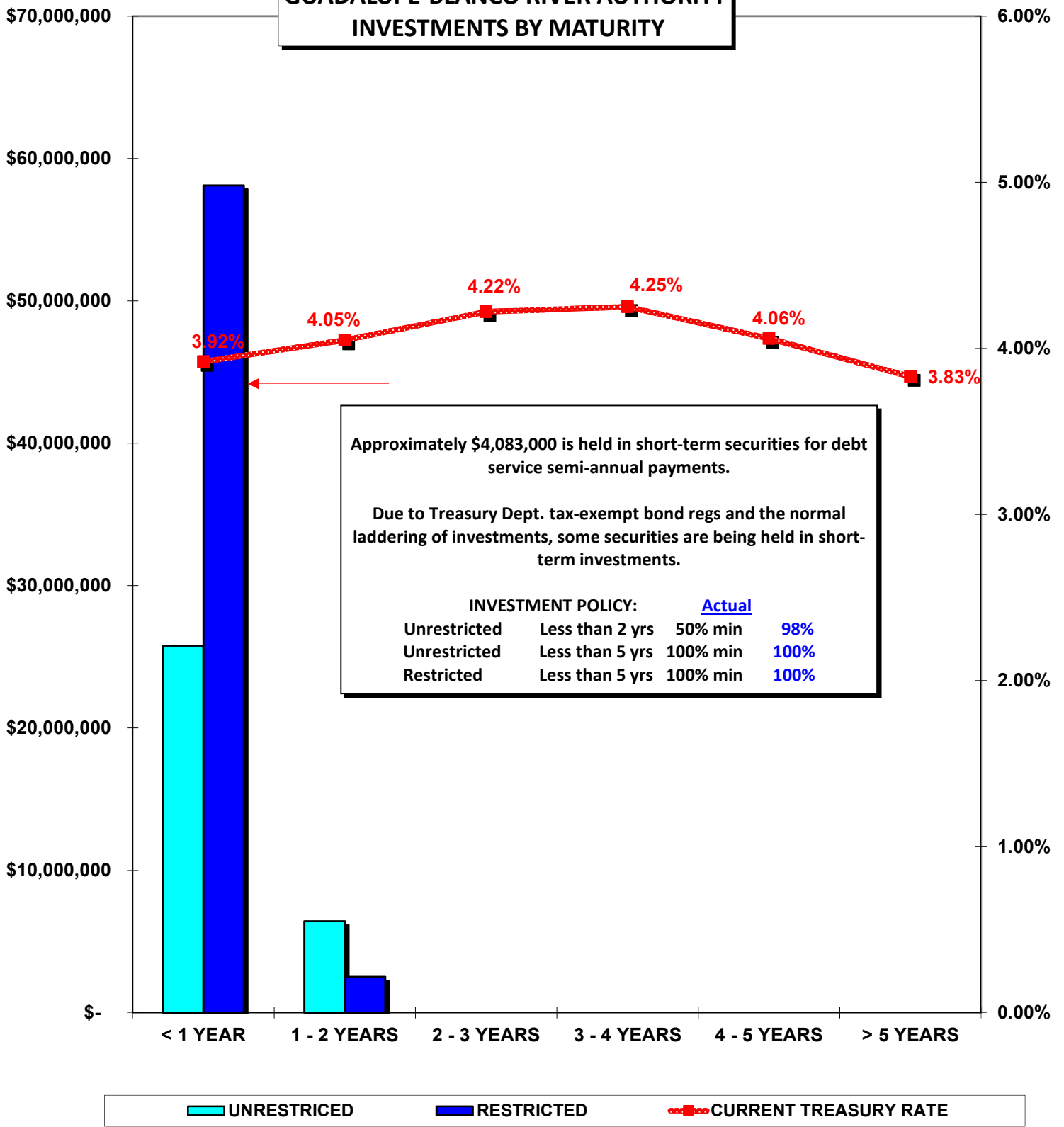
PUBLIC FUNDS INVESTMENT POOLS

Type	Amount	% of Portfolio
BANK TRUST	\$ -	0.0%
TEXPOOL	55,169,601	91.0%
TEXAS CLASS	-	0.0%
	\$ 55,169,601	91.0%

RESTRICTED INVESTMENTS BY BANK



GUADALUPE-BLANCO RIVER AUTHORITY INVESTMENTS BY MATURITY





Monthly Board Report Texas Compliance Details Sorted by Fund September 30, 2022

Guadalupe-Blanco River Auth
Seguin, TX

CUSIP	Investment #	Fund	Issuer	Investmen Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Fund: General Revenue												
CMM-716278	U010-100-096	01010U	First United Bank & Trust	Fair	1,043,787.87			0.300			1,043,787.87	1,043,787.87
TX-01-0175-0001	U010-100-098	01010U	Texas Class	Fair	177,537.73			3.143			177,537.73	177,537.73
BC-400006076	U010-100-006	01010U	Frost National Bank	Fair	14,444.68			0.070			14,444.68	14,444.68
CMM-6257184	U010-100-097	01010U	Broadway National Bank	Fair	232,358.80			0.300			232,358.80	232,358.80
0941100002	U010-100-095	01010U	Texas State Treasurer	Fair	1,484,905.40			2.847			1,484,905.40	1,484,905.40
BC-729205	U010-100-090	01010U	First United Bank & Trust	Fair	25,000.00			0.500			25,000.00	25,000.00
MM-402061279	U010-100-091	01010U	Frost National Bank	Fair	7,827.80			0.050			7,827.80	7,827.80
MM-812818	U010-100-092	01010U	First Lockhart National Bank	Fair	109,318.46			0.390			109,318.46	109,318.46
CD-69634	U010-100-005	01010U	First Lockhart National Bank	Fair	54,779.96	01/05/2023		0.350			54,779.96	54,779.96
3133ENAL4	U010-100-001	01010U	Federal Farm Credit Bank	Fair	1,000,000.00	10/12/2023		0.290	96.447	08/31/2022	964,470.00	969,390.81
91282CFA4	U010-100-002	01010U	U.S. Treasury	Fair	1,000,000.00	07/31/2024		3.000	99.168	08/31/2022	991,680.00	994,163.16
				Subtotal	5,149,960.70						5,106,110.70	5,113,514.67
Fund: 2021 Const-Lk Dunlap												
0941100016	R023-100-095	02310R	Texas State Treasurer	Fair	19,435,503.27			2.847			19,435,503.27	19,435,503.27
				Subtotal	19,435,503.27						19,435,503.27	19,435,503.27
Fund: 2021 I&S-Lk Dunlap												
0941100017	R023-200-095	02320R	Texas State Treasurer	Fair	1,185.47			2.847			1,185.47	1,185.47
				Subtotal	1,185.47						1,185.47	1,185.47
Fund: 2021 I&S-Lk McQ												
0941100019	R024-200-095	02420R	Texas State Treasurer	Fair	1,281.01			2.847			1,281.01	1,281.01
				Subtotal	1,281.01						1,281.01	1,281.01
Fund: 2021 Const-Lk PI												
0941100020	R025-100-095	02510R	Texas State Treasurer	Fair	289.86			2.847			289.86	289.86
				Subtotal	289.86						289.86	289.86
Fund: 2021/2022 I&S Lk PI												
0941100021	R025-200-095	02520R	Texas State Treasurer	Fair	4,024.43			2.847			4,024.43	4,024.43
				Subtotal	4,024.43						4,024.43	4,024.43

**Monthly Board Report
Texas Compliance Details
September 30, 2022**

CUSIP	Investment #	Fund	Issuer	Investmen Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Fund: Opr-Shadow Creek												
CMM-716278	U030-100-096	03010U	First United Bank & Trust	Fair	411,299.20			2.020			411,299.20	411,299.20
313384CK3	U030-100-001	03010U	Federal Home Loan Bank	Fair	400,000.00	02/27/2023		2.980	98.350	08/31/2022	393,400.00	395,066.45
				Subtotal	811,299.20						804,699.20	806,365.65
Fund: 2012 Reserve-Stein F												
CD-27028A	R033-100-006	03310R	Marion State Bank	Fair	187,372.66	04/28/2023		0.650			187,372.66	187,372.66
				Subtotal	187,372.66						187,372.66	187,372.66
Fund: 2012 I&S-Stein Falls												
CMM-6257184	R033-200-097	03320R	Broadway National Bank	Fair	14,100.95			0.300			14,100.95	14,100.95
				Subtotal	14,100.95						14,100.95	14,100.95
Fund: 2021 Const-Stein Fal												
0941100022	R033-300-095	03330R	Texas State Treasurer	Fair	3,589,770.85			2.847			3,589,770.85	3,589,770.85
				Subtotal	3,589,770.85						3,589,770.85	3,589,770.85
Fund: 2021 I&S-Stein Falls												
0941100024	R033-400-095	03340R	Texas State Treasurer	Fair	144,379.09			2.847			144,379.09	144,379.09
				Subtotal	144,379.09						144,379.09	144,379.09
Fund: 2021 Const-Dietz												
0941100023	R038-100-095	03810R	Texas State Treasurer	Fair	875,536.21			2.847			875,536.21	875,536.21
				Subtotal	875,536.21						875,536.21	875,536.21
Fund: 2021 I&S-Dietz												
0941100024	R038-400-095	03840R	Texas State Treasurer	Fair	43,957.04			2.847			43,957.04	43,957.04
				Subtotal	43,957.04						43,957.04	43,957.04
Fund: 2010 I&S-RRWDS												
CMM-6257184	R041-100-097	04110R	Broadway National Bank	Fair	52,541.34			0.300			52,541.34	52,541.34
				Subtotal	52,541.34						52,541.34	52,541.34
Fund: Opr-Water Supply												
0941100002	U041-100-095	04110U	Texas State Treasurer	Fair	5,346,932.28			2.847			5,346,932.28	5,346,932.28
CMM-716278	U041-100-096	04110U	First United Bank & Trust	Fair	4,472,258.49			2.020			4,472,258.49	4,472,258.49
1379800040	U041-100-094	04110U	Texas Fixed Income Trust	Fair	2,517,934.57			2.840			2,517,934.57	2,517,934.57
313384BH1	U041-100-001	04110U	Federal Home Loan Bank	Fair	500,000.00	02/01/2023		2.860	98.652	08/31/2022	493,260.00	495,114.15
313384CK3	U041-100-002	04110U	Federal Home Loan Bank	Fair	1,000,000.00	02/27/2023		2.980	98.350	08/31/2022	983,500.00	987,666.11

Monthly Board Report
Texas Compliance Details
September 30, 2022

CUSIP	Investment #	Fund	Issuer	Investmen Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Fund: Opr-Water Supply												
3133ENAL4	U041-100-003	04110U	Federal Farm Credit Bank	Fair	1,500,000.00	10/12/2023		0.290	96.447	08/31/2022	1,446,705.00	1,454,086.22
91282CFA4	U041-100-004	04110U	U.S. Treasury	Fair	2,000,000.00	07/31/2024		3.000	99.168	08/31/2022	1,983,360.00	1,988,326.32
				Subtotal	17,337,125.34						17,243,950.34	17,262,318.14
Fund: 2007B/2017 I&S-RRWDS												
0941100013	R041-120-095	04112R	Texas State Treasurer	Fair	414,501.03			2.847			414,501.03	414,501.03
				Subtotal	414,501.03						414,501.03	414,501.03
Fund: 2007 Rate Stab-RRWDS												
MM-6913022262	R041-150-090	04115R	Wells Fargo Bank	Fair	59,095.16			0.400			59,095.16	59,095.16
0941100002	R041-150-095	04115R	Texas State Treasurer	Fair	107,322.17			2.847			107,322.17	107,322.17
CMM-716278	R041-150-096	04115R	First United Bank & Trust	Fair	525,786.41			2.020			525,786.41	525,786.41
91282CEA5	R041-150-001	04115R	U.S. Treasury	Fair	500,000.00	02/29/2024		1.500	97.176	08/31/2022	485,880.00	487,374.55
				Subtotal	1,192,203.74						1,178,083.74	1,179,578.29
Fund: 2016 I&S-SM WTP												
CMM-716278	R041-180-096	04118R	First United Bank & Trust	Fair	44,256.90			2.020			44,256.90	44,256.90
				Subtotal	44,256.90						44,256.90	44,256.90
Fund: 2020 I&S-Gen Imp/Ref												
CMM-716278	R041-200-096	04120R	First United Bank & Trust	Fair	199,890.63			2.020			199,890.63	199,890.63
				Subtotal	199,890.63						199,890.63	199,890.63
Fund: 2012 Reserve-MidBasi												
MM-0159406038	R041-250-001	04125R	Regions Bank	Fair	59,336.73			0.010			59,336.73	59,336.73
CMM-6257184	R041-250-097	04125R	Broadway National Bank	Fair	21,174.09			0.300			21,174.09	21,174.09
CD-26891	R041-250-007	04125R	Marion State Bank	Fair	107,626.48	12/19/2023		1.250			107,626.48	107,626.48
91282CEA5	R041-250-002	04125R	U.S. Treasury	Fair	75,000.00	02/29/2024		1.500	97.176	08/31/2022	72,882.00	73,106.19
				Subtotal	263,137.30						261,019.30	261,243.49
Fund: 2012 I&S-Mid-Basin												
CMM-716278	R041-260-096	04126R	First United Bank & Trust	Fair	43,907.19			2.020			43,907.19	43,907.19
				Subtotal	43,907.19						43,907.19	43,907.19
Fund: 2013 RateStab-WCanyo												
0941100002	R041-310-095	04131R	Texas State Treasurer	Fair	703,948.03			2.847			703,948.03	703,948.03
CD-26891	R041-310-042	04131R	Marion State Bank	Fair	107,626.48	12/19/2023		1.250			107,626.48	107,626.48
91282CEA5	R041-310-001	04131R	U.S. Treasury	Fair	500,000.00	02/29/2024		1.500	97.176	08/31/2022	485,880.00	487,374.55

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CUSIP	Investment #	Fund	Issuer	Investmen Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Fund: 2013 RateStab-WCanyo												
91282CFA4	R041-310-002	04131R	U.S. Treasury	Fair	500,000.00	07/31/2024		3.000	99.168	08/31/2022	495,840.00	497,081.58
				Subtotal	1,811,574.51						1,793,294.51	1,796,030.64
Fund: 2013 Rate Stab-IH35												
0941100011	R041-320-095	04132R	Texas State Treasurer	Fair	311,595.41			2.847			311,595.41	311,595.41
				Subtotal	311,595.41						311,595.41	311,595.41
Fund: 2013 I&S-IH35												
0941100008	R041-350-095	04135R	Texas State Treasurer	Fair	200,204.40			2.847			200,204.40	200,204.40
				Subtotal	200,204.40						200,204.40	200,204.40
Fund: 2013 Reserve-IH35												
0941100009	R041-370-095	04137R	Texas State Treasurer	Fair	405,085.14			2.847			405,085.14	405,085.14
91282CEA5	R041-370-001	04137R	U.S. Treasury	Fair	800,000.00	02/29/2024		1.500	97.176	08/31/2022	777,408.00	779,799.28
				Subtotal	1,205,085.14						1,182,493.14	1,184,884.42
Fund: 2022 Const-NB Office												
0941100025	R041-410-095	04141R	Texas State Treasurer	Fair	5,329,550.92			2.847			5,329,550.92	5,329,550.92
				Subtotal	5,329,550.92						5,329,550.92	5,329,550.92
Fund: 2022 I&S-NB Office												
0941100026	R041-420-095	04142R	Texas State Treasurer	Fair	143,936.74			2.847			143,936.74	143,936.74
313384BH1	R041-420-001	04142R	Federal Home Loan Bank	Fair	231,830.00	02/01/2023		2.860	98.652	08/31/2022	228,704.93	229,564.90
				Subtotal	375,766.74						372,641.67	373,501.64
Fund: Opr-Canal												
CMM-716278	U043-100-096	04310U	First United Bank & Trust	Fair	510,756.02			2.020			510,756.02	510,756.02
313384JR1	U043-100-001	04310U	Federal Home Loan Bank	Fair	200,000.00	07/27/2023		3.200	96.883	08/31/2022	193,766.00	194,684.44
				Subtotal	710,756.02						704,522.02	705,440.46
Fund: Opr-Buda WWTP												
0941100002	U045-100-095	04510U	Texas State Treasurer	Fair	36,208.31			2.847			36,208.31	36,208.31
				Subtotal	36,208.31						36,208.31	36,208.31
Fund: Opr-Carrizo Grndwtr												
CMM-716278	U047-100-096	04710U	First United Bank & Trust	Fair	216,032.33			2.020			216,032.33	216,032.33
313384BH1	U047-100-001	04710U	Federal Home Loan Bank	Fair	800,000.00	02/01/2023		2.860	98.652	08/31/2022	789,216.00	792,182.64
				Subtotal	1,016,032.33						1,005,248.33	1,008,214.97

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Texas Compliance Details
September 30, 2022

CUSIP	Investment #	Fund	Issuer	Investmen Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Fund: Const-Carrizo Grndwt												
0941100014	R047-470-095	04747R	Texas State Treasurer	Fair	21,920,240.38			2.847			21,920,240.38	21,920,240.38
CMM-716278	R047-470-096	04747R	First United Bank & Trust	Fair	57,657.54			2.020			57,657.54	57,657.54
				Subtotal	21,977,897.92						21,977,897.92	21,977,897.92
Fund: I&S-Carrizo Grndwtr												
0941100015	R047-480-095	04748R	Texas State Treasurer	Fair	218,061.00			2.847			218,061.00	218,061.00
313384BH1	R047-480-001	04748R	Federal Home Loan Bank	Fair	1,223,116.00	02/01/2023		2.860	98.652	08/31/2022	1,206,628.40	1,211,164.24
				Subtotal	1,441,177.00						1,424,689.40	1,429,225.24
Fund: Opr-Western Canyon												
CMM-716278	U050-100-096	05010U	First United Bank & Trust	Fair	1,089,072.46			2.020			1,089,072.46	1,089,072.46
313384CK3	U050-100-001	05010U	Federal Home Loan Bank	Fair	500,000.00	02/27/2023		2.980	98.350	08/31/2022	491,750.00	493,833.05
CD-26891	U050-100-016	05010U	Marion State Bank	Fair	269,066.21	12/19/2023		1.250			269,066.21	269,066.21
				Subtotal	1,858,138.67						1,849,888.67	1,851,971.72
Fund: 2020 Const-WCanyon,												
0941100002	R050-510-095	05051R	Texas State Treasurer	Fair	436,660.85			2.847			436,660.85	436,660.85
				Subtotal	436,660.85						436,660.85	436,660.85
Fund: 2020 I&S-WCanyon, re												
0941100005	R050-520-095	05052R	Texas State Treasurer	Fair	882,567.91			2.847			882,567.91	882,567.91
				Subtotal	882,567.91						882,567.91	882,567.91
Fund: Opr-Cordillera WDS												
0941100002	U052-100-095	05210U	Texas State Treasurer	Fair	265,240.99			2.847			265,240.99	265,240.99
CMM-716278	U052-100-096	05210U	First United Bank & Trust	Fair	882,824.23			2.020			882,824.23	882,824.23
313384JR1	U052-100-001	05210U	Federal Home Loan Bank	Fair	750,000.00	07/27/2023		3.200	96.883	08/31/2022	726,622.50	730,066.67
91282CFA4	U052-100-002	05210U	U.S. Treasury	Fair	250,000.00	07/31/2024		3.000	99.168	08/31/2022	247,920.00	248,540.79
				Subtotal	2,148,065.22						2,122,607.72	2,126,672.68
Fund: Opr-Comal Trace												
0941100002	U054-100-095	05410U	Texas State Treasurer	Fair	631,369.18			2.847			631,369.18	631,369.18
313384JR1	U054-100-001	05410U	Federal Home Loan Bank	Fair	500,000.00	07/27/2023		3.200	96.883	08/31/2022	484,415.00	486,711.11
				Subtotal	1,131,369.18						1,115,784.18	1,118,080.29
Fund: Opr-Johnson Ranch WD												
CMM-716278	U055-100-096	05510U	First United Bank & Trust	Fair	514,855.41			2.020			514,855.41	514,855.41
313384JR1	U055-100-001	05510U	Federal Home Loan Bank	Fair	250,000.00	07/27/2023		3.200	96.883	08/31/2022	242,207.50	243,355.56

**Monthly Board Report
Texas Compliance Details
September 30, 2022**

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CUSIP	Investment #	Fund	Issuer	Investmen Class	Par Value	Maturity Date	Call Date	Current Rate	Market Price	Market Date	Market Value	Book Value
Fund: Opr-Johnson Ranch WD												
91282CFA4	U055-100-002	05510U	U.S. Treasury	Fair	250,000.00	07/31/2024		3.000	99.168	08/31/2022	247,920.00	248,540.79
				Subtotal	1,014,855.41						1,004,982.91	1,006,751.76
Fund: Opr-Rural Wtr												
CMM-6257184	U070-100-097	07010U	Broadway National Bank	Fair	269,449.92			0.300			269,449.92	269,449.92
CD-69634	U070-100-070	07010U	First Lockhart National Bank	Fair	109,559.93	01/05/2023		0.350			109,559.93	109,559.93
CD-26891	U070-100-069	07010U	Marion State Bank	Fair	161,439.72	12/19/2023		1.250			161,439.72	161,439.72
				Subtotal	540,449.57						540,449.57	540,449.57
Fund: Opr-Luling WTP												
CMM-6257184	U100-100-097	10010U	Broadway National Bank	Fair	175,224.28			0.300			175,224.28	175,224.28
				Subtotal	175,224.28						175,224.28	175,224.28
Fund: Opr-Lu-Lo												
CMM-6257184	U100-200-097	10020U	Broadway National Bank	Fair	11,357.42			0.300			11,357.42	11,357.42
CMM-716278	U100-200-096	10020U	First United Bank & Trust	Fair	275,649.71			2.020			275,649.71	275,649.71
CD-69634	U100-200-022	10020U	First Lockhart National Bank	Fair	109,559.93	01/05/2023		0.350			109,559.93	109,559.93
CD-26891	U100-200-021	10020U	Marion State Bank	Fair	107,626.48	12/19/2023		1.250			107,626.48	107,626.48
				Subtotal	504,193.54						504,193.54	504,193.54
Fund: 2014 I&S-Lu-Lo												
CMM-716278	R100-400-096	10040R	First United Bank & Trust	Fair	70,455.45			2.020			70,455.45	70,455.45
313384BH1	R100-400-001	10040R	Federal Home Loan Bank	Fair	171,054.00	02/01/2023		2.861	98.652	08/31/2022	168,748.19	169,382.17
				Subtotal	241,509.45						239,203.64	239,837.62
				Total	93,155,106.99						92,856,270.51	92,910,682.72



Monthly Board Report
Accrued Interest
Sorted by Fund - Investment Number
September 1, 2022 - September 30, 2022

Guadalupe-Blanco River Auth
Seguin, TX

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
General Revenue										
3133ENAL4	U010-100-001	FAC	1,000,000.00	10/12/2023	0.290	40.27	0.00	241.67	0.00	281.94
91282CFA4	U010-100-002	TRC	1,000,000.00	07/31/2024	3.000	489.13	0.00	2,445.65	0.00	2,934.78
CD-69634	U010-100-005	BCD	54,779.96	01/05/2023	0.350	317.27	0.00	15.76	0.00	333.03
BC-400006076	U010-100-006	PA2	14,444.68		0.070	9.58	0.00	0.53	8.57	1.54
BC-729205	U010-100-090	LA2	25,000.00		0.500	77.15	0.00	10.27	0.00	87.42
MM-402061279	U010-100-091	LA2	7,827.80		0.050	1.00	0.00	0.96	1.00	0.96
MM-812818	U010-100-092	LA2	109,318.46		0.390	32.97	0.00	34.98	20.41	47.54
0941100002	U010-100-095	LA3	1,484,905.40		2.847	4,353.31	0.00	2,938.60	4,118.91	3,173.00
CMM-716278	U010-100-096	LA2	1,043,787.87		0.300	3,356.71	0.00	1,872.15	3,356.71	1,872.15
CMM-6257184	U010-100-097	LA2	232,358.80		0.300	79.98	0.00	56.98	79.98	56.98
TX-01-0175-0001	U010-100-098	LA4	177,537.73		3.143	1,702.36	0.00	390.46	344.05	1,748.77
	Subtotal		5,149,960.70			10,459.73	0.00	8,008.01	7,929.63	10,538.11
2021 Const-Lk Dunlap										
0941100016	R023-100-095	LA3	19,435,503.27		2.847	37,344.88	0.00	39,022.19	37,344.88	39,022.19
	Subtotal		19,435,503.27			37,344.88	0.00	39,022.19	37,344.88	39,022.19
2021 I&S-Lk Dunlap										
0941100017	R023-200-095	LA3	1,185.47		2.847	11.89	0.00	2.27	11.89	2.27
	Subtotal		1,185.47			11.89	0.00	2.27	11.89	2.27
2021 I&S-Lk McQ										
0941100019	R024-200-095	LA3	1,281.01		2.847	2.39	0.00	2.57	2.38	2.58
	Subtotal		1,281.01			2.39	0.00	2.57	2.38	2.58
2021 Const-Lk PI										
0941100020	R025-100-095	LA3	289.86		2.847	0.76	0.00	0.60	0.62	0.74
	Subtotal		289.86			0.76	0.00	0.60	0.62	0.74
2021/2022 I&S Lk PI										
0941100021	R025-200-095	LA3	4,024.43		2.847	124.81	0.00	6.01	124.81	6.01
	Subtotal		4,024.43			124.81	0.00	6.01	124.81	6.01
Opr-Shadow Creek										
313384CK3	U030-100-001	AFD	400,000.00	02/27/2023	2.980	0.00	0.00	0.00	0.00	0.00
CMM-716278	U030-100-096	LA2	411,299.20		2.020	907.93	0.00	714.52	907.93	714.52

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Subtotal			811,299.20			907.93	0.00	714.52	907.93	714.52
2012 Reserve-Stein Falls										
CD-27028A	R033-100-006	BCD	187,372.66	04/28/2023	0.650	420.43	0.00	100.11	0.00	520.54
Subtotal			187,372.66			420.43	0.00	100.11	0.00	520.54
2012 I&S-Stein Falls										
CMM-6257184	R033-200-097	LA2	14,100.95		0.300	48.92	0.00	17.97	48.92	17.97
Subtotal			14,100.95			48.92	0.00	17.97	48.92	17.97
2021 Const-Stein Fallls										
0941100022	R033-300-095	LA3	3,589,770.85		2.847	8,272.86	0.00	7,646.91	8,272.86	7,646.91
Subtotal			3,589,770.85			8,272.86	0.00	7,646.91	8,272.86	7,646.91
2021 I&S-Stein Falls										
0941100024	R033-400-095	LA3	144,379.09		2.847	318.30	0.00	198.31	318.30	198.31
Subtotal			144,379.09			318.30	0.00	198.31	318.30	198.31
2021 Const-Dietz										
0941100023	R038-100-095	LA3	875,536.21		2.847	1,602.09	0.00	1,732.78	1,602.09	1,732.78
Subtotal			875,536.21			1,602.09	0.00	1,732.78	1,602.09	1,732.78
2021 I&S-Dietz										
0941100024	R038-400-095	LA3	43,957.04		2.847	97.23	0.00	60.58	97.23	60.58
Subtotal			43,957.04			97.23	0.00	60.58	97.23	60.58
2010 I&S-RRWDS										
CMM-6257184	R041-100-097	LA2	52,541.34		0.300	186.20	0.00	4.67	186.20	4.67
Subtotal			52,541.34			186.20	0.00	4.67	186.20	4.67
Opr-Water Supply										
313384BH1	U041-100-001	AFD	500,000.00	02/01/2023	2.860	0.00	0.00	0.00	0.00	0.00
313384CK3	U041-100-002	AFD	1,000,000.00	02/27/2023	2.980	0.00	0.00	0.00	0.00	0.00
3133ENAL4	U041-100-003	FAC	1,500,000.00	10/12/2023	0.290	60.42	0.00	362.50	0.00	422.92
91282CFA4	U041-100-004	TRC	2,000,000.00	07/31/2024	3.000	978.26	0.00	4,891.31	0.00	5,869.57
1379800040	U041-100-094	LA5	2,517,934.57		2.840	4,573.90	0.00	4,791.10	4,573.90	4,791.10
0941100002	U041-100-095	LA3	5,346,932.28		2.847	12,784.76	0.00	10,581.52	12,980.29	10,385.99
CMM-716278	U041-100-096	LA2	4,472,258.49		2.020	8,256.74	0.00	7,657.30	8,256.74	7,657.30
CMM-6257184	U041-100-097	LA2	0.00		0.050	0.00	0.00	0.00	0.00	0.00
Subtotal			17,337,125.34			26,654.08	0.00	28,283.73	25,810.93	29,126.88

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
2007B/2017 I&S-RRWDS										
0941100013	R041-120-095	LA3	414,501.03		2.847	539.96	0.00	721.46	539.96	721.46
	Subtotal		414,501.03			539.96	0.00	721.46	539.96	721.46
2007 Rate Stab-RRWDS										
91282CEA5	R041-150-001	TRC	500,000.00	02/29/2024	1.500	20.72	0.00	621.55	0.00	642.27
MM-6913022262	R041-150-090	LA2	59,095.16		0.400	63.21	0.00	19.43	51.21	31.43
0941100002	R041-150-095	LA3	107,322.17		2.847	742.89	0.00	212.39	742.89	212.39
CMM-716278	R041-150-096	LA2	525,786.41		2.020	24.08	0.00	913.42	24.08	913.42
	Subtotal		1,192,203.74			850.90	0.00	1,766.79	818.18	1,799.51
2016 I&S-SM WTP										
CMM-716278	R041-180-096	LA2	44,256.90		2.020	125.55	0.00	91.16	125.55	91.16
	Subtotal		44,256.90			125.55	0.00	91.16	125.55	91.16
2020 I&S-Gen Imp/Ref										
CMM-716278	R041-200-096	LA2	199,890.63		2.020	398.76	0.00	288.52	398.76	288.52
	Subtotal		199,890.63			398.76	0.00	288.52	398.76	288.52
2012 Reserve-MidBasin										
MM-0159406038	R041-250-001	LA2	59,336.73		0.010	10.66	0.00	0.49	0.54	10.61
91282CEA5	R041-250-002	TRC	75,000.00	02/29/2024	1.500	3.11	0.00	93.23	0.00	96.34
CD-26891	R041-250-007	BCD	107,626.48	12/19/2023	1.250	2,299.96	0.00	110.58	0.00	2,410.54
CMM-6257184	R041-250-097	LA2	21,174.09		0.300	26.70	0.00	5.19	26.70	5.19
	Subtotal		263,137.30			2,340.43	0.00	209.49	27.24	2,522.68
2012 I&S-Mid-Basin										
CMM-716278	R041-260-096	LA2	43,907.19		2.020	153.68	0.00	89.52	153.68	89.52
	Subtotal		43,907.19			153.68	0.00	89.52	153.68	89.52
2013 RateStab-WCanyon										
91282CEA5	R041-310-001	TRC	500,000.00	02/29/2024	1.500	20.72	0.00	621.55	0.00	642.27
91282CFA4	R041-310-002	TRC	500,000.00	07/31/2024	3.000	244.57	0.00	1,222.82	0.00	1,467.39
CD-26891	R041-310-042	BCD	107,626.48	12/19/2023	1.250	2,299.96	0.00	110.58	0.00	2,410.54
0941100002	R041-310-095	LA3	703,948.03		2.847	2,701.06	0.00	1,393.11	2,701.06	1,393.11
	Subtotal		1,811,574.51			5,266.31	0.00	3,348.06	2,701.06	5,913.31
2013 Rate Stab-IH35										
0941100011	R041-320-095	LA3	311,595.41		2.847	570.13	0.00	616.69	570.13	616.69
	Subtotal		311,595.41			570.13	0.00	616.69	570.13	616.69

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
2013 I&S-IH35										
0941100008	R041-350-095	LA3	200,204.40		2.847	634.13	0.00	274.27	634.13	274.27
		Subtotal	200,204.40			634.13	0.00	274.27	634.13	274.27
2013 Reserve-IH35										
91282CEA5	R041-370-001	TRC	800,000.00	02/29/2024	1.500	33.15	0.00	994.47	0.00	1,027.62
0941100009	R041-370-095	LA3	405,085.14		2.847	1,837.01	0.00	801.69	1,837.01	801.69
		Subtotal	1,205,085.14			1,870.16	0.00	1,796.16	1,837.01	1,829.31
2022 Const-NB Office										
0941100025	R041-410-095	LA3	5,329,550.92		2.847	11,421.38	0.00	10,785.32	11,421.38	10,785.32
		Subtotal	5,329,550.92			11,421.38	0.00	10,785.32	11,421.38	10,785.32
2022 I&S-NB Office										
313384BH1	R041-420-001	AFD	231,830.00	02/01/2023	2.860	0.00	0.00	0.00	0.00	0.00
0941100026	R041-420-095	LA3	143,936.74		2.847	453.72	0.00	262.16	453.72	262.16
		Subtotal	375,766.74			453.72	0.00	262.16	453.72	262.16
Opr-Canal										
313384JR1	U043-100-001	AFD	200,000.00	07/27/2023	3.200	0.00	0.00	0.00	0.00	0.00
CMM-716278	U043-100-096	LA2	510,756.02		2.020	884.23	0.00	887.30	884.23	887.30
		Subtotal	710,756.02			884.23	0.00	887.30	884.23	887.30
Opr-Buda WWTP										
0941100002	U045-100-095	LA3	36,208.31		2.847	65.95	0.00	71.66	65.95	71.66
		Subtotal	36,208.31			65.95	0.00	71.66	65.95	71.66
Opr-Carrizo Grndwtr										
313384BH1	U047-100-001	AFD	800,000.00	02/01/2023	2.860	0.00	0.00	0.00	0.00	0.00
CMM-716278	U047-100-096	LA2	216,032.33		2.020	957.50	0.00	375.30	957.50	375.30
		Subtotal	1,016,032.33			957.50	0.00	375.30	957.50	375.30
Const-Carrizo Grndwtr										
0941100014	R047-470-095	LA3	21,920,240.38		2.847	50,793.42	0.00	47,588.03	50,793.42	47,588.03
CMM-716278	R047-470-096	LA2	57,657.54		2.020	81.76	0.00	100.16	81.76	100.16
		Subtotal	21,977,897.92			50,875.18	0.00	47,688.19	50,875.18	47,688.19
I&S-Carrizo Grndwtr										
313384BH1	R047-480-001	AFD	1,223,116.00	02/01/2023	2.860	0.00	0.00	0.00	0.00	0.00
0941100015	R047-480-095	LA3	218,061.00		2.847	2,018.65	0.00	219.61	2,018.65	219.61
		Subtotal	1,441,177.00			2,018.65	0.00	219.61	2,018.65	219.61

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Opr-Western Canyon										
313384CK3	U050-100-001	AFD	500,000.00	02/27/2023	2.980	0.00	0.00	0.00	0.00	0.00
CD-26891	U050-100-016	BCD	269,066.21	12/19/2023	1.250	5,749.91	0.00	276.44	0.00	6,026.35
CMM-716278	U050-100-096	LA2	1,089,072.46		2.020	1,950.23	0.00	1,891.98	1,950.23	1,891.98
	Subtotal		1,858,138.67			7,700.14	0.00	2,168.42	1,950.23	7,918.33
2020 Const-WCanyon, refunding										
0941100002	R050-510-095	LA3	436,660.85		2.847	831.59	0.00	880.64	831.59	880.64
	Subtotal		436,660.85			831.59	0.00	880.64	831.59	880.64
2020 I&S-WCanyon, refunding										
0941100005	R050-520-095	LA3	882,567.91		2.847	5,636.26	0.00	1,260.22	3,126.14	3,770.34
	Subtotal		882,567.91			5,636.26	0.00	1,260.22	3,126.14	3,770.34
Opr-Cordillera WDS										
313384JR1	U052-100-001	AFD	750,000.00	07/27/2023	3.200	0.00	0.00	0.00	0.00	0.00
91282CFA4	U052-100-002	TRC	250,000.00	07/31/2024	3.000	122.28	0.00	611.42	0.00	733.70
0941100002	U052-100-095	LA3	265,240.99		2.847	835.11	0.00	524.91	834.93	525.09
CMM-716278	U052-100-096	LA2	882,824.23		2.020	1,851.71	0.00	1,533.68	1,851.71	1,533.68
	Subtotal		2,148,065.22			2,809.10	0.00	2,670.01	2,686.64	2,792.47
Opr-Comal Trace										
313384JR1	U054-100-001	AFD	500,000.00	07/27/2023	3.200	0.00	0.00	0.00	0.00	0.00
0941100002	U054-100-095	LA3	631,369.18		2.847	1,663.74	0.00	1,249.47	1,663.74	1,249.47
	Subtotal		1,131,369.18			1,663.74	0.00	1,249.47	1,663.74	1,249.47
Opr-Johnson Ranch WDS										
313384JR1	U055-100-001	AFD	250,000.00	07/27/2023	3.200	0.00	0.00	0.00	0.00	0.00
91282CFA4	U055-100-002	TRC	250,000.00	07/31/2024	3.000	122.28	0.00	611.42	0.00	733.70
CMM-716278	U055-100-096	LA2	514,855.41		2.020	1,203.87	0.00	894.43	1,203.87	894.43
	Subtotal		1,014,855.41			1,326.15	0.00	1,505.85	1,203.87	1,628.13
Opr-Rural Wtr										
CD-26891	U070-100-069	BCD	161,439.72	12/19/2023	1.250	3,449.95	0.00	165.86	0.00	3,615.81
CD-69634	U070-100-070	BCD	109,559.93	01/05/2023	0.350	634.55	0.00	31.51	0.00	666.06
CMM-6257184	U070-100-097	LA2	269,449.92		0.300	92.76	0.00	66.07	92.76	66.07
	Subtotal		540,449.57			4,177.26	0.00	263.44	92.76	4,347.94
Opr-Luling WTP										
CMM-6257184	U100-100-097	LA2	175,224.28		0.300	67.75	0.00	42.97	60.32	50.40
	Subtotal		175,224.28			67.75	0.00	42.97	60.32	50.40

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Opr-Lu-Lo										
CD-26891	U100-200-021	BCD	107,626.48	12/19/2023	1.250	2,299.96	0.00	110.58	0.00	2,410.54
CD-69634	U100-200-022	BCD	109,559.93	01/05/2023	0.350	634.55	0.00	31.51	0.00	666.06
CMM-716278	U100-200-096	LA2	275,649.71		2.020	390.89	0.00	478.87	390.89	478.87
CMM-6257184	U100-200-097	LA2	11,357.42		0.300	3.91	0.00	2.78	3.91	2.78
	Subtotal		504,193.54			3,329.31	0.00	623.74	394.80	3,558.25
2014 I&S-Lu-Lo										
313384BH1	R100-400-001	AFD	171,054.00	02/01/2023	2.861	0.00	0.00	0.00	0.00	0.00
CMM-716278	R100-400-096	LA2	70,455.45		2.020	230.28	0.00	143.35	230.28	143.35
	Subtotal		241,509.45			230.28	0.00	143.35	230.28	143.35
	Total		93,155,106.99			193,650.70	0.00	166,101.00	169,381.35	190,370.35

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Monthly Board Report
Texas Compliance Change in Val Report
Sorted by Fund
September 1, 2022 - September 30, 2022

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Fund: General Revenue									
U010-100-001	FFCB	01010U	08/26/2022	241.67	966,915.67	0.00	0.00	2,475.14	969,390.81
3133ENAL4	1,000,000.00	3.341	10/12/2023	0.00	964,470.00	0.00	0.00	0.00	964,470.00
U010-100-002	USTR	01010U	08/26/2022	2,445.65	993,901.42	0.00	0.00	261.74	994,163.16
91282CFA4	1,000,000.00	3.331	07/31/2024	0.00	991,680.00	0.00	0.00	0.00	991,680.00
U010-100-005	FSTLOC	01010U	01/05/2021	15.76	54,779.96	0.00	0.00	0.00	54,779.96
CD-69634	54,779.96	0.350	01/05/2023	0.00	54,779.96	0.00	0.00	0.00	54,779.96
U010-100-006	FROST	01010U	09/01/2022	0.53	14,444.15	9.10	0.00	0.53	14,444.68
BC-400006076	14,444.68	0.070	/ /	8.57	14,444.15	9.10	0.00	0.53	14,444.68
U010-100-090	SEGST	01010U	09/01/2022	10.27	25,000.00	0.00	0.00	0.00	25,000.00
BC-729205	25,000.00	0.500	/ /	0.00	25,000.00	0.00	0.00	0.00	25,000.00
U010-100-091	FROST	01010U	09/01/2022	0.96	7,826.84	1.96	0.00	0.96	7,827.80
MM-402061279	7,827.80	0.050	/ /	1.00	7,826.84	1.96	0.00	0.96	7,827.80
U010-100-092	FSTLOC	01010U	09/01/2022	34.98	109,283.48	55.39	0.00	34.98	109,318.46
MM-812818	109,318.46	0.390	/ /	20.41	109,283.48	55.39	0.00	34.98	109,318.46
U010-100-095	TXPOOL	01010U	09/01/2022	2,938.60	1,481,966.80	7,057.51	0.00	2,938.60	1,484,905.40
0941100002	1,484,905.40	2.846	/ /	4,118.91	1,481,966.80	7,057.51	0.00	2,938.60	1,484,905.40
U010-100-096	SEGST	01010U	09/01/2022	1,872.15	1,091,915.72	5,228.86	50,000.00	-48,127.85	1,043,787.87
CMM-716278	1,043,787.87	0.300	/ /	3,356.71	1,091,915.72	5,228.86	50,000.00	-48,127.85	1,043,787.87
U010-100-097	BRDWAY	01010U	09/01/2022	56.98	232,301.82	136.96	0.00	56.98	232,358.80
CMM-6257184	232,358.80	0.300	/ /	79.98	232,301.82	136.96	0.00	56.98	232,358.80
U010-100-098	TXCLAS	01010U	09/01/2022	390.46	177,147.27	734.51	0.00	390.46	177,537.73
TX-01-0175-0001	177,537.73	3.142	/ /	344.05	177,147.27	734.51	0.00	390.46	177,537.73

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Texas Compliance Change in Val Report
September 1, 2022 - September 30, 2022

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Sub Totals For: Fund: General Revenue				8,008.01	5,155,483.13	13,224.29	50,000.00	-41,968.46	5,113,514.67
				7,929.63	5,150,816.04	13,224.29	50,000.00	-44,705.34	5,106,110.70
Fund: 2021 Const-Lk Dunlap									
R023-100-095	TXPOOL	02310R	09/01/2022	39,022.19	20,146,481.08	76,367.07	750,000.00	-710,977.81	19,435,503.27
0941100016	19,435,503.27	2.846	/ /	37,344.88	20,146,481.08	76,367.07	750,000.00	-710,977.81	19,435,503.27
Sub Totals For: Fund: 2021 Const-Lk Dunlap				39,022.19	20,146,481.08	76,367.07	750,000.00	-710,977.81	19,435,503.27
				37,344.88	20,146,481.08	76,367.07	750,000.00	-710,977.81	19,435,503.27
Fund: 2021 I&S-Lk Dunlap									
R023-200-095	TXPOOL	02320R	09/01/2022	2.27	1,183.20	14.16	0.00	2.27	1,185.47
0941100017	1,185.47	2.846	/ /	11.89	1,183.20	14.16	0.00	2.27	1,185.47
Sub Totals For: Fund: 2021 I&S-Lk Dunlap				2.27	1,183.20	14.16	0.00	2.27	1,185.47
				11.89	1,183.20	14.16	0.00	2.27	1,185.47
Fund: 2021 I&S-Lk McQ									
R024-200-095	TXPOOL	02420R	09/01/2022	2.57	1,278.44	4.95	0.00	2.57	1,281.01
0941100019	1,281.01	2.846	/ /	2.38	1,278.44	4.95	0.00	2.57	1,281.01
Sub Totals For: Fund: 2021 I&S-Lk McQ				2.57	1,278.44	4.95	0.00	2.57	1,281.01
				2.38	1,278.44	4.95	0.00	2.57	1,281.01
Fund: 2021 Const-Lk PI									
R025-100-095	TXPOOL	02510R	09/01/2022	0.60	289.26	1.22	0.00	0.60	289.86
0941100020	289.86	2.846	/ /	0.62	289.26	1.22	0.00	0.60	289.86
Sub Totals For: Fund: 2021 Const-Lk PI				0.60	289.26	1.22	0.00	0.60	289.86
				0.62	289.26	1.22	0.00	0.60	289.86
Fund: 2021/2022 I&S Lk PI									
R025-200-095	TXPOOL	02520R	09/01/2022	6.01	2,396.42	1,752.82	0.00	1,628.01	4,024.43
0941100021	4,024.43	2.846	/ /	124.81	2,396.42	1,752.82	0.00	1,628.01	4,024.43
Sub Totals For: Fund: 2021/2022 I&S Lk PI				6.01	2,396.42	1,752.82	0.00	1,628.01	4,024.43
				124.81	2,396.42	1,752.82	0.00	1,628.01	4,024.43

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Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Fund: Opr-Shadow Creek									
U030-100-001	FHLB	03010U	08/19/2022	0.00	394,073.11	0.00	0.00	993.34	395,066.45
313384CK3	400,000.00	3.067	02/27/2023	0.00	393,400.00	0.00	0.00	0.00	393,400.00
U030-100-096	SEGST	03010U	09/01/2022	714.52	410,584.68	1,622.45	0.00	714.52	411,299.20
CMM-716278	411,299.20	2.020	/ /	907.93	410,584.68	1,622.45	0.00	714.52	411,299.20
Sub Totals For: Fund: Opr-Shadow Creek				714.52	804,657.79	1,622.45	0.00	1,707.86	806,365.65
				907.93	803,984.68	1,622.45	0.00	714.52	804,699.20
Fund: 2012 Reserve-Stein F									
R033-100-006	MARION	03310R	04/28/2022	100.11	187,372.66	0.00	0.00	0.00	187,372.66
CD-27028A	187,372.66	0.650	04/28/2023	0.00	187,372.66	0.00	0.00	0.00	187,372.66
Sub Totals For: Fund: 2012 Reserve-Stein F				100.11	187,372.66	0.00	0.00	0.00	187,372.66
				0.00	187,372.66	0.00	0.00	0.00	187,372.66
Fund: 2012 I&S-Stein Falls									
R033-200-097	BRDWAY	03320R	09/01/2022	17.97	151,566.85	14,998.89	152,415.87	-137,465.90	14,100.95
CMM-6257184	14,100.95	0.300	/ /	48.92	151,566.85	14,998.89	152,415.87	-137,465.90	14,100.95
Sub Totals For: Fund: 2012 I&S-Stein Falls				17.97	151,566.85	14,998.89	152,415.87	-137,465.90	14,100.95
				48.92	151,566.85	14,998.89	152,415.87	-137,465.90	14,100.95
Fund: 2021 Const-Stein Fal									
R033-300-095	TXPOOL	03330R	09/01/2022	7,646.91	4,512,123.94	15,919.77	930,000.00	-922,353.09	3,589,770.85
0941100022	3,589,770.85	2.846	/ /	8,272.86	4,512,123.94	15,919.77	930,000.00	-922,353.09	3,589,770.85
Sub Totals For: Fund: 2021 Const-Stein Fal				7,646.91	4,512,123.94	15,919.77	930,000.00	-922,353.09	3,589,770.85
				8,272.86	4,512,123.94	15,919.77	930,000.00	-922,353.09	3,589,770.85
Fund: 2021 I&S-Stein Falls									
R033-400-095	TXPOOL	03340R	09/01/2022	198.31	72,846.78	71,850.61	0.00	71,532.31	144,379.09
0941100024	144,379.09	2.846	/ /	318.30	72,846.78	71,850.61	0.00	71,532.31	144,379.09
Sub Totals For: Fund: 2021 I&S-Stein Falls				198.31	72,846.78	71,850.61	0.00	71,532.31	144,379.09
				318.30	72,846.78	71,850.61	0.00	71,532.31	144,379.09

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Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Fund: 2021 Const-Dietz									
R038-100-095	TXPOOL	03810R	09/01/2022	1,732.78	873,803.43	3,334.87	0.00	1,732.78	875,536.21
0941100023	875,536.21	2.846	/ /	1,602.09	873,803.43	3,334.87	0.00	1,732.78	875,536.21
Sub Totals For: Fund: 2021 Const-Dietz				1,732.78	873,803.43	3,334.87	0.00	1,732.78	875,536.21
				1,602.09	873,803.43	3,334.87	0.00	1,732.78	875,536.21
Fund: 2021 I&S-Dietz									
R038-400-095	TXPOOL	03840R	09/01/2022	60.58	22,179.46	21,874.81	0.00	21,777.58	43,957.04
0941100024	43,957.04	2.846	/ /	97.23	22,179.46	21,874.81	0.00	21,777.58	43,957.04
Sub Totals For: Fund: 2021 I&S-Dietz				60.58	22,179.46	21,874.81	0.00	21,777.58	43,957.04
				97.23	22,179.46	21,874.81	0.00	21,777.58	43,957.04
Fund: 2010 I&S-RRWDS									
R041-100-097	BRDWAY	04110R	09/01/2022	4.67	597.67	52,129.87	0.00	51,943.67	52,541.34
CMM-6257184	52,541.34	0.300	/ /	186.20	597.67	52,129.87	0.00	51,943.67	52,541.34
Sub Totals For: Fund: 2010 I&S-RRWDS				4.67	597.67	52,129.87	0.00	51,943.67	52,541.34
				186.20	597.67	52,129.87	0.00	51,943.67	52,541.34
Fund: Opr-Water Supply									
U041-100-001	FHLB	04110U	08/19/2022	0.00	493,922.48	0.00	0.00	1,191.67	495,114.15
313384BH1	500,000.00	2.938	02/01/2023	0.00	493,260.00	0.00	0.00	0.00	493,260.00
U041-100-002	FHLB	04110U	08/19/2022	0.00	985,182.78	0.00	0.00	2,483.33	987,666.11
313384CK3	1,000,000.00	3.067	02/27/2023	0.00	983,500.00	0.00	0.00	0.00	983,500.00
U041-100-003	FFCB	04110U	08/26/2022	362.50	1,450,373.51	0.00	0.00	3,712.71	1,454,086.22
3133ENAL4	1,500,000.00	3.341	10/12/2023	0.00	1,446,705.00	0.00	0.00	0.00	1,446,705.00
U041-100-004	USTR	04110U	08/26/2022	4,891.31	1,987,802.84	0.00	0.00	523.48	1,988,326.32
91282CFA4	2,000,000.00	3.331	07/31/2024	0.00	1,983,360.00	0.00	0.00	0.00	1,983,360.00
U041-100-094	TXFIT	04110U	09/01/2022	4,791.10	2,513,143.47	9,365.00	0.00	4,791.10	2,517,934.57
1379800040	2,517,934.57	2.840	/ /	4,573.90	2,513,143.47	9,365.00	0.00	4,791.10	2,517,934.57

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Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
U041-100-095	TXPOOL	04110U	09/01/2022	10,581.52	5,336,350.76	23,561.81	0.00	10,581.52	5,346,932.28
0941100002	5,346,932.28	2.846	/ /	12,980.29	5,336,350.76	23,561.81	0.00	10,581.52	5,346,932.28
U041-100-096	SEGST	04110U	09/01/2022	7,657.30	4,364,601.19	115,914.04	0.00	107,657.30	4,472,258.49
CMM-716278	4,472,258.49	2.020	/ /	8,256.74	4,364,601.19	115,914.04	0.00	107,657.30	4,472,258.49
U041-100-097	BRDWAY	04110U	09/01/2022	0.00	0.00	0.00	0.00	0.00	0.00
CMM-6257184	0.00	0.050	/ /	0.00	0.00	0.00	0.00	0.00	0.00
Sub Totals For: Fund: Opr-Water Supply				28,283.73	17,131,377.03	148,840.85	0.00	130,941.11	17,262,318.14
				25,810.93	17,120,920.42	148,840.85	0.00	123,029.92	17,243,950.34
Fund: 2007B/2017 I&S-RRWDS									
R041-120-095	TXPOOL	04112R	09/01/2022	721.46	332,982.57	82,058.42	0.00	81,518.46	414,501.03
0941100013	414,501.03	2.846	/ /	539.96	332,982.57	82,058.42	0.00	81,518.46	414,501.03
Sub Totals For: Fund: 2007B/2017 I&S-RRWDS				721.46	332,982.57	82,058.42	0.00	81,518.46	414,501.03
				539.96	332,982.57	82,058.42	0.00	81,518.46	414,501.03
Fund: 2007 Rate Stab-RRWDS									
R041-150-001	USTR	04115R	08/26/2022	621.55	486,640.52	0.00	0.00	734.03	487,374.55
91282CEA5	500,000.00	3.345	02/29/2024	0.00	485,880.00	0.00	0.00	0.00	485,880.00
R041-150-090	WFARGO	04115R	09/01/2022	19.43	59,075.73	70.64	0.00	19.43	59,095.16
MM-6913022262	59,095.16	0.400	/ /	51.21	59,075.73	70.64	0.00	19.43	59,095.16
R041-150-095	TXPOOL	04115R	09/01/2022	212.39	107,109.78	955.28	0.00	212.39	107,322.17
0941100002	107,322.17	2.846	/ /	742.89	107,109.78	955.28	0.00	212.39	107,322.17
R041-150-096	SEGST	04115R	09/01/2022	913.42	524,872.99	937.50	0.00	913.42	525,786.41
CMM-716278	525,786.41	2.020	/ /	24.08	524,872.99	937.50	0.00	913.42	525,786.41
Sub Totals For: Fund: 2007 Rate Stab-RRWDS				1,766.79	1,177,699.02	1,963.42	0.00	1,879.27	1,179,578.29
				818.18	1,176,938.50	1,963.42	0.00	1,145.24	1,178,083.74
Fund: 2016 I&S-SM WTP									
R041-180-096	SEGST	04118R	09/01/2022	91.16	22,145.74	22,236.71	0.00	22,111.16	44,256.90
CMM-716278	44,256.90	2.020	/ /	125.55	22,145.74	22,236.71	0.00	22,111.16	44,256.90

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Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Sub Totals For: Fund: 2016 I&S-SM WTP				91.16	22,145.74	22,236.71	0.00	22,111.16	44,256.90
				125.55	22,145.74	22,236.71	0.00	22,111.16	44,256.90
Fund: 2020 I&S-Gen Imp/Ref									
R041-200-096	SEGST	04120R	09/01/2022	288.52	130,256.11	70,033.28	0.00	69,634.52	199,890.63
CMM-716278	199,890.63	2.020	/ /	398.76	130,256.11	70,033.28	0.00	69,634.52	199,890.63
Sub Totals For: Fund: 2020 I&S-Gen Imp/Ref				288.52	130,256.11	70,033.28	0.00	69,634.52	199,890.63
				398.76	130,256.11	70,033.28	0.00	69,634.52	199,890.63
Fund: 2012 Reserve-MidBasi									
R041-250-001	REGION	04125R	09/01/2022	0.49	59,363.24	1.03	27.00	-26.51	59,336.73
MM-0159406038	59,336.73	0.010	/ /	0.54	59,363.24	1.03	27.00	-26.51	59,336.73
R041-250-002	USTR	04125R	08/26/2022	93.23	72,996.08	0.00	0.00	110.11	73,106.19
91282CEA5	75,000.00	3.345	02/29/2024	0.00	72,882.00	0.00	0.00	0.00	72,882.00
R041-250-007	MARION	04125R	12/16/2020	110.58	107,626.48	0.00	0.00	0.00	107,626.48
CD-26891	107,626.48	1.250	12/19/2023	0.00	107,626.48	0.00	0.00	0.00	107,626.48
R041-250-097	BRDWAY	04125R	09/01/2022	5.19	21,168.90	31.89	0.00	5.19	21,174.09
CMM-6257184	21,174.09	0.300	/ /	26.70	21,168.90	31.89	0.00	5.19	21,174.09
Sub Totals For: Fund: 2012 Reserve-MidBasi				209.49	261,154.70	32.92	27.00	88.79	261,243.49
				27.24	261,040.62	32.92	27.00	-21.32	261,019.30
Fund: 2012 I&S-Mid-Basin									
R041-260-096	SEGST	04126R	09/01/2022	89.52	21,985.67	22,075.20	0.00	21,921.52	43,907.19
CMM-716278	43,907.19	2.020	/ /	153.68	21,985.67	22,075.20	0.00	21,921.52	43,907.19
Sub Totals For: Fund: 2012 I&S-Mid-Basin				89.52	21,985.67	22,075.20	0.00	21,921.52	43,907.19
				153.68	21,985.67	22,075.20	0.00	21,921.52	43,907.19
Fund: 2013 RateStab-WCanyo									
R041-310-001	USTR	04131R	08/26/2022	621.55	486,640.52	0.00	0.00	734.03	487,374.55
91282CEA5	500,000.00	3.345	02/29/2024	0.00	485,880.00	0.00	0.00	0.00	485,880.00

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Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value
R041-310-002	USTR	04131R	08/26/2022	1,222.82	496,950.71	0.00	0.00	130.87
91282CFA4	500,000.00	3.331	07/31/2024	0.00	495,840.00	0.00	0.00	495,840.00
R041-310-042	MARION	04131R	12/16/2020	110.58	107,626.48	0.00	0.00	107,626.48
CD-26891	107,626.48	1.250	12/19/2023	0.00	107,626.48	0.00	0.00	107,626.48
R041-310-095	TXPOOL	04131R	09/01/2022	1,393.11	702,554.92	4,094.17	0.00	1,393.11
0941100002	703,948.03	2.846	/ /	2,701.06	702,554.92	4,094.17	0.00	1,393.11
Sub Totals For: Fund: 2013 RateStab-WCanyo				3,348.06	1,793,772.63	4,094.17	0.00	2,258.01
				2,701.06	1,791,901.40	4,094.17	0.00	1,793,294.51
Fund: 2013 Rate Stab-IH35								
R041-320-095	TXPOOL	04132R	09/01/2022	616.69	310,978.72	1,186.82	0.00	616.69
0941100011	311,595.41	2.846	/ /	570.13	310,978.72	1,186.82	0.00	616.69
Sub Totals For: Fund: 2013 Rate Stab-IH35				616.69	310,978.72	1,186.82	0.00	616.69
				570.13	310,978.72	1,186.82	0.00	616.69
Fund: 2013 I&S-IH35								
R041-350-095	TXPOOL	04135R	09/01/2022	274.27	100,282.13	100,556.40	0.00	99,922.27
0941100008	200,204.40	2.846	/ /	634.13	100,282.13	100,556.40	0.00	99,922.27
Sub Totals For: Fund: 2013 I&S-IH35				274.27	100,282.13	100,556.40	0.00	99,922.27
				634.13	100,282.13	100,556.40	0.00	99,922.27
Fund: 2013 Reserve-IH35								
R041-370-001	USTR	04137R	08/26/2022	994.47	778,624.82	0.00	0.00	1,174.46
91282CEA5	800,000.00	3.345	02/29/2024	0.00	777,408.00	0.00	0.00	777,408.00
R041-370-095	TXPOOL	04137R	09/01/2022	801.69	404,283.45	2,638.70	0.00	801.69
0941100009	405,085.14	2.846	/ /	1,837.01	404,283.45	2,638.70	0.00	801.69
Sub Totals For: Fund: 2013 Reserve-IH35				1,796.16	1,182,908.27	2,638.70	0.00	1,976.15
				1,837.01	1,181,691.45	2,638.70	0.00	801.69
Fund: 2022 Const-NB Office								

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R041-410-095	TXPOOL	04141R	09/01/2022	10,785.32	5,618,765.60	22,206.70	300,000.00	-289,214.68
0941100025	5,329,550.92	2.846	/ /	11,421.38	5,618,765.60	22,206.70	300,000.00	-289,214.68
Sub Totals For: Fund: 2022 Const-NB Office				10,785.32	5,618,765.60	22,206.70	300,000.00	-289,214.68
				11,421.38	5,618,765.60	22,206.70	300,000.00	-289,214.68
Fund: 2022 I&S-NB Office								
R041-420-001	FHLB	04142R	08/19/2022	0.00	229,012.44	0.00	0.00	552.46
313384BH1	231,830.00	2.938	02/01/2023	0.00	228,704.93	0.00	0.00	228,704.93
R041-420-095	TXPOOL	04142R	09/01/2022	262.16	125,111.58	19,278.88	0.00	18,825.16
0941100026	143,936.74	2.846	/ /	453.72	125,111.58	19,278.88	0.00	18,825.16
Sub Totals For: Fund: 2022 I&S-NB Office				262.16	354,124.02	19,278.88	0.00	19,377.62
				453.72	353,816.51	19,278.88	0.00	18,825.16
Fund: Opr-Canal								
U043-100-001	FHLB	04310U	08/19/2022	0.00	194,151.11	0.00	0.00	533.33
313384JR1	200,000.00	3.320	07/27/2023	0.00	193,766.00	0.00	0.00	193,766.00
U043-100-096	SEGST	04310U	09/01/2022	887.30	509,868.72	1,771.53	0.00	887.30
CMM-716278	510,756.02	2.020	/ /	884.23	509,868.72	1,771.53	0.00	887.30
Sub Totals For: Fund: Opr-Canal				887.30	704,019.83	1,771.53	0.00	1,420.63
				884.23	703,634.72	1,771.53	0.00	887.30
Fund: Opr-Buda WWTP								
U045-100-095	TXPOOL	04510U	09/01/2022	71.66	36,136.65	137.61	0.00	71.66
0941100002	36,208.31	2.846	/ /	65.95	36,136.65	137.61	0.00	71.66
Sub Totals For: Fund: Opr-Buda WWTP				71.66	36,136.65	137.61	0.00	71.66
				65.95	36,136.65	137.61	0.00	71.66
Fund: Opr-Carrizo Grndwtr								
U047-100-001	FHLB	04710U	08/19/2022	0.00	790,275.97	0.00	0.00	1,906.67
313384BH1	800,000.00	2.938	02/01/2023	0.00	789,216.00	0.00	0.00	789,216.00

Monthly Board Report
Texas Compliance Change in Val Report
September 1, 2022 - September 30, 2022

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value			Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value
U047-100-096	SEGST	04710U	09/01/2022	375.30	215,657.03	1,332.80	0.00	375.30
CMM-716278	216,032.33	2.020	/ /	957.50	215,657.03	1,332.80	0.00	375.30
Sub Totals For: Fund: Opr-Carrizo Grndwtr				375.30	1,005,933.00	1,332.80	0.00	2,281.97
				957.50	1,004,873.03	1,332.80	0.00	375.30
Fund: Const-Carrizo Grndwt								
R047-470-095	TXPOOL	04747R	09/01/2022	47,588.03	30,872,652.35	98,381.45	9,000,000.00	-8,952,411.97
0941100014	21,920,240.38	2.846	/ /	50,793.42	30,872,652.35	98,381.45	9,000,000.00	-8,952,411.97
R047-470-096	SEGST	04747R	09/01/2022	100.16	57,557.38	181.92	0.00	100.16
CMM-716278	57,657.54	2.020	/ /	81.76	57,557.38	181.92	0.00	100.16
Sub Totals For: Fund: Const-Carrizo Grndwt				47,688.19	30,930,209.73	98,563.37	9,000,000.00	-8,952,311.81
				50,875.18	30,930,209.73	98,563.37	9,000,000.00	-8,952,311.81
Fund: I&S-Carrizo Grndwtr								
R047-480-001	FHLB	04748R	08/19/2022	0.00	1,208,249.17	0.00	0.00	2,915.07
313384BH1	1,223,116.00	2.938	02/01/2023	0.00	1,206,628.40	0.00	0.00	0.00
R047-480-095	TXPOOL	04748R	09/01/2022	219.61	44,667.39	175,412.26	0.00	173,393.61
0941100015	218,061.00	2.846	/ /	2,018.65	44,667.39	175,412.26	0.00	173,393.61
Sub Totals For: Fund: I&S-Carrizo Grndwtr				219.61	1,252,916.56	175,412.26	0.00	176,308.68
				2,018.65	1,251,295.79	175,412.26	0.00	173,393.61
Fund: Opr-Western Canyon								
U050-100-001	FHLB	05010U	08/19/2022	0.00	492,591.39	0.00	0.00	1,241.66
313384CK3	500,000.00	3.067	02/27/2023	0.00	491,750.00	0.00	0.00	0.00
U050-100-016	MARION	05010U	12/16/2020	276.44	269,066.21	0.00	0.00	0.00
CD-26891	269,066.21	1.250	12/19/2023	0.00	269,066.21	0.00	0.00	0.00
U050-100-096	SEGST	05010U	09/01/2022	1,891.98	1,087,180.48	3,842.21	0.00	1,891.98
CMM-716278	1,089,072.46	2.020	/ /	1,950.23	1,087,180.48	3,842.21	0.00	1,891.98
Sub Totals For: Fund: Opr-Western Canyon				2,168.42	1,848,838.08	3,842.21	0.00	3,133.64
				1,950.23	1,847,996.69	3,842.21	0.00	1,891.98

Monthly Board Report
Texas Compliance Change in Val Report
September 1, 2022 - September 30, 2022

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Fund: 2020 Const-WCanyon,									
R050-510-095	TXPOOL	05051R	09/01/2022	880.64	455,651.40	1,712.23	19,871.19	-18,990.55	436,660.85
0941100002	436,660.85	2.846	/ /	831.59	455,651.40	1,712.23	19,871.19	-18,990.55	436,660.85
Sub Totals For: Fund: 2020 Const-WCanyon,				880.64	455,651.40	1,712.23	19,871.19	-18,990.55	436,660.85
				831.59	455,651.40	1,712.23	19,871.19	-18,990.55	436,660.85
Fund: 2020 I&S-WCanyon, re									
R050-520-095	TXPOOL	05052R	09/01/2022	1,260.22	483,872.69	401,821.36	0.00	398,695.22	882,567.91
0941100005	882,567.91	2.846	/ /	3,126.14	483,872.69	401,821.36	0.00	398,695.22	882,567.91
Sub Totals For: Fund: 2020 I&S-WCanyon, re				1,260.22	483,872.69	401,821.36	0.00	398,695.22	882,567.91
				3,126.14	483,872.69	401,821.36	0.00	398,695.22	882,567.91
Fund: Opr-Cordillera WDS									
U052-100-001	FHLB	05210U	08/19/2022	0.00	728,066.67	0.00	0.00	2,000.00	730,066.67
313384JR1	750,000.00	3.320	07/27/2023	0.00	726,622.50	0.00	0.00	0.00	726,622.50
U052-100-002	USTR	05210U	08/26/2022	611.42	248,475.36	0.00	0.00	65.43	248,540.79
91282CFA4	250,000.00	3.331	07/31/2024	0.00	247,920.00	0.00	0.00	0.00	247,920.00
U052-100-095	TXPOOL	05210U	09/01/2022	524.91	264,716.08	1,359.84	0.00	524.91	265,240.99
0941100002	265,240.99	2.846	/ /	834.93	264,716.08	1,359.84	0.00	524.91	265,240.99
U052-100-096	SEGST	05210U	09/01/2022	1,533.68	881,290.55	3,385.39	0.00	1,533.68	882,824.23
CMM-716278	882,824.23	2.020	/ /	1,851.71	881,290.55	3,385.39	0.00	1,533.68	882,824.23
Sub Totals For: Fund: Opr-Cordillera WDS				2,670.01	2,122,548.66	4,745.23	0.00	4,124.02	2,126,672.68
				2,686.64	2,120,549.13	4,745.23	0.00	2,058.59	2,122,607.72
Fund: Opr-Comal Trace									
U054-100-001	FHLB	05410U	08/19/2022	0.00	485,377.78	0.00	0.00	1,333.33	486,711.11
313384JR1	500,000.00	3.320	07/27/2023	0.00	484,415.00	0.00	0.00	0.00	484,415.00
U054-100-095	TXPOOL	05410U	09/01/2022	1,249.47	630,119.71	2,913.21	0.00	1,249.47	631,369.18
0941100002	631,369.18	2.846	/ /	1,663.74	630,119.71	2,913.21	0.00	1,249.47	631,369.18

Monthly Board Report
Texas Compliance Change in Val Report
September 1, 2022 - September 30, 2022

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
Sub Totals For: Fund: Opr-Comal Trace				1,249.47	1,115,497.49	2,913.21	0.00	2,582.80	1,118,080.29
				1,663.74	1,114,534.71	2,913.21	0.00	1,249.47	1,115,784.18
Fund: Opr-Johnson Ranch WD									
U055-100-001	FHLB	05510U	08/19/2022	0.00	242,688.89	0.00	0.00	666.67	243,355.56
313384JR1	250,000.00	3.320	07/27/2023	0.00	242,207.50	0.00	0.00	0.00	242,207.50
U055-100-002	USTR	05510U	08/26/2022	611.42	248,475.36	0.00	0.00	65.43	248,540.79
91282CFA4	250,000.00	3.331	07/31/2024	0.00	247,920.00	0.00	0.00	0.00	247,920.00
U055-100-096	SEGST	05510U	09/01/2022	894.43	513,960.98	2,098.30	0.00	894.43	514,855.41
CMM-716278	514,855.41	2.020	/ /	1,203.87	513,960.98	2,098.30	0.00	894.43	514,855.41
Sub Totals For: Fund: Opr-Johnson Ranch WD				1,505.85	1,005,125.23	2,098.30	0.00	1,626.53	1,006,751.76
				1,203.87	1,004,088.48	2,098.30	0.00	894.43	1,004,982.91
Fund: Opr-Rural Wtr									
U070-100-069	MARION	07010U	12/16/2020	165.86	161,439.72	0.00	0.00	0.00	161,439.72
CD-26891	161,439.72	1.250	12/19/2023	0.00	161,439.72	0.00	0.00	0.00	161,439.72
U070-100-070	FSTLOC	07010U	01/05/2021	31.51	109,559.93	0.00	0.00	0.00	109,559.93
CD-69634	109,559.93	0.350	01/05/2023	0.00	109,559.93	0.00	0.00	0.00	109,559.93
U070-100-097	BRDWAY	07010U	09/01/2022	66.07	269,383.85	158.83	0.00	66.07	269,449.92
CMM-6257184	269,449.92	0.300	/ /	92.76	269,383.85	158.83	0.00	66.07	269,449.92
Sub Totals For: Fund: Opr-Rural Wtr				263.44	540,383.50	158.83	0.00	66.07	540,449.57
				92.76	540,383.50	158.83	0.00	66.07	540,449.57
Fund: Opr-Luling WTP									
U100-100-097	BRDWAY	10010U	09/01/2022	42.97	175,181.31	103.29	0.00	42.97	175,224.28
CMM-6257184	175,224.28	0.300	/ /	60.32	175,181.31	103.29	0.00	42.97	175,224.28
Sub Totals For: Fund: Opr-Luling WTP				42.97	175,181.31	103.29	0.00	42.97	175,224.28
				60.32	175,181.31	103.29	0.00	42.97	175,224.28
Fund: Opr-Lu-Lo									

Monthly Board Report
Texas Compliance Change in Val Report
September 1, 2022 - September 30, 2022

Inv #	Issuer	Fund	Purch Date	Interest Accrual	Beginning Book Value				Ending Book Value
Cusip	Par Value	YTM	Mat Date	Interest Received	Beginning Market Value	Purchases/ Additions	Redemptions	Change in Value	Ending Market Value
U100-200-021	MARION	10020U	12/16/2020	110.58	107,626.48	0.00	0.00	0.00	107,626.48
CD-26891	107,626.48	1.250	12/19/2023	0.00	107,626.48	0.00	0.00	0.00	107,626.48
U100-200-022	FSTLOC	10020U	01/05/2021	31.51	109,559.93	0.00	0.00	0.00	109,559.93
CD-69634	109,559.93	0.350	01/05/2023	0.00	109,559.93	0.00	0.00	0.00	109,559.93
U100-200-096	SEGST	10020U	09/01/2022	478.87	275,170.84	869.76	0.00	478.87	275,649.71
CMM-716278	275,649.71	2.020	/ /	390.89	275,170.84	869.76	0.00	478.87	275,649.71
U100-200-097	BRDWAY	10020U	09/01/2022	2.78	11,354.64	6.69	0.00	2.78	11,357.42
CMM-6257184	11,357.42	0.300	/ /	3.91	11,354.64	6.69	0.00	2.78	11,357.42
Sub Totals For: Fund: Opr-Lu-Lo				623.74	503,711.89	876.45	0.00	481.65	504,193.54
				394.80	503,711.89	876.45	0.00	481.65	504,193.54
Fund: 2014 I&S-Lu-Lo									
R100-400-001	FHLB	10040R	08/19/2022	0.00	168,974.41	0.00	0.00	407.76	169,382.17
313384BH1	171,054.00	2.939	02/01/2023	0.00	168,748.19	0.00	0.00	0.00	168,748.19
R100-400-096	SEGST	10040R	09/01/2022	143.35	36,399.10	34,286.63	0.00	34,056.35	70,455.45
CMM-716278	70,455.45	2.020	/ /	230.28	36,399.10	34,286.63	0.00	34,056.35	70,455.45
Sub Totals For: Fund: 2014 I&S-Lu-Lo				143.35	205,373.51	34,286.63	0.00	34,464.11	239,837.62
				230.28	205,147.29	34,286.63	0.00	34,056.35	239,203.64
Report Grand Totals:				166,101.00	102,756,091.85	1,500,073.56	11,202,314.06	-9,845,409.13	92,910,682.72
				169,381.35	102,727,892.36	1,500,073.56	11,202,314.06	-9,871,621.85	92,856,270.51

Investment Report as of September 30, 2022

Chairman Dennis Patillo,
GBRA Board of Directors and
General Manager/CEO Kevin Patteson

The preceding report has been prepared and is being distributed to you in accordance with Section 2256.023 of the Texas Public Funds Investment Act. We believe the investment portfolio that is described in this report complies with the Texas Public Funds Investment Act.

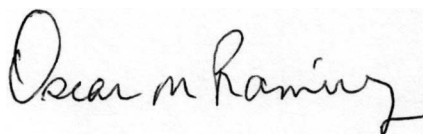
GBRA Investment Officers:



Randy Staats
Executive Manager of Finance/CFO



Sandra Terry
Deputy CFO-Finance & Administration



Oscar Ramirez
Controller

CONSENT ITEM

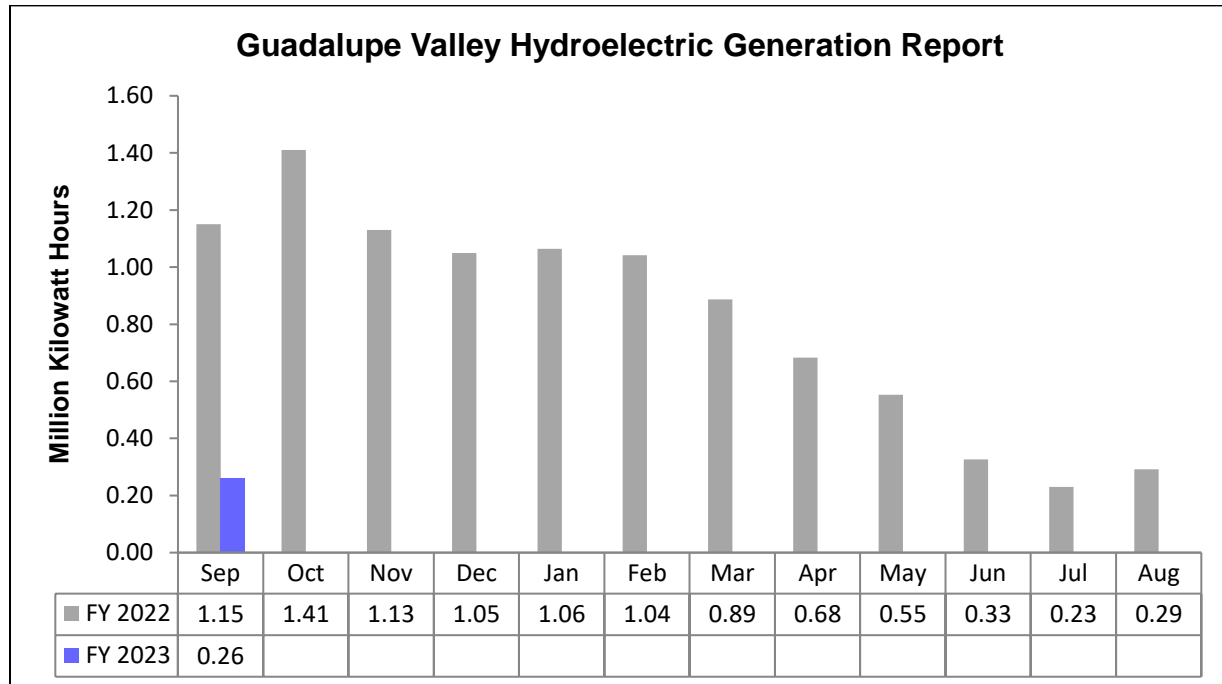
4. Consideration of and possible action approving the monthly operations report for September 2022.

Attachment

Report of Operations

Month of September

Fiscal Year 2023



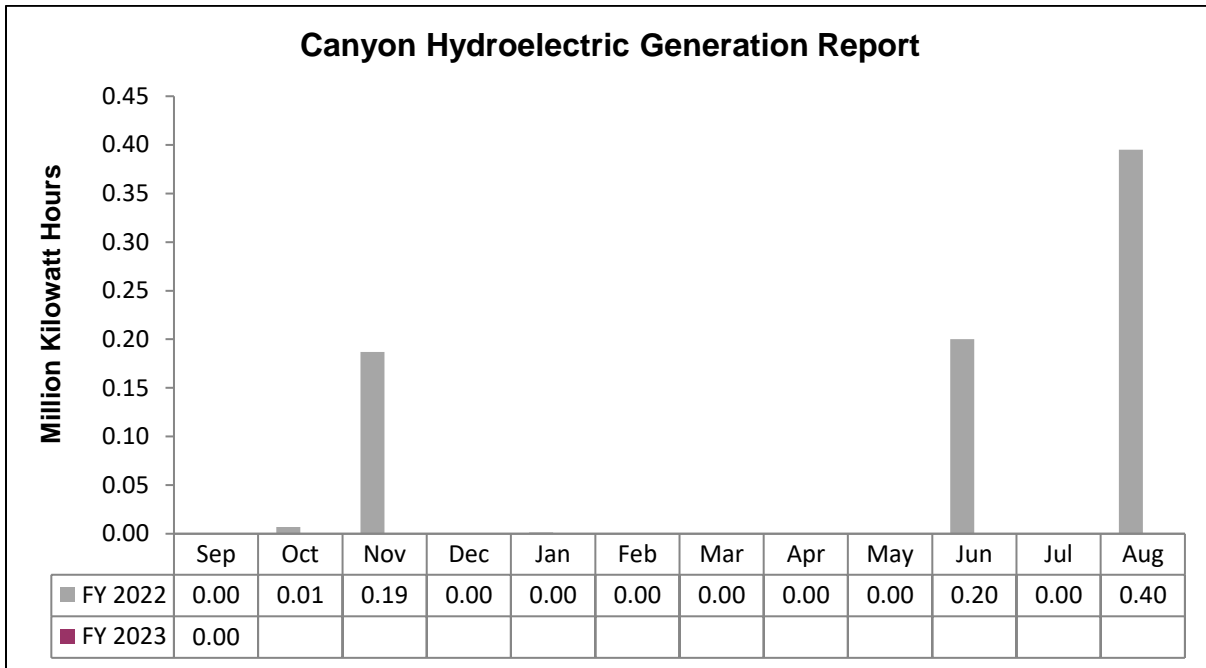
During the month, the Guadalupe Valley Hydroelectric System (GVHS) generated 0.262 million-kilowatt hours of electrical power for the Guadalupe Valley Electric Coop (GVEC) for a total of 0.262 million-kilowatt hours for the fiscal year and delivered 151.8 million gallons of water to the Calpine Guadalupe Energy Center (CGEC) for a total of 151.8 million gallons for the year to date fiscal year.

The maintenance team cleaned turbine intake trash racks weekly. Dunlap generators have been run three times a week, TP4, and H4 rotated by hand to keep operational. Hydro personnel applied herbicide to pump stations, substations, and hydro plants. Hydro personnel launched PICA electronic sensor balls through the RRWDS pipeline and retrieved at the San Marcos water treatment plant. Hydro personnel began servicing emergency generators at all GBRA locations and performed quarterly rain gauge inspections and repairs. Rebuilt mechanical seals at RRWDS pump station #2 and took apart and removed pig pieces from mixer valve at San Marcos water treatment plant. Hydro personnel picked up a 6" pump, delivered to San Marcos water treatment plant in preparation for valve installation, and worked on closing NexGen work orders.

The heavy equipment operator has been working on repairing and servicing equipment. Hauling off old pipe casing spacers and scrap to recycling. Hauling base and blading pump station roads.

This month, the electricians have been working on Generator and ATS Electrical PM's. So far, they have completed all of Stein Falls lift stations, plant generators and ATSs. At Long Creek #3 Lift Station a bad phase failure relay was found. Electricians completed all generator and ATS PMs at Comal Park Estates wastewater plant and lift stations, Brookshire Lift Station, and at Presidential Lift Station. At Western Canyon WTP, Cordillera WWTP and Cordillera Lift Station we completed the electrical PM's on the generators and ATS's and found very little issues except for some loose wire connections in the Cordillera Lift Station ATS. In addition, at Western Canyon WTP we had to change out a 1200 AMP Main breaker feeding "A" side of Membrane building MCC. The breaker faulted due to water leaking into MCC from hole

in the roof, electricians are currently working on getting all main breakers at Western Canyon tested. At Buda WWTP, electricians replaced and reprogramed the VFD for Sludge Pump #1 and worked various other troubleshooting calls for Buda, Sunfield, and Shadow Creek WWTP. At Dunlap, Mc Queeney, TP-4, and Nolte, Hydro completed the transmission line inspection. Electricians found a lot of vegetation growing up into the lines that will need to be cleared in the near future and a few cross arms will need to be changed.



The Canyon Hydroelectric Plant generated 0.00 million-kilowatt hours of power for New Braunfels Utilities (NBU) due to low flow conditions. The total for the fiscal year is 0.00 million-kilowatt hours.

SHADOW CREEK WASTEWATER TREATMENT PLANT

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Avg. MGD	0.61	0.256											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	0.7											
Ammonia (mg/L)	2	0.1											
Phosphorous (mg/L)	1	0.7											
E.coli (CFU/ 100 mL)	126	1											
Year to Date Flows (MG)		7.68											
Biosolids Processing													
FY 2023	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
Biosolids Processed (metric tons)	*												
Year to Date Biosolids Processed (metric tons)	*												

(* data not available at printing. Report will be revised when this information is received.)

System Statistics:

There are an estimated 1,697 occupied residences in the Shadow Creek subdivision and 491 connections in the Trails at Windy Hills (South Grove) subdivision as of the end of the month. The system received 0.5 inches of rain during the month.

System Activities:

Preventive maintenance was performed on the clarifiers, filters, and blowers. A composite sampler and sink were installed on the effluent sample station. The plant and Marsh Lane lift stations were cleaned and operators de-ragged a pump at Shadow Creek Blvd. GBRA personnel completed quarterly generator maintenance. Plant and lift station grounds keeping was completed. Operators completed 35 final tap inspections in the South Grove subdivision and one cleanout was repaired in Shadow Creek. Operators continued using NEXGEN for preventive and corrective maintenance and completed monthly safety inspections.

SUNFIELD WASTEWATER TREATMENT PLANT

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Avg. MGD	0.50	0.493											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	1.2											
Ammonia (mg/L)	2	0.1											
Phosphorous (mg/L)	1	0.4											
E.coli (CFU/100 /mL)	126	1											
Year to Date Flows (MG)		14.79											
Biosolids Processing													
FY 2023	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
Type I Reuse Avg MGD	0												
Year to Date Reuse (MG)	0												
Biosolids Processed (metric tons)	*												
Year to Date Biosolids Processed (metric tons)	*												

(* data not available at printing. Report will be revised when this information is received.)

System Statistics:

There are an estimated 3,063 residential connections and 16 mixed use connections in this system as of the end of the month. The system received 0.8 inches of rain during the month.

Construction Activities:

Several construction and bid meetings were held. Archer Western continued excavating and applying base materials at the site. T. Morales began trenching for electrical conduits. GBRA staff and Plummer met with the City of Buda regarding projects east of IH-35. Contractors continued work on the reuse system valves and controls.

System Activities:

Preventive maintenance was performed on the clarifiers, filters, and blowers. The mobile press was onsite and biosolids were processed. Operators H. Galvan and Rosales plumbed in the sampler to the non-potable building and replaced a gasket on influent pump #2. Two chlorine regulators and tubing were replaced on chlorine system #1. Trees and brush were cleared from Satterwhite Road so that oncoming traffic would be more visible to those leaving the plant. GBRA personnel completed quarterly generator maintenance. Operators completed 19 initial tap inspections and 11 final tap inspections in the collection system. A walkthrough of Sunfield Phase 5 was attended by GBRA operations and engineering personnel. Operators

continued using NEXGEN for preventive and corrective maintenance and completed monthly safety inspections. Robert Bowers obtained his "D" Wastewater license.

STEIN FALLS DIVISION

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Avg. MGD	0.95	0.455											
CBOD (mg/L)	10	3											
TSS (mg/L)	15	1.3											
E.coli (org/100 mL)	126	4											
Ammonia Nitrogen (mg/L)	2	0.24											
Phosphorous (mg/L)	1	0.615											
YTD Gal. Proc. (MG)	-	13.6											

System Statistics:

There are estimated 2864 sewer connections in this division as of the end of the month. The system received 0.07 inches of rain during the month.

System Activities:

Fuel was delivered to the wastewater plant and offsite generators. Operators labeled all pumps at lift stations. Operators completed sludge pressing and took the mobile belt press to the Sunfield wastewater plant. Operators performed maintenance on the return activated sludge (RAS) flow meter.

WATER RESOURCES DIVISION

Canyon Reservoir: (cubic feet/second)													
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	
FY 23 Avg Inflow	10												
FY 23 Avg release	70												
FY 22 Avg Inflow	66.4	288.4	143.2	88.8	74.1	72.3	54.4	32.6	21.4	3.6	0	0	
FY 22 Avg release	68.3	102	107.6	105.3	101.3	80.4	67	57.6	56.9	65.7	67.7	92.2	

September 2023

Elevation beginning of month 902.73' msl
 Elevation end of month 901.70' msl
 Current Elevation (October 2, 2022) 901.61' msl

CALHOUN CANAL DIVISION

The highest and lowest elevation (msl) of the Guadalupe River recorded during the current year on the upstream gauge at the fabridam:

FY 2023	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Highest Elevation	6.16											
Lowest Elevation	3.83											

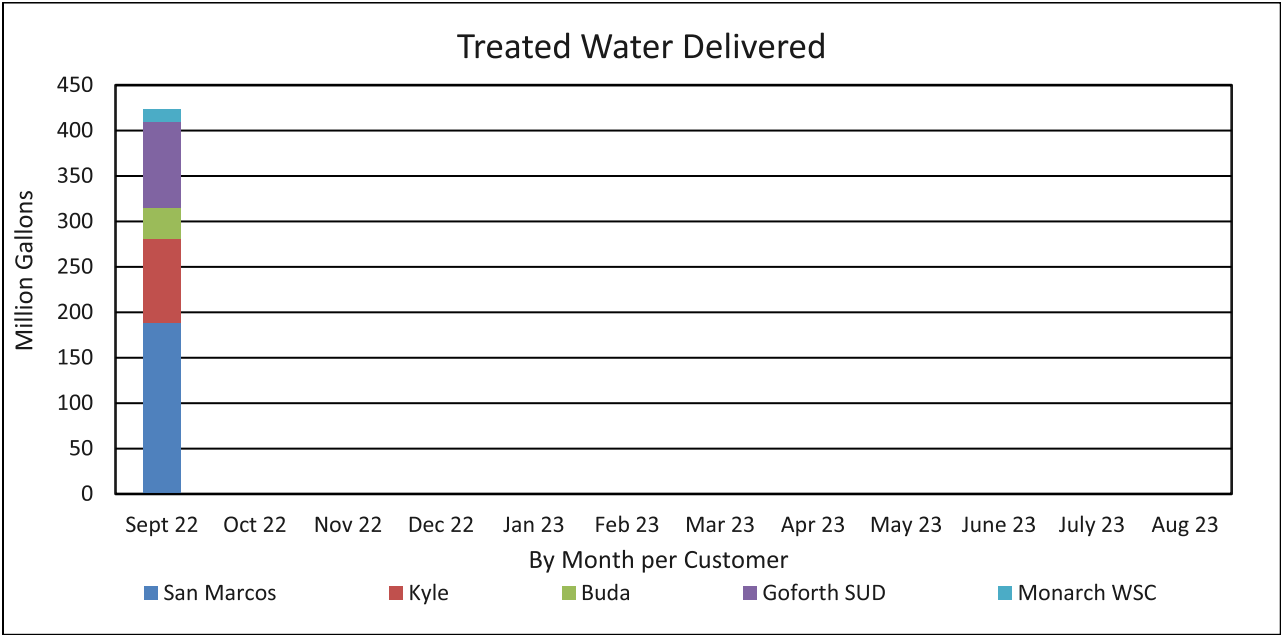
The highest and lowest recording (msl) on this gauge during the previous year:

FY 2022	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Highest Elevation	4.06	9.22	6.45	6.53	4.32	6.32	4.36	4.11	4.39	4.14	4.77	5.15
Lowest Elevation	2.88	3.39	3.64	3.39	3.3	3.21	3.74	3.77	3.71	2.91	2.46	2.95

System Activities:

For the month of September, the saltwater barrier has had the stop logs put in to place due to the bag failure. Heavy Equipment Operator Walter Brown, Chief of Maintenance Billy Penney worked on leaks on the west canal and cleaned out vegetation in between Fisher Road and Clark check. Water Tender Branden Wilson has completed the 2022, rice season, got with Chief Water Tender Curtis Gosnell, and went over the billing for irrigated rice. Wilson got the water to all the contracted duck ponds in time for early teal season. The canal crew has been getting things line up for the demolition of the old saltwater barrier bags. Penney and Brown have also mowed at the saltwater barrier.

SAN MARCOS WATER TREATMENT PLANT



System Activities:

Aqua Metrology systems came to the plant to perform the quarterly maintenance and calibrations of the online TTHM analyzer. A tour was given to the Texas State University senior civil engineering class. Professor Keisuke Ikehata and class visited the plant to learn more about the process of treating drinking water. QRO-Mex contractor was onsite to dig up the RRWDS water line on the north side of the San Marcos River to install a 24” isolation valve. The job had to be postponed to a later date due to unexpected problems isolating the raw water line. GBRA plant operators took the opportunity to wash down clarifier 1 during the plant shut down. GBRA Hydro and San Marcos teams pulled the rapid mixer for clarifier 1 and sent it to the machine shop for repairs. Both teams also disassembled the sludge waste drains and found both drains to be clogged with old pig parts. It is suspected that the parts traveled to the plant after the pipeline shutdown. GBRA Hydro and San Marcos teams successfully sent two PICA electronic sensor balls to detect air pockets and leaks, down the Regional Raw Water Pipeline. The PICA balls are designed to gather information and condition of the inside of the raw water pipeline as they travel the pipeline. Fluid meter service performed verifications and calibrations of the water meters inside the San Marcos water treatment plant. ANTEA Group gathered water quality samples from the water plant and the Hillside water tanks. These are annual samples taken for water quality analysis.

BUDA WASTEWATER TREATMENT PLANT

Effluent Monitoring													
FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug
Avg. MGD	1.75	1.263											
CBOD (mg/L)	5	2.1											
TSS (mg/L)	5	0.8											
Ammonia (mg/L)	1.2	0.3											
Phosphorous (mg/L)	0.8	0.5											
E.coli (CFU/100 ml)	126	2											
Year to Date Flows (MG)		37.89											
Additional Monitoring (at the Outfall)													
FY 2023	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	
E.coli (SU)	4												
pH (SU)	7.7												
DO (mg/L)	7.6												
Rainfall (inches)	0.3												
Effluent Reuse and Biosolids Processing													
FY 2023	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Aug	
Type I Reuse Avg. MGD	0.018												
Year to Date Reuse (MG)	0.529												
Biosolids Processed (metric tons)	*												
Year to Date Biosolids Processed (metric tons)	*												

(* data not available at printing. Report will be revised when this information is received.)

Construction Activities:

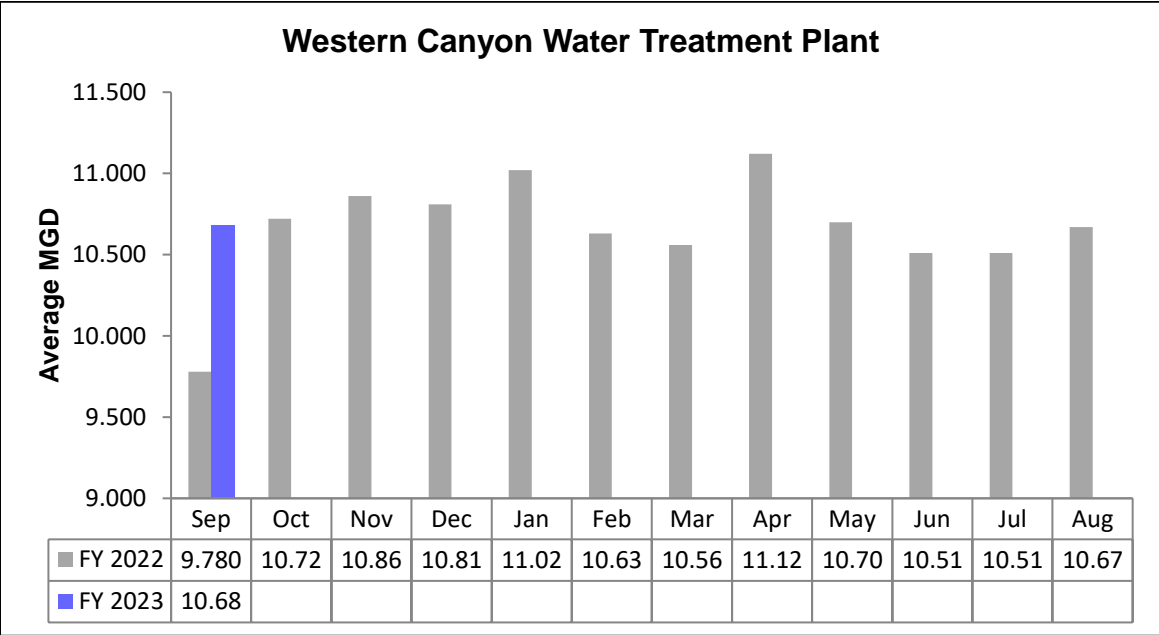
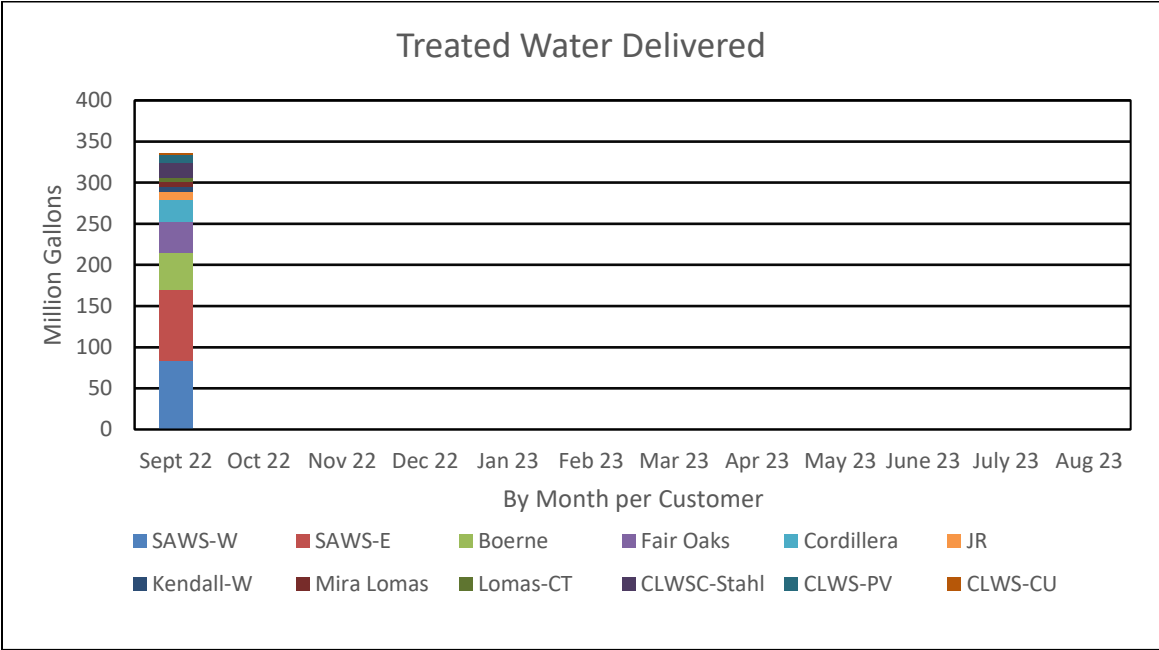
GBRA staff, along with City of Buda, contractor, and engineer representatives, performed the completion walkthrough of the Buda 3.5 MGD plant expansion. All final items were presented for the punch list. Any further items will be considered a warranty issue.

System Activities:

Preventive maintenance was performed on the clarifiers, return-activated sludge pumps, contact basins, blowers, and filters. Plant and discharge point grounds keeping was completed. Rehab work was completed on sand filter #3. Operators installed a new skimmer pump and hoses and placed the filter back into service. A new mud valve was installed on filter #1. Operators repaired non-potable water leaks at the pressure tank and on yard hydrants. GBRA electricians installed a new drive on sludge pump #1 and replaced a solenoid switch on the pressure tank panel. Operators made repairs to the damaged #4 clarifier skimmer arm and replaced a solenoid at odor scrubber #1. State Chemical installed a new odor control system at

the plant head works, digesters, and drying beds. This system will mist de-odorizing chemicals over odor trouble areas. It will be set up to run during high traffic hours in the city parks and during festivals. GBRA personnel completed quarterly generator maintenance. Operators continued using NEXGEN for preventive and corrective maintenance and completed monthly safety inspections. The City of Buda held its 8th Citizen’s Academy where citizens toured the Buda WWTP. Director of Regulatory and Customer Affairs Willis gave attendees a short presentation about GBRA and Wastewater Manager Mann led a tour of the Buda WWTP.

WESTERN CANYON DIVISION



System Statistics:

The Western Canyon Water Treatment Plant produced an average of 10.68 MGD for the month as metered. Total gallons treated during the month were 331.04 MG. The total number of gallons produced during FY

2023 is 3940.02 MG. Raw water diversion for the month was 337.54 MG. The total number of gallons for raw water during FY 2023 is 33994.425 MG.

System Activities:

Western Canyon WTP shift operator reported a chlorine smell near the disinfection facilities. Hunter Duncan, Division Manager, and Henry Segura, Chief Operator responded to assess the situation. Required personal protective equipment was donned and connections were tightened and checked for leaks. Leak was very minor and below the reporting threshold. An issue with the valve was identified and it was marked for replacement by the vendor. The Division Manager reviewed the incident with Safety Manager Reichle and adjusted the chlorine container change standard operating procedure. These changes were discussed with the plant operators along with the incident at the team meeting the following week. FM 3351 booster station in the wholesale transmission system was having issues with pump #2 only delivering half flow. Electrical Instrumentation and Controls Analyst Peterson and the plant operator discovered that the check valve was not seated on pump 1 allowing recirculation of the discharge. The check valve has been replaced and the pump has been placed back into service. Lighting struck a power pole adjacent to the pump station and disabled one of the three phases that supply the pump station. The power company was called to the site to restore power. Electrical Instrumentation Tech Hebert met the on-call operator Ledesma to check all equipment at the pump station and discovered a damaged compressor for the air conditioner unit. Maldonado Mechanical was notified and was able to replace the compressor the following week. The Operations building experienced a power fault and Electrician Perez responded. The A/C unit was damaged. Maldonado Mechanical was able to repair the unit. Chief Operator Segura and Operator Fagan have been lowering the sludge blanket in the active backwash lagoon transferring sludge to backwash lagoon 2 in anticipation of WBI arriving in October to dewater lagoon 1. Chief Operators Rohwedder and Segura removed Plant Lift Station pump #1. Electrician Herbert unwired and wired the new pump.

Canyon Park Estates WWTP

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Avg. MGD	0.260	0.058											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	0.73											
Ammonia (mg/L)	2	0.1											
Phosphorous (mg/L)	1	0.239											
E.coli (CFU/100 mL)	126	1											
Year to Date Flows (MG)		1.59											

System Statistics:

There are approximately 597 sewer connections in this division at the end of the month. The system received 1.8 inches of rainfall during the month.

System Activities:

Operators Helmke and Moses pulled the plant lift station pumps, cleaned, and reset them returning the amp load back to normal. Operator Wagner repaired the exposed alum feed tubing and protected it in conduit. L&L Septic hauled 3,000 gallons of sludge from the racetrack to two Comal ISD school plants to act as seed sludge for wastewater plants that were upset and needed re-seeding.

Comal Trace Subdivision:

Operator Schedlbauer fabricated extensions to the water well enclosures to address items identified by TCEQ. The metal extensions will be painted and installed on the well sites next month.

Park Village/Ventana Subdivision:

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
*Avg. MGD	0.195	0.036											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	1.33											
Ammonia (mg/L)	2	0.1											
Phosphorous (mg/L)	1	0.139											
E.coli (CFU/100 mL)	126	1											
Year to Date Flows (MG)		1.07											

System Statistics:

The team conducted 8 sewer inspections this month. There are approximately 252 active sewer connections. The system received 1.5 inches of rainfall during the month.

System Activities:

Operator Helmke was called out for the influent lift station common fault. Effluent pumps were operating on backup floats. The lift station was cleaned and placed back into normal operation.

4S Ranch Subdivision:

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
*Avg. MGD	0.27	0.106											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	0.55											
Ammonia (mg/L)	2	0.1											
Phosphorous (mg/L)	0.5	0.084											
E.coli (CFU/100 mL)	126	1											
Year to Date Flows (MG)	-	3.18											

System Statistics:

There are approximately 889 active sewer connections. During the month, 26 sewer inspections were conducted. The system received 0.52 inches of rainfall during the month.

System Activities:

Operators Chaney and Helmke cleaned grease buildup from the filters and removed rags from the bar screen. Operator Monroe pulled all influent pump check valve caps and de-ragged them.

Boerne ISD

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Avg. MGD	0.030	0.002											
BOD (mg/L)	20	1											
TSS (mg/L)	20	0.5											
Year to Date Flows (MG)	-	0.064											

(* data not available at printing. Report will be revised when this information is received.)

System Activities:

Routine operations were conducted.

Cordillera Ranch

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Avg. MGD	0.064	0.058											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	0.8											
Ammonia (mg/L)	2	0.1											
Year to Date Flows (MG)		1.75											

(* data not available at printing. Report will be revised when this information is received.)

System Statistics:

There are approximately 447 active sewer connections and 507 active water meters. The system received 2.5 inches of rainfall during the month.

System Activities:

Operators are performing routine chemical cleanings on the membranes to be able to keep the plant production up. Membrane change-out of cassette number one was performed at the beginning of the month. This was the last cassette that still was operating with old filters. These two changes have helped to alleviate truck hauling for the current flows.

Johnson Ranch

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Avg. MGD	0.35	0.132											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	1.46											
Ammonia (mg/L)	2	0.1											
Phosphorous (mg/L)	0.5	0.097											
E.coli (CFU/100 mL)	20	1.1											
Turbidity	3	1											
Year to Date Flows (MG)		3.96											

(* data not available at printing. Report will be revised when this information is received.)

System Statistics:

There are approximately 719 active sewer connections and 796 active water meters. The system received 0.65 inch of rainfall during the month.

System Activities:

Operator Helmke installed the winch hoist for the plant lift station. Operator Chaney modified the grating to be able to access floats for the bar screen. Operators Helmke and Monroe inspected the bar screen and channel for possible leakage bypassing the bar screen. Operator Monroe began cross training. Operator Helmke at the Johnson Ranch wastewater plant. The Lift station to manhole project began. Operators diverted 6000 gallons of flow to allow contractors to install the bypass.

Bulverde Singing Hills

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Avg. MGD	0.240	0.083											
CBOD (mg/L)	5	1											
TSS (mg/L)	5	0.55											
Ammonia (mg/L)	2	0.1											
E.coli (CFU/100 mL)	126	1											
Year to Date Flows (MG)	-	2.5											

(* data not available at printing. Report will be revised when this information is received.)

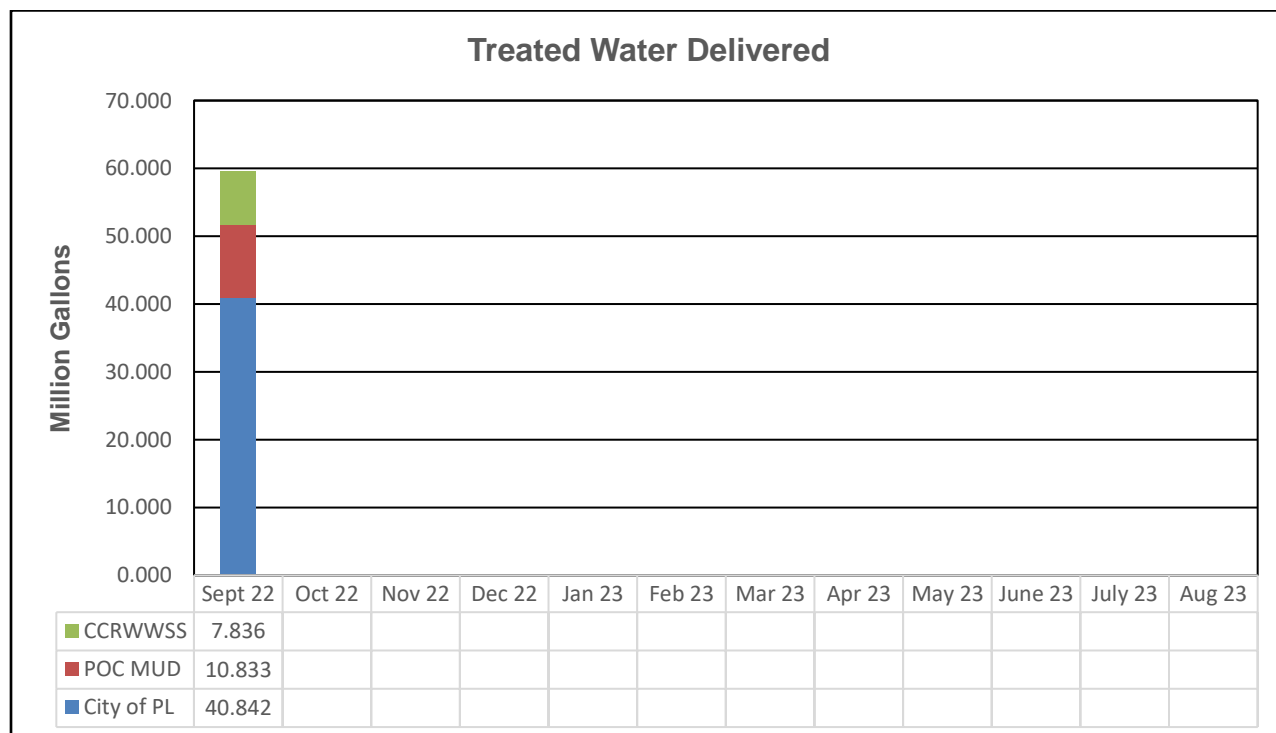
System Statistics:

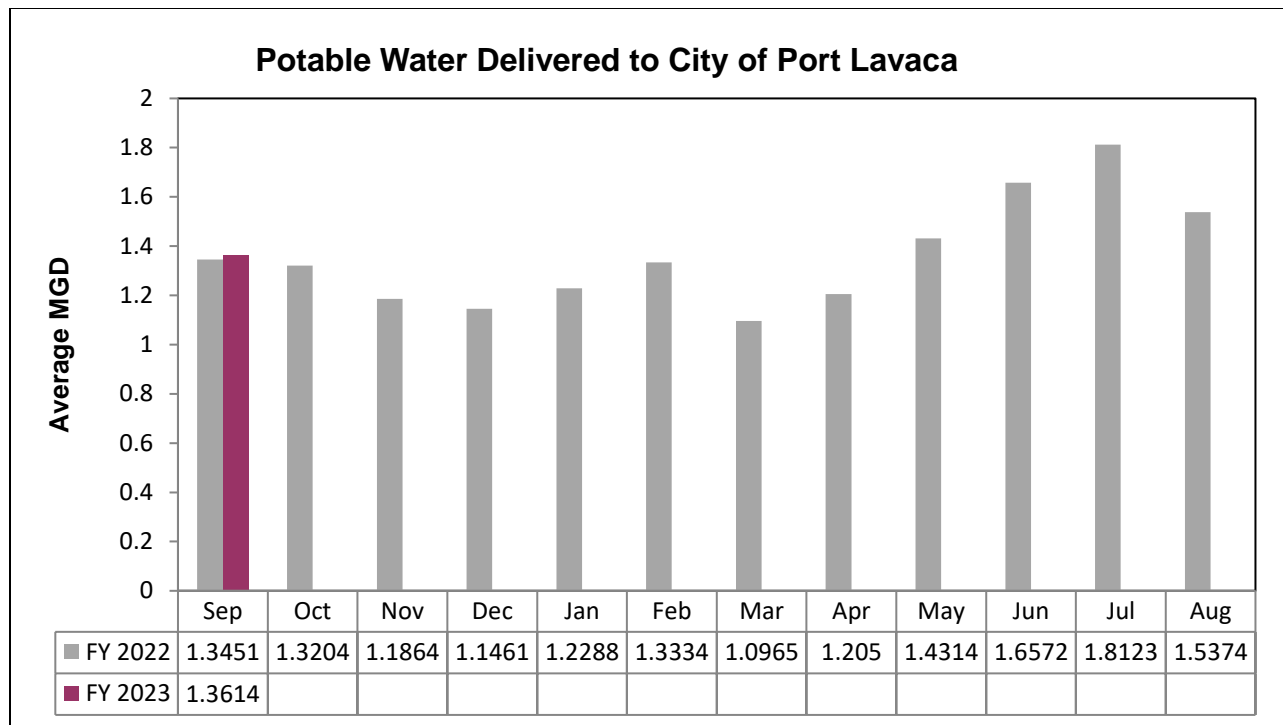
The Singing Hills wastewater system has 23 commercial connections and 202 residential connections for a total of 225 wastewater connections. The system received 0.55 inches of rainfall during the month.

System Activities:

Operator Chaney changed processes in the basins to allow for nitrogen removal. Wastewater Manager Holliday, Operators Chaney, and Monroe installed a new discharge flow meter at the plant. Wastewater Manager Holliday, Operators Chaney, and Monroe installed a temporary chlorine gas detector for the chlorine building.

PORT LAVACA WATER TREATMENT PLANT





(Meter read on the last day of every month)

System Statistics:

The City of Port Lavaca used 40.842 million gallons (MG) of water for a daily average of 1.3614 MGD with a FY to date total of 40.842 MG. The Calhoun County Rural Water Supply System used 7.836 million gallons of water, for a daily average of 0.2612 MGD with a FY to date total of 7.836 MG. The Port O'Connor Improvement District used 10.833 million gallons of water, for a daily average of 0.3611 MGD with a FY to date total of 10.833 MG. The total volume delivered to all wholesale customers was 59.511 million gallons for the month. Rainfall recorded for the month was 2.2 inches.

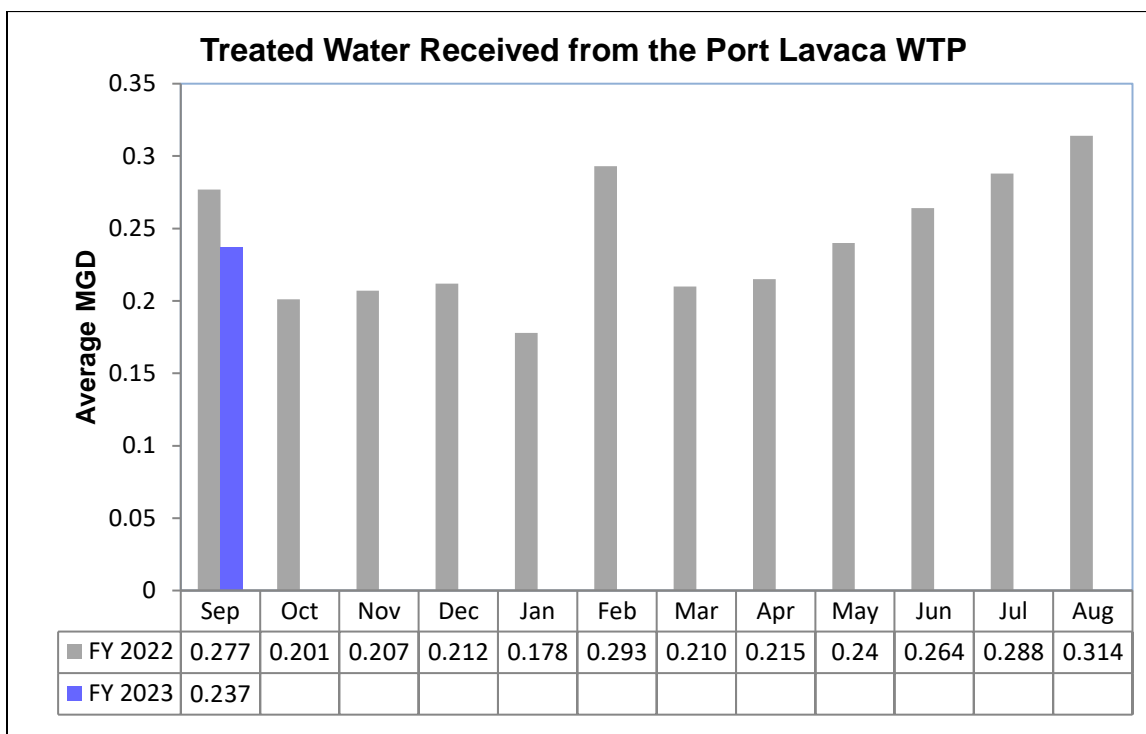
System Activities:

Chief Operator Ronnie Parenica has completed 30 years of service at GBRA as of September 15, 2022. He started his career as a plant operator and was promoted to the position of Chief Operator in January 2016. Congratulations Ronnie and thank you for 30 years of dedicated service!

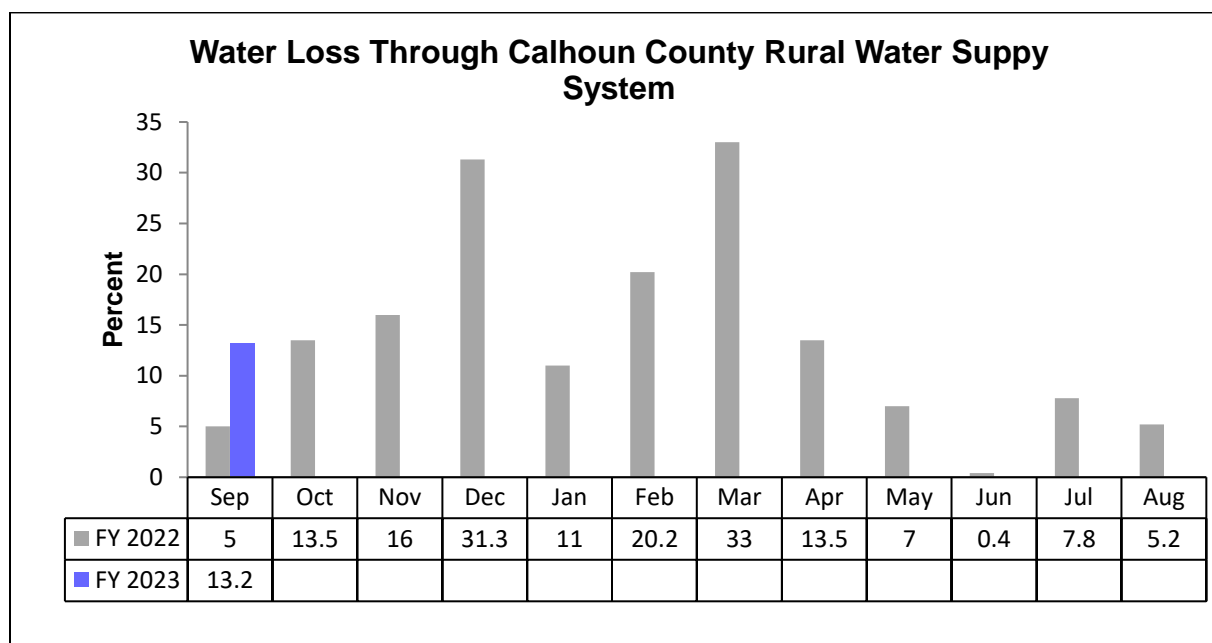
A technician with Efficiency Air replaced a failed blower motor for the operator control room. An electrician with Martin Electric installed a new vacuum alarm for the chlorine feed system and replaced a faulty breaker for the control room A/C. A technician with Cummins Service completed scheduled preventative maintenance on the emergency generator. Maintenance Chief Lundin replaced two pulleys and a belt for flocculator 2B and changed out the oil in all pumps. A plumber with Young Plumbing completed repairs to the flush valves in both restrooms. The annual sludge report for the land application permit was certified and mailed to the TCEQ. The fixed asset inventory at the plant was reviewed. Luling Plant Operator Albert Soto started training in the plant in order to fill in some while we are short staffed. Thank you Albert!

Plant personnel completed online safety training on "Hearing Conservation" which was provided by Succeed Management Solutions. Chief Operator Parenica attended the monthly Operations Group meeting and a Nexgen support meeting.

CALHOUN COUNTY RURAL WATER SUPPLY SYSTEM



(Meter read on 15th day of every month)



System Statistics:

The Calhoun County Rural Water Supply System used 7.110 million gallons of water for a daily average of 0.237 MGD. The amount of water metered to customers during the month was 5.714 MG and the amount flushed from dead-end water mains was 0.459 MG, resulting in a 13.2% water loss for the month.

System Activities:

Normal operations and maintenance activities included 6 water main leak repairs, 2 new meter installs, and 1 meter upgrade.

Crestview Wastewater Treatment Plant

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Avg. MGD	0.03	0.003											
TSS (mg/L)	20	2.5											
BOD (mg/L)	20	3.9											
E.coli (CFU/100 mL)	126	1											
Total Treated	-												

(* data not available at printing. Report will be revised when this information is received.)

System Statistics:

The total number of connections is 65. Total rainfall 5.1 inches.

System Activities:

Normal operations and maintenance duties.

COLETO CREEK DIVISION

Elevation beginning of month: 96.41' MSL

Elevation end of month: 96.54' MSL

A total of 3 inches of rain was recorded at the Coletto Creek headquarters office.

Reservoir System

The rains received in August and early September were very beneficial to grass cover on the main dam and surrounding areas. As a result, the maintenance staff has spent much of their time shredding those areas. Staff also completed an herbicide application for the control of vegetation in the main spillway discharge channel, resealed leaking hydraulic lift cylinders on the bobcat track loader and the 15' wing shredder, and replace the transmission power reverser switch on the John Deere tractor. Additionally, maintenance staff installed the stop log at the diversion pump station intake and repaired a diesel fuel leak on the dike 2 emergency generator. Division employees also completed a tabletop exercise training on the reservoir Emergency Action Plan. The exercise was based on a flood of record type event and trained staff on implementation of flood warnings defined in the Coletto Creek Reservoir Emergency Action Plan.

Recreation System

Permits Sold During September

	September FY 2023	September FY 2022	Historical High for September	Y-T-D FY 2023	Y-T-D FY 2022	Historical Y-T-D High
Annual Permits	19	24	33 (FY 83)	19	24	33 (FY 83)
Day Permits	676	943	1592 (FY 83)	676	943	1592 (FY 83)
Camping Permits	879	1238	1276 (FY 21)	879	1238	1276 (FY 21)
Cabins / Trailers	60	80	86 (FY 15)	60	80	86 (FY 15)

Volunteer Hours at Coletto Creek:

	Hours	Hours for FY
Park Hosts	80	80
Texas Master Naturalist	22.5	22.5
Photo Club Volunteers	0	0
Project Volunteers	0	0
Work Force Solutions Inters	0	0
TOTAL	102.5	102.5

Staff Activities:

Park activities included routine cleanup, mowing, weed eating, herbicide treatments, and pruning trees. Staff also began rebuilding campsite pads with additional road base.

Labor Day weekend was busy. The campgrounds were filled to 90% capacity for the three-day weekend. In addition, the Winter Texan season started this month with a few campers already moving in for the season.

In preparation for the upcoming 29th annual public bow hunts, staff finished mowing roadways and rights-of-way on the hunt compartment properties. Hunts begin in early October.

St. Joseph High School in Victoria held an invitational cross-country race on park property. They had eighteen schools with 393 youths participating, and the event volunteers did an excellent job of managing the event. Park staff also received numerous positive comments about the park.

Lake Wood Recreation Area

Permits Sold During September

	September FY 2023	September FY 2022	Historical High For August	Y-T-D FY 2023	Y-T-D FY 2022	Historical Y-T-D High
Annual Permits	0	0	6 (FY 02)	0	0	6 (FY 02)
Day Permits	104	141	378 (FY 16)	104	141	378 (FY 16)
Camping Permits	284	150	457 (FY 12)	284	150	457 (FY 12)

Volunteer Hours at Lake Wood:

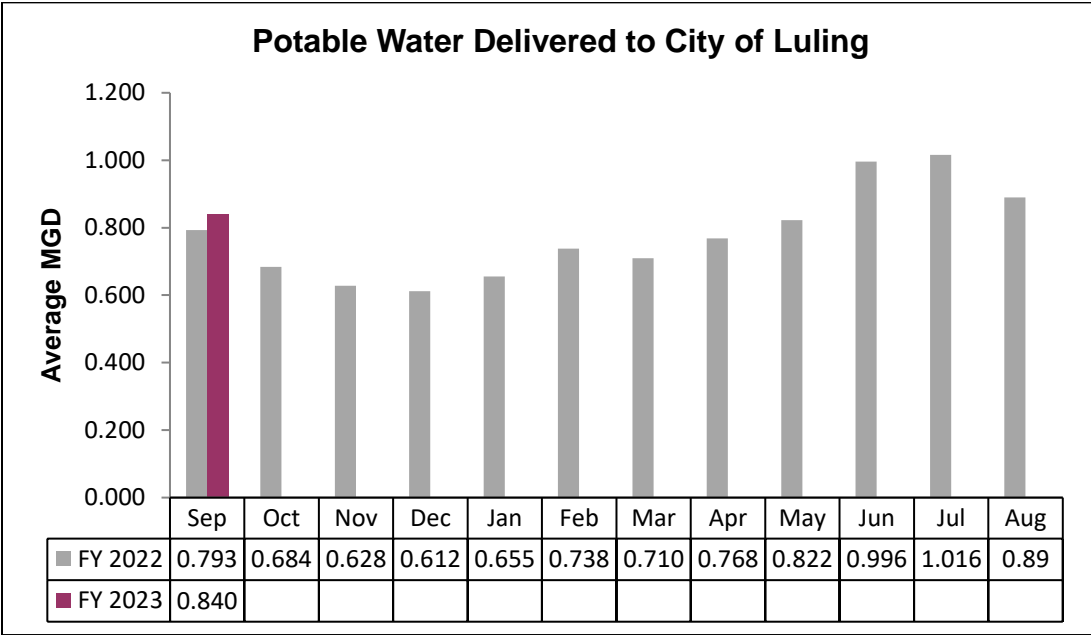
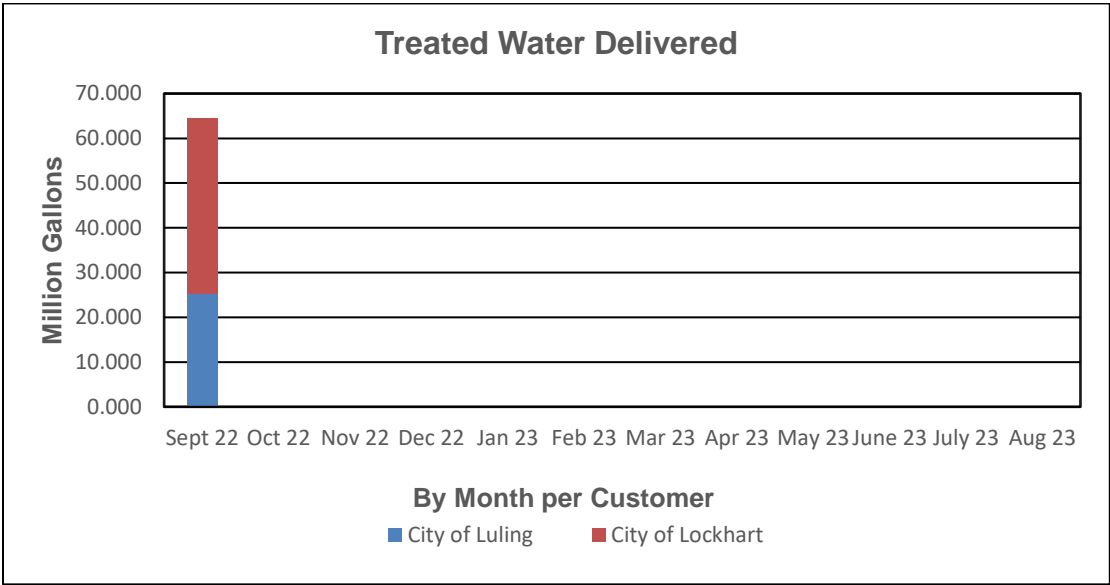
	Hours	Hours for FY
Park Hosts	105	105
ISF Crew	0	0
CSR Workers	45.5	45.5
Event Volunteers	2	2
TOTAL	152.5	152.5

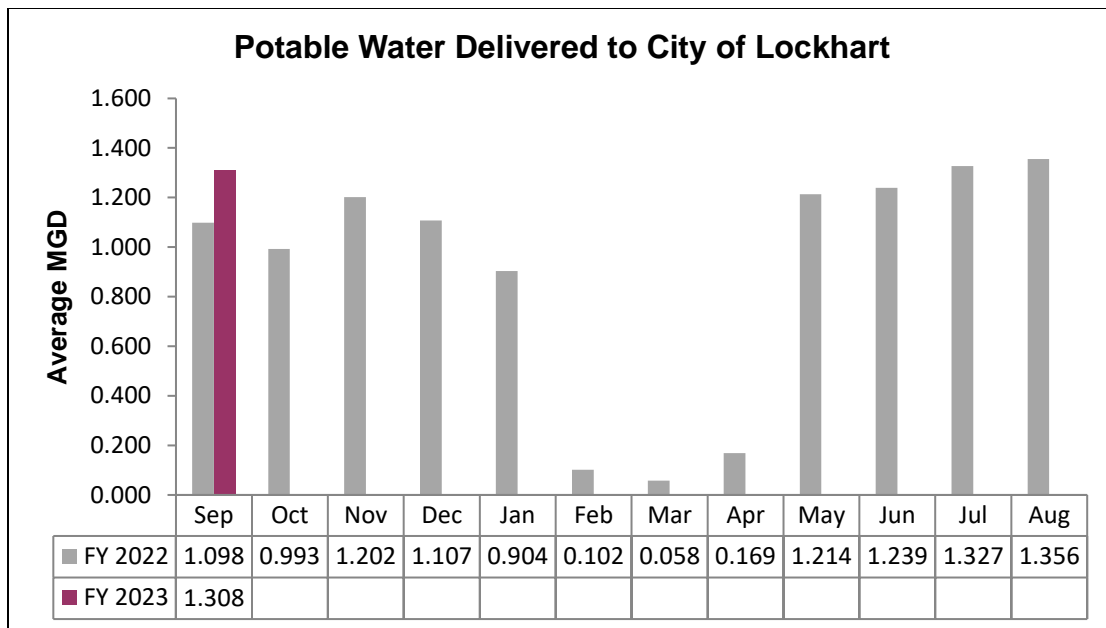
Staff Activities:

Cleaned restrooms. Picked up trash. Mowed grass. Picked up dead tree fall. Worked with tractor pushing woodpile together at burn pile. Burned brush pile. Worked on hot water heater, was not heating water.

Helped campers check in. Provided park security. Check for permits. Went to NAPA in Seguin for supplies. Cleaned air filter and radiator on Kubota mower. Went to get fuel for company truck and mower. Took truck to get oil/filter change and state inspection. Weed trimmed around office, shower house. Weed trimmed at gravel bar. Repaired weed eater. Weed trimmed around trees and playground. Cleaned playground. Fixed water leak at campsite #17. Returned phone calls to customers. Attending meetings in Seguin.

LULING WATER TREATMENT PLANT





System Statistics:

The plant delivered an average of 0.840 MGD to the City of Luling during the month. Total gallons treated for Luling during FY 2023 is 25.207 MG.

The plant also delivered an average of 1.308 MGD to the City of Lockhart during the month. Total water delivered to the City of Lockhart for FY 2023 is 39.239 MG.

System Activities:

Division Manager Montana and Chief Operator Downey met with Luling Foundation Farm Manager Kuck to discuss proposed site to apply for a TCEQ Permitted Sludge Application Site on Foundation Farm property. GBRA Asset Manager Murphy met with Luling team to go over generator preventive maintenance checklist on Nexgen. Chem Equip Inc. performed bi-annual preventative maintenance on chlorinators and chlorination equipment. GBRA Maintenance Crewman Maricle started quarterly preventative maintenance on the generator.

Luling WTP team members painted equipment and structures, mowed and trimmed grounds, back-flushed raw water intakes, worked on the company truck, and completed scheduled preventative maintenance work orders and inspections. The Luling Team also held a safety meeting and team meeting during the month.

LOCKHART WASTEWATER TREATMENT PLANT

Lockhart Larremore Street Plant

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Avg. MGD	1.1	0.414											
CBOD (mg/L)	10	1.8											
TSS (mg/L)	15	1.1											
Ammonia (mg/L)	3.0	0.2											
E.coli	126	1.2											
Year to Date Flows (MG)	-	12.42											

Lockhart FM 20 Plant

FY 2023	Permit	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Avg. MGD	1.5	.607											
CBOD (mg/L)	10	1.7											
TSS (mg/L)	15	3.2											
Ammonia (mg/L)	3	0.1											
E.coli	126	6.2											
Year to Date Flows (MG)	-	18.21											
Biosolids Processing													
FY 2023	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	
Biosolids Processed (metric tons)	*												
Year to Date Biosolids Processed (metric tons)	*												

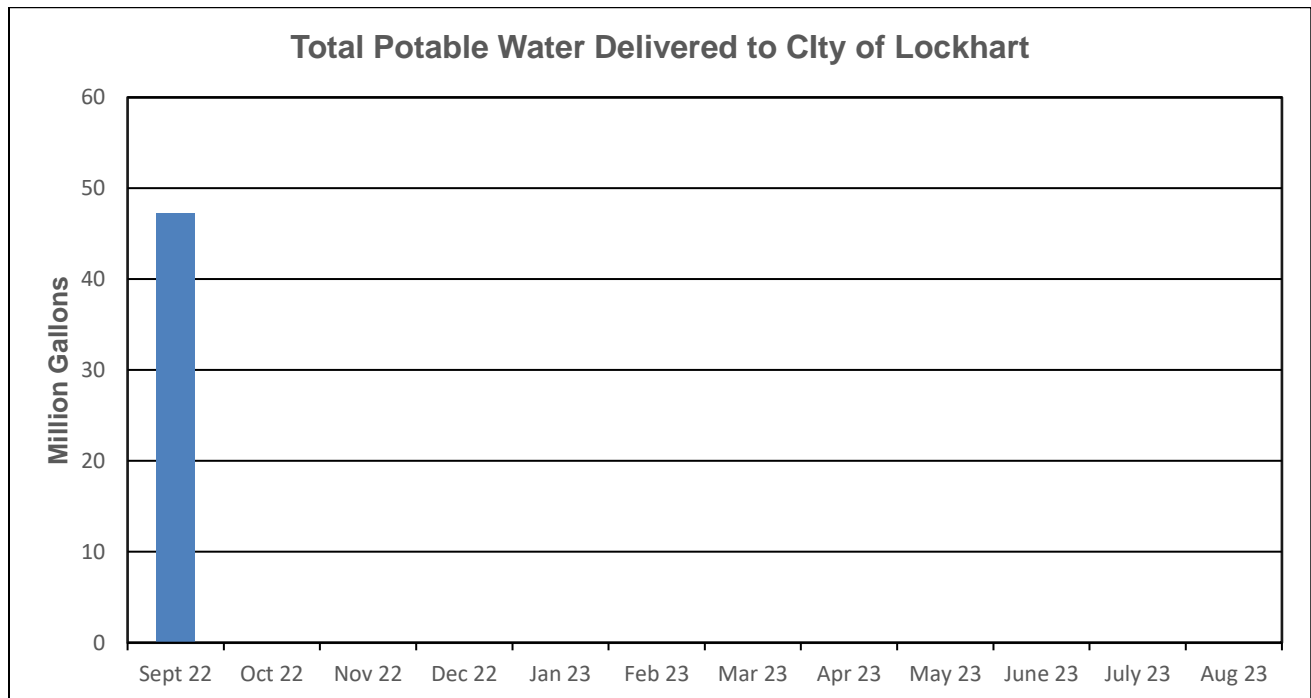
(* data not available at printing. Report will be revised when this information is received.)

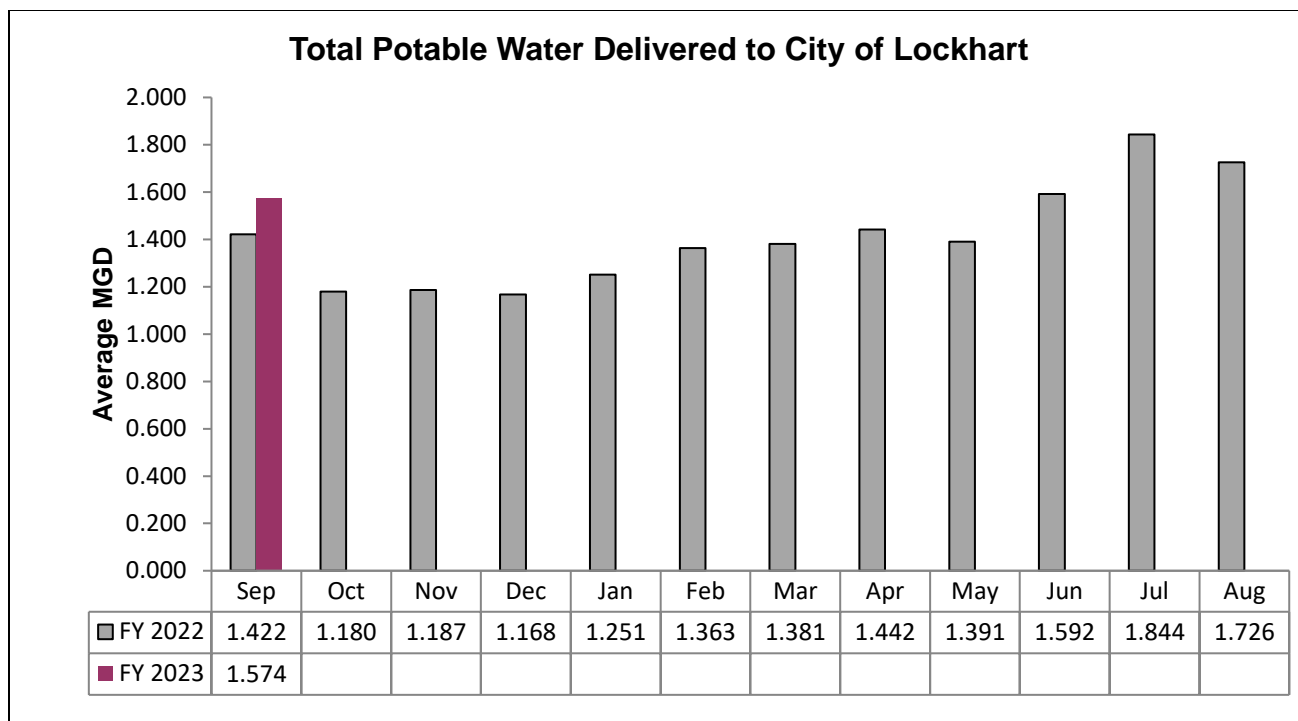
System Activities:

At the Larremore wastewater plant, GBRA generator maintenance team performed the generator inspection; replace the block heater on the Onan generator and operators replaced the battery.

At the FM 20 wastewater plant, Xylem delivered pumps for the clarifier clean out project. The team rotated pumping down clarifiers #1 and #2 and cleaned the upper and lower inlet ports to restore the flow going into them. The mud valves in the splitter box were also cleaned out during this time. Both clarifiers were put back in service. GBRA generator maintenance team performed the generator inspection. Chief Operator Eeds attended the TWUA Annual School in Corpus Christi. A team meeting was held to go over the work plan.

LOCKHART WATER TREATMENT PLANT





System Statistics:

The Lockhart Water Treatment Plant produced 1.574 MGD average for a total of 47.214 MG for the month. Year-to-date total is 47.214 MG.

System Activities:

At the Water plant, Contractors continued work on the Alliance water line project. Contractor Volkert Roofing repaired a leak on the control building. Contractor Weisinger completed the rehab of well #9 and changed out a leaking gasket on the stuffing box. Well #9 is back in service. Operator Gallegos obtained a Water D license. Operator Leal took an online TWUA Surface Water class.

CONSENT ITEM

5. Consideration of and possible action approving Directors' expense vouchers for September 2022.

Attachment

**GUADALUPE-BLANCO RIVER AUTHORITY
BOARD OF DIRECTORS' EXPENSES
FISCAL YEAR 2023**

Month Ending September 30, 2022

Director	Fees	Auto	Airfare	Lodging	Meals	Registrations	Other	Total
								0.00
William R. Carbonara								0.00
Oscar Fogle								0.00
Don Meador								0.00
Kenneth Motl								0.00
Dennis Patillo								0.00
Steve Ehrig								0.00
Sheila L. Old								0.00
Andra M. Wisian								0.00
Emanuel Valdez								0.00
Board Administrative Costs								0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Fiscal Year-To-Date Ending August 31, 2023

Director	Fees	Auto	Airfare	Lodging	Meals	Registrations	Other	Total
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
William R. Carbonara	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Oscar Fogle	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Don Meador	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Kenneth Motl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dennis Patillo	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Steve Ehrig	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sheila L. Old	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Andra M. Wisian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emanuel Valdez	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Board Administrative Costs							0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Director Fees and Expenses Budget-To-Date 1,250.00

Director Fees and Expenses Annual Budget 15,000.00

NOTE 1: In accordance with the Texas Water Code Chapter 49.060 and GBRA's Board Policy, the annual limit for director's fees is \$7,200.

<p style="text-align: center;"> GUADALUPE-BLANCO RIVER AUTHORITY BOARD OF DIRECTORS' EXPENSES FISCAL YEAR 2023 </p>	
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Board Administrative Costs					
Month	Budgeted	Actual	Variance	% Variance	
Jan					
Feb					
Mar					
Apr					
May					
Jun					
Jul					
Aug					
Sep					
Oct					
Nov					
Dec					
Total					

Month	Date Pd.	Check #	Vendor	\$ Amount	Description
Sept Total				0.00	
Oct Total				0.00	
Nov Total				0.00	
Dec Total				0.00	
Jan Total				0.00	
Feb Total				0.00	
March Total				0.00	
April Total				0.00	
May Total				0.00	
June Total				0.00	
July Total				0.00	
August Total				0.00	
FY 2023 Total:				0.00	

CONSENT ITEM

6. Consideration of and possible action approving the sale of equipment in accordance with GBRA Board Policy 411-Capital Assets. **(Sandra Terry)**
Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 6

Consent

Item: Authorization for sale of GBRA Capital Assets

Staff: Sandra Terry

Summary: GBRA Board Policy 411 requires that the GBRA governing Board authorize the sale of capital assets.

Discussion: The following equipment is no longer being used by GBRA and/or is no longer functional.

Action Requested: Approve sale of equipment listed below in accordance with GBRA Board Policy 411-Capital Assets.

Asset #	Description	Purchase Date	Original Cost	Book Value	Accum Depr.	System #	Reason
2851	Flotation Barge	2/28/1978	5,706.02	0.00	5,706.02	021	Depleted useful life
5687	Suspension System Skylift	4/11/1994	5,919.91	0.00	5,919.91	021	Depleted useful life
6998	Aquakem Nutrient Analyser	11/16/2005	49,817.85	0.00	49,817.85	042	Depleted useful life
				61,443.78	0.00	61,443.78	

CONSENT ITEM

7. Consideration of and possible action approving a change order with M5 Utilities, LLC in the amount of \$93,516.29 for additional work for the Carrizo Groundwater Supply Program Delivery Points Pipeline Project. **(Daniel Worley, Peter Newell)**

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 7

Consent

Item: Consideration of and possible action to approve a change order with M5 Utilities, LLC in the amount of \$93,516.29 for additional work for the Carrizo Groundwater Supply Program (CGSP) Delivery Points Pipeline Project.

Staff: Daniel Worley, Peter Newell

Summary: This proposed Change Order covers the following items:

1. Addition of an 18" x 24' arch culvert for a new driveway
2. Additional days request due to long lead times on ductile iron pipe and other materials
3. A credit for the fence at the NBU delivery point
4. Changes to the chemical feed system at the Lockhart delivery point
5. Existing utility conflicts along the NBU pipeline alignment
6. Changes to the electrical design at the NBU delivery point

Discussion: This proposed change order provides M5 Utilities, LLC with a \$93,516.29 increase in contract price and an additional 28 days to the contract time. The work includes adding a culvert at Lockhart WTP new entrance to meet Caldwell County requirements, revisions to the chemical feed system at Lockhart, additional material and labor to avoid utility conflicts within the NBU alignment, and additional electrical ductbank and antenna tower at the NBU delivery point. (Change Order #1).

Action Requested: Consideration of and possible action to approve a change order with M5 Utilities, LLC in the amount of \$93,516.29 for additional work for the CGSP Delivery Points Pipeline Project.

GENERAL MANAGER/CEO ITEMS

8. 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. **(David Harris, Charlie Hickman, Nathan Pence, Randy Staats, Vanessa Guerrero, Amanda Reichle)**

Attachment

EXECUTIVE REPORT

2022

David Harris
Executive Manager of Operations

Projects, Safety, and Training Completed or in Progress since September Board Meeting

Licenses

David Monroe- Western Canyon Operations- Class C Groundwater Operator
Jesse Garcia- San Marcos Operations – Class B Groundwater Operator
Paul Moses - Western Canyon Operations – Class C Groundwater

Training

- Customer Service Inspections/ Cross Connection Control
- Special Topics for Utility Managers
- Wastewater Collections
- Groundwater Production was taught at TWUA Annual School by Bill Dee, one of our Double A Operators.
- Jason Eeds, Chief Operator in Lockhart, was inducted in the Double A Club at the TWUA Conference. Six Operators attended the conference and Exhibits for training to meet renewal and training requirements for licenses.

Compliance

- Two wastewater inspections scheduled this month in Lockhart.
- All wastewater facilities operating well below the required discharge parameters.

Projects

- **Calhoun County Irrigation-** This year we provided water to around 2,800 acres of rice fields. Much of the rice has already been harvested with the exception of a few fields that were planted too late to make a crop. Bills for water went out this month.
- **Regional Raw Water Pipeline –** new 24” butterfly valve was installed on the bypass crossing of the San Marcos River for better control and maintenance of this section of line.
- **PICA ball-** Pipeline data collection was completed on the Regional Raw Water Pipeline. PICA balls are sensors, resembling a baseball, were inserted in the pipeline while running at a 13 MGD rate and travelled 22 miles from the Guadalupe River near Lake Dunlap dam to San Marcos WTP where they were captured. The sensors were sent back to vendor where a report will be completed to help identify air pockets or other issues with the pipeline. Report expected in 30 days. Time of travel was just over 6 ½ hours.

**Charlie Hickman
Executive Manager of Engineering**

Projects Completed and in Progress since September Board Meeting

Water Resources Planning

Carrizo Groundwater Supply Program

- SJ Louis is underway with construction of the well pumps and raw water pipelines associated with the 7 wells previously drilled for the project. A change order to extend the completion date is currently being negotiated due to a delay in GVEC providing power to the project site, which is expected to delay substantial completion to June 2023. This project is not on the critical path for water deliveries from the Carrizo program.
- M5 Utilities is underway with the construction of the transmission main extensions to the City of Lockhart and New Braunfels Utilities and the contractual substantial completion date is currently being revised to February 2023. This project is not on the critical path for water deliveries from the Carrizo program.
- The high service pump station at the San Marcos WTP is currently being expanded to allow for water deliveries from the WTP to Goforth SUD. Archer Western is under contract with the City of San Marcos and construction is currently underway at the plant site. Delays to the substantial completion date are anticipated due to electrical equipment and the new completion date is currently being evaluated.
- Staff have continued participation on the Project Advisory Committee between GBRA and Alliance Regional Water Authority to discuss oversight of the project. The status of the shared facilities projects are further described below.
 - Water Treatment Plant – Archer Western is underway with construction with an expected substantial completion date of August 2023.
 - Segment A Transmission Pipeline – Garney is underway with construction with an expected substantial completion date of August 2023.
 - Segment B Transmission Pipeline – Garney is underway with construction with an expected substantial completion date of November 2022.
 - Segment D Transmission Pipeline – Alliance has obtained Texas Water Development Board approval and issued SJ Louis a Notice to Proceed for construction.
 - Segment E1 Transmission Pipeline – Design, permitting, and right of way acquisition are underway. Final design is expected to be complete in November 2022.
 - Booster Pump Station – MWH Construction is underway with construction with an expected substantial completion date of March 2023.
- The Segment D Transmission Pipeline is currently shown on the program schedule as the latest completion for the project and Alliance is currently projecting substantial completion to occur in March 2024.

SH130 Corridor

- This project involves the expansion of the Carrizo Groundwater Supply Program to allow for an additional 9,000 acre-feet/year of supply. GBRA has executed Water Supply Agreements with County Line SUD, Maxwell SUD, Goforth SUD, and Camino Real.
- Engineering Staff and HDR Engineering are coordinating with the Gonzales County Underground Water Conservation District to obtain the groundwater permit amendment package needed for the construction of the additional wells that will serve the project. The district has scheduled a continuation of the public hearing on October 11th to hear any public comment on the permit package. Following the public hearing, the district board may take action on the permit package in their regularly scheduled meeting.
- HDR is underway with the design and right of way acquisition for the treated water pipelines and additional infrastructure associated with the project.

Midbasin & Lower Basin Surface Water

- The HDR/Jacobs team is underway with preliminary engineering for the Midbasin Phase II aquifer storage and recovery project and has provided draft information on preliminary system yield estimates and preliminary cost components.
- The engineering team is underway with an evaluation of options for locating a new surface water intake structure on the Guadalupe River.
- GBRA staff have been engaged in multiple discussions related to rapidly developing new industrial and municipal demands along and between the IH-35 and SH-130 corridors. The demands are projected to occur faster than the Midbasin ASR project can be brought online, so GBRA anticipates the need for a water project that utilizes both the Midbasin and Lower Basin surface water rights. Staff have received responses to a Request for Qualifications to secure an Owner's Advisor to provide program management services and are currently evaluating the proposals.

Water Resources Operation

Regional Raw Water System Improvements

- Freese and Nichols has completed the design of a large blowoff valve near the San Marcos WTP to relieve surge pressures that can develop in the raw water delivery system during sudden shutdowns. The construction package for this project was modified to include the replacement of an existing pipeline section at the SH123 crossing. A construction contract was executed with Aaron Concrete Contractors, Inc. and the 123 crossing replacement is anticipated to occur in December based on material availability.
- Engineering is coordinating with Hays County on a relocating a portion of the RRWDS transmission pipeline due to a roadway expansion project at the FM621/CR288 intersection in Hays County. Final design of the project is complete and a Utility Service Agreement is being negotiated with Hays County.
- Garver is underway with the design of additional backup power generation for the raw water pump stations. The project involves relocation of an existing generator

to the booster pump station site and installation of a new, larger generator at the raw water pump station.

- Garver is under contract to evaluate modifications to the starting mechanisms for the existing pumps and is underway with a technical memorandum outlining the recommended strategy.

IH-35 Treated Water Delivery System

- Additional casing will be necessary for an expansion of the Windy Hill Road right of way over GBRA's transmission line. The work has been included in the construction contract for the 123 crossing.
- Relocation of a portion of the treated water transmission main will be necessary to accommodate an expansion of Hillside Terrace Road. The roadway project is in the early stages of design and Kimley Horn and Associates is providing design of the pipeline relocation.

Western Canyon Treated Water Delivery System

- Plummer has completed final design of a chemical feed system on the raw water pipeline to mitigate zebra mussel accumulation in the raw water pipeline. The project scope also includes a mechanical removal of zebra mussels prior to operating the chemical feed system. Excel Construction Services is underway with construction and substantial completion of the project is anticipated in June 2023.
- GBRA operations is exploring ceramic membrane technology for replacement of the existing membranes at the water treatment plant. Ardurra has been hired to perform a pilot testing study to characterize membrane performance for future TCEQ regulatory approval on the new treatment process. They are currently developing the pilot testing plan to submit to TCEQ for review. The pilot testing is currently anticipated to begin in January 2023.
- The City of Boerne and the City of Fair Oaks Ranch are requesting an additional water delivery point. A kickoff meeting was held in September with the City's consulting team to discuss the infrastructure design.
- Canyon Lake WSC has requested an additional delivery point near Ammann Road. They are preparing a preliminary design for GBRA review.

Port Lavaca Water Treatment Plant Improvements

- The City is progressing with contract negotiations with a third-party firm that is interested in purchasing the WTP and rural water system.

Guadalupe Valley Hydroelectric System Spillgate Improvements

- Black and Veatch is performing the design of replacement spillgates at McQueeney Dam and TP-4 Dam forming Lake Placid.
 - The final design package has been approved by TCEQ and is currently under review by TWDB and the US Army Corps of Engineers. USACE has determined that a mitigation project will be required due to the historical significance of the structures. USACE has developed a second draft of a Programmatic Agreement that will document the

mitigation efforts based on the comments received in a meeting of the consulting parties.

- GBRA has issued a Request for Proposals for a gate manufacturer that can supply the 5 spillgates and associated control systems. Responses from manufacturers have been received and are currently being evaluated. This contract will be assigned to a general contractor after the construction contract is awarded.
- Zachry Construction is underway with construction at Dunlap Dam. Zachry has completed the majority of the concrete work associated with spillway area for the second gate and their current schedule shows them completing the remaining concrete work associated with the second gate in October. Steel deliveries have begun for the maintenance bridge that will span the primary spillway and river channel.

SH 46 Expansion - Western Canyon Pipeline Relocation

- SH 46 (FM3159 to US 281): The expansion of SH 46 will require the relocation of approximately 4 miles of GBRA's Western Canyon pipeline.
- GBRA has provided TxDOT a signed Utility Agreement outlining funding of construction and easement acquisition for the Phase 1 of the project. GBRA's consulting engineer has provided TxDOT a draft Utility Agreement for Phase 2 and GBRA is waiting on comments from TxDOT.
- The start of utility construction for Phase 1 is anticipated this summer and Phase 2 has not yet been determined. TxDOT will manage the utility construction contract for Phase 1 and GBRA will manage the utility construction contract for Phase 2.

Stein Falls Water Reclamation Facility

- Staff continues to meet with multiple developers regarding potential wastewater services.
- Three separate construction contracts associated with collection system improvements needed to serve future growth are underway.
 - Qro-Mex Construction Co., Inc. is under contract for construction of approximately 14,800 linear feet of force main. The project is substantially complete and the contractor is underway with seeding and other clean up items needed to achieve final completion.
 - Keystone Construction Services, LP is underway with construction of the lift station. The majority of the construction for the project is complete and the contractor is addressing issues related to the communication system that must be addressed prior to issuing substantial completion of the project.
 - SJ Louis is underway with construction of approximately 30,400 linear feet of gravity main. Testing revealed deficiencies in a few pipeline segments that require correction. These items are currently being addressed but have delayed substantial completion of the project.

Dietz Wastewater System

- Staff continues to meet with potential developers regarding wastewater services.

- Two separate construction contracts associated with collection system improvements needed to serve future growth are underway.
 - SkyBlue Utilities is underway with approximately 9,400 linear feet of forcemain and 9,200 linear feet of gravity main construction. All pipeline construction and the tie in to NBU's system have been completed and final testing is underway.
 - Lupe Rubio has achieved substantial completion of the lift station serving the project and is addressing punchlist items.

Diversion System/Calhoun Canal System

- Calhoun County recently secured grant funding and is contributing a portion of the funds to build a control structure that will better regulate flows between Green Lake and the GBRA Diversion System. A recommended alternative has been developed and the engineer is developing a proposal for design of the control structure.
- A \$1.28M grant was secured from the Pepsi Company to fund design and construction of replacement gates for the Goff Bayou control structure in the diversion system. GBRA has issued a Request for Proposals for construction and is currently evaluating proposals.

Water Resource Engineering

- GBRA regularly receives FEMA funding under the Cooperative Technical Partners program (CTP) to perform flood related studies. Black and Veatch is preparing final deliverables for the flood inundation modeling in the Seguin area. Studies are also underway in the Long Creek watershed and Alligator/Geronimo Creek watersheds in Comal and Guadalupe Counties. Coordination with the jurisdictional entities is ongoing.

Sunfield WWTP

- GBRA has retained Plummer Associates, Inc. to provide the design services necessary to expand the existing plant from a capacity of 0.5 to 0.99 million gallons per day. Plummer has completed the final design of the project and is providing construction administration services.
- Archer Western was selected to provide Construction Manager at Risk (CMAR) services for this project. Construction is underway and the commissioning of the plant is currently anticipated to occur in May 2024.
- Multiple discussions are being held with developers interested in sewer service from GBRA.

Facilities

New Braunfels Campus II

- AGCM is providing Owner's Representative Services including regular inspections of the project site. GBRA is working with AGCM to procure a vendor for the furnishings and equipment for the building.

- FA Nunnelly is underway with construction on the site. Exterior masonry and stucco is completed and the roof dry in is also completed. The contractor is underway with utility work on site and interior finish out.
- Raba Kistner is providing construction testing services for the project.

Business Development

Developer Resources Guide

- GBRA's technical Design Standards and Guidelines are currently being revised and updated. Staff are preparing a final version based on a consultant draft incorporating input from several workshops with GBRA Engineering and Operations. This final draft also includes revised standard details.
- Staff are working with Optimum consulting services to implement a project management information system for all GBRA projects. This will include a developer projects portal that will give all project stakeholders access to relevant project information. Optimum held several workshops in August and September to review initial format of project dashboards for interacting with the system and will be conducting project sprints in September to test the system functionality.
- GBRA is preparing a Developer Resource Guide that will outline GBRA's policies and procedures for new development. Following implementation of the PMIS, GBRA will complete a final version of this guidance, which will be distributed to a stakeholder group for comment.

Developer Projects

- 4S Ranch Subdivision: GBRA is providing design review and construction inspection services for lift stations and new phases of streets and utilities. The developer's engineer is overseeing inspections of the wastewater treatment plant and GBRA's inspections team is providing a supporting role in inspections when requested by the developer's engineer. Phase 1 construction of the WWTP has reached substantial completion and a punchlist has been provided. Phase 2 construction is currently underway.
- City of Bulverde: GBRA is providing construction inspection services for a low-pressure sewer collection system, reclaimed water hydropneumatic tank, lift station, and new phases of streets and utilities.
- Cordillera Ranch WWTP and Subdivision: GBRA is providing design review and construction inspection services for new phases of streets and utilities and the expansion of the wastewater treatment plant. The developer received bids for the treatment plant construction in August and has awarded the construction contract to ACP Partners. GBRA will be providing inspection services for the WWTP construction.
- Stein Falls Water Reclamation Facility: GBRA is providing design review and construction inspection services for new phases of streets and utilities within multiple subdivisions in the FM-725 area.
- Johnson Ranch Subdivision: GBRA is providing design review and construction inspection services for a wastewater treatment plant expansion and new phases of streets and utilities. The plant has achieved substantial completion and GBRA

provided a punchlist to the contractor in November. Several punchlist items are remaining needed for project closeout.

- Park Village Subdivision: GBRA is providing design review and construction inspection services for a lift station and new phases of streets and utilities. Inspections for the new wastewater treatment plant have been completed and the plant is currently in operation. Staff are working with the developer on improvements to the wastewater treatment plant that will allow an additional subdivision to connect to the plant.

Change Order Summary

Below is a summary of pending change orders requiring board approval and change orders for approval by the General Manager/CEO submitted since the September board meeting.

Change Orders Pending Board Approval

Carrizo Groundwater Supply Project Delivery Point Pipelines – Change Order No. 1

This change order provides M5 construction 28 additional days of contract time and a \$93,516.29 increase in contract price. The work includes additional drainage culverts, changes to the fencing and electrical design at the NBU delivery point, resolution of utility conflicts along the NBU alignment, and changes to the chemical feed system at the Lockhart delivery point.

Change Orders for General Manager/CEO Approval

Stein Falls CIP Gravity Main – Change Order No. 11

This change order provides S.J. Louis Construction 1 additional day of contract time and an increase of the contract price by \$2,463.30. The work includes additional fencing around 5 vented manholes on the Barber parcels.

Nathan Pence
Executive Manager of Environmental Science and Community Affairs

Projects Completed and in Progress since September Board Meeting

- Lee worked with Texas Park and Wildlife Department (TPWD) contracting and GBRA legal on new Joint Cooperation Contract for nuisance vegetation control on the Guadalupe River.
- Lee attended RemTech Europe Expo Presentations on Freshwater Mussel Toxicity Testing and PFAS Groundwater Treatments.
- Lee attended TPWD Wildlife Diversity Webinar on Alligator Snapping Turtle Occupancy modeling and mercury bioaccumulation.
- Lee worked with Texas State University (TSU) on TPWD State Wildlife Grant financial documentation.
- Nathan and Chad attended modeling meeting with Brian Perkins on Guadalupe River Habitat Conservation Project (GRHCP).
- Nathan presented at the Kerrville Workshop City Council a presentation on the GRHCP.
- Nathan presented at TWCA to the Endangered Species Act panel.
- Nathan attended the Guadalupe-Blanco River Trust Board meeting.
- Nathan, Jonathan and Lauren Willis met with Sarah Richards and David Hubbard with New Braunfels Utilities (NBU).

Habitat Conservation Plan

- Nathan, Chad and Jana attended a Habitat Conservation Coordination meeting with US Fish and Wildlife Department (USFW) and Blanton and Associates.
- Nathan and Chad met with the City of Kerrville to discuss the benefits of Habitat Conservation Plans.
- Jana attended the Planning Committee Meeting for the National Habitat Conservation Project Coalition (NHCP) annual conference.
- Jana and Chad attended EAHCP Workshop on Climate Change and System Vulnerability in San Marcos.
- Jana attended the EAHCP Joint Implementing and Stakeholder Committee Meetings.
- Jana attended the EAHCP Workshop on Conservation Measures in New Braunfels.
- Chad and Jana hosted the Technical Advisory Group (TAG) Kick-off Meeting in the River Annex.

Water Quality Service

- Elizabeth, Kristyn, and Chad interviewed Water Quality Technician candidates.
- Elizabeth interviewed Plum Creek Watershed Coordinator candidates.
- Elizabeth attended and presented at the Fall TWCA conference.
- Routine Sampling for August:

- 34 Routine Grab samples collected.
- 3 Quarterly Grab samples collected.
- 7 Waste Water Treatment Facilities Sampled.
- 5 24hr Dissolved Oxygen probe deployments.
- 14 Weather Targeted Samples collected.

Laboratory

- The laboratory processed approximately 1,030 orders in September 2022 with approximately 2,500 individual tests. This compares to 1,001 orders received and processed during September 2021.
- Ten (10) new customers brought samples to the laboratory for analysis in September 2022.
 - New customers include residential and industrial sites as well as several public water systems.
- Staff Training(s):
 - Safety training for the lab staff covered: bloodborne pathogens – general awareness.
- The laboratory received and tested bi-annual Microbiology proficiency tests (PT) samples. PTs are blind study samples required to be tested twice per year for the laboratory to maintain accreditation. Results of the study are expected in mid-October 2022.
- Kylie attend the quarterly Customer Advisory Board (CAB) meeting for the laboratory information management system (LIMS) ATL Sample Master.
- The laboratory selected a candidate for the Laboratory Technician I position. Alexander McAvoy will start on October 17th.
- Demonstrations of Capability as required by laboratory accreditation standards verify that laboratory staff is sufficiently trained to analyze customer samples. The following demonstrations have been completed by staff:
 - Michael Wurdack completed his initial demonstration of capability for analysis of Biochemical Oxygen Demand (BOD) and Microbiological analyses.
 - Celeste Zuniga completed her continuing demonstration of capability for Total Hardness, Alkalinity, and Ammonia analysis.
 - Miliana Hernandez and Michelle Henson completed their continuing demonstration of capability for Microbiological analyses.
- Quality Assurance Updates:
 - The laboratory's annual internal audit will be performed on October 19th by an external entity.
 - The laboratory will host auditors from the Texas Commission on Environmental Quality (TCEQ) on November 9th and 10th to perform a biennial audit for the renewal of the laboratory's accreditation.
 - Laboratory staff participated in re-training on requirements to verify accuracy of single-use labware prior to use.

Gorge Operations

- Nathan, Jaynellen, Mary and Lisa worked to complete the annual Army Corp of Engineers Report. Input was also received from the legal and safety departments.

- FY 2021-2022 Canyon Lake Annual Report (DACW63-1-05-0705) at Canyon Lake, Texas was submitted September 12th.
- Additional safety and general information signs were received and installed on the Gorge property.
 - Sign placement was determined by Michael Riordon, Gorge Park Ranger, and installed with assistance from David and the Gorge Program Assistants.
- Yoga in the Gorge had two classes in September (9:30 am & 6:30 pm) bringing a total of 76 participants to the Gorge.
 - Anna Westbrook is the liaison to The Village Yoga & Movement Studio. She gives an overview of the Gorge, reviews our safety procedures and presents information on Gorge programs to each of the classes.
 - There are two classes scheduled for October and November.
- All Gorge Staff participated in the monthly safety meeting. This month's meeting covered fire drill details.
 - Monthly Safety Meetings are coordinated and conducted by Michael, the Gorge Ranger with guidance from Amanda, Safety and Risk Manager.
- The Plant Posse, a new volunteer opportunity focused on maintaining the native plants on the Gorge property, has already made improvements to the Gorge property landscape. They have begun development of several wildflower areas that will serve as butterfly habitats.
 - Susan and the "posse" met on three Tuesdays in September.
 - The "posse" will continue to meet three times a month from 9:00am-11:00am.
- Utilizing the natural resources found on the gorge property, custom pollinator signs were created for the three pollinator gardens areas on the property.
 - Signs were created and installed by the Gorge Staff.
- Nathan attended the Gorge Preservation Society monthly board meeting.
- Jaynellen and Lisa attended a collaborative meeting with Carl Westergard with GBRA IT, and Kevin Hadas and Peter Hughes to discuss further development on the Gorge's GBRA landing page and the canyongorgetours.com booking site.
- Nathan and Jaynellen attended the Gorge Preservation Society's Land Management Meeting.

GBRA Canyon Lake Gorge Program Statistics – September 2022

779 Total Visitors - 629 adults / 150 youth

- Hiking Trails:
 - 613 total participants - 509 adults / 104 youth
- Guided Tours:
 - 166 total participants - 120 adults / 46 youth
 - 33 tours completed
 - Public Tours:
 - 96 adults / 18 youth
 - 29 tours completed
 - Private Tours:

- 8 adults / 1 youth
- 2 tours completed
 - Family Group
 - Association of Women Geoscientists
- Educational Tours:
 - 16 adults / 27 youth
 - 2 tours completed
 - Clear Springs Homeschool Group
 - New Braunfels Tweens and Teens Homeschool Group

Randy Staats
Executive Manager of Finance/CFO

Projects Completed and in Progress since September Board Meeting

Ongoing Operations

- Receipt of 17 public information requests during September
- Preparation and submission of annual report of generation to GVEC
- Assistance with pension plan retirement calculations and addressing related employee questions
- FY 2022 Financial Audit and accounting closing: payment of invoices, closing entries, preparation of documentation for audit
- Budget FY 2023 labor allocations updated within the payroll system
- Attendance at various accounting/training webinars
- In addition to working with divisions on various procurement needs, the following formal competitive procurement processes were posted to the electronic procurement systems:

Lakes McQueeney & Placid Spillgates

Projects and Planning

- Planning with financial advisor and bond counsel for upcoming bond transactions (Sunfield wastewater plant expansion, Carrizo Groundwater Supply expansion project, Diversion System & Saltwater Barrier replacement, and Project Evergreen)
- Finalization of Sunfield growth estimates and pro-forma financial statements for preliminary official statement for bond transaction
- Submission of Management Audit report to the TCEQ
- Contract management routing module implementation

Upcoming Activities

- Ongoing preparations of data and information for upcoming bond transactions
- For FY 2022, finalize budget-to-actual calculations, final closing entries and preparation of financial statements and schedules

Vanessa Guerrero
Executive Manager of Administration

Projects Completed and in Progress since September Board Meeting

<i>Information Technology - Organizational Enhancements</i>
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- | |
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| <ul style="list-style-type: none">➤ Explore agency-wide opportunities that provide efficiency and value to GBRA customers➤ Foster environment of shared information and communication➤ Better utilization of technology for communication of information➤ Update and improve utilization of the intranet/extranet |
|--|

- IT Support
 - IT responded to 194 support requests for a total of 168 hours in the month of September
- Network
 - Installing fiber at Luling WTP and Lockhart WTP; to provide more reliable and redundant communications for LuLo operations
 - Network redesign- project to provide multiple redundant communication paths
- SCADA
 - Working with Engineering on multiple projects, including Grove Lane, SM WTP, SM WTP Carrizo Delivery, Stein Falls WWTP Expansion, Prairie View LS, Joe Klar Upgrades, GPP Pipeline, NBU Delivery Site, Dietz Manhole project
 - Reviewing Obermeyer controls submittals for saltwater barrier
 - Continuing evaluation of cellular solutions and improvements to Kerr rainfall system
- GIS
 - Completed Enterprise licensing agreement with ESRI for expanding the capabilities of GIS throughout GBRA
 - Completed Sunfield linear asset data with missing attributes from plans
 - Developed draft inundation maps for Coleta Reservoir
- Database
 - Began provisioning of new Business Intelligence server to provide analysis of data currently stored in separate operational databases

<i>Human Capital Management</i>
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- | |
|--|
| <ul style="list-style-type: none">➤ Comprehensive assessment and review of agency-wide human resources management and practices➤ Identify and plan for staffing needs➤ Use the Human Resources Department more effectively➤ Review the annual employee performance assessment process➤ Initiate succession planning and enhance supervisory staff knowledge➤ Reevaluate human resource policies for effectiveness |
|--|

Safety

- Champion safety policies and programs to advance safety improvements
- Improve safety data and expand capabilities for analysis and evaluation
- Foster a culture that embraces safety as a core value
- Review and enhance employee benefits

- Recruitment/ Staffing
 - Recruiting for vacancies
 - Assessing, evaluating, and developing succession planning needs
- Benefits
 - Open Enrollment – Scheduled to begin Oct 24th
- Training & Development
 - Supervisor Training – In progress
- Employee Engagement
 - Planning FY23 Staff Engagement Events
- COVID-19
 - Active COVID-19 data, 0 new positive cases since 9/21/2022 report, no exposure reports
- Policies & Programs
 - Gorge – Emergency Response Drill (simulation and discussion review)
 - Developing a Vac Truck SOP with Buda/Hays Co management for specific work practices
- Safety Training - month of October (Machine Guarding-OPS, ON HOLD – General, Fire Protection/Fire Extinguisher Use - Lab)
- Hazard Mitigation Plan (HMP 2023 Update) - progress with submission to GLO grant and LHMPP to TDEM and FEMA – next phase is Consultant to coordinate meetings with GBRA OPS Mgmt staff and review assets, risk, forecasted needs/risk based on current status of plan
- Safety Culture
 - Job Description reviews (particularly physical demands and requirements)
 - Safety Committee Meeting – scheduled for Nov. 15, 2022 – Seguin River Annex

Customer Affairs

- Develop a comprehensive customer service program in order to provide quality operational services, promote conservation and enhance the quality of life for those GBRA serves.
- Provide meaningful and proactive communication for GBRA customers, stakeholders and employees
- Create a culture of empowered GBRA employees capable of working within the framework
- Customer Affairs
 - Tracking customer service concerns - Report attached
 - Provided communications to retail customers – Report attached
- Government & Regulatory Affairs
 - Guadalupe Regional Flood Planning Group: 60-day public comment period ended 10/7

- Public Meeting on September 7th in Kerrville/ September 21st in Victoria
- Updating the Drought Contingency & Water Conservation Plans for retail water systems
- Wastewater Treatment Plant Permit (WWTP) Renewals
 - Stein Falls Major Amendment: TCEQ processing comments on draft permit
 - Gerdes Land Application Permit: Sampling Complete, GIS staff created maps
- Attended US Water Alliance – One Water Summit
- Attended Texas Water, Energy and Emergency Management Workshop hosted by TCEQ and US Environmental Protection Agency (EPA)
- Strategic Plan
 - Creating Smartsheet to track progress of Initiatives

Employ Education Programming

- Produce /disseminate water quality and conservation curriculum for basin students
- Administer GBRA's scholarship program
- Lead basin-wide teacher trainings related to water quality/conservation curriculum
- Participate/support community partners on river/stream cleanups, water quality and conservation efforts
- Assist in providing educational resources to basin-wide schools, libraries, institutions
- Expanding GBRA Education presence in Guadalupe Basin and in Texas
 - Planning with Lockhart State Park on fall events
 - Partnering with Baylor and UNT for presentations at CAST (Conference for the Advancement of Science Teaching) in November
- GBRA Curriculum
 - Continuing to promote and distribute Journey and Water Makes World Go 'Round
- Grants
 - Seguin OLC TCEQ grant
 - Working with teachers on scheduling school visits
 - TPWD COOP Grant
 - River Basin model presentations at SM HS and Lockhart HS
 - Hosted two COOP events at the Seguin OLC (SM HS & Lockhart HS students)

AUGUST EDUCATION EVENTS – Total # of students 1245

Date	Location/Group (Grade Level)	Lesson	Number
9/1	H2Olympics Trunk to Oak Creek Elem (Comal)	Water Properties	80
9/1	H2Olympics Trunk to Rahe Bulverde Elem (Comal)	Water Properties	80

9/2	River Basin Model presentation to SM HS Aquatic Science students	River flows, NPS, Groundwater Surface Water Interactions	80
9/13	River Basin Model presentation to Lockhart HS Aquatic Science/Env Science students	River flows, NPS, Groundwater Surface Water Interactions	150
9/19	COOP Event at Seguin OLC: San Marcos HS Aquatic Science students	Water Quality, Riparian Systems, Fish ID, Canoe	45
9/22	Koennecke Elem 5 th grade students (Seguin ISD) to Seguin OLC	Stream Trailer and Riparian System	100
9/26	COOP Event at Seguin OLC: Lockhart HS Aquatic Science students	Water Quality, Riparian Systems, Fish ID, Canoe	50
9/27	Vogel Elem 5 th grade students (Seguin ISD) to Seguin OLC	Stream Trailer and Riparian System	80
9/27	Rodriguez and Vogel Elem 4 th grade students (Seguin IS to Big Red Barn	Surface/Groundwater, Rainfall, Conservation	150
9/28	Koennecke Elem 3 rd graders (Seguin ISD) to Seguin OLC	Water Cycle	115
9/28	McQueeney, Jefferson and Weinert Elem 4 th grade students (Seguin ISD) to Big Red Barn	Surface/Groundwater, Rainfall, Conservation	200
9/29	Navarro Elem 3 rd graders (Navarro ISD) to Big Red Barn	Surface/Groundwater, Rainfall, Conservation	115

Implement Proactive Media/Social Media Strategy

- Strategically enhance social media presence
- Assist in keeping partners informed of relevant GBRA activities
- Post/disseminate timely and accurate stream flow and lake level updates and drought and flood related basin events
- Maintain positive working relationships with relevant members of media

External Communications

- Fulfilling media requests
- Revising Carrizo Groundwater Project video update
- Developing Agua Vida blog and Q&A on drought, Canyon releases and pump replacement
- Optimizing gbra.org navigation based on Google Analytics data
- Revising website content
- Updating GVLakes.com security certificate and content
- Collecting all external communications materials for rebrand

Internal Communications

- Developing and implementing departmental SOPs
- Developing internal communications library – messaging, creative collateral, etc.
- Implementing internal controls on communications development and brand standards



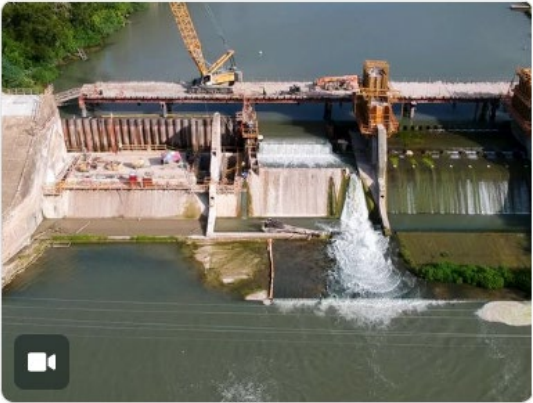



Projects

- Organizational rebrand

Social Media

- Posted third Lake Dunlap construction update
- Increasing employee-centric content on social media channels
- Refining channel-specific content strategy

Top Posts

<div> GBRA</div> <div>Fri 9/30/2022 7:05 am PDT</div> <div>Check out the latest update on Lake Dunlap dam construction with Executive Manager of Engineering Charlie Hickman.</div> <div></div>	<div> gbratx</div> <div>Tue 9/20/2022 9:43 am PDT</div> <div>The 2022 Annual St. Joseph Cross Country invitational was hosted at the Coletto Creek Reservoir. This year was the highest turnout with 373 participants.</div> <div></div>
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Strategic & Community Affairs

- Identify and lead strategic partnerships with communities, businesses and partners to support GBRA's economic development, recreation and stewardship goals
- Manage and perform GBRA's local policy and advocacy programs
- Support economic development and growth of GBRA's water & wastewater services
- Strengthen quality of life throughout our basin by converting GBRA's commitment to our communities into action

City and County Outreach

- Caldwell, Calhoun, Comal, Dewitt, Guadalupe, Hays, Kendall, Gonzales, Refugio and Victoria County Commissioners Court

	<ul style="list-style-type: none"> • Attended Gonzales County Underground Water Conservation District Public Hearing on GBRA Permit Amendment
Economic Development Meetings	<ul style="list-style-type: none"> • Attended Greater San Marcos Partnership & San Marcos Chamber of Commerce – State of Workforce event • Attended San Antonio/Austin Growth Summit event • Attended Seguin, Schertz, New Braunfels – Regional Job Fair • Attended Bulverde Spring Branch Eco Development meeting • Attended Victoria Economic Development Corporation • Attended Cuero Development Corporation Leaders meeting
Community/Nonprofit Organizations	<ul style="list-style-type: none"> • Sponsored Cibolo Nature Center Gala • Attended Braunfels Foundation Trust – Living Legends Luncheon • Sponsored San Antonio Bay Partnership estuary education • Sponsored Gonzales Come & Take It Festival • Sponsored San Antonio Bay Partnership Port O’Connor Shoreline Cleanup • Organized and held New Braunfels Adopt-A-Spot Fall River Cleanup
Right-of-Way Acquisition/Other Activities	<ul style="list-style-type: none"> • Right of Way Projects: <ul style="list-style-type: none"> ○ Western Canyon – Hwy. 46 Expansion – Phase 1 <ul style="list-style-type: none"> ▪ Parcel 9 – Preparing for eminent domain hearing ○ Stein Falls – Blackwell -- Survey and Appraisal ○ Stein Falls – Winding Creek -- Easement ○ Stein Falls – TxDOT – FM 725 ○ Stein Falls – Maldonado -- Review title commitment; ○ Sunfield – East Hays Co. MUD -- Survey and Appraisal ○ GVHS – McQueeney -- <ul style="list-style-type: none"> ▪ Parcel 1 and 5 – Relocations/ Parcel 2 – Transfer ○ GVHS – Placid -- AT&T Easement relocation ○ San Marcos - FM 621 – Prepare Board posting <ul style="list-style-type: none"> ▪ Parcel 1 – Final offer sent ○ IH-35 - Hillside Terrace -- Right of Entry ○ Carrizo Groundwater – Lockhart - Update title policies GVEC Electrical Easements ○ Carrizo – TX-130 Water Supply Project – Right of Entries ○ Carrizo – TX-130 Water Supply Project –Tower Site

Calhoun County Rural Water: Anticipated Water Service Outage

September 12, 2022



ANTICIPATED WATER SERVICE OUTAGE

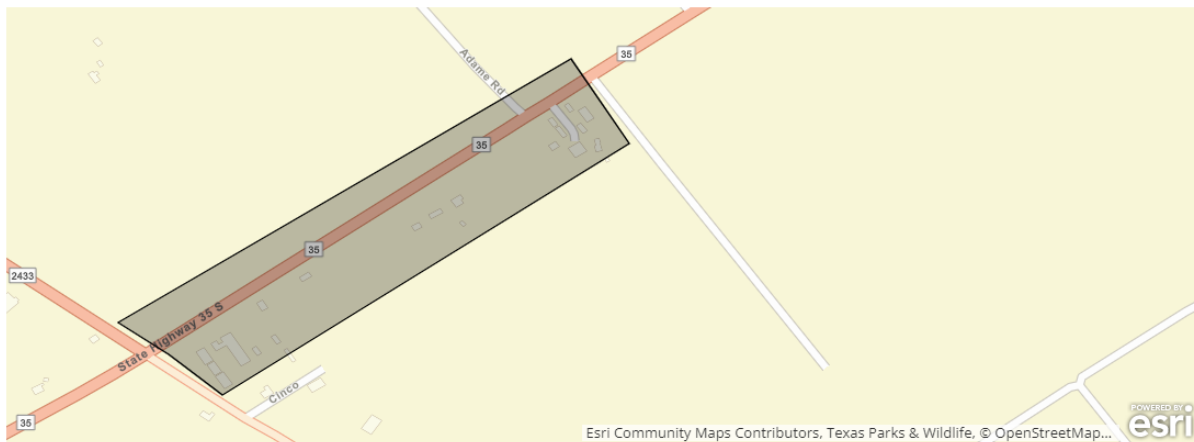
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Edit

Guadalupe-Blanco River Authority, 1663019610-Map Region 1663019610

Sent 09/12/2022 16:53 CDT via by Lindsey Campbell



ANTICIPATED WATER SERVICE OUTAGE

For Port Lavaca Customers at Highway 35 and FM 2433

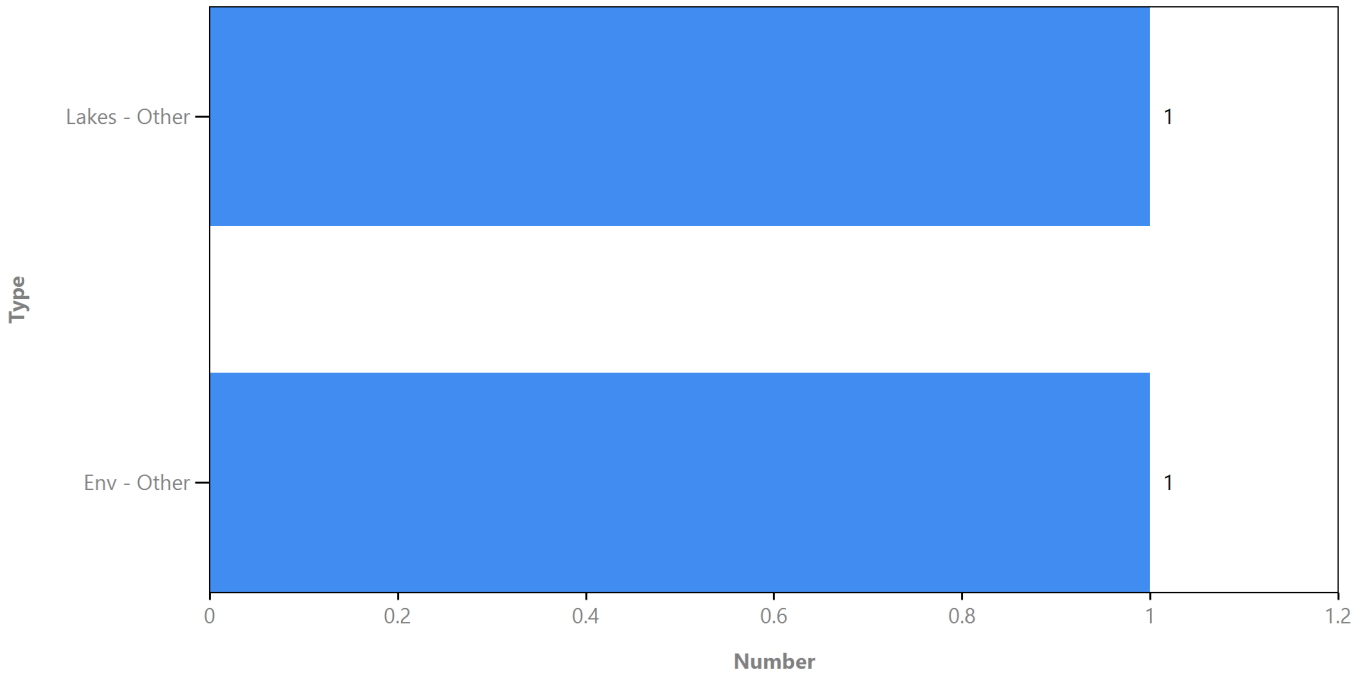
There will be a temporary service outage for customers along Highway 35 at FM 2433 tomorrow - Tuesday, September 13 - due to a pipeline repair. We anticipate this outage to take place between 8 a.m. and 11 a.m. We appreciate your understanding and will work to restore service as quickly as possible.



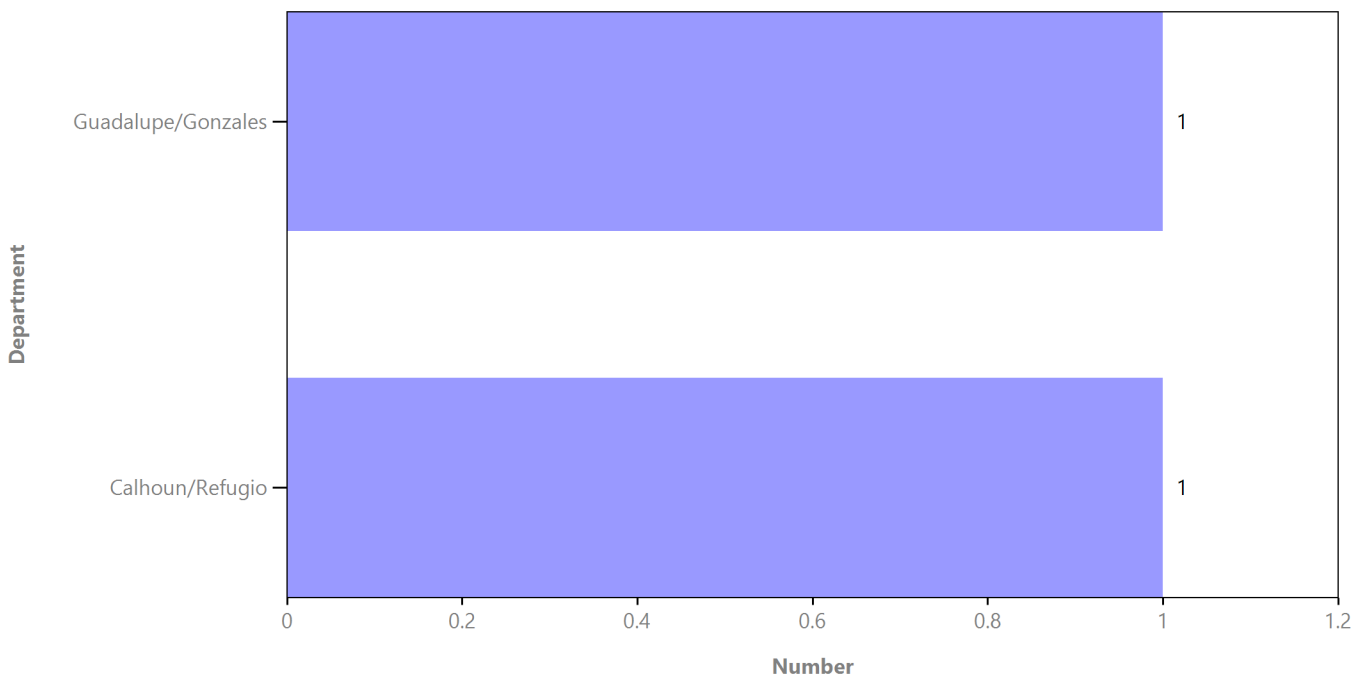
CUSTOMER SERVICE CONCERNS

Range: 09/01/2022 to 09/30/2022

Customer Service Concerns by Type



Customer Service Concerns Totals by Department



DEPARTMENT	SR #	DATE	LOCATION	DESCRIPTION
Guadalupe/Gonzales	311 SR - 00567	9/2/2022	Lakes > Lake Placid	Lack of updates since April on progress of permits for the Lake Placid dam.
Calhoun/Refugio	311 SR - 00570	9/7/2022	Port Lavaca	Calhoun County spraying for mosquitoes too close to Guadalupe River 9/7/22 6:30 pm . Mosquito control chemical labels specify setbacks for spraying in proximity to bodies of water. Sprayer truck is within 100 feet of river. Please confirm chemicals being sprayed, label specified setback from water, and that applicator is licensed. Thank you.



ACTION ITEM

9. Consideration of and possible action authorizing the Acting General Manager/CEO to seek competitive quotes, negotiate and execute a contract to rehabilitate and repave portions of Coletto Creek Park Roads. **(David Harris)**

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 9

Action

Item: Action authorizing the Acting General Manager/CEO to seek competitive bids, negotiate and execute a contract to rehabilitate and repave portions of Coleta Creek Park Roads.

Staff: David Harris

Summary: The current budget includes funds to rehabilitate and pave certain high traffic portions of park roads including the main entrance to provide better access to the park and dam for maintenance.

Discussion: If authorized, the main entrance road will be recycled in place and cement stabilized before adding a two course chip seal surface on the road way. Project would include striping of parking lot at headquarters office building. The park road that connects boat ramp parking, dump station and camping loops 1, 2, and 3 would also be included in the project. This section would be new paving to expand the paved roads in the park. Bids anticipated to be over the required amount for sealed bids. Purchasing agent will assist with the bidding process.

Action Requested: Action authorizing the Acting General Manager/CEO to seek competitive quotes, negotiate and execute a contract to rehabilitate and repave portions of Coleta Creek Park Roads.

ACTION ITEM

10. Consideration of and possible action approving the January 1, 2022 Actuarial Valuation for the Retirement Plan for Employees of the Guadalupe-Blanco River Authority, the recommended contribution of \$708,115 included therein, and a supplemental contribution of \$91,885. **(Randy Staats)**

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 10

Action

Item: Defined Benefit Pension Plan Actuarial Valuation and Annual Contribution

Staff: Randy Staats

Summary: The Defined Benefit Pension Plan (DB Plan) is funded annually by GBRA. The Actuarial Valuation serves as a basis for the recommended contribution.

Discussion: An Actuarial Valuation has been prepared as of January 1, 2022 which includes the amount of the unfunded actuarial liability (UAL), the recommended annual contribution, and other calculations. Members of GBRA's Retirement and Benefit Committee discussed the report during its meeting on September 21, 2022. The report includes a UAL of \$3,918,081 and a funded ratio of 90.3%. When using the market value of assets instead of the actuarial value of assets, the funded ratio is 99.2%.

The report included a recommended contribution of \$708,115 for calendar year 2022. Committee members suggested a supplemental contribution of \$91,885 to reach a combined contribution of \$800,000, which is the amount allocated in the FY 23 budget.

Action Requested: Consideration of and possible action approving the January 1, 2022 Actuarial Valuation for the Retirement Plan for Employees of the Guadalupe-Blanco River Authority, the recommended contribution of \$708,115 included therein, and a supplemental contribution of \$91,885.



RETIREMENT PLAN FOR EMPLOYEES OF GBRA

ACTUARIAL VALUATION

AS OF JANUARY 1, 2022

AUGUST 31, 2022



Rudd and Wisdom, Inc.

Rudd and Wisdom, Inc.

CONSULTING ACTUARIES

Mitchell L. Bilbe, F.S.A.
Evan L. Dial, F.S.A.
Philip S. Dial, F.S.A.
Charles V. Faerber, F.S.A., A.C.A.S.
Mark R. Fenlaw, F.S.A.
Brandon L. Fuller, F.S.A.
Shannon R. Hatfield, F.S.A.

Christopher S. Johnson, F.S.A.
Oliver B. Kiel, F.S.A.
Dustin J. Kim, F.S.A.
Edward A. Mire, F.S.A.
Rebecca B. Morris, A.S.A.
Amanda L. Murphy, F.S.A.

Michael J. Muth, F.S.A.
Khiem Ngo, F.S.A., A.C.A.S.
Timothy B. Seifert, F.S.A.
Chelsea E. Stewart, F.S.A.
Raymond W. Tilotta
Ronald W. Tobleman, F.S.A.
David G. Wilkes, F.S.A.

August 31, 2022

GBRA Retirement and Benefit Committee
Guadalupe-Blanco River Authority
933 E. Court Street
Seguin, TX 78155

Re: Actuarial Valuation as of January 1, 2022

Dear Committee Members:

Enclosed is the report of the Actuarial Valuation of the Retirement Plan for Employees of the Guadalupe-Blanco River Authority as of January 1, 2022. The purpose of this report is to present the actuarial condition of the plan as of January 1, 2022 and to recommend the GBRA minimum contribution for the plan year ending December 31, 2022.

Plan Provisions

There have been no changes in plan provisions since the plan was amended to be frozen and to provide a supplemental benefit in addition to the frozen accrued benefit as of December 31, 2018. The supplemental benefit was designed to make up for the difference between (1) the projected benefit if the plan were to continue as it was before the amendment and (2) the sum of (a) the frozen accrued benefit in the plan and (b) the employer-funded portion of the benefit in the Texas County and District Retirement System (TCDRS) plan that began January 1, 2019. Plan provisions are outlined and summarized in Section V of this report.

Review of Actuarial Assumptions

As a part of each actuarial valuation, we review the actuarial assumptions used in the prior actuarial valuation. We analyze the economic assumptions every year. As the result of our overall review and our economic assumptions analysis, we have selected actuarial assumptions that we consider to be reasonable and appropriate for the plan for the long term future. Their selection complies with the applicable actuarial standards of practice. The demographic actuarial assumptions selected for this actuarial valuation are the same as those used in the actuarial valuation as of January 1, 2021. However, the economic actuarial assumptions were changed with the investment return assumption reduced from 6.5% to 6.25% and the compensation increase assumption increased from 3% to 3.5%.

Funding Policy

With the freezing of this plan and the adoption of the new plan in TCDRS for all employees, a new funding policy for this plan was adopted in November 2019. GBRA management intends to fully fund the plan over the 10 years that began January 1, 2019. GBRA anticipates contributing at least the minimum amount each year, usually in December, that will amortize the unfunded actuarial liability (UAL) over the closed 10-year period.

Even though the definition of the plan's supplemental benefit makes the plan not truly frozen, we have projected the supplemental benefits for the active participants and treated those benefits in the same manner as the deferred frozen benefits. So there is no normal cost for the supplemental benefits.

Recommended Contribution

Based on the funding policy above, we recommend a minimum contribution of \$708,115 for the plan year ending December 31, 2022 payable as of that date. Based on this actuarial valuation, this recommended annual contribution as a level dollar amount is expected to amortize the UAL of \$3,918,081 over the remaining seven years of the 10-year period that began January 1, 2019. This assumes there will be no future gains or losses or changes in assumptions. To the extent that there are future changes, the future valuations will modify the recommended contribution amount.

Changes in the Unfunded Actuarial Liability

In comparing this year's valuation to last year's valuation, the UAL decreased by \$1,820,126 from \$5,738,207 to \$3,918,081 for the following reasons:

- The passing of one year with the experience following the assumptions would have resulted in a decrease in the UAL of \$604,444 because the contribution to amortize the UAL was more than the assumed interest on the UAL for the plan year.
- The investment rate of return for 2021, net of all investment-related expenses paid by the plan, was 9.36% based on the audited market value of assets for the plan year ending December 31, 2021. However, based on the smoothed actuarial value of assets from last year's valuation to this valuation, the net investment rate of return was 11.58%. Since that rate of return is more than the assumed rate of 6.5% during 2021, the UAL decreased by \$1,665,603 due to the favorable actuarial investment experience.
- The difference between all other actual experience compared to that assumed decreased the UAL by \$907,550, due to primarily smaller than assumed compensation increases.
- The change in the investment return and compensation increase assumptions increased the UAL by \$1,357,471.

Variability in Future Actuarial Measurement

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following:

- Plan experience differing from that anticipated by the current economic or demographic assumptions;
- Increases or decreases expected as part of the natural operation of the methodology used for these measurements;
- Changes in economic or demographic assumptions; and
- Changes in plan provisions.

We provided Mr. Randy Staats with a sensitivity analysis of the effects on key results of five scenarios of increasing the compensation increase assumption and/or reducing the investment return assumption. Based on that information, reducing the investment return assumption from 6.5% to 6.25% and increasing the compensation increase assumption from 3% to 3.5% were selected for this year's actuarial valuation. We did not provide any additional analysis of the potential range of future measurements resulting from the possible sources of measurement variability listed above. However, if requested, additional analysis could be provided.

Summary

As a result of our January 1, 2022 actuarial valuation of the GBRA Retirement Plan, we recommend a minimum contribution of at least \$708,115 for the plan year ending December 31, 2022. This minimum recommended year end contribution is based on a funding policy which is expected to be an adequate contribution arrangement. The actuarial valuation of the plan reported herein has been performed in accordance with appropriate actuarial methodology, actuarial code of conduct and actuarial standards of practice.

Respectfully submitted,

RUDD AND WISDOM, INC.

Mark R. Fenlaw

Mark R. Fenlaw, F.S.A.

Rebecca B. Morris

Rebecca B. Morris, A.S.A.

MRF/RBM:nlg

Enclosures

cc: Mr. Randy Staats

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Section I – GBRA Retirement Plan

Certification of Actuarial Valuation (As of January 1, 2022)

At the request of the GBRA Retirement and Benefit Committee, we have performed an actuarial valuation of the plan as of January 1, 2022. The purpose of this report is to present the actuarial condition of the plan as of January 1, 2022 and to recommend a contribution for the January 1, 2022 to December 31, 2022 plan year based on a funding policy which is expected to be an adequate contribution arrangement.

We have relied on and based our valuation on employee data, pensioner data, and asset data provided by GBRA. The financial information we received for the plan year was from the audited financial report for the plan year ending December 31, 2021. We have used the actuarial methods and assumptions described in Section IV of this report. The actuarial valuation has been performed on the basis of the plan benefits described in Section V.

To the best of our knowledge, no material biases exist with respect to any imperfections in the census data provided. We have not audited the data provided but have reviewed it for reasonableness and consistency relative to the census data received for the January 1, 2021 actuarial valuation.

All current employees eligible to participate in the plan as of the valuation date and all other individuals who either are now receiving a monthly benefit or will later receive a vested deferred monthly benefit under the plan have been included in the valuation. Further, all plan benefits have been considered in the development of plan costs.

To the best of our knowledge, the actuarial information supplied in this report is complete and accurate. In our opinion the assumptions used, both in the aggregate and individually, are reasonably related to the experience of the plan and to reasonable expectations. The assumptions represent a reasonable estimate of anticipated experience of the plan over the long-term future, and their selection complies with the applicable actuarial standards of practice.

We certify that we are members of the American Academy of Actuaries who meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Mark R. Fenlaw

Mark R. Fenlaw, F.S.A.

Rebecca B. Morris

Rebecca B. Morris, A.S.A.

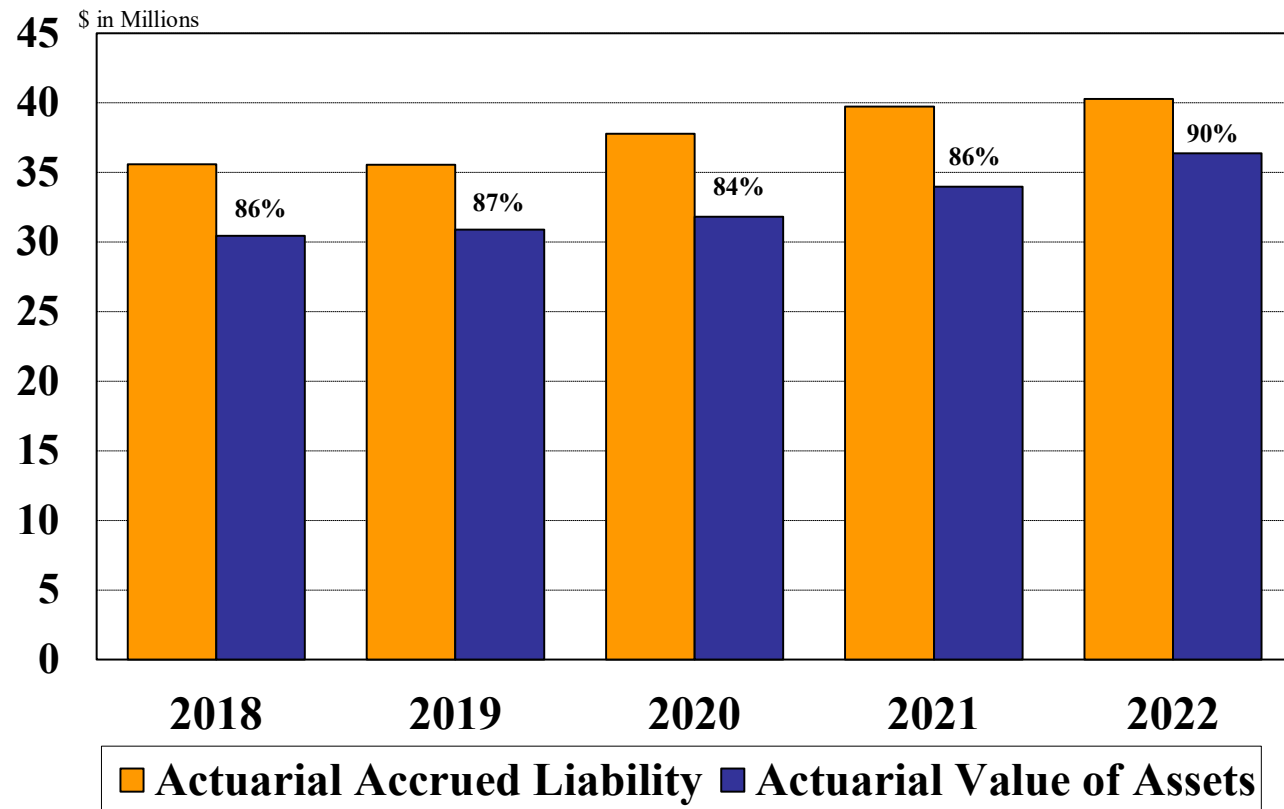
Section II – Summary of Actuarial Valuations

	January 1, 2021	January 1, 2022
1. Participant Census at Valuation Date		
a. Covered employees	66	60
b. Vested terminated due deferred benefit	38	37
c. Retirees and beneficiaries in pay status	<u>105</u>	<u>110</u>
d. Total	209	207
2. Projected Active Participant Compensation for Plan Year Following the Valuation Date	N/A	N/A
3. Actuarial Present Value of Future Benefits		
a. Active participants	\$ 14,586,654	\$ 12,641,509
b. Inactive participants	<u>25,144,877</u>	<u>27,637,730</u>
c. Total	\$ 39,731,531	\$ 40,279,239
4. Actuarial Present Value of Future Normal Cost	\$ 0	\$ 0
5. Actuarial Liability (Item 3e – Item 4)	\$ 39,731,531	\$ 40,279,239
6. Actuarial Value of Assets	\$ 33,993,324	\$ 36,361,158
7. Unfunded Actuarial Liability (UAL) (Item 5 – Item 6)	\$ 5,738,207	\$ 3,918,081
8. Years Remaining in Amortization Period	8 years	7 years
9. GBRA Minimum Contribution to be Paid December 31	\$ 942,428	\$ 708,115
10. Funded Ratio (Item 6 ÷ Item 5)¹	85.6%	90.3%

¹ The funded ratio is not appropriate for assessing either the need for or the amount of future contributions or the adequacy of the funding policy of an ongoing plan. However, for a frozen plan, a funded ratio of 100% or more would indicate that contributions could cease. Subsequent experience would determine whether or not any additional contributions might be required. Using market value of assets (fiduciary net position) instead of the actuarial value of assets for item 10 would have resulted in funded ratios of 95.5% as of January 1, 2021 and 99.2% as of January 1, 2022.

Section II – Summary of Actuarial Valuations (Continued)

Historical Comparison of Actuarial Accrued Liability and Actuarial Value of Assets (Present Plan Valuations as of January 1)



Section III – Plan Asset Information

Summary of Assets as of January 1, 2022

Investment Category	Market Value*	Allocation Percent
1. Equities		
a. Domestic large cap	\$ 14,116,257	35.4%
b. Domestic small cap	3,367,745	8.4
c. Developed international	6,434,472	16.1
d. Emerging markets	<u>0</u>	<u>0.0</u>
	23,918,474	59.9
2. Fixed Income		
a. Global	2,761,742	6.9
b. Emerging market	2,094,628	5.2
c. Domestic core	4,590,560	11.5
d. Distressed debt	<u>20,923</u>	<u>0.1</u>
	9,467,853	23.7
3. Alternatives		
a. Hedge fund	3,526,990	8.8
b. Real estate (timberland)	1,203,745	3.0
c. Private real estate	<u>1,506,883</u>	<u>3.8</u>
	6,237,618	15.6
4. Cash and Cash Equivalents	<u>333,810</u>	<u>0.8</u>
5. Grand Total	\$ 39,957,755	100.0%

* The amounts by investment category (items 1-3) are from the December 31, 2021 report by the plan's investment consultant. Item 4 is the balancing item to bring the grand total to equal the market value of assets in the plan's audited financial report for the year ending December 31, 2021 (item 5). The term "market value of assets" in this report is a synonym of the accounting term "fiduciary net position."

Section III – Plan Asset Information (Continued)

Statement of Changes in Audited Assets for the Years Ended December 31, 2021 and 2020

	<u>12/31/2021</u>	<u>12/31/2020</u>
Additions		
1. Contributions		
a. Employer	\$ 977,428	\$ 1,035,000
b. Employees	<u>0</u>	<u>0</u>
c. Total	\$ 977,428	\$ 1,035,000
2. Investment Income		
a. Interest and dividends	\$ 574,191	\$ 514,718
b. Net appreciation in fair value	<u>2,960,491</u>	<u>5,028,679</u>
c. Total	\$ 3,534,682	\$ 5,543,397
3. Other Additions	<u>0</u>	<u>0</u>
Total Additions	\$ 4,512,110	\$ 6,578,397
Deductions		
4. Benefit Payments	\$ 2,406,550	\$ 1,945,699
5. Expenses		
a. Investment-related	\$ 94,946	\$ 78,080
b. Administrative ¹	<u>0</u>	<u>0</u>
c. Total	\$ 94,946	\$ 78,080
Total Deductions	\$ 2,501,496	\$ 2,023,779
Net Increase in Assets	\$ 2,010,614	\$ 4,554,618
Market Value of Assets (Fiduciary Net Position)		
Beginning of Year	\$ 37,947,141	\$ 33,392,523
End of Year	\$ 39,957,755	\$ 37,947,141
Rate of Return		
Net of Investment-Related Expenses	9.36%	16.86%
Gross	9.63%	17.11%
Investment-Related Expenses (Direct)	0.27%	0.25%

¹ GBRA pays all administrative expenses from other than plan assets.

Section III – Plan Asset Information (Continued)

Development of Actuarial Value of Assets

Calculation of Actuarial Investment Gain/(Loss) Based on Market Value for Plan Years				
	2021	2020	2019	2018
1. Market Value of Assets as of Beginning of Year	\$ 37,947,141	\$ 33,392,523	\$ 28,731,703	\$ 30,638,650
2. Employer Contributions	977,428	1,035,000	1,003,540	1,128,049
3. Benefit Payments	(2,406,550)	(1,945,699)	(1,817,087)	(1,644,165)
4. Expected Investment Return ¹	<u>2,388,351</u>	<u>2,107,279</u>	<u>1,883,708</u>	<u>2,087,160</u>
5. Expected Market Value of Assets as of End of Year	\$ 38,906,370	\$ 34,589,103	\$ 29,801,864	\$ 32,209,694
6. Actual Market Value of Assets as of End of Year	<u>39,957,755</u>	<u>37,947,141</u>	<u>33,392,523</u>	<u>28,731,703</u>
7. Actuarial Investment Gain/(Loss)	\$ 1,051,385	\$ 3,358,038	\$ 3,590,659	\$ (3,477,991)
8. Market Value Rate of Return Net of Expenses	9.36%	16.86%	19.62%	(4.66)%
9. Rate of Actuarial Investment Gain/(Loss)	2.86%	10.36%	12.87%	(11.66)%

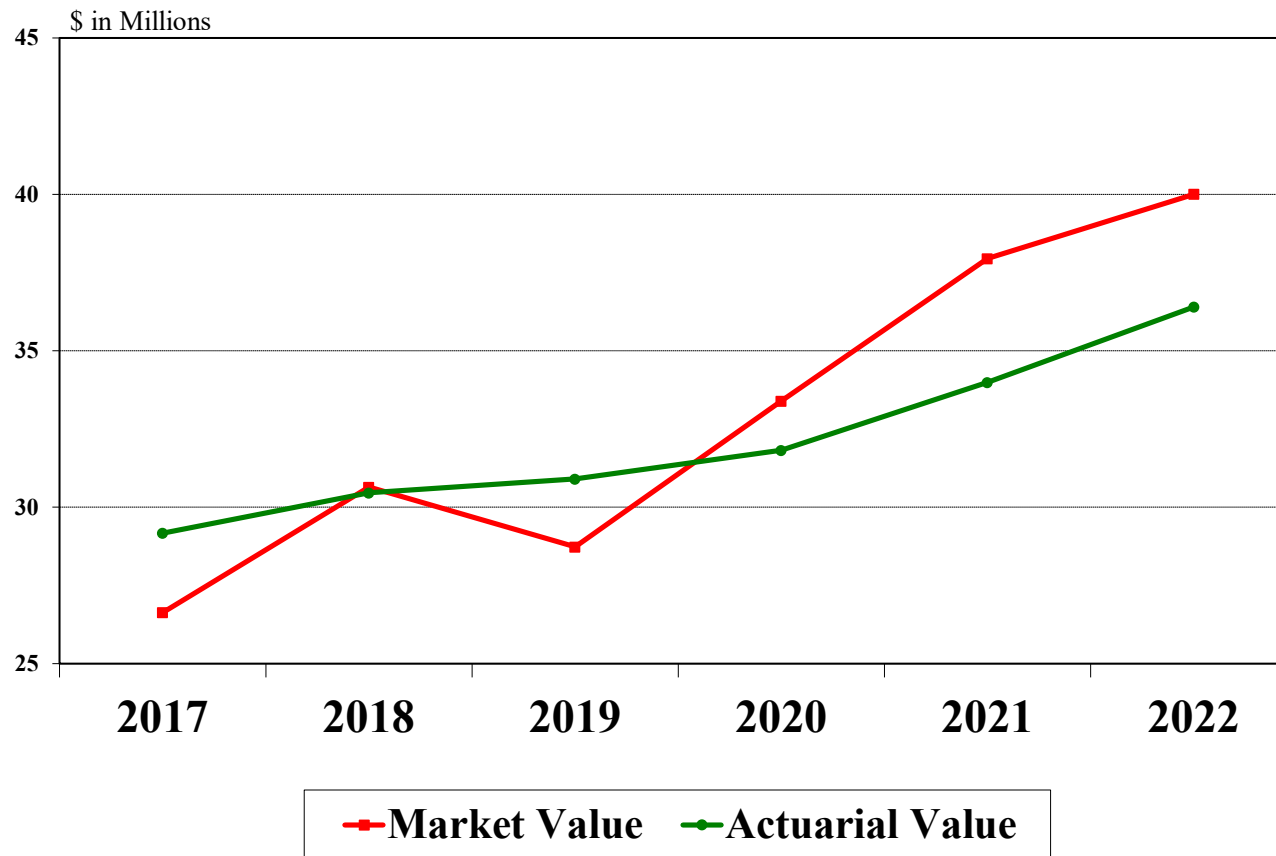
¹ Assuming (1) uniform distribution of payments during the plan year, (2) contributions at the end of the plan year (except end of November for 2019), and (3) expected rate of return of 7% for 2018, 6.75% for 2019, and 6.5% for 2020 and 2021.

Deferred Actuarial Investment Gains/(Losses) to be Recognized in Future Years			
Plan Year	Investment Gain/(Loss)	Deferral Percentage	Deferred Gain/(Loss) Amount as of 12/31/2021
2021	\$1,051,385	80%	\$ 841,108
2020	3,358,038	60%	2,014,823
2019	3,590,659	40%	1,436,264
2018	(3,477,991)	20%	<u>(695,598)</u>
Total			\$ 3,596,597

Actuarial Value of Assets as of December 31, 2021	
10. Market Value of Assets as of December 31, 2021	\$ 39,957,755
11. Deferred Gain/(Loss) to be Recognized in Future	<u>3,596,597</u>
12. Actuarial Value of Assets as of December 31, 2021 (Item 10 – Item 11)	\$ 36,361,158
13. Write Up/(Down) of Assets (Item 12 – Item 10)	\$ <u>(3,596,597)</u>

Section III – Plan Asset Information (Continued)

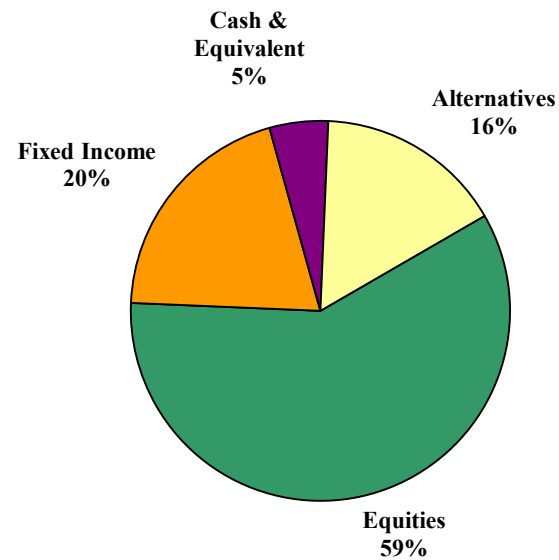
**Historical Comparison of Market and Actuarial Value of Assets
(Valuation as of January 1)**



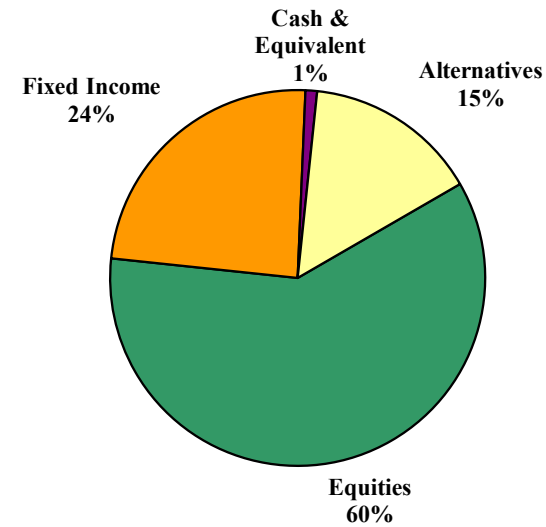
Section III – Plan Asset Information (Continued)

**Comparison of Market Value Asset Allocation as of the Prior and Current
Actuarial Valuation Dates**

January 1, 2021



January 1, 2022



Section IV – Actuarial Methods and Assumptions

A. Actuarial Methods

1. Actuarial Cost Method

For a frozen plan, no actuarial cost method is required. Even though the definition of the plan's supplemental benefit makes the plan not truly frozen, we have projected the supplemental benefits for the active participants and treated those benefits in the same manner as the deferred frozen benefits. So there is no normal cost for the supplemental benefits. The primary calculations are the actuarial present value of future benefits of benefits in pay status and of deferred benefits. The unfunded actuarial liability (UAL) is the amount by which the present value of future benefits exceeds the current plan assets. The UAL is recalculated each time a valuation is performed. Experience gains and losses, which represent deviations of the UAL from its expected value based on the prior valuation, are determined at each valuation and are amortized as part of the newly calculated UAL.

2. Amortization Method

The UAL would be amortized with level dollar payments over the remainder of the 10-year closed period beginning January 1, 2019, with the annual payment at the end of each year. Additional payments may be made in accordance with the funding policy determined by GBRA.

3. Actuarial Value of Assets Method

All assets are valued at market value, with an adjustment made to uniformly spread actuarial gains or losses (as measured by actual market value investment return vs. expected market value investment return) over a five-year period.

B. Actuarial Assumptions

1. Mortality

PubG-2010 (general employees) total dataset mortality tables for employees and for retirees (sex distinct), projected for mortality improvement generationally using the projection scale MP-2018.

2. Termination

There is no need for assumed termination rates with a frozen plan. For the frozen benefit, all employees are assumed to have terminated employment as of December 31, 2018. For the supplemental benefit, all employees are assumed to work for GBRA to the later of December 31, 2022 and the end of the month of attaining age 65.

3. Investment Return

Current and future plan assets are assumed to reflect an annual investment return of 6.25% net of investment-related expenses. See Exhibit 1 for our review of the economic assumptions.

4. Compensation Increase

There is no need to project compensation after 2018 for the frozen benefit as of December 31, 2018. However, the supplemental benefit is based on a projected Plan benefit if the Plan were to continue with its provisions in effect just before December 31, 2018. In addition, the supplemental benefit is based on a projected benefit in the TCDRS plan that was effective January 1, 2019. For both of those projected benefits, the compensation of each active participant was projected to increase 3.5% per year.

5. Retirement Rates

All participating employees are assumed to work for GBRA to the later of December 31, 2022 or the end of the month of attaining age 65. However, three employees who retired in the first part of 2022 were assumed to be in pay status reflecting their actual retirement dates for determining the present value of future benefits.

6. Disability

None were assumed.

7. Inflation Component in Investment Return and Compensation Increase Assumptions

2.75%

8. Form of Payment

- a. Current pensioners: Actual form of payment.
- b. Future pensioners: Normal form of payment (10 years certain and life).
- c. Monthly benefits are payable the first of each month.

9. Administrative Expenses

The expenses will continue to be paid by GBRA and not from Plan assets.

Section V - Outline of Principal Plan Eligibility and Benefit Provisions Reflected in the Actuarial Valuation as of January 1, 2022

1. Identifying Data

- a. Plan name: Retirement Plan for Employees of Guadalupe-Blanco River Authority
- b. Type of plan: Defined benefit
- c. Plan sponsor: Guadalupe-Blanco River Authority
- d. Plan Year: January 1 – December 31

2. Participation

- a. Minimum Age: none
- b. Maximum Age at Hire: none
- c. Service: 1 year in which 1,000 or more hours are completed
- d. Employee Classification: All except a Leased Employee or an independent contractor
- e. Hire Date: first employed by the plan sponsor before January 1, 2011

3. Contributions

- a. Participant: none required
- b. Employer: all amounts necessary to adequately finance plan benefits

4. Eligibility for Retirement

- a. Normal Retirement: age 65
- b. Early Retirement: age 55 plus 15 years of vesting service

5. Retirement Benefit Monthly Amounts

- a. Normal Retirement: 1.30% of average monthly compensation per year of credited service
- b. Late Retirement: same as Normal Retirement increased by 5/9% for every month late retirement follows normal retirement
- c. Early Retirement:
 - 1) With Satisfaction of Rule of 85 (age and Accrual Service equal to eighty-five (85) or more years and age of sixty (60) or more years): amount equal to monthly normal retirement benefit accrued at early retirement date
 - 2) Without Satisfaction of Rule of 85: amount equal to monthly normal retirement benefit accrued at early retirement date reduced by 5/12% for every month early retirement precedes normal retirement
- d. Disability: amount payable at normal retirement age assuming continuation of service from date of disability to normal retirement age, but based on average monthly compensation at the date of disability

6. Normal Form of Monthly Payment

10 years certain and life; other actuarially equivalent monthly payment forms are available

7. Frozen DB Benefit

The plan was frozen as of December 31, 2018 and no additional benefits will accrue. All active participants became 100% vested in their accrued benefit as of that date, referred to as the Frozen DB Benefit. It is payable in the normal form of payment at normal retirement age. It was calculated using the normal retirement benefit formula but using the amount of credited service and the average monthly compensation as of December 31, 2018. It excluded any unused sick leave.

This benefit is payable following termination of employment and upon either (a) reaching normal retirement age or (b) satisfying an early retirement or other commencement of benefit provision. It will be actuarially reduced if the participant's benefit commencement date is prior to his or her normal retirement date.

8. Supplemental Benefit

Participants with a Frozen DB Benefit are eligible for a Supplemental Benefit. This benefit is designed in an attempt to make up for the difference, if any, between (a) the projected benefit of the plan if the plan were to continue as it was before being frozen and (b) the sum of the Frozen DB Benefit and the employer-funded portion of the benefit in the TCDRS plan. It includes unused sick leave as described in item 12.

9. Pre-retirement Death Benefits

Payment of benefit which is actuarially equivalent to the present value of the participant's Frozen DB Benefit and Supplemental Benefit.

10. Basis of Actuarial Equivalence for Optional Forms of Monthly Benefit

8% and UP84 Mortality Table set back one year

11. Average Monthly Compensation

Gross compensation averaged over the three consecutive complete calendar years of highest total compensation over the last ten completed calendar years of employment. Except that the year in which a member terminates shall be considered a complete calendar year of employment, and the compensation for such calendar year shall be deemed equal to the annualized rate of compensation which he actually received for such calendar year, excluding any amount paid for unused vacation or for unused sick leave or for any reason related to termination of employment, and with the portion of such calendar year following such member's termination of employment being included in determining the number of months for which such compensation was received.

12. **Unused Sick Leave**

The Supplemental Benefit is calculated using the lesser of the amount of unused sick leave as of December 31, 2018 and the amount as of termination of employment, converting the hours of unused sick leave into credited service at the rate of one month of credited service for each 173.33 hours of unusual sick leave.

Section VI - Summary of Participant Data

Participant Data Reconciliation

	Active Participants	Current Payment Status	Deferred Payment Status	Total
1. As of January 1, 2021	66	105	38	209
2. Change of status				
a. normal retirement	0	1	(1)	0
b. late retirement	(3)	3	0	0
c. early retirement	(2)	3	(1)	0
d. disability	0	0	0	0
e. death	0	(5)	0	(5)
f. nonvested termination	0	0	0	0
g. vested termination	(1)	0	1	0
h. completion of payment	0	0	0	0
i. alternate payee	0	0	0	0
j. start of survivor benefit	<u>0</u>	<u>3</u>	<u>0</u>	<u>3</u>
k. net changes	(6)	5	(1)	(2)
3. New participants (rehire)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4. As of January 1, 2022	60	110	37	207

Distribution of Active Participants by Age and Service as of January 1, 2022

Age	Years of Service									Total	Percent
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	0	0	0	0	0	0	0	0	0	0	0%
25-29	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	1	0	0	0	0	0	0	1	2
35-39	0	0	3	0	0	0	0	0	0	3	5
40-44	0	1	3	3	1	0	0	0	0	8	13
45-49	0	0	0	4	3	1	0	0	0	8	13
50-54	0	0	3	2	2	2	1	0	0	10	17
55-59	0	1	2	2	2	2	5	3	2	19	32
60-64	0	0	0	1	1	0	1	1	5	9	15
Over 65	0	0	0	0	0	1	0	0	1	2	3
Total	0	2	12	12	9	6	7	4	8	60	100%
Percent	0%	3%	20%	20%	15%	10%	12%	7%	13%	100%	

Average age = 52.7 years
Average service = 23.9 years

Section VII - Definitions

- | | |
|------------------------------------|---|
| 1. Actuarial Liability | The Actuarial Present Value of future pension plan benefits as of the Valuation Date. |
| 2. Actuarial Assumptions | Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, termination, disablement and retirement; changes in compensation; rates of investment earnings and asset appreciation; and other relevant items. |
| 3. Actuarially Equivalent | Of equal Actuarial Present Value, determined as of a given date, with each value based on the same set of Actuarial Assumptions. |
| 4. Actuarial Gain (Loss) | A measure of the difference between actual experience and that expected based on the Actuarial Assumptions during the period between two Actuarial Valuation dates. |
| 5. Actuarial Present Value | The value of an amount or series of amounts payable or receivable at various times, determined as of a given date (the Valuation Date) by the application of the Actuarial Assumptions. |
| 6. Actuarial Valuation | The determination, as of a Valuation Date, of the Actuarial Liability, Actuarial Value of Assets and related Actuarial Present Values for a pension plan. |
| 7. Actuarial Value of Assets | The value of cash, investments and other property belonging to a pension plan, as determined by a method and used by the actuary for the purpose of an Actuarial Valuation. |
| 8. Plan Year | A 12-month period beginning January 1 and ending December 31. |
| 9. Projected Benefits | Those pension plan benefit amounts that are expected to be paid at various future times according to the Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future qualified service. |
| 10. Overfunded Actuarial Liability | The excess, if any, of the Actuarial Value of Assets over the Actuarial Liability. |

- | | |
|--|--|
| 11. Unfunded Actuarial Liability | The excess, if any, of the Actuarial Liability over the Actuarial Value of Assets. |
| 12. Valuation Date | The date upon which the Actuarial Liability and Actuarial Value of Assets are determined. Generally, the Valuation Date will coincide with the beginning of a Plan Year. |
| 13. Years to Amortize the Unfunded Actuarial Liability | The period is determined according to GBRA's funding policy, to amortize the Unfunded Actuarial Liability with a level annual dollar contribution. |

Exhibit 1

Retirement Plan for the Employees of Guadalupe-Blanco River Authority Review of the Actuarial Economic Assumptions for the January 1, 2022 Actuarial Valuation

Asset Allocation and Investment Return Assumption Development

	Gross Annual Real Rate of Investment Return (ROR) ¹	Estimated Investment Expenses ²	Net Real ROR	Asset Allocation		
				12/31/21 Actual ³	Current Target ⁴	More in Fixed Income
Domestic Equity						
Large Cap Growth (Alspring Growth)	6.5%	1.00%	5.50%	12.7%	15%	14%
Large Cap Value (Diamond Hill, Sustainable Insight)	6.5	0.85	5.65	22.7	15	12
Small Cap Blend (Eastern Shore)	7.0	1.15	5.85	8.4	7	5
				43.8	37	31
International Equity						
Developed Large Cap (Oppenheimer)	7.0	1.13	5.87	16.1	12	12
Emerging Markets (TBD)	8.5	1.10	7.40	0.0	3	0
				16.1	15	12
Fixed Income						
Global (Brandywine)	2.5	0.70	1.80	6.9	10	12
Domestic Core (Johnson)	2.0	0.50	1.50	11.5	5	15
Emerging Market (Aberdeen)	3.0	0.91	2.09	5.2	6	5
Distressed Debt (Courage Credit)	4.5	1.75	2.75	0.1	5	0
				23.7	26	32
Alternatives						
Private Real Estate (TerraCap Partners)	6.0	1.75	4.25	3.8	5	5
Multistrategy Fund (Ironwood)	4.0	1.45	2.55	8.8	12	10
Real Estate (BTG Global Timberland)	5.0	1.25	3.75	3.0	5	5
				15.6	22	20
Cash	0.0	0.00	0.00	0.8	0	5
				100.0%	100%	100%
Weighted Average Net Real ROR Assumption				4.32%	4.23%	3.65%
Possible Theoretical Annual Investment Return Assumption – Net Real ROR Plus Assumed Annual Rate of Inflation						
Assumed 2.75% Inflation				7.07%	6.98%	6.40%

¹ A gross annual real rate of investment return is the long-term total average annual rate of investment return, before any expenses, that is in excess of the assumed annual inflation rate. These are assumptions made by Rudd and Wisdom, Inc.

² These assumed investment-related expenses are based on information from the investment consulting firm CBIZ in their 12/31/2021 report and include both direct and indirect expenses, with an addition of 0.25% for bank custody fees and the fees of CBIZ.

³ This allocation is from the investment consultant's 12/31/2021 report.

⁴ The current target asset allocation for category totals was in investment consultant's 12/31/2021 report. A report from prior years showed subtotals within a category. The consultant confirmed that nothing has changed.

Exhibit 1 (continued)

Price Inflation in the USA – Average Annual Rates of Increase in the CPI-U

<u>Years (Dec. to Dec.)</u>	<u>Number of Years</u>	<u>Average Annual Increase</u>
1956 – 2021	65	3.62%
1961 – 2021	60	3.79
1966 – 2021	55	3.96
1971 – 2021	50	3.90
1976 – 2021	45	3.54
1981 – 2021	40	2.76
1986 – 2021	35	2.68
1991 – 2021	30	2.37
1996 – 2021	25	2.28
2001 – 2021	20	2.31

Most inflation forecasts are for 10 years or less. For example, the average 10-year forecast in the June 2022 Livingston Survey published by the Federal Reserve Bank of Philadelphia was 2.50%. However, 10 years is too short a forecast period for a public employee defined benefit pension plan. In the 2022 annual report of the OASDI Trust Funds (Social Security), the ultimate inflation assumptions for their 75-year projections are 3.0%, 2.4%, and 1.8% for the low-cost, intermediate, and high-cost assumptions, respectively. Looking at the average annual increase in the CPI-U over historical periods of 30 to 65 years above and considering the Social Security forecasts, we believe that reasonable assumed rates of inflation for the long-term future would range from 2.25% to 3.25%.

Comparison of Actuarial Economic Assumptions

<u>Actuarial Assumption^(A)</u>	<u>1/1/2021 Actuarial Economic Assumptions</u>	<u>1/1/2022 Actuarial Economic Assumptions</u>	
		<u>Set 1</u>	<u>Set 2</u>
Inflation (Price)	2.75%	2.75%	2.75%
Net real rate of return ^(B)	<u>3.75</u>	<u>3.75%</u>	<u>3.50%</u>
Net total investment return ^(B)	6.50%	6.50%	6.25%
Compensation increase ^(C)	3.00%	3.00%	3.50%
Administrative expenses ^(D)	N/A	N/A	N/A

^(A) All assumptions are annual rates.

^(B) Net of all investment-related expenses, direct and indirect, paid from plan assets.

^(C) Annual general compensation increase used for projecting the supplemental benefit.

^(D) There is no need for an assumption regarding administrative expenses paid from plan assets because GBRA pays those expenses.

ACTION ITEM

11. Consideration of and possible action approving a Resolution authorizing the Issuance of \$39,670,000 in Aggregate Principal Amount of Guadalupe-Blanco River Authority Contract Revenue Bonds, Series 2022 (Low-Interest Financing) (Carrizo Groundwater Supply Expansion Project); authorizing the sale thereof to the Texas Water Development Board (TWDB) through its State Water Implementation Fund for Texas (SWIFT) Program; approving and authorizing the execution of a Paying Agent/Registrar Agreement and an Escrow Agreement related to such bonds; approving and authorizing the execution of separate Continuing Disclosure Agreements with County Line Special Utility District, Goforth Special Utility District, and Maxwell Special Utility District; approving and authorizing all other instruments and procedures related thereto; and providing for an immediate effective date. **(Randy Staats)**

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 11

Action

Item: Approval of a Resolution to authorize the issuance of Bonds to the Texas Water Development Board (TWDB) to obtain initial funding for expansion of the Carrizo Groundwater Supply Project.

Staff: Randy Staats

Summary: This action will authorize GBRA to obtain \$39,670,000 of funds from the TWDB's \$112,335,000 funding commitment to finance an expansion of the Carrizo Groundwater Supply Project and to execute all related documents and agreements.

Discussion: With the expansion, the Carrizo Groundwater Supply Project will provide up to 24,000 acre-feet of treated groundwater for customers of the project. The customers include New Braunfels Utilities, City of Lockhart, Goforth Special Utility District and new customers County Line Special Utility District, Maxwell Special Utility District, and Camino Real Utility.

GBRA has previously closed on four rounds of funding totaling \$212,955,000 from the TWDB for the project. Five of the six customers named above are contractually obligated to pay their pro rata share of the debt service related to those initial fundings.

The expansion provides for the closing of \$112,335,000 in low interest financing from the TWDB over a two-year period. This first sale totals \$39,670,000. County Line SUD, Goforth SUD, and Maxwell SUD are contractually obligated to pay their pro rata share of the debt service related to the funding for expansion. Camino Real is making cash contributions for their portion of the project and is not a participant in the debt issuance.

A Financing agreement, required by the TWDB, was approved by the Board of Directors on August 17 of this year and has since been executed. The closing and receipt of funds are expected on November 18th of this year.

Action Requested: Consideration of and possible action approving a Resolution authorizing the Issuance of \$39,670,000 in Aggregate Principal Amount of Guadalupe-Blanco River Authority Contract Revenue Bonds, Series 2022 (Low-Interest Financing) (Carrizo Groundwater Supply Expansion Project); authorizing the sale thereof to the Texas Water Development Board (TWDB) through its State Water Implementation Fund for Texas (SWIFT) Program; approving and authorizing the execution of a Paying

Agent/Registrar Agreement and an Escrow Agreement related to such bonds; approving and authorizing the execution of separate Continuing Disclosure Agreements with County Line Special Utility District, Goforth Special Utility District, and Maxwell Special Utility District; approving and authorizing all other instruments and procedures related thereto; and providing for an immediate effective date.

RESOLUTION AUTHORIZING THE ISSUANCE OF \$39,670,000 IN AGGREGATE PRINCIPAL AMOUNT OF *GUADALUPE-BLANCO RIVER AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (LOW-INTEREST FINANCING) (CARRIZO GROUNDWATER SUPPLY EXPANSION PROJECT)*; AUTHORIZING THE SALE THEREOF TO THE TEXAS WATER DEVELOPMENT BOARD (TWDB) THROUGH ITS *STATE WATER IMPLEMENTATION FUND FOR TEXAS* (SWIFT) PROGRAM; APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT WITH UMB BANK, N.A. RELATED TO SUCH BONDS; APPROVING AND AUTHORIZING THE EXECUTION OF SEPARATE CONTINUING DISCLOSURE AGREEMENTS WITH COUNTY LINE SPECIAL UTILITY DISTRICT, GOFORTH SPECIAL UTILITY DISTRICT, AND MAXWELL SPECIAL UTILITY DISTRICT; APPROVING AND AUTHORIZING ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE

DATE OF APPROVAL: OCTOBER 19, 2022

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RESOLUTION AUTHORIZING THE ISSUANCE OF \$39,670,000 IN AGGREGATE PRINCIPAL AMOUNT OF GUADALUPE-BLANCO RIVER AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (LOW-INTEREST FINANCING) (CARRIZO GROUNDWATER SUPPLY EXPANSION PROJECT); AUTHORIZING THE SALE THEREOF TO THE TEXAS WATER DEVELOPMENT BOARD (TWDB) THROUGH ITS STATE WATER IMPLEMENTATION FUND FOR TEXAS (SWIFT) PROGRAM; APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT WITH UMB BANK, N.A. RELATED TO SUCH BONDS; APPROVING AND AUTHORIZING THE EXECUTION OF SEPARATE CONTINUING DISCLOSURE AGREEMENTS WITH COUNTY LINE SPECIAL UTILITY DISTRICT, GOFORTH SPECIAL UTILITY DISTRICT, AND MAXWELL SPECIAL UTILITY DISTRICT; APPROVING AND AUTHORIZING ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE

**STATE OF TEXAS :
GUADALUPE-BLANCO RIVER AUTHORITY :**

WHEREAS, the GUADALUPE-BLANCO RIVER AUTHORITY ("***GBRA***") is an agency and political subdivision of the State of Texas, being a conservation and reclamation district created and functioning under Article 16, Section 59, of the Texas Constitution, pursuant to the provisions of Chapter 75, Acts of the 43rd Legislature, First Called Session, 1933, as amended (the "***GBRA Act***"); and

WHEREAS, Section 1 of the GBRA Act provides that "*the creation of the District is hereby determined to be essential to the accomplishment of the purposes of Section 59 of Article 16 of the Constitution of the State of Texas, including (to the extent hereinafter authorized) the control, storing, preservation and distribution of storm and flood waters, the waters of rivers and streams, including the Guadalupe and Blanco Rivers and their tributaries for irrigation, power, and all other useful purposes, the reclamation and irrigation of arid, semiarid and other lands needing irrigation, the reclamation and drainage of overflowed lands, and other lands needing drainage (but not to reclaim or drain coastal wetlands or inland marshes), the conservation and development of the forests, water and hydro-electric power of the State of Texas and the navigation of inland waters, and the preservation and conservation of all such natural resources of the State are hereby declared public rights and duties of the District*" (emphasis added); and

WHEREAS, among numerous powers granted under the GBRA Act:

- (i) Section 2(a) thereof authorizes GBRA to "*control, store and preserve, within or adjoining the boundaries of the District, the waters of any rivers and streams, including the waters of the Guadalupe and Blanco Rivers and their tributaries, for all useful purposes, and to use, distribute and sell the same, within the boundaries of the District, for any such purposes*";

- (ii) Section 2(b) thereof authorizes GBRA to *"conserve, preserve and develop underground waters within the boundaries of the District (subject to any applicable regulation by the State or any political subdivision) for all useful purposes, and to use, distribute and sell the same, within the boundaries of the District for any such purposes"*;
- (iii) Section 2(c) thereof authorizes GBRA to *"acquire water, water supply facilities and conservation storage capacity within or without the District from any person, including the State or any of its agencies and subdivisions and the United States of America and any of its agencies and subdivisions"*;
- (iv) Section 2(l) thereof authorizes GBRA to *"acquire by purchase, lease, gift or in any other manner (otherwise than by condemnation)¹ and to maintain, use and operate any and all property of any kind, real, personal, or mixed, or any interest therein, within or without the boundaries of the District, necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act"*;
- (v) Section 2(p) thereof authorizes GBRA to *"construct, extend, improve, maintain, and reconstruct, to cause to be constructed, extended, improved, maintained, and reconstructed, and to use and operate, any and all facilities of any kind necessary or convenient to the exercise of such powers, rights, privileges and functions"*;
- (vi) Section 2(v) thereof authorizes GBRA to *"make contracts and to execute instruments necessary or convenient to the exercise of the powers, rights, privileges, and functions conferred upon it by this Act or General Law for such term and with such provisions as the Board hereinafter referred to may determine to be in the best interest of the District, including, without in any way limiting the generality of the foregoing, contracts with persons, including the State of Texas, the United States of America and any corporation or agency thereof and districts, cities, towns, persons, organizations, associations, firms, corporations, entities or others, as such Board may deem necessary or proper for, or in connection with, any corporate purpose to provide for the construction, acquisition, ownership, financing, operation, maintenance, sale, leasing to or from, or other use or disposition of any facilities authorized to be developed, preserved, conserved, acquired, or constructed under this Act or General Law, including any improvements, structures, facilities, equipment and all other property of any kind in connection therewith and any lands, leaseholds, easements and any interest in any of the foregoing"; and*
- (vii) Section 2(x) thereof authorizes GBRA to *"borrow money for its corporate purposes and, without limitation of the generality of the foregoing, to borrow money and accept grants from persons, including the State of Texas, the United States of America, or from any corporation or agency created or designated by the State of Texas or the United States of America, and, in connection with any such loan or*

¹The power to condemn property is granted by Section 2(m) of the GBRA Act and other applicable state law.

grant, to enter into such agreements as the State of Texas or the United States of America or such corporations or agency may require; and to make and issue its negotiable bonds or notes for moneys borrowed, in the manner and to the extent provided in this Act, and to refund or refinance any outstanding bonds or notes and to make and issue its negotiable bonds or notes thereof in the manner and to the extent provided in this Act. Nothing in this Act shall authorize the issuance of any bonds, notes, or other evidences of indebtedness of the District, except as specifically provided in this Act, and no issuance of bonds, notes, or other evidences of indebtedness of the District shall ever be authorized except by this Act or General Law; and

WHEREAS, the Board of Directors previously has approved and authorized the Authority to plan, design, acquire, construct and equip a new groundwater supply project, known generally as the "Carrizo Groundwater Supply Project," which primarily consists of the acquisition of groundwater leases for the Carrizo Aquifer water in Gonzales and Caldwell counties, and the construction and equipping of facilities to pump, treat, and convey groundwater in and from Gonzales and Caldwell counties, including but not limited to water treatment plant(s) and associated facilities, and facilities to convey treated water through and to Gonzales, Guadalupe, Caldwell, Hays, and Comal counties, as well as storage and blending facilities, and other facilities necessary or desirable for the supply of treated water to GBRA customers (the "**Carrizo Groundwater Supply Project**"); and

WHEREAS, the Carrizo Groundwater Supply Project is a component of an overall water supply project known generally by GBRA as the "Mid-Basin Project"; and

WHEREAS, GBRA and the *Alliance Regional Water Authority* ["**Alliance**," which was formerly known as the *Hays Caldwell Public Utility Agency* and is comprised of the cities of San Marcos, Kyle, and Buda, and the Canyon Regional Water Authority (which represents County Line Special Utility District, Crystal Clear Special Utility District, Green Valley Special Utility District, and Martindale Water Supply Corporation)] have entered into a *Water Treatment and Delivery Agreement*, executed and effective as of June 27, 2018 (the "**Regional Agreement**") relating to the Carrizo Groundwater Supply Project pursuant to which, among other things:

(i) Alliance will own the property interests in the "Project Facilities" (generally defined and described in the Regional Agreement as the water treatment plant and those water transmission lines, pump stations, metering equipment, piping, control devices, systems and appurtenances at delivery points, and other associated improvements to be used for the purpose of (a) receiving untreated groundwater from both parties in a volume, rate, and quality set forth in the Regional Agreement, and (b) delivering treated water to each party at the locations, volume, rate, and quality set forth in the Regional Agreement), and any improvements to the Project Facilities;

(ii) GBRA will own capacity in the Project Facilities in the amount set forth in the Regional Agreement; and

(iii) GBRA and Alliance each will issue bonds to fund their proportional costs of the Project Facilities based on each party's ownership capacity; and

WHEREAS, in 2018, GBRA executed a separate *Gonzales Carrizo Water Supply Project Treated Water Agreement* with New Braunfels Utilities, the City of Lockhart, and Goforth Special Utility District (collectively referred to as the "**Initial Customers**") to annually supply up to 15,000 acre feet of treated water from the Carrizo Groundwater Supply Project; and

WHEREAS, in 2018, 2019, 2020, and 2021, GBRA issued or incurred debt (defined and further described in Section 7 herein as the "**Initial Project Bonds**") to finance the acquisition of its portion of groundwater leases and the construction of the Carrizo Groundwater Supply Project and expects to complete in 2023 the construction of those portions of the Carrizo Groundwater Supply Project necessary to pump, treat, and transport up to 15,000 acre feet annually of groundwater from the well fields in Gonzales and Caldwell counties to the Initial Customers serve the Initial Customers; and

WHEREAS, the initial portion of the Carrizo Groundwater Supply Project to provide up to 15,000 acre feet of treated water to the Initial Customers as described above is herein referred as the "**Initial Project**"; and

WHEREAS, GBRA was advised by an Initial Customer, two other public entities, and a private entity that they require an additional source of water to meet their retail water demands in the future and have determined that obtaining water from the Carrizo Groundwater Supply Project was in their best interests; consequently, GBRA and such entities entered into a memorandum of understanding in 2021, the purpose of which was to identify their respective water supply needs, the infrastructure necessary to expand the Initial Project in order to supply such additional water through the Carrizo Groundwater Supply Project to the Expansion Customers (herein referred to as the "**Expansion Project**"), and the estimated total capital costs for such expansion infrastructure; and

WHEREAS, as of the date of passage of this Resolution, GBRA has entered into a separate *Treated Water Supply Agreement* with three public entities² for the purpose of selling and delivering annually up to approximately 9,000 additional acre feet of treated water through the Carrizo Groundwater Supply Project, which agreements are further described as follows:

²GBRA has also entered into a *Gonzales Carrizo Water Supply Project Treated Water Supply Agreement* with a private entity known as Camino Real Utility, a Texas limited liability company ("**Camino Real**") (i) will be committed to purchase 2,419 acre-feet of treated water per Fiscal Year from the Carrizo Groundwater Supply Project, (ii) will contribute cash to GBRA to pay its pro rata portion of the costs to plan, design, acquire, construct and equip the Carrizo Groundwater Supply Project, and (ii) will have no obligation to pay any portion of the "Shared Project Debt Service Charge" (relating to the payment of debt service on the Initial Project Bonds), the "Expansion Bonds Debt Service Charge" (relating to the payment of debt service on the Expansion Bonds), or the "Additional Bonds Debt Service Charge" relating to the payment of debt service on any "Additional Bonds" issued in the future by GBRA to plan, design, construct, acquire, repair, extend, replace, improve, upgrade, or expand the Carrizo Groundwater Supply Project (as such capitalized terms are defined and more fully described in the Expansion Project Water Supply Agreements. Accordingly, while Camino Real is a customer of GBRA for purposes of purchasing treated water through the Carrizo Groundwater Supply Project, it is not an Expansion Customer for purposes of this Resolution, and it will not provide any funds to pay debt service relating to the Initial Project Bonds or the Expansion Bonds.

Gonzales Carrizo Water Supply Project Treated Water Supply Agreement by and Between the Guadalupe-Blanco River Authority and County Line Special Utility District, effective as of June 29, 2022;

Gonzales Carrizo Water Supply Project Treated Water Supply Agreement by and Between the Guadalupe-Blanco River Authority and Goforth Special Utility District, effective as of June 29, 2022;

Gonzales Carrizo Water Supply Project Treated Water Supply Agreement by and Between the Guadalupe-Blanco River Authority and Maxwell Special Utility District, effective as of June 29, 2022;

WHEREAS, the Treated Water Supply Agreements described above, together with any amendments thereto, are collectively referred to herein as the "**Expansion Project Water Supply Agreements**," and the three public entities with whom GBRA has entered into the Expansion Project Water Supply Agreements described above are referred to herein, and defined in Section 7 hereof, as the "**Expansion Customers**"; and

WHEREAS, on April 20, 2022, the Board of Directors of GBRA authorized the submission of an *Application for Financial Assistance* (the "**Application**") to the **TEXAS WATER DEVELOPMENT BOARD** (the "**Texas Water Development Board**" or the "**TWDB**"), pursuant to which GBRA requested financial assistance in the aggregate amount of up to \$165,000,000 from the TWDB's *State Water Implementation Fund for Texas* ("**SWIFT**") program to finance the costs to plan, design, acquire, construct and equip the Expansion Project; and

WHEREAS, the TWDB reviewed the Application and, pursuant to Resolution No. 22-067 adopted on July 27, 2022, approved a commitment to provide financial assistance to GBRA for the costs of the Expansion Project by committing to purchase up to \$112,335,000 principal amount of "Contract Revenue Bonds" over a period of two years, of which \$39,670,000 in aggregate principal amount of GBRA's *Contract Revenue Bonds, Series 2022 (Low-Interest Financing) (Expanded Carrizo Groundwater Supply Project)* (the "**Series 2022 Bonds**"), are being authorized pursuant to this Resolution; and

WHEREAS, in order to provide funds to pay for the expansion of the Initial Project described in the Expansion Water Supply Agreements, the Board of Directors of GBRA finds and declares a public purpose and deems it advisable and in the best interests of GBRA to issue the Series 2022 Bonds in the aggregate principal amount of \$39,670,000, payable from and secured by a lien on and pledge of certain revenues received by GBRA from the Expansion Customers through the Expansion Project Water Supply Agreements (as further described and defined herein as the "**Pledged Revenues**"); and

WHEREAS, the Expansion Project Water Supply Agreements with the Expansion Customers require the Expansion Customers to pay, among other charges, generally on a pro rata basis, all operation, maintenance and administrative expenses related to GBRA's portion of the Carrizo Groundwater Supply Project, which expenses generally shall be charged to each Expansion

Customer as the "Gonzales Carrizo Delivery Charge" through the application of the "Gonzales Carrizo Delivery Rate" to each Expansion Customer as described in Section 4.3 of the Expansion Project Water Supply Agreements; and

WHEREAS, the Expansion Project Water Supply Agreements further require the Expansion Customers to pay an amount sufficient to cover "*the total principal and interest requirements on the outstanding Expansion Bonds, plus a coverage factor not to exceed 10% of such principal and interest requirements*", which amount is collected through the application of the "*Expansion Bonds Debt Service Charge*" in accordance with Section 4.1(b) of the Expansion Project Water Supply Agreements and is described as "*an amount to be charged to and paid by the [Expansion] Customer and all other Tax-Exempt Expansion Customers during each Fiscal Year that Expansion Bonds are outstanding*"; and

WHEREAS, Section 4.1(b) of each Expansion Project Water Supply Agreement further provides that "[t]he *Expansion Bonds Debt Service Charge* that is allocated to . . . [each Expansion] Customer by GBRA each Fiscal Year, in accordance with this Section 4.1 and all applicable bond resolutions (the "*Customer's Pro Rata Expansion Bonds Debt Service Charge*"), shall be the then current annual *Expansion Bonds Debt Service* multiplied by the quotient derived by dividing the *Maximum Rate of Delivery* by the aggregate maximum rates of delivery of all Tax-Exempt Expansion Customers and taking into account preferences . . . [each Expansion] Customer elects to exercise with respect to the structure of the debt service for each series of Expansion Bonds which differ from the structure of any other customer that enters into a similar agreement with GBRA to receive water from the Project, if any" and

WHEREAS, Section 4.1(b) of the Expansion Project Water Supply Agreements further provides that "[f]ollowing the issuance of any debt creating or altering the amount of *Expansion Bonds Debt Service*, GBRA shall provide [each Expansion] Customer with a schedule showing the *Customer's Pro Rata Expansion Bonds Debt Service Charge* for all outstanding *Expansion Bonds* to be paid by the [Expansion] Customer for each Fiscal Year through the term of all *Expansion Bonds* . . . , but reserves the right to modify such schedule to correct any ambiguities or mistakes or account for any other changes deemed necessary and appropriate"; and

WHEREAS, Section 10 of the GBRA Act provides that "[a]ny and every indebtedness, liability or obligation of the District, for the payment of money, however entered into or incurred, and whether arising from contract, implied contract or otherwise, shall be payable (1) out of the revenues received by the District in respect to its properties, subject to any prior lien thereon conferred by any resolution or resolutions theretofore adopted as in this Act provided, authorizing the issuance of bonds or (2), if the Board shall so determine, out of the proceeds of sale by the District of bonds payable solely from such revenues"; and

WHEREAS, GBRA is authorized by Section 11(c) of the GBRA Act to pledge to the payment of the principal of and the interest on bonds "*all or any part of the gross or net revenues thereafter received by the District in respect of the property, real, personal or mixed, to be acquired and/or constructed with such bonds or the proceeds thereof, or all or any part of the gross or net revenues thereafter, received by the District from whatever source derived*"; and

WHEREAS, Section 1201.042(a), Texas Government Code, provides that "[a]n issuer may use the proceeds of a public security issued to finance the acquisition, construction, or improvement of a project or facility to: (1) pay interest on the public security while the project or facility is being acquired, constructed, or improved and for the year after it is acquired, constructed, or improved; (2) operate and maintain the project or facility during the estimated period of acquisition, construction, or improvement of the project or facility and for one year after it is acquired, constructed, or improved; (3) finance other funds relating to the public security, including debt service reserve and contingency; and (4) pay the cost or expense of the issuance of the public security"; and

WHEREAS, the Series 2022 Bonds hereinafter authorized and designated are to be issued and delivered pursuant to the GBRA Act, Chapter 1201, Texas Government Code, and other applicable laws; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GUADALUPE-BLANCO RIVER AUTHORITY, THAT:

SECTION 1. AMOUNT AND PURPOSE OF THE SERIES 2022 BONDS. The bond or bonds of GBRA (defined above as the Series 2022 Bonds and further described in Sections 2(a) and 3(a) below), which are to be purchased by the Texas Water Development Board as a "low interest loan" through its SWIFT program, are hereby authorized to be issued and delivered in the aggregate principal amount of **\$39,670,000 FOR THE PURPOSE OF PROVIDING A PORTION OF THE FUNDS TO (I) FINANCE COSTS FOR PLANNING, DESIGNING, ACQUIRING, CONSTRUCTING AND EQUIPPING AN EXPANSION OF A NEW GROUNDWATER SUPPLY PROJECT, KNOWN GENERALLY AS THE "CARRIZO GROUNDWATER SUPPLY PROJECT" (WHICH PRIMARILY CONSISTS OF THE ACQUISITION OF GROUNDWATER LEASES FOR THE CARRIZO AQUIFER WATER IN GONZALES AND CALDWELL COUNTIES, AND THE CONSTRUCTION AND EQUIPPING OF FACILITIES TO PUMP, TREAT, AND CONVEY GROUNDWATER IN AND FROM GONZALES AND CALDWELL COUNTIES, INCLUDING BUT NOT LIMITED TO WATER TREATMENT PLANT(S) AND ASSOCIATED FACILITIES, AND FACILITIES TO CONVEY TREATED WATER THROUGH AND TO GONZALES, GUADALUPE, CALDWELL, HAYS, AND COMAL COUNTIES, AS WELL AS STORAGE AND BLENDING FACILITIES, AND OTHER FACILITIES NECESSARY OR DESIRABLE FOR THE SUPPLY OF TREATED WATER TO GBRA CUSTOMERS); (II) PAY THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION WITH SUCH EXPANSION PROJECT; (III) PROVIDE FUNDS TO PAY CAPITALIZED INTEREST; AND (IV) PAY COSTS OF ISSUANCE.**

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES OF THE SERIES 2022 BONDS.

(a) *Series 2022 Bonds*. Each bond issued pursuant to and for the purpose described in Section 1 of this Resolution shall be designated **GUADALUPE-BLANCO RIVER AUTHORITY CONTRACT REVENUE BONDS, SERIES 2022 (LOW-INTEREST FINANCING) (CARRIZO GROUNDWATER SUPPLY EXPANSION PROJECT)**, and initially there shall be issued, sold and delivered hereunder one fully registered Series 2022 Bond, without interest coupons, dated as of November 1, 2022, in the aggregate principal amount of \$39,670,000, numbered T-1 (the "**Initial Series 2022 Bond**"), with Series 2022 Bonds issued in replacement thereof being in the denomination of \$5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Series 2022 Bond being payable to the initial purchaser designated in Section 29 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "**Registered Owner**"), and the Series 2022 Bonds shall mature and be payable serially on **August 15** in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

SERIES 2022 BONDS					
YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)	YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)	YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)
2027	1,035,000	2036	1,285,000	2045	1,765,000
2028	1,050,000	2037	1,335,000	2046	1,835,000
2029	1,075,000	2038	1,375,000	2047	1,900,000
2030	1,100,000	2039	1,430,000	2048	1,965,000
2031	1,125,000	2040	1,480,000	2049	2,045,000
2032	1,155,000	2041	1,530,000	2050	2,120,000
2033	1,180,000	2042	1,585,000	2051	2,200,000
2034	1,220,000	2043	1,640,000	2052	2,280,000
2035	1,255,000	2044	1,705,000		

(b) *Certain Definitions*. The term "Series 2022 Bonds" as used in this Resolution shall mean and include the Series 2022 Bonds initially issued and delivered pursuant to this Resolution and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Series 2022 Bond" shall mean any of the Series 2022 Bonds.

SECTION 3. INTEREST; ALLOCATION OF DEBT SERVICE PAYMENTS AMONG EXPANSION CUSTOMERS.

(a) *Series 2022 Bonds*. The Series 2022 Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF SERIES 2022 BONDS set forth in this Resolution to their respective dates of maturity at the rates per annum as set forth below:

SERIES 2022 BONDS

<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>
2027	2.920	2036	3.910	2045	4.130
2028	2.950	2037	3.960	2046	4.130
2029	2.980	2038	4.000	2047	4.130
2030	3.040	2039	4.040	2048	4.220
2031	3.100	2040	4.090	2049	4.220
2032	3.150	2041	4.130	2050	4.220
2033	3.310	2042	4.170	2051	4.220
2034	3.490	2043	4.130	2052	4.220
2035	3.590	2044	4.130		

Said interest shall be payable in the manner provided and on the dates stated in the FORM OF SERIES 2022 BONDS set forth in this Resolution.

(b) *Allocation of Debt Service Payments Among Expansion Customers.* As noted in a recital above, Section 4.1(b) of each Expansion Project Water Supply Agreement requires GBRA to provide each Expansion Customer "with a schedule showing the [Expansion] Customer's Pro Rata Expansion Bonds Debt Service Charge for all outstanding Expansion Bonds to be paid by the [Expansion] Customer for each Fiscal Year through the term of all Expansion Bonds." In compliance with such requirement, attached as *Exhibit A* is a schedule showing the amount of the annual Gonzales Carrizo Debt Service Charge (but excluding the not to exceed 10% coverage amount GBRA may charge to all Expansion Customers) that is hereby allocated to each Expansion Customer in accordance with Section 4.1(b) of the Expansion Project Water Supply Agreements. Such schedule is based on the principal maturity schedule and the respective interest rates of the Series 2022 Bonds set forth in Sections 2(a) and 3(a) of this Resolution, respectively, after taking into account preferences each Expansion Customer elected to exercise with respect to the structure of the debt service for the Series 2022 Bonds which differ from the structure of any other Expansion Customer. A copy of *Exhibit A* (or similar document based upon the information set forth in *Exhibit A*) shall be promptly provided to each Expansion Customer upon the issuance of the Series 2022 Bonds. As further permitted in Section 4.1(b) of each Expansion Project Water Supply Agreement, GBRA has reserved the right "to modify such schedule to correct any ambiguities or mistakes or account for any other changes deemed necessary and appropriate"; accordingly, in the event GBRA reasonably determines that the payment obligations set forth in *Exhibit A* need to be modified in order to correct an ambiguity or mistake or account for any other change deemed necessary or appropriate, the General Manager/CEO, any Deputy General Manager, and the Designated Financial Officer (as defined in Section 7 of this Resolution) of GBRA are each hereby authorized to modify the payment obligations set forth in *Exhibit A* and provide each Expansion Customer with a revised *Exhibit A* or similar document reflecting such modifications; *provided, however*, any such modification shall assure that the total payments to be made by all Expansion

Customers (exclusive of the 10% coverage amount GBRA may charge to all Expansion Customers) will be sufficient to cover the annual debt service requirements on all bonds and other obligations issued or entered into by GBRA to finance the acquisition, construction and equipping of the Carrizo Groundwater Supply Project.

SECTION 4. REDEMPTION. The Series 2022 Bonds are subject to redemption as set forth in the FORM OF SERIES 2022 BONDS set forth in Section 6 of this Resolution.

SECTION 5. CHARACTERISTICS OF THE SERIES 2022 BONDS. (a) *Registration, Transfer, and Exchange; Authentication.* GBRA shall keep or cause to be kept at the designated corporate trust or commercial banking office (initially located in Austin, Texas) of **UMB BANK, N.A.** (the "**Paying Agent/Registrar**") books or records for the registration of the transfer and exchange of the Series 2022 Bonds (the "**Registration Books**"), and GBRA hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as GBRA and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Attached hereto as *Exhibit B* is a copy of the Paying Agent/Registrar Agreement between GBRA and the Paying Agent/Registrar relating to the Series 2022 Bonds, which is hereby approved in substantially final form, and the Chair, Vice Chair and Secretary/Treasurer of the Board of Directors of GBRA are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Series 2022 Bond to which payments with respect to the Series 2022 Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Series 2022 Bonds shall be made within three business days after request and presentation thereof. GBRA shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Series 2022 Bond or Series 2022 Bonds shall be paid as provided in the FORM OF SERIES 2022 BONDS set forth in this Resolution. Registration of assignments, transfers and exchanges of Series 2022 Bonds shall be made in the manner provided and with the effect stated in the FORM OF SERIES 2022 BONDS set forth in this Resolution. Each substitute Series 2022 Bond shall bear a letter and/or number to distinguish it from each other Series 2022 Bond.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Series 2022 Bond, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Series 2022 Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Series 2022 Bonds and Series 2022 Bonds surrendered for transfer and

exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of GBRA or any other body or person so as to accomplish the foregoing transfer and exchange of any Series 2022 Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Series 2022 Bonds in the manner prescribed herein, and said Series 2022 Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of the Series 2022 Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Series 2022 Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Series 2022 Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) *Payment of Series 2022 Bonds and Interest.* GBRA hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Series 2022 Bonds, all as provided in this Resolution. The Paying Agent/ Registrar shall keep proper records of all payments made by GBRA and the Paying Agent/Registrar with respect to the Series 2022 Bonds.

(c) *In General.* The Series 2022 Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Series 2022 Bonds to be payable only to the Registered Owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by GBRA at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Series 2022 Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Series 2022 Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and GBRA shall have certain duties and responsibilities with respect to the Series 2022 Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF SERIES 2022 BONDS set forth in this Resolution. The Initial Bond is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Series 2022 Bond issued in exchange for the Initial Bond issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF SERIES 2022 BONDS. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Bond delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF SERIES 2022 BONDS below, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of GBRA, and has been registered by the Comptroller.

(d) *Substitute Paying Agent/Registrar.* GBRA covenants with the Registered Owners of the Series 2022 Bonds that at all times while the Series 2022 Bonds are outstanding GBRA will provide a competent and legally qualified bank, trust company, financial institution, or other agency with trust powers to act as and perform the services of Paying Agent/Registrar for the Series 2022 Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity and shall be an entity registered with the Securities and Exchange Commission. GBRA reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, GBRA covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Series 2022 Bonds, to the new Paying Agent/Registrar designated and appointed by GBRA. Upon any change in the Paying Agent/Registrar, GBRA promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Series 2022 Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) *Book-Entry Only System for Series 2022 Bonds.* Upon initial issuance, the ownership of each Series 2022 Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("**DTC**"), and except as provided in subsection (i) hereof, all of the outstanding Series 2022 Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Series 2022 Bonds registered in the name of Cede & Co., as nominee of DTC, the GBRA and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("**DTC Participant**") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Series 2022 Bonds. Without limiting the immediately preceding sentence, the GBRA and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2022 Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner of the Series 2022 Bonds, as shown on the Registration Books, of any notice with respect to the Series 2022 Bonds, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner of Series 2022 Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Series 2022 Bonds. Notwithstanding any other provision of this Resolution to the contrary, the GBRA and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Series 2022 Bond is registered in the Registration Books

as the absolute owner of such Series 2022 Bond for the purpose of payment of principal and interest with respect to such Series 2022 Bond, for the purpose of registering transfers with respect to such Series 2022 Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Series 2022 Bonds only to or upon the Resolution of the Registered Owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the GBRA's obligations with respect to payment of principal of and interest on the Series 2022 Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Series 2022 Bond certificate evidencing the obligation of the GBRA to make payments of principal and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(f) *Successor Securities Depository; Transfers Outside Book-Entry Only Systems.* In the event that the GBRA determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the GBRA to DTC or that it is in the best interest of the beneficial owners of the Series 2022 Bonds that they be able to obtain certificated Series 2022 Bonds, the GBRA shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Series 2022 Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Series 2022 Bonds and transfer one or more separate Series 2022 Bonds to DTC Participants having Series 2022 Bonds credited to their DTC accounts; *provided, however, in no event shall GBRA discontinue the use of DTC as the securities depository for the Series 2022 Bonds and appoint a successor securities depository in accordance with the preceding provisions without prior notice and consent of the Texas Water Development Board for so long as the Texas Water Development Board is the holder of any of the Series 2022 Bonds.* In such event, the Series 2022 Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Series 2022 Bonds shall designate, in accordance with the provisions of this Resolution. Notwithstanding the foregoing, so long as the Texas Water Development Board is the registered owner of any of the Series 2022 Bonds, GBRA shall not discontinue the book-entry-only system with DTC without written notice to and consent from the Texas Water Development Board or its authorized representative.

(g) *Payments to Cede & Co.* Notwithstanding any other provision of this Resolution to the contrary, so long as any Series 2022 Bond is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Series 2022 Bond and all notices with respect to such Series 2022 Bond shall be made and given, respectively, in the manner provided in the representation letter of the GBRA to DTC.

(h) *DTC Letter of Representation.* The officers of the GBRA are herein authorized for and on behalf of the GBRA and as officers of the GBRA to enter into one or more Letters of Representation with DTC establishing the book-entry only system with respect to the Series 2022 Bonds.

(i) *Delivery of Initial Bonds.* On the closing date, one Initial Bond for the Series 2022 Bonds (the "**Initial Series 2022 Bond**") representing the entire principal amount for such series, payable in stated installments to the initial Registered Owner (i.e., the *Texas Water Development Board*), executed by manual or facsimile signature of the Chair and Secretary/Treasurer of GBRA, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Series 2022 Bond, the Paying Agent/Registrar shall cancel such Initial Series 2022 Bond and deliver to the initial Registered Owner or its designee one registered definitive Series 2022 Bond for each year of maturity of the Series 2022 Bonds, in the aggregate principal amount of all of the Series 2022 Bonds for such maturity.

SECTION 6. FORM OF SERIES 2022 BONDS. The form of the Series 2022 Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Initial Series 2022 Bond initially issued and delivered pursuant to this Resolution to the initial purchaser named in Section 29 hereof), shall be, respectively, substantially as follows, with such appropriate variations, omissions, insertions, or completions as are permitted or required by this Resolution.

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FORM OF SERIES 2022 BONDS

R-

**PRINCIPAL
AMOUNT**

**UNITED STATES OF AMERICA
STATE OF TEXAS
GUADALUPE-BLANCO RIVER AUTHORITY
CONTRACT REVENUE BONDS,
SERIES 2022 (LOW-INTEREST FINANCING)
(CARRIZO GROUNDWATER SUPPLY PROJECT)**

\$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF SERIES</u>	<u>CUSIP NO.</u>
_____ %	August 15, 20__	November 1, 2022	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

ON THE MATURITY DATE SPECIFIED ABOVE, the ***GUADALUPE-BLANCO RIVER AUTHORITY*** (the "***Issuer***"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "***Registered Owner***") the principal amount set forth above, and to pay interest thereon from the date of delivery of this Bond to the initial purchaser (as such date is shown on the "Registration Books" maintained by the "Paying Agent/Registrar", which terms are hereinafter defined) until the earlier of the Maturity Date specified above or the date of redemption prior to maturity, at the Interest Rate per annum specified above, with interest being payable on February 15, 2023, and on each February 15 and August 15 thereafter; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the "Series 2022 Bond" or "Series 2022 Bonds" (as defined below), if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the designated offices of **UMB BANK, N.A.** (initially located in Austin, Texas), which is the "***Paying Agent/Registrar***" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer

required by the resolution authorizing the issuance of the Series 2022 Bonds (the "**Resolution**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month next preceding such date (the "**Record Date**") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "**Special Record Date**") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "**Special Payment Date**" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of a Series 2022 Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Registered Owner at the principal corporate trust office of the Paying Agent/Registrar upon presentation and surrender of this Bond for redemption and payment at the principal corporate trust office of the Paying Agent/Registrar (unless the redemption date is a regular semi-annual interest payment date in which case interest shall be paid in the normal course). The Issuer covenants with the Registered Owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Expansion Project Interest and Sinking Fund" created by the Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Series 2022 Bonds, when due.

NOTWITHSTANDING THE FOREGOING, as long as the Texas Water Development Board is the owner of this Bond, payment of principal on this Bond shall be made by wire transfer to the Texas Water Development Board and at no cost to the Texas Water Development Board.

IF THE DATE FOR THE PAYMENT of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND IS ONE OF A SERIES OF BONDS, dated as of November 1, 2022 (the "**Series 2022 Bonds**"), authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of **\$39,670,000 FOR THE PURPOSE OF PROVIDING A PORTION OF THE FUNDS TO (I) FINANCE COSTS FOR PLANNING, DESIGNING, ACQUIRING, CONSTRUCTING AND EQUIPPING AN EXPANSION OF A NEW GROUNDWATER SUPPLY PROJECT, KNOWN GENERALLY AS THE "CARRIZO GROUNDWATER SUPPLY PROJECT" (WHICH PRIMARILY CONSISTS OF THE ACQUISITION OF GROUNDWATER LEASES FOR THE CARRIZO AQUIFER WATER IN GONZALES AND CALDWELL COUNTIES, AND THE CONSTRUCTION AND EQUIPPING OF FACILITIES TO PUMP,**

TREAT, AND CONVEY GROUNDWATER IN AND FROM GONZALES AND CALDWELL COUNTIES, INCLUDING BUT NOT LIMITED TO WATER TREATMENT PLANT(S) AND ASSOCIATED FACILITIES, AND FACILITIES TO CONVEY TREATED WATER THROUGH AND TO GONZALES, GUADALUPE, CALDWELL, HAYS, AND COMAL COUNTIES, AS WELL AS STORAGE AND BLENDING FACILITIES, AND OTHER FACILITIES NECESSARY OR DESIRABLE FOR THE SUPPLY OF TREATED WATER TO THE ISSUER'S CUSTOMERS); (II) PAY THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECT; (III) PROVIDE FUNDS TO PAY CAPITALIZED INTEREST; AND (IV) PAY COSTS OF ISSUANCE.

ON FEBRUARY 15, 2033, OR ON ANY DATE THEREAFTER, the Series 2022 Bonds maturing on and after August 15, 2033, may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part (and, if in part, the Series 2022 Bonds shall be redeemed in inverse order of maturity, and if less than all the Series 2022 Bonds of a particular maturity are to be redeemed, the Series 2022 Bonds to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot, provided that a portion of a Series 2022 Bond may be redeemed only in an integral multiple of \$5,000), at the redemption price equal to par plus accrued interest to the date fixed for redemption.

AT LEAST 30 DAYS PRIOR to the date fixed for redemption of Series 2022 Bonds prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, to the registered owner of each Series 2022 Bond to be redeemed at its address as it appeared on the 45th day prior to such redemption date. The notice with respect to an optional redemption may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that the Issuer retains the right to rescind such notice at any time prior to the scheduled redemption date if the Issuer delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is so rescinded. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Series 2022 Bonds which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. If such written notice of redemption is mailed and if due provision for such payment is made, all as provided above, the Series 2022 Bonds which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price plus accrued interest from the Paying Agent/Registrar out of the funds provided for such payment.

THIS BOND MAY BE ASSIGNED and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Series 2022 Bonds, upon the terms and conditions set forth in the Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of

signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond to the assignee in whose name this Bond is to be transferred and registered. The form of Assignment printed on this Bond shall be executed by the Registered Owner, or its duly authorized attorney or representative, to evidence the assignment hereof. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make transfers of registration of this Bond (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Series 2022 Bond called for redemption prior to maturity, within 45 days prior to its redemption date. The Registered Owner of this Bond shall be deemed and treated by the Issuer and the Paying Agent/ Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

IN THE EVENT ANY PAYING AGENT/REGISTRAR for the Series 2022 Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Series 2022 Bonds.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer, and that the interest on and principal of this Bond, together with all "Parity Obligations" and any "Additional Parity Obligations" (as such terms are defined and described in the Resolution) currently or hereafter issued by the Issuer, as such interest comes due, and as such principal matures, are payable from and secured by a first and prior lien on and pledge of the "Pledged Revenues" (as defined and described in the Resolution), which primarily consists of the "Gross Contract Revenues" (as defined in the Resolution) derived by the Issuer from various entities (defined in the Resolution, and referred to herein, as the "Expansion Customers") pursuant to the "Expansion Project Water Supply Agreements" (as defined in the Resolution) related to an expansion of the Carrizo Groundwater Supply Project, as such Expansion Project Water Supply Agreements may be amended pursuant to their respective terms.

THE REGISTERED OWNER HEREOF shall never have the right to demand payment of this Bond out of any funds raised or to be raised by taxation.

THE ISSUER HAS RESERVED THE RIGHT, subject to the restrictions stated in the Resolution, to issue "Additional Parity Obligations" which also may be secured by and payable from a first lien on and pledge of the Pledged Revenues on a parity and of equal dignity in all respects with this Bond.

THE ISSUER ALSO HAS RESERVED THE RIGHT to amend the Resolution with the approval of the registered owners of at least a majority in principal amount of all outstanding "Parity Obligations" (which term is defined in the Resolution and includes the Series 2022 Bonds and all Additional Parity Obligations issued on a parity therewith), subject to the restrictions stated in the Resolution, or without the consent of the registered owners of the Parity Obligations if each rating agency then maintaining a rating on the Parity Obligations at the request of the Issuer confirms in writing that such amendment would not cause such rating agency to withdraw or reduce its then current rating on the Parity Obligations, if any.

BY BECOMING THE REGISTERED OWNER OF THIS BOND, the Registered Owner thereby acknowledges all of the terms and provisions of the Resolution, agrees to be bound by such terms and provisions, acknowledges that the Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Resolution constitute a contract between the Registered Owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Chair or Vice Chair of the Board of Directors of the Issuer and countersigned with the manual or facsimile signature of the Secretary/Treasurer of the Board of Directors of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

(signature)
Secretary/Treasurer, Board of Directors
Guadalupe-Blanco River Authority

(signature)
(Vice) Chair, Board of Directors
Guadalupe-Blanco River Authority

(ISSUER'S SEAL)

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*FORM OF REGISTRATION CERTIFICATE OF
THE COMPTROLLER OF PUBLIC ACCOUNTS:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

XXXXXXXXX
Comptroller of Public Accounts
of the State of Texas

*NOTE: The Comptroller's Registration shall appear only on, or be attached only to, the Series 2022 Bonds originally issued under this Resolution.

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Resolution described in the text of this Bond; and that this Bond has been issued in exchange for a Bond which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

UMB BANK, N.A.
as Paying Agent/Registrar

By _____
Authorized Representative

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FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

/_____/_____
Please insert Social Security or Taxpayer Identification Number of Transferee (Please print or typewrite name and address, including zip code of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

INITIAL BOND INSERTIONS

The Initial Bond shall be in the form set forth above except that:

- (A) Immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. ____" shall be deleted.
- (B) The first paragraph shall be deleted and the following shall be inserted:

[The following language shall appear only on the Series 2022 Initial Bond]

"ON THE RESPECTIVE MATURITY DATES specified below, the **GUADALUPE-BLANCO RIVER AUTHORITY** (the "**Issuer**"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "**Registered Owner**"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from

the date of delivery of this Bond to the initial purchaser (as such date is shown on the "Registration Books" maintained by the "Paying Agent/Registrar," which terms are hereinafter defined) at the respective Interest Rates per annum specified below, payable on February 15, 2023, and on each February 15 and August 15 thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Bond are set forth in the following schedule:

<u>Maturity Date (August 15)</u>	<u>Principal Installment (\$)</u>	<u>Interest Rate (%)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

[Insert maturity dates and principal and interest information relating to the Series 2022 Bonds from Section 2(b) and Section 3(b) above]

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SECTION 7. DEFINITIONS. In addition to the capitalized terms which are defined in the recitals or in Section 1 through Section 5 of this Resolution, the following words and terms used in this Resolution shall have the following meanings unless the context or use indicates another meaning or intent.

"Additional Parity Obligations" means the additional bonds, notes and other obligations which GBRA reserves the right to issue or enter into, as the case may be, in the future under the terms and conditions provided in Sections 22 and 23 of this Resolution.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized as bond counsel and selected by GBRA.

"Business Day" means any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in the City of New York, New York or in the city where the designated payment office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

"Code" means the Internal Revenue Code of 1986, and any amendments thereto.

"Debt" means all:

(i) indebtedness incurred or assumed by GBRA for borrowed money (including indebtedness arising under Credit Agreements) and all other financing obligations of GBRA that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet;

(ii) other indebtedness (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or for the acquisition, construction, or improvement of property or capitalized lease obligations that is guaranteed, directly or indirectly, in any manner by GBRA, or that is in effect guaranteed, directly or indirectly, by GBRA through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise; and

(iii) indebtedness secured by any mortgage, lien, charge, encumbrance, pledge or other security interest upon property owned by GBRA whether or not GBRA has assumed or become liable for the payment thereof.

For the purpose of determining the "Debt" of GBRA, there shall be excluded any particular Debt if, upon or prior to the Maturity thereof, there shall have been deposited with the proper depository (a) in trust the necessary funds (or investments that will provide sufficient funds, if permitted by the

instrument creating such Debt) for the payment, redemption, or satisfaction of such Debt or (b) evidence of such Debt deposited for cancellation; and thereafter it shall not be considered Debt. No item shall be considered Debt unless such item constitutes indebtedness under generally accepted accounting principles applied on a basis consistent with the financial statements prepared by or for the benefit of GBRA in prior Fiscal Years.

"Designated Financial Officer" means the chief financial officer of GBRA, which is, at the time of adoption of this Resolution, the Executive Manager of Finance/CFO of GBRA, or such other financial or accounting official of GBRA so designated by the General Manager/CEO of GBRA.

"Expansion Customers" means, collectively and for purposes of this Resolution, the public entities that have entered into an Expansion Project Water Supply Agreement with GBRA for the purpose of purchasing and receiving water from the Carrizo Groundwater Supply Project on a wholesale basis, and the term **"Expansion Customer"** means any one of such Expansion Customers. As of the date of passage of this Resolution, the Expansion Customers are as follows:³

County Line Special Utility District
Goforth Special Utility District
Maxwell Special Utility District

"Fiscal Year" means the twelve-month period commencing on September 1 and ending on the next August 31, or such other period commencing on the date designated by GBRA and ending one year later.

"Gross Contract Revenues" means, for any period, all revenues derived by GBRA from each Expansion Customer pursuant to their respective Expansion Project Water Supply Agreements (except as specifically excluded below) which constitute payments relating to the payment of the following components:

(i) the **"Expansion Bonds Debt Service Charge"** (as defined and further described in the Expansion Project Water Supply Agreements, which Charge relates to the payment of the principal and interest requirements on all outstanding Parity Obligations due during each Fiscal Year, plus a coverage factor not to exceed 10% of such requirements);

(ii) the **"Gonzales Carrizo Water Charge"** [as defined and further described in the Expansion Project Water Supply Agreements, which Charge relates to the rate per acre-foot of treated water determined by the Board of Directors of GBRA to then be in effect for the commitment of capacity in the Carrizo Groundwater Supply Project and which shall be sufficient to cover "Groundwater Lease Payments," the "District Fees," and the fixed "Operation, Maintenance, and Administrative Expenses" of the Carrizo Groundwater Supply Project (as such capitalized terms are defined in the Expansion Project Water Supply Agreements)], as those payments, fees, and expenses are incurred; and

³See footnote 2 above relating to a private entity that also will purchase water through the Carrizo Groundwater Supply Project as part of the Expansion Project but is not considered an "Expansion Customer" for purposes of this Resolution.

(iii) the "*Gonzales Carrizo Delivery Charge*" [as defined and further described in the Expansion Project Water Supply Agreements, which Charge relates to the rate per 1,000 gallons of water determined by the GBRA Board of Directors to then be in effect for the delivery of water through the Carrizo Groundwater Supply Project and which shall be sufficient to cover variable "Operation, Maintenance, and Administrative Expenses" related to the delivery of water through the Carrizo Groundwater Supply Project (as such capitalized term is defined in the Expansion Project Water Supply Agreements) that are not otherwise included in the Gonzales Carrizo Water Rate or the "Debt Service Charges" - as defined in the Expansion Project Water Supply Agreements)].

For purposes of clarity, the term "Gross Contract Revenues" *specifically excludes* all revenues derived by GBRA from each Expansion Customer pursuant to their respective Expansion Project Water Supply Agreements which constitute payments relating to the payment of the following components described therein:

(A) the "*Shared Project Debt Service Charge*" (as defined and further described in the Expansion Project Water Supply Agreements, which Charge relates to the payment by the Expansion Customers of their pro rata share of debt service on the portion of the Initial Project Bonds used to finance parts of the Carrizo Groundwater Supply Project that are used to treat and transport water to both the Initial Customers and the Expansion Customers, plus a coverage factor not to exceed 10% of such requirements; and

(B) the "*Additional Bonds Debt Service Charge*" (as defined and further described in the Expansion Project Water Supply Agreements, which Charge relates to the payment by the Expansion Customers and all Initial Customers of their pro rata share of debt service on "Additional Bonds" (as described and defined in the Expansion Project Water Supply Agreements) that GBRA issues to plan, design, construct, acquire, repair, extend, replace, improve, upgrade, or expand the Carrizo Groundwater Supply Project.

"**Holder**," "**Bondholder**" and "**Registered Owner**" or words of similar import each means the registered owner of any Parity Obligation as shown on the Registration Books maintained by the Paying Agent/Registrar.

"**Initial Customers**" means the customers (i.e., New Braunfels Utilities, City of Lockhart, Texas, and Goforth Special Utility District) that, in calendar year 2018, executed a *Gonzales Carrizo Water Supply Project Treated Water Supply Agreement* with GBRA for the first 15,000 acre-feet per year of treated water from the Carrizo Groundwater Supply Project, and the term "**Initial Customer**" means any one of such Initial Customers.

"**Initial Project**" means the initial portion of the Carrizo Groundwater Supply Project to provide up to 15,000 acre feet of treated water to the Initial Customers that has been financed with the Initial Project Bonds.

"Initial Project Bonds" means, collectively, (i) those contract revenue bonds generally titled *Guadalupe-Blanco River Authority Contract Revenue Bonds (Carrizo Groundwater Supply Project)*, and all parity obligations related thereto in the form of "Board Participation" loans provided by the Texas Water Development Board, that were issued or incurred by GBRA in 2018, 2019, 2020, and 2021 for the Gonzales Carrizo Groundwater Supply Project to finance the Initial Project (all of which are secured primarily⁴ with revenues derived by GBRA from the Initial Customers pursuant to their related water supply agreements with GBRA), and (ii) any bonds or other obligations issued or incurred by GBRA for the sole purpose of replacing or refunding the Initial Project Bonds.

"Operation, Maintenance and Administrative Expenses" means, for any period, all costs and expenses of operation, maintenance and administration of the Carrizo Groundwater Supply Project for which GBRA is obligated to pay in accordance with the Regional Agreement (other than the costs described in clause (v) below, which are not controlled by the Regional Agreement), including (for greater certainty but without limiting the generality of the foregoing):

(i) wages and salaries, employee benefits for the maintenance and operation of the Carrizo Groundwater Supply Project and the performance of the Expansion Project Water Supply Agreements and the Treated Water Supply Agreements with the Initial Customers;

(ii) chemicals, the purchase and carrying of stores, materials, and supplies, power, supervision, engineering, testing, auditing, franchises, waste disposal charges and assessments, claims, insurance, contract operators and all other items and expenses of a like or different nature reasonably required for the efficient maintenance and operation of the Carrizo Groundwater Supply Project and the performance of the Expansion Project Water Supply Agreements and the Treated Water Supply Agreements with the Initial Customers;

(iii) repairs and replacements of damaged, worn-out or obsolete parts or facilities of the Carrizo Groundwater Supply Project, and any relocations of pipelines, or replacements of wells;

(iv) improvements and betterments to keep the Carrizo Groundwater Supply Project in operation to render adequate service to the Expansion Customers and other customers of the Carrizo Groundwater Supply Project and to comply with the requirements of any rule, regulations, or permit issued by any regulatory body having jurisdiction; and

⁴Prior to the execution of the Expansion Project Water Supply Agreements, the Initial Project Bonds were secured solely with revenues derived by GBRA from the Initial Customers in accordance with their respective Treated Water Supply Agreements with GBRA. Upon the execution of the Expansion Project Water Supply Agreements, each Expansion Customer became obligated to pay to GBRA its "Customer's Pro Rata Shared Project Debt Service Charge" (as described and defined in the Expansion Project Water Supply Agreements), which will be used by GBRA to pay such Expansion Customer's pro rata portion of the debt service on the Initial Project Bonds that funded parts of the Initial Project used to treat and transport water to both the Initial Customers and the Expansion Customers. As further set forth in the definition of "Gross Contract Revenues" above, revenues received by GBRA from the "Shared Project Debt Service Charge" (which is generally described as revenues received from the Customer's Pro Rata Shared Project Debt Service Charge paid by all Expansion Customers) are not pledged to the secure the Parity Obligations authorized to be issued or incurred by GBRA pursuant to this Resolution.

(v) the reasonable and necessary costs of GBRA's administration of the Carrizo Groundwater Supply Project, which shall be based upon a formula, to be set by the Board of Directors of GBRA in the annual budget of GBRA, that fairly apportions GBRA's administration costs, excluding GBRA wages, salaries, and employee benefits accounted for under subsection (i) above.

The term "Operation, Maintenance and Administrative Expenses" does not include depreciation charges or such portion of the above described costs to the extent such costs are paid pursuant to an agreement other than the Expansion Project Water Supply Agreements.

"Outstanding" means, when used with respect to Parity Obligations, as of the date of determination, all Parity Obligations theretofore delivered or entered into under this Resolution and any resolution authorizing Additional Parity Obligations, except:

(i) Parity Obligations theretofore canceled and delivered to GBRA or delivered to the Paying Agent/Registrar for cancellation;

(ii) Parity Obligations deemed paid pursuant to the provisions of Section 25 of this Resolution or any comparable section of any resolution authorizing Additional Parity Obligations;

(iii) Parity Obligations upon transfer of or in exchange for and in lieu of which other Parity Obligations have been authenticated and delivered pursuant to this Resolution and any resolution authorizing Additional Parity Obligations; and

(iv) Parity Obligations under which the obligations of GBRA have been released, discharged or extinguished in accordance with the terms thereof.

"Parity Obligations" means, collectively, the Series 2022 Bonds and any Additional Parity Obligations.

"Paying Agent/Registrar" means the respective bank, trust company, financial institution or other entity named in the resolution authorizing the issuance of each issue of Parity Obligations to provide paying agency and registrar services in connection with such issue of Parity Obligations.

"Pledged Revenues" means, collectively, the Gross Contract Revenues plus the interest income from funds on deposit in the Expansion Project Revenue Fund, the Expansion Project Interest and Sinking Fund, and the Expansion Project Reserve Fund.

"Principal and Interest Requirements" means for any Fiscal Year the amount required to pay the interest on and principal of (whether pursuant to a stated maturity or redemption requirements applicable thereto) all outstanding Parity Obligations becoming due in such Fiscal Year. In calculating Principal and Interest Requirements the principal and interest coming due in any Fiscal Year on any Parity Obligations which bear interest at a variable rate which cannot be predetermined shall be assumed to be that which would come due if (i) the interest rate on such

Parity Obligations for the applicable period was the interest rate that was in effect on the last day of the immediately preceding Fiscal Year (or, if such Parity Obligations were issued during the current Fiscal Year, then the first interest rate in effect for such Parity Obligations) and (ii) the principal amortization schedule would be that which would result in substantially level debt service throughout the remaining term of such Parity Obligations assuming such interest rate. In calculating Principal and Interest Requirements, if any such outstanding Parity Obligations do not pay current interest during the term to maturity thereof, but rather accrete in value according to a schedule, the principal and interest coming due on any such Parity Obligation shall be calculated as equal to the accreted value at maturity.

"Rating Agency" means one or more nationally recognized credit rating agencies then maintaining a rating on the Parity Obligations at the request of GBRA.

"Reserve Fund Credit Facility" means a surety bond or insurance policy which (i) may not be terminated by the entity providing such surety bond or insurance policy prior to the final maturity date of the series of Parity Obligations in connection with which such surety bond or insurance policy was issued, and (ii) may be drawn upon demand by GBRA to provide funds to pay principal and/or interest on such related series of Parity Obligations in the event moneys on deposit in the Expansion Project Interest and Sinking Fund are insufficient to make such payment.

SECTION 8. PLEDGE; RATE COVENANTS; SECURITY INTEREST.

(a) Pledge. The Parity Obligations, and the interest thereon, are and shall be payable from and secured by a first lien on and pledge of the Pledged Revenues which consist of the following sources of revenues:

- (i) a first lien on and pledge of the Gross Contract Revenues; and
- (ii) a first lien on and pledge of the interest income from funds on deposit in the Expansion Project Revenue Fund, the Expansion Project Interest and Sinking Fund and the Expansion Project Reserve Fund.

The Pledged Revenues, are further pledged irrevocably to the establishment and maintenance of the Expansion Project Interest and Sinking Fund and the Expansion Project Reserve Fund hereinafter created.

(b) Covenants Relating to Rates and Charges. GBRA covenants and agrees with the holders of the Parity Obligations as follows:

- (i) GBRA will at all times fix, revise, maintain, charge and collect for services rendered by the Carrizo Groundwater Supply Project rates and charges which will produce Gross Contract Revenues that will be at least sufficient (A) to pay the Principal and Interest Requirements on the Parity Obligations, (B) to pay GBRA's portion of the Operation, Maintenance and Administrative Expenses and the "Groundwater Lease Payments" and the "District Fees" (as such terms are defined and described in the Expansion Project Water Supply Agreement), and (C) to make all deposits now or hereafter required to be made into the Funds created, established, or maintained by this Resolution;

(ii) If the Carrizo Groundwater Supply Project should become legally liable for any other obligations or indebtedness for which GBRA is legally obligated to pay in addition to the Parity Obligations and the Initial Project Bonds, GBRA shall fix, maintain, charge and collect additional rates and charges for services rendered by the Carrizo Groundwater Supply Project sufficient to establish and maintain funds for the payment thereof; and

(iii) GBRA will at all times also include, in connection with rates established by GBRA relating to the Carrizo Groundwater Supply Project for all Expansion Customers, a debt service coverage factor equal to up to 10% of the Principal and Interest Requirements for the applicable period covered by each Expansion Customer's debt service component of its total payment obligation under the respective Expansion Project Water Supply Agreement.

(d) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Parity Obligations and the pledge of Pledged Revenues by GBRA under this Resolution, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Parity Obligations are outstanding and unpaid such that the pledge of the Pledged Revenues by GBRA under this Resolution is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Registered Owners of the Parity Obligations the perfection of the security interest in said pledge, GBRA agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 9. FUNDS.

(a) Creation of Expansion Project Revenue Fund. There is hereby created, and shall be maintained, on the financial records of GBRA (or at an official depository of GBRA), for the pro rata benefit of all Parity Obligations, the **GUADALUPE-BLANCO RIVER AUTHORITY - CARRIZO GROUNDWATER SUPPLY EXPANSION PROJECT CONTRACT REVENUE BONDS REVENUE FUND**, hereinafter called the "*Expansion Project Revenue Fund*."

(b) Creation of Expansion Project Interest and Sinking Fund. There is hereby created and established, and shall be maintained, on the financial records of GBRA (or at an official depository of GBRA), for the pro rata benefit of all Parity Obligations, the **GUADALUPE-BLANCO RIVER AUTHORITY - CARRIZO GROUNDWATER SUPPLY EXPANSION PROJECT CONTRACT REVENUE BONDS INTEREST AND SINKING FUND**, hereinafter called the "*Expansion Project Interest and Sinking Fund*."

(c) Creation of Expansion Project Reserve Fund. There is hereby created for the benefit only of the Registered Owners of a particular series of Parity Obligations for which an account is created in the resolution authorizing such series of Parity Obligations, and shall be maintained on the financial records of GBRA (or at an official depository of GBRA), for the pro rata benefit of all Parity Obligations of such series for which an account is created, the **GUADALUPE-BLANCO RIVER**

AUTHORITY - CARRIZO GROUNDWATER SUPPLY EXPANSION PROJECT CONTRACT REVENUE BONDS RESERVE FUND, hereinafter called the "***Expansion Project Reserve Fund***." GBRA may create and establish accounts in the Expansion Project Reserve Fund pursuant to the provisions of any resolution authorizing the issuance of Parity Obligations for the purpose of securing that particular issue or series of Parity Obligations or any specific group of issues or series of Parity Obligations and the amounts once deposited or credited to said account shall no longer constitute Gross Contract Revenues and shall be held solely for the benefit of the Registered Owners of the particular Parity Obligations for which such account in the Expansion Project Reserve Fund was established. Each such account in the Expansion Project Reserve Fund shall be designated in such manner as is necessary to identify the Parity Obligations it secures and to distinguish such account from all other accounts in the Expansion Project Reserve Fund created for the benefit of a particular series of Parity Obligations. All terms relating to the requirements to establish, fund and maintain required balances in an account of the Expansion Project Reserve Fund, including but not limited to the use of any Reserve Fund Credit Facility therein, shall be set forth in the resolution authorizing the issuance of the particular series of Parity Obligations for which such account is established.

(d) Creation of Construction Fund. There is hereby created and established, and shall be maintained, on the financial records of GBRA (or at an official depository of GBRA) a fund to be called the **GUADALUPE-BLANCO RIVER AUTHORITY - CARRIZO GROUNDWATER SUPPLY PROJECT REVENUE BONDS CONSTRUCTION FUND** (herein called the "***Construction Fund***"). Proceeds from the sale and delivery of a series of Parity Obligations which are issued to finance construction of and improvements to the Carrizo Groundwater Supply Project (other than (i) proceeds representing accrued interest on such Parity Obligations or used to fund capitalized interest and any premium on such Parity Obligations that is not used by GBRA to pay costs of issuance in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, which shall be deposited in the Expansion Project Interest and Sinking Fund, and (ii) proceeds used to fund all or a portion of an account established in the Expansion Project Reserve Fund for such series of Parity Obligations, including the purchase of a Reserve Fund Credit Facility related thereto, which shall be deposited in such account of the Expansion Project Reserve Fund) shall be deposited in an account of the Construction Fund established by resolution of the Board of Directors, or by the Designated Financial Officer of GBRA, in connection with the issuance of such series of Parity Obligations. Money in the Construction Fund shall be subject to disbursements by GBRA for payment of all costs incurred in carrying out the purpose for which such series of Parity Obligations are issued, including but not limited to costs for construction, equipping, engineering, architecture, financing, financial consultants and legal services related to the project being financed with proceeds of such series of Parity Obligations, to pay related costs of issuance, and to pay operating expenses to the extent approved by Bond Counsel in consideration of state law and federal tax law limitations. All funds remaining on deposit in an account of the Construction Fund upon completion of the projects being financed with the proceeds of the related series of Parity Obligations, if any, shall be transferred to the Expansion Project Interest and Sinking Fund.

SECTION 10. EXPANSION PROJECT REVENUE FUND. All Gross Contract Revenues collected by GBRA shall be deposited upon receipt to the credit of the Expansion Project Revenue Fund. The funds on deposit in the Expansion Project Revenue Fund shall be used by GBRA, first, to make the deposit into the Expansion Project Interest and Sinking Fund at the times and in the

amounts required by Section 11 hereof, *second*, to pay GBRA's portion of all Operation, Maintenance and Administrative Expenses and all "Groundwater Lease Payments" and "District Fees" (as such terms are defined in the Expansion Project Water Supply Agreements) when due, and *third*, to satisfy any insufficiency in the Expansion Project Reserve Fund and to satisfy any Reimbursement Obligation, in the manner and amounts hereinafter provided.

SECTION 11. EXPANSION PROJECT INTEREST AND SINKING FUND. (a) Use of Funds. The Expansion Project Interest and Sinking Fund shall be used solely to pay the principal of and interest on the Parity Obligations when due, and the General Manager/CEO, any Deputy General Manager, and the Designated Financial Officer of GBRA are hereby authorized to cause funds to be transferred from the Expansion Project Interest and Sinking Fund to the Paying Agent/Registrar at the times and in the amounts to pay Principal and Interest Requirements.

(b) Deposit of Accrued Interest and Capitalized Interest. Immediately after the delivery of any series of Parity Obligations, all moneys representing accrued interest, if any, received by GBRA upon the sale and delivery of such Parity Obligations to the initial purchaser thereof, together with all capitalized interest being financed with proceeds of such Parity Obligations, if any (but in no event in excess of the amount permitted by Section 1201.042(a)(1), Texas Government Code, as amended, or other applicable law), shall be deposited to the credit of the Expansion Project Interest and Sinking Fund.

(c) Monthly Deposits. In addition, there shall be transferred from the Expansion Project Revenue Fund and deposited into the Expansion Project Interest and Sinking Fund the following:

(a) on or before the 25th day of each month, commencing with the month immediately following the issuance of any series of Parity Obligations, there shall be deposited into the Expansion Project Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the interest scheduled to come due on all Outstanding Parity Obligations on the next interest payment date.

(b) on or before the 25th day of each month, commencing with the twelfth (12th) month preceding the first principal payment date for a series of Parity Obligations, or commencing with the month immediately following the issuance of any series of Parity Obligations if delivery of such series of Parity Obligations is made less than twelve months preceding the first principal payment date for such series of Parity Obligations, there shall be deposited into the Expansion Project Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the principal scheduled to come due (either at stated maturity or due to mandatory sinking fund redemption) on all Outstanding Parity Obligations on the next principal payment date.

(c) on or before any optional redemption date set by GBRA for any Parity Obligations, there shall be deposited into the Expansion Project Interest and Sinking Fund an amount as will be sufficient to pay the principal of, premium, if any, and interest on the Parity Obligations scheduled to be redeemed on such optional redemption date.

SECTION 12. EXPANSION PROJECT RESERVE FUND. (a) Use of Funds. Funds on deposit in an account of the Expansion Project Reserve Fund established for the benefit of a particular series of Parity Obligations shall be used to (i) pay the principal of and interest on such series of Parity Obligations for which such account was created at any time when there is not sufficient money available in the Expansion Project Interest and Sinking Fund for such purpose, (ii) pay the principal of or interest on the last maturing Parity Obligations of such series, or (iii) pay Reimbursement Obligations to restore the amount available to be drawn under a Reserve Fund Credit Facility related to such series of Parity Obligations to its original amount. If the amount on deposit in an account of the Expansion Project Reserve Fund for a particular series of Parity Obligations consists of cash and investments and a Reserve Fund Credit Facility, all cash and investments in such account shall be liquidated and withdrawn prior to drawing on the Reserve Fund Credit Facility. If more than one Reserve Fund Credit Facility is maintained in an account of the Expansion Project Reserve Fund, any withdrawals on such Reserve Fund Credit Facilities shall be pro rata.

(b) Series 2022 Bonds Not Secured with Account in the Expansion Project Reserve Fund. No Account shall be established initially in the Expansion Project Reserve Fund to provide further security for the benefit of the holders of the Series 2022 Bonds; consequently, no proceeds of the Series 2022 Bonds shall be deposited, into the Expansion Project Reserve Fund, no other funds of GBRA shall be deposited into the Expansion Project Reserve Fund for the benefit of the Holders of the Series 2022 Bonds (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2022 Bonds shall not be entitled to any funds which may be on deposit in the Expansion Project Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(c) Additional Expansion Project Reserve Fund Account Requirements to be Set Forth in Additional Parity Obligations Resolution. In the event GBRA establishes an account in the Expansion Project Reserve Fund for the benefit of the Holders of a particular series of Additional Parity Obligations, all provisions with respect to the funding requirements and other details shall be set forth in the resolution authorizing such series of Parity Obligations.

(d) Computation of Expansion Project Reserve Fund. For the purpose of determining the amount on deposit to the credit of an Account in the Expansion Project Reserve Fund, investments in which money in such account shall have been invested shall be computed at cost, and any Reserve Fund Credit Facility shall be computed at the maximum amount available to be drawn thereunder. The amount on deposit to the credit of each Account in the Expansion Project Reserve Fund, if any, shall be computed by GBRA at least annually, and shall be computed immediately upon any withdrawal from the Expansion Project Reserve Fund.

SECTION 13. EXCESS REVENUES. Subject to making the deposits into the Expansion Project Interest and Sinking Fund and the Expansion Project Reserve Fund when and as required by this Resolution in connection with the Parity Obligations, and after satisfying any Reimbursement Obligation in connection with a draw on any Reserve Fund Credit Facility and paying GBRA's portion of all Operation, Maintenance and Administrative Expenses and "Groundwater Lease Payments" and the "District Fees" (as such terms are defined in the Expansion Project Water Supply Agreements) then due, GBRA may utilize the remaining funds on deposit in the Expansion Project Revenue Fund for any lawful purpose.

SECTION 14. DEFICIENCIES IN FUNDS. If by the 25th day of any month GBRA shall fail to deposit the full amounts required by this Resolution into the Expansion Project Interest and Sinking Fund, or the Expansion Project Reserve Fund, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and unallocated funds on deposit in the Expansion Project Revenue Fund for the following month or months, if necessary and whichever is the earliest, and such payments shall be in addition to the amounts otherwise required to be paid into said Funds on the 25th day of each month.

SECTION 15. INVESTMENTS. (a) In General. Funds on deposit in the Expansion Project Revenue Fund, the Expansion Project Interest and Sinking Fund, the Expansion Project Reserve Fund, and the Construction Fund shall be secured by the depository bank of GBRA in the manner and to the extent required by law to secure other public funds of GBRA and may be invested from time to time in any investment authorized in the Public Funds Investment Act (Chapter 2256, Texas Government Code) and in accordance with GBRA's Investment Policy; provided, however, that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times when expected to be needed. Interest and income derived from such deposits and investments shall be credited to the Expansion Project Revenue Fund, except for interest and income derived from the Construction Fund which may remain in such Fund or be transferred to the Expansion Project Revenue Fund, at the discretion of the Designated Financial Officer (but in no event shall such earnings in the Construction Fund be used to pay Operation, Maintenance and Administrative Expenses). Such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

(b) Transfer of Certain Investment Earnings to Rebate Fund. Notwithstanding the provisions of the preceding paragraph, interest and income derived from any investment of money on deposit in the Construction Fund, the Expansion Project Interest and Sinking Fund and the Expansion Project Reserve Fund shall first be transferred to the Rebate Fund established by Section 28(b) of this Resolution at the times and in the amounts required to pay (or provide for the payment of) "Excess Earnings" as defined in Section 148(f) of the Internal Revenue Code of 1986, as amended.

SECTION 16. SECURITY FOR FUNDS. All Funds created by this Resolution shall be secured in the manner and to the fullest extent permitted or required by law, and such Funds shall be used only for the purposes and in the manner permitted or required by this Resolution.

SECTION 17. INSURANCE. GBRA shall cause the Carrizo Groundwater Supply Project to be insured as would usually be insured by entities operating similar facilities (but in coverage amounts sufficient to protect the Texas Water Development Board's interest as long as the Texas Water Development Board holds any Parity Bonds) with a responsible insurance company or companies or other risk management fund, against risks, accidents, or casualties against which and to the extent insurance is usually carried by entities operating similar facilities, including, to the extent reasonably obtainable, fire and extended coverage insurance, but excluding insurance against damage by floods. Public liability and property damage insurance also shall be carried. At any time while any contractor engaged in construction work shall be fully responsible therefor, GBRA shall not be required to cause insurance on the work being constructed to be carried if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the Bondholders and their representatives at all reasonable times. Upon the happening of any loss or damage covered by insurance from one or more of said causes, GBRA shall cause to be made due proof of loss and shall do all things necessary or desirable to cause the insuring companies or other risk management fund to make payment in full directly to GBRA or in accordance with the provisions of the Regional Agreement. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by GBRA (or by Alliance in accordance with the provisions of the Regional Agreement) for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then GBRA's portion of said insurance proceeds pertaining to the Carrizo Groundwater Supply Project shall, at the option of GBRA, be (i) deposited in a special and separate fund, at an official depository of GBRA, to be designated the "Insurance Account," or (ii) deposited in the Expansion Project Interest and Sinking Fund and used to redeem the Outstanding Parity Obligations, but only if such insurance proceeds, together with all funds then on deposit in the Expansion Project Interest and Sinking Fund and in the Expansion Project Reserve Fund, are sufficient to immediately redeem all Outstanding Parity Obligations. The Insurance Account shall be held until such time as other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required.

SECTION 18. OPERATION AND MAINTENANCE. While any of the Parity Obligations are Outstanding, GBRA covenants and agrees to insure that the Carrizo Groundwater Supply Project is kept in good condition, repair, and working order and is operated and maintained in an efficient manner.

SECTION 19. ACCOUNTS AND RECORDS. GBRA shall keep or cause to be kept proper books of records and accounts in which complete and correct entries shall be made of all transactions relating to the Pledged Revenues and the Funds created pursuant to this Resolution, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Holder.

SECTION 20. AUDITS. After the close of each Fiscal Year while any of the Parity Obligations are Outstanding, an audit will be made of the books and accounts of GBRA by an independent certified public accountant. As soon as practicable after the close of each such Fiscal Year, and when said audit has been completed and made available to GBRA, a copy of such audit

for the preceding year shall be mailed to the Paying Agent/Registrar and to any Holders who shall so request in writing. The annual audit reports shall be open to the inspection of the Holders and their agents and representatives at all reasonable times.

SECTION 21. SPECIAL COVENANTS. GBRA further covenants and agrees that:

(a) Encumbrance and Sale. (i) Other than with respect to the Parity Obligations and except as provided in this Resolution, the Pledged Revenues have not been pledged in any manner to the payment of any Debt of GBRA, or otherwise, and while any of the Parity Obligations are Outstanding, GBRA will not incur additional Debt secured by the Pledged Revenues in any manner, except as permitted by this Resolution in connection with Additional Parity Obligations, unless said Debt is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution and any resolution authorizing the issuance of Parity Obligations.

(ii) So long as the Parity Obligations are Outstanding, and except as hereinafter specifically permitted in subparagraph (iii) below, GBRA shall not mortgage, encumber, sell, lease, or otherwise dispose of its interest in the Carrizo Groundwater Supply Project or any significant or substantial part thereof.

(iii) Notwithstanding the provisions in subparagraph (ii) hereof prohibiting the sale of any substantial part of its interest in the Carrizo Groundwater Supply Project, GBRA shall be authorized from time to time to sell, or permit the sale, of any personal property contained in the Carrizo Groundwater Supply Project if such personal property is no longer needed or is no longer useful, and the sale thereof will not adversely affect the Carrizo Groundwater Supply Project or the operation and maintenance thereof. The proceeds from the sale of any personal property shall be used to replace or provide substitutes for the property sold, if, and to the extent, deemed necessary by GBRA or Alliance, and GBRA's portion of the proceeds which are not so used shall be deposited into the Expansion Project Interest and Sinking Fund.

(b) Title. Pursuant to Sections 2.2 and 2.3 of the Regional Agreement, Alliance shall own the property interests in the "Project Facilities" (generally defined and described in the Regional Agreement as the water treatment plant and those water transmission lines, pump stations, metering equipment, piping, control devices, systems and appurtenances at delivery points, and other associated improvements to be used for the purpose of (i) receiving untreated groundwater from both parties in a volume, rate, and quality set forth in the Regional Agreement, and (ii) delivering treated water to each party at the locations, volume, rate, and quality set forth in the Regional Agreement), and any improvements to the Project Facilities) and GBRA shall own capacity in the Project Facilities in the amount set forth in the Regional Agreement. GBRA represents that the Carrizo Groundwater Supply Project will be constructed and completed in accordance with the plans to be approved in the manner provided in the Regional Agreement. GBRA further represents that, for the benefit of the owners of the Parity Obligations, (i) Alliance has or will obtain, and it will cause Alliance to defend, the title or easement rights to the Project Facilities and the land on which the Project Facilities will be located against the claims and demands of all persons whomsoever, and (ii) GBRA will defend its contractual rights to its ownership of capacity in the Project Facilities pursuant to the Regional Agreement against the claims and demands of all persons whomsoever.

(c) Liens. GBRA will from time to time and before the same become delinquent pay and discharge (or, as applicable, GBRA will cause Alliance to pay or discharge) all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or on the Carrizo Groundwater Supply Project, that it will pay (or, as applicable, GBRA will cause Alliance to pay) all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon the Carrizo Groundwater Supply Project, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created (or, as applicable, GBRA will cause Alliance not to create or suffer to be created) any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by GBRA or Alliance.

(d) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Parity Obligations, and in each and every Parity Obligation and pay from the Pledged Revenues the principal of and interest on every Parity Obligation on the dates and in the places and manner prescribed in this Resolution; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Pledged Revenues the amounts required to be deposited into the Expansion Project Interest and Sinking Fund and the Expansion Project Reserve Fund; and the owner of the Parity Obligations may require GBRA, its officials, agents, and employees to carry out, respect, or enforce the covenants and obligations of this Resolution, including, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against GBRA, its officials, agents, and employees.

(e) Legal Authority. GBRA is duly authorized under the laws of the State of Texas to create and issue the Parity Obligations, and GBRA is lawfully qualified to pledge the Pledged Revenues to the payment of the Parity Obligations, in the manner prescribed herein, and has lawfully exercised such rights. Furthermore, all action on GBRA's part for the creation and issuance of the Parity Obligations has been duly and effectively taken, and the Parity Obligations in the hands of the owners thereof are and will be valid and enforceable special obligations of GBRA in accordance with their terms.

(f) Permits. GBRA will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the Carrizo Groundwater Supply Project, and which have been obtained from any governmental agency; and GBRA has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the Carrizo Groundwater Supply Project.

(g) Comply with Expansion Project Water Supply Agreements. GBRA will comply with the terms and conditions of the Expansion Project Water Supply Agreements and will cause the parties to such Expansion Project Water Supply Agreements, and their officials and employees, to

comply with all of their obligations under the respective Expansion Project Water Supply Agreements by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings in any court of competent jurisdiction; and the Expansion Project Water Supply Agreements will not be rescinded, modified, or amended in any way which would have a materially adverse effect on the rights of the owners of the Parity Obligations. If GBRA obtains (i) written confirmation from each Rating Agency (if any) that any rescission, modification or amendment to one or more Expansion Project Water Supply Agreements would not cause such Rating Agency to reduce or withdraw such Rating Agency's then current rating on the Parity Obligations, or (ii) a written opinion of Bond Counsel that any rescission, modification or amendment to one or more Expansion Project Water Supply Agreements would not have a materially adverse effect on the rights of the owners of the Parity Obligations, then such written confirmation or opinion will serve as conclusive evidence that such rescission, modification or amendment would not have a materially adverse effect on the rights of the owners of the Parity Obligations for purposes of this subsection. Notwithstanding anything in the preceding sentence to the contrary, any modification or amendment to an Expansion Customer's Expansion Project Water Supply Agreement for the purpose of increasing such Expansion Customer's purchase of water thereunder shall not be considered materially adverse to the rights of the owners of the Parity Obligations and shall not require the confirmation of then current ratings on the Parity Obligations from any Rating Agency or an opinion of Bond Counsel.

(h) Comply with Regional Agreement. GBRA will comply with the terms and conditions of the Regional Agreement and will cause the other party to the Regional Agreement, and its officials and employees, to comply with all of its obligations under the Regional Agreement by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings in any court of competent jurisdiction; and the Regional Agreement will not be rescinded, modified, or amended in any way which would have a materially adverse effect on the rights of the owners of the Parity Obligations. If GBRA obtains (i) written confirmation from each Rating Agency (if any) that any rescission, modification or amendment to the Regional Agreement would not cause such Rating Agency to reduce or withdraw such Rating Agency's then current rating on the Parity Obligations, or (ii) a written opinion of Bond Counsel that any rescission, modification or amendment to the Regional Agreement would not have a materially adverse effect on the rights of the owners of the Parity Obligations, then such written confirmation or opinion will serve as conclusive evidence that such rescission, modification or amendment would not have a materially adverse effect on the rights of the owners of the Parity Obligations for purposes of this subsection.

SECTION 22. ADDITIONAL PARITY OBLIGATIONS. (a) Authority to Issue. GBRA shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue bonds or other obligations (herein called "***Additional Parity Obligations***"), in accordance with law, in any amounts, for the purpose of constructing extensions and improvements to, and acquiring vehicles, equipment, land and other property interests related to the Carrizo Groundwater Supply Project, or for the purpose of refunding any Parity Obligations and/or the interest thereon or refinancing any Outstanding Debt related to the Carrizo Groundwater Supply Project. Such Additional Parity Obligations, if and when authorized, issued, and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the then Outstanding Parity Obligations from a first lien on and pledge of the Pledged Revenues that are then pledged to secure outstanding Parity Obligations.

(b) Provisions Related to Expansion Project Interest and Sinking Fund. As previously provided in Sections 8 and 11 of this Resolution, the Expansion Project Interest and Sinking Fund shall secure and be used to pay all Parity Obligations, including all Additional Parity Obligations issued in accordance with the authority granted in this Section, all on a parity. Each resolution under which Additional Parity Obligations are issued shall provide and require that, in addition to the amounts required to be deposited to the credit of the Expansion Project Interest and Sinking Fund by the provisions of this Resolution, GBRA shall deposit to the credit of the Expansion Project Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Parity Obligations then being issued, as the same come due.

SECTION 23. FURTHER REQUIREMENTS FOR ADDITIONAL PARITY OBLIGATIONS. Additional Parity Obligations shall be issued only in accordance with the provisions hereof, but notwithstanding any provisions hereof to the contrary, no installment, series, or issue of Additional Parity Obligations shall be issued or delivered unless the Chair of the Board of Directors of GBRA, the General Manager/CEO of GBRA, any Deputy General Manager or the Designated Financial Officer of GBRA signs a written certificate to the effect that (i) GBRA is not in default as to any covenant, condition, or obligation in connection with all Outstanding Parity Obligations and the resolutions authorizing such Parity Obligations, (ii) the Expansion Project Interest and Sinking Fund and the Expansion Project Reserve Fund each contain the amount then required to be therein, and (iii) the Expansion Project Water Supply Agreements and the Regional Agreement are in full force and effect.

SECTION 24. RESOLUTION A CONTRACT; AMENDMENTS. (a) Resolution a Contract. This Resolution shall constitute a contract with the Registered Owners of the Parity Obligations, binding on GBRA and its successors and assigns, and shall not be amended or repealed by GBRA as long as any Parity Obligation remains Outstanding except as permitted in this Section.

(b) Amendments Without Notice to or Consent of Registered Owners. GBRA may, with notice to the provider of each Reserve Fund Credit Facility and to the Texas Water Development Board as long as the Texas Water Development Board is the holder of any of the Parity Obligations, but without the consent of or notice to any other Registered Owners, amend, change, or modify this Resolution (i) as may be required by the provisions hereof, (ii) as may be required for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change (other than any change described in clauses (i) through (iv) of the first sentence in subsection (c) below) with respect to which GBRA receives written confirmation from each Rating Agency that such amendment would not cause such Rating Agency to withdraw or reduce its then current rating on the Parity Obligations.

(c) Amendments With Notice to and Consent of Registered Owners. In addition, GBRA may, with the written consent of (i) the provider of each Reserve Fund Credit Facility, (ii) the Texas Water Development Board as long as the Texas Water Development Board is the holder of any of the Parity Obligations, and (iii) the Registered Owners of at least a majority in aggregate principal amount of all Parity Obligations then Outstanding affected thereby (including the Texas Water Development Board, if applicable), amend, change, modify, or rescind any provisions of this

Resolution; provided that without the consent of all of the Registered Owners affected, no such amendment, change, modification, or rescission shall (A) extend the time or times of payment of the principal of and interest on the Parity Obligations, reduce the principal amount thereof or the rate of interest thereof, (B) give any preference to any Parity Obligation over any other Parity Obligation, (C) extend any waiver of default to subsequent defaults, or (D) reduce the aggregate principal amount of Parity Obligations required for consent to any such amendment, change, modification, or rescission.

(d) Notice of Amendment. Whenever GBRA shall desire to make any amendment or addition to or rescission of this Resolution requiring consent of the provider of each Reserve Fund Credit Facility, the Texas Water Development Board and/or the Registered Owners of the Parity Obligations, GBRA shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to (i) the provider of each Reserve Fund Credit Facility, (ii) the Texas Water Development Board, and (iii) the Registered Owners (if the Registered Owners of all Parity Obligations or least a majority in aggregate principal amount of the Parity Obligations are required to consent) at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, GBRA shall receive an instrument or instruments in writing executed by the Texas Water Development Board (as long as the Texas Water Development Board is a holder of any Parity Obligations), the provider of each Reserve Fund Credit Facility, and the Registered Owners of all or a majority (as the case may be, and including the Texas Water Development Board, if applicable) in aggregate principal amount of the Parity Obligations then Outstanding affected by any such amendment, addition, or rescission requiring the consent of the Registered Owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, GBRA may adopt such amendment, addition, or rescission in substantially such form, except as herein provided.

(e) Effect of Amendment on Registered Owners. No Registered Owner may thereafter object to the adoption of any amendment, addition, or rescission which is accomplished pursuant to and in accordance with the provisions of this Section, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 25. DEFEASANCE OF SERIES 2022 BONDS. (a) Defeased Series 2022 Bonds. Any Series 2022 Bond and the interest thereon shall be deemed to be paid, retired and no longer Outstanding (a "***Defeased Series 2022 Bond***"), except to the extent provided in subsection (d) of this Section, when payment of the principal of such Series 2022 Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar (or another entity permitted by Section 1207.061, Texas Government Code, as amended, or other applicable law, which entity, together with the Paying Agent/Registrar, is referred to collectively in this Section as the "***Defeasance Agent***"), in accordance with the requirements of Chapter 1207, Texas Government Code, as amended, or other applicable law (which may include the use of an escrow agreement or other similar instrument - the "***Future Escrow Agreement***");

(1) lawful money of the United States of America sufficient to make such payment and/or
(2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by GBRA with the Defeasance Agent for the payment of its services until all Defeased Series 2022 Bonds shall have become due and payable. At such time as a Series 2022 Bond shall be deemed to be a Defeased Series 2022 Bond hereunder, as aforesaid, such Series 2022 Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Pledged Revenues, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) Investment in Defeasance Securities. Any moneys so deposited with the Defeasance Agent may at the written direction of GBRA be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Defeasance Agent that is not required for the payment of the Series 2022 Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to GBRA, or deposited as directed in writing by GBRA. Any account or Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Series 2022 Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsections (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Defeasance Agent which is not required for the payment of the Defeased Series 2022 Bonds, with respect to which such money has been so deposited, shall be remitted to GBRA or deposited as directed in writing by GBRA.

(c) Definition of Defeasance Securities. The term "***Defeasance Securities***" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of GBRA adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Parity Obligations.

(d) Paying Agent/Registrar Services. Until all Defeased Series 2022 Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Series 2022 Bonds the same as if they had not been defeased, and GBRA shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) Selection of Series 2022 Bonds for Defeasance. In the event that GBRA elects to defease less than all of the principal amount of Series 2022 Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Series 2022 Bonds by such random method as it deems fair and appropriate.

(f) Notice to Texas Water Development Board. So long as the Texas Water Development Board is the registered owner of any of the Series 2022 Bonds, GBRA shall provide written notice to the Texas Water Development Board of a defeasance of the Series 2022 Bonds pursuant to subsection (a)(ii) of this Section.

SECTION 26. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED SERIES 2022 BONDS. (a) Replacement Bonds. In the event any Outstanding Series 2022 Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Series 2022 Bond, in replacement for such Series 2022 Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Series 2022 Bonds shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Series 2022 Bond, the Registered Owner applying for a replacement bond shall furnish to GBRA and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Series 2022 Bond, the Registered Owner shall furnish to GBRA and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Series 2022 Bond, as the case may be. In every case of damage or mutilation of a Series 2022 Bond, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Series 2022 Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Series 2022 Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Series 2022 Bond, GBRA may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Series 2022 Bond) instead of issuing a replacement Series 2022 Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the Registered Owner of such Series 2022 Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Series 2022 Bond is lost, stolen, or destroyed shall constitute a contractual obligation of GBRA whether or not the lost, stolen, or destroyed Series 2022 Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Series 2022 Bonds duly issued under this Resolution.

(e) Authority for Issuing Replacement Bonds. This Section of this Resolution shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of GBRA or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Series 2022 Bonds in the form and manner and with the effect, as provided in this Resolution for Series 2022 Bonds issued in conversion and exchange for other Series 2022 Bonds.

SECTION 27. CUSTODY, APPROVAL, AND REGISTRATION OF SERIES 2022 BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS. The Chair of the Board of Directors of GBRA is hereby authorized to have control of the Series 2022 Bonds issued hereunder and all necessary records and proceedings pertaining to the Series 2022 Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 2022 Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate on the Series 2022 Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on the Series 2022 Bonds. The approving legal opinion of GBRA's Bond Counsel, and the assigned CUSIP numbers may, at the option of GBRA, be printed on the Series 2022 Bonds issued and delivered under this Resolution, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Series 2022 Bonds.

SECTION 28. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE SERIES 2022 BONDS.

(a) Covenants. GBRA covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Series 2022 Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, GBRA covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Series 2022 Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of such proceeds and funds or the projects financed therewith are so used, such amounts, whether or not received by GBRA, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Series 2022 Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Series 2022 Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Series 2022 Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Series 2022 Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Series 2022 Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Series 2022 Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Series 2022 Bonds, other than investment property acquired with --

(A) proceeds of the Series 2022 Bonds invested for a reasonable temporary period of three years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds or funds are needed for the purpose for which the Series 2022 Bonds were issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Series 2022 Bonds;

(7) to otherwise restrict the use of the proceeds of the Series 2022 Bonds or amounts treated as proceeds of the Series 2022 Bonds, as may be necessary, so that the Series 2022 Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Series 2022 Bonds, or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Series 2022 Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Series 2022 Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Series 2022 Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (9), a "Rebate Fund" is hereby established by GBRA for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. GBRA understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Series 2022 Bonds. It is the understanding of GBRA that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Series 2022 Bonds, GBRA will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Series 2022 Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Series 2022 Bonds, GBRA agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Series 2022 Bonds under section 103 of the Code. In furtherance of such intention, GBRA hereby authorizes and directs the Chair or Vice Chair of the Board of Directors, or the General Manager/CEO, any Deputy General Manager or the Designated Financial Officer of GBRA to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of GBRA, which may be permitted by the Code as are consistent with the purpose for the issuance of the Series 2022 Bonds.

(d) Allocation of, and Limitation On, Expenditures for the Project. GBRA covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Resolution (referred to herein as the "**Project**") on its books and records in accordance with the requirements of the Internal Revenue Code. GBRA recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, GBRA recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Series 2022 Bonds, or (2) the date the Series 2022 Bonds are retired. GBRA agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Series 2022 Bonds. For purposes hereof, GBRA shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Series 2022 Bonds.

(e) Written Procedures. Unless superseded by another action of GBRA, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the Board of Directors hereby adopts and establishes the instructions attached hereto as Exhibit C as GBRA's written procedures.

(f) Disposition of Project. GBRA covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by GBRA of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Series 2022 Bonds. For purposes of the foregoing, GBRA may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Series 2022 Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, GBRA shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest thereon.

(g) Reimbursement. This Resolution is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

SECTION 29. SALE AND DELIVERY OF SERIES 2022 BONDS. APPROVAL OF PRIVATE PLACEMENT MEMORANDUM. The Series 2022 Bonds are hereby authorized to be sold to the Texas Water Development Board for the price of par and no accrued interest. The Series 2022 Bonds are being purchased by the Texas Water Development Board pursuant to the TWDB Approving Resolution. In satisfaction of Section 1201.022(a)(3), Texas Government Code, and upon consultation with GBRA's Financial Advisor, the Board of Directors hereby determines that the final terms of the Series 2022 Bonds as set forth in this Resolution are in GBRA's best interests. The Series 2022 Bonds initially delivered shall be registered in the name of **CEDE & CO.** The Private Placement Memorandum prepared in connection with the sale of the Series 2022 Bonds to the Texas Water Development Board in substantially the form attached to this Resolution as Exhibit D is approved.

SECTION 30. APPROVAL OF ESCROW AGREEMENT; DEPOSIT OF PROCEEDS. Concurrently with the initial delivery of the Series 2022 Bonds, GBRA shall deposit all proceeds of the Series 2022 Bonds into an escrow account established with **UMB BANK, N.A.** (the "**Escrow Agent**") pursuant to an Escrow Agreement between GBRA and the Escrow Agent, in substantially the form attached hereto as Exhibit E. The Escrow Agent qualifies as a designated state depository or other properly chartered and authorized institution in accordance with Chapter 2256, Texas Government Code, and Chapter 2257, Texas Government Code. The Escrow Agreement, which will govern the periodic disbursement of proceeds of the Series 2022 Bonds, are hereby approved in substantially final form, and the Chair, Vice Chair, Secretary/Treasurer, General Manager/CEO, each Deputy General Manager and the Designated Financial Officer each are hereby authorized, for and on behalf of GBRA, to approve any changes in the Escrow Agreement from the forms attached hereto and to execute the Escrow Agreement in final form. All funds on deposit in the Escrow Account created by the Escrow Agreement which are approved by the Texas Water Development

Board to be transferred to GBRA in order to pay eligible project costs (instead of the Escrow Agent paying such project costs directly from an Escrow Account to the appropriate vendor or service provider) shall be deposited by GBRA into a related Account in the Construction Fund created pursuant to Section 9(d) hereof. Funds on deposit in the Construction Fund (i) may be invested from time to time in the manner provided by Section 15 of this Resolution, and (ii) shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Chapter 2257, Texas Government Code, as amended. In satisfaction of the condition imposed in paragraph 12 of TWDB Resolution No. 22-067, all funds remaining on deposit in the Escrow Account established in connection with the Series 2022 Bonds and the related Account in the Construction Fund upon completion of the Project being financed with the proceeds from the Series 2022 Bonds and a final accounting, if any, shall be used in a manner approved by GBRA and the Executive Administrator of the Texas Water Development Board.

SECTION 31. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Chair, Vice Chair and the Secretary/Treasurer of the Board of Directors of GBRA and the General Manager/CEO, any Deputy General Manager, the Designated Financial Officer of GBRA, and all other officers, employees, and agents of GBRA, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to approve, execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of GBRA all such instruments, whether or not herein mentioned as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Series 2022 Bonds and the Paying Agent/Registrar Agreement.

Furthermore, at any time prior to the delivery of the Series 2022 Bonds, the Chair or Vice Chair of the Board of Directors, and the General Manager/CEO and any Deputy General Manager of GBRA, each are hereby individually authorized and directed to approve any changes or corrections to this Resolution or to any of the instruments authorized and approved by this Resolution necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transaction contemplated and approved by this Resolution, (ii) satisfy requirements of the Texas Water Development Board, or (iii) obtain the approval of the Series 2022 Bonds by the Texas Attorney General's office.

SECTION 32. CONTINUING DISCLOSURE OF INFORMATION. On the basis of the private placement exception to the continuing disclosure requirements set forth in SEC Rule 15c2-12 (the "**Rule**"), 17 CFR 240.15c2-12, GBRA has not and does not undertake to provide continuing information about its financial condition, results of operation or other data subsequent to the issuance of the Series 2022 Bonds. Notwithstanding the foregoing, GBRA covenants to comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by the Rule and determined as if the Texas Water Development Board was a "participating underwriter" with the meaning of the Rule, such continuing disclosure undertaking being for the benefit of the Texas Water Development Board and the beneficial owner of the Series 2022 Bonds if the Texas Water Development Board sells or otherwise transfers any of the Series 2022 Bonds and the beneficial owners of the Texas Water Development Board's bonds if GBRA is an obligated person with respect to the Texas Water Development Board's bonds under the Rule.

On that basis, the Board of Directors of GBRA hereby approves and authorizes the execution by the General Manager/CEO, any Deputy General Manager, and the Designated Financial Officer of GBRA of three separate *Continuing Disclosure Agreements* (in the form prepared and approved by GBRA's Bond Counsel) by and between GBRA and each Expansion Customer (individually, a "***Continuing Disclosure Agreement***," and collectively, the "***Continuing Disclosure Agreements***"). GBRA and the Expansion Customers have undertaken in the Continuing Disclosure Agreements for the benefit of the beneficial owners of the Parity Obligations, to the extent set forth therein, to provide continuing disclosure of financial information and operating data with respect to GBRA and the Expansion Customers in accordance with the Rule as promulgated by the SEC. The continuing disclosure obligations that GBRA and the Expansion Customers have entered into as set forth in each Expansion Customer's Continuing Disclosure Agreement are applicable with respect to the Series 2022 Bonds, and such provisions are incorporated into this Resolution the same as if set forth herein.

GBRA and each Expansion Customer shall be obligated to observe and perform the covenants specified in this Section and in the respective Continuing Disclosure Agreement for so long as, but only for so long as, GBRA or the Expansion Customers remain an "obligated person" with respect to the Series 2022 Bonds within the meaning of the Rule, except that GBRA in any event will give notice of any deposit made in accordance with Section 25 of this Resolution that causes Series 2022 Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Series 2022 Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. GBRA and the Expansion Customers undertake to provide only the financial information, operating data, financial statements, and notices which they have expressly agreed to provide pursuant to this Section or in the Continuing Disclosure Agreements and do not hereby undertake to provide any other information that may be relevant or material to a complete presentation of GBRA's or any of the Expansion Customer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or the Continuing Disclosure Agreements or otherwise, except as expressly provided herein or therein. GBRA and the Expansion Customers do not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Series 2022 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL GBRA OR THE EXPANSION CUSTOMERS BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY SERIES 2022 BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY GBRA OR AN EXPANSION CUSTOMER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION OR IN THE CONTINUING DISCLOSURE UNDERTAKING, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by GBRA or any Expansion Customer in observing or performing their obligations under this Section or the Continuing Disclosure Agreements shall comprise a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of GBRA or the Expansion Customers under federal and state securities laws.

The provisions of this Section and any Continuing Disclosure Agreement may be amended by GBRA from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of GBRA or the related Expansion Customer, but only if (1) the provisions of this Section and the Continuing Disclosure Agreement, as so amended, would have permitted an underwriter to purchase or sell Series 2022 Bonds in the primary offering of the Series 2022 Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the outstanding Series 2022 Bonds consent to such amendment, or (b) a person that is unaffiliated with GBRA or such Expansion Customer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Series 2022 Bonds. GBRA may also amend or repeal the provisions of this Section, and GBRA and any Expansion Customer may amend or repeal the provisions of its related Continuing Disclosure Agreement, if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2022 Bonds in the primary offering of the Series 2022 Bonds. If GBRA so amends the provisions of this Section, or if GBRA and any Expansion Customer so amend the related Continuing Disclosure Agreement, GBRA shall include with any amended financial information or operating data next provided in accordance with the Continuing Disclosure Undertaking an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 33. FINAL ACCOUNTING. In compliance with 31 TAC §363.1301, 31 TAC §363.42(a)(2)(C), and 31 TAC §363.53, GBRA shall render a final accounting to the Texas Water Development Board within 60 days of the completion of the Expansion Project in reference to the total cost incurred by GBRA for its portion of the Expansion Project being financed by GBRA with proceeds of the Series 2022 Bonds, and shall submit documents establishing that GBRA has received from the contractor a complete set of as-built drawings for the Expansion Project. If the Expansion Project as finally completed is built or completed at a total cost less than the amount of available funds for building or completing the Expansion Project, or if the Executive Administrator of the Texas Water Development Board disapproves construction or completion of any portion of the Expansion Project as not being in accordance with the plans and specifications, GBRA agrees to immediately, with filing of the final accounting, return to the Texas Water Development Board the amount of any such excess and/or the cost determined by the Executive Administrator of the Texas Water Development Board relating to the parts of the Expansion Project not built or completed in accordance with the plans and specifications, to the nearest multiple of the authorized

denominations for the Series 2022 Bonds, upon the surrender and cancellation of a like amount of such Series 2022 Bonds held by the Texas Water Development Board in inverse order of their stated maturities. In determining the amount of available funds for building or completing the Expansion Project, GBRA agrees to account (or cause Alliance to account, as appropriate) for all amounts deposited to the credit of the Construction Fund, including all loan funds extended by the Texas Water Development Board, if any, all other funds available for the Expansion Project as described in the project engineer's or fiscal representative's sufficiency of funds statement, and all interest earned by GBRA on money in the Construction Fund.

SECTION 34. COMPLIANCE WITH THE RULES AND REGULATIONS OF, AND WITH SPECIFIC COVENANTS REQUIRED BY, THE TEXAS WATER DEVELOPMENT BOARD.

(a) Compliance with Applicable Laws, Rules and Regulations. In compliance with 31 TAC §363.42(a)(2)H), GBRA covenants to comply with all applicable federal laws, rules, and regulations as well as the laws of the State of Texas (including but not limited to Chapters 15, 16, and 17 of the Texas Water Code, as applicable) and the rules and regulations of the Texas Water Development Board.

(b) Environmental Determinations. In satisfaction of the condition imposed in paragraph 9 of TWDB Resolution No. 22-067, GBRA agrees and covenants that it will comply with all conditions as may be specified in the environmental finding of the Executive Administrator when issued, including the standard emergency discovery conditions for threatened and endangered species and cultural resources.

(c) Exercise of Remedies. In satisfaction of the condition imposed in paragraph 13 of TWDB Resolution No. 22-067, the TWDB may exercise all remedies available to it in law or equity, and any provision of the Series 2022 Bonds that restricts or limits the TWDB's full exercise of such remedies shall be of no force and effect.

(d) Proceeds to Series 2022 Bonds to be Held at a Designated State Depository. In satisfaction of the condition imposed in paragraph 14 TWDB Resolution No. 22-067, and notwithstanding anything to the contrary set forth in this Resolution, the proceeds of the Series 2022 Bonds shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257.

(e) Prohibition on Use of Proceeds Related to Contaminated Soil; Indemnification. In satisfaction of the condition imposed in paragraph 15 of TWDB Resolution No. 22-067, no proceeds of the Series 2022 Bonds shall be used by GBRA for the purpose of paying for sampling, testing, removing or disposing of contaminated soils and/or media at the project site. To the extent permitted by law, GBRA hereby agrees to indemnify, hold harmless and protect the Texas Water Development Board from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by GBRA, its contractors, consultants, agents, officials and employees as a result of activities relating to the project.

(f) Report on Use of Project Funds to Compensate Historically Underutilized Businesses. In satisfaction of the condition imposed in paragraph 16 of TWDB Resolution No. 22-067, GBRA shall report to the TWDB the amounts of project funds, if any, that were used to compensate historically underutilized businesses that worked on the Expansion Project, in accordance with 31 TAC § 363.1312.

(g) No Acquisition of Source Series Bonds. In satisfaction of the condition imposed in paragraph 24 of TWDB Resolution No. 22-067, neither GBRA nor a related party thereto will acquire any of the Texas Water Development Board's "Source Series Bonds" in an amount related to the amount of the Series 2022 Bonds to be acquired from GBRA by the Texas Water Development Board.

(h) Submission of Annual Audits of Expansion Customers. In satisfaction of the condition imposed in paragraph 25 of TWDB Resolution No. 22-067, upon request by the Executive Administrator of the TWDB, GBRA shall submit annual audits of Expansion Customers for the Executive Administrator's review.⁵

(i) Enforcement of Expansion Project Water Supply Agreements. In satisfaction of the condition imposed in paragraph 26 of TWDB Resolution No. 22-067, GBRA covenants that it shall maintain and enforce the Expansion Project Water Supply Agreements with its Expansion Customers so that the revenues paid to GBRA by its Expansion Customers, together with applicable revenues paid to GBRA by its Initial Customers, are sufficient to meet the revenue requirements of GBRA obligations arising from the operation of the Carrizo Groundwater Supply Project.

(j) Issuance of Additional Parity Obligations. In satisfaction of the condition imposed in paragraph 27 of TWDB Resolution No. 22-067, GBRA covenants that the Pledged Revenues may not be pledged to the payment of any Additional Parity Obligations of GBRA secured by a pledge of the same Pledged Revenues unless GBRA demonstrates to the Executive Administrator's satisfaction that the Pledged Revenues will be sufficient for the repayment of all Parity Obligations which remain Outstanding following the issuance of such Additional Parity Obligations.

(k) Records and Accounts; Annual Audit. In compliance with 31 TAC §363.42(a)(2)(D) and (G), GBRA covenants that (i) it will keep current, accurate and complete records and accounts in accordance with generally accepted accounting principles necessary to demonstrate compliance with financial assistance-related legal and contractual provisions, and (ii) following the close of each fiscal year, it will cause an audit of such books and accounts to be made by an independent firm of certified public accountants in accordance with generally accepted auditing standards, and will furnish a copy thereof, within 180 days of the end of such fiscal year, to the Texas Water Development Board, Attention: Executive Administrator.

⁵Note: As provided in Section 33 of this Resolution, GBRA has entered into a Continuing Disclosure Agreement with each Expansion Customer that currently contracts to purchase at least 10% of the treated water from the Carrizo Groundwater Supply Project, which Agreements obligate such Expansion Customers to post on the Electronic Municipal Market Access (EMMA) system website maintained by the Municipal Securities Rulemaking Board a copy of their annual audited financial statements within 12 months following the end of such Expansion Customers' respective fiscal years.

(l) Maintenance of Insurance. In compliance with 31 TAC 363.42(a)(2)(L), GBRA covenants and agrees that while the Series 2022 Bonds remain outstanding it will maintain, or will cause to be maintained, casualty and other insurance on the Carrizo Groundwater Supply Project of a kind and in such amounts sufficient to protect the TWDB's interest in such Project. The payment of premiums for all insurance policies required under the provisions hereof shall be considered an Operation, Maintenance and Administrative Expense.

SECTION 35. INCORPORATION OF RECITALS. GBRA hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and GBRA hereby incorporates such recitals as a part of this Resolution.

SECTION 36. EFFECTIVE DATE. This Resolution shall become effective immediately after its adoption.

[The remainder of this page intentionally left blank]

***ADOPTED BY THE BOARD OF DIRECTORS OF THE GUADALUPE-BLANCO
RIVER AUTHORITY AT A REGULAR MEETING HELD ON OCTOBER 19, 2022.***

APPROVED:

Chair, Board of Directors

ATTEST:

Secretary/Treasurer, Board of Directors

Signature page to Resolution Authorizing the Issuance of
Guadalupe-Blanco River Authority Contract Revenue Bonds, Series 2022
(Low Interest Financing) (Carrizo Groundwater Supply Expansion Project)

EXHIBIT A**SCHEDULE SHOWING DEBT SERVICE PAYMENTS FOR EXPANSION BONDS
ALLOCATED TO EACH EXPANSION CUSTOMER⁶**

FISCAL YEAR ENDING 8/31	TOTAL ANNUAL SERIES 2022 BONDS DEBT SERVICE (\$)	TOTAL ANNUAL DEBT SERVICE PAYMENTS ALLOCATED TO COUNTY LINE SUD (\$)	TOTAL ANNUAL DEBT SERVICE PAYMENTS ALLOCATED TO GOFORTH SUD (\$)	TOTAL ANNUAL DEBT SERVICE PAYMENTS ALLOCATED TO MAXWELL SUD (\$)
2023	1,144,656.81	436,866.51*	436,866.51*	270,923.79*
2024	1,543,357.50	589,033.50*	589,033.50*	365,290.50*
2025	1,543,357.50	589,033.50*	589,033.50*	365,290.50*
2026	1,543,357.50	589,033.50	589,033.50	365,290.50
2027	2,578,357.50	984,033.50	984,033.50	610,290.50
2028	2,563,135.50	977,499.50	977,499.50	608,136.50
2029	2,557,160.50	975,699.50	975,699.50	605,761.50
2030	2,550,125.50	973,481.50	973,481.50	603,162.50
2031	2,541,685.50	970,713.50	970,713.50	600,258.50
2032	2,536,810.50	967,383.50	967,383.50	602,043.50
2033	2,525,428.00	963,523.50	963,523.50	598,381.00
2034	2,526,370.00	963,628.50	963,628.50	599,113.00
2035	2,518,792.00	962,400.00	962,400.00	593,992.00
2036	2,503,737.50	955,168.00	955,168.00	593,401.50
2037	2,503,494.00	956,009.00	956,009.00	591,476.00
2038	2,490,628.00	950,813.00	950,813.00	589,002.00
2039	2,490,628.00	949,813.00	949,813.00	591,002.00
2040	2,482,856.00	947,795.00	947,795.00	587,266.00
2041	2,472,324.00	944,686.50	944,686.50	582,951.00
2042	2,464,135.00	940,526.00	940,526.00	583,083.00
2043	2,453,040.50	935,297.50	935,297.50	582,445.50
2044	2,450,308.50	934,485.00	934,485.00	581,338.50
2045	2,439,892.00	932,640.00	932,640.00	574,612.00
2046	2,436,997.50	929,762.50	929,762.50	577,472.50
2047	2,426,212.00	925,852.50	925,852.50	574,507.00
2048	2,412,742.00	920,910.00	920,910.00	570,922.00
2049	2,409,819.00	919,260.00	919,260.00	571,299.00
2050	2,398,520.00	916,344.00	916,344.00	565,832.00
2051	2,389,056.00	912,162.00	912,162.00	564,732.00
2052	2,376,216.00	906,714.00	906,714.00	562,788.00
Totals	<u>70,273,200.31</u>	<u>26,820,568.01</u>	<u>26,820,568.01</u>	<u>16,632,064.29</u>

⁶All amounts exclude the up to 10% coverage amount GBRA may charge each Expansion Customer under the Expansion Project Water Supply Agreements.

* To be paid with capitalized interest; will not be billed to Expansion Customer.

EXHIBIT B

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

*The Paying Agent/Registrar Agreement is omitted at this point
as it appears in executed form elsewhere in this Transcript of Proceedings*

EXHIBIT C

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Series 2022 Bonds, GBRA's chief financial officer (the "**Responsible Person**"), which currently is the Executive Manager of Finance/CFO of GBRA, will:

- (i) instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Series 2022 Bonds will be entered into within six (6) months of the date of delivery of the Series 2022 Bonds (the "**Issue Date**");
- (ii) monitor that at least 85% of the proceeds of the Series 2022 Bonds to be used for the construction, renovation or acquisition of any facilities are expended within five (5) years of the Issue Date;
- (iii) restrict the yield of the investments to the yield on the Series 2022 Bonds after five (5) years of the Issue Date;
- (iv) monitor all amounts deposited into a sinking fund or funds (e.g., the Expansion Project Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Series 2022 Bonds does not exceed an amount equal to the debt service on the Series 2022 Bonds in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Series 2022 Bonds for the immediately preceding 12-month period;
- (v) ensure that no more than 50% of the proceeds of the Series 2022 Bonds are invested in an investment with a guaranteed yield for 4 years or more;
- (vi) maintain any official action of GBRA (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Series 2022 Bonds any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- (vii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
- (viii) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least

every 5 years after the Issue Date and (B) within 30 days after the date the Series 2022 Bonds are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Series 2022 Bonds the Responsible Person will:

- (i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- (ii) monitor whether, at any time the Series 2022 Bonds are outstanding, any person, other than GBRA, the employees of GBRA, the agents of GBRA or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- (iii) monitor whether, at any time the Series 2022 Bonds are outstanding, any person, other than GBRA, the employees of GBRA, the agents of GBRA or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- (iv) monitor whether, at any time the Series 2022 Bonds are outstanding, any person, other than GBRA, the employees of GBRA, the agents of GBRA or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- (v) determine whether, at any time the Series 2022 Bonds are outstanding, any person, other than GBRA, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- (vi) determine whether, at any time the Series 2022 Bonds are outstanding, the facilities are sold or otherwise disposed of; and
- (vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in this Resolution related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Series 2022 Bonds and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Series 2022 Bonds. If any portion of the Series 2022 Bonds is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding GBRA's accounting system, contract intake system, facilities management and other

systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Series 2022 Bonds. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT D

FORM OF PRIVATE PLACEMENT MEMORANDUM

The Private Placement Memorandum is omitted at this point as it appears elsewhere in this Transcript of Proceedings.

EXHIBIT E

FORM OF ESCROW AGREEMENT

*The Escrow Agreement is omitted at this point
as it appears in executed form elsewhere in this Transcript of Proceedings.*

ACTION ITEM

12. Consideration of and possible action approving a Resolution authorizing the issuance of up to \$5,000,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, for the primary purpose of financing improvements to the Diversion Dam & Saltwater Barrier; authorizing the sale thereof pursuant to a competitive sale; delegating authority to the Acting General Manager/CEO and the Executive Manager of Finance/CFO to approve all final terms of the Bonds; approving and authorizing the execution of all instruments and procedures related thereto including a Paying Agent/Registrar Agreement; authorizing the preparation and distribution of an Official Statement; and containing other provisions related thereto.

(Randy Staats)

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 12

Action

Item: Adoption of a resolution to authorize the issuance of General Improvement Revenue Bonds to finance the design, construction, and equipping of infrastructure repairs and replacement to the Diversion Dam & Saltwater Barrier.

Staff: Randy Staats

Summary: Approval of a resolution authorizing the issuance of bonds to provide funding for design, construction, and equipping of infrastructure repairs and replacement to the Diversion Dam & Saltwater Barrier.

Discussion: The Diversion Dam & Saltwater Barrier was constructed in 1965 to prevent salt water intrusion into the Guadalupe River during periods of high tide. It also serves as a temporary diversion dam for delivery of water into the canal system located just upstream of the Saltwater Barrier during periods of low river flows. The Saltwater Barrier is a critical component of the delivery of industrial, municipal, and agricultural water supply in Calhoun County and future GBRA water supply projects.

The Barrier consists of two 50-foot long inflatable, reinforced rubber bags that are bolted to the floor and sidewalls of the structure. During periods of low flow and high tide, the bags are inflated with river water.

The original bags were replaced in the mid-to-late 1990's. Preventive maintenance and repairs have been made to the bags since that time to ensure efficient operation. However, in July 2022, GBRA encountered operational issues with the bags. After temporary repairs were initiated, an assessment of the condition of the bags concluded that the bags are non-repairable and require replacement and changes to the infrastructure and operation of the entire dam and barrier.

On September 21, the Board of Directors authorized the negotiation and execution of contracts for installation of Obermeyer crest gates and related equipment to provide the optimum solution for correcting the bag failure and restoring reliable water deliveries.

Action Requested: Consideration of and possible action approving a Resolution authorizing the issuance of up to \$5,000,000 in principal amount of Guadalupe-Blanco River Authority General Improvement Revenue Bonds, for the primary purpose of financing improvements to the Diversion Dam & Saltwater Barrier; authorizing the sale thereof pursuant to a competitive sale; delegating authority to the Acting General Manager/CEO and the Executive Manager of Finance/CFO to approve all final terms of the Bonds; approving and authorizing the execution of all instruments and procedures related thereto including a Paying Agent/Registrar Agreement; authorizing the preparation and distribution of an Official Statement; and containing other provisions related thereto.

RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$5,000,000 IN PRINCIPAL AMOUNT OF *GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BONDS* FOR THE PRIMARY PURPOSE OF FINANCING IMPROVEMENTS TO THE DIVERSION DAM & SALTWATER BARRIER; AUTHORIZING THE SALE THEREOF PURSUANT TO A COMPETITIVE SALE; DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO AND THE EXECUTIVE MANAGER OF FINANCE/CFO TO APPROVE ALL FINAL TERMS OF THE BONDS; APPROVING AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A PAYING AGENT/REGISTRAR AGREEMENT; AUTHORIZING THE PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AND CONTAINING OTHER PROVISIONS RELATED THERETO

DATE OF APPROVAL: OCTOBER 19, 2022

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¹ If Bonds issued pursuant to this Resolution are determined by a "Designated Officer" (defined in Section 1(b) herein) to be issued and delivered after January 1, 2023, all references to "Series 2022A" in this Resolution shall be changed to "Series 2023" without the necessity for further action by the Board of Directors.

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RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$5,000,000 IN PRINCIPAL AMOUNT OF GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BONDS FOR THE PRIMARY PURPOSE OF FINANCING IMPROVEMENTS TO THE DIVERSION DAM & SALTWATER BARRIER; AUTHORIZING THE SALE THEREOF PURSUANT TO A COMPETITIVE SALE; DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO AND THE EXECUTIVE MANAGER OF FINANCE/CFO TO APPROVE ALL FINAL TERMS OF THE BONDS; APPROVING AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A PAYING AGENT/REGISTRAR AGREEMENT; AUTHORIZING THE PREPARATION AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AND CONTAINING OTHER PROVISIONS RELATED THERETO

THE STATE OF TEXAS

§

GUADALUPE-BLANCO RIVER AUTHORITY

§

WHEREAS, GUADALUPE-BLANCO RIVER AUTHORITY ("**GBRA**") is an agency and political subdivision of the State of Texas, being a conservation and reclamation district created and functioning under Article XVI, Section 59, of the Texas Constitution, pursuant to the provisions of Chapter 75, Acts of the 43rd Legislature, First Called Session, 1933, as amended (the "**GBRA Act**"; and

WHEREAS, among numerous other powers granted under the GBRA Act:

- (i) Section 2(a) thereof authorizes GBRA to *"control, store and preserve, within or adjoining the boundaries of the District, the waters of any rivers and streams, including the waters of the Guadalupe and Blanco Rivers and their tributaries, for all useful purposes, and to use, distribute and sell the same, within the boundaries of the District, for any such purposes"*;
- (ii) Section 2(l) thereof authorizes GBRA to *"acquire by purchase, lease, gift or in any other manner (otherwise than by condemnation)² and to maintain, use and operate any and all property of any kind, real, personal, or mixed, or any interest therein, within or without the boundaries of the District, necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act"*;
- (iii) Section 2(p) thereof authorizes GBRA to *"construct, extend, improve, maintain, and reconstruct, to cause to be constructed, extended, improved, maintained, and reconstructed, and to use and operate, any and all facilities of any kind necessary or convenient to the exercise of such powers, rights, privileges and functions"*;

²The power to condemn property is granted by Section 2(m) of the GBRA Act and other applicable state law.

- (iv) Section 2(v) thereof authorizes GBRA to *"make contracts and to execute instruments necessary or convenient to the exercise of the powers, rights, privileges, and functions conferred upon it by this Act or General Law for such term and with such provisions as the Board hereinafter referred to may determine to be in the best interest of the District, including, without in any way limiting the generality of the foregoing, contracts with persons, including the State of Texas, the United States of America and any corporation or agency thereof and districts, cities, towns, persons, organizations, associations, firms, corporations, entities or others, as such Board may deem necessary or proper for, or in connection with, any corporate purpose to provide for the construction, acquisition, ownership, financing, operation, maintenance, sale, leasing to or from, or other use or disposition of any facilities authorized to be developed, preserved, conserved, acquired, or constructed under this Act or General Law, including any improvements, structures, facilities, equipment and all other property of any kind in connection therewith and any lands, leaseholds, easements and any interest in any of the foregoing"; and*
- (v) Section 2(x) thereof authorizes GBRA to *"borrow money for its corporate purposes and, without limitation of the generality of the foregoing, to borrow money and accept grants from persons, including the State of Texas, the United States of America, or from any corporation or agency created or designated by the State of Texas or the United States of America, and, in connection with any such loan or grant, to enter into such agreements as the State of Texas or the United States of America or such corporations or agency may require; and to make and issue its negotiable bonds or notes for moneys borrowed, in the manner and to the extent provided in this Act, and to refund or refinance any outstanding bonds or notes and to make and issue its negotiable bonds or notes thereof in the manner and to the extent provided in this Act. Nothing in this Act shall authorize the issuance of any bonds, notes, or other evidences of indebtedness of the District, except as specifically provided in this Act, and no issuance of bonds, notes, or other evidences of indebtedness of the District shall ever be authorized except by this Act or General Law; and*
- (vi) Section 10 thereof provides that *"Any and every indebtedness, liability or obligation of the District, for the payment of money, however entered into or incurred, and whether arising from contract, implied contract or otherwise, shall be payable (1) out of the revenues received by the District in respect to its properties, subject to any prior lien thereon conferred by any resolution or resolutions theretofore adopted as in this Act provided, authorizing the issuance of bonds . . ."* and

WHEREAS, GBRA owns and operates a diversion dam and saltwater barrier in Calhoun County, Texas, and now deems it necessary to make repairs, replacements, and improvements thereto (the "***Saltwater Barrier Improvement Project***"); and

WHEREAS, GBRA has previously issued, and currently has outstanding, five Series of "General Improvement Revenue Bonds" (further described and defined in Section 6 hereof as the "Previously Issued Parity Obligations") that are equally secured by a first lien on and pledge of the

"Pledged Revenues" (as such term is defined in Section 6 of this Resolution), which generally consist of the gross revenues received by GBRA from the sale or commitment of raw water currently stored in Canyon Reservoir and from other sources of firm, dependable supplies of stored water as they are acquired and developed in the "Water Supply System of the Water Resources Division" (as defined and further described in Section 6 hereof); and

WHEREAS, Section 20 of the Resolutions which authorized the issuance of the Previously Issued Parity Obligations provides that GBRA has *"the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue obligations (herein called "Additional Bonds") in accordance with law, in any amounts, and for any lawful purpose of GBRA including, but not limited to, acquiring land and water rights, acquiring and constructing new facilities or extensions and improvements to any of GBRA's existing facilities, acquiring equipment, and refunding any Parity Obligations and/or the interest thereon. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the then outstanding Parity Obligations from a first lien on and pledge of the Pledged Revenues";* and

WHEREAS, in order to finance the costs to design, acquire, construct, and equip the Saltwater Barrier Improvement Project, the Board of Directors of GBRA hereby finds and declares a public purpose, and deems it advisable and in the best interests of GBRA, to issue a series of "Additional Bonds" (as defined in Section 6 hereof) that shall be equally and ratably secured by a lien on and pledge of the Pledged Revenues on a parity with the lien on and pledge of the Pledged Revenues which secures the outstanding Previously Issued Parity Obligations (such Additional Bonds being defined in Section 2 below as the "Series 2022A Bonds"); and

WHEREAS, the powers granted pursuant to Chapter 1371, Texas Government Code, as amended ("**Chapter 1371**") are applicable only to certain issuers, including *"a conservation and reclamation district created and organized as a river authority under Section 52, Article III, or Section 59, Article XVI, Texas Constitution";* and

WHEREAS, because GBRA is a conservation and reclamation district created and organized as a river authority under Article XVI, Section 59 of the Texas Constitution, GBRA is authorized to utilize the powers granted in Chapter 1371 in connection with the Series 2022A Bonds authorized herein, including but not limited to Section 1371.053(c) of Chapter 1371 which permits the Board of Directors to authorize *"one or more designated officers or employees of the issuer to act on behalf of the issuer from time to time in selling and delivering the obligation and setting the dates, price, interest rates, interest payment periods, and other procedures relating to the obligation, as specified in the obligation authorization";* and

WHEREAS, Section 1371.001(5) of Chapter 1371 defines the term "obligation" to mean *"a public security as defined by Section 1201.002 or other obligation that may be issued by an issuer and that is expected to be rated, and before delivery is rated, by a nationally recognized rating agency for municipal securities in one of the three highest rating categories for a short-term debt instrument or one of the four highest rating categories for a long-term debt instrument. The term does not include an obligation payable wholly or partly from ad valorem taxes unless: (A) issuance of the obligation or an obligation refunded by the obligation has been approved by the voters of the issuer in an election held for that purpose; or (B) the issuer: (i) is authorized by law to issue public*

securities payable wholly or partly from ad valorem taxes for the purpose for which the obligation is to be issued; and (ii) has complied with any conditions imposed by law before its pledge of ad valorem taxes to pay the principal of or interest on the obligation; and

WHEREAS, GBRA expects to obtain a rating on the Series 2022A Bonds from at least one nationally recognized rating agency that will be rated in one of the four highest rating categories for a long-term debt instrument; accordingly, the Series 2022A Bonds issued hereunder will be considered "obligations" within the meaning of Chapter 1371; and

WHEREAS, the Series 2022A Bonds hereinafter authorized and designated are to be issued and delivered pursuant to the GBRA Act, Chapters 1201 and 1371, Texas Government Code, and other applicable laws of the State of Texas; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GUADALUPE-BLANCO RIVER AUTHORITY:

SECTION 1. AMOUNT AND PURPOSE OF THE SERIES 2022A BONDS; DELEGATION OF AUTHORITY TO CERTAIN GBRA OFFICIALS.

(a) Authorization to Issue Bonds. Revenue bonds of GBRA are hereby authorized to be issued and delivered in the aggregate principal amount as designated by a "Designated Officer" pursuant to the provisions of Section 1(b) of this Resolution (but in no event to exceed \$5,000,000 in aggregate principal amount) **FOR THE PURPOSE OF DESIGNING, ACQUIRING, CONSTRUCTING, AND EQUIPPING REPAIRS, REPLACEMENTS, AND IMPROVEMENTS TO THE DIVERSION DAM AND SALTWATER BARRIER LOCATED IN CALHOUN COUNTY, TEXAS, AND PAYING COSTS OF ISSUANCE.**

(b) Delegation of Final Terms. As authorized by Section 1371.053(c) of Chapter 1371, the General Manager/CEO and the Executive Manager of Finance/CFO of GBRA (each, a "**Designated Officer**") are hereby authorized, appointed, and designated as officers of GBRA to act on behalf of GBRA, independently or together, to effect the sale of the Series 2022A Bonds and to establish the terms and details related to the issuance and sale of the Series 2022A Bonds including the total aggregate principal amount of Series 2022A Bonds to be issued (but in no event to exceed \$5,000,000 in aggregate principal amount), the price at which the Series 2022A Bonds will be sold, the date of the Series 2022A Bonds, the aggregate principal amount of each maturity thereof, the due date of each maturity (but in no event later than *August 15, 2053*), the rate of interest to be borne on the principal amount of each such maturity (but in no event to exceed a true interest cost rate for all Series 2022A Bonds of 5.75%), the interest payment periods, the dates, price and terms upon and at which the Series 2022A Bonds shall be subject to any optional or mandatory sinking fund redemption provisions for any maturity, and all other matters relating to the issuance, sale and delivery of the Series 2022A Bonds. Each Designated Officer, acting for and on behalf of GBRA,

is further authorized to (i) complete and attach Exhibit A of this Resolution, and (ii) revise and complete the FORM OF SERIES 2022A BOND set forth in Section 5 of this Resolution, with the final terms of the Series 2022A Bonds approved pursuant to the authority granted herein.

(c) Determination Required by Section 1201.022(a)(3), Texas Government Code. In satisfaction of Section 1201.022(a)(3), Texas Government Code, the Board of Directors hereby determines that the delegation of the authority to each Designated Officer to approve the final terms of the Series 2022A Bonds set forth in this Resolution is, and the decisions made by a Designated Officer pursuant to such delegated authority and incorporated in Exhibit A will be, in GBRA's best interests, and each Designated Officer is hereby authorized to make and include in Exhibit A an appropriate finding to that effect.

(d) Expiration of Delegation Authority. The authority delegated to a Designated Officer pursuant to this Resolution shall expire on April 18, 2022A.

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE SERIES 2022A BONDS. Each bond issued pursuant to and for the purpose described in Section 1 of this Resolution shall be designated **GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BOND, SERIES 2022A**, and initially there shall be issued, sold and delivered hereunder one fully registered bond, without interest coupons, dated as of the date determined by a Designated Officer and set forth in Exhibit A attached hereto (the "**Initial Series 2022A Bond**"), with bonds issued in replacement thereof being in the denomination of \$5,000 or any integral multiple thereof, and with bonds issued and delivered in substitution for the Initial Series 2022A Bond being numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Series 2022A Bond being payable to the initial purchaser determined by a Designated Officer and set forth in Exhibit A), or to the registered assignee or assignees of said bond or any portion or portions thereof (in each case, the "**Registered Owner**"). The term "**Series 2022A Bonds**" as used in this Resolution shall mean and include collectively the Initial Series 2022A Bond initially issued and delivered pursuant to this Resolution and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "**Series 2022A Bond**" shall mean any of the Series 2022A Bonds.

SECTION 3. INTEREST. The Series 2022A Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF SERIES 2022A BOND set forth in this Resolution to their respective dates of maturity at the rates per annum determined by a Designated Officer as set forth in Exhibit A attached hereto. Said interest shall be payable in the manner provided and on the dates stated in the FORM OF SERIES 2022A BOND set forth in this Resolution.

SECTION 4. CHARACTERISTICS OF THE SERIES 2022A BONDS. (a) Registration, Transfer, and Exchange; Authentication. GBRA shall keep or cause to be kept at the designated corporate trust or commercial banking office of **UMB BANK, N.A.** (the "**Paying Agent/Registrar**"), books or records for the registration of the transfer and exchange of the Series 2022A Bonds (the "**Registration Books**"), and GBRA hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges

under such reasonable regulations as GBRA and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Each Designated Officer is hereby authorized to approve and execute a Paying Agent/Registrar Agreement between GBRA and the Paying Agent/Registrar (upon consultation with GBRA's Bond Counsel).

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Series 2022A Bond to which payments with respect to the Series 2022A Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Series 2022A Bonds shall be made within three business days after request and presentation thereof. GBRA shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Series 2022A Bond or Series 2022A Bonds shall be paid as provided in the FORM OF SERIES 2022A BOND set forth in this Resolution. Registration of assignments, transfers and exchanges of Series 2022A Bonds shall be made in the manner provided and with the effect stated in the FORM OF SERIES 2022A BOND set forth in this Resolution. Each substitute Series 2022A Bond shall bear a letter and/or number to distinguish it from each other Series 2022A Bond.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Series 2022A Bond, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Series 2022A Bond shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Series 2022A Bonds and Series 2022A Bonds surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of GBRA or any other body or person so as to accomplish the foregoing transfer and exchange of any Series 2022A Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Series 2022A Bonds in the manner prescribed herein, and said Series 2022A Bonds shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Subchapter D of Chapter 1201, Texas Government Code, the duty of transfer and exchange of Series 2022A Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Series 2022A Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Series 2022A Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Series 2022A Bonds and Interest. GBRA hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Series

2022A Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by GBRA and the Paying Agent/Registrar with respect to the Series 2022A Bonds.

(c) *In General.* The Series 2022A Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Series 2022A Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which with respect to an optional redemption shall be given to the Paying Agent/Registrar by GBRA at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Series 2022A Bonds, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Series 2022A Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar, and GBRA shall have certain duties and responsibilities with respect to the Series 2022A Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF SERIES 2022A Bond set forth in this Resolution. The Initial Series 2022A Bond is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Series 2022A Bond issued in exchange for the Initial Series 2022A Bond issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF SERIES 2022A BOND. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Series 2022A Bond delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF SERIES 2022A BOND below, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Series 2022A Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of GBRA, and has been registered by the Comptroller.

(d) *Substitute Paying Agent/Registrar.* GBRA covenants with the registered owners of the Series 2022A Bonds that at all times while the Series 2022A Bonds are outstanding GBRA will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Series 2022A Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity and shall be an entity registered with the Securities and Exchange Commission. GBRA reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, GBRA covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Series 2022A Bonds, to the new Paying Agent/Registrar designated and appointed by GBRA. Upon any change in the Paying Agent/Registrar, GBRA promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Series 2022A Bonds, by United States mail, first-class postage prepaid,

which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry Only System for Series 2022A Bonds. The Series 2022A Bonds issued in exchange for the Series 2022A Bonds initially issued to the purchaser determined by a Designated Officer and set forth in Exhibit A shall be initially issued in the form of a separate single fully registered Series 2022A Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Series 2022A Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("**DTC**"), and except as provided in subsection (i) hereof, all of the outstanding Series 2022A Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Series 2022A Bonds registered in the name of Cede & Co., as nominee of DTC, GBRA and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("**DTC Participant**") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Series 2022A Bonds. Without limiting the immediately preceding sentence, GBRA and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2022A Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Series 2022A Bonds, as shown on the Registration Books, of any notice with respect to the Series 2022A Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Series 2022A Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Series 2022A Bonds. Notwithstanding any other provision of this Resolution to the contrary, GBRA and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Series 2022A Bond is registered in the Registration Books as the absolute owner of such Series 2022A Bond for the purpose of payment of principal and interest with respect to such Series 2022A Bond, for the purpose of registering transfers with respect to such Series 2022A Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Series 2022A Bonds only to or upon the Resolution of the registered owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge GBRA's obligations with respect to payment of principal of and interest on the Series 2022A Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a certificate evidencing the obligation of GBRA to make payments of principal and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfers Outside Book-Entry Only Systems. In the event that GBRA determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of GBRA to DTC or that it is in the best interest of the beneficial owners of the Series 2022A Bonds that they be able to obtain certificated Series 2022A Bonds, GBRA shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Series 2022A Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Series 2022A Bonds and transfer one or more separate Series 2022A Bonds to DTC Participants having Series 2022A Bonds credited to their DTC accounts. In such event, the Series 2022A Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Series 2022A Bonds shall designate, in accordance with the provisions of this Resolution.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Series 2022A Bond is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Series 2022A Bond and all notices with respect to such Series 2022A Bond shall be made and given, respectively, in the manner provided in the representation letter of GBRA to DTC.

(h) DTC Letter of Representation. The officers of GBRA are herein authorized for and on behalf of GBRA and as officers of GBRA to enter into one or more Letters of Representation, if necessary, with DTC establishing the book-entry only system with respect to the Series 2022A Bonds.

(i) Delivery of Initial Series 2022A Bond. On the closing date, the Initial Series 2022A Bond, representing the entire principal amount of the Series 2022A Bonds, which shall be payable in stated installments to the initial registered owner named in Section 27 of this Resolution or its designee, executed by manual or facsimile signature of the Chair or Vice Chair and the Secretary/Treasurer of the Board of Directors of GBRA, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Series 2022A Bonds, the Paying Agent/Registrar shall cancel the Initial Series 2022A Bond and deliver to the initial registered owner or its designee one registered definitive Series 2022A Bond for each year of maturity of the Series 2022A Bonds, in the aggregate principal amount of all of the Series 2022A Bonds for such maturity.

SECTION 5. FORM OF SERIES 2022A BONDS. The form of the Series 2022A Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Series 2022A Bonds initially issued and delivered pursuant to this Resolution), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution.

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FORM OF SERIES 2022A BOND

R-__	UNITED STATES OF AMERICA STATE OF TEXAS GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BONDS, SERIES 2022A	PRINCIPAL AMOUNT \$ _____
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<u>INTEREST RATE</u>	<u>DATE OF SERIES</u>	<u>MATURITY DATE</u>	<u>CUSIP NO.</u>
_____%	_____, 202__	August 15, 20__	400532 ____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ **DOLLARS**

ON THE MATURITY DATE specified above, the ***GUADALUPE-BLANCO RIVER AUTHORITY ("GBRA")***, being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "***Registered Owner***") the Principal Amount set forth above, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from the date of initial delivery of this Bond (as shown on the records of the Paying Agent/Registrar, defined below) at the Interest Rate per annum specified above, on _____ 15, 2023 and semiannually on each February 15 and August 15 thereafter, to the Maturity Date specified above or the date of redemption prior to maturity; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such Principal Amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at

maturity or redemption at the designated corporate trust or commercial banking office (initially located in Austin, Texas) of **UMB BANK, N.A.**, which is the "**Paying Agent/Registrar**" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of GBRA required by the resolution authorizing the issuance of the Bonds (the "**Bond Resolution**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "**Record Date**") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "**Special Record Date**") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from GBRA. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for redemption and payment to the Paying Agent/Registrar at its designated office (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Bonds shall be payable in the regular manner described above). GBRA covenants with the Registered Owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Resolution, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE FOR ANY PAYMENT DUE on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the designated trust or commercial banking office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND IS ONE OF A SERIES OF BONDS dated as of _____, 202__, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$_____ **FOR THE PURPOSE OF DESIGNING, ACQUIRING, CONSTRUCTING, AND EQUIPPING REPAIRS, REPLACEMENTS, AND IMPROVEMENTS TO THE DIVERSION DAM AND SALTWATER BARRIER LOCATED IN CALHOUN COUNTY, TEXAS, AND PAYING COSTS OF ISSUANCE.**

ON AUGUST 15, 20__, **OR ON ANY DATE THEREAFTER**, the Bonds maturing on and after August 15, 20__, may be redeemed prior to their scheduled maturities, at the option of GBRA,

with funds derived from any available and lawful source, as a whole, or in part (provided that a portion of such Bond may be redeemed only in an integral multiple of \$5,000 in principal amount) at the redemption price equal to the principal amount being called for redemption plus unpaid accrued interest. If less than all of such Bonds are to be redeemed, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

ADDITIONALLY, THE BONDS MATURING on August 15 in the years 20__, 20__, and 20__ (collectively, the "**Term Bonds**") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on **August 15** in the respective years and principal amounts shown below:

TERM BONDS MATURING AUGUST 15, 20__		TERM BONDS MATURING AUGUST 15, 2035	
REDEMPTION DATE	REDEMPTION AMOUNT (\$)	REDEMPTION DATE	REDEMPTION AMOUNT (\$)
August 15, 20__	_____	August 15, 20__	_____
August 15, 20__*	_____	August 15, 20__*	_____

TERM BONDS MATURING AUGUST 15, 20__	
REDEMPTION DATE	REDEMPTION AMOUNT (\$)
August 15, 20__	_____
August 15, 20__	_____
August 15, 20__	_____
August 15, 20__*	_____

* maturity

The principal amount of the Term Bonds required to be redeemed pursuant to the operation of such mandatory redemption requirements may be reduced, at the option of GBRA, by the principal amount of any such Term Bonds which, prior to the date of the mailing of notice of such mandatory redemption, (i) shall have been acquired by GBRA and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of GBRA, or (iii) shall have been redeemed pursuant to the optional redemption provisions described in the preceding paragraph and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 DAYS PRIOR to the date fixed for any redemption of Bonds or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books maintained by the Paying Agent/Registrar on the day such notice of redemption is mailed. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. The notice may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that GBRA retains the right to rescind such notice at any time prior to the scheduled redemption date if GBRA delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is so rescinded. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is mailed (and not rescinded), and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of GBRA, all as provided in the Bond Resolution.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Resolution, this Bond may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having any authorized denomination or denominations as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any

Bond or portion thereof will be paid by GBRA. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange of a Bond (i) during the period commencing with the close of business on any Record Date immediately preceding a principal or interest payment date for such Bond and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, such limitation of transfer shall not be applicable to an exchange by the Registered Owner of an unredeemed balance of a Bond called for redemption in part.

WHENEVER THE BENEFICIAL OWNERSHIP of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT ANY PAYING AGENT/REGISTRAR for the Bonds is changed by GBRA, resigns, or otherwise ceases to act as such, GBRA has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; and that this Bond, together with the outstanding "Previously Issued Parity Obligations" (as defined in the Bond Resolution) is a special obligation of GBRA, secured by and payable from an irrevocable lien on and pledge of the "Pledged Revenues," as such term is defined in the Bond Resolution, which generally consist of the gross revenues received by GBRA from the sale or commitment of raw water currently stored in Canyon Reservoir and from other sources of firm, dependable supplies of stored water as they are acquired and developed in the "Water Supply System" of GBRA's Water Resources Division (but specifically excluding any revenues received from the sale or commitment of raw water from "run-of-the-river" rights and from any future ground water projects developed by GBRA or in which GBRA has an ownership interest).

GBRA HAS RESERVED THE RIGHT TO AMEND the Bond Resolution as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING THE REGISTERED OWNER of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of GBRA, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each Registered Owner hereof and GBRA.

IN WITNESS WHEREOF, GBRA has caused this Bond to be signed with the manual or facsimile signature of the Chair or Vice Chair of the Board of Directors of GBRA and countersigned with the manual or facsimile signature of the Secretary/Treasurer of the Board of Directors of GBRA, and has caused the official seal of GBRA to be duly impressed, or placed in facsimile, on this Bond.

(facsimile signature)
Secretary/Treasurer, Board of Directors
Guadalupe-Blanco River Authority

(facsimile signature)
[Vice] Chair, Board of Directors
Guadalupe-Blanco River Authority

(SEAL)

FORM OF REGISTRATION CERTIFICATE OF
THE COMPTROLLER OF PUBLIC ACCOUNTS:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a bond, bonds, or a portion of a bond or bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

UMB BANK, N.A.
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

/_____/
(Assignee's Social Security or Taxpayer Identification) (Print or typewrite Assignee's name and address, including zip code)

and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

INITIAL BOND INSERTIONS

The Initial Bond shall be in the form set forth above except that:

- (A) Immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.
- (B) The first paragraph shall be deleted and the following shall be inserted:

"ON THE RESPECTIVE MATURITY DATES specified below, the ***GUADALUPE-BLANCO RIVER AUTHORITY ("GBRA")***, being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "***Registered Owner***"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from the date of initial delivery of this Bond (as shown on the records of the Paying Agent/Registrar, defined below) at the respective Interest Rates per annum specified below, payable on _____15, 2023, and semiannually on each February 15 and August 15 thereafter to the respective Maturity Dates specified below or date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Bond are set forth in the following schedule:

<u>MATURITY DATE</u> <u>(AUGUST 15)</u>	<u>PRINCIPAL</u> <u>INSTALLMENT (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

[Insert information from Exhibit A hereto]

(C) The Initial Bond shall be numbered "T-1."

SECTION 6. DEFINITIONS. In addition to the capitalized terms which are defined in the recitals or in Section 1 through Section 4 of this Resolution, the following words and terms used in this Resolution shall have the following meanings unless the context or use indicates another meaning or intent.

"Additional Bonds" means the additional parity revenue obligations which GBRA reserves the right to issue and deliver in the future, as provided in Section 20 of this Resolution.

"Board of Directors" or **"Board"** means the governing body of GBRA.

"Fiscal Year" means the twelve-month period commencing on September 1 and ending on the next August 31, or such other period commencing on the date designated by GBRA and ending one year later.

"Holder", **"Bondholder"** and **"Registered Owner"** each means the registered owner of any Parity Obligation as shown on the Registration Books maintained by the Paying Agent/Registrar.

"Net Revenues" means Raw Water Gross Revenues less Operating Expenses.

"Operating Expenses" means all reasonable and necessary expenses required for the efficient operation and maintenance of the property contained or maintained within, and the functions performed by or within, the Water Supply System of the Water Resource Division, including, without limitation, lease payments, insurance premiums and charges for the accumulation of appropriate reserves for self-insurance, administrative expenses, salaries, labor, fees, utilities, materials, contractual and professional services, keeping the property contained or maintained therein in good condition and working order, making all needed repairs, and providing for all needed periodic and non-recurring items of maintenance.

"Parity Obligations" means, collectively, the Previously Issued Parity Obligations, the Series 2022A Bonds, and any Additional Bonds then outstanding.

"Pledged Revenues" means, collectively (i) the Raw Water Gross Revenues, and (ii) any other revenues of GBRA which, in the future, at the option of GBRA, may be pledged to the payment of the Parity Obligations by resolution duly adopted by the Board.

"Previously Issued Parity Obligations" means, collectively, the currently outstanding bonds of the following Series of Parity Obligations:

- (i) *Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2012*, dated as of March 15, 2012, issued in the original aggregate principal amount of \$4,400,000;
- (ii) *Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2015*, dated as of November 15, 2015, issued in the original aggregate principal amount of \$2,000,000;
- (iii) *Guadalupe-Blanco River Authority General Improvement Revenue Refunding Bonds, Series 2020*, dated as of July 1, 2020, issued in the original aggregate principal amount of \$5,300,000;
- (iv) *Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2021*, dated as of September 1, 2021, issued in the original aggregate principal amount of \$27,915,000; and
- (v) *Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2022*, dated as of April 15, 2022, issued in the original aggregate principal amount of \$9,810,000.

"Principal and Interest Requirements" means for any Fiscal Year the amount required to pay the interest on and principal of (whether pursuant to a stated maturity or redemption requirements applicable thereto) all Parity Obligations coming due in such Fiscal Year. In calculating Principal and Interest Requirements, the principal and interest coming due in any Fiscal Year on any Parity Obligations which bear interest at a variable rate which cannot be predetermined shall be assumed to be that which would come due if (i) the interest rate on such Parity Obligations for the applicable period was the interest rate that was in effect on the last day of the immediately preceding Fiscal Year (or, if such Parity Obligations were issued during the current Fiscal Year, then the first interest rate in effect for such Parity Obligations) and (ii) the principal amortization schedule would be that which would result in substantially level debt service throughout the remaining term of such Parity Obligations assuming such interest rate. In calculating Principal and Interest Requirements if any such Parity Obligations do not pay current interest during the term to maturity thereof, but rather accrete in value according to a schedule, the principal and interest coming due on any such Parity Obligations shall be calculated as equal to the accreted value at maturity.

"Rating Agency" means one or more nationally recognized credit rating agencies then maintaining a rating on the Parity Obligations at the request of GBRA.

"Raw Water Gross Revenues" means all revenues received by GBRA from the sale or commitment of raw water currently stored in Canyon Reservoir and other sources of firm, dependable supplies of stored water as they are acquired and developed in the Water Supply System of the Water Resources Division (or any successor thereof), such raw water being sold in accordance with various long-term contracts between GBRA and the purchaser thereof. Such term specifically excludes any revenues received from the sale or commitment of raw water from "run-of-the-river" rights and from any future ground water projects developed by GBRA or in which GBRA has an ownership interest.

"Reimbursement Obligation" shall mean any obligation entered into by GBRA in connection with any Reserve Fund Credit Facility pursuant to which GBRA obligates itself to reimburse a financial institution, insurance company or other entity for amounts paid or advanced by such entity pursuant to a Reserve Fund Credit Facility. Reimbursement Obligations may be payable from and secured by a lien on Pledged Revenues which is on parity with, or subordinate to, the lien on Pledged Revenues which secures the Parity Obligations pursuant to this Resolution.

"Reserve Fund Credit Facility" shall mean a policy of insurance, surety bond, letter of credit or similar instrument or contract which (i) is issued by an insurance company or financial institution whose senior debt securities are rated in the one of the three highest rating categories by the rating agencies which provide a rating, at GBRA's request, on the Parity Obligations, (ii) may not be terminated by the entity providing the facility prior to the final maturity date of the particular series of Parity Obligations for which an account in the Reserve Fund is established pursuant to the resolution authorizing such series of Parity Obligations, and (iii) may be drawn upon demand by GBRA to provide funds to pay Principal and Interest Requirements on such particular series of Parity Obligations in the event moneys on deposit in the Interest and Sinking Fund are insufficient to make such payment.

"Series 2022A Bonds" means the *"Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2022A"* authorized by this Resolution.

"Water Resources Division" means the operating division of GBRA currently known as the Water Resources Division.

"Water Supply System of the Water Resources Division" means the separate unit under the Water Resources Division currently known generally as the "Water Supply System" under which most functions and operations related to the collection, storage and sale of raw water from Canyon Reservoir (and, in the future, other sources of firm, dependable supplies of raw water) are performed and accounted for.

SECTION 7. CUMULATIVE EFFECT OF RESOLUTION; SECURITY FOR PARITY OBLIGATIONS.

(a) Cumulative Effect of Resolution. The Series 2022A Bonds are "Additional Bonds" issued pursuant to applicable sections of the resolutions authorizing the issuance of the Previously Issued Parity Obligations, and are in all respects on a parity with the Previously Issued Parity Obligations. Sections 6 through 21 of this Resolution substantially restate, and are supplemental to and cumulative of, Sections 6 through 21 of the resolutions authorizing the issuance of the Previously Issued Parity Obligations, so that Sections 6 through 21 of this Resolution are applicable to all Parity Obligations, including any future Additional Bonds, and state all requirements with respect thereto.

(b) Pledged Revenues. The Parity Obligations, including the Series 2022A Bonds, are special obligations of GBRA and are secured by the Pledged Revenues. The Pledged Revenues are hereby pledged to the payment of the principal of, premium, if any, and interest on the Parity Obligations as the same shall become due and payable, and the Pledged Revenues are further pledged to the establishment and maintenance of the Interest and Sinking Fund and the Reserve Fund to the extent hereinafter provided. The Parity Obligations are and will be secured by and payable only from the Pledged Revenues and are not secured by or payable from a mortgage or deed of trust on any properties, whether real, personal, or mixed of GBRA or any other revenues of GBRA. GBRA agrees to pay the principal of, premium, if any, and the interest on the Parity Obligations when due, whether by reason of maturity or redemption.

(c) Rate Covenant. So long as any Parity Obligations are Outstanding, GBRA covenants that it will establish, charge and collect raw water charges for the sale or commitment of raw water which shall be sufficient, together with other revenues pledged hereunder, if any, to produce Net Revenues in an amount at least equal to 110% of the average Annual Principal and Interest Requirements for the Outstanding Parity Obligations.

SECTION 8. CREATION OF FUNDS. (a) Creation of Interest and Sinking Fund. There previously has been created, and shall hereby be maintained, on the financial records of GBRA (or at an official depository of GBRA), for the pro rata benefit of all Parity Obligations, the **GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BONDS INTEREST AND SINKING FUND**, hereinafter called the "Interest and Sinking Fund."

(b) Creation of Reserve Fund. Additionally, there has previously been created, and shall hereby be maintained, for the benefit only of the registered owners of a particular series of Parity Obligations for which an account is created in the resolution authorizing such series of Parity Obligations, and shall be maintained on the financial records of GBRA (or at an official depository of GBRA), for the pro rata benefit of all Parity Obligations of such series for which an account is created, the **GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BONDS RESERVE FUND**, hereinafter called the "**Reserve Fund**." GBRA may create and establish accounts in the Reserve Fund pursuant to the provisions of any resolution authorizing the issuance of Parity Obligations for the purpose of securing that particular issue or series of Parity Obligations or any specific group of issues or series of Parity Obligations and the amounts once deposited or credited to said account shall no longer constitute Pledged Revenues and shall be held solely for the benefit of the registered owners of the particular Parity Obligations for which such account in the Reserve

Fund was established. Each such account in the Reserve Fund shall be designated in such manner as is necessary to identify the Parity Obligations it secures and to distinguish such account from all other accounts in the Reserve Fund created for the benefit of a particular series of Parity Obligations. All terms relating to the requirements to establish, fund and maintain required balances in an account of the Reserve Fund, including but not limited to the use of any Reserve Fund Credit Facility therein, shall be set forth in the resolution authorizing the issuance of the particular series of Parity Obligations for which such account is established.

(c) Authority to Create Construction Fund. Additionally, there has previously been created, and shall hereby be maintained, on the financial records of GBRA a project construction fund (a "**Construction Fund**") in connection with the issuance of any series of Parity Obligations issued for the purpose of financing the acquisition, construction, improvement, and equipping of capital projects. Money in the Construction Fund shall be subject to disbursements by GBRA for payment of all costs incurred in carrying out the purpose for which such Parity Obligations are issued, including but not limited to costs for construction, engineering, architecture, financing, financial consultants and legal services related to the projects being financed with proceeds of such Parity Obligations.

SECTION 9. REVENUE FUND; DEPOSIT AND DISTRIBUTION OF RAW WATER GROSS REVENUES. (a) Revenue Fund; Deposit of Gross Revenues in Revenue Fund. In accordance with procedures previously established at GBRA, all Raw Water Gross Revenues are deposited, and are hereby directed to be deposited, into a separate fund in the Water Supply System of the Water Resources Division known generally as the "Revenue Fund of the Water Supply System" and herein referred to as the "**Revenue Fund**."

(b) Distribution of Gross Revenues in Revenue Fund. Funds on deposit in the Revenue Fund are hereby pledged to secure payment of the Parity Obligations. The funds on deposit in the Revenue Fund of the Water Supply System shall be transferred therefrom and deposited into the Interest and Sinking Fund and the Reserve Fund in the manner and amounts hereinafter provided, and each of such Funds shall have priority as to such deposits in the order in which they are treated in the following two sections. Any moneys on deposit in the Revenue Fund after making such required deposits to the Interest and Sinking Fund and the Reserve Fund shall next be used to pay all Operating Expenses of the Water Supply System which are not paid from other sources. Thereafter, funds on deposit in the Revenue Fund may be used for any lawful purpose.

SECTION 10. INTEREST AND SINKING FUND. Immediately after the delivery of any series of Parity Obligations, all moneys representing accrued interest, if any, received by GBRA upon the sale and delivery of such Parity Obligations to the initial purchaser thereof, together with all capitalized interest being financed with proceeds of such Parity Obligations, if any, shall be deposited to the credit of the Interest and Sinking Fund. In addition, there shall be transferred from the Revenue Fund and deposited into the Interest and Sinking Fund the following:

(a) on or before the 25th day of each month, commencing with the month immediately following the issuance of any series of Parity Obligations, there shall

be deposited into the Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the interest scheduled to come due on all outstanding Parity Obligations on the next interest payment date.

(b) on or before the 25th day of each month, commencing with the twelfth (12th) month preceding the first principal payment date for a series of Parity Obligations, or commencing with the month immediately following the issuance of any series of Parity Obligations if delivery of such series of Parity Obligations is made less than twelve months preceding the first principal payment date for such series of Parity Obligations, there shall be deposited into the Interest and Sinking Fund in approximately equal installments an amount as will be sufficient, together with other amounts, if any, then on deposit therein and available for such purpose, to pay the principal scheduled to come due (either at stated maturity or due to mandatory sinking fund redemption) on all outstanding Parity Obligations on the next principal payment date.

(c) on or before any optional redemption date set by GBRA for any Parity Obligations, there shall be deposited into the Interest and Sinking Fund an amount as will be sufficient to pay the principal of, premium, if any, and interest on the Parity Obligations scheduled to be redeemed on such optional redemption date.

The Interest and Sinking Fund shall be used solely to pay the principal of and interest on the Parity Obligations when due, and the General Manager/CEO and the chief financial officer of GBRA are hereby authorized to cause funds to be transferred from the Interest and Sinking Fund to the Paying Agent/Registrar at the times and in the amounts to pay Principal and Interest Requirements.

SECTION 11. RESERVE FUND. (a) Use of Funds. Funds on deposit in an account of the Reserve Fund established for the benefit of a particular series of Parity Obligations shall be used to (i) pay the principal of and interest on such series of Parity Obligations for which such account was created at any time when there is not sufficient money available in the Interest and Sinking Fund for such purpose, (ii) pay the principal of or interest on the last maturing Parity Obligations of such series, or (iii) pay Reimbursement Obligations to restore the amount available to be drawn under a Reserve Fund Credit Facility to its original amount. If the amount on deposit in an account of the Reserve Fund for a particular series of Parity Obligations consists of cash and investments and a Reserve Fund Credit Facility, all cash and investments in such account shall be liquidated and withdrawn prior to drawing on the Reserve Fund Credit Facility. If more than one Reserve Fund Credit Facility is maintained in an account of the Reserve Fund, any withdrawals on such Reserve Fund Credit Facilities shall be pro rata.

(b) Series 2012 Bonds Not Secured with Reserve Fund. No account was established in the Reserve Fund for the benefit of the Holders of the "Series 2012 Bonds" (as referenced in the definition of the term Previously Issued Parity Obligations in Section 6 hereof); consequently, no

proceeds of the Series 2012 Bonds were deposited into the Reserve Fund, no funds shall be deposited into the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2012 Bonds shall not be entitled to any funds which may be on deposit in the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(c) Series 2015 Bonds Not Secured with Reserve Fund. No account was established in the Reserve Fund for the benefit of the Holders of the "Series 2015 Bonds" (as referenced in the definition of the term Previously Issued Parity Obligations in Section 6 hereof); consequently, no proceeds of the Series 2015 Bonds were deposited into the Reserve Fund, no funds shall be deposited into the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2015 Bonds shall not be entitled to any funds which may be on deposit in the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(d) Series 2020 Bonds Not Secured with Reserve Fund. No account was established in the Reserve Fund for the benefit of the Holders of the "Series 2020 Bonds" (as referenced in the definition of the term Previously Issued Parity Obligations in Section 6 hereof); consequently, no proceeds of the Series 2020 Bonds were deposited into the Reserve Fund, no funds shall be deposited into the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2020 Bonds shall not be entitled to any funds which may be on deposit in the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(e) Series 2021 Bonds Not Secured with Reserve Fund. No account was established in the Reserve Fund for the benefit of the Holders of the "Series 2021 Bonds" (as referenced in the definition of the term Previously Issued Parity Obligations in Section 6 hereof); consequently, no proceeds of the Series 2021 Bonds were deposited into the Reserve Fund, no funds shall be deposited into the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2021 Bonds shall not be entitled to any funds which may be on deposit in the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(e) Series 2022 Bonds Not Secured with Reserve Fund. No account was established in the Reserve Fund for the benefit of the Holders of the "Series 2022 Bonds" (as referenced in the definition of the term Previously Issued Parity Obligations in Section 6 hereof); consequently, no proceeds of the Series 2022 Bonds were deposited into the Reserve Fund, no funds shall be deposited into the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2022 Bonds shall not be entitled to any funds which may be on deposit in the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(f) Series 2022A Bonds Not Secured with Reserve Fund. No account is being established in the Reserve Fund for the benefit of the Holders of the Series 2022A Bonds; consequently, no proceeds of the Series 2022A Bonds shall be deposited into the Reserve Fund, no funds shall be deposited into the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution), and the Holders of the Series 2022A Bonds shall not be entitled to any funds which may be on deposit in the Reserve Fund (unless otherwise provided by GBRA in a subsequent resolution).

(g) Reserve Fund Requirements to be Set Forth in Additional Bonds Resolution. In the event GBRA establishes an account in the Reserve Fund for the benefit of the Holders of a particular series of Parity Obligations, all provisions with respect to the funding requirements and other details shall be set forth in the resolution authorizing such series of Parity Obligations.

SECTION 12. DEFICIENCIES IN FUNDS; PAYMENTS FROM OTHER SOURCES.

(a) Deficiencies in Funds. If by the last business day of any month GBRA shall fail to deposit into the Interest and Sinking Fund or the Reserve Fund the full amounts required by this Resolution, amounts equivalent to such deficiencies shall be set apart and paid into said Funds from the first available and unallocated Pledged Revenues for the following month or months, if necessary and whichever is the earliest, and such payments shall be in addition to the amounts otherwise required in this Resolution to be paid into said Funds on or before the last business day of each month.

(b) Payment From Other Sources. GBRA may, but shall not be obligated to, advance money other than Pledged Revenues to the payment of the obligations hereunder to the Interest and Sinking Fund and/or the Reserve Fund, but if GBRA does apply money from any of its funds other than Pledged Revenues, GBRA shall be entitled to reimbursement of such money so advanced from Pledged Revenues thereafter received.

SECTION 13. INVESTMENTS. (a) Permitted Investments and Deposit of Earnings. Funds on deposit in any Fund created or maintained by this Resolution or any fund created by a resolution authorizing the issuance of Additional Bonds may be invested from time to time in any investment authorized by applicable law, including but not limited to the Public Funds Investment Act (Chapter 2256, Texas Government Code), and GBRA's investment policy adopted in accordance with the provisions of the Public Funds Investment Act; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; provided, however, any such income and profits from investments in (i) an account in the Reserve Fund shall be transferred to the Interest and Sinking Fund if the amount then on deposit in such account of the Reserve Fund equals or exceeds the amount required to be on deposit therein, and (ii) any such income and profits from investments in the Construction Fund may be withdrawn by GBRA and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Bonds. Such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

(b) Rebate Fund Exception. Notwithstanding the provisions of the preceding paragraph, interest and income derived from any investment of money on deposit in any Fund created or maintained pursuant to this Resolution shall first be transferred to the Rebate Fund established by Section 25(b) of this Resolution at the times and in the amounts required to pay (or provide for the payment of) "Excess Earnings" as defined in Section 148(f) of the Internal Revenue Code of 1986, as amended.

SECTION 14. SECURITY FOR FUNDS. All money on deposit in the Funds for which this Resolution makes provision (except any portions thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds.

SECTION 15. OPERATION AND MAINTENANCE. While any of the Parity Obligations are outstanding GBRA covenants and agrees to keep and cause to be kept the property included within its Water Supply System of the Water Resources Division in good condition, repair, and working order.

SECTION 16. INSURANCE. (a) Requirement to Maintain Insurance. GBRA shall cause to be insured properties contained or maintained within the Water Supply System of the Water Resources Division as would usually be insured by corporations operating like properties, with a responsible insurance company or companies or risk management fund, against risks, accidents or casualties against which and to the extent insurance is usually carried by corporations operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance and public liability and property damage insurance; provided, however, that public liability and property damage insurance need not be carried if legal counsel for GBRA gives a written opinion to the effect that GBRA is not liable for claims which would be protected by such insurance. All insurance premiums shall be paid as an Operating Expense of the expense of operation of the Water Supply System of the Water Resources Division. At any time while any contractor engaged in construction work shall be fully responsible therefor, GBRA shall not be required to carry insurance on the work being constructed if the contractor is required to carry appropriate insurance. All such policies shall be open to the inspection of the Bondholders and their representatives at all reasonable times.

(b) Use of Insurance Proceeds. Upon the occurrence of any loss or damage to property covered by insurance described in subsection (a) above, GBRA shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to GBRA. The proceeds of insurance covering such property shall be used by GBRA for repairing the property damaged or replacing the property destroyed; provided, however, that if GBRA determines that reconstruction or repair of the property damaged is impractical, then GBRA will deposit the insurance proceeds in the Interest and Sinking Fund to be used in payment or redemption of outstanding Parity Obligations. Upon payment in full of the Parity Obligations and all Reimbursement Obligations, any unexpended insurance proceeds shall be deposited into the Revenue Fund of the Water Supply System of the Water Resources Division in amounts reasonably determined by the chief financial officer of GBRA. Unless the insurance proceeds are deposited in the Interest and Sinking Fund as described above, such proceeds shall be deposited in a special and separate trust fund, at an official depository of GBRA, to be designated the Insurance Account, and GBRA covenants that it will begin such reconstruction or repair promptly after such loss or damage shall occur and will continue and properly complete the same as expeditiously as possible and will pay, or cause to be paid, all costs and expenses in connection therewith out of the Insurance Account so that the same shall be completed and the property be free and clear of all mechanic's and other liens or claims. Any insurance proceeds remaining after the completion of and payment for any such reconstruction or repairs shall be deposited in the Interest and Sinking Fund.

SECTION 17. ANNUAL BUDGET; ACCOUNTS AND RECORDS. (a) Annual Budget. GBRA covenants that it will prepare an annual budget and take such action as may be necessary promptly to adopt the annual budget and to amend the annual budget.

(b) Accounts and Records. GBRA shall keep or cause to be kept proper books of records and accounts in which complete and correct entries shall be made of all transactions relating to the Pledged Revenues, and the Revenue Fund and the Funds created pursuant to this Resolution, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Holder.

SECTION 18. AUDITS. After the close of each Fiscal Year while any of the Parity Obligations are outstanding, an audit will be made of the books and accounts relating to the Pledged Revenues and the Revenue Fund and the Funds created pursuant to this Resolution by an independent certified public accountant. As soon as practicable after the close of each such Fiscal Year, and when said audit has been completed and made available to GBRA, a copy of such audit for the preceding year shall be mailed to the Paying Agent/Registrar and to any Holders who shall so request in writing. The annual audit reports shall be open to the inspection of the Holders and their agents and representatives at all reasonable times.

SECTION 19. SPECIAL COVENANTS. GBRA further covenants and agrees that:

(a) Encumbrance and Sale. (i) Other than with respect to the Parity Obligations and except as provided in this Resolution, the Pledged Revenues have not been pledged in any manner to the payment of any debt or obligation of GBRA, or otherwise, and while any of the Parity Obligations are outstanding, GBRA will not, except as provided in this Resolution with respect to the issuance of Additional Bonds, additionally encumber the Pledged Revenues unless such encumbrance is made junior and subordinate in all respects to the Parity Obligations and all liens, pledges, and covenants made in connection therewith.

(ii) So long as the Parity Obligations are outstanding, and except as hereinafter specifically permitted in subparagraph (iii) below, GBRA shall not mortgage, encumber, sell, lease, or otherwise dispose of any significant or substantial part of the Water Supply System of the Water Resources Division.

(iii) Notwithstanding the provisions in subparagraph (ii) hereof prohibiting the sale of any substantial part of the Water Supply System of the Water Resources Division, GBRA shall be authorized from time to time to sell any real property or personal property relating to the Water Supply System of the Water Resources Division if such real property or personal property is no longer needed or is no longer useful and the sale thereof will not adversely affect the operation and maintenance thereof. The proceeds from the sale of any personal property shall be used to replace or provide substitutes for the property sold, if, and to the extent, deemed necessary by GBRA, and all such proceeds which are not so used, together with all proceeds from the sale of any real estate relating to the Pledged Revenue

System as permitted herein, shall be deposited into the respective Pledged Revenue Fund from which such property was derived.

(b) *Liens*. GBRA will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or on the Water Supply System of the Water Resources Division, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon the Water Supply System of the Water Resources Division, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and that no such claims which might be or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by GBRA.

(d) *Performance*. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Bonds, and in each and every Parity Obligation and pay from the Pledged Revenues the principal of and interest on every Parity Obligation on the dates and in the places and manner prescribed in this Resolution; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Pledged Revenues the amounts required to be deposited into the Interest and Sinking Fund and the Reserve Fund; and the owner of the Parity Obligations may require GBRA, its officials, agents, and employees to carry out, respect, or enforce the covenants and obligations of this Resolution, including, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against GBRA, its officials, agents, and employees.

(e) *Legal Authority*. GBRA is duly authorized under the laws of the State of Texas to issue the Parity Obligations; that all actions on its part for the issuance of the Parity Obligations has been duly and effectively taken, and that the Parity Obligations in the hands of the owners thereof are and will be valid and enforceable special obligations of GBRA in accordance with their terms.

(f) *Permits*. GBRA will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the Water Supply System of the Water Resources Division, and which have been obtained from any governmental agency; and GBRA has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the Water Supply System of the Water Resources Division.

(g) *No Optional Redemption of Parity Obligations if Reimbursement Obligations are Outstanding*. GBRA will not authorize the optional redemption of any Parity Obligations if any

Reimbursement Obligations remain outstanding and unpaid to any provider of a Reserve Fund Credit Facility without first receiving the written approval of such provider.

SECTION 20. ADDITIONAL BONDS. (a) GBRA shall have the right and power at any time and from time to time, and in one or more series or issues, to authorize, issue, and deliver additional parity revenue obligations (herein called "Additional Bonds") in accordance with law, in any amounts, and for any lawful purpose of GBRA including, but not limited to, acquiring land and water rights, acquiring and constructing new facilities or extensions and improvements to any of GBRA's existing facilities, acquiring equipment, and refunding any Parity Obligations and/or the interest thereon. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the then outstanding Parity Obligations from a first lien on and pledge of the Pledged Revenues. Such Parity Obligations may be issued in such form and manner as now or hereafter authorized by the laws of the State of Texas for the issuance of evidences of indebtedness or other instruments, and should new methods or financing techniques be developed that differ from those now available and in normal use, GBRA reserves the right to employ the same in its financing arrangements, provided, however, that the following conditions precedent for the authorization and issuance of the same are satisfied, to wit:

(1) *No Default/Compliance with Covenants.* The chief financial officer of GBRA shall have executed a certificate stating (a) that, to the best of his or her knowledge and belief, GBRA is not then in default as to any covenant, obligation or agreement contained in any resolution or other proceeding relating to any obligations of GBRA payable in whole or in part from, and secured by a lien on and pledge of, the Pledged Revenues that would materially affect the security or payment of the Parity Obligations, and (b) either (i) payments into all special funds or accounts created and established for the payment and security of all outstanding Parity Obligations have been made and that the amounts on deposit in such special funds or accounts are the amounts then required to be on deposit therein or (ii) the application of the proceeds of sale of such Parity Obligations then being issued will cure any such deficiency.

(2) *Historical Net Revenues Test.* The chief financial officer of GBRA shall have executed a certificate to the effect that, according to the books and records of GBRA, the Net Revenues for the preceding Fiscal Year, or for a 12 consecutive month period out of the 18 consecutive months immediately preceding the month the resolution authorizing the issuance of such Additional Bonds is adopted, are equal to at least 125% of the average Principal and Interest Requirements for all Parity Obligations (including such Additional Bonds proposed to be issued) which will remain outstanding following delivery of such Additional Bonds. In making the determination of the Net Revenues, the chief financial officer may take into consideration a change in the rates and charges which result in the collection of Pledged Revenues that became effective at least sixty (60) days prior to the last day of the period for which Pledged Revenues are determined and, for purposes of satisfying the above Net Revenues test, make a pro forma determination of the Net Revenues of GBRA for the period of time covered by this certification based on such forecast of additional Pledged Revenues

provided by such additional rates and charges being in effect for the entire period covered by the chief financial officer's certificate.

(b) No Additional Bonds bearing interest at a variable rate, paying principal on a date other than *August 15*, or paying interest on any dates other than *February 15* and *August 15*, may be issued without the prior written consent of each provider of a Reserve Fund Credit Facility.

SECTION 21. RESOLUTION A CONTRACT; AMENDMENTS. (a) This Resolution shall constitute a contract with the registered owners of the Parity Obligations, binding on GBRA and its successors and assigns, and shall not be amended or repealed by GBRA as long as any Parity Obligation remains outstanding except as permitted in this Section.

(b) GBRA may, with notice to the provider of each Reserve Fund Credit Facility but without the consent of or notice to any registered owners, amend, change, or modify this Resolution (i) as may be required by the provisions hereof, (ii) as may be required for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change (other than any change described in clauses (i) through (iv) of the first sentence in subsection (c) below) with respect to which GBRA receives written confirmation from each Rating Agency that such amendment would not cause such Rating Agency to withdraw or reduce its then current rating on the Parity Obligations.

(c) In addition, GBRA may, with the written consent of the provider of each Reserve Fund Credit Facility and the registered owners of at least a majority in aggregate principal amount of the Parity Obligations then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Resolution; provided that without the consent of all of the registered owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Parity Obligations, reduce the principal amount thereof or the rate of interest thereof, (ii) give any preference to any Parity Obligation over any other Parity Obligation, (i) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Parity Obligations required for consent to any such amendment, change, modification, or rescission.

(d) Whenever GBRA shall desire to make any amendment or addition to or rescission of this Resolution requiring consent of the provider of each Reserve Fund Credit Facility and/or the registered owners of the Parity Obligations, GBRA shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to (i) the provider of each Reserve Fund Credit Facility, and (ii) the registered owners (if the registered owners of all Parity Obligations or least a majority in aggregate principal amount of the Parity Obligations are required to consent) at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, GBRA shall receive an instrument or instruments in writing executed by the provider of each Reserve Fund Credit Facility and the registered owners of all or a majority (as the case may be) in aggregate principal amount of the Parity Obligations then outstanding affected by any such amendment, addition, or rescission requiring the consent of the registered owners, which instrument or instruments shall refer to the proposed amendment, addition,

or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, GBRA may adopt such amendment, addition, or rescission in substantially such form, except as herein provided.

(e) No Registered Owner may thereafter object to the adoption of any amendment, addition, or rescission which is accomplished pursuant to and in accordance with the provisions of this Section, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 22. DEFEASANCE OF SERIES 2022A BONDS. (a) Defeasance. Any Series 2022A Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "**Defeased Series 2022A Bond**") within the meaning of this Resolution, except to the extent provided in the last sentence of this subsection, when payment of the principal of such Series 2022A Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "**Future Escrow Agreement**") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by GBRA with the Paying Agent/Registrar for the payment of its services until all Defeased Series 2022A Bonds shall have become due and payable. At such time as a Series 2022A Bond shall be deemed to be a Defeased Series 2022A Bond hereunder, as aforesaid, such Series 2022A Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Net Revenues herein pledged as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Resolution to the contrary, it is hereby provided that any determination not to redeem Defeased Series 2022A Bonds that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, GBRA expressly reserves the right to call the Defeased Series 2022A Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Series 2022A Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Investment of Funds in Defeasance Securities. Any moneys so deposited with the Paying Agent/Registrar may at the written direction of GBRA be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Series 2022A Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to GBRA, or deposited as directed in writing by GBRA. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of

Defeased Series 2022A Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Series 2022A Bonds, with respect to which such money has been so deposited, shall be remitted to GBRA or deposited as directed in writing by GBRA.

(c) Definition of Defeasance Securities. The term "**Defeasance Securities**" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date on the date the governing body of GBRA adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Series 2022A Bonds.

(d) Duties of Paying Agent/Registrar. Until all Defeased Series 2022A Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Series 2022A Bonds the same as if they had not been defeased, and GBRA shall make proper arrangements to provide and pay for such services as required by this Resolution.

(e) Selection of Series 2022A Bonds to be Defeased. In the event that GBRA elects to defease less than all of the principal amount of Series 2022A Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Series 2022A Bonds by such random method as it deems fair and appropriate.

SECTION 23. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED SERIES 2022A BONDS. (a) Replacement Bonds. In the event any outstanding Series 2022A Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Series 2022A Bond, in replacement for such Series 2022A Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Series 2022A Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Series 2022A Bond, the registered owner applying for a replacement bond shall furnish to GBRA and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them

harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Series 2022A Bond, the registered owner shall furnish to GBRA and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Series 2022A Bond, as the case may be. In every case of damage or mutilation of a Series 2022A Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Series 2022A Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Series 2022A Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Series 2022A Bond, GBRA may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Series 2022A Bond) instead of issuing a replacement Series 2022A Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the registered owner of such Series 2022A Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Series 2022A Bond is lost, stolen, or destroyed shall constitute a contractual obligation of GBRA whether or not the lost, stolen, or destroyed Series 2022A Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Series 2022A Bonds duly issued under this Resolution.

(e) Authority for Issuing Replacement Bonds. This Section of this Resolution shall constitute authority for the issuance of any such replacement bond without necessity of further action by the governing body of GBRA or any other body or person, and the duty of the replacement of such bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Series 2022A Bonds in the form and manner and with the effect, as provided in this Resolution for Series 2022A Bonds issued in conversion and exchange for other Series 2022A Bonds.

SECTION 24. CUSTODY, APPROVAL, AND REGISTRATION OF SERIES 2022A BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS. The Chair of the Board of Directors of GBRA is hereby authorized to have control of the Series 2022A Bonds issued hereunder and all necessary records and proceedings pertaining to the Series 2022A Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 2022A Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate on the Series 2022A Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on the Series 2022A Bonds. The approving legal opinion of GBRA's Bond Counsel, and the assigned CUSIP numbers may, at the option of GBRA, be printed on the Series 2022A Bonds issued and delivered under this Resolution, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Series 2022A Bonds.

SECTION 25. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE SERIES 2022A BONDS.

(a) Covenants. GBRA covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Series 2022A Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, GBRA covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Series 2022A Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Series 2022A Bonds or the projects financed therewith are so used, such amounts, whether or not received by GBRA, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Series 2022A Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds five percent of the proceeds of the Series 2022A Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of five percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Series 2022A Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Series 2022A Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Series 2022A Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Series 2022A Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Series 2022A Bonds, other than investment property acquired with --

(A) proceeds of the Series 2022A Bonds invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the Series 2022A Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Series 2022A Bonds;

(7) to otherwise restrict the use of the proceeds of the Series 2022A Bonds or amounts treated as proceeds of the Series 2022A Bonds, as may be necessary, so that the Series 2022A Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Series 2022A Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Series 2022A Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Series 2022A Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Series 2022A Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) *Rebate Fund*. In order to facilitate compliance with the above covenant (8), a "***Rebate Fund***" is hereby established by GBRA for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) *Proceeds*. GBRA understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Series 2022A Bonds. It is the understanding of GBRA that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Series 2022A Bonds, GBRA will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Series 2022A Bonds under section 103

of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Series 2022A Bonds, GBRA agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Series 2022A Bonds under section 103 of the Code. In furtherance of such intention, GBRA hereby authorizes and directs the Chair and Vice Chair of the Board of Directors and the General Manager/CEO and the Executive Manager/CFO of GBRA to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of GBRA, which may be permitted by the Code as are consistent with the purpose for the issuance of the Series 2022A Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Projects. GBRA covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Resolution (collectively referred to herein as the "**Projects**") on its books and records in accordance with the requirements of the Code. GBRA recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the respective Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, GBRA recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Series 2022A Bonds, or (2) the date the Series 2022A Bonds are retired. GBRA agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Series 2022A Bonds. For purposes hereof, GBRA shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Projects. GBRA covenants that the property constituting the Projects financed or refinanced with the proceeds of the Series 2022A Bonds will not be sold or otherwise disposed in a transaction resulting in the receipt by GBRA of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Series 2022A Bonds. For purpose of the foregoing, GBRA may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Series 2022A Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, GBRA shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Written Procedures. Unless superseded by another action of the Board of Directors, the Board of Directors hereby adopts and establishes the instructions attached hereto as Exhibit C as GBRA's written procedures to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate.

Section 26. CONTINUING DISCLOSURE OF INFORMATION.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"**EMMA**" means the Electronic Municipal Market Access system being established by the MSRB.

"**Financial Obligation**" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"**MSRB**" means the Municipal Securities Rulemaking Board.

"**Rule**" means SEC Rule 15c2-12, as amended from time to time.

"**SEC**" means the United States Securities and Exchange Commission.

(b) Annual Reports. GBRA shall provide annually to the MSRB through EMMA within six months after the end of each fiscal year ending in or after 2022, financial information and operating data with respect to GBRA of the general type included in the final Official Statement authorized by this Resolution, being the information described in Exhibit C hereto as the "**Annual Operating Report**." Additionally, within six months after the end of each fiscal year, GBRA will provide financial statements of GBRA (the "**Financial Statements**") which shall be (1) prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as GBRA may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if GBRA commissions an audit of such Financial Statements and the audit is completed within the period during which they must be provided. If the audit of such Financial Statements is not complete within such period, then GBRA shall provide (1) unaudited Financial Statements for such fiscal year within such six month period, and (2) audited Financial Statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such Financial Statements become available.

If GBRA changes its fiscal year, it will notify the MSRB through EMMA of the date of the new fiscal year end prior to the next date by which GBRA otherwise would be required to provide financial information and operating data pursuant to this paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any

document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC.

(c) Event Notices.

(i) GBRA shall notify the MSRB through EMMA in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Series 2022A Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series 2022A Bonds, or other events affecting the tax-exempt status of the Series 2022A Bonds;
7. Modifications to rights of Bondholders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Series 2022A Bonds, if material;
11. Rating Changes;
12. Bankruptcy, insolvency, receivership or similar event of an obligated person.
13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of GBRA, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of GBRA, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of GBRA, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for GBRA in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of GBRA, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of GBRA in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of GBRA, and (b) GBRA intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

(ii) GBRA shall notify the MSRB through EMMA, in a timely manner, of any failure by GBRA to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) Limitations, Disclaimers, and Amendments. GBRA shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, GBRA remains an "obligated person" with respect to the Series 2022A Bonds within the meaning of the Rule, except that GBRA in any event will give notice of any deposit made in accordance with Section 8 of this Resolution that causes Series 2022A Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Series 2022A Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. GBRA undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of GBRA's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. GBRA does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Series 2022A Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL GBRA BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY GBRA, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by GBRA in observing or performing its obligations under this Section shall comprise a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of GBRA under federal and state securities laws.

The provisions of this Section may be amended by GBRA from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of GBRA, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Series 2022A Bonds in the primary offering of the Series 2022A Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the outstanding Series 2022A Bonds consent to such amendment or (b) a person that is unaffiliated with GBRA (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Series 2022A Bonds. GBRA may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Series 2022A Bonds in the primary offering of the Series 2022A Bonds. If GBRA so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 27. SALE AND DELIVERY OF SERIES 2022A BONDS; USE OF PROCEEDS.

(a) *Sale and Delivery of Series 2022A Bonds.* The Series 2022A Bonds are hereby authorized to be sold and shall be delivered, via a competitive sale, to the bidder selected by a Designated Officer identified in Exhibit A attached hereto (the "Purchaser") at a price determined by such Designated Officer as set forth in Exhibit A attached hereto. GBRA will initially deliver to

the Purchaser the Initial Series 2022A Bonds described in Section 2 hereof, which shall be registered in the name set forth in Exhibit A attached hereto.

(b) Use of Proceeds. Proceeds of the Series 2022A Bonds (other than all accrued interest, if any, and any premium on the Series 2022A Bonds that is not allocated pursuant paragraph 9 of Exhibit A to pay project costs or costs of issuance in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, which amounts shall be deposited into the Interest and Sinking Fund) shall be deposited into a "Series 2022A Account" in the Construction Fund described in Section 8(c) hereof.

SECTION 28. APPROVAL OF OFFICIAL STATEMENT. GBRA hereby authorizes the Chair, General Manager/CEO or Executive Manager for Finance/CFO to approve the form and content of an Official Statement relating to the Series 2022A Bonds and any addenda, supplement, or amendment thereto, and to approve the distribution of the Official Statement, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The preparation, distribution and use of a Preliminary Official Statement for the Series 2022A Bonds is also hereby approved.

SECTION 29. MUNICIPAL BOND INSURANCE POLICY. On the date of delivery of the Series 2022A Bonds, GBRA may obtain from the insurer approved by a Designated Officer and identified in Exhibit A attached hereto (the "**Insurer**") a municipal bond insurance policy in support of the Series 2022A Bonds. To that end, for so long as said policy is in effect, the resolution requirements of the Insurer, as a condition to the issuance of said policy, to be attached hereto as Exhibit F, are incorporated by reference into this Resolution and made a part hereof for all purposes, notwithstanding any other provision of this Resolution to the contrary. The Authority is authorized to use proceeds of the Series 2022A Bonds to purchase such policy.

SECTION 30. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Chair, Vice Chair and Secretary/Treasurer of the Board of Directors, and the General Manager/CEO, the Senior Deputy General Manager, the Deputy General Manager, and the Executive Manager of Finance/CFO of GBRA, and all other officers, employees, and agents of GBRA, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of GBRA all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Series 2022A Bonds, the sale of the Series 2022A Bonds, the Official Statement, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Series 2022A Bonds, the Chair, Vice Chair and Secretary/Treasurer of the Board of Directors, the General Manager/CEO, the Senior Deputy General Manager, the Deputy General Manager, the Executive Manager of Finance/CFO, and the General Counsel of GBRA, and GBRA's Bond Counsel are hereby authorized and directed to approve any technical changes or correction to this Resolution or to any of the instruments authorized and approved by this Resolution necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Resolution and as described in the Official

Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Series 2022A Bonds by the Attorney General's office. In case any officer whose signature shall appear on any Series 2022A Bond shall cease to be such officer before the delivery of such Series 2022A Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Executive Manager of Finance/CFO of GBRA is further authorized to pay to the Attorney General of Texas prior to the delivery of the Series 2022A Bonds, for the Attorney General's review of the transcript of proceedings related to the Series 2022A Bonds, the amount required pursuant to Section 1202.004, Texas Government Code, as amended.

SECTION 31. INTERESTED PARTIES. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than GBRA and the registered owners of the Series 2022A Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution contained by and on behalf of GBRA shall be for the sole and exclusive benefit of GBRA and the registered owners of the Series 2022A Bonds.

SECTION 32. SECURITY INTEREST. Chapter 1208, Texas Government Code, applies to the issuance of the Series 2022A Bonds and the pledge of the Pledged Revenues granted by GBRA under Section 7 of this Resolution, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Series 2022A Bonds are outstanding and unpaid such that the pledge of the Pledged Revenues granted by GBRA under Section 7 of this Resolution is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Series 2022A Bonds the perfection of the security interest in said pledge, GBRA agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 33. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event GBRA (i) defaults in the payment of the principal, premium, if any, or interest on the Series 2022A Bonds, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund or the Reserve Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution and the continuation thereof for 30 days after GBRA has received written notice of such defaults, the Holders of any of the Series 2022A Bonds shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of GBRA and other officers of GBRA to observe and perform any covenant, condition or obligation prescribed in this Resolution. Notwithstanding the foregoing, in the event the Series 2022A Bonds are insured with a municipal bond insurance policy, the provider of such insurance policy shall have the right to direct all remedies upon an event of default, and such provider shall be recognized as the registered owner of the Series 2022A Bonds for the purposes of exercising all rights and privileges available to the Holders.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies, and the specification of such remedy shall not be deemed to be exclusive.

SECTION 34. INCORPORATION OF RECITALS. GBRA hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and GBRA hereby incorporates such recitals as a part of this Resolution.

SECTION 35. SEVERABILITY. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 36. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Resolution shall become effective immediately after its adoption by the Board of Directors.

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PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE GUADALUPE-BLANCO RIVER AUTHORITY AT A REGULAR MEETING HELD ON THE 19TH DAY OF OCTOBER, 2022, AT WHICH MEETING A QUORUM WAS PRESENT.

Chair, Board of Directors
Guadalupe-Blanco River Authority

ATTEST:

Secretary/Treasurer, Board of Directors
Guadalupe-Blanco River Authority

(Seal)

** ** ** ** **

EXHIBIT A

FORM OF APPROVAL CERTIFICATE

CERTIFICATE APPROVING THE FINAL TERMS OF THE SERIES 2022A BONDS

I, as the Executive Manager of Finance/CFO of the **GUADALUPE-BLANCO RIVER AUTHORITY ("GBRA")**, pursuant to authority granted by the provisions of Section 1371.053(c), Texas Government Code, and by the Board of Directors of GBRA in Sections 1(b) and (c) of a resolution approved by the Board of Directors on October 19, 2022, relating to the issuance of the Series 2022A Bonds defined below (the "**Resolution**"), hereby certify as follows:

1. TITLE OF SERIES 2022A BONDS. This Certificate is given in connection with the issuance by GBRA of the **GUADALUPE-BLANCO RIVER AUTHORITY GENERAL IMPROVEMENT REVENUE BONDS, SERIES 2022A** (the "**Series 2022A Bonds**") which, pursuant to the Resolution, have been authorized by the Board of Directors.

2. CAPITALIZED TERMS. All capitalized terms used in this Certificate which are not otherwise defined herein shall have the same meanings as set forth in the Resolution.

3. DATED DATE AND AGGREGATE PRINCIPAL AMOUNT. The Series 2022A Bonds shall be dated _____, 202_, and shall be issued in the aggregate principal amount of \$_____.

4. MATURITIES, PRINCIPAL AMOUNTS, AND INTEREST RATES. The Series 2022A Bonds shall (i) mature on **August 15** in each of the years and in the respective principal amounts, and (ii) bear interest from date of initial delivery to their respective date of maturity or prior redemption at the respective interest rates, all as set forth below:

**GUADALUPE-BLANCO RIVER AUTHORITY
GENERAL IMPROVEMENT REVENUE BONDS, SERIES 2022A**

<u>MATURITY</u> <u>DATE</u> <u>(AUGUST 15)</u>	<u>PRINCIPAL</u> <u>AMOUNT (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>	<u>MATURITY</u> <u>DATE</u> <u>(AUGUST 15)</u>	<u>PRINCIPAL</u> <u>AMOUNT (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>
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5. **INTEREST PAYMENT DATES.** Interest on the Series 2022A Bonds shall be payable on each February 15 and August 15, commencing on _____ 15, 2023 until stated maturity or redemption.

6. **OPTIONAL REDEMPTION.** The Series 2022A Bonds maturing on and after August 15, 20__, are subject to optional redemption prior to stated maturity on August 15, 20__, and on any date thereafter at the redemption price of par plus accrued interest.

7. **MANDATORY SINKING FUND REDEMPTION.** The Bonds maturing on August 15 in the years 20__, 20__, and 20__ (collectively, the "*Term Bonds*") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on *August 15* in the respective years and principal amounts shown below:

TERM BONDS MATURING AUGUST 15, 20		TERM BONDS MATURING AUGUST 15, 20	
REDEMPTION DATE	REDEMPTION AMOUNT (\$)	REDEMPTION DATE	REDEMPTION AMOUNT (\$)
August 15, 20__	_____	August 15, 20__	_____
August 15, 20__*	_____	August 15, 20__*	_____

TERM BONDS MATURING AUGUST 15, 20	
REDEMPTION DATE	REDEMPTION AMOUNT (\$)
August 15, 20__	_____
August 15, 20__	_____
August 15, 20__	_____
August 15, 20__*	_____

* maturity

8. **PURCHASER AND PURCHASE PRICE.** The Series 2022A Bonds shall be sold to _____ (the "Purchaser") and purchased at a price equal to \$_____ (which amount is equal to par, plus an original issue premium on the Series 2022A Bonds of \$_____, less a purchaser's discount of \$_____), and no accrued interest. The Initial Series 2022A Bond shall be registered in the name of _____.

9. **TRUE INTEREST COST RATE.** The true interest cost rate for all Series 2022A Bonds is equal to __. __% (which is lower than the __. __% maximum limitation approved by the Board of Directors in the Resolution).

10. DETERMINATION REQUIRED BY SECTION 1201.022(A)(3), TEXAS GOVERNMENT CODE. In satisfaction of Section 1201.022(a)(3), Texas Government Code, as authorized by Section 1(c) of the Resolution, and upon consultation with GBRA's Financial Advisor, the undersigned hereby determines that the final terms of the Series 2022A Bonds as set forth in this Certificate are in GBRA's best interests.

[The remainder of this page intentionally left blank]

APPROVED BY THE EXECUTIVE MANAGER OF FINANCE/CFO OF THE GUADALUPE-BLANCO RIVER AUTHORITY ON THE ____ DAY OF _____, 202_, IN ACCORDANCE WITH SECTION 1(b) OF THE RESOLUTION.

Executive Manager of Finance/CFO
Guadalupe-Blanco River Authority

Signature Page to "Certificate Approving Final Terms of the Series 2022A Bonds" Relating to
Guadalupe-Blanco River Authority General Improvement Revenue Bonds, Series 2022A

EXHIBIT B
WRITTEN PROCEDURES RELATING TO
CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Series 2022A Bonds, GBRA's chief financial officer (the "**Responsible Person**"), which currently is the Executive Manager for Finance/CFO of GBRA, will:

- (i) instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Series 2022A Bonds will be entered into within six (6) months of the date of delivery of the Series 2022A Bonds (the "**Issue Date**");
- (ii) monitor that at least 85% of the proceeds of the Series 2022A Bonds to be used for the construction, renovation or acquisition of any facilities are expended within three (3) years of the Issue Date;
- (iii) restrict the yield of the investments to the yield on the Series 2022A Bonds after three (3) years of the Issue Date;
- (iv) monitor all amounts deposited into a sinking fund or funds (e.g., the Subordinate Lien Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Series 2022A Bonds does not exceed an amount equal to the debt service on the Series 2022A Bonds in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Series 2022A Bonds for the immediately preceding 12-month period;
- (v) ensure that no more than 50% of the proceeds of the Series 2022A Bonds are invested in an investment with a guaranteed yield for 4 years or more;
- (vi) maintain any official action of GBRA (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Series 2022A Bonds any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- (vii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
- (viii) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the Issue Date and (B) within 30 days after the date the Series 2022A Bonds are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Series 2022A Bonds the Responsible Person will:

- (i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;

- (ii) monitor whether, at any time the Series 2022A Bonds are Outstanding, any person, other than GBRA, the employees of GBRA, the agents of GBRA or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- (iii) monitor whether, at any time the Series 2022A Bonds are Outstanding, any person, other than GBRA, the employees of GBRA, the agents of GBRA or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- (iv) monitor whether, at any time the Series 2022A Bonds are Outstanding, any person, other than GBRA, the employees of GBRA, the agents of GBRA or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- (v) determine whether, at any time the Series 2022A Bonds are Outstanding, any person, other than GBRA, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- (vi) determine whether, at any time the Series 2022A Bonds are Outstanding, the facilities are sold or otherwise disposed of; and
- (vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Resolution related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Series 2022A Bonds and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Series 2022A Bonds. If any portion of the Series 2022A Bonds is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding GBRA's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Series 2022A Bonds. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 26 of this Resolution.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to GBRA to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The annual audited financial statements of GBRA or the unaudited financial statements of GBRA in the event audited financial statements are not completed within six months after the end of any Fiscal Year.
2. All quantitative financial information and operating data with respect to GBRA of the general type included in the Official Statement under Tables 1 through 8 of the Official Statement.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

EXHIBIT D

MUNICIPAL BOND INSURANCE POLICY REQUIREMENTS

[Insert requirements provided by Insurer, if applicable]

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 improvements to the Diversion Dam & Saltwater Barrier.

(Sandra Terry)

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 13

Action

Item: Approval to open accounts at First United and Texpool.

Staff: Sandra Terry

Summary: GBRA Board Policy 413 – Depository Accounts requires Board of Director approval prior to the initiation of new bank accounts.

Discussion: With the receipt of bond proceeds for construction of the Diversion Dam & Saltwater Barrier, staff is requesting the initiation of a new bank account at First United and investment accounts at Texpool.

A new bank account will be necessary during the construction of the project. The Texpool accounts will serve to account for funds for debt service repayment purposes and investment of construction proceeds.

Segregating funds for this project from other GBRA funds is necessary to properly account for the tracking of receipt and disbursement of funds to ensure compliance with Internal Revenue Service arbitrage regulations.

Action Requested: 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 improvements to the Diversion Dam & Saltwater Barrier.

ACTION ITEM

14. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an asset purchase agreement with Undine Wholesale Supply, LLC for the sale and transfer of the GBRA Port Lavaca Water Treatment Plant property and assets in Calhoun County, Texas. **(Darrell Nichols, Joe Cole)**

ACTION ITEM

15. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an asset purchase agreement with Undine Texas, LLC, and Undine Texas Environmental, LLC for the sale and transfer of the GBRA Calhoun County Rural Water System and Crestview Wastewater System properties and assets in Calhoun County, Texas. **(Darrell Nichols, Joe Cole)**

ACTION ITEM

16. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement with Undine Texas, LLC and Undine Wholesale Supply, LLC to operate the Calhoun County Rural Water System. **(Courtney Kerr-Moore, Darrell Nichols)**

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 16

Action

Item: Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement (“O&M Agreement”) for Undine Texas, LLC and Undine Wholesale Supply, LLC to operate the Calhoun County Rural Water System.

Staff: Courtney Kerr-Moore, Darrell Nichols

Summary: GBRA is in the process of selling the following water and wastewater utility systems in Calhoun County: 1. the Port Lavaca Water Treatment Plant will be sold to Undine Wholesale Supply, LLC; 2. the Crestview Wastewater System will be sold to Undine Texas Environmental, LLC; and 3. the Calhoun County Rural Water System will be sold to Undine Texas, LLC.

Undine Texas, LLC and Undine Texas Environmental, LLC are affiliates of Undine Wholesale Supply, LLC.

Discussion: The execution of the O&M Agreement with Undine Texas, LLC and Undine Wholesale Supply, LLC for the Calhoun County Rural Water System is a requirement set forth in the asset purchase agreement. The O&M Agreement sets forth the terms and conditions upon which the aforementioned parties will provide operation, maintenance, management services, and treated water for the retail water system until such time as Public Utility Commission approves the acquisition and the transaction closes.

Action Requested: Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement with Undine Texas, LLC and Undine Wholesale Supply, LLC to operate the Calhoun County Rural Water System.

ACTION ITEM

17. Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement with Undine Texas Environmental, LLC to operate the Crestview Wastewater System. **(Courtney Kerr-Moore, Darrell Nichols)**
Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 17

Action

Item: Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement (“O&M Agreement”) for Undine Texas Environmental, LLC to operate the Crestview Wastewater System.

Staff: Courtney Kerr-Moore, Darrell Nichols

Summary: GBRA is in the process of selling the following water and wastewater utility systems in Calhoun County: 1. the Port Lavaca Water Treatment Plant will be sold to Undine Wholesale Supply, LLC; 2. the Crestview Wastewater System will be sold to Undine Texas Environmental, LLC; and 3. the Calhoun County Rural Water System will be sold to Undine Texas, LLC.

Undine Texas Environmental, LLC and Undine Texas, LLC are affiliates of Undine Wholesale Supply, LLC.

Discussion: The execution of the O&M Agreement with Undine Texas Environmental, LLC for the Crestview Wastewater System is a requirement set forth in the asset purchase agreement. The O&M Agreement sets forth the terms and conditions upon which Undine Texas Environmental, LLC will provide operation, maintenance and management services for the wastewater system until such time as Public Utility Commission approves the acquisition and the transaction closes.

Action Requested: Consideration of and possible action authorizing the Acting General Manager/CEO to negotiate and execute an Operations and Maintenance Agreement with Undine Texas Environmental, LLC to operate the Crestview Wastewater System.

ACTION ITEM

18. Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain water pipeline easements for the San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project in connection therewith, over, across, upon and under certain privately owned real properties; authorizing all appropriate action by the General Manager/CEO, staff, retained attorneys, other governmental entities conducting eminent domain proceedings on GBRA's behalf, and engineering and technical consultants in the institution and prosecution of condemnation proceedings to acquire any such needed easements and related rights of ingress and egress that cannot be acquired through negotiation; declaring further negotiations futile; ratifying and affirming all acts and proceedings heretofore done or initiated by employees, agents, and attorneys of GBRA, and other governmental entities conducting eminent domain proceedings on GBRA's behalf to acquire such property interests, including necessary acts for any applicable lienholders for such properties; authorizing all other lawful action necessary and incidental to such acquisitions or eminent domain proceedings to survey, specify, define, and secure the necessary interests in real property; declaring the sections of the Resolution to be severable one from the other in the event any section of the Resolution is determined to be invalid; said property to be identified to wit:

Parcel 7 – HK Riley's Pointe, LLC, a Texas limited liability company, being approximately 0.040 acre or 1,744 square feet, and 0.004 acre or 161 square feet out of the Jesse W. Wilson Survey, Abstract No. 481, in Hays County, Texas, being a portion of that called 267.339 acre tract conveyed to HK Riley's Pointe, LLC by Special Warranty Deed, as recorded in Document No. 20011114 of the Official Public Records of Hays County, Texas, attached as Exhibit "A", and;

Parcel 6 – HK Baugh Ranch, LLC, a Texas limited liability company, being approximately 0.021 acre tract of land (approximately 906 sq. ft.), out of the John McGuire Survey, Abstract No. 320, in Hays County, Texas, being a portion of that 119.988 acre tract conveyed to HK Baugh Ranch, LLC by Special Warranty Deed with Vendor's Lien dated October 30, 2019, as recorded in Document No. 19040023 of the Official Public Records of Hays County, Texas, attached as Exhibit "B". **(Courtney Kerr-Moore, Peter Newell)**

Attachment



Guadalupe-Blanco River Authority

Board Meeting – October 19, 2022

Agenda Item 18

Action

Item: San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project Resolution Approving Acquisition of Property through Proceedings in Eminent Domain

Staff: Courtney Kerr-Moore, Peter Newell

Summary: Hays County is in the process of expanding FM 621 which requires GBRA to relocate certain portions of its San Marcos Raw Water Pipeline.

Discussion: Proceedings in eminent domain are necessary to acquire certain properties, in easement, for the San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project. Efforts to negotiate for the acquisition of these properties have so far been unsuccessful.

Action Requested: Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain water pipeline easements for the San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project in connection therewith, over, across, upon and under certain privately owned real properties; authorizing all appropriate action by the General Manager/CEO, staff, retained attorneys, other governmental entities conducting eminent domain proceedings on GBRA's behalf, and engineering and technical consultants in the institution and prosecution of condemnation proceedings to acquire any such needed easements and related rights of ingress and egress that cannot be acquired through negotiation; declaring further negotiations futile; ratifying and affirming all acts and proceedings heretofore done or initiated by employees, agents, and attorneys of GBRA, and other governmental entities conducting eminent domain proceedings on GBRA's behalf to acquire such property interests, including necessary acts for any applicable lienholders for such properties; authorizing all other lawful action necessary and incidental to such acquisitions or eminent domain proceedings to survey, specify, define, and secure the necessary interests in real property; declaring the sections of the Resolution to be severable one from the other in the event any section of the Resolution is determined to be invalid; said property to be identified to wit:

Parcel 7 – HK Riley's Pointe, LLC, a Texas limited liability company, being approximately 0.040 acre or 1,744 square feet, and 0.004 acre or 161 square feet out of the Jesse W. Wilson Survey, Abstract No. 481, in Hays County, Texas, being a portion of that called

267.339 acre tract conveyed to HK Riley's Pointe, LLC by Special Warranty Deed, as recorded in Document No. 20011114 of the Official Public Records of Hays County, Texas, attached as Exhibit "A", and;

Parcel 6 – HK Baugh Ranch, LLC, a Texas limited liability company, being approximately 0.021 acre tract of land (approximately 906 sq. ft.), out of the John McGuire Survey, Abstract No. 320, in Hays County, Texas, being a portion of that 119.988 acre tract conveyed to HK Baugh Ranch, LLC by Special Warranty Deed with Vendor's Lien dated October 30, 2019, as recorded in Document No. 19040023 of the Official Public Records of Hays County, Texas, attached as Exhibit "B".

RESOLUTION OF THE GUADALUPE-BLANCO RIVER AUTHORITY

A Resolution by the Guadalupe-Blanco River Authority ("GBRA") declaring a public necessity for the acquisition of certain water pipeline easements for the relocation of a water pipeline system related facilities for diversion, treatment, collection and delivery of water in connection therewith for the San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project for portions of Hays County, over, across, upon and under private property and public property for the public purpose of the construction, operation, and maintenance of certain water diversion facilities and water pipeline systems and other system related improvements, and authorizing all appropriate action by the General Manager/CEO, staff and retained attorneys, other governmental entities conducting eminent domain proceedings on GBRA's behalf, and engineering and technical consultants, in the institution and prosecution of condemnation proceedings to acquire any such needed easements and related rights of ingress and egress that cannot be acquired through negotiation; declaring further negotiations futile; ratifying and affirming all acts and proceedings heretofore done or initiated by employees, agents and attorneys of GBRA, and other governmental entities conducting eminent domain proceedings on GBRA's behalf to acquire such property interests including necessary acts for any applicable lienholders for such property; authorizing all other lawful action including the making of archaeological, environmental, geotechnical and linear surveys necessary and incidental to such acquisitions whether by purchase or eminent domain proceedings; declaring the sections of the Resolution to be severable

one from the other in the event any section of this Resolution is determined to be invalid.

WHEREAS, GBRA pursuant to its powers of eminent domain as outlined in Section 49.222 of the Texas Water Code and other pertinent statutory authority has determined that the acquisition of water pipeline easements in connection therewith, over, across, upon and under certain properties located in Hays County, Texas either by purchase or by proceedings in eminent domain, is necessary and for the public purpose of the relocation, construction, operation, and maintenance of water pipeline systems and other system related improvements.

WHEREAS, duly approved offers based on written appraisals by certified, independent real estate appraisers for the market value of each water pipeline easement to be bought or acquired have been transmitted to each of the owners thereof, along with a copy of the appraisal as to each parcel, and the owners have been unable to agree with the GBRA or other governmental entities conducting eminent domain proceedings on GBRA's behalf, as to the market value of each described tract, and further negotiations have become futile. The permanent water pipeline easements are more fully described as follows:

Parcel 7 – HK Riley's Pointe, LLC, a Texas limited liability company, being approximately 0.040 acre or 1,744 square feet, and 0.004 acre or 161 square feet out of the Jesse W. Wilson Survey, Abstract No. 481, in Hays County, Texas, being a portion of that called 267.339 acre tract conveyed to HK Riley's Pointe, LLC by Special Warranty Deed, as recorded in Document No. 20011114 of the Official Public Records of Hays County, Texas, attached as Exhibit "A", and;

Parcel 6 – HK Baugh Ranch, LLC, a Texas limited liability company, being approximately 0.021 acre tract of land (approximately 906 sq. ft.), out of the John

McGuire Survey, Abstract No. 320, in Hays County, Texas being a portion of that 119.988 acre tract conveyed to HK Baugh Ranch, LLC by Special Warranty Deed with Vendor's Lien dated October 30, 2019, as recorded in Document No. 19040023 of the Official Public Records of Hays County, Texas, attached as Exhibit "B".

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF GUADALUPE-BLANCO RIVER AUTHORITY THAT:

SECTION 1: Public necessity requires that GBRA acquire certain water pipeline easements and other system related improvements, in connection therewith, over, across, upon and under certain privately owned real properties located in Hays County, Texas, more fully described herein for the public purpose of relocation, construction, operation and maintenance of water pipeline systems and other system related improvements in connection with the San Marcos Raw Water Pipeline – FM 621/CR 266 Safety Improvement Project. Public necessity also requires that GBRA acquire the right of ingress and egress over and across such lands and adjacent lands either through purchase or by the process of eminent domain and that GBRA or other governmental entities conducting eminent domain proceedings on GBRA's behalf, take all other lawful action necessary and incidental to such purchases or eminent domain proceedings, including conducting archaeological, environmental, geotechnical and linear surveys as required so specify, define, and secure such easements according to existing law.

SECTION 2: It is hereby determined that GBRA or other governmental entities conducting eminent domain proceedings on GBRA's behalf has, in fact, transmitted bona fide offers as provided by Texas Property Code Section

21.0113, copies of the real estate appraisals in support thereof to each of the owners of the property interests sought to be acquired and as required by law, and a copy of the landowner's bill of rights statement as provided by Texas Property Code Section 21.0113, but GBRA or other governmental entities conducting eminent domain proceedings on GBRA's behalf and the owners of such property interests have been unable to agree upon the damages to be paid, and further settlement negotiations have become futile.

SECTION 3: The Board of Directors hereby directs and authorizes the General Manager/CEO, staff and retained attorneys, and other governmental entities conducting eminent domain proceedings on GBRA's behalf, to institute and prosecute to conclusion all necessary proceedings to condemn the property interests described herein and to acquire all such interests that GBRA or other governmental entities conducting eminent domain proceedings on GBRA's behalf, is unable to acquire through negotiation by reason of its inability to agree with the owner thereof as to the damages to the landowner, and to take any other legal action necessary and incidental to such purchases or eminent domain proceedings to survey for archaeological, environmental, geotechnical and linear purposes to define, specify and secure such property interests.

SECTION 4: All acts and proceedings done or initiated by the employees, agents and attorneys of GBRA, and other governmental entities conducting eminent domain proceedings on GBRA's behalf for the acquisition of such property are hereby authorized, ratified, approved, confirmed and validated and declared to be valid in all respects as of the respective dates thereof with and in

regard to the real property owners from whom such rights have been or are being acquired.

SECTION 5: If any provisions, sections, subsections, sentences, clauses or phase of this resolution, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this resolution shall not be affected thereby, it being the intent of the Board of Directors of GBRA in adopting this Resolution that no portion thereof, or provisions or regulation contained shall become inoperative for fail by reason of any unconstitutionality or invalidity of any other portion hereof and all provisions of this Resolution are declared to be severable for that purpose.

PASSED AND RESOLVED on this 19th day of October, 2022.

Dennis L. Patillo, Chairman
Board of Directors
Guadalupe-Blanco River Authority

ATTEST:

William Carbonara, Secretary
Board of Directors
Guadalupe-Blanco River Authority



Professional Land Surveying, Inc.
Surveying and Mapping

Office: 512-443-1724
Fax: 512-389-0943

3500 McCall Lane
Austin, Texas 78744

EXHIBIT " ____ "

PORTION OF
HK BAUGH RANCH, LLC
119.988 ACRE TRACT
(WATER LINE EASEMENT)

0.021 ACRES
JOHN MCGUIRE SURVEY, ABS. 320
CITY OF SAN MARCOS, HAYS COUNTY, TEXAS

A DESCRIPTION OF A 0.021 ACRE TRACT OF LAND (APPROXIMATELY 906 SQ. FT.), BEING A PORTION OF A CALLED 119.988 ACRE TRACT CONVEYED TO HK BAUGH RANCH, LLC BY SPECIAL WARRANTY DEED WITH VENDOR'S LIEN DATED OCTOBER 30, 2019, AS RECORDED IN DOCUMENT NO. 19040023 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID 0.021 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2-inch rebar with "Chaparral" cap set in the existing northeasterly right-of-way line of Staples Road (an 80' wide, dedicated public right-of-way), also known as Farm-to-Market 621, same being the southwesterly line of said 119.988 acre tract for the proposed northeasterly intersection of said Staples Road and Old Bastrop Road (a variable width, dedicated public right-of-way), also known as County Road 266;

THENCE with a curve to the right, having a radius 994.93 feet, an arc length of 19.66 feet and a chord which bears **South 72°44'26" East** a distance of **19.66 feet** to a calculated point for the westerly corner and **POINT OF BEGINNING** of the herein described tract, same being the southerly corner of a 40-foot Pipeline Easement described in Document No. 9910639 and the westerly corner of a 30-foot Water & Wastewater Easement described in Document No. 9910639, both of the Official Public Records of Hays County, Texas;

THENCE leaving the northeasterly right-of-way line of said Staples Road, over and across said 119.988 acre tract, the following three (3) courses and distances:

1. **North 44°38'11" East** with the existing southeasterly line of said 40-foot Pipeline Easement and the existing northwesterly line of said 30-foot Water & Wastewater Easement, a distance of **124.40 feet** to a calculated point for the northerly corner of the herein described tract, from which a 1/2-inch rebar found for an angle point in the northwesterly line of said 119.988 acre tract, bears **North 43°49'11" East** a distance of 2806.19 feet;

2. **South 34°23'31" West** over and across said 30-foot Water & Wastewater Easement, a distance of **37.46 feet** to a calculated point;
3. **South 41°07'04" West** a distance of **81.88 feet** to a calculated point in the northeasterly right-of-way line of said Staples Road;

THENCE with a curve to the left, having a radius of 994.93 feet, an arc length of 13.05 feet and a chord which bears **North 71°47'55" West** a distance of **13.05 feet** to the **POINT OF BEGINNING**, containing **0.021 acres** of land, more or less.

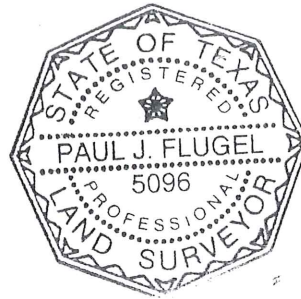
Surveyed on the ground July 6, 2020.

Bearing Basis: The Texas Coordinate System of 1983 (NAD83), South Central Zone (4204), based on GPS solutions from the National Geodetic Survey (NGS) On-Line Positioning User Service (OPUS)

Attachments: Drawing 425-011-WLE12-GBRA

Paul J. Flugel 10-27-2021

Paul J. Flugel
Registered Professional Land Surveyor
State of Texas No. 5096
TBPELS Firm No. 10124500



SKETCH TO ACCOMPANY A DESCRIPTION OF 0.021 ACRES (APPROXIMATELY 906 SQ. FT.) IN THE JOHN MCGUIRE SURVEY, ABSTRACT NO. 320, HAYS COUNTY, TEXAS, BEING A PORTION OF A CALLED 119.988 ACRE TRACT DESCRIBED IN A DEED OF RECORD IN DOCUMENT NO. 19040023 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS.

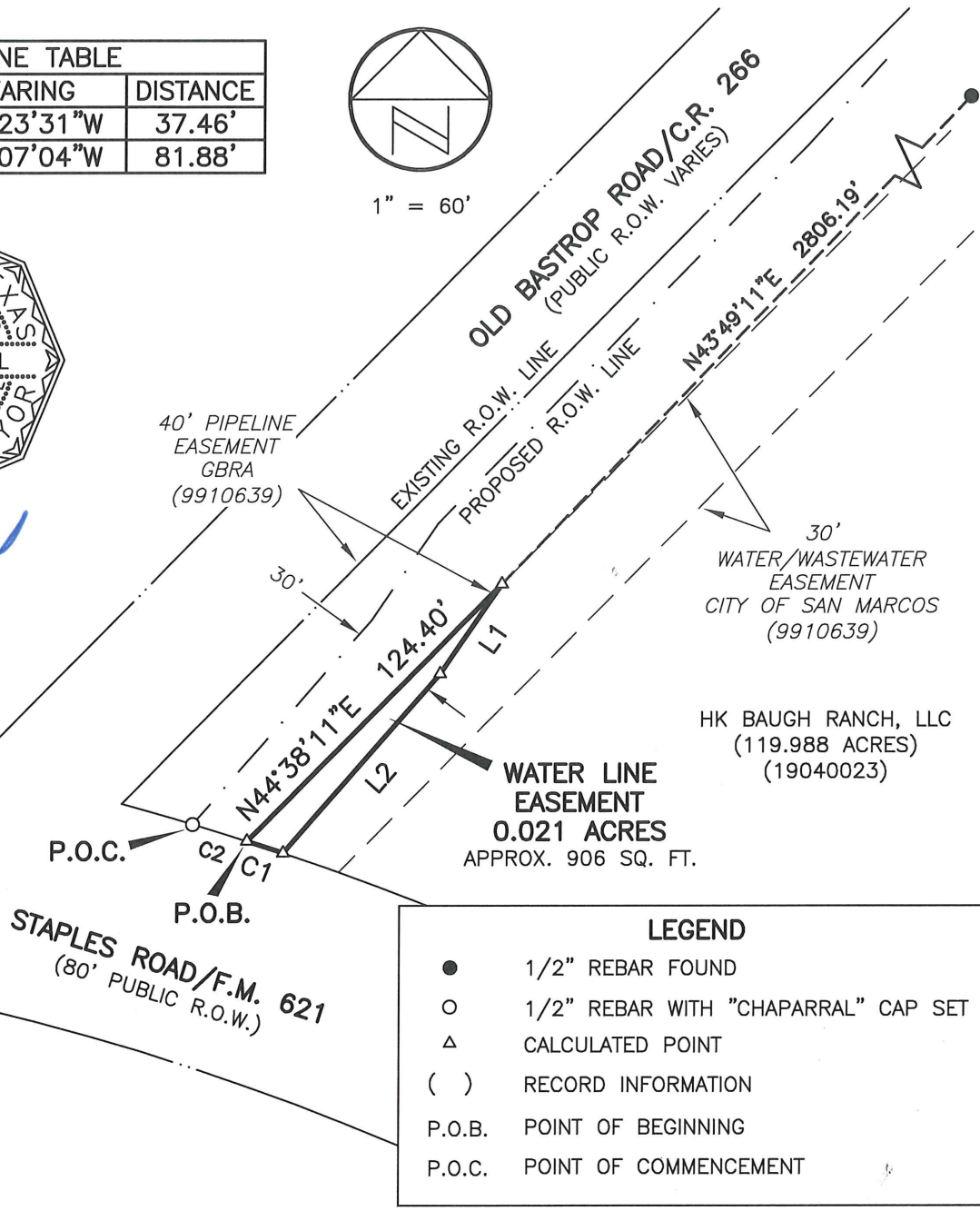
LINE TABLE		
LINE	BEARING	DISTANCE
L1	S34°23'31"W	37.46'
L2	S41°07'04"W	81.88'



1" = 60'



Paul J. Flugel
10-27-2021



LEGEND	
●	1/2" REBAR FOUND
○	1/2" REBAR WITH "CHAPARRAL" CAP SET
△	CALCULATED POINT
()	RECORD INFORMATION
P.O.B.	POINT OF BEGINNING
P.O.C.	POINT OF COMMENCEMENT

CURVE TABLE					
CURVE	RADIUS	DELTA	ARC	CHORD	DISTANCE
C1	994.93'	0°45'06"	13.05'	N71°47'55"W	13.05'
C2	994.93'	1°07'55"	19.66'	S72°44'26"E	19.66'

DATE OF SURVEY: 07/06/20
PLOT DATE: 10/25/21
DRAWING NO.: 425-011-WLE12-GBRA
PROJECT NO.: 425-011
T.B.P.E.L.S. FIRM NO. 10124500
DRAWN BY: PAQ
SHEET 1 OF 1

BEARING BASIS: THE TEXAS COORDINATE SYSTEM OF 1983 (NAD83), SOUTH CENTRAL ZONE, BASED ON GPS SOLUTIONS FROM THE NATIONAL GEODETIC SURVEY (NGS) ON-LINE POSITIONING USER SERVICE (OPUS)

ATTACHMENTS: METES AND BOUNDS DESCRIPTION 425-011-WLE12-GBRA

Chaparral



**Professional Land Surveying, Inc.
Surveying and Mapping**

Office: 512-443-1724
Fax: 512-389-0943

3500 McCall Lane
Austin, Texas 78744

**PORTION OF
HK RILEY'S POINTE, LLC
267.339 ACRE TRACT
(WATER LINE EASEMENT)**

**0.004 ACRES
JESSE W. WILSON SURVEY, ABS. 481
CITY OF SAN MARCOS, HAYS COUNTY, TEXAS**

A DESCRIPTION OF A 0.004 ACRE TRACT OF LAND (APPROXIMATELY 161 SQ. FT.), BEING A PORTION OF A CALLED 267.339 ACRE TRACT CONVEYED TO HK RILEY'S POINTE, LLC BY SPECIAL WARRANTY DEED, AS RECORDED IN DOCUMENT NO. 20011114 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID 0.004 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2-inch rebar with "Chaparral" cap found for a cutback corner in the proposed southwest right-of-way line of Staples Road (an existing 80' wide, dedicated public right-of-way), also known as Farm-to-Market 621, same being a point in the interior of said 267.339 acre tract, from which a 1/2-inch rebar with "Chaparral" cap found in the existing southeast right-of-way line of Old Bastrop Road (a variable with, dedicated public right-of-way) for a cutback corner in the proposed southeast right-of-way line of Old Bastrop Road, bears South 78°55'33" West a distance of 52.02 feet;

THENCE with a curve to the right along the proposed southwest right-of-way line of Staples Road, having a radius 1840.00 feet, an arc length of 12.72 feet and a chord which bears **South 71°43'20" East** a distance of **12.72 feet** to a calculated point in the southeast line of a 40-foot Pipeline Easement described in Volume 1462, Page 629 of the Official Public Records of Hays County, Texas for the north corner and **POINT OF BEGINNING** of the herein described tract;

THENCE continuing with a curve to the right, having a radius 1840.00 feet, an arc length of 11.26 feet and a chord which bears **South 71°21'10" East** a distance of **11.26 feet** to a calculated point for the east corner of the herein described tract, from which a 1/2-inch rebar with "Chaparral" cap found for a point of tangency in the proposed southwest right-of-way line of Staples Road, bears with a curve to the right, having a radius of 1840.00 feet, an arc length of 715.62 feet and a chord which bears South 60°01'54" East a distance of 711.11 feet;

425-011-WLE17-GBRA

THENCE South 41°02'04" West, leaving the proposed southwest right-of-way line of Staples Road, a distance of **17.00 feet** to a calculated point for the south corner of the herein described tract;

THENCE North 48°57'15" West a distance of **11.40 feet** to a calculated point in the southeast line of said 40-foot Pipeline Easement for the west corner of the herein described tract;

THENCE North 45°28'12" East, with the southeast line of the 40-foot Pipeline Easement, a distance of **12.75 feet** to the **POINT OF BEGINNING**, containing **0.004 acres** of land, more or less.

Surveyed on the ground February 1, 2022.

Bearing Basis: The Texas Coordinate System of 1983 (NAD83), South Central Zone (4204), based on GPS solutions from the National Geodetic Survey (NGS) On-Line Positioning User Service (OPUS)

Attachments: Drawing 425-011-WLE17-GBRA

Paul J. Flugel

6-24-2022

Paul J. Flugel
Registered Professional Land Surveyor
State of Texas No. 5096
TBPELS Firm No. 10124500

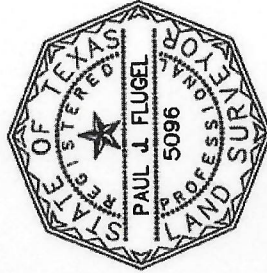


425-011-WLE17-GBRA

SKETCH TO ACCOMPANY A DESCRIPTION OF 0.004 ACRES (APPROXIMATELY 161 SQ. FT.) IN THE JESSE W. WILSON SURVEY, ABSTRACT NO. 481, HAYS COUNTY, TEXAS, BEING A PORTION OF THAT CERTAIN 267.339 ACRE TRACT DESCRIBED IN A DEED OF RECORD IN DOCUMENT NO. 20011114 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS.

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S41°02'04"W	17.00'
L2	N48°57'15"W	11.40'
L3	N45°28'12"E	12.75'

CURVE TABLE				
CURVE	RADIUS	DELTA	ARC	BEARING
C1	1840.00'	0°21'02"	11.26'	S71°21'10"E
C2	1840.00'	23°01'49"	739.59'	S60°24'18"E
C3	1840.00'	0°23'46"	12.72'	S71°43'20"E
C4	1840.00'	22°17'01"	715.62'	S60°01'54"E
C5	914.93'	27°35'04"	440.48'	S62°44'18"E
				CHORD
				11.26'
				734.63'
				12.72'
				711.11'
				436.24'



Paul J. Flugel
6-24-2022

DATE OF SURVEY: 02/01/22
 PLOT DATE: 06/24/22
 DRAWING NO.: 425-011-WLE17-GBRA
 PROJECT NO.: 425-011
 T.B.P.E.L.S. FIRM NO. 10124500
 DRAWN BY: PAQ
 SHEET 1 OF 2

Chaparral

BEARING BASIS: THE TEXAS COORDINATE SYSTEM OF 1983 (NAD83), SOUTH CENTRAL ZONE, BASED ON GPS SOLUTIONS FROM THE NATIONAL GEODETIC SURVEY (NGS) ON-LINE POSITIONING USER SERVICE (OPUS)
 ATTACHMENTS: METES AND BOUNDS DESCRIPTION 425-011-WLE17-GBRA



Professional Land Surveying, Inc.
Surveying and Mapping

Office: 512-443-1724
Fax: 512-389-0943

3500 McCall Lane
Austin, Texas 78744

EXHIBIT " ____ "

PORTION OF
HK RILEY'S POINTE, LLC
267.339 ACRE TRACT
(WATER LINE EASEMENT)

0.040 ACRES
JESSE W. WILSON SURVEY, ABS. 481
CITY OF SAN MARCOS, HAYS COUNTY, TEXAS

A DESCRIPTION OF A 0.040 ACRE TRACT OF LAND (APPROXIMATELY 1,744 SQ. FT.), BEING A PORTION OF A CALLED 267.339 ACRE TRACT CONVEYED TO HK RILEY'S POINTE, LLC BY SPECIAL WARRANTY DEED, AS RECORDED IN DOCUMENT NO. 20011114 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS; SAID 0.040 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2-inch rebar with "GBRA" (Guadalupe-Blanco River Authority) cap found in the existing southeasterly right-of-way line of Old Bastrop Road (a variable width, dedicated public right-of-way), also known as County Road 266, for the westerly corner of 40-foot Pipeline Easement described in Volume 1462, Page 629 of the Official Public Records of Hays County, Texas, from which a 1/2-inch rebar with "GBRA" cap found for an angle point in the northwesterly line of said 267.339 acre tract and said 40-foot Pipeline Easement, bears North 60°41'28" East a distance of 92.13 feet;

THENCE South 57°10'45" East over and across said 267.339 acre tract and said 40-foot Pipeline Easement, a distance of **45.25 feet** to a calculated point in the southeasterly line of said 40-foot Pipeline Easement, same being the northwesterly line of a 30-foot Public Utility Easement described in Volume 2664, Page 215 of the Official Public Records of Hays County, Texas, for the west corner and **POINT OF BEGINNING** of the herein described tract;

THENCE over and across said 267.339 acre tract with the existing southeasterly line of said 40-foot Pipeline Easement the following four (4) courses and distances:

1. **North 60°41'28" East** a distance of **73.90 feet** to a calculated point;
2. **North 52°20'20" East** a distance of **188.55 feet** to a calculated point for the most northerly corner of the herein described tract, from which a 1/2-inch rebar with "GBRA" cap found for the northerly corner of said 40-foot Pipeline Easement, bears North 39°33'05" East a distance of 317.36 feet;

3. With a curve to the right, having a radius of 1505.00 feet, an arc length of 248.33 feet and a chord which bears **South 51°19'06" West** a distance of **248.05 feet** to a calculated point;
4. **North 79°41'49" West** a distance of **20.40 feet** to the **POINT OF BEGINNING**, containing **0.040 acres** of land, more or less.

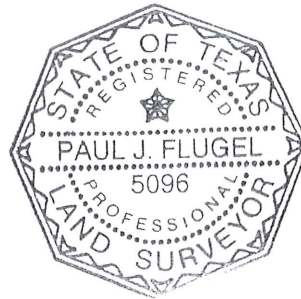
Surveyed on the ground July 6, 2020.

Bearing Basis: The Texas Coordinate System of 1983 (NAD83), South Central Zone (4204), based on GPS solutions from the National Geodetic Survey (NGS) On-Line Positioning User Service (OPUS)

Attachments: Drawing 425-011-WLE8-GBRA

Paul J. Flugel 10-28-2021

Paul J. Flugel
Registered Professional Land Surveyor
State of Texas No. 5096
TBPELS Firm No. 10124500



SKETCH TO ACCOMPANY A DESCRIPTION OF 0.040 ACRES (APPROXIMATELY 1,744 SQ. FT.) IN THE JESSE W. WILSON SURVEY, ABSTRACT NO. 481, HAYS COUNTY, TEXAS, BEING A PORTION OF THAT CERTAIN 267.339 ACRE TRACT DESCRIBED IN A DEED OF RECORD IN DOCUMENT NO. 20011114 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS.

CURVE TABLE			
CURVE	RADIUS	DELTA	ARC
C1	1505.00'	9°27'14"	248.33'
			248.05'

LEGEND

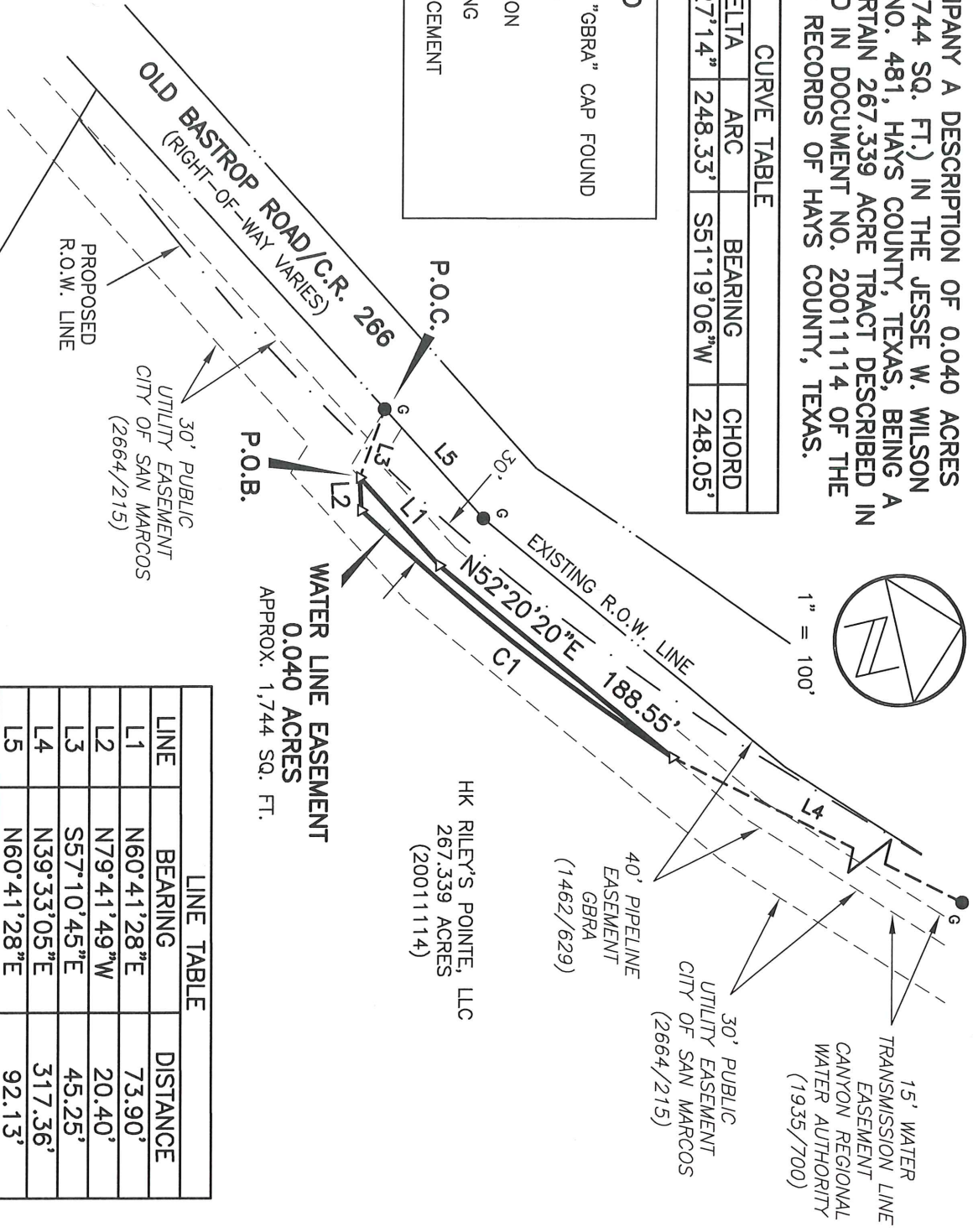
- 1/2" REBAR WITH "GBRA" CAP FOUND
- △ CALCULATED POINT
- () RECORD INFORMATION
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT



(and 9 flags)
10-28-2021

DATE OF SURVEY: 07/06/20
 PLOT DATE: 10/28/21
 DRAWING NO.: 425-011-WLE8-GBRA
 PROJECT NO.: 425-011
 T.B.P.E.L.S. FIRM NO. 10124500
 DRAWN BY: PAQ
 SHEET 1 OF 1

BENCHMARK
 ACQUISITIONS, LLC
 182.447 ACRES
 (20011204)



WATER LINE EASEMENT
0.040 ACRES
 APPROX. 1,744 SQ. FT.

LINE	BEARING	DISTANCE
L1	N60°41'28"E	73.90'
L2	N79°41'49"W	20.40'
L3	S57°10'45"E	45.25'
L4	N39°33'05"E	317.36'
L5	N60°41'28"E	92.13'



BEARING BASIS: THE TEXAS COORDINATE SYSTEM OF 1983 (NAD83), SOUTH CENTRAL ZONE, BASED ON GPS SOLUTIONS FROM THE NATIONAL GEODETIC SURVEY (NGS) ON-LINE POSITIONING USER SERVICE (OPUS)

ATTACHMENTS: METES AND BOUNDS DESCRIPTION
 425-011-WLE8-GBRA

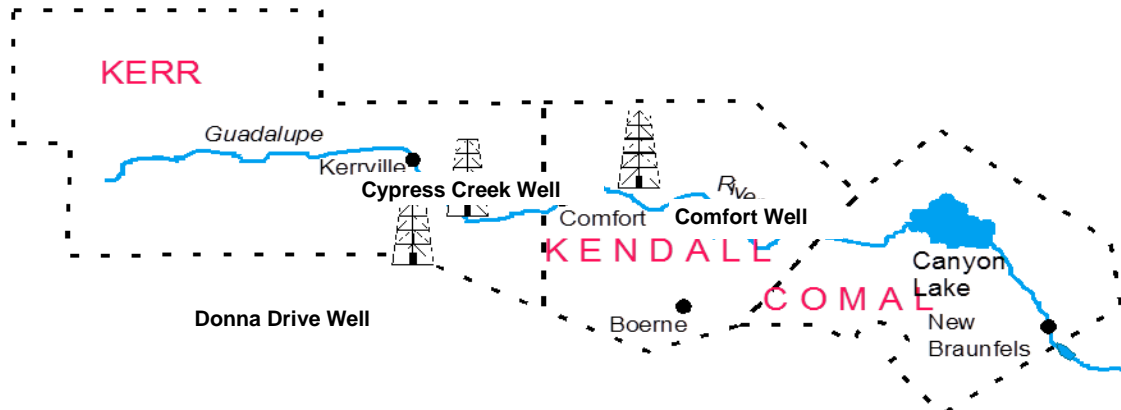
DISCUSSION ITEM

19. Discussion regarding Base Flow Report, Water Quality Index, long term weather pattern, and condition of the Guadalupe Basin. **(Charlie Hickman)**
Attachment



GUADALUPE RIVER BASIN INFORMATION

October 11, 2022



Donna Drive Well (Read Sep 2022)

Surface Elev. 1755' msl
Current Elev. 1370.13' msl
Historical High 1495' msl
Historical Low 1356.8' msl

Cypress Creek Well (Read Sep 2022)*

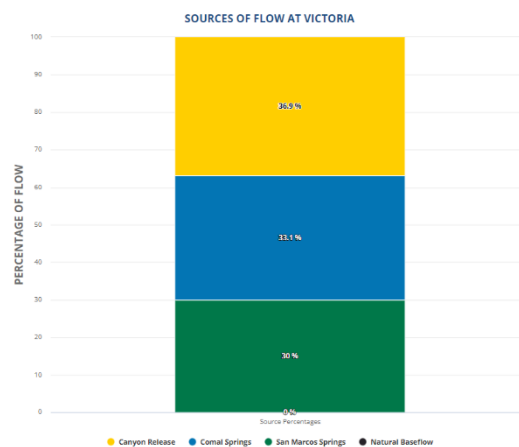
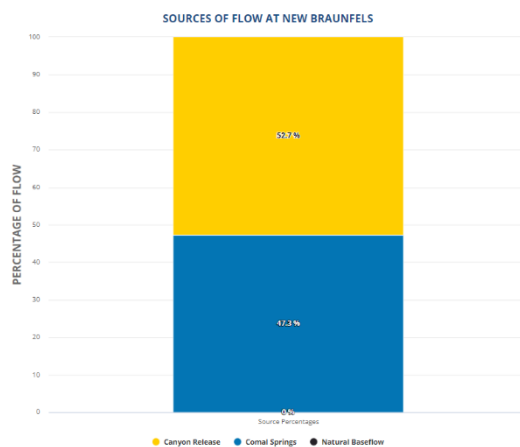
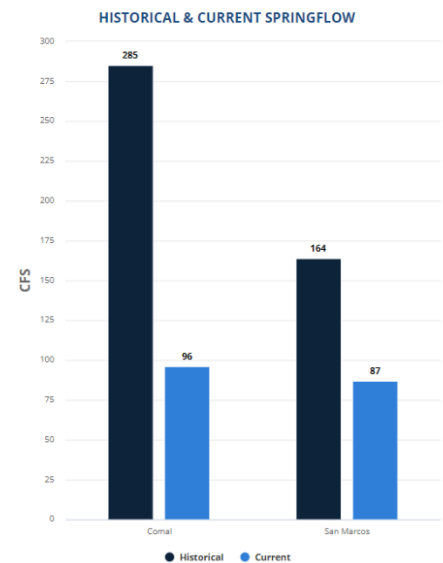
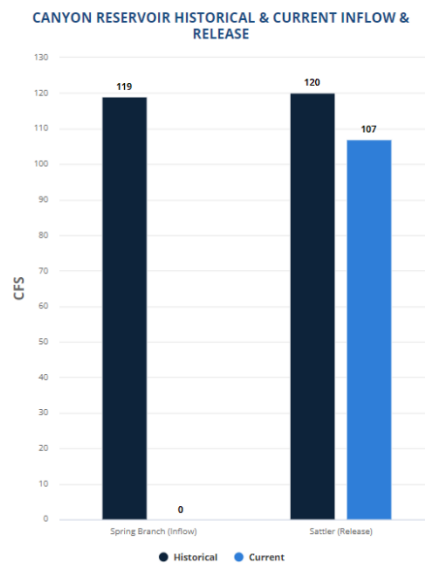
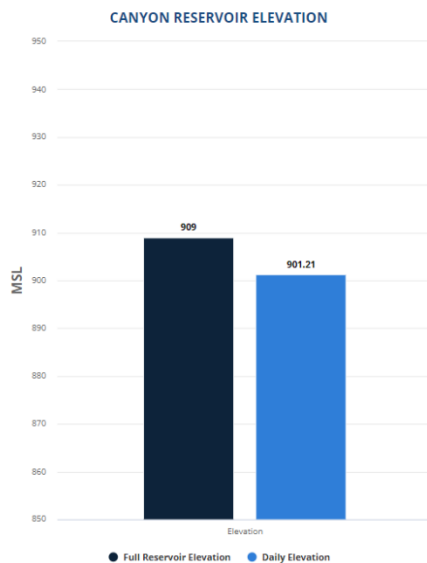
Surface Elev. 1562' msl
Current Elev. 1402.00' msl
Historical High 1513' msl
Historical Low 1292.5' msl

Comfort Well (Read Daily)**

Surface Elev. 1405' msl
Current Elev. 1234.46' msl
Historical High 1355.8' msl
Historical Low 1227.0' msl

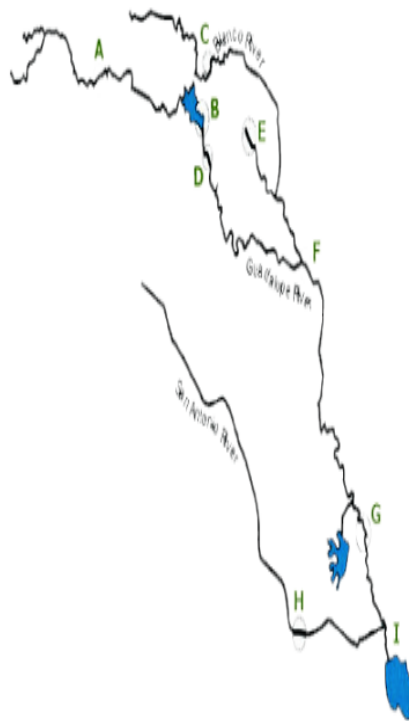
*Provided by Headwaters Groundwater Conservation District

**Provided by TWDB



SUMMARY OF WATERSHED CONDITIONS IN THE GUADALUPE RIVER BASIN TUESDAY, OCTOBER 11, 2022

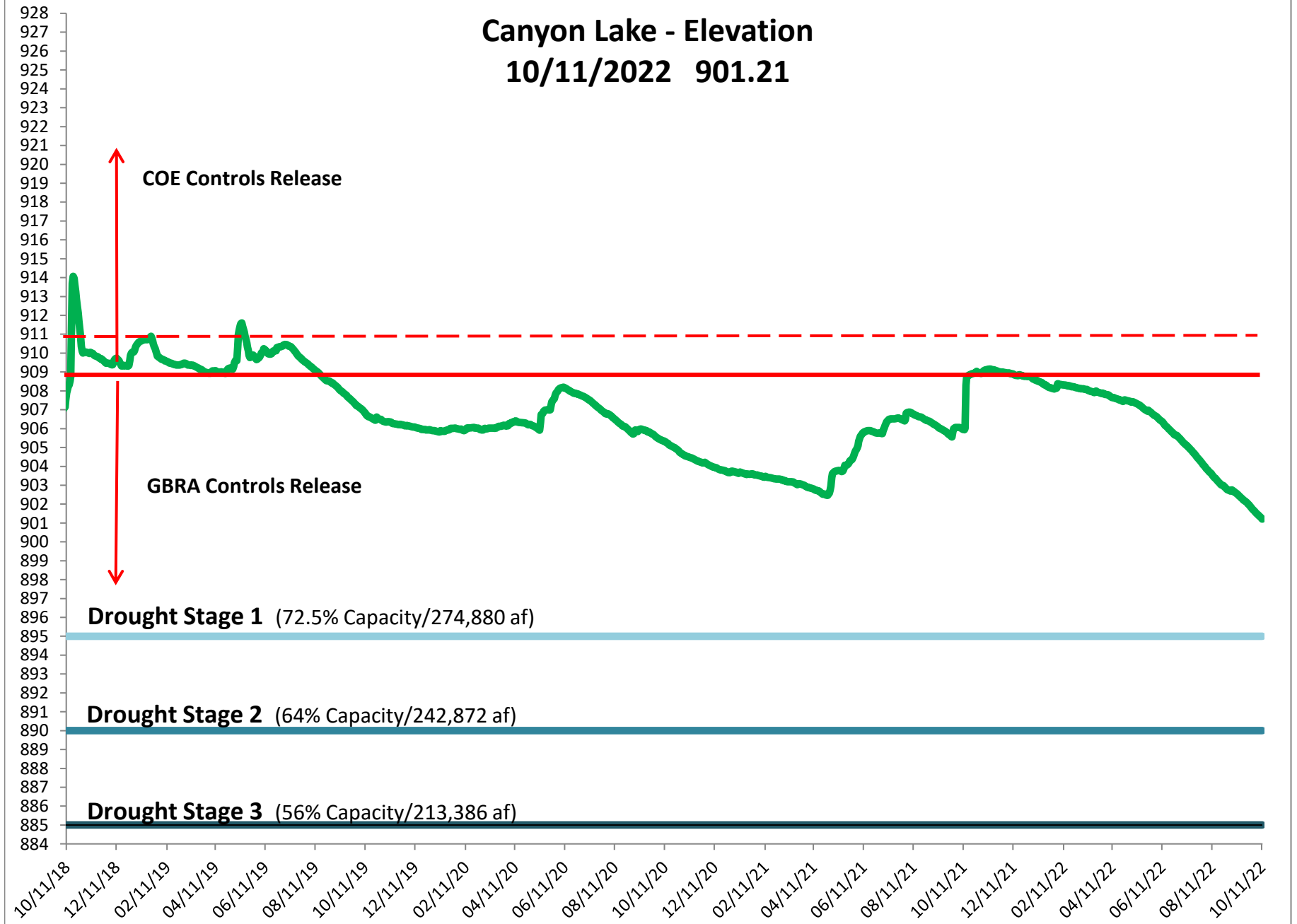
This page is updates once a day with data obtained from USGS.



	Flow (cfs)	% of Daily Median
A. Guadalupe River @ Comfort	6	7%
B. Canyon Reservoir		
Inflow	Not Available	0%
Release	107	89%
Full Res. Elev. - msl (Conservation pool)	909	
Reservoir Elev. Today - msl	901.21	
Capacity (Conservation pool)	99%	
C. Blanco River @ Wimberley	9	23%
D. Comal Springs	96	34%
E. San Marcos Springs	87	53%
F. Guadalupe River @ Gonzales	130	18%
G. Guadalupe River @ Victoria	160	20%
H. San Antonio River @ Goliad	91	28%
I. Guadalupe River @ Tivoli	176	15%
Bay & Estuary Inflow	194	

Canyon Lake - Elevation

10/11/2022 901.21



ITEMS FOR EXECUTIVE SESSION

20. The Board may meet in Executive Session as authorized by Chapter 551, Texas Government Code, to discuss the following matters: a. Any items listed on this agenda; b. Advice from legal counsel about pending or threatened litigation, including litigation options, representation, settlements, settlement-related agreements and memoranda of understanding and, if applicable, the impact of pending or contemplated litigation on GBRA projects and proposed projects; c. The following matters: (i) Williams v. GBRA (25th Judicial District Court); (ii) GBRA's Mid-Basin Water User Permit Application in Gonzales County (98th District Court of Travis County); (iii) San Antonio Water System's application to TCEQ for a bed and banks permit on the San Antonio River (TCEQ); (iv) Cibolo Creek Municipal Authority's application to TCEQ for a bed and banks permit on the San Antonio River (TCEQ); (v) GBRA v. Henke (24th District Court of Calhoun County); (vi) other pending applications for TCEQ water use or water quality permits on which GBRA is the permittee or co-permittee; (vii) pending applications for TCEQ water use or water quality permits in the Guadalupe or adjacent river basins; and (viii) pending or threatened litigation to which GBRA is a party or potential party; d. Advice from legal counsel about pending litigation or threatened litigation relating to right of way acquisition; deliberation on matters relating to the purchase, exchange, lease, or value of real property interests and advice from legal counsel on those matters, including without limitation, issues relating to (i) right-of-way acquisitions for GBRA-related projects within or adjacent to the boundaries of GBRA; (ii) exchange, sale, or transfer of real property interests within or adjacent to the boundaries of GBRA; and (iii) sale, acquisition, and/or transfer of GBRA water treatment and distribution assets in Calhoun County; e. Briefing and advice from legal counsel relating to matters covered by legal counsel's duty of confidentiality, including without limitation: (i) issues relating to agreements under negotiation; (ii) issues relating to potential litigation and representation in that litigation, including without limitation, issues or disputes arising from existing contracts to which GBRA is a party and bid protests, (iii) legal and regulatory issues relating to GBRA's groundwater and/or surface water rights and permits throughout the Guadalupe River Basin; (iv) issues relating to GBRA easement rights, enforcement of same, and other property rights; and (v) issues relating to agricultural water sales; f. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of public officers or employees; and to receive and obtain legal advice regarding same from legal counsel.
- General Manager/CEO, public officers, or employees

No action will be taken in executive session. The Board may take final action on any of the above-mentioned matters while convened in open session pursuant to Chapter 551 of the Texas Government Code.

ADJOURN