

## **GUADALUPE-BLANCO RIVER AUTHORITY**

### **Minutes of the Board of Directors**

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular monthly meeting on August 20, 2014, at the GBRA River Annex Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Oscar H. Fogle, Robert “Rusty” Brockman, Grace G. Kunde, Kenneth Motl, Don B. Meador, Darrel McLain, and William R. Carbonara. Directors Tommy Mathews and Dennis L. Patillo were absent. Also present were W. E. West, Jr., General Manager; Tom Bohl, General Counsel; James Murphy, Executive Manager of Water Resources and Utility Operations; Alvin Schuerg, Executive Manager of Finance and Administration; LaMarriol Smith, Executive Manager for Strategic Communications and Public Affairs; Todd Votteler, Executive Manager of Science, Intergovernmental Relations and Policy; David Welsch, Executive Manager of Business Development and Resource Management; Gary Asbury, Manager of Project Engineering; Barbara Gunn, Human Resources Manager; Tommy Hill, Chief Engineer; Debbie Magin, Director of Water Quality Services; Bryan Serold, Operations Manager-Lower Basin; John Smith, Operations Manager-Upper Basin; Teresa Van Booven, Project and Community Representative; Cricket Dietert, Executive Assistant to the General Manager; Connie Rothe, Board Relations and Publication Specialist; Leigh Crettenden, IT Manager; Carl Westergard, Web Master; Jaynellen Ladd, Natural Resource Specialist; Tommy Schulte, Regional Representative; Charlie Hickman, Engineer; Michael Urrutia, Division Manager-Comal/Kendall; Susan Hubbert, Accounting Manager; Sandra Terry, Investment

Manager; Roy Odom, Control Room Operator-Guadalupe Valley Hydroelectric Division; John Moryl, Maintenance Crewman-Canyon Hydroelectric Division; Sam Salas, Operator-Luling Water Treatment Plant; Norma Harvey, Accounting Assistant; Jennifer Blinder, Sample Custodian/Lab Tech-Seguin Regional Laboratory; Carmen Phillips, Temp-Lab Tech-Seguin Regional Laboratory; Jeff McKee, Assistant Division Manager-Hydro/Rural Utilities; Jeff Crosby, Executive Director of the Guadalupe-Blanco River Trust; Roger Nevola, legal counsel; David Engel with Engel and Associates; Steve Holzheuser, legislative consultant; Jay Howard with HillCo Partners; Adam Conner with San Antonio Water System; Humberto Ramos with Canyon Regional Water Authority; Jeanne Schnuriger with Springs Hill Water Supply Corporation; Greg Bowen with the New Braunfels Herald-Zeitung; and Bill Swanson with MWH Global.

Chair Fogle 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, and at the GBRA main office and river annex in Seguin, Texas, pursuant to Title 5, Chapter 551 of the Texas Government Code. A quorum being present, the following proceedings were had:

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

The Chair called for comments from the public. There were no public comments. Chair Fogle welcomed and recognized GBRA employees Roy Odom, John Moryl, Sam Salas, Norma Harvey, Jennifer Blinder, and Carmen Phillips.

The Chair called for **Chair Item 1 - Consideration of and possible action appointing Trustees Seats 1 and 2 to serve on the Guadalupe-Blanco River Trust for the term of September 1, 2014 through August 31, 2015 in accordance with the Articles of Incorporation and Article 9.10.B of the Texas Non-Profit Corporation Act.** The Guadalupe-Blanco River Trust is a nonprofit land trust organization that was developed to conserve land in the Guadalupe River Basin for its natural, recreational, scenic, historic, and productive value. It was founded in 2001 by the Guadalupe-Blanco River Authority, a conservation and reclamation district created in 1933 by the Texas Legislature. In accordance with the Bylaws of the Guadalupe-Blanco River Trust, so that the Corporation will always be operated in connection with the Guadalupe-Blanco River Authority under the provisions of §509 (a)(1) of the Internal Revenue Code of 1986, as amended, the appointment of the Trustees Seats 1 and 2 shall always be made so that the Corporation and the Guadalupe-Blanco River Authority will maintain a close and continuing relationship. Upon motion by Director Meador, seconded by Director Motl, the Board unanimously appointed Directors Oscar H. Fogle and Tommy Mathews for Seats 1 and 2 to serve on the Board of Trustees for the Guadalupe-Blanco River Trust. The Trustees appointed to Seats 1 and 2 shall serve one (1) year terms.

Next, the Chair called for **Consent Item 2 - Consideration of and possible action approving the minutes of the July 16, 2014, Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for July 2014; Consent Item 4 - Consideration of and possible action approving the monthly operations report for July 2014; and Consent Item 5 - Consideration of**

**and possible action approving Directors' expense vouchers.** Upon motion by Director Kunde, seconded by Director Motl, the Board unanimously approved Consent Items 2, 3, 4, and 5.

The Chair then called for **General Manager Item 6 - Discussion of the Executive Report addressing various matters including matters relating to safety, utility operations, budget meetings and budget presentations to customers, water resources, operations, engineering, coordination with the U.S. Army Corps of Engineers on Canyon Reservoir operations, Senate Bill 3 Environmental Flows Workshop and funding for related studies, Region L workgroup meeting, matters relating to development of a water rights operation model on the Guadalupe River, construction management, Mid-Basin Water Supply Project status, feasibility study for Integrated Water Power Project, inspections at Johnson Ranch Subdivision, relocation of utilities for FM 110 (San Marcos Bypass), Regional Laboratory matters including reports filed with Texas Commission on Environmental Quality and Environmental Protection Agency, laboratory information management system and related Request for Qualifications, laboratory chains of custody reviews, Clean Rivers Program including monitoring for fiscal year 2014 and Quality Assurance Project Plan for fiscal year 2015, Plum Creek Projects including activities funded by Texas State Soil and Water Conservation Board and activities of the Watershed Coordinator, operations matters including meetings with City of Luling for regional source water assessment, ongoing permit renewals for various plants, Geronimo Creek**

**Watershed Protection Plan, Environmental Flows Project, vegetation and invasive species matters, Water Quality matters including meetings on bacteria issues in Comal and Dry Comal Rivers, recent Wimberley watershed partnership meeting, grants, Land and Water Expo in Comal County, economic and community development throughout the Guadalupe Basin, project development including reports on Johnson Ranch, City of Bulverde (Singing Hills), Park Village 4-S Ranch, Dunlap Area Rural Utilities, Canyon Lake Wastewater Master Plan, property management issues, project guidelines, water supply studies and other water-related activities, resource protection including lake management, Gonzales area flood warning presentation, reports from Canyon Lake office, report from Gorge Preservation Society, information technology, human resources, accounting, and finance issues.** James Murphy briefed the Board on GBRA operation and engineering activities. David Welsch briefed the Board on water quality, regional laboratory, economic and community development, and business development activities. Teresa Van Booven briefed the Board on the Texas Lineman's Rodeo recently held at Nolte Island Park in Seguin. Tommy Schulte briefed the Board on the "Goat Project" at the H-5 island lots in Gonzales. Alvin Schuerg briefed the Board on finance, human resource, and information technology activities. Mr. Schuerg also briefed the Board on the financial statements executive summary for the period ending July 31, 2014.

The Chair called for **Action Item 7 - Consideration of and possible action approving the Fiscal Year 2015 Work Plan and Budget including rates and**

compensation tables, as well as Executive employee compensation agreements as discussed in executive session for the Guadalupe Valley Hydroelectric Division, Shadow Creek Wastewater Reclamation System, Canyon Park Estates Wastewater Reclamation System, Dunlap Wastewater Reclamation System, Northcliffe Wastewater Reclamation System, Springs Hill Wastewater Reclamation System, Sunfield Wastewater Treatment Plant, Water Sales System, Regional Laboratory System, Calhoun Canal System, San Marcos Water Treatment Plant System, Buda Wastewater Treatment Plant System, Western Canyon Treated Water System, Cordillera Water Distribution System, Comal Trace Water Delivery System, Cordillera Wastewater Treatment Plant, Johnson Ranch Water Distribution System, Johnson Ranch Wastewater Treatment System, Port Lavaca Water Treatment Plant Division, Calhoun County Rural Water Supply Division, Coletto Creek Reservoir System, Coletto Creek Recreation System, Luling Water Treatment Plant Division, Canyon Hydroelectric Division, Lockhart Wastewater Reclamation System, Lockhart Water Treatment Plant System, and **General Division**. Alvin Schuerg gave an overview of the proposed Fiscal Year 2015 Work Plan and Budget. Upon motion by Director Kunde, seconded by Director Meador, the Board unanimously approved the Fiscal Year 2015 Work Plan and Budget including rates and compensation tables, as well as Executive employee compensation agreements.

Next, the Chair called for **Action Item 8 - Consideration of and possible action expanding the Guadalupe-Blanco River Authority's employee benefit**

**program by authorizing an additional holiday to the nine holidays that GBRA currently provides.** GBRA Board Policy 202 – Employee Benefits, states that “the Board of Directors will determine each fiscal year the number of holidays that GBRA will observe”. Currently, GBRA authorizes nine (9) holidays as part of its larger employee benefit program. These holidays include New Year’s Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas Eve, and Christmas Day. GBRA also provides employees with a “Safety Holiday” following a fiscal year in which there were zero “lost time, on-the-job” injuries. As a practical matter, some years include a Safety Holiday while other years do not. Recently, the GBRA staff, supervisors group, and the Retirement and Benefit Committee have discussed adding one more holiday to the “traditional” list above. Included in that discussion was a comparison of GBRA’s holiday schedule to a number of cities, water districts, and to Guadalupe County. It was determined that GBRA’s 9½ holidays, (9 holidays plus the periodic Safety Holiday) is below the 10.32 average number of holidays offered by many other local governments. Of additional note, the State of Texas provided a total of 17 holidays during its Fiscal Year 2014. At the conclusion of the Retirement and Benefit Committee discussion on the matter, the Committee decided to recommend that the GBRA Board consider authorizing a tenth (10<sup>th</sup>) holiday to the above list. It was further recommended that the GBRA staff could decide at the beginning of each new fiscal year, which day during the year the holiday would be fall on. Upon motion by Director Meador, seconded by Director Brockman, the

Board unanimously approved an additional holiday to the current list of GBRA approved holidays.

The Chair then called for **Action Item 9 - Consideration of and possible action authorizing the General Manager to negotiate and possibly execute a grant agreement with the Texas Commission on Environmental Quality (TCEQ) for the completion of the scope of work for the project entitled “Taking Charge of Water Quality in the Geronimo and Alligator Creeks Watersheds through Outreach and Education”**. The project will design and implement educational components of the Geronimo and Alligator Creeks Watershed Protection Plan that will serve as tools that can be utilized with elementary school students through high school, with teachers, with civic leaders, with riparian landowners and with the general public in order to enhance understanding of the health of a riparian and creek ecosystem in the Geronimo and Alligator Creeks watershed. “Taking Charge of Water Quality in the Geronimo and Alligator Creeks Watershed through Outreach and Education” is a collaborative effort between the Guadalupe-Blanco River Authority and the Irma Lewis Seguin Outdoor Learning Center. The Irma Lewis Seguin Outdoor Learning Center is an environmental and recreational learning center located in the heart of the Geronimo and Alligator Creeks watersheds. The Irma Lewis Seguin Outdoor Learning Center has provided the citizens of south central Texas with a multitude of recreational and educational opportunities. The Irma Lewis Seguin Outdoor Learning Center offers many exciting, hands-on science and nature activities for explorers and naturalists of all ages. Geronimo Creek flows through the facility and is used as part of an outdoor “classroom”

for learning about nature and the environment. School children of all ages from the Seguin, New Braunfels and Comal Independent School District's visit the facility annually. Classes rotate between stations to learn about fishing, kayaking, orienteering, and outdoor recreation. This proposed project will expand these activities to include opportunities to learn about nonpoint source pollution. The project combines technology with on-the-ground demonstrations and outdoor education covering nonpoint pollution best management practices and associated load reductions, to implement behavioral change in stakeholders living and working in the Geronimo and Alligator Creeks Watersheds. The Watershed Protection Plan states "An aggressive outreach and education program will be vital to successful engagement of watershed stakeholders". Several of the project's deliverables will highlight the Geronimo and Alligator Creeks watershed but will also be appropriate for use throughout the Guadalupe River Basin as well as across the State. The federal portion of the three-year grant totals \$184,000 which will fund the development of flash module graphics; preparation of videos and audio clips covering nonpoint source pollution; installation of low-impact development structures at the Irma Lewis Seguin Outdoor Learning Center (rain garden, pervious parking, vegetated swale(s), riparian walkway), as well as signage, kiosks, and rainwater harvesting. GBRA and the Irma Lewis Seguin Outdoor Learning Center will provide the match (\$122,667) through labor, land value and volunteer docent hours. Upon motion by Director Motl, seconded by Director Kunde, the Board unanimously authorized the General Manager to negotiate and execute a grant agreement with the Texas Commission on Environmental Quality for the

completion of the scope of work for the project entitled “Taking Charge of Water Quality in the Geronimo and Alligator Creeks Watersheds through Outreach and Education”.

The Chair called for **Action Item 10 - Consideration of and possible action authorizing the General Manager to negotiate and possibly execute a grant agreement with the Texas Commission on Environmental Quality for the completion of the scope of work for the project entitled “Plum Creek Watershed Protection Plan (WPP) Implementation – Illicit Discharge Monitoring”**. The environmental data collection project will monitor the City of Lockhart’s storm water conveyance system for illicit discharges in order to identify contributions of target pollutants from illicit discharges. The two-year project consists of four tasks: project administration, quality assurance, illicit discharge monitoring, and a final report. The project costs total to \$41,666, forty percent (40%) of which is match provided by GBRA (\$16,666) through labor, fringe, and indirect. No cash is being provided by GBRA. In 2004, the Texas Water Quality Inventory and 303(d) List identified the Plum Creek (Segment 1810) as exceeding the contact recreation standard criterion for *E. coli* bacteria. Additionally, Plum Creek has concerns for nutrients (ammonia, nitrate + nitrite nitrogen, and total phosphorus). In 2006, the Plum Creek Watershed Partnership was formed and, under facilitation by the Texas AgriLife Extension Service, developed the Plum Creek Watershed Protection Plan. The Plum Creek Watershed Protection Plan identified Best Management Practices that if implemented, could reduce the pollutant loading and bring Plum Creek back into compliance with State stream standards. Through a Fiscal Year 2009 Clean Water Act Section § 319(h) grant, the City of

Lockhart implemented a series of Best Management Practices highlighted in the Plan which included mapping and evaluating the existing storm water system and identifying and prioritizing upgrades to the City's storm water management system. The goal of this project is to reduce nonpoint source pollution entering Plum Creek by detecting and addressing non-storm water discharges into the City's municipal storm system, in order to locate and eliminate illicit discharge sources. The storm water conveyance system will be monitored under dry weather conditions. If water is present in the conveyance system, water quality samples will be collected and analyzed for pollutants of concern in the Plum Creek watershed: E. coli, nitrate-nitrogen (NO<sub>3</sub>-N), ammonia-nitrogen (NH<sub>3</sub>-N), and total phosphorus-P (Total P). The illicit discharge detection survey will be conducted so that twenty-five percent (25%) of the system is inspected once per quarter, resulting in one hundred percent (100%) of the system surveyed in a year. If illicit discharges are found, the City will be notified so that they could enforce their drainage ordinance. Upon motion by Director Meador, seconded by Director Kunde, the Board unanimously authorized the General Manager to negotiate and execute a grant agreement with the Texas Commission on Environmental Quality for the completion of the scope of work for the project entitled "Plum Creek Watershed Protection Plan (WPP) Implementation – Illicit Discharge Monitoring".

Next, the Chair called for **Action Item 11 - Consideration of and possible action authorizing the General Manager to negotiate and hire a licensed and insured herbicide applicator to treat Lakes Gonzales and Wood as part of the recommended treatment plan for control of waterhyacinth and hydrilla.** GBRA, in

partnership with Gonzales County, Texas Parks and Wildlife Department, and Friends of Lake Wood, will implement treatment proposals to treat invasive aquatic vegetation on Lakes Gonzales and Wood. Lakes Gonzales and Wood are the lower two hydroelectric impoundments located in Gonzales County. Both lakes are experiencing severe infestations of non-native aquatic vegetation, including hydrilla and waterhyacinths. Texas Parks and Wildlife Department has surveyed the lake and it is their recommendation that a two-pronged treatment plan be implemented that includes chemical treatment of 118 acres of waterhyacinths with a glyphosate herbicide, and 34 acres of hydrilla with a copper herbicide, followed by a stocking of triploid (sterile) grass carp. The treatment proposals will be funded a third by GBRA (\$13,250), a third by Gonzales County (\$13,250) and a third by Texas Parks and Wildlife Department (\$13,250). The stocking of grass carp will be funded by the Friends of Lake Wood Lake Association. Upon motion by Director Kunde, seconded by Director McLain, the Board unanimously authorized the General Manager to negotiate and hire a licensed and insured herbicide applicator to treat Lakes Gonzales and Wood as part of the recommended treatment plan for control of waterhyacinth and hydrilla.

The Chair recessed the meeting at 11:33 a.m. The Chair reconvened the meeting at 11:40 a.m.

The Chair then called for **Discussion Item 12 - Discussion regarding the activities and transactions of the Edwards Aquifer Authority, South Central Texas Water Advisory Committee, and the Guadalupe Basin Coalition.** Todd Votteler briefed the Board on activities of the Edwards Aquifer Authority, the Edwards Aquifer

Recovery Implementation Program Habitat Conservation Plan, the Guadalupe Basin Coalition, and the South Central Texas Water Advisory Committee. Dr. Votteler also briefed the Board on the current status/decline of Comal Springs as a result of the current drought conditions.

The Chair called for **Discussion Item 13 - Discussion regarding the activities and transactions of the Guadalupe-Blanco River Trust, the San Antonio Bay Foundation, the Gorge Preservation Society, and the Guadalupe River Foundation.** Jeff Crosby briefed the Board on activities of the Guadalupe-Blanco River Trust. Jaynellen Ladd briefed the Board on activities of the Gorge Preservation Society including the upcoming *Moonlight in the Gorge* to be held October 11, 2014.

Next, the Chair called for **Discussion Item 14 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** The reports were discussed with the Board. Tommy Hill briefed the Board on the Comal Springs level, San Marcos Springs level, Guadalupe River stream flows, elevation of Canyon Reservoir and other reservoirs, rainfall events, and the U. S. Drought Monitor Seasonal Outlook.

The Chair then called for **Discussion Item 15 - Discussion regarding local and State water planning and water resource issues.** General Manager West briefed the Board on various legislative issues.

The Chair then called for **Discussion Item 16 - Discussion regarding national water planning and water resource issues.** General Manager briefed the Board on

the National Water Resources Association Western Water Seminar held in Flagstaff, Arizona.

The Chair recessed the open meeting at 12:18 p.m. The Chair then closed the open meeting and convened the meeting in executive session at 12:55 p.m. pursuant to Chapter 551, Texas Government Code. The Chair reconvened the meeting in open session at 1:42 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 1:42 p.m. subject to call by the Chair.

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Chair

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Secretary