

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
SAN ANTONIO RIVER AUTHORITY
MARCH 19, 2008

The regular meeting of the Board of Directors of the SAN ANTONIO RIVER AUTHORITY was called to order by the Chairman, Thomas G. Weaver, at 2:05 p.m., Wednesday, March 19, 2008, at the General Offices of the San Antonio River Authority, 100 East Guenther Street, San Antonio, Bexar County, Texas.

Sally Buchanan, Secretary, called the roll and certified a quorum present as follows:

BEXAR COUNTY

Sally Buchanan	Present
Hector Morales	Present
Názirite Rubén Pérez	Present
Roberto G. Rodríguez	Present
Thomas G. Weaver	Present

GOLIAD COUNTY

Terry E. Baiamonte	Present
Adair R. Sutherland	Present

KARNES COUNTY

H. B. Ruckman III	Present
Gaylon Oehlke	Present

WILSON COUNTY

A. D. Kollodziej, Jr.	Present
-----------------------	---------

Staff members present were:

Suzanne Scott, General Manager
Steve Graham, Assistant General Manager
Steve Raabe, Director of Technical Services
Sharon McCoy-Huber, Finance Manager
Michael Gonzalez, Environmental Services Manager
Jim Boenig, Engineering Manager
Hector Villanueva, Real Estate

Other individuals present were:

David Ross, Legal Counsel
Darren Thompson, SAWS
Jeff Nethery, DNA Geosciences
Amanda Manzo, Temporary Administrative Assistant

Mr. Weaver called for **Approval of the Minutes of the Regular Meeting of the Board of Directors Held on February 20, 2008.** Ms. Sutherland so moved and seconded by Ms. Buchanan, Motion carried unanimously, with exception to the change to be made to the salutation of Mr. Oehlke.

Mr. Weaver called on Amanda Manzo for **Introduction of Visitors:** Darren Thompson, San Antonio Water System; Jeff Nethery, DNA Geosciences.

Mr. Weaver asked if there were any **Citizens to be Heard.** Ms. Manzo reported there were none.

Mr. Weaver called for **Agenda Item 8: San Antonio River Authority Board of Directors Executive, Communications, Fiscal and Operations Committee and Board Member Conference Attendance Reports.**

- **Executive Committee:** Mr. Weaver indicated there was nothing new to report regarding the Executive Committee.
- **Fiscal Committee:** Mr. Oehlke reported the Fiscal Committee has started gathering information to be included in the fiscal year 2008/09 budget. The Fiscal Committee also approved funding adjustment of the salary for the General Manger by 6% and for San Antonio River Authority employees by 5%.
- **Communications Committee:** Mr. Rodriguez reported there was nothing new to report.
- **Operations Committee:** Mr. Ruckman reported the Operations Committee approved moving forward with a motion to renovate the heating and air conditioning system for the Guenther Building as explained in Consent Item 11, The Committee also approved moving forward with the purchase of Corbin Water rights explained in Consent Item 10 herein. Operations Committee met new employee Lee Marlow who briefed the Committee on her past experience with a restoration project comparable to the San Antonio River Improvements Project.

Mr. Weaver called for the **Consent Agenda, Agenda Items 9 through 11.** Ms. Sutherland requested to pull Item 10 for discussion and Mr. Kollodziej identified number 11 for discussion.

Mr. Weaver called on Steve Raabe for Agenda Item 10: Resolution Authorizing the General Manager to Purchase the Water Rights Associated with Permit 3863, Owned by Christopher Corbin, Located on Medina River, Bexar County, Texas.

In 2003 the San Antonio River Authority (SARA) staff presented to the Board of Directors a Water Rights Acquisition Program (WRAP), with the intention of establishing and expanding SARA's water rights inventory in order to ensure that adequate water resources exist to serve the needs of the district. Consistent with the WRAP program, SARA has negotiated an agreement with Christopher Corbin for 200 acre feet of water rights held within the Medina River. SARA staff evaluated the subject water rights and pursuant with the direction provided by the

Operations Committee, River Authority staff tendered an offer which was accepted by Mr. Corbin.

The River Authority’s option to purchase the subject water rights has been executed by Christopher Corbin. River Authority staff is requesting Board approval to authorize the General Manager to execute the option and purchase of the water right. The total purchase price is \$48,000 for 200 acre feet of water rights with \$2,400 due at the time the option is delivered to Christopher Corbin. The funds for this purchase are included in the FY 2007/08 budget.

At a meeting of the Board of Directors Operations Committee on March 10, 2008, the Committee supported the option to purchase water rights from Christopher Corbin.

Recommendation: Motion that Resolution No. R-1335 be passed and approved.

Ms. Sutherland asked whether the water rights price in Item 10 was competitive, and Mr. Raabe reported that the price was within the range previously established by the Board and is discounted because of its flow limitations.

Mr. Weaver then called upon Phil Weynand for Agenda Item 11: Motion Approving Renovations to the Guenther Building Heating, Ventilation, and Air Conditioning (HVAC) Systems and Associated Budget Amendment.

The Guenther building HVAC control system is 22 years old, not functioning in select areas, obsolete and in need of replacement. The existing HVAC control system does not provide consistently a comfortable, productive, safe or energy efficient office and meeting environment. The energy savings alone from an upgrade to a new technology Direct Digital Control (DDC) system is estimated at \$18,000 per year.

The cost to replace the HVAC control system is \$65,000. Additional HVAC items that need to be addressed are the replacement of chilled and heating water control valves, ductwork installation and sealing, replacement of insulation on hydronic piping, test and balance of entire system, and chemical treatment and filtering of the hydronic systems, which could increase the cost by \$35,000.

The following budget account is proposed to be amended as indicated:

<u>Budget Account Number</u>	<u>Current Budget</u>	<u>Proposed Amendment</u>	<u>Amended Budget</u>
<u>General Fund</u>			
<u>Administrative Services Department</u>			
Building & Grounds			
1011320-6115	22,775	<u>100,000</u>	122,775
Net change to General Fund		100,000	

At the March 10, 2008, meeting of the River Authority Operations Committee, the Committee supported presentation of this budget amendment to the River Authority Board of Directors for approval.

Recommendation: Motion approving renovations to the Guenther Building Heating, Ventilation, and Air Conditioning (HVAC) Systems and Associated Budget Amendment.

Mr. Kollodziej asked why Item 11 had not been budgeted with building renovations. Mr. Weynand reported that the HVAC system had not been included in the building renovations budget so that that the renovations project would remain within budget.

Agenda Item 9: Motion to reschedule the April Regular Board Meeting to April 23, 2008.

The Board of Directors Regular April Meeting typically would be scheduled on Wednesday, April 16, 2008.

During the week of April 14, including April 16, several River Authority Board members, the General Manager, and key executive and management staff will be attending the National Water Resources Association (NWRA) federal water seminar in Washington, D.C.

Recommendation: Motion to reschedule the April Regular Board Meeting on Wednesday, April 23, 2008.

Mr. Weaver then called for motion to approve the Consent Items 9 - 11. Mr. Ruckman so moved and seconded by Mr. Oehlke, the motion passed unanimously.

Mr. Weaver then called on Steve Raabe and Hector Villanueva regarding Agenda Item 12: Presentation and Discussion Regarding the Proposed Right-of-Way Acquisition for the San Antonio River Improvements Project, Mission Reach Phases II, III, IV.

On behalf of Mr. Raabe, Hector Villanueva Recently reported that the River Authority completed right-of-way acquisition for Phase I of the San Antonio River Improvements Project Mission Reach. Real Estate staff is now developing strategies for proceeding with acquisition of the required rights-of-way, from both public and private sources, for phases II, III, and IV.

The 60% final designs are anticipated for phases II – IV, respectively, in June, late summer, and October. During the upcoming three regular Board meetings, Real Estate staff will be presenting the Board with the right-of-way acquisition strategies and recommended actions for each of phases II, III, and IV.

Legal Counsel David Ross discussed the Texas Land Owners Bill of Rights. Established February 1, 2008, the Land Owners Bill of Rights helps land owners understand the procedures followed in a condemnation action.

Mr. Weaver called on Mike Gonzales and Ronnie Hernandez regarding Agenda Item 13: Briefing and Discussion on the San Antonio River Authority Environmental Sciences Department, Environmental Investigation and Response Activities, September 2007 to February 2008.

The San Antonio River Authority's legislative responsibilities include protection of water quality in the San Antonio River Basin. The River Authority's Environmental Sciences Department (ESD) personnel have been directed to proactively respond to, investigate, and/or monitor incidents or accidents that have the potential to degrade aquatic resources or threaten human

health, and coordinate environmental compliance within the San Antonio River basin in order to protect natural resources and preserve the River Authority's property rights in accordance with the River Authority's mission, enabling statute, ordinances, and the laws of the State of Texas. ESD staff provided a presentation that summarized environmental investigation activities and accomplishments over the last six months.

Mr. Weaver called on Mike Gonzales and Charles Lorea regarding **Agenda Item 14: Presentation on the San Antonio River Authority Environmental Sciences Department Laboratory's Nation Environmental Laboratory Accreditation Conferred by the Texas Commission on Environmental Quality.**

Mr. Lorea reported that the Texas Commission on Environmental Quality (TCEQ) conferred National Environmental Laboratory Accreditation to the Environmental Sciences Department Laboratory on February 15, 2008.

Mr. Weaver called on Steve Raabe regarding **Agenda Item 15: Briefing regarding Determination of Desired Future Condition of Aquifers in Groundwater Management Areas Within the San Antonio River Authority District.**

H.B. 1763, 79th Legislative Session, as codified in Texas Water Code Section 36.1072, requires groundwater conservation districts to develop and submit desired future conditions of the aquifers within groundwater management areas to the Texas Water Development Board (TWDB) by September 1, 2010. The TWDB will calculate the managed available groundwater that can be produced from the aquifer and meet the desired future conditions fifty years into the future. The groundwater districts' management plans must be consistent with the desired future conditions and the managed available groundwater. Groundwater districts must issue permits, if applied for, up to the amount of managed available groundwater for that aquifer. Regional water planning groups must use the managed available groundwater in determining the amount of existing supplies available in the development of the regional water plan.

Groundwater Management Area 13 (GMA 13) includes Wilson and northern Karnes Counties. GMA 13 has held stakeholder meetings to gather input on what the desired future conditions should contain for the Carrizo, Wilcox, Queen City, Sparta and Yequa aquifers. The River Authority submitted comments (attached) regarding the maintenance of contributions of groundwater to the streams within the River Authority's district. The San Antonio River Authority facilitated the stakeholder meetings at the request of the GMA 13 committee. GMA 13 intends to submit the desired future conditions for the aquifers in GMA 13 to the TWDB by June 2008. The TWDB is expected to calculate and report the amount of managed available groundwater by November 2008.

Groundwater Management Area 15 (GMA 15) includes Goliad County and southern portion of Karnes County. The principle aquifer within GMA 15 is the Gulf Coast Aquifer. GMA 15 intends to submit the desired future condition to the TWDB by September 2008.

Mr. Weaver called for **Agenda Item 16: Executive Session Pursuant to Texas Government Code Section 551.071, Consultation with Attorney for Advice Regarding Pending or Contemplated Litigation or Settlement Offers Regarding Cause No. 2006-CI-06943, San Antonio River Authority vs. Chicory Court II, LP, and Odyssey Residential Holdings, LP, in the 288th District Court, Bexar County, Texas.**

After appropriate disclosure in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act, Section 551.071, Mr. Weaver then recessed to meet in Executive Session at 3:37 p.m. for deliberation with attorney for advice regarding pending or contemplated litigation or settlement offers in Cause No. 2006-CI-06943, San Antonio River Authority vs. Chicory Court II, LP, and Odyssey Residential Holdings, LP, in the 288th District Court, Bexar County, Texas.

The Executive Session having concluded, the meeting resumed into Open Session at 4:06 p.m.

Mr. Weaver called on David Ross for **Agenda Item 17: Presentation, Discussion, and Appropriate Action Regarding a Proposed Settlement Agreement in Cause No. 2006-CI-06943, San Antonio River Authority vs. Chicory Court II, LP, and Odyssey Residential Holdings, LP, in the 288th District Court, Bexar County, Texas.**

Mr. Ross reported that under a proposed joint use agreement, Chicory Court II will comply with all policies and procedures of the San Antonio River Authority. Chicory Court II will also comply with the plans approved by Corps of Engineers.

Mr. Ross recommended a motion approving the proposed settlement agreement.

Mr. Weaver called for said motion. Mr. Ruckman moved and seconded by Ms. Buchanan, the motion passed with one vote in opposition.

Mr. Weaver called on Steve Raabe for **Agenda Item 18: Briefing on Water Recourse Development and Planning Activities.**

Edwards Aquifer Recovery Implementation Programs science team is now fully seated. The Project Manager has prepared an application for Federal Funding through USGS for the continuation of administrative services. Lastly, The Environmental Flows Advisory Committee held their meeting last month, and is currently soliciting nominations for the State Wide Environmental Science Committee.

Mr. Weaver called on Jim Boenig for **Agenda Item 19: Status Report on San Antonio River Improvements Projects.**

Mr. Boenig reported that the San Antonio River Improvements Project, Museum Reach, is at 33% complete, on time and on budget. Mr. Boenig also reported the discovery of an historic dam which has been successfully archived and will be incorporated into the final design.

The River Authority and River Foundation are currently working on an agreement to incorporate into the project an enhanced grotto just north of I.H. 35. Bridge enhancements within the project scope will also be updated with an anticipated completion in May 2009.

Mr. Weaver then called for Steven Schauer to present **Item 20: Presentation, Discussion, and Appropriate action regarding the San Antonio River Authority's Agenda for the 110th Congress, 2nd Session.**

Mr. Schauer presented the federal Fiscal Year 2009 federal funding requests and legislation issues identified to support active San Antonio River Authority projects, programs and services.

These funding requests and legislative items will be presented to members of the River Authority's congressional delegation and members of appropriations and authorizing committees for support. Detailed issue papers will be prepared on each of the items as background material for the River Authority's visit to Capitol Hill scheduled for April 13-16, 2008.

Mr. Schauer recommended a Motion approving the San Antonio River Authority's Agenda for the 110th Congress, 2nd Session.

Mr. Weaver called for said motion. Mr. Rodriguez so moved and seconded by Ms Buchanan the motion carried unanimously.

Mr. Weaver called on Board Members in regards to **Agenda Item 21: Discussion of Items for Future Consideration.**

Ms. Sutherland asked that River Authority staff commence the distribution of newspaper clippings from various media in and around the San Antonio area.

Mr. Weaver called on Suzanne Scott regarding **Agenda Item 22: General Managers Report.**

Ms. Scott discussed the opportunity for open government training, as well as a presentation that will be made to the City South Management Authority Board in regards to coordinating parks initiatives.

Upcoming Events: National Association of Flood and Storm Water Management Association, August 25-28, in the Napa Valley.

Agenda Item 23: There being no further business, the meeting was adjourned by Mr. Weaver, the Chairman, at 5:02 p.m.

PREPARED AND RECOMMENDED FOR BOARD APPROVAL BY THE MANAGER.

SUZANNE B. SCOTT, General Manager

APPROVED BY THE BOARD OF DIRECTORS AT THE REGULAR MEETING HELD ON APRIL 23, 2008.

THOMAS G. WEAVER, Board Chairman

ATTEST:

SALLY BUCHANAN, Secretary