

GUADALUPE-BLANCO RIVER AUTHORITY

Minutes of the Board of Directors

The Board of Directors of the Guadalupe-Blanco River Authority met in a meeting on July 15, 2020, by teleconference and at the GBRA William E. West, Jr., Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Due to health and safety concerns related to the COVID-19 coronavirus, and in keeping with the Governor's March 13, 2020 disaster declaration and extensions, this meeting was conducted by teleconference in accordance with provisions in Sections 551.125 of the Texas Government Code that have not been suspended by order of the Governor under Chapter 418 of the Government Code. Directors present were Dennis L. Patillo, Don B. Meador, Kenneth Motl, William R. Carbonara, Steven B. Ehrig, Oscar H. Fogle, Ronald J. Hermes, and Tommy Mathews. 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; Tom Bohl, General Counsel; Vanessa Guerrero, Executive Manager of Administration; David Harris, Executive Manager of Operations; Charlie Hickman, Executive Manager of Engineering and Development; Randy Staats, Executive Manager of Finance/Chief Financial Officer; Courtney Kerr-Moore, Associate General Counsel; Earnie Granville, Associate General Counsel; Brian Perkins, Senior Engineer; and Amanda Reichle, Safety and Risk Manager.

General Manager/CEO Patteson addressed all regarding the conducting of the meeting. The Public had access to the proceedings through the following means: 1. By webinar link on computer or smart phone; Webinar Link: <https://attendee.gotowebinar.com/register/1959173998127729165>; 2. By using the GoToWebinar App on computer or smartphone (access will be available for public comments during the designated portion of the meeting) - use the webinar ID: 851-215-035; 3. By telephone (for listening purposes only) - Call In Number: 562-247-8422 - Audio Access Code: 773-095-086; and 4. By appearing at GBRA Seguin Offices to make comments. The public was also able to view presentations.

Tom Bohl, General Counsel, addressed the Board with the procedures for discussion and/or taking action on agenda items and that the meeting is being recorded. Mr. Bohl called roll for the members of the Board of Directors and stated names of people present in the room.

Chairman Patillo called the meeting to order at 10:05 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:

The Chairman called for **Chairman Item 1 - Consideration of and possible action on: (a) the procedures and conduct of the July 15, 2020 Board of Directors meeting; and (b) the procedures, conduct, and date of the August 2020 Board of**

Directors meeting. Chairman Patillo and General Manager/CEO Patteson discussed procedures and conduct for the meeting with Board members. There will be no change to the regularly scheduled August Board meeting date. No action was taken on Chairman Item 1.

Next, the Chairman then called for **Public Comment 2 - Comments from the public.** There were no public comments.

The Chairman then called for **Consent Item 3 - Consideration of and possible action approving the minutes of the June 10, 2020 Board meeting; Consent Item 4 - Consideration of and possible action approving the monthly financial report for May 2020; Consent Item 5 - Consideration of and possible action approving the monthly operations report for May and June 2020; and Consent Item 6 - Consideration of and possible action approving Directors' expense vouchers.** Upon motion by Director Meador, seconded by Director Fogle, 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: 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, public and private entities partnering with GBRA, water quality services, community affairs, environmental programs, stewardship, and update on GBRA Safety Work Plan. Amanda Reichle briefed the Board on the COVID-19 pandemic response. There have been eight positive cases and GBRA has developed a return policy for employees that have tested positive. GBRA has implemented a contingency plan that includes active reporting for actual and suspected cases, cleaning and disinfecting, lobby remaining closed, telework capabilities, staggered work shifts, remote meetings, health monitoring, and monitoring County COVID-19 cases. David Harris briefed the Board on operations activities including response and prevention plans for operations related to the pandemic, valve repair on the regional raw water line near Dunlap, the remote operated vehicle to evaluate zebra mussels at Western Canyon raw water intake, and the Zebra Mussel action plan. Discussion continued regarding the Stein Falls Regional lift station pump upgrade, a Texas Commission on Environmental Quality inspection at the Singing Hills Wastewater Treatment Plant and no violations were noted, the Crestview Wastewater Treatment Plant replacement, the Sunfield Wastewater Treatment Plant rehabilitation, the Shadow Creek Wastewater Treatment Plant expansion, the Lockhart Water Treatment Plant Well Number 3 rehabilitation, the Lockhart Wastewater Treatment Plant FM 20 clarifier rehabilitation, log jam operations near the Salt Water Barrier, and employee training. Charlie Hickman introduced the engineering staff via a photo. Discussion continued on a briefing on the collection system distribution modeling, construction inspection

reporting, the Carrizo Groundwater Supply Project, the Stein Falls Collection System Expansion, the Dietz Wastewater Collection System, the Port Lavaca Water Treatment rehabilitation, and activities at Green Lake.

Next, the Chairman called for **Action Item 8 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Engineering Services Agreement to assist with preparation of a Developer Resources Guide.** Charlie Hickman briefed the Board on the Developer Resources Guide. The selected consultant will facilitate a stakeholder driven process to review and comment on GBRA's Standards and Design Guidelines. Stakeholders may include developers, contractors, consulting engineers, GBRA operators, GBRA inspectors, and other water/sewer providers. The selected consultant will compile the stakeholder input and work with a committee of GBRA staff to provide a final deliverable consisting of an updated version of GBRA's Standards and Design Guidelines. The selected consultant will also assist GBRA with the development of a guidance document updating and outlining GBRA's policies and procedures towards planning, design, and construction of new developments involving GBRA water and/or wastewater services. This guidance document will include a development checklist, connection fee approach, easement acquisition requirements, oversizing agreement requirements, and participation agreements. A Request for Qualifications was issued in accordance with GBRA's procurement policy and responses are due on July 16, 2020. Staff will evaluate the proposals and will recommend the GBRA Board award a contract to the firm that demonstrates a strong record to meet the requirements outlined in the Request for

Proposals. Upon motion by Director Meador, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute an Engineering Services Agreement to assist with preparation of a Developer Resources Guide.

The Chairman then called for **Action Item 9 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Engineering Services Agreement to prepare inundation mapping and modeling for the Guadalupe Valley Hydroelectric System.** Charlie Hickman briefed the Board on the mapping and modeling. GBRA has been a Cooperating Technical Partner with the Federal Emergency Management Agency since 2015. Each fiscal year, the Federal Emergency Management Agency awards funding to eligible applicants for program activities. GBRA has been awarded funding to complete flood risk products for the communities surrounding the Guadalupe Valley Hydroelectric System. GBRA is currently soliciting Statements of Qualifications for engineering and surveying services from firms with a strong record in performing flood inundation modeling and mapping, dams in series modeling, and familiarity with Federal Emergency Management Agency data collection and reporting requirements. Non-regulatory flood hazard data will be developed to provide community and public awareness, education, and response during flood events for the Guadalupe Valley Hydroelectric System. A Request for Qualifications was issued in accordance with GBRA's procurement policy and responses are due on July 20, 2020. Staff will evaluate the proposals and will recommend the GBRA Board award a contract to the firm that demonstrates a strong record to meet the requirements outlined in the

Request for Proposals. Upon motion by Director Fogle, seconded by Director Meador, the Board unanimously authorized the General Manager/CEO to negotiate and execute an Engineering Services Agreement to prepare inundation mapping and modeling for the Guadalupe Valley Hydroelectric System.

The Chairman called for **Action Item 10 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a contract with the highest ranked bidder for the construction of the Carrizo Groundwater Supply Project Well Drilling Package.** Brian Perkins briefed the Board on the Carrizo Groundwater Supply Project. The Carrizo Groundwater Supply Project Well Drilling Package will consist of drilling/installation and development of seven Carrizo Aquifer wells, approximately 1,200-ft deep, using 20-inch diameter casing and 14-inch diameter pipe-based well screens. The package includes testing, development, water quality sampling, disinfection, video logging, and alignment verification. Sequencing has been directed such that the deepest well is developed first in order to provide water quality samples to the shared Alliance/GBRA water treatment plant design engineers as soon as possible. The package also includes construction of flexible base access roads to provide access to the well sites. A second (future) construction package will be bid at a later date for the surface facilities including the necessary collection and transmission pipelines, fiber optic communications, and well head facilities. Upon motion by Director Meador, seconded by Director Motl, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Contract with the highest ranked bidder for the construction of the Carrizo Groundwater Supply Project Well Drilling Package.

Next, the Chairman called for **Action Item 11 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Lower Basin Firm Water Supply Agreement with INEOS Nitriles USA, LLC.** Darrell Nichols briefed the Board on the Lower Basin Firm Water Supply Agreement with INEOS Nitriles. The current Agreement has expired and this new Agreement will assist with the construction of the Lower Basin Project. Upon motion by Director Fogle, seconded by Director Meador, the Board unanimously authorized the General Manager/CEO to negotiate and execute a Lower Basin Firm Water Supply Agreement with INEOS Nitriles USA, LLC.

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.** Charlie Hickman briefed the Board on Basin hydrologic condition, the Base Flow Report, condition of the Guadalupe Basin including rainfall percentages, events and totals, the U. S. Drought Monitor Seasonal Outlook, Edwards Aquifer levels, Comal Springs level, Guadalupe River stream flows, El Nino and La Nina modeled forecast, and elevation of Canyon Reservoir.

The Chairman recessed the open meeting at 11:24 a.m. The Chairman then closed the open meeting and convened the meeting in executive session at 11:40 a.m. pursuant to Chapter 551, Texas Government Code. The Chairman reconvened in open session at 1:05 p.m. and General Counsel Bohl called roll of Board members. All members were present.

Tom Bohl briefed the Board on the Guadalupe Valley Hydroelectric System litigation issues including negotiations for a possible final settlement agreement with the parties in *Skonnord v. GBRA*, 25th District Court of Guadalupe County; finalizing a Financing and Operating Agreement with Lake McQueeney Water Control and Improvement District as anticipated in the *Skonnord v. GBRA* Settlement Agreement; and finalizing a Financing and Operating Agreement with Lake Placid Water Control and Improvement District as anticipated in the *Skonnord v. GBRA* Settlement Agreement. Upon motion by Director Meador, seconded by Director Mathews, the Board unanimously authorized the General Manager/CEO to negotiate and execute a final Settlement Agreement with the parties in *Skonnord v. GBRA*, 25th District Court of Guadalupe County. Upon motion by Director Meador, seconded by Director Fogle, the Board unanimously authorized the General Manager/CEO to negotiate and execute a final Financing and Operating Agreement with Lake McQueeney Water Control and Improvement District as anticipated in the *Skonnord v. GBRA* Settlement Agreement. Upon motion by Director Meador, seconded by Director Fogle, the Board unanimously authorized the General Manager/CEO to negotiate and execute a final Financing and Operating agreement with Lake Placid Water Control and Improvement District as anticipated in the *Skonnord v. GBRA* Settlement Agreement.

There being no further business to be brought before the Board, the meeting was adjourned at 1:16 p.m. subject to call by the Chairman.

Chairman

Secretary