

GUADALUPE-BLANCO RIVER AUTHORITY
Minutes of the Board of Directors
April 17, 2024

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular meeting on April 17, 2024, at the GBRA Annex Building Board Room, 905 Nolan, Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Sheila Old, Stephen B. Ehrig, Don B. Meador, Emanuel Valdez, William Carbonara, John Cyrier, and Robert Blaschke. Director Cohoon was not present. Present in the Annex Building in Seguin, Texas were Darrell Nichols, General Manager/CEO; Jonathan Stinson, Deputy General Manager; Vanessa Guerrero, Executive Manager of Administration; Randy Staats, Executive Manager of Finance/CFO; Charles Hickman, Executive Manager of Engineering; Nathan Pence, Executive Manager of Environmental Science; David Harris, Executive Manager of Operations; Adeline Fox, Executive Manager of Communications and Outreach; and Joseph Cole, General Counsel.

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 and at the GBRA office in New Braunfels, Texas, pursuant to Title 5, Chapter 551 of the Texas Government Code. A quorum being present, the following proceedings were had:

Director Ehrig led the Pledges of Allegiance to the United States flag and the Texas flag.

The Chairman then called for **Public Comments from the public**. There were no comments from the public.

The Chairman called for **Consent Item 2 - Consideration of and possible action approving the minutes of the March 20, 2024 Board Meeting; Consent Item 3 - Consideration of and possible action approving the monthly financial report for March 2024; Consent Item 4**

- Consideration of and possible action approving the monthly operations report for March 2024; and Consent Item 5 - Consideration of and possible action approving Directors' expense vouchers for March 2024. Upon Motion by Director Cyrier, 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: Safety Update, GBRA water and sewer utility operations, hydroelectric operations, GBRA facilities management including plants and dams, 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 Buchanan, Safety and Risk Manager, stated there were two incidents, no lost time, and one near miss reported during this period. During March, training focused on working during the seasons, personal protective equipment, and hearing examinations. The Hazard Mitigation Action Plan (HMAP) is 75% complete. GBRA's consultant is in the process of drafting the final HMAP, with a preliminary review to be performed in late April 2024. The Texas Water Conservation Association Risk Management Fund Loss Control Specialist Safety site visits, scheduled for late April, will review GBRA's safety program with a focus on loss control mitigation. Occupational health exams are being scheduled

for May by means of a mobile service. High-risk activity site checks have also been conducted throughout the month of April at Coletto Creek Park, Alliance Regional Water Authority sites, and locations in Lockhart, Buda, and Luling. Next, Randy Staats, Executive Manager of Finance/CFO, introduced and welcomed Jodie Kincaid, GBRA's new Accounting Specialist. Next, Vanessa Guerrero, Executive Manager of Administration, briefed the Board on the administration department's organizational chart, safety, education, human resources, information technology, and education, including a summary of projects, such as Basin education outreach and community requests.

The Chairman called for **Action Item 7 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an Interlocal Cooperation Contract between Guadalupe-Blanco River Authority and Texas Parks and Wildlife Department related to the subaward of grant funds for the Guadalupe-Blanco River Authority to perform the project titled, "Expanded Scope for the Guadalupe River Habitat Conservation Plan."** Daniel Large, HCP Director, is seeking authorization to execute an Interlocal Cooperation Contract with the Texas Parks and Wildlife Department for a one-million-dollar federal grant to GBRA funded by the U.S. Fish and Wildlife Service under the authority of the Cooperative Endangered Species Conservation Fund Grant Program. There is a 25% GBRA match requirement for this grant. The grant will provide three years of funding to support the planning process needed to develop GBRA's Habitat Conservation Plan from 2024 to 2026. Upon Motion by Director Meador, seconded by Director Valdez, the Board unanimously approved Action Item 7 authorizing the General Manager/CEO to negotiate and execute an Interlocal Cooperation Contract between Guadalupe-Blanco River Authority and Texas Parks and Wildlife Department related to the sub-

award of grant funds for the Guadalupe-Blanco River Authority to perform the project titled, “Expanded Scope for the Guadalupe River Habitat Conservation Plan.”

The Chairman then called for **Action Item 8 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute an agreement for the performance of the financial audit for fiscal year 2024.** Oscar Ramirez, Controller, is seeking authorization to execute an agreement with ABIP to serve as auditor for the 2024 fiscal year financial audit. ABIP submitted its proposal for the fiscal year 2024 financial audit. The GBRA Audit Committee approved the proposal on March 20, 2024. Upon Motion by Director Blaschke, seconded by Director Old, the Board unanimously approved Action Item 8 authorizing the General Manager/CEO to negotiate and execute an agreement [DN1]for the performance of the financial audit for fiscal year 2024.

The Chairman called for **Action Item 9 - Consideration of and possible action adopting a Resolution requesting financial assistance from the Texas Water Development Board to finance an expansion of the Carrizo Groundwater Supply Project; authorizing the filing of an application for financial assistance; and making certain findings in connection therewith.** Randy Staats, Executive Manager of Finance/CFO, is seeking the adoption of a Resolution to request additional financial assistance from the Texas Water Development Board for the construction and other costs associated with the expansion of the Carrizo Groundwater Supply Project. The project is being expanded to include an additional approximately 9,000 acre-feet of groundwater. Increasing costs of the project, including easement acquisitions, construction escalation, and additional requests by customers, have led to the need to obtain additional funds. Upon Motion by Director Ehrig, seconded by Director Old, the Board unanimously approved Action Item 9

adopting a Resolution requesting financial assistance from the Texas Water Development Board to finance an expansion of the Carrizo Groundwater Supply Project; authorizing the filing of an application for financial assistance; and making certain findings in connection therewith. A copy of the Resolution is attached and made a part of these minutes.

Next, the Chairman called for Action Item 10 - Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain fee estates, water pipeline easements and temporary construction easements for the GBRA Carrizo Groundwater Supply Expansion Project (TX-130 Project) in connection therewith, over, across, upon and under certain privately-owned real properties; authorizing all appropriate action by the General Manager/CEO, staff, retained attorneys and engineering and technical consultants in the institution and prosecution of condemnation proceedings to acquire any such needed certain fee estates, permanent easements, and temporary construction easements that cannot be acquired through negotiation; declaring further negotiations futile; ratifying and affirming all acts and proceedings heretofore done or initiated by employees, agents, and attorneys of GBRA to acquire such property interests; authorizing all other lawful action necessary and incidental to such acquisitions or eminent domain proceedings to survey, specify, define, and secure the necessary interests in real property; declaring the sections of the Resolution to be severable one from the other in the event any section of the Resolution is determined to be invalid; said properties to be identified to wit:

Parcel ER-12 – Schmidt Business, L.P., a Texas limited partnership, an undivided ninety percent (90%) interest; and Schmidt Cattle, L.P., a Texas limited partnership, an undivided ten percent (10%) interest, being a 1.082 acre (47,142 square foot) permanent easement, and 0.72 acre (31,363 square foot) temporary construction easement, out of the Byrd Lockhart Survey

No. 8, Abstract No. 17, Caldwell County, Texas, being a portion that tract described as 176.82 acres conveyed to Schmidt Business, LTD. (undivided 90% interest) and Schmidt Cattle, L.P. (undivided 10% interest) by Warranty Deed dated September 5, 2019, as recorded in Document No. 2019-004512, Official Public Records, Caldwell County, Texas; said 1.082 acre (47,142 square foot) permanent easement and 0.72 acre (31,363 square foot) temporary construction easement being more particularly described by metes and bounds and survey as follows in Exhibit "A" attached hereto;

Parcel ER-16 – Richard E. Blauvelt, being a 1.249 acre (54,408 square foot) permanent easement, and 0.84 acre (36,590 square foot) temporary construction easement, out of the Byrd Lockhart Survey No. 8, Abstract No. 17, Caldwell County, Texas, being a portion of that tract described as 68.001 acres conveyed to Richard E. Blauvelt by General Warranty Deed dated July 12, 2016, as recorded in Document No. 2016-003645, Official Public Records, Caldwell County, Texas, being further described in Volume 519, Page 768, Official Public Records of Real Property, Caldwell County, Texas; said 1.249 acres (54,408 square foot) permanent easement and 0.84 acre (36,590 square foot) temporary construction easement being more particularly described by metes and bounds and survey as follows in Exhibit "B" attached hereto;

Parcel NR-01A – Alan Wayne Balser and Pamela Guffey Balser, being a 4.593 acre (200,086 square foot) fee estate, out of the Byrd Lockhart Survey No. 8, Abstract No. 17, Caldwell County, Texas, being a portion of that tract described as 228.120 acres conveyed to Alan Wayne Balser and Pamela Guffey Balser by Warranty Deed with Vendor's Lien dated October 16, 2017, as recorded in Document No. 2017-005439, Official Public Records, Caldwell County, Texas; said 4.593 acre (200,086 square foot) fee estate, being more particularly described by metes and bounds and survey as follows in Exhibit "C" attached hereto;

Parcel NR-31 – Schmidt Cattle, L.P., a Texas limited partnership, being a 2.143 acre (93,352 square foot) permanent easement, and 1.43 acre (62,291 square foot) temporary construction easement, out of the Elizabeth Brown Survey, Abstract No. 368, Caldwell County, Texas, being a portion of Lot 100, C.M. Rogers Subdivision, a Subdivision of record in Cabinet A., Slide 98, Plat Records, Caldwell County, Texas, said all of Lot 100 and a portion of Lot 105, in said C.M. Rogers Subdivision being described as 103.149 acres conveyed to Schmidt Cattle, L.P., by Special Warranty Deed dated July 16, 2009, as recorded in Volume 577, Page 638, Official Public Records of Real Property, Caldwell County, Texas; said 2.143 acre (93,352 square foot) permanent easement and 1.43 acre (62,291 square foot) temporary construction easement being more particularly described by metes and bounds and survey as follows in Exhibit "D" attached hereto;

Parcel NR-32 – Joel Garcia and Priscilla Lynn Garcia, being a 1.890 acre (82,342 square foot) permanent easement, and 1.26 acre (54,886 square foot) temporary construction easement, out of the Elizabeth Brown Survey, Abstract No. 368, and the John Mott Survey, Abstract No. 191, Caldwell County, Texas, being a portion of that tract described as 20.48 acres conveyed to Joel Garcia and Priscilla Garcia by Warranty Deed with Vendors Lien dated August 4, 2017, as recorded in Document No. 2017-004094, Official Public Records, Caldwell County, Texas; said 1.890 acre

(82,342 square foot) permanent easement, and 1.26 acre (54,886 square foot) temporary construction easement more particularly described by metes and bounds and survey as follows in Exhibit "E" attached hereto; and

Parcel NR-34 – Silver Mount Holdings, LLC, a Texas limited liability company, being a 0.5963 acre (25,974 square foot) permanent easement, and 0.40 acre (17,424 square foot) temporary construction easement, out of the Thomas J. Hatton Survey, Abstract No. 121, Caldwell County, Texas, being a portion that tract described as 195.118 acres (Tract 1) conveyed to Silver Mount Holdings, LLC by Special Warranty Deed with Vendor's Lien dated October 26, 2021, as recorded in Document No. 2021-007932, Official Public Records, Caldwell County, Texas; said 0.5963 acre (25,974 square foot) permanent easement and 0.40 acre (17,424 square foot) temporary construction easement being more particularly described by metes and bounds and survey as follows in Exhibit "F" attached hereto.

Courtney Kerr-Moore, Deputy General Counsel, is seeking the approval of a Resolution declaring a public necessity for the acquisition of certain water pipeline easement and temporary construction easement for the TX-130 Project. GBRA is expanding the Carrizo Groundwater Supply Project via the TX-130 Project, in, over, under, through, and across certain properties located in Caldwell, Hays, and Guadalupe counties, Texas. Efforts to negotiate for the acquisition of these properties have been unsuccessful, making proceedings in eminent domain necessary to acquire such needed permanent easements and temporary construction easements. Upon Motion by Director Old, seconded by Director Valdez, by a record vote, the Board unanimously approved Action Item 10, approving the proposed Resolution. A copy of the Resolution is attached and made a part of these minutes.

Next, 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 highest ranked bidder based on a competitive sealed proposal process, which provides the best value for the Guadalupe-Blanco River Authority, for selection of a general contractor for the FM**

725 Wastewater Pipeline Relocation Project. Travis Basham, Project Engineer, is seeking authorization to negotiate a contract for the selection of a general contractor for the FM 725 Wastewater Pipeline Relocation Project. The Texas Department of Transportation (“TXDOT”) is widening FM 725 in Guadalupe County, Texas which will necessitate the relocation of GBRA’s existing wastewater pipeline. This pipeline is a segment of the Stein Falls Wastewater Collection System. TXDOT will reimburse GBRA for a portion of services related to the design and construction of the pipeline relocation. GBRA will utilize the Competitive Sealed Proposal method to select the contractor to perform the relocation work. Upon Motion by Director Old, seconded by Director Ehrig, the Board unanimously approved Action Item 11 authorizing the General Manager/CEO to negotiate and execute a contract with the highest ranked bidder based on a competitive sealed proposal process, which provides the best value for the Guadalupe-Blanco River Authority, for selection of a general contractor for the FM 725 Wastewater Pipeline Relocation Project.

Next, the Chairman called for **Action Item 12 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a reimbursement agreement with the Texas Transportation Commission related to the FM 725 Wastewater Pipeline Relocation Project.** Travis Basham, Project Engineer, is seeking authorization to execute a reimbursement agreement relating to the FM 725 Wastewater Pipeline Relocation Project. TXDOT is designing the widening of FM 725 in Guadalupe County, Texas, which will necessitate the relocation of GBRA’s existing wastewater pipeline. This pipeline is a segment of the Stein Falls Wastewater Collection System. The agreement states GBRA will be reimbursed for 90.99% of

the project costs. GBRA will be responsible for managing the relocation of GBRA's existing pipeline, construction of new pipeline, acquisition of additional easements needed for the pipeline relocation, and payment of the additional 9.01% cost of the project for portions of the pipeline in the right-of-way and the increased pipeline capacity. Upon Motion by Director Ehrig, seconded by Director Carbonara, the Board unanimously approved Action Item 12 authorizing the General Manager/CEO to negotiate and execute a reimbursement agreement with the Texas Transportation Commission related to the FM 725 Wastewater Pipeline Relocation Project.

Next, the Chairman called for **Action Item 13 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a contract between the Guadalupe-Blanco River Authority and a Heating, Ventilation, and Air Conditioning (HVAC) vendor for the acquisition and installation of a new chiller system located at the 933 E. Court St. office.** Ken Clinton, Facilities Manager, is seeking authorization to execute a contract for the replacement of the chiller system located at the GBRA facility in Seguin. The system is over 20 years old and is experiencing significant reliability issues. The replacement will reduce the risk of overheating critical laboratory and information technology equipment used to support GBRA's water treatment and wastewater treatment operations. Upon Motion by Director Old, seconded by Director Valdez, the Board unanimously approved Action Item 13 authorizing the General Manager/CEO to negotiate and execute a contract between the Guadalupe-Blanco River Authority and an HVAC vendor for the acquisition and installation of a new chiller system located at 933 E. Court St..

Next, the Chairman called for **Discussion Item 14 - Mid-Year presentation and update on GBRA's Fiscal Year 2024 Work Plan and Budget.** Randy Staats, Executive Manager of

Finance/CFO, briefed the Board on FY 2024 status from September 1, 2023 to February 29, 2024, including the following: summary comparisons of revenues and expenses to include retail connection trends, legal expenses, personnel costs and new positions, economic environment, interest expense, bond arbitrage, debt service, financial reserves, and significant items for the FY 2024 Budget. The preparation of the FY 25 Budget has begun, and an initial presentation to the Board is scheduled for June, followed by a workshop in July or August, and budget adoption in August.

The Chairman then called for **Discussion Item 15 - Discussion regarding Base Flow Report, Water Quality Index, long term weather pattern, and condition of the Guadalupe Basin.** Charles Hickman, Executive Manager of Engineering, briefed the Board on the Guadalupe River basin hydrologic conditions, including rainfall percentages, events, and totals; the Base Flow Report; the U.S. Drought Monitor Seasonal Outlook; Edwards Aquifer level; Comal Springs level; Guadalupe River stream flows; El Niño modeled forecast; and elevation of Canyon Reservoir. Canyon Reservoir elevation was at 886.91 feet as of April 15, 2024. The J-17 Index Well level was at 638.1 feet as of April 16, 2024. Comal Springs was flowing around 157 cfs as of April 15, 2024.

There being no further business to be brought before the Board, the open meeting was recessed at 10:58 a.m. subject to call by the Chairman and convened the meeting in executive session at 11:10 a.m. pursuant to Chapter 551, Texas Government Code.

The open meeting reconvened at 11:30 a.m.

There being no further business to be brought before the Board, the meeting was adjourned at 11:30 a.m. subject to a call by the Chairman.



Chairman



Secretary/Treasurer