

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 20, 2019, at the GBRA William E. West, Jr., Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis L. Patillo, Don B. Meador, Kenneth Motl, Robert “Rusty” Brockman, William R. Carbonara, Oscar H. Fogle, Ronald J. Hermes, Tommy Mathews, and Steven B. Ehrig. 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; Darel Ball, Executive Manager of Operations and Water Quality; Tom Bohl, General Counsel; Vanessa Guerrero, Executive Manager of Administration; Tommy Hill, Executive Manager of Project Engineering and Development/Chief Engineer; Nathan Pence, Executive Manager of Environmental Science and Community Affairs; Randy Staats, Executive Manager of Finance/Chief Financial Officer; Courtney Kerr-Moore, Associate General Counsel; Earnie Granville, Associate General Counsel; Charlie Hickman, Manager of Project Engineering; Ashley Freidberg, Engineer; Tim Dusek, Grant Writer/Administrator; Marla Melendez, Communication Specialist; Dr. Wade Harrell, Whooping Crane Recovery Coordinator for U. S. Fish and Wildlife Service; and Dr. Charles Randklev, Research Scientist with Texas A&M Natural Resources Institute.

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, 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 Hermes led the Pledge of Allegiance to the United States flag and the Texas flag.

The Chairman called for **Public Comment Item 1 - Comments from the public.** There were no public comments.

The Chairman called for **Consent Item 2 - Consideration of and possible action approving the minutes of the February 20, 2019, Board meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for February 2019; Consent Item 4 - Consideration of and possible action approving the monthly operations report for February 2019; and Consent 5 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Motl, seconded by Director Ehrig, the Board unanimously approved Consent Items 2, 3, 4, and 5.

Next, the Chairman 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: GBRA water and sewer utility operations, hydroelectric operations, GBRA facilities management including plants and dams, safety, 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, non-profit entities partnering with GBRA, water quality services, community affairs, environmental programs, and stewardship. General Manager/CEO Patteson updated the Board on the repair schedule and delays due to weather events for the Guadalupe Valley Hydroelectric System dams. Vanessa Guerrero introduced Marla Melendez, GBRA's new Communications Specialist. Jonathan Stinson briefed the Board on the current Legislative Session. Discussion included Bills of interest to GBRA, the Sunset review, water quality, wastewater discharge, eminent domain, flooding, and groundwater.

The Chairman then called for **Action Item 7 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a contract with the lowest responsible bidder for installation of a wastewater gravity main extension within Lakeside Pass in Guadalupe County.** Ashley Freidberg briefed the Board on the wastewater gravity main extension project. GBRA entered into a letter agreement to provide wastewater service from its Dunlap Wastewater Reclamation System to Vernon and Marsha Colvin on October 25, 2018. The agreement specifies that GBRA will provide wastewater service to Colvin within eight months by constructing, owning, and operating a wastewater line from the terminus of GBRA's currently existing wastewater collection system to 745 Lakeside Pass in Guadalupe County. GBRA authorized Utility Engineering Group, PLLC to complete the design of the wastewater line

extension utilizing the master service agreement dated October 3, 2017. The project will involve the installation of approximately 290 linear feet of 8 inch PVC gravity main, four single service laterals, manholes, and other appurtenant items associated with the installation of a wastewater gravity main. Upon motion by Director Brockman, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute a contract with the lowest responsible bidder for installation of a wastewater gravity main extension within Lakeside Pass in Guadalupe County.

The Chairman called for **Action Item 8 - Consideration of and possible action approving a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority authorizing the General Manager/CEO or his designee to be the representative(s) of GBRA for the purpose of furnishing information and executing documents as may be required in connection with the preparation and submission of applications to the U.S. Department of the Interior, Bureau of Reclamation in regards to the WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2019.** Tim Dusek briefed the Board on the grant for small-scale water efficiency projects. Guadalupe-Blanco River Authority staff proposes to submit an application with the U.S. Department of the Interior, Bureau of Reclamation to secure financial assistance for the purchase of materials, and the installation of municipal metering equipment for the Calhoun County Rural Water Supply System. The U.S. Department of the Interior, Bureau of Reclamation has established grant funding opportunities for small-scale water efficiency projects that conserve and use water more efficiently; mitigate conflict risk in areas at a high risk of future water conflict; and

accomplish other benefits that contribute to water supply reliability in the western United States. GBRA proposes to utilize grant funding for the purchase of materials and the installation costs of the meters. Total requested funds are \$75,000. Applicants must provide 50% of the total project costs through cash or in-kind contributions. Grants are projected to be awarded in the summer of 2019, and projects must be completed within two years of award. Upon motion by Director Motl, seconded by Director Meador, the Board unanimously approved a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority authorizing the General Manager/CEO or his designee to be the representative(s) of GBRA for the purpose of furnishing information and executing documents as may be required in connection with the preparation and submission of applications to the U.S. Department of the Interior, Bureau of Reclamation in regards to the WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2019. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for **Action Item 9 - Consideration of and possible action approving a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority authorizing the General Manager/CEO or his designee to be the representative(s) of GBRA for the purpose of furnishing information and executing documents as may be required in connection with the preparation and submission of applications to the U.S. Department of the Interior, Bureau of Reclamation in regards to the WaterSMART Grants: Water and Energy Efficiency Grants for Fiscal Year 2019.** Tim Dusek briefed the Board on the grant for water and energy efficiency. Guadalupe-Blanco River Authority staff proposes to submit an application with the U.S.

Department of the Interior, Bureau of Reclamation to secure financial assistance for the rehabilitation, replacement, adjustment and installation of various components of the Lower Guadalupe River Diversion System, located in Calhoun and Refugio counties. The U.S. Department of the Interior, Bureau of Reclamation has established grant funding opportunities for projects that result in quantifiable water savings and support broader water reliability benefits. GBRA proposes to utilize grant funding for modifications and upgrades to the Lower Guadalupe River Diversion System's levees, canals and associated control structures. Total requested funds are \$1,500,000. Applicants must provide 50% of the total project costs through cash or in-kind contributions. Grants are projected to be awarded in the summer of 2019, and projects must be completed within three years of award. Upon motion by Director Motl, seconded by Director Meador, the Board unanimously approved a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority authorizing the General Manager/CEO or his designee to be the representative(s) of GBRA for the purpose of furnishing information and executing documents as may be required in connection with the preparation and submission of applications to the U.S. Department of the Interior, Bureau of Reclamation in regards to the WaterSMART Grants: Water and Energy Efficiency Grants for Fiscal Year 2019. A copy of the Resolution is attached and made a part of these minutes.

The Chairman then called for **Action Item 10 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Utility Agreement with Hays County for construction of utility adjustments required for the FM 110 North highway project in Hays County.** Charlie Hickman briefed the Board

on the Utility Agreement with Hays County. Hays County is proposing to build a new highway project and has deemed it necessary to relocate sections of pipeline along the GBRA IH-35 Water Transmission Main to accommodate the highway construction. GBRA will be responsible for the construction and relocation of the pipeline improvements. The County will be responsible for the cost of the pipeline adjustments for pipeline that is currently within the boundary of private easements, and GBRA will be responsible for the costs of pipeline adjustments for pipeline that is currently within County right of way. The proposed highway improvements will consist of 1399 LF of 30 inch water main and 971 LF of 12 inch water main, along with apparatuses. The engineers estimate for these improvements is \$1,677,099.44 and the County will be responsible for 92.81% of the cost. GBRA will be responsible for the construction of these improvements and be reimbursed for the County's portion of the costs. Upon motion by Director Hermes, seconded by Director Meador, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Utility Agreement with Hays County for construction of utility adjustments required for the FM 110 North highway project in Hays County.

The Chairman called for **Action Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Contract with the lowest qualified bidder for construction of utility adjustments required for the FM 110 North highway project in Hays County.** Charlie Hickman briefed the Board on the construction contract for the utility adjustments required for the FM 110 North highway project. Hays County is proposing to build a new highway project and has deemed it

necessary to relocate sections of pipeline along the GBRA IH-35 Water Transmission Main to accommodate the highway construction. GBRA will be responsible for the construction and relocation of the pipeline improvements. The County will be responsible for the cost of the pipeline adjustments for pipeline that is currently within the boundary of private easements, and GBRA will be responsible for the costs of pipeline adjustments for pipeline that is currently within County right of way. The proposed highway improvements will consist of 1399 LF of 30 inch water main and 971 LF of 12 inch water main, along with apparatuses. The engineers estimate for these improvements is \$1,677,099.44 and the County will be responsible for 92.81% of the cost. GBRA will be responsible for the construction of these improvements and be reimbursed for the County's portion of the costs. Upon motion by Director Hermes, seconded by Director Meador, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Contract with the lowest qualified bidder for construction of utility adjustments required for the FM 110 North highway project in Hays County.

Next, the Chairman called for **Discussion Item 15 - Mid-Year presentation and up-date on GBRA's Fiscal Year 2019 Work Plan and Budget**. Randy Staats briefed the Board on the Fiscal Year 2019 Work Plan and Budget including the monthly financial Executive Summary, budgeting verses financial reporting, a summary comparison of budget to actual revenues and expenses, revenues and expenses comparison to budget, revenues and expenses comparison to prior year, GBRA staffing and growth, the number of GBRA employees nearing retirement, the designated capital improvement program, rate evaluations in the Calhoun County Rural Water Supply System and the Dunlap

Wastewater Reclamation System, and the calendar for the Fiscal Year 2020 Work Plan and Budget planning.

The Chairman then called for **Discussion Item 16 - Discussion regarding Base Flow Report, Water Quality Index, long term weather pattern, and condition of the Guadalupe Basin.** Tommy Hill briefed the Board on the Basin hydrologic condition, the Base Flow Report, Water Quality Index, condition of the Guadalupe Basin including rainfall percentages, events and totals, the U. S. Drought Monitor Seasonal Outlook, Comal Springs level, San Marcos Springs level, Guadalupe River stream flows, elevation of Canyon Reservoir and other Texas reservoirs, salinity levels in San Antonio and Aransas Bay, and latest El Niño and La Niña modeled forecast.

The Chairman recessed the open session at 10:45 a.m. and recalled the meeting in open session at 11:02 a.m.

The Chairman called for **Discussion Item 12 - Presentation on the status of the Whooping Crane (*Grus americana*) by Dr. Wade Harrell, Whooping Crane Recovery Coordinator for U. S. Fish and Wildlife Service.** Nathan Pence briefed the Board on the status of the Whooping Cranes and introduced Dr. Wade Harrell. The Whooping Crane is the largest of the Crane species and the largest bird in North America. In 1941 the Whooping Crane population was reduced to around 20 individuals, due to over harvesting. In 1967, the Whooping Crane was listed as Endangered, by the U. S. Fish and Wildlife Service. During the winter months, a majority of migratory Whooping Cranes winter on the Texas Coast, near or in the San Antonio Bay, which is fed by the Guadalupe River. Dr. Harrell briefed the Board on the Whooping Crane Recovery including the

historical Whooping Crane Records and landscape features, causes of decline, the Aransas National Wildlife Refuge wintering grounds used by the Whooping Cranes from November to March, and the Wood Buffalo National Park breeding grounds in Canada used by the Whooping Cranes from May to September. The briefing included population milestones from 1940 to 2010 at the Aransas National Wildlife Refuge and Wood Buffalo National Park, the Canadian Wildlife Service 2018 breeding grounds survey results, and the Whooping Crane wintering abundance survey in Texas. Management efforts to help Whooping Cranes in Texas on wintering grounds include prescribed fire, marsh/wetland restoration, freshwater enhancement, and annual crab trap closure/cleanup. Dr. Harrell discussed the challenges of living next to the Whooping Crane wintering area, the need to expand their winter range, and the projected land needs for growing habitat.

Next, the Chairman called for **Discussion Item 13 - Presentation on freshwater mussels of the Guadalupe River basin by Dr. Charles Randklev, Research Scientist with Texas A&M Natural Resources Institute.** Nathan Pence briefed the Board on freshwater mussels and introduced Dr. Charles Randklev. Freshwater mussels are an important indicator of a healthy aquatic ecosystem and contribute to overall water quality by serving as filter feeders. Within the Guadalupe River Basin, there are twenty-one (21) species of freshwater mussels and three (3) threatened species, including those adapted to river conditions and lake conditions. Dr. Randklev briefed the Board on Freshwater Mussels including habitat requirements, reproductive life history, species at risk, factors for mussel declines, and mussel conservation efforts in Texas.

The Chairman then called for **Discussion Item 14 - Presentation and discussion of Environmental Programs and Endangered Species Management at the Guadalupe-Blanco River Authority.** Nathan Pence briefed the Board on GBRA's environmental programs. As GBRA grows both its infrastructure and role as a regional leader, environmental stewardship and compliance with environmental regulations needs to become an integrated element of GBRA. The approach of addressing environmental regulations and endangered species issues are a part of GBRA's strategic planning efforts. The presentation included ongoing environmental programs at GBRA, discussion of environmental issues immediately at-hand and recommended strategies for moving into the future.

The Chairman recessed the open meeting at 12:15 p.m. The Chairman then closed the open meeting and convened the meeting in executive session at 12:51 p.m. pursuant to Chapter 551, Texas Government Code. The Chairman reconvened the meeting in open session at 1:45 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 1:45 p.m. subject to call by the Chairman.

Chairman

Secretary