

## **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 April 17, 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; 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; David Harris, Deputy Executive Manager of Operations; and Mike Castillo, Construction Inspector.

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 Brockman 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.

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

The Chairman then 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 informed the Board there were no monthly executive reports. David Harris briefed the Board on the Crestview Wastewater Treatment Plant in Calhoun County including plant location, corrosion, operator access and safety, head work design, chlorine contact chamber design, and peak loading during storm events. Discussion continued regarding corrosion on various parts of the existing plant and repairs needed. Mr. Harris discussed options evaluated for the wastewater treatment plant including acquiring a new wastewater treatment plant, abandon the existing plant and pump wastewater to the City of Port Lavaca for treatment, rehabilitation of the existing wastewater treatment plant, and purchase a used wastewater treatment plant. GBRA staff is reviewing the possibility of purchasing a used plant from the Upper Trinity Regional Water District to replace the existing Crestview Wastewater Treatment Plant which would gain treatment capacity, increase the life of the system, improve safety, and address peaking issues during storm events. Charlie Hickman introduced Mike Castillo, GBRA's new Construction Inspector. General Manager/CEO Patteson informed the Board that dates will be sent out for up-coming Board budget workshops and scholarship presentations.

The Chairman called for **Action Item 7 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Richard Beach**

**Family Limited Partnership.** Director Mathews recused himself from all discussion and vote on Action Item 7. Alvin Schuerg briefed the Board on the Wastewater Service Agreement with Richard Beach Family Limited Partnership. Currently GBRA provides retail wastewater service to approximately 1,746 customers through the Dunlap Wastewater Reclamation System. The service area is wholly within Guadalupe County and lies just west of the Guadalupe River and south of the City of New Braunfels. Within GBRA's existing service area, Richard Beach Family Limited Partnership (Beach) plans to develop the remaining commercial property of the Ridgemont Development. The development as currently platted includes 236 single family residences and Beach intends to construct 6 duplexes and 1 single story office building on the remaining approximately 3.25 acres of undeveloped property. Beach has requested that GBRA provide wastewater service to the commercial development. In order to provide the requested wastewater service, GBRA and Beach will need to execute an Agreement principally requiring: (1) Beach to provide all construction plans and specifications for GBRA review, (2) Beach to construct the wastewater collection system within the commercial development, (3) Beach to construct the connecting infrastructure from the commercial development to GBRA's existing facilities, (4) Beach to convey all wastewater infrastructure and rights-of-way to GBRA following construction, (5) Beach to pay GBRA Connection Fees (currently \$5,477 per LUE), and, (6) GBRA to merge the Beach wastewater system into its Dunlap Wastewater Reclamation System as owner and operator. Upon motion by Director Ehrig, seconded by Director Meador, the Board authorized the General Manager/CEO to negotiate and execute a Wastewater Service

Agreement between Guadalupe-Blanco River Authority and Richard Beach Family Limited Partnership by the following vote:

AYES: Directors Patillo, Meador, Motl, Brockman, Carbonara, Ehrig, Fogle, and Hermes

NOES: None

ABSTENTIONS: Director Mathews

Next, the Chairman called for **Action Item 8 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Butte Land Partners, LLC.** Alvin Schuerg briefed the Board on the Wastewater Service Agreement with Butte Land Partners, LLC. Currently GBRA provides retail wastewater service to approximately 1,746 customers through the Dunlap Wastewater Reclamation System. The service area is wholly within Guadalupe County and lies just west of the Guadalupe River and south of the City of New Braunfels. Within GBRA's existing service area, Butte Land Partners, LLC (Butte) plans to develop approximately 59 acres to be known as the Highland Ridge Development. The development as currently platted includes 344 single family residences. Butte has requested that GBRA provide wastewater service to the development. In order to provide the requested wastewater service, GBRA and Butte will need to execute an Agreement principally requiring: (1) Butte to provide all construction plans and specifications for GBRA review, (2) Butte to construct the wastewater collection system within the development, (3) Butte to construct the connecting infrastructure from the development to GBRA's existing facilities, (4) Butte

to convey all wastewater infrastructure and rights-of-way to GBRA following construction, (5) Butte to pay GBRA Connection Fees (currently \$5,477 per LUE), and, (6) GBRA to merge the Butte wastewater system into its Dunlap Wastewater Reclamation System as owner and operator. Upon motion by Director Carbonara, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between Guadalupe-Blanco River Authority and Butte Land Partners, LLC.

The Chairman then called for **Action Item 9 - Consideration of and possible action approving a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority supporting environmental planning at GBRA and a Guadalupe Basin Habitat Conservation Plan.** Nathan Pence briefed the Board on a Resolution supporting environmental planning at GBRA and a Guadalupe Basin Habitat Conservation Plan. At the March 20, 2019, Board meeting, staff presented ideas and concepts related to Environmental Stewardship and Endangered Species Management in the Guadalupe Basin. That presentation included information: 1) about why stewardship and endangered species are important to GBRA, 2) the need to start building on past efforts is now, and 3) laid out a path to accomplish the presented goals. As GBRA moves forward with environmental planning and development of a Habitat Conservation Plan (HCP), it would be beneficial for the Board to express their formal support, in the form of a Resolution. Internally, the Resolution of Support will provide direction to staff to ensure they proceed as desired and authorized by the Board. Externally, the Resolution will be used when applying for grants and discussing efforts with elected officials and

other Stakeholders. The Resolution directs staff to 1) plan for and take actions that lead to the development of a basin-wide HCP; 2) initiate a procurement process to consider utilization of a contractor to assist in the development of a HCP; 3) seek and apply for external funding to assist in development of a HCP; 4) shall allocate up to \$100,000 annually to fund efforts and be used for grant match in support of the HCP; and 5) keep the Board informed and engaged as decision points arise and on progress of the HCP development process. Upon motion by Director Brockman, seconded by Director Hermes, the Board unanimously approved a Resolution of the Board of Directors of the Guadalupe-Blanco River Authority supporting environmental planning at GBRA and a Guadalupe Basin Habitat Conservation Plan. A copy of the Resolution is attached and made a part of these minutes.

The Chairman called **Action Item 10 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Contract with the most qualified bidder for construction of GBRA facilities expansions at 2225 East Common Street, New Braunfels, Texas.** Charlie Hickman briefed the Board on bids received for construction of GBRA facilities expansions. GBRA has purchased a tract of land in New Braunfels for development of a new office building needed for staff expansion. Architectural plans for the new building have been completed and staff have issued a request for competitive sealed proposals for construction. The proposed office building will be a new single story commercial office with approximately 21,000 square feet and 70 offices. The request for competitive sealed proposals will allow for the most qualified contractor to be evaluated on project management capabilities, project experiences, fee

proposal, and other general criteria as outlined in the RFP document. Upon motion by Director Brockman, seconded by Director Hermes, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Contract with the most qualified bidder for construction of GBRA facilities expansions at 2225 East Common Street, New Braunfels, Texas.

Next, the Chairman called for **Discussion Item 11 - Briefing and discussion on Federal Issues and State Legislative Issues**. Jonathan Stinson briefed the Board on the current Texas Legislative Session including Bills of Interest and Sunset Legislation, Senate Bill 626. The Board was briefed on Federal issues including a watershed rehabilitation program through the Natural Resources Conservation Service, the Idaho National Laboratory/Department of Energy, the Water Infrastructure Finance and Innovation Act, the Water Resources Development Act, the Water Infrastructure Improvements for the Nation Act grant programs, and USDA's Rural Utilities Service for potential funding for rehabilitation of the Guadalupe Valley Hydroelectric Dam System.

The Chairman then called for **Discussion Item 12 - 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 meeting at 11:08 a.m. The Chairman then closed the open meeting and convened the meeting in executive session at 11:20 a.m. pursuant to Chapter 551, Texas Government Code. The Chairman reconvened the meeting in open session at 12:10 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 12:10 p.m. subject to call by the Chairman.

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Chairman

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Secretary