

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 16, 2017, at the GBRA William E. West, Jr., Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Robert “Rusty” Brockman, Dennis L. Patillo, Don B. Meador, William R. Carbonara, Oscar H. Fogle, Ronald J. Hermes, Tommy Mathews, and Kenneth Motl. Also present were Kevin Patteson, General Manager/Chief Executive Officer; Darrell Nichols, Senior Deputy General Manager; Jonathan Stinson, Deputy General Manager; Alvin Schuerg, Senior Advisor to the General Manager; David Welsch, Advisor to the General Manager; Darel Ball, Executive Manager of Operations and Water Quality; Tom Bohl, General Counsel; Cindy Demers, Executive Manager of Finance and Administration/Chief Financial Officer; Tommy Hill, Executive Manager of Project Engineering and Development/Chief Engineer; LaMarriol Smith, Executive Manager of Strategic Communications and Education; Todd Votteler, Executive Manager of Resource Policy and Stewardship; Courtney Kerr-Moore, Associate General Counsel; Michael Urrutia, Deputy Executive Manager of Operations and Water Quality; Leigh Crettenden, IT Manager; Jaynellen Kerr, Natural Resource Specialist; Josie Gonzales, Office Assistant; Ja’Nise Solitaire, Social Media-Community Relations Specialist; Carrie Kasnicka with the Guadalupe-Blanco River Trust; Bob Rose with the Lower Colorado River Authority; and Gorge Preservation Board of Directors Van Green, Vikki Nelson,

Sherry Reel, Donna Eccleston, Ron Butts, John Guenzel, Shawn Wherry, Pete Bryant, and Jim McCullough.

Chairman Brockman 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, the GBRA main office and the William E. West, Jr., 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 Fogle led the Pledge of Allegiance to the United States flag and Texas flag.

The Chairman called for comments from the public. There were no comments from the public at this time.

The Chairman called for **Chairman Item 1 – Introduction of the Gorge Preservation Society Board of Directors**. Jaynellen Kerr introduced the Board of Directors of the Gorge Preservation Society – Chair Van Green, Treasurer Vikki Nelson, Secretary Sherry Reel, and Directors Donna Eccleston, Ron Butts, John Guenzel, Shawn Wherry, Pete Bryant, and Jim McCullough. Ms. Kerr also introduced Josie Gonzales. The Board was informed of the upcoming volunteer appreciation dinner scheduled for November 12, 2017 and the Moonlight in the Gorge Gala scheduled for October 7, 2017.

Next, the Chairman called for **Chairman Item 2 - 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, 2017 through August 31, 2018 in accordance with the Articles of Incorporation and Article 9.10.B of the Texas Non-Profit Corporation Act. Carrie Kasnicka briefed the Board on the appointment of Trustees to the Trust. 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 Trust 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 Trust and the Guadalupe-Blanco River Authority will maintain a close and continuing relationship. Upon motion by Director Motl, seconded by Director Hermes, the Board unanimously appointed GBRA Board members Tommy Mathews and Oscar Fogle for Seats 1 and 2 to serve on the Board of Trustees for the Guadalupe-Blanco River Trust for the term of September 1, 2017 through August 31, 2018 in accordance with the Articles of Incorporation and Article 9.10.B of the Texas Non-Profit Corporation Act.

The Chairman then called for **Consent Item 3 - Consideration of and possible action approving the minutes of the July 19, 2017, Board meeting; Consent Item 4 - Consideration of and possible action approving the monthly financial report for July 2017; Consent Item 5 - Consideration of and possible action approving the**

monthly operations report for July 2017; and Consent Item 6 - Consideration of and possible action approving Directors' expense vouchers. Upon motion by Director Patillo, seconded by Director Meador, the Board unanimously approved Consent Items 3, 4, 5, and 6.

The Chairman called for **General Manager/CEO Item 7 - 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: utility operations, GBRA Lab, water quality, safety, water resources planning and operation, construction management, economic and community development, project development, resource protection, weather and climate, river flows and other scientific issues, education programs, social media and community relations, media and public affairs, Board relations and events, publications, policy and stewardship, endangered species issues, information technology, human resources, accounting, finance, records management, grants and financial assistance.** Darel Ball informed the Board this quarter's presentation will highlight activities in the water quality area and introduced Michael Urrutia. Michael Urrutia briefed the Board on water quality activities, the 2017 Basin Highlights Report, the Geronimo Creek Watershed water quality monitoring in the Geronimo and Alligator Creek, and water quality monitoring in Plum Creek. Mr. Urrutia continued discussion with an update on Zebra Mussels found in Canyon Reservoir and inspection of the Western Canyon intake. Tommy Hill briefed the Board on the Guadalupe Valley Hydroelectric System rehabilitation project. The rehabilitation project will start with

Nolte Dam and TP-4 Dam. Mr. Hill continued discussion on the evaluation of the Crestview Wastewater Treatment Plant in Port Lavaca. The Board was informed on repairs made to the Calhoun Canal Diversion System, the Natural Resources Conservation Service Emergency Watershed Protection Program debris removal and log burning projects in the upper and lower basins, and the 21st Annual Texas Lineman's Rodeo held at Nolte Island. LaMarriol Smith introduced GBRA's new Social Media-Community Relations Specialist, Ja'Nise Solitaire. Ms. Smith briefed the Board on 2017 Publication Awards received by GBRA including the Hermes Creative Platinum Award for the Coletto Creek Nature Fest Poster, the Hermes Creative Honorable Mention Award for GBRA's holiday greeting card and Comprehensive Annual Financial Report, the Summit Creative Award for GBRA's holiday greeting card and 2016 Basin Highlights Report, and the Graphics Gold/Silver Award for GBRA's Comprehensive Annual Financial Report. Todd Votteler briefed the Board on implementation of the Edwards Aquifer Habitat Conservation Plan, stakeholder process under the GBRA-The Aransas Project agreement, participation in the Texas Comptroller of Public Accounts Freshwater Mussel Work Group, and activities of the Guadalupe Basin Coalition. Cindy Demers informed the Board this quarter's presentation will highlight activities in information technology and introduced Leigh Crettenden. Leigh Crettenden briefed the Board on information technology activities including transition to Windows 10/Office 365, an update on GBRA's Computer Policy which was adopted in 2002, a disaster recovery plan, GBRA's wide area network system, the river annex audio visual system, the secure internal Wi-Fi, a SCADA five year plan, a mobile-friendly website, the

intranet, the Voice Over IP phone system, and information sharing. General Manager/CEO Patteson updated the Board on the GBRA Strategic Plan and activities with the Texas Water Development Board relating to financing for the Carrizo Groundwater Project.

The Chairman recessed the meeting at 11:04 a.m. The Chairman reconvened the meeting in open session at 11:14 a.m.

Next, the Chairman called for **Action Item 8 - Consideration of and possible action approving the Fiscal Year 2018 Work Plan and Budget including rates and compensation tables 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, Sunfield Wastewater Treatment Plant, Water Sales System, 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, Cordillera Wastewater Treatment Plant, Comal Trace Water Delivery System, Johnson Ranch Water Distribution System, Johnson Ranch Wastewater Treatment System, Singing Hill Wastewater Treatment System, Park Village Wastewater Reclamation System, 4S Ranch Wastewater Reclamation 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. Cindy Demers briefed the Board on the proposed Fiscal Year 2018 Work Plan and Budget. Discussion included work sessions with Board members and notices to various customers relating to rates. Ms. Demers gave an overview of the Consolidated Budget Summary comparison between Fiscal Year 2017 and 2018 including revenues, water sales and lake operations, wastewater services, power sales, grant income, expenses, personnel costs, operating costs, maintenance and repairs, capital outlay, project development, transfers to project funds, capital improvement program, and financial reserves. No action was taken on Action Item 8 at this time.

The Chairman then called for **Action Item 9 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a contract with the lowest responsible bidder for the burning of woody river debris in Refugio and Victoria County, Texas along the San Antonio River.** Tommy Hill briefed the Board on the bid process for burning of debris in Refugio and Victoria Counties along the San Antonio River. The work will consist of burning of woody debris previously removed from the San Antonio River in Refugio and Victoria Counties, Texas. The original Natural Resources Conservation Service grant awarded in September of 2016 funded the removal of the woody debris has been completed. Using a grant from the U. S. Fish and Wildlife service, this phase of the project will be to burn the debris. Sufficient time has elapsed so the wood is dry enough to burn. Rights of Entry are being obtained. Plans and Specifications have been developed and the Notice of Bid was posted on July 26, 2017, August 2, 2017, and August 9, 2017. A non-

mandatory site visit was scheduled for interested bidders on August 2, 2017. Construction bid documents have been requested by nine (9) entities as of August 8, 2017. Upon motion by Director Carbonara, seconded by Director Mathews, the Board unanimously authorized the General Manager/CEO to negotiate and execute a contract with the lowest responsible bidder for the burning of woody river debris in Refugio and Victoria Counties, Texas along the San Antonio River.

The Chairman called for **Discussion Item 10 - Discussion regarding Base Flow Report, Water Quality Index, and condition of the Guadalupe Basin.** Tommy Hill introduced Bob Rose, Chief Meteorologist with LCRA. Mr. Rose gave a presentation on *Late Summer and Fall Weather Outlook: Will El Nino Return?* The presentation included rainfall during 2015, 2016, and 2017, the departure from normal rainfall in 2017, the summer's jet stream pattern, soil moisture anomaly, the latest U. S. Drought Monitor, changes for El Nino, watching oceans for keys to fall forecast, temperature anomaly, the precipitation and temperature monthly average of eight climate models, the Pacific Decadal Oscillation, and the 2017 Atlantic hurricane season.

The Chairman recessed the open meeting at 11:51 a.m. The Chairman then closed the open meeting and convened the meeting in executive session at 11:56 a.m. pursuant to Chapter 551, Texas Government Code. The Chairman reconvened the meeting in open session at 12:28 p.m.

Next, the Chairman called for **Action Item 8 - Consideration of and possible action approving the Fiscal Year 2018 Work Plan and Budget including rates and compensation tables 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, Sunfield Wastewater Treatment Plant, Water Sales System, 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, Cordillera Wastewater Treatment Plant, Comal Trace Water Delivery System, Johnson Ranch Water Distribution System, Johnson Ranch Wastewater Treatment System, Singing Hill Wastewater Treatment System, Park Village Wastewater Reclamation System, 4S Ranch Wastewater Reclamation 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. Upon motion by Director Meador, seconded by Director Patillo, the Board unanimously approved the Fiscal Year 2018 Work Plan and Budget including rates and compensation tables.

There being no further business to be brought before the Board, the meeting was adjourned at 12:29 p.m. subject to call by the Chairman.

Chairman

Secretary