

GUADALUPE-BLANCO RIVER AUTHORITY
Minutes of the Board of Directors
December 18, 2024

The Board of Directors of the Guadalupe-Blanco River Authority met in a regular meeting on December 18, 2024, at the GBRA Annex Building Board Room, 905 Nolan St., Seguin, Guadalupe County, Texas. Directors present were Dennis Patillo, Sheila Old, Stephen B. Ehrig, Don B. Meador, William Carbonara, Emanuel Valdez, John Cyrier, Patrick Cohoon, and Robert Blaschke. 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; 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 Cyrier led the Pledges of Allegiance to the United States flag and the Texas flag.

The Chairman called for **Chairman Item 1 - Consideration of possible action approving selection of Officers of the Board of Directors for calendar year 2025**. Chairman Patillo appointed Director Old and Director Ehrig to serve on the Nominating Committee to select Officers of the Board of Directors for calendar year 2025. Upon Motion by Chairman Patillo,

seconded by Director Cohoon, the Board the Board unanimously approved the motion approving the appointment of Director Old and Director Ehrig to serve on the Nominating Committee for the selection of Officers of the Board of Directors for calendar year 2025.

The Chairman then called for **Public Comments**. The Chairman called on Bill Campagne, an owner of property on Meadow Lake, who made comments relating to a request for assistance for financing for the repair and maintenance of Meadow Lake Dam.

The Chairman called for **Consent Item 3 - Consideration of and possible action approving the minutes of the October 16, 2024 Board Meeting; Consent Item 4 - Consideration of and possible action approving the monthly financial report for November 2024; Consent Item 5 - Consideration of and possible action approving the monthly operations report for November 2024; Consent Item 6 - Consideration of and possible action approving Directors' expense vouchers for November 2024; Consent Item 7 - Consideration of and possible action approving the minutes of the October 16, 2024 Habitat Conservation Plan Workshop**. Upon Motion by Director Meador, seconded by Director Ehrig, the Board unanimously approved Consent Items 3, 4, 5, 6, and 7.

The Chairman then called for **General Manager/CEO Item 8 - 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, and stewardship. Christina Chavez, Deputy Executive Manager of Administration, introduced and welcomed James Semler, GBRA's new Safety and Risk Manager. Mr. Semler provided the Board with a brief background about himself and stated there were no lost time incidents during this period. During November, staff training focused on extension cord safety and CPR/first aid training. Site safety compliance visits were conducted at San Marcos water treatment plant (WTP), Western Canyon WTP, Stein Falls, Luling WTP, Buda WWTP, the Canyon Lake Gorge, Nolte Park, hydro dams, the laboratory, and other related sites. Mr. Semler also briefed the Board on the "12 Days of Safety," which provides a monthly safety topic available on GBRA's intranet. David Harris, Executive Manager of Operations, briefed the Board on new licenses, compliance, training, and ongoing projects. The Carrizo WTP moved from a testing mode to an operational mode in early December. A generator previously used for the Sunfield lift station was relocated to Coletto Creek Park to serve as a backup power source for the water system. New bathroom facilities have been installed and completed at Coletto Creek Park. Mr. Harris also provided a brief overview of the raw water tanks and filter system at the Carrizo WTP. Next, Charles Hickman, Executive Director of Engineering, provided a quarterly engineering update which included updates on the engineering department team building/community workday, the Western Canyon WTP, the Lower Basin Diversion system a, and the current status of construction on the Lake McQueeney and Lake Placid spillgate replacement and dam armoring projects. Finally, Mr. Hickman provided an update on the WaterSECURE program, and mentioned that Eric Kong had joined GBRA as a Senior Project Engineer.

The Chairman called for **Action Item 9 - Consideration of and possible action approving the Fiscal Year 2024 Annual Comprehensive Financial Report and audit report.** Randy Staats, Executive Manager of Finance/CFO, is seeking approval of the Fiscal Year 2024 annual financial audit and distribution of the Annual Comprehensive Financial Report. Mr. Staats introduced Mike Del Toro, Partner with ABIP, to present audit results to the Board. Mr. Del Toro reported that ABIP did not locate any material weaknesses or significant deficiencies in the annual financial audit and has issued a management letter on the conduct of the audit related to GBRA's financial position. Next, Mr. Staats briefed the Board on some highlights of the financial statements, statements of revenues and expenses, statements of net position, and net position comparison. Upon Motion by Director Patillo, seconded by Director Cohoon, the Board unanimously approved Action Item 9 approving the Fiscal Year 2024 Annual Comprehensive Financial Report and audit report.

The Chairman then called for **Action Item 10 - Consideration of and possible action to authorize the General Manager/CEO to negotiate and execute individual Memoranda of Agreement between the Guadalupe-Blanco River Authority and second-party participants in the development and eventual execution of the Certificate of Inclusion Program under GBRA's Habitat Conservation Plan. These agreements will outline the details of coverage and mitigation under the Endangered Species Act, as well as the terms and conditions of participation between GBRA and the second-party entities, which includes recreation-oriented businesses, municipalities, utilities, industries and county governments.** Joseph Cole, General Counsel, is seeking authorization to negotiate and execute a Memorandum of Agreement between GBRA and individual second-party participants relating to the development and eventual implementation of a Certificate of Inclusion Program under GBRA's Habitat

Conservation Plan (HCP). The program will broaden stakeholder participation in the HCP and extend regulatory certainty, protections, and benefits of an Endangered Species Act Section 10(a) Incidental Take Permit. Upon Motion by Director Blaschke, seconded by Director Valdez, the Board unanimously approved Action Item 10 approving the negotiation and execution of individual Memoranda of Agreement between the Guadalupe-Blanco River Authority and the second-party participants in the development and eventual execution of the Certificate of Inclusion Program under GBRA's Habitat Conservation Plan.

The Chairman called for **Action Item 11 - Consideration of and possible action approving a Resolution by the Guadalupe-Blanco River Authority declaring a public necessity for the acquisition of certain treated water pipeline easements and temporary construction easements for the GBRA Boerne and Fair Oaks Ranch Alternate Delivery 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 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 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 2 – Lyle Edward Zoeller, being a 0.607 acres (26,441 square foot) permanent easement, and a 0.428 acres (18,644 square foot) temporary construction easement, out of a 60.010 acres of land, more or less, conveyed to Lyle Edward Zoeller and recorded in Volume 1717, Pages 1120-1144, Official Records, Kendall County, Texas, out of the David Bradbury Survey No. 214, 2 Abstract No. 33, Kendall County, Texas and being part of a 131.013 acre tract of land conveyed to Harold Zoeller, et ux, recorded in Volume 113, Page 834, Kendall County Deed Records; said 0.607 acres (26,441 square foot) permanent easement, and 0.428 acres (18,644 square foot) temporary construction easement, being more particularly described by metes and bounds and survey as follows in Exhibit “A” attached hereto.

Courtney Kerr-Moore, Deputy General Counsel, is seeking approval of a resolution declaring a public necessity for the acquisition of certain water pipeline easements and temporary construction easements for the Boerne and Fair Oaks Ranch Alternate Delivery Project. GBRA is expanding the Western Canyon pipeline system, in, over, under, through, and across certain properties located in Kendall County, 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 Patillo, by a record vote, the Board unanimously approved Action Item 11, approving the proposed Resolution. A copy of the Resolution is attached and made a part of these minutes.

The Chairman called for **Action Item 12 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between the Guadalupe-Blanco River Authority and RS McQueeney, LLC for the McQueeney Oaks Development.** Justin Adkins, Assistant General Counsel, is seeking authorization to negotiate and execute a wastewater service agreement with RS McQueeney, LLC (McQueeney) for the McQueeney Oaks Development located south of the City of New Braunfels. The agreement will require McQueeney to construct wastewater facilities and connect the

infrastructure to GBRA's existing facilities and provide GBRA with all plans for review. GBRA will own and operate the facilities after conveyance from McQueeney, McQueeney will pay GBRA applicable connection fees, and GBRA will charge retail customers within the development monthly service fees. Upon Motion by Director Cohoon, seconded by Director Ehrig, the Board unanimously approved Action Item 12 authorizing the General Manager/CEO to negotiate and execute a Wastewater Service Agreement between the Guadalupe-Blanco River Authority and RS McQueeney, LLC for the McQueeney Oaks Development.

Next, the Chairman called for **Action Item 13 - Consideration of and possible action authorizing the General Manager/CEO to negotiate and execute a contract to rehabilitate and repave portions of Coletto Creek Park Roads.** David Harris, Executive Manager of Operations, is seeking authorization to execute a contract to complete the paving project which began in 2023 at Coletto Creek Park. The FY25 Board-approved budget includes the funds to continue the road enhancement project at the park. The anticipated cost is just over \$200,000, and the work will begin in April 2025. Upon Motion by Director Cyrier, seconded by Director Old, the Board unanimously approved Action Item 13 authorizing the General Manager/CEO to negotiate and execute a contract to rehabilitate and repave portions of Coletto Creek Park Roads.

The Chairman called for **Discussion Item 14 - 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; neutral conditional modeled forecast; and elevation of Canyon Reservoir. Canyon Reservoir elevation was near 881.1'msl as of December 18, 2024.

The J-17 well level was 627.2 as of December 16, 2024. Comal Springs was flowing around 62 cfs as of December 16, 2024.

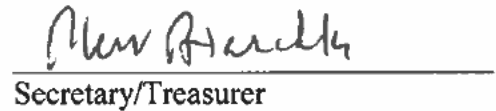
There being no further business to be brought before the Board, the open meeting was recessed at 11:13 a.m. subject to call by the Chairman and convened the meeting in executive session at 11:30 a.m. pursuant to Chapter 551, Texas Government Code.

The open meeting reconvened at 12:31 p.m.

There being no further business to be brought before the Board, the meeting was adjourned at 12:31 p.m. subject to a call by the Chairman.



Chairman



Secretary/Treasurer