

AGENDA

MEETING OF THE BOARD OF DIRECTORS' EXECUTIVE COMMITTEE AND/OR OF THE BOARD OF DIRECTORS



SAN ANTONIO RIVER AUTHORITY

September 14, 2011, 2:00 p.m.

**Estimated Presentation Time: 1 hour*

GENERAL AND CEREMONIAL ITEMS:

Estimated Presentation Time: 5 minutes

1. **CALL TO ORDER BY THE CHAIRMAN, MR. GAYLON J. OEHLKE**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL BY THE SECRETARY, MR. ROBERTO G. RODRÍGUEZ**
 - Gaylon J. Oehlke, Chair
 - Sally Buchanan, Vice-chair
 - Roberto G. Rodríguez, Secretary
 - Terry E. Baiamonte, Treasurer
 - John J. Flieller
 - Hector R. Morales
4. **CERTIFICATION OF A QUORUM BY THE SECRETARY**
5. **INTRODUCTION OF VISITORS**
6. **CITIZENS TO BE HEARD**

**Represents the time staff anticipate that it will take to make presentations or give briefings; does not include an estimate of the time required for discussions generated by Board members.*

7. **APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' EXECUTIVE COMMITTEE MEETING HELD ON AUGUST 10, 2011**
8. **PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING A RESOLUTION OF THE SAN ANTONIO RIVER AUTHORITY BOARD OF DIRECTORS SUPPORTING THE PASSAGE OF PROPOSED STATE CONSTITUTIONAL AMENDMENTS NUMBERED PROPOSITIONS 8 AND 2 ON THE NOVEMBER 8 BALLOT, AS THEY ENCOURAGE TEXAS LANDOWNERS TO PRACTICE WATER STEWARDSHIP PRINCIPLES AND ALLOW THE TEXAS WATER DEVELOPMENT BOARD TO ISSUE GENERAL OBLIGATION FUND BONDS UP TO SIX BILLION DOLLARS FOR THE IMPLEMENTATION OF PROJECTS LISTED IN THE STATE WATER PLAN**
9. **EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071 FOR CONSULTATION WITH ATTORNEY REGARDING THE ARANSAS PROJECT V. SHAW, ET. AL., CASE NO. 2:10-CV-00075 IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS**
10. **PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE ARANSAS PROJECT V. SHAW, ET. AL., CASE NO. 2:10-CV-00075 IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS**
11. **GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:**
 - **UPCOMING EVENTS CALENDAR,**
 - **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
 - **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**
12. **ITEMS FOR FUTURE CONSIDERATION**
13. **NEXT MEETING DATE**
14. **ADJOURN**

Estimated Presentation Time: 1 Hour

SAN ANTONIO RIVER AUTHORITY
General Statements

This meeting is wheelchair accessible. Accessible parking is located at 100 E. Guenther Street. Requests for an interpreter for the hearing impaired must be received at least 48 hours prior to the meeting, or, to arrange for special assistance to attend this meeting, please call the Operator at 210-227-1373.

The Board of Directors' Executive Committee of the San Antonio River Authority may discuss and/or take action on any item listed in this agenda while convened in open session. The Board of Directors of the San Antonio River Authority may also meet in Executive Session, pursuant to Section 551.071 of the Texas Government Code, to receive advice from legal counsel on any item listed in this agenda.

Executive Committee

Date: 09/14/2011

Approval of the Minutes

Submitted For: Suzanne B. Scott

Submitted By: Lupe Sanchez

Division: Executive Offices

CAPTION

APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' EXECUTIVE COMMITTEE MEETING HELD ON AUGUST 10, 2011

Presenter

Mr. Oehlke, Committee Chairman

Estimated Presentation Time: 5 minutes

Due to a lack of quorum, there are no minutes to approve.

Discussion

Executive Committee

Date: 09/14/2011

Texas Constitutional Amendment Propositions 8 and 2

Submitted By: Brian Mast

Division: Intergovernmental and Comm Relations **Department:** Intergovernmental Relations

CAPTION

PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING A RESOLUTION OF THE SAN ANTONIO RIVER AUTHORITY BOARD OF DIRECTORS SUPPORTING THE PASSAGE OF PROPOSED STATE CONSTITUTIONAL AMENDMENTS NUMBERED PROPOSITIONS 8 AND 2 ON THE NOVEMBER 8 BALLOT, AS THEY ENCOURAGE TEXAS LANDOWNERS TO PRACTICE WATER STEWARDSHIP PRINCIPLES AND ALLOW THE TEXAS WATER DEVELOPMENT BOARD TO ISSUE GENERAL OBLIGATION FUND BONDS UP TO SIX BILLION DOLLARS FOR THE IMPLEMENTATION OF PROJECTS LISTED IN THE STATE WATER PLAN

Presenter

Brian Mast

Estimated Presentation Time: 20 minutes

Two of the ten Constitutional Amendments on the November 2011 ballot concern water issues. Proposition Eight regards granting a potential tax exemption for those open-space landowners who implement water stewardship practices on their property. Proposition Two would grant the Texas Water Development Board (TWDB) with evergreen authority (*TWDB would not require additional Legislative action for this bonding capacity*) to issue general obligation bonds not to exceed \$6 billion at any one time.

Proposition Eight on the November ballot provides "for the appraisal for ad valorem tax purposes of open-space land devoted to water stewardship purposes on the basis of its productive capacity." The bill analysis states,

[C]urrently, landowners can qualify for several property tax valuation options based on land management practices. One of the more frequently used options is the open-space valuation option, commonly referred to as the agricultural exemption. Interested parties assert that adding water stewardship purposes to such options will give land owners a tool to better manage their property and incentivize land owners to invest in projects that improve water quality and quantity for the state.

In order to qualify for the exemption landowners have an agriculture or wildlife exemption and then put into practice several of the following water stewardship practices: Erosion control, habitat stewardship benefiting water quality or conservation, restoration of native species; Implementation of water-efficient irrigation practices; Riparian and wetland habitat restoration and protection, allowance of groundwater and surface water monitoring, invasive aquatic plant and animal control, donation of a water right to the Texas Water Trust, and/or change a water right so it could be used for environmental protection.

Proposition Two on the November ballot provides "for the issuance of additional general obligation bonds by the TWDB in an amount not to exceed \$6 billion at any time outstanding." The bill analysis

states,

[T]his bond program, essentially a revolving bond fund, would afford TWDB and its service base (political subdivisions) greater flexibility in targeting needs across a longer time horizon. These bonds would not count toward the constitutional debt limit until the legislature appropriates the debt service. The Texas Bond Review Board would continue to calculate the constitutional debt limit using authorized but unissued development fund bonds. TWDB functions primarily as a financing entity, banking water infrastructure projects for a variety of political subdivisions. TWDB's current bonding capacity is not sufficient to meet the needs of local governments that are upgrading infrastructure to meet growing demand associated with a larger consumer base. TWDB has an excellent record of managing large bond portfolios without any defaults. TWDB has no defaults in the history of its Water/Wastewater Loan Program or State Revolving Fund programs. TWDB bonds consistently receive AAA ratings and has outperformed the state's bond ratings.

The San Antonio River Authority (SARA) is passionately committed to the preservation, protection, and sustainability of the San Antonio River Watershed and we are actively promoting the use of urban and rural best management practices to protect water quality in the basin. SARA also is the administrator for the South Central Texas Regional Water Planning Group (Region L) which is charged with creating the region's water plan that is submitted to TWDB for inclusion in the State Water Plan.

Recommendation

Motion indicating Executive Committee support for presenting to the San Antonio River Authority Board of Directors a recommendation to adopt a Resolution in support of Propositions Eight and Two on the upcoming November 2011 ballot.

Discussion

Vote

Attachments

Ten Constitutional Amendments

Water Stewardship Proposition Bill

TWDB Bonding Authority Proposition Bill

Constitutional Amendment Propositions on the November Ballot

PROPOSITION 1

The constitutional amendment authorizing the legislature to provide for an exemption from ad valorem taxation of all or part of the market value of the residence homestead of the surviving spouse of a 100 percent or totally disabled veteran.

PROPOSITION 2

The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$6 billion at any time outstanding.

PROPOSITION 3

The constitutional amendment providing for the issuance of general obligation bonds of the State of Texas to finance educational loans to students.

PROPOSITION 4

The constitutional amendment authorizing the legislature to permit a county to issue bonds or notes to finance the development or redevelopment of an unproductive, underdeveloped, or blighted area and to pledge for repayment of the bonds or notes increases in ad valorem taxes imposed by the county on property in the area. The amendment does not provide authority for increasing ad valorem tax rates.

PROPOSITION 5

The constitutional amendment authorizing the legislature to allow cities or counties to enter into interlocal contracts with other cities or counties without the imposition of a tax or the provision of a sinking fund.

PROPOSITION 6

The constitutional amendment clarifying references to the permanent school fund, allowing the General Land Office to distribute revenue from permanent school fund land or other properties to the available school fund to provide additional funding for public education, and providing for an increase in the market value of the permanent school fund for the purpose of allowing increased distributions from the available school fund.

PROPOSITION 7

The constitutional amendment authorizing the legislature to permit conservation and reclamation districts in El Paso County to issue bonds supported by ad valorem taxes to fund the development and maintenance of parks and recreational facilities.

PROPOSITION 8

The constitutional amendment providing for the appraisal for ad valorem tax purposes of open-space land devoted to water stewardship purposes on the basis of its productive capacity.

PROPOSITION 9

The constitutional amendment authorizing the governor to grant a pardon to a person who successfully completes a term of deferred adjudication community supervision.

PROPOSITION 10

The constitutional amendment to change the length of the unexpired term that causes the automatic resignation of certain elected county or district officeholders if they become candidates for another office.

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for the appraisal for ad valorem tax purposes of open-space land devoted to water-stewardship purposes on the basis of its productive capacity.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (a), Section 1-d-1, Article VIII, Texas Constitution, is amended to read as follows:

(a) To promote the preservation of open-space land, the legislature shall provide by general law for taxation of open-space land devoted to farm, ranch, ~~[or]~~ wildlife management, or water-stewardship purposes on the basis of its productive capacity and may provide by general law for taxation of open-space land devoted to timber production on the basis of its productive capacity. The legislature by general law may provide eligibility limitations under this section and may impose sanctions in furtherance of the taxation policy of this section.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, providing for the appraisal for ad valorem tax purposes of open-space land devoted to water-stewardship purposes on the basis of its productive capacity.

(b) The amendment to Section 1-d-1(a), Article VIII, of this constitution takes effect January 1, 2012.

(c) This temporary provision expires January 1, 2013.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2011.

The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing for the appraisal for ad valorem tax purposes of open-space land devoted to water-stewardship purposes on the basis of its productive capacity."

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article III, Texas Constitution, is amended by adding Section 49-d-11 to read as follows:

Sec. 49-d-11. (a) In addition to the bonds authorized by the other provisions of this article, the Texas Water Development Board may issue general obligation bonds, at its determination and on a continuing basis, for one or more accounts of the Texas Water Development Fund II in amounts such that the aggregate principal amount of the bonds issued by the board under this section that are outstanding at any time does not exceed \$6 billion.

(b) Section 49-d-8 of this article applies to the bonds authorized by this section. The limitation in Section 49-d-8 of this article that the Texas Water Development Board may not issue bonds in excess of the aggregate principal amount of previously authorized bonds does not apply to the bonds authorized by and issued under this section.

(c) A limitation on the percentage of state participation in any single project imposed by this article does not apply to a project funded with the proceeds of bonds issued under the authority of this section or Section 49-d-8 of this article.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2011.

The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$6 billion at any time outstanding."

Executive Committee

Date: 09/14/2011

Executive Session: Whooping Crane Lawsuit

Submitted For: Karen Bishop

Submitted By: Lupe Sanchez

Division: Executive Offices

CAPTION

**EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.071
FOR CONSULTATION WITH ATTORNEY REGARDING THE ARANSAS PROJECT V.
SHAW, ET. AL., CASE NO. 2:10-CV-00075 IN THE UNITED STATES DISTRICT COURT FOR
THE SOUTHERN DISTRICT OF TEXAS**

Presenter

Steve Raabe and David Ross

Estimated Presentation Time: 10 minutes

Discussion

Executive Committee

Date: 09/14/2011

Whooping Crane Lawsuit Briefing

Submitted For: Karen Bishop

Submitted By: Lupe Sanchez

Division: Executive Offices

CAPTION

PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE ARANSAS PROJECT V. SHAW, ET. AL., CASE NO. 2:10-CV-00075 IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS

Presenter

Steve Raabe and David Ross

Estimated Presentation Time: 10 minutes

Recommendation

Motion to be crafted, if necessary, after Board discussion.

Discussion

Vote

Executive Committee

Individual Items 11. - 13.

Date: 09/14/2011

GM's Report / Items for Future Consideration / Next Meeting Date

Submitted For: Suzanne B. Scott

Submitted By: Lupe Sanchez

Division: Executive Offices

11.

CAPTION

GENERAL MANAGER'S REPORT CONCERNING THE FOLLOWING:

- **UPCOMING EVENTS CALENDAR,**
- **FUTURE BOARD AND/OR COMMITTEE MEETINGS, AND**
- **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS**

Presenter

Suzanne B. Scott

Estimated Presentation Time: 10 minutes

Discussion

12.

CAPTION

ITEMS FOR FUTURE CONSIDERATION

Presenter

Mr. Oehlke, Committee Chair

Estimated Presentation Time: 5 minutes

Discussion

13.

CAPTION

NEXT MEETING DATE

Presenter

Mr. Oehlke, Committee Chair

Estimated Presentation Time: 5 minutes

Unless otherwise decided by the Committee, the next Executive Committee meeting will be Wednesday, October 12, 2011, at 2:00 p.m.

Discussion

Executive Committee

Item #: 14.

Date: 09/14/2011

Adjourn

Submitted For: Karen Bishop

Submitted By: Lupe Sanchez

Division: Executive Offices

CAPTION

ADJOURN

Presenter

Mr. Oehlke, Committee Chairman
