

GUADALUPE-BLANCO RIVER AUTHORITY
Minutes of the Board of Directors
March 19, 2025

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular meeting on March 19, 2025, at the GBRA Annex Building Board Room, 905 Nolan St., Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Patrick Cohoon, Robert Blaschke, Sheila Old, Stephen B. Ehrig, William Carbonara, Emanuel Valdez, and John Cyrier. Director Meador was not present. Present in the Annex Building in Seguin, Texas were Darrell Nichols, General Manager/CEO; Jonathan Stinson, Deputy General Manager; Vanessa Guerrero, Executive Manager of Administration; Randy Staats, Executive Manager of Finance/CFO; Charles Hickman, Executive Manager of Engineering; Nathan Pence, Executive Manager of Environmental Science; David Harris, Executive Manager of Operations; and Joseph Cole, General Counsel.

Chairman Patillo called the meeting to order at 10:00 a.m. and took note of the certifications presented that notice of the meeting had been properly posted in the office of the Secretary of State and at the GBRA office in New Braunfels, Texas, pursuant to Title 5, Chapter 551 of the Texas Government Code. A quorum being present, the following proceedings were had:

Director Cyrier led the Pledges of Allegiance to the United States flag and the Texas flag.

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

The Chairman called for **Consent Item 2 - Consideration of and possible action approving the minutes of the February 19, 2025 Board Meeting; Consent Item 3 -**

Consideration of and possible action approving the monthly financial report for February 2025; Consent Item 4 - Consideration of and possible action approving the monthly operations report for February 2025; Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers for February 2025. Upon Motion by Director Cohoon, seconded by Director Old, the Board unanimously approved Consent Items 2, 3, 4, and 5.

The Chairman then called for **General Manager/CEO Item 6 - The General Manager/CEO and staff may report on, and the Board may discuss, executive reports and/or issues relating to GBRA activities including without limitation, the following: Safety Update, GBRA water and sewer utility operations, hydroelectric operations, GBRA facilities management including plants and dams, 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, legislative updates, and stewardship.** James Semler, GBRA's Safety and Risk Manager, stated there were no lost time incidents during this period. During March, staff training focused on slips, trips, and falls; back injury prevention; confined space; first aid/CPR; and hard hat safety. Additional safety items completed were the first quarter Safety Committee Meeting, a pre-task work plan for operations and GBRA personnel who work outdoors, an annual fire marshal walk-through at the Seguin campus, submission of the annual State of Texas Environmental Electronic Reporting System (STEERS) Tier II report on stored hazardous chemicals, and a Safety Stand Down at the Better Basin Days Abandoned Crab Trap Removal

Project. Safety visits conducted this month included Stein Falls wastewater treatment plant (“WWTP”), Shadow Creek WWTP, Sunfield WWTP, San Marcos water treatment plant (“WTP”), Luling WTP, Larremore WWTP, Cordillera Ranch WWTP, 4S Ranch WWTP, Johnson Ranch WWTP, Lockhart WWTP and Carrizo WTP. Charlie Hickman, Executive Manager of Engineer, provided a quarterly engineering update, which included the current status of construction on the Lake McQueeney and the Lake Placid spillgate replacement and dam armoring projects, Carrizo WTP modifications and design status, ongoing facilities projects, and upcoming engineering projects. Next, Jonathan Stinson, Deputy General Manager, briefed the Board on the current 89th Texas Regular Legislative Session, which convened on January 14, 2025 and will continue through June 2025. Mr. Stinson stated over 8,600 bills have been filed, and GBRA is monitoring bills relating to water supply projects, including HJR 7/SJR 66, relating to water infrastructure funding and Constitutional dedication of funding toward water supply infrastructure and dedication of revenue, HB 16/SB 7, which represent different interpretations of oversight and financing of implementation of the financing of water infrastructure proposals; HB 2815/SB 1261, authorization of extended financing of certain projects; and HB 1615, the codification of GBRA authority within state statutes.

The Chairman then called for **Action Item 7 - Consideration of and possible action adopting a resolution authorizing the issuance of up to \$5,000,000 in aggregate principal amount of Guadalupe-Blanco River Authority Subordinate Lien Contract Revenue Bonds (Regional Raw Water Delivery System Project) in one or more series; delegating authority to certain GBRA officers to determine the method of sale, to select underwriters (if the Series 2025 bonds are to be sold pursuant to a negotiated underwriting), and to approve all final terms of the Series 2025 bonds; approving and authorizing the execution of all instruments**

and procedures related thereto including a paying agent/registrars agreement and a purchase contract; authorizing the preparation and distribution of an official statement, if necessary; and authorizing all other instruments and procedures related thereto. Randy Staats, Executive Manager of Finance/CFO, is seeking the adoption of a resolution authorizing the issuance of up to \$5,000,000 in aggregate principal amount of Guadalupe-Blanco River Authority Subordinate Lien Contract Revenue Bonds. The issuance of debt is necessary for the replacement of ten variable frequency drives, switchgear, and related components that have reached the end of their useful lives as part of the Regional Raw Water Delivery System. Mr. Staats is also requesting approval and authorization for the execution of all instruments and procedures related thereto. Upon Motion by Director Cohoon, seconded by Director Blaschke, the Board unanimously approved Action Item 7 adopting a resolution authorizing the issuance of up to \$5,000,000 in aggregate principal amount of Guadalupe-Blanco River Authority Subordinate Lien Contract Revenue Bonds (Regional Raw Water Delivery System Project) in one or more series; delegating authority to certain GBRA officers to determine the method of sale, to select underwriters (if the Series 2025 bonds are to be sold pursuant to a negotiated underwriting), and to approve all final terms of the Series 2025 bonds; approving and authorizing the execution of all instruments and procedures related thereto including a paying agent/registrars agreement and a purchase contract; authorizing the preparation and distribution of an official statement, if necessary; and authorizing all other instruments and procedures related thereto. A copy of the Resolution is attached and made a part of these minutes.

The Chairman then called for **Action Item 8 - Consideration of and possible action authorizing GBRA Finance staff to open bank and investment accounts for management of construction proceeds and debt service requirements for the Regional Raw Water Delivery**

System Project. Sandra Terry, Deputy Executive Manager of Finance, is seeking authorization for GBRA Finance staff, under Board Policy 413 - Depository Accounts, to open four bank and investment accounts for the management of construction proceeds and debt service requirements for the Regional Raw Water Delivery System Project. Upon Motion by Director Valdez, seconded by Director Carbonara, the Board unanimously approved Action Item 8 authorizing GBRA Finance staff to open bank and investment accounts for management of construction proceeds and debt service requirements for the Regional Raw Water Delivery System Project.

The Chairman called for **Action Item 9 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between GBRA and Lennar Homes of Texas Land and Construction, LTD related to the Autumn Ridge residential development project to be located in Guadalupe County, Texas.** Justin Adkins, Assistant General Counsel, is seeking authorization to negotiate and execute a wastewater service agreement with Lennar Homes of Texas Land and Construction, Ltd. related to the Autumn Ridge residential project to be located in Guadalupe County, Texas for the provision of 761 living unit equivalents (“LUEs”) of wastewater service. Upon Motion by Director Cohoon, seconded by Director Blaschke, the Board unanimously approved Action Item 9 authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between GBRA and Lennar Homes of Texas Land and Construction, LTD related to the Autumn Ridge residential development project to be located in Guadalupe County, Texas.

The Chairman called for **Action Item 10 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between GBRA and Lennar Homes of Texas Land and Construction, LTD related to the Colina Ranch residential development project to be located in Guadalupe**

County, Texas. Justin Adkins, Assistant General Counsel, is seeking authorization to negotiate and execute a wastewater service agreement with Lennar Homes of Texas Land and Construction, Ltd. related to the Colina Ranch residential project to be located in Guadalupe County, Texas for the provision of 497 LUEs. Upon Motion by Director Cohoon, seconded by Director Blaschke, the Board unanimously approved Action Item 10 authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between GBRA and Lennar Homes of Texas Land and Construction, LTD related to the Colina Ranch residential development project to be located in Guadalupe County, Texas.

Next, the Chairman called for **Action Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between GBRA and Lennar Homes of Texas Land and Construction, LTD related to the Botanical Farm tract residential development project to be located in Guadalupe County, Texas.** Justin Adkins, Assistant General Counsel, is seeking authorization to negotiate and execute a wastewater service agreement with Lennar Homes of Texas Land and Construction, Ltd. related to the Botanical Farm tract residential project to be located in Guadalupe County, Texas for the provision of 678 LUEs. Upon Motion by Director Cyrier, seconded by Director Valdez, the Board unanimously approved Action Item 11 authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between GBRA and Lennar Homes of Texas Land and Construction, LTD related to the Botanical Farm tract residential development project to be located in Guadalupe County, Texas.

The Chairman called for **Action Item 12 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Texas Water Code Section 13.248 Agreement between GBRA and Green Valley Special Utility District.** Justin Adkins,

Assistant General Counsel, is seeking authorization to negotiate and execute a Texas Water Code Section 13.248 Agreement with Green Valley Special Utility District (“GVSUD”) to provide retail wastewater service in a section of GVSUD’s sewer Certificate of Convenience and Necessity in the Stein Falls service area. Upon Motion by Director Cohoon, seconded by Director Valdez, the Board unanimously approved Action Item 12 authorizing the General Manager/CEO to negotiate and execute a Texas Water Code Section 13.248 Agreement between GBRA and Green Valley Special Utility District.

Next, the Chairman called for **Action Item 13 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a three-year software service agreement with a vendor to provide software to better integrate GBRA systems to improve pipeline inspections.** David Harris, Executive Manager of Operations, is seeking authorization to negotiate and execute a three-year software service agreement with a vendor to provide software to allow Operations staff to more efficiently gather, analyze, and oversee pipeline inspections. Upon Motion by Director Old, seconded by Director Carbonara, the Board unanimously approved Action Item 13 authorizing the General Manager/CEO to negotiate and execute a three-year software service agreement with a vendor to provide software to better integrate GBRA systems to improve pipeline inspections.

Next, the Chairman called for **Action Item 14 - Consideration of and possible action to approve a change order with Sundt Construction for the Lake McQueeney and Placid Spillgate Replacement and Dam Armoring Project with a not to exceed amount of \$144,605 to fill the voids under the spillway slab at Bay 3 for McQueeney.** Charlie Hickman, Executive Manager of Engineering, is seeking authorization for approval of a change order for the placement of up to 550 cubic feet of flowable fill into 50 cored holes across the 10 cells of Bay 3 at

McQueeney Dam. No changes to the contract time will be associated with this change order. Upon Motion by Director Old, seconded by Director Blaschke, the Board unanimously approved Action Item 14 approving a change order with Sundt Construction for the Lake McQueeney and Placid Spillgate Replacement and Dam Armoring Project with a not to exceed amount of \$144,605 to fill the voids under the spillway slab at Bay 3 for McQueeney.

The Chairman then called for **Action Item 15 - Consideration of and possible action authorizing the General Manager/CEO to develop and assess a special rate to GBRA's Carrizo Groundwater Supply System customers to recover special assessment charges for operations and maintenance from Alliance Regional Water Authority related to the Interim Clarification System.** Randy Staats, Executive Manager of Finance/CFO, is seeking authorization to develop and assess a special rate for Carrizo Groundwater Supply System customers to recover operations and maintenance costs for the Interim Clarification System. The special rate will be discontinued upon cessation of operations of the Interim Clarification System and implementation of the permanent solution. Upon Motion by Director Cohoon, seconded by Director Carbonara, the Board unanimously approved Action Item 15 authorizing the General Manager/CEO to develop and assess a special rate to GBRA's Carrizo Groundwater Supply System customers to recover special assessment charges for operations and maintenance from Alliance Regional Water Authority related to the Interim Clarification System.

The Chairman called for **Discussion Item 16 - Discussion regarding Base Flow Report, Water Quality Index, long-term weather pattern, and condition of the Guadalupe Basin.** Charles Hickman, Executive Manager of Engineering, briefed the Board on the Guadalupe River basin hydrologic conditions, including rainfall percentages, events, and totals; the Base Flow Report; the U.S. Drought Monitor Seasonal Outlook; Edwards Aquifer level; Comal Springs

level; Guadalupe River stream flows; neutral conditional modeled forecast; and elevation of Canyon Reservoir. Canyon Reservoir elevation was at 879.11 as of March 14, 2025. The J-17 well level was 627.5 as of March 17, 2025. Comal Springs was flowing around 73 cfs as of March 15, 2025.

There being no further business to be brought before the Board, the open meeting was recessed at 11:04 a.m. subject to call by the Chairman and convened the meeting in executive session at 11:04 a.m. pursuant to Chapter 551, Texas Government Code.

The open meeting reconvened at 11:43 a.m.

There being no further business to be brought before the Board, the meeting was adjourned at 11:43 a.m. subject to a call by the Chairman.



Chairman



Secretary/Treasurer