

MINUTES: MLNDA Annual Membership Meeting at the Pat Irvine Pavilion in Starcke Park East

September 18, 2021 10AM

Jacy Robbins, President, welcomed all present. He introduced and welcomed City of Seguin Mayor Donna Dodgen, City Council Rep Monica Carter, City Manager Steve Parker and State Rep John Kuempel. MLNDA Board Members were then introduced.

Robbins went through the line items on the Agenda (that was also distributed via email to members).

- Stressed LOCAL OWNERSHIP with a legal entity (WCID) is the right path – would allow for private partnerships with a Hydro Operator. Sorenson is coming Fri, 9/24/21 to inspect the hydro stations and dam (they also plan to visit Lake Gonzales & Lake Woods hydro stations).
- DAM REHABILITATION - Engineering study with Freese & Nichols (FNI) will take 5-6 months. The scope of work, in collaboration with MLNDA and the City, has been finalized and is ready to move forward.
 - Embankment Hardening – Does it pose a risk for downstream flooding? There's no need at this time, but TCEQ requires a long term plan to address it. Hardening would add approximately \$4.7 million to the total cost, in accordance with 2015 engineering study performed by Freese and Nichols. We plan to investigate other methods of addressing the issue, e.g. a risk analysis that, if successful, has the potential to eliminate the requirement for hardening. What is important to keep in mind is that hardening can be addressed in a number of ways, but it is not required to be completed in the current construction plan for dam rehabilitation.
 - Gate replacement – Replacement is the top priority moving forward and we have high confidence that any gate replacement option provided by our engineering consultants will meet TCEQ requirements. We plan to work closely with TCEQ during the duration of engineering study. The study will outline the pros and cons of any solution and provide costs, along with all the information required for us to move forward.
 - De-Watering options - During construction, a method to work on the gate replacement, without being inundated with water, has to be developed. The engineering study will look at these options/costs:
 - a) Not lowering the lake level = **extra** \$1 million, or
 - b) Lowering lake level 12 feet = minimal extra \$
 - We have told FNI what we can afford for all rehabilitation – there is no guarantee of the cost at this point, however feedback so far has been that it is likely the cost will be within the district's range to afford.
- REVENUE SOURCES
 - Tax owners whose properties abut the lake – the Board thinks we need to plan for this to fully fund the project.
 - "Iffy" resources –we cannot rely on "bonus" revenue from Hydro or Recreational opportunities at Nolte Island
 - We should not rely on a legislative path, unless all other avenues fail. It would be very long and expensive process, and the gates could fail in the meantime (3 of the 6 Guadalupe lake gates have failed to date).
- WCID – a legal entity that needs to be formed to have Dam ownership
 - Need a WCID to enable us to negotiate with the City, County and GBRA. We are committed to working with all parties.
 - Process: a) Five WCID Board Members, b) minimal tax rate to operate and maintain the district annually (bookkeeping, legal, etc.), c) vote to incur bonds to replace gates.
 - Board is conducting a Boundary Survey to determine who will be in the District and be taxed. The entire tract of a property that touches the lake would be in the WCID (this was how Lake Dunlap defined theirs).
 - Per a resolution in MLNDA bylaws, we cannot form the WCID without approval from **Paid MLNDA Members**.
- Time-Line
 - \$110,000 has been raised as of yesterday. \$60,000-70,000 more is needed to fund BOTH the Study and WCID formation. The majority of MLNDA members (and 100% of the Directors) have donated – all were thanked for their support.
 - Do we do the study first and then form the WCID or run them concurrently?
 - Dunlap and McQueeney formed their WCIDs without any binding agreement with GBRA or knowing fixed costs. Once they did so then GBRA was more active in working with them.
 - MLNDA has raised enough funds for the study, but needs more for the WCID formation. Robbins recommended doing them concurrently, as long as there is Membership approval (providing we raise the necessary funds).

- Vote for Directors - ballots were collected. Tim Bays, Sydney Burton and Janet Hudson's terms are expiring. Sara Fitzgerald is resigning her position. The following were elected for 3 year terms: a) renewed Directors: Jacy Robbins and Roxanne Henricksen; and b) new Directors: Mike Messersmith, Danelle Roddy and Jack Walker.

Q & A Session Discussion

- Robbins clarified the purpose of the WCID, which will have five (5) Directors
- Members asked for clarification on the Property Survey. Large tract owners who might have concerns about their entire tract being in the WCID (especially if they are not Ag Exempt) are urged to contact MLNDA to see what can be done. Re-platting can be accomplished, but it is a complicated process.
- Robbins clarified that **all MLNDA Members (who have current dues paid)** are eligible to vote on whether to proceed with the formation of the WCID (per a resolution in the MLNDA Bylaws). This vote will happen soon (electronically) and, if approved, the actual formation of the WCID would then take place. The election that requires local voter registration is the one that actually votes on the Bond election.
- Discussion regarding whether taxes could go up, based on increases in property appraisals: yes, but with more improvements (homes) being built it would also result in the tax rate decreasing. The issued bonds would be a fixed payment, so only the tax rate can fluctuate. If property values increase over time, like they have always done, then the tax rate will correspondingly decrease.
- City of Seguin and GBRA own property along the water, but they are tax exempt entities.
- We can do a comprehensive river clean up if the lake is de-watered during repairs.
- Once the WCID is formed we hope local governments will participate monetarily, but we, as property owners, need to do our part. We have the most to gain or lose. Rep Kuempel confirmed that a legislative avenue is not recommended.

A full Audio/Video version of the meeting can be found on the MLNDA website:

<https://mlndatx.wixsite.com/mlnda/meetings-events>

Sydney Burton, Secretary