

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 September 16, 2015, at the GBRA River Annex Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Tommy Mathews, Robert “Rusty” Brockman, Dennis L. Patillo, Oscar H. Fogle, Don B. Meador, Darrell McLain, and Kenneth Motl. Directors Grace G. Kunde and William R. Carbonara 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; Gary Asbury, Manager of Project Engineering; Darel Ball, Division Manager-Hays/Caldwell; Barbara Gunn, Human Resources Manager; Bryan Serold, Operations Manager-Lower Basin; John Smith, Operations Manager-Upper Basin; Michael Urrutia, Director of Water Quality Services; Teresa Van Booven, Project and Community Representative; Tommy Schulte, Regional Representative; Cricket Dietert, Executive Assistant to the General Manager; Leigh Crettenden, IT Manager; Jaynellen Ladd, Natural Resource Specialist; Carrie Kasnicka, Grant Writer/Administrator; Jeff McKee, Assistant Division Manager Hydro-Rural Utilities; Mary Newman, Project Coordinator; Mark Steel, Projects and Publications Specialist; Tammy Beutnagel, Public Communications Assistant; Josie Longoria, Regional Laboratory Director; Dan Alonso,

Executive Director of the San Antonio Bay Foundation; Roger Nevola, legal counsel; Steve Holzheuser, legislative consultant; Frank Pagel, former GBRA Director from Refugio County; Sandy Serold; Sam Vaughn with HDR Engineering; Stefan Schuster with MWH Global; and Brandon Payne with San Antonio Water System.

Chair Mathews 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:

Chair Mathews 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.

The Chair called for **Chair Item 2 - Consideration of and possible action authorizing the expenditure of funds for Directors and staff to attend the Texas Water Conservation Association fall meeting, October 14-16, 2015, at the Wyndham San Antonio Riverwalk Hotel in San Antonio, Texas.** Upon motion by Director Patillo, seconded by Director Fogle, the Board unanimously authorized the expenditure of funds for Directors and staff to attend the Texas Water Conservation Association fall meeting in San Antonio, Texas.

Next, the Chair then called for **Consent Item 3 - Consideration of and possible action approving the minutes of the August 19, 2015, Board meeting; Consent**

Item 4 - Consideration of and possible action approving the monthly financial report for August 2015; Consent Item 5 - Consideration of and possible action approving the monthly operations report for August 2015; and Consent Item 6 - Consideration of and possible action approving Directors' expense vouchers. Upon motion by Director Meador, seconded by Director Motl, the Board unanimously approved Consent Items 3, 4, 5, and 6.

The Chair then called for **General Manager Item 7 - 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 policies, Texas Water Development Board interregional conflict rules, GBRA's Mid-Basin Project (Groundwater and Surface Water components), Integrated Water Power Project and project funding applications, Lower Basin Storage Project and related regional planning and legislative issues, Lower Basin Appropriation (new) Project, Hydropower Regulatory Efficiency Act issues, water resources operation including engineering issues and related meetings, regional planning, consultations with the U. S. Army Corps of Engineers, construction management reports relating to GBRA projects and to the FM 110 Bypass in San Marcos, FM 150 near Kyle, U.S. 183 near Lockhart, CR-266 in Caldwell County, rainfall and floodwater monitoring issues in the Guadalupe and Blanco River watersheds, safety issues, utility operations; 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 reports on the River Heritage Tour Project, Moonlight in the Gorge, reports on various community meetings, community outreach activities in the Guadalupe Basin, reports on demolition of structures at certain locations around Lake Wood/H-5, a Boy Scout project on Lake Wood/H-5 in the cleared areas, budget meetings with customers, project development reports relating to Johnson Ranch, Bulverde, Park Village and 4-S Ranch, Dunlap Area Utilities, Point Comfort, Port Lavaca, Canyon Lake wastewater master plan development, water and wastewater agreements and services provided in various communities throughout the Guadalupe Basin, GBRA's Lower Basin Project, property management reports, water supply studies in the Basin, Western Canyon reports, water supply studies in the middle Guadalupe Basin, resource protection issues, lake management, water safety issues and ordinances, Zebra Mussels, flood management and recovery issues, issues related to logjams, reports from the Canyon Lake/Sattler office and the Gorge Preservation Society, reports on Lerin Hills and other subdivisions in and around Kendall County, public affairs reports including media reports, public outreach and social media, new website development, education reports, reports on the activities of the Environmental Learning Center, publications, Geographic Information Systems projects, special projects including outreach to various schools and presentation to students, planning for newly acquired property at

Coletto Creek, reports on marketing efforts, GBRA publications, grants, Board relations and public events, administrative reports, information technology reports, Human Resource reports, personnel matters, accounting, and finance reports, water supply and wastewater treatment contract activities. James Murphy briefed the Board on GBRA water resources planning, operations, and engineering activities. Mr. Murphy also briefed the Board on regional planning efforts. A video prepared by Bluefield Research on U. S. Municipal Wastewater and Reuse including market trends, opportunities, and forecasts for 2015 to 2025 was shown to the Board. Teresa Van Booven briefed the Board on activities on GBRA's hydroelectric lakes following actions from the August Board meeting. Mary Newman briefed the Board on the Natural Resource Conservation Service damage surveys following the 2015 Memorial weekend flood event. LaMarriol Smith introduced Mark Steel, GBRA's new Projects and Publications Specialist. Ms. 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 August 31, 2015. General Manager West briefed the Board on activities associated with Lerin Hills and other subdivisions in and around Kendall County.

The Chair called for **Chair Item 1 - Consideration of and possible action approving a Resolution honoring 2015 Guadalupe-Blanco River Authority retiree Bryan Serold for his thirty-nine (39) years of meritorious and faithful service.** Chair Mathews and General Manager West recognized Bryan Serold for his 39 years of

dedicated and meritorious service to the Guadalupe-Blanco River Authority. Chair Mathews read a Resolution honoring Bryan Serold. Upon motion by Director Patillo, seconded by Director Motl, the Board unanimously approved a Resolution honoring GBRA 2015 retiree Bryan Serold. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chair called for **Action Item 8 - Consideration of and possible action authorizing the General Manager to negotiate and execute a Joint Funding Agreement between the United States Geological Survey and the Guadalupe-Blanco River Authority for the period October 2015 through September 2016.** GBRA has contracted with the United States Geological Survey since the early 1960's to provide stage and stream flow gauging and water quality testing at various sites. The United States Geological Survey typically provides approximately 25-50 percent funding for selected sites. The contract includes funding for thirteen gauges and testing for pesticides in the Calhoun Canal System. The proposed 2016 contract with the United States Geological Survey includes GBRA's continued participation in the Jacob's Well water quality site. Upon motion by Director Brockman, seconded by Director Motl, the Board unanimously authorized the General Manager to negotiate and execute a Joint Funding Agreement between the United States Geological Survey and GBRA for the period October 2015 through September 2016.

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 the construction of the Canyon Park Estates**

Wastewater Systems Improvement Project. Jeff McKee briefed the Board on the Canyon Park Estates Wastewater Systems Improvement Project. Existing and proposed commercial businesses (including Brookshire Brothers grocery store) adjacent to FM 306 along the east side of Canyon Lake in the Canyon Park Estates area have expressed a desire for GBRA to provide sanitary service. The scope of work included in this project consists of the furnishing of all labor, equipment, supplies and materials necessary for the installation of sanitary sewer piping, a pump station, and related appurtenances. Bid documents/specifications were developed and properly advertised. The bids were publicly opened on September 3, 2015. Six bids were received from the following contractors: M & C Fonseca Construction, Granite Shoals, Texas; Hoover Construction, Burnet, Texas; Pesado Construction, Schertz, Texas; Qro Mex Construction, Granite Shoals, Texas; Prota Construction, Austin, Texas; and Holloman Corporation, Converse, Texas. M & C Fonseca Construction Company, Inc. of Granite Shoals, Texas, submitted the lowest bid. James Ingalls of Moeller and Associates, the Engineer of Record and GBRA staff have checked references for M & C Fonseca Construction Company, Inc. and found them to be acceptable. Upon motion by Director Brockman, seconded by Director Patillo, the Board unanimously authorized the General Manager to negotiate and execute a contract with M & C Fonseca Construction Company, Inc. of Granite Shoals, Texas, the lowest qualified bidder, for the installation of the Canyon Park Estates Wastewater Systems Improvement Project. Total construction authorization is \$974,161.00 and to authorize a five percent (5%)

construction contingency allowance, \$48,708.00 to be utilized by staff for unknown items that may develop. Total authorization is for \$1,022,869.00.

The Chair called for **Action Item 10 - Consideration of and possible action approving a Guadalupe-Blanco River Authority Board of Directors Resolution in support of fluoridation in water treatment systems.** Michael Urrutia briefed the Board on fluoridation in water treatment systems. Fluoridation has been in water systems for over 70 years. Upon motion by Director Fogle, seconded by Director Meador, the Board unanimously approved a Resolution in support of fluoridation in water treatment systems. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chair called for **Action Item 11 - Consideration of and possible action authorizing the General Manager to execute a Texas Water Development Board State Water Implementation Fund for Texas/State Water Implementation Revenue Fund for Texas (SWIFT/SWIRFT) loan commitment in an amount not to exceed \$8,000,000.00 to fund the next phase of the Integrated Water Power Project.** On July 23, 2015 the Texas Water Development Board approved GBRA's financial assistance request of \$8,000,000 from the State Water Implementation Revenue Fund for Texas (SWIRFT). These funds are dedicated to the next phase of the Integrated Water Power Project and will include the review of opportunities to reduce costs by the integration of the Integrated Water Power Project with GBRA's Lower Basin Storage Project and other opportunities for regionalization. The Texas Water Development Board loan commitment expires on December 31, 2015, however

their Proposed Series 2015 loan must be closed within thirty days of the Texas Water Development Board's receipt of funds, currently scheduled for November 4, 2015. GBRA must notify the Texas Water Development Board by later this month of its intention to take down all or part of that amount. Upon motion by Director Patillo, seconded by Director Brockman, the Board unanimously authorized the General Manager to execute a Texas Water Development Board State Water Implementation Fund for Texas/State Water Implementation Revenue Fund for Texas (SWIFT/SWIRFT) loan commitment in an amount not to exceed \$8,000,000.00 to fund the next phase of the Integrated Water Power Project. A copy of the Financing Agreement is attached and made a part of these minutes.

The Chair recessed the meeting at 11:24 a.m. The meeting reconvened at 11:33 a.m.

Next, the Chair called for **Discussion Item 12 - Quarterly status report on grant activities.** Carrie Kasnicka briefed the Board on various grants that have been received, pending, and denied.

The Chair then called for **Discussion Item 13 - Discussion regarding the Basin Highlight Report.** Michael Urrutia briefed the Board on the 2015 Basin Highlight Report.

The Chair called for **Discussion Item 14 - Discussion regarding publication awards.** LaMarriol Smith briefed the Board on various publication awards including Hermes Creative Awards, Summit International Awards, Communicator Awards,

American Inhouse Design Awards, and Water Environment Association of Texas/American Water Work Association Watermark Awards.

Next, the Chair called for **Discussion Item 15 - Discussion regarding the 2015 Memorial flood event social media activity.** LaMarriol Smith briefed the Board on social media activities including Twitter and Facebook. Discussion was had regarding social media activity prior to, during, and after the Memorial flood event.

The Chair then called for **Discussion Item 16 - 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 Guadalupe Basin Coalition, and the South Central Texas Water Advisory Committee.

The Chair called for **Discussion Item 17 - 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.** Todd Votteler briefed the Board on the activities of the Guadalupe-Blanco River Trust. Dr. Votteler also informed the Board on the selection of Carrie Kasnicka as the new Conservation Director for the Guadalupe-Blanco River Trust. Dan Alonso briefed the Board on the activities of the San Antonio Bay Foundation. Jaynellen Ladd briefed the Board on the activities of the Gorge Preservation Society including the upcoming "Moonlight in the Gorge."

Next, the Chair called for **Discussion Item 18 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** Tommy

Hill briefed the Board on the Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin, including 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 19 - Discussion regarding local and State water planning and water resource issues.** General Manager West briefed the Board on the interim charges from the Senate Natural Resources Committee and a presentation to the City of Buda City Council.

The Chair called for **Discussion Item 20 - Discussion regarding national water planning and water resource issues.** General Manager West briefed the Board on the Waters of the United States issues.

The Chair recessed the open meeting at 12:23 p.m. The Chair then closed the open meeting and convened the meeting in executive session at 1:01 p.m. pursuant to Chapter 551, Texas Government Code. The Chair reconvened the meeting in open session at 1:30 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 1:31 p.m. subject to call by the Chair.

Chair

Secretary