

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 March 18, 2015, at the Victoria County Archives, 205 West Goodwin Avenue, Victoria, Victoria County, Texas. Directors present were Tommy Mathews, Robert “Rusty” Brockman, Dennis L. Patillo, Oscar H. Fogle, Grace G. Kunde, Kenneth Motl, Don B. Meador, Darrel McLain, and William R. Carbonara. 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; Barbara Gunn, Human Resources Manager; Tommy Hill, Chief Engineer; Bryan Serold, Operations Manager-Lower Basin; John Smith, Operations Manager-Upper Basin; Michael Urrutia, Director of Water Quality Services; Tommy Schulte, Regional Representative; Cricket Dietert, Executive Assistant to the General Manager; Leigh Crettenden, IT Manager; Carl Westergard, Web Master; Connie Rothe, Board Relations and Publication Specialist; Charlie Hickman, Engineer; Don Koble, Chief Operator-Calhoun County Rural Water System Division; Rodney Guice, Water Tender-Calhoun County Rural Water Supply Division; Curtis Gosnell, Heavy Equipment Operator-Calhoun Canal Division; Wilfred Korth, Chief Ranger-Coletto Creek Recreation; Dianne Fly, Office Manager-Coletto Creek

Reservoir; John Urban, Maintenance Crewman-Coletto Creek Reservoir; Alan Schneider, Chief Operator-Coletto Creek Reservoir; Stephanie Shelly, Chief Operator-Port Lavaca Water Treatment Plant; Ronnie Parenica, Operator-Port Lavaca Water Treatment Plant; Joey Kisiah, Operator-Port Lavaca Water Treatment Plant; David Lundin, Maintenance Chief-Port Lavaca Water Treatment Plant; David Garcia, Maintenance Technician-Port Lavaca Water Treatment Plant; Herb Wittliff, Manager of Port Lavaca Operations; Mike Tompkins, Maintenance Technician-Calhoun Canal Division; Jeff Crosby with the Guadalupe-Blanco River Trust; Dan Alonso with the San Antonio Bay Foundation; Roger Nevola, legal counsel; Jim Dublin with Dublin and Associates; David Engel with Engel and Associates; Paul Polasek, Mayor-City of Victoria; Jerry James with the City of Victoria; Fred Knipling with the Calhoun County Rural Water Supply Corporation; Harry Wagner and LeAnn Wagner; Kenneth Schustereit; and Alan Thompson with LVN.

Chair Mathews called the meeting to order at 9:00 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 and Victoria County Courthouses, the Victoria County Archives, 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 Patillo led the Pledge of Allegiance to the United States flag and Texas flag.

Chair Mathews welcomed Fred Knipling with the Calhoun County Rural Water Supply Corporation; City of Victoria Mayor Paul Polasek; Jerry James with the City of Victoria; and Harry and LeAnn Wagner retired Professors from Victoria College. Mayor Polasek addressed and thanked GBRA for conducting the Board meeting in Victoria.

The Chair called for public comments. Kenneth Schustereit addressed the Board regarding log jams.

Chair Mathews welcomed and recognized GBRA employees Don Koble, Rodney Guice, Curtis Gosnell, Wilfred Korth, Dianne Fly, John Urban, Alan Schneider, Stephanie Shelly, Ronnie Parenica, Joey Kisiah, David Lundin, David Garcia, Herb Wittliff, and Mike Tompkins. The Chair also introduced the GBRA Executive Team W. E. "Bill" West, Jr., Tom Bohl, James Murphy, Alvin Schuerg, LaMarriol Smith, Todd Votteler, and David Welsch.

The Chair called for **Chair Item 1 - Consideration of and possible action authorizing the expenditure of funds for Directors and staff to attend the National Water Resources Association 2015 Federal Water Issues Conference, April 12-15, 2015, at the Washington Court Hotel in Washington, D.C.** Upon motion by Director Fogle, seconded by Director Meador, the Board unanimously authorized the expenditure of funds for Directors and staff to attend the National Water Resources Association 2015 Federal Water Issues Conference.

Next, the Chair called for **Consent Item 2 - Consideration of and possible action approving the minutes of the February 18, 2015, Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial**

report for February 2015; Consent Item 4 - Consideration of and possible action approving the monthly operations report for February 2015; and Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers.

Upon motion by Director Brockman, seconded by Director Kunde, 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 relating to water resources planning including reports on Regional L Water Planning group activities, State funding issues, water reuse issues, GBRA's Mid-Basin Project (Groundwater and Surface Water components), Integrated Water Power Project, Lower Basin Storage Project and related regional planning issues, Hydropower Regulatory Act issues, water resources operation including engineering issues and engineering related meetings, regional planning, U. S. Army Corps of Engineers Dam Safety Table Top Exercise for Canyon Dam, construction management reports relating to GBRA projects and to the FM 110 Bypass in San Marcos, FM 150 near Kyle, US 183 near Lockhart and other projects, safety issues, utility operations and drought contingency plan implementation, Water Quality Division and Regional Laboratory reports, reports on the activities of GBRA's Regional Laboratory, sampling and other water quality-related activities, economic and community development reports including the River Heritage Tour Project, reports on various community meetings, community outreach activities in the Guadalupe Basin,**

project development reports, water and wastewater services provided in various communities throughout the Guadalupe Basin, property management, water supply studies in the Basin, Western Canyon reports, water supply studies in the middle Guadalupe Basin, resource protection issues, lake management, Zebra Mussels, flood management, reports from the Canyon Lake/Sattler office and the Gorge Preservation Society, public affairs reports including media reports, public outreach and social media, education reports, reports on the activities of the Environmental Learning Center, publications, Geographic Information Systems projects, special projects, reports on marketing efforts, grants, Board relations and public events, administrative reports, information technology reports, Human Resource reports, accounting, and finance reports, water supply and wastewater treatment contract activities. James Murphy briefed the Board on GBRA water resources planning, operation and engineering activities. Mr. Murphy also briefed the Board on regional planning efforts. David Welsch briefed the Board on water quality, regional laboratory, economic and community development, and business development activities. LaMarriol Smith briefed the Board on media, education, publications, marketing, and grant activities. Alvin Schuerg briefed the Board on finance, human resource, and information technology activities. Mr. Schuerg also briefed the Board on the executive financial summary for the period ending February 28, 2015.

The Chair called for **Action Item 7 - Consideration of and possible action authorizing the engagement of an auditing firm to perform the Fiscal Year 2015 audit.** An annual audit is required by Section 7 of GBRA's Enabling Act, Section

49.191 of the Texas Water Code, GBRA Board Policy 410-Audits, and the provisions of numerous bond resolutions. GBRA Board Policy 410.202 states that the initial term of the engagement of an independent auditor shall be three years subject to annual evaluation and reappointment for the second and third years. Subsequent reappointments may be approved but the engagement cannot exceed five consecutive years. The firm of Alonzo, Bacarisse, Irvine and Palmer completed their second year serving as GBRA's auditor with the Fiscal Year 2014 audit. In February, 2015, Alonzo, Bacarisse, Irvine and Palmer submitted their proposal for auditing services for the Fiscal Year 2015 financial audit to the Auditing Committee. The proposal for services states that the fees for the firm's services will be their quoted hourly rates, not to exceed \$41,200. Upon motion by Director Brockman, seconded by Director Patillo, the Board unanimously authorized the General Manager to engage the audit firm of Alonzo, Bacarisse, Irvine and Palmer for the Fiscal Year 2015 financial audit.

Next, the Chair called for **Action Item 8 - Consideration of and possible action authorizing the General Manager to amend the Fiscal Year 2015 Work Plan and Budget for the Northcliffe Wastewater Reclamation System.** The GBRA Board of Directors approved the Fiscal Year 2015 Work Plan and Budget in the amount of \$502,698 for the Northcliffe Wastewater Reclamation System. A copy of the budget was mailed to the City of Schertz. The City of Schertz has asked that GBRA defer the Fiscal Year 2015 capital additions until the City can acquire the necessary capital addition funds. The Fiscal Year 2015 Work Plan and Budget included \$238,000 in capital additions. These capital additions were identified as Phase I in a preliminary

engineering evaluation dated March 31, 2014. The capital additions included an additional aerator, baffling in the aerations basin and raw diversion modifications. Upon motion by Director Motl, seconded by Director Patillo, the Board unanimously authorized the General Manager to amend the Fiscal Year 2015 Work Plan and Budget for the Northcliffe Wastewater Reclamation System budget to the amount of \$264,698 by deleting the \$238,000 of capital additions.

The Chair then called for **Action Item 9 - Consideration of and possible action authorizing the General Manager to negotiate and execute a contract with the lowest qualified bidder for chlorine and sulfur dioxide to be used at GBRA water and wastewater facilities.** Chlorine is used as a disinfectant at water and wastewater facilities. Sulfur dioxide is used as a de-chlorinating agent at many wastewater facilities. GBRA and New Braunfels Utilities jointly bid the chlorine and sulfur dioxide as was done in the previous bid. The contract would be for a one-year term, with the option of extending the contract up to four (4) times, for a total of five (5) years. Bid documents were prepared. The bid notice was properly advertised and posted on the GBRA website. Bid documents were requested by six (6) firms. Bids were received from two (2) firms. Upon motion by Director Meador, seconded by Director Kunde, the Board unanimously authorized the General Manager to negotiate and execute a contract with the apparent lowest qualified bidder, DPC Industries, for chlorine and sulfur dioxide to be used at GBRA water and wastewater facilities.

The Chair called for **Discussion Item 11 - Discussion regarding current Guadalupe-Blanco River Authority projects including, without limitation, the Mid-**

Basin Project, the Lower Basin Storage Project, the Integrated Water Power Project, and log jam status. James Murphy briefed the Board on the Integrated Water Power Project. David Welsch briefed the Board on the Mid-Basin Project. Bryan Serold briefed the Board on Coleta Creek Park and Reservoir operations. Bryan Serold also briefed the Board on GBRA's log jam removal operations on the Guadalupe and San Antonio Rivers.

Next, the Chair called for **Discussion Item 10 - Presentation on the Guadalupe-Blanco River Authority River Heritage Tour.** Tommy Schulte briefed the Board on the GBRA Heritage Tour. The focus of the project is to highlight the history and culture of communities throughout GBRA's statutory district. An introductory video was shown to the Board. Projected completion and release of the GBRA Heritage Tour is projected to be in the Spring of 2016.

The Chair recessed the meeting at 10:50 .m. The Chair resumed the meeting in open session at 11:00 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.** General Manager West briefed the Board on activities of the Edwards Aquifer Authority, the Guadalupe Basin Coalition, and the South Central Texas Water Advisory Committee. Discussion was also had on the review of the Edwards Aquifer Habitat Conservation Plan.

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. Dan Alonso briefed the Board on the activities of the San Antonio Bay Foundation and the U.S. Fish and Wildlife Service Whooping Crane official count of 308 birds. This is an upward trend of Whooping Cranes over the last four years. Jeff Crosby briefed the Board on the activities of the Guadalupe-Blanco River Trust including a 238 acre conservation easement adjoining Coletto Creek Park and Reservoir and a wetland project on an 860 acre tract of land in Calhoun County.

Next, the Chair called for **Discussion Item 14 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** 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.** Chair Mathews briefed the Board on the Texas Water Conservation Association conference. General Manager West briefed the Board on Legislative activities.

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

The Chair recessed the open meeting at 11:31 a.m. The Chair then closed the open meeting and convened the meeting in executive session at 11:36 a.m. pursuant to

Chapter 551, Texas Government Code. The Chair reconvened the meeting in open session at 11:53 a.m.

There being no further business to be brought before the Board, the meeting was adjourned at 11:54 a.m. subject to call by the Chair.

Chair

Secretary