

AGENDA

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

SAN ANTONIO RIVER AUTHORITY

November 2, 2009, 12:00 noon

**Estimated Presentation Time: 2 Hours*



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, MS. TERRY E. BAIAMONTE**
 - Terry E. Baiamonte

 - A.D. Kollodziej, Jr.

 - Hector R. Morales

 - Jeffrey S. Neathery

 - Gaylon J. Oehlke

 - H. B. Ruckman III

4. **CERTIFICATION OF A QUORUM BY THE SECRETARY**

5. **INTRODUCTION OF VISITORS**

6. **CITIZENS TO BE HEARD**

**Represents estimated presentation times of staff and routine Board member items; does not account for Board member discussions that may occur.*

7. **APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETINGS HELD ON AUGUST 10, 2009, AND AUGUST 27, 2009**
8. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE ORDINANCE APPROVING BOARD POLICY FN 0003 CONCERNING INVESTMENT POLICIES AND STRATEGIES**
9. **DISCUSSION AND APPROPRIATE ACTION REGARDING THE FUNDS MANAGEMENT POLICY**
10. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING REVIEW AND DESIGNATION OF QUALIFIED BROKERS THAT ARE AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH THE SAN ANTONIO RIVER AUTHORITY**
11. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING A REQUEST FOR FINANCIAL ASSISTANCE FROM THE SAN ANTONIO ALTERNATIVE HOUSING CORPORATION TO PROVIDE FOR THE DEVELOPMENT OF A LINEAR PARK ALONG APACHE CREEK WITHIN THE PROJECT LIMITS OF THE WESTSIDE CREEKS RESTORATION PROJECT**
12. **DISCUSSION AND APPROPRIATE ACTION REGARDING AN INTERLOCAL AGREEMENT WITH THE ALAMO COMMUNITY COLLEGE DISTRICT, CITY OF LIVE OAK, AND UNIVERSAL CITY FOR REUSE WATER FROM THE SALATRILLO WASTEWATER TREATMENT SYSTEM**
13. **EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.072 FOR DELIBERATION REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY TO BE ACQUIRED IN BEXAR COUNTY, TEXAS, AS PART OF THE SAN ANTONIO RIVER NATURE PARK SYSTEM**
14. **PRESENTATION, DISCUSSION AND APPROPRIATE ACTION CONCERNING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY TO BE ACQUIRED IN BEXAR COUNTY, TEXAS, AS PART OF THE SAN ANTONIO RIVER NATURE PARK SYSTEM**
15. **GENERAL MANAGER'S REPORT**
 - **UPCOMING EVENTS CALENDAR;**
 - **FUTURE BOARD AND/OR COMMITTEE MEETINGS; AND**
 - **MEETINGS INVOLVING THE ATTENDANCE OF ONE OR MORE BOARD MEMBERS.**
16. **ITEMS FOR FUTURE CONSIDERATION**
17. **NEXT MEETING DATE**
18. **ADJOURN**

Estimated Presentation Time: 2 Hours

SAN ANTONIO RIVER AUTHORITY
General Statements

This meeting is wheelchair accessible. Accessible parking is located at 100 E. Guenther St. 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' Fiscal Committee and/or the Board of Directors 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' Fiscal Committee and/or of 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.

Date: 11/02/2009

Approval of the Minutes

Submitted By: Lupe Moreno, Executive
Offices

Division: Executive Offices

Submitted For: Suzanne B. Scott

Department:

Information

CAPTION

**APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETINGS HELD
ON AUGUST 10, 2009, AND AUGUST 27, 2009**

Presenter

Mr. Oehlke, Committee Chairman

Recommendation

Motion to approve the minutes of the Fiscal Committee meetings held on August 10, 2009,
and on August 27, 2009, as presented.

Discussion

Vote

Attachments

Link: [August 10, Fiscal Committee Minutes](#)

Link: [August 27, Fiscal Committee Minutes](#)

MINUTES

MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE

SAN ANTONIO RIVER AUTHORITY

August 10, 2009, 12:00 p.m.



GENERAL AND CEREMONIAL ITEMS:

- 1. CALL TO ORDER WAS MADE BY THE CHAIRMAN, MR. GAYLON J. OEHLKE, AT 12:16 PM**
- 2. PLEDGE OF ALLEGIANCE WAS CONDUCTED**
- 3. ROLL CALL WAS TAKEN BY THE SECRETARY, MS. TERRY E. BAIAMONTE**

**Board members present for this meeting are indicated with a checked box:*

- Terry E. Baiamonte**
- A.D. Kollodziej, Jr.**
- Hector R. Morales**
- Jeffrey S. Neathery**
- Gaylon J. Oehlke**
- H. B. Ruckman III**

- 4. CERTIFICATION OF A QUORUM WAS ANNOUNCED BY THE SECRETARY, MS. BAIAMONTE**

- 5. INTRODUCTION OF VISITORS**

Ms. Moreno announced the visitors present.

- 6. CITIZENS TO BE HEARD**

Ms. Moreno announced that there were no citizens signed up to speak.

7. APPROVAL OF THE MINUTES OF THE FISCAL COMMITTEE MEETING HELD ON MAY 11, 2009

Staff recommended a motion to approve the minutes of the Fiscal Committee meeting held on May 11, 2009 as presented to the Committee.

Motion made by Jeffrey S. Neathery

Second by H.B. Ruckman III

Motion passed unanimously

INDIVIDUAL AGENDA ITEMS:

8. DISCUSSION AND APPROPRIATE ACTION REGARDING THE FISCAL YEAR 2009/10 BUDGET

There being no action taken on this item, Mr. Oehlke called for Agenda Item 9.

9. PRESENTATION AND DISCUSSION ON THE 2009 TAX RATE

There being no action taken on this item, Mr. Oehlke called for Agenda Item 10.

10. INTRODUCTION OF NEW AUDIT FIRM

There being no action taken on this item, Mr. Oehlke called for Agenda Item 11.

11. BRIEFING ON THE STATUS OF THE RANDOLPH AIR FORCE BASE (RAFB) PAYMENT

There being no action taken on this item, Mr. Oehlke called for Agenda Item 12.

12. PRESENTATION AND DISCUSSION REGARDING ITEMS FOR FUTURE CONSIDERATION BY THE FISCAL COMMITTEE

There being no action taken on this item, Mr. Oehlke called for Agenda Item 13.

13. GENERAL MANAGER'S REPORT

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

Ms. Scott distributed and discussed the calendar of events, conferences, and future Board and Committee meetings.

14. NEXT MEETING DATE

The upcoming Fiscal Committee meeting schedule was previously discussed under Items 9 and 12.

15. ADJOURN

There being nothing further to report, Mr. Oehlke called the meeting adjourned at 1:35 p.m.

PREPARED AND RECOMMENDED FOR APPROVAL BY THE MANAGER.

SUZANNE B. SCOTT, General Manager

APPROVED BY THE BOARD OF DIRECTORS' FISCAL COMMITTEE AT THE MEETING HELD ON NOVEMBER 2, 2009.

GAYLON J. OEHLKE, Chairman

ATTEST:

TERRY E. BAIAMONTE, Committee Secretary

MINUTES

MEETING OF THE BOARD OF DIRECTORS' FISCAL COMMITTEE

SAN ANTONIO RIVER AUTHORITY

August 27, 2009, 11:30 a.m.



GENERAL AND CEREMONIAL ITEMS:

- 1. CALL TO ORDER WAS MADE BY THE CHAIRMAN, MR. GAYLON J. OEHLKE, AT 11:34 A.M.**
- 2. PLEDGE OF ALLEGIANCE WAS CONDUCTED**
- 3. ROLL CALL WAS MADE BY THE COMMITTEE SECRETARY, MS. TERRY E. BAIAMONTE**

**Board members present for this meeting are indicated with a checked box:*

- Terry E. Baiamonte
- A.D. Kollodziej, Jr.
- Hector R. Morales
- Jeffrey S. Neathery
- Gaylon J. Oehlke
- H. B. Ruckman III

- 4. CERTIFICATION OF A QUORUM WAS ANNOUNCED BY THE SECRETARY, MS. BAIAMONTE**

- 5. INTRODUCTION OF VISITORS**

Ms. Moreno announced the visitors present in the audience.

- 6. CITIZENS TO BE HEARD**

Ms. Moreno announced that no citizens were signed up to speak.

- 7. DISCUSSION AND APPROPRIATE ACTION REGARDING THE FISCAL YEAR 2009/10 BUDGET**

There being no action taken on this item, Mr. Oehlke called for Agenda Item 8.

8. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING 2009 AD VALOREM TAX RATE

Staff recommended a motion that the 2009 tax rate be at the rate of \$0.015951 which would represent a decrease in current budget tax revenues of approximately \$246,334.

Motion made by A.D. Kollodziej, Jr.

Seconded by H.B. Ruckman III

Motion passed unanimously

9. ITEMS FOR FUTURE CONSIDERATION

Mr. Oehlke called for a motion not to hold a Fiscal Committee meeting in September, but instead, to hold one in October at which time staff will present the budget amendments.

Motion made by Terry E. Baiamonte

Seconded by Hector R. Morales

Motion passed unanimously

10. NEXT MEETING DATE

It was previously voted upon under Agenda Item # 9 that the next Fiscal Committee meeting will be on October 5, 2009 at 2:00 p.m.

11. ADJOURN

There being nothing further to report, Mr. Oehlke called the meeting adjourned at 11:48 a.m.

PREPARED AND RECOMMENDED FOR APPROVAL BY THE MANAGER.

SUZANNE B. SCOTT, General Manager

APPROVED BY THE BOARD OF DIRECTORS' FISCAL COMMITTEE AT THE MEETING HELD ON NOVEMBER 2, 2009.

GAYLON J. OEHLKE, Committee Chairman

ATTEST:

TERRY BAIAMONTE, Committee Secretary

Date: 11/02/2009

Investment Policy

Submitted By: Sharon McCoy-Huber,
Support Services

Division: Support Services

Department: Finance

Information

CAPTION

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE ORDINANCE APPROVING BOARD POLICY FN 0003 CONCERNING INVESTMENT POLICIES AND STRATEGIES

Presenter

Sharon McCoy-Huber and Larry Anderson

Estimated Presentation Time: 10 minutes

On November 19, 2008, the Board adopted policy FN 0003 amending the previous Investment Policy as required by the Public Investment Act. The Public Investment Act requires the San Antonio River Authority to annually adopt an investment policy.

The changes that were made to the policy 1) updated the list of persons authorized to act as investment officers, which includes the Financial Services Manager, the Controller, and the Director of Support Services; and 2) updated the list of funds that the River Authority manages.

Policy FN 0003 is attached. Staff is recommending that the Policy be adopted without change.

Recommendation


Motion indicating Fiscal Committee support for presentation of the Investment Policy FN 0003 to the San Antonio River Authority Board of Directors for adoption at their regular meeting on November 12, 2009.

Discussion

Vote

Attachments

Link: [Investment Policy](#)

	SAN ANTONIO RIVER AUTHORITY	POLICY & PROCEDURE	POLICY NUMBER: FN 0003
SUBJECT: Investment Policies & Strategies		Finance	<u>REPLACING POLICY NUMBER: EO 0009</u>
RESPONSIBLE MANAGER: Financial Services Manager		EFFECTIVE DATE: 05/21/03 REVISED DATE: October 14, 2009 PAGE: 1 of 17	

Reference: Chapter 2256 Government Code, Public Funds Investment Act of the State of Texas.

1. POLICY

To invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the San Antonio River Authority (River Authority) and conforming to all state and local statutes governing the investment of funds.

2. SCOPE

Except for its employee retirement system fund and the Deferred Compensation Fund, organized and administered separately by a third party custodian and/or money manager, this investment policy applies to all financial assets of the River Authority. These funds are accounted for in the River Authority Comprehensive Annual Financial Report and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Agency Funds
- Debt Service Funds
- Any new fund created by the Board, unless specifically exempted.

These funds shall be administered in accordance with the provisions of this policy. A strategy will be developed which will address the varying needs and objectives of each fund.

3. OBJECTIVES

The primary objectives, in priority order, of the River Authority investment activities shall be:

a. Safety

Safety of principal is the foremost objective of the investment of funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

i. Credit Risk

Credit Risk is the risk of loss due to the failure of the security issuer or backer. Credit risk can be mitigated by:

- Limiting investments to the safest types of securities;
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the River Authority will do business; and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

ii. Interest Rate Risk

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk can be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- By investing operating funds primarily in shorter-term securities.

b. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.

c. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- a declining credit security could be sold early to minimize loss of principal;
- a security swap would improve the quality, yield, or target duration in the portfolio; or
- liquidity needs of the portfolio require that the security be sold.

4. STANDARDS OF CARE

a. Ethics and Conflicts of Interest

Investment officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and investment officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the River Authority. The investment officers shall disclose to the Texas Ethics Commission and the River Authority Board any personal business relationship and/or material financial interests with anyone attempting to sell an investment to the River Authority.

b. Delegation of Authority

Under the direction of the General Manager, authority to manage the investment of funds is granted to the Financial Services Manager, Controller and the Director of Support Services, who are the investment officers. The General Manager or Assistant Manager shall review all purchases and sales of investments made by the investment officer. The Financial Services Manager and the Controller shall carry out established written procedures and internal controls for the operation of the investment of funds consistent with this investment policy. Unless otherwise authorized by law, a person may not deposit, withdraw, invest, transfer, or manage in any other manner, funds of the investment pool without express written authority of the Board of Directors, General Manager, Director of Support

Services or Financial Services Manager, consistent with the investment policy adopted by the Board.

Authority that is granted to the Financial Services Manager, Controller and the Director of Support Services to deposit, withdraw, invest, transfer, or manage the River Authority's funds is effective until rescinded by the Board or until termination of the person's employment. Procedures should include references to safekeeping, delivery vs. payment, investment collateral/depository agreements and banking services contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board of Directors. The investment officer(s) shall attend at least one training session relating to the Treasurer's or investment officer's responsibilities, as required, within 12 months after taking office or assuming responsibilities. The investment officer(s) shall attend an investment training session not less than once in a two-year period and receive not less than 10 hours of instruction relating to investment responsibilities, as required, from an independent source approved by the Board of Directors of the River Authority or Fiscal Committee.

c. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

If the investment officer of the River Authority has a personal business relationship with a business organization offering to engage in an investment transaction with the River Authority, the officer shall file a statement disclosing that personal business interest. If the investment officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell an investment to the River Authority, the officer shall file a statement disclosing that relationship. Any statements, as required, must be filed with the Texas Ethics Commission and the River Authority Board of Directors. The investment officer has a personal business relationship with a business organization if:

- the investment officer(s) owns ten percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- funds received by the investment officer(s) from the business organization exceeds ten percent of the investment officer's gross income from the previous year; or
- the investment officer(s) has acquired from the business organization during the previous year, investments with a book value of \$2,500 or more for the personal account of the investment officer(s).

5. SAFEKEEPING AND CUSTODY

a. Authorized Financial Dealer and Institution

A list will be maintained of financial institutions authorized to provide investment services. In addition, the Board shall adopt a list of qualified brokers that are authorized to engage in investment transactions annually. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- audited financial statements;
- proof of Financial Industry Regulatory Authority (FINRA) certification;
- proof of state registration;
- completed broker/dealer questionnaire; and
- certification of having received and thoroughly reviewed the River Authority's investment policy.

A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the River Authority invests.

b. Internal Controls

The Financial Services Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the River Authority are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, an external auditor will perform an annual independent review to assure compliance with policies and procedures. The internal controls shall address the following points:

i. Control of collusion

Collusion is a situation where two or more employees are working in conjunction to defraud their employer.

ii. Separation of transaction authority from accounting and record keeping.

By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.

iii. Custodial safekeeping

Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be held in safekeeping by either a third party financial institution or in the River Authority's designated depository bank.

iv. Clear delegation of authority to subordinate staff members

Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

v. Written confirmation or telephone transactions for investments and wire transfers

Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.

c. Delivery vs. Payment

All trades where applicable will be executed by delivery vs. payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. The custodian will hold securities as evidenced by safekeeping receipts that the River Authority has on file.

5. SUITABLE AND AUTHORIZED INVESTMENTS

a. Investment Types

Authorized Investments allowed under the Public Funds Investment Act are:

i. Obligations of, or guaranteed by, governmental entities. (Section 2256.009).

A. Except as provided by subsection (b), the following are authorized investments under this subchapter:

- (1) obligations of the United States or its agencies and instrumentalities;
- (2) direct obligations of this state or its agencies and instrumentalities;
- (3) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and
- (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

B. The following are not authorized investments under this section:

- (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

ii. Certificates of Deposit (Section 2256.010)

A certificate of deposit is an authorized investment under this subchapter if the certificate of deposit is issued by a state or national bank domiciled in this state or a savings and loan association domiciled in this state and is:

A. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor;

- B. secured by obligations that are described by Section 2256.009(a), including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by Section 2256.009(b); or
- C. secured in any other manner and amount provided by law for deposits of the River Authority.

iii. Repurchase Agreements (Section 2256.011)

- A. A fully collateralized repurchase agreement is an authorized investment under this subchapter if the repurchase agreement:
 - (1) has a defined termination date;
 - (2) is secured by obligations described by Section 2256.009(a) (1); and
 - (3) requires the securities being purchased by the River Authority to be pledged to the River Authority, held in the River Authority's name, and deposited at the time the investment is made with the River Authority or with a third party selected and approved by the River Authority; and
 - (4) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.
- B. In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Section 2256.009(a) (1), at a market value at the time that funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.
- C. Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.
- D. Money received by the River Authority under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

iv. Bankers' Acceptances (Section 2256.012)

A bankers' acceptance is an authorized investment under this subchapter if the banker's acceptance:

- A. has a stated maturity of 270 days or fewer from the date of its issuance;
- B. will be, in accordance with its terms, liquidated in full at maturity;
- C. is eligible for collateral for borrowing from a Federal Reserve Bank; and
- D. is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

v. Commercial Paper (Section 2256.013)

Commercial paper is an authorized investment under this subchapter if the commercial paper:

- A. has a stated maturity of 270 days or fewer from the date of its issuance; and
- B. is rated not less than A-1 or P-1 or an equivalent rating by at least:
 - i. two nationally recognized credit rating agencies; or
 - ii. one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

vi. Mutual Funds (Section 2256.014)

A. A no-load money market mutual fund is an authorized investment under this subchapter if the mutual fund:

- (1) is regulated by the Securities and Exchange Commission;
- (2) has a dollar-weighted average stated maturity of 90 days or fewer; and

- (3) includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share

B. In addition to a no-load money market mutual fund permitted as an authorized investment in Subsection (a), a no-load mutual fund is an authorized investment under this subchapter if the mutual fund:

- (1) is registered with the Securities and Exchange Commission;
- (2) has an average weighted maturity of less than two years;
- (3) is invested exclusively in obligations approved by this subchapter;
- (4) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
- (5) conforms to the requirements set forth in Sections 2256.016 (b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities.

C The River Authority is not authorized by this section to:

- (1) invest in the aggregate more than 80 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in money market mutual funds described in Subsection (a) or mutual funds described in subsection (b), either separately or collectively;
- (2) invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Subsection (b);
- (3) invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Subsection (b); or
- (4) invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Subsection (a) or (b) in an amount that exceeds 10 percent of the total assets of the mutual fund.

- A. The River Authority may invest its funds and funds under its control through an eligible investment pool if the governing body of the River Authority by rule, order, ordinance, or resolution, as appropriate, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this subchapter.
- B. To be eligible to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the River Authority, an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:
- (1) the types of investments in which money is allowed to be invested;
 - (2) the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
 - (3) the maximum stated maturity date any investment security within the portfolio has;
 - (4) the objectives of the pool;
 - (5) the size of the pool;
 - (6) the names of the members of the advisory board of the pool and the dates their terms expire;
 - (7) the custodian bank that will safekeep the pool's assets;
 - (8) whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
 - (9) whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
 - (10) the name and address of the independent auditor of the pool;
 - (11) the requirements to be satisfied for the River Authority to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the River Authority to invest funds in and withdraw funds from the pool; and

(12) the performance history of the pool, including yields, average dollar-weighted maturities, and expense ratios.

C. To maintain eligibility to receive funds from and invest funds on behalf of an entity under this chapter, an investment pool must furnish to the investment officer or other authorized representative of the River Authority:

(1) investment transaction confirmations; and

(2) a monthly report that contains, at a minimum, the following information:

(a) the types and percentage breakdown of securities in which the pool is invested;

(b) the current average dollar-weighted maturity, based on the stated maturity date, of the pool;

(c) the current percentage of the pool's portfolio in investments that have stated maturities of more than one year;

(d) the book value versus the market value of the pool's portfolio, using amortized cost valuation;

(e) the size of the pool;

(f) the number of participants in the pool;

(g) the custodian bank that is safekeeping the assets of the pool;

(h) a listing of daily transaction activity;

(i) the yield and expense ratio of the pool;

(j) the portfolio managers of the pool; and

(k) any changes or addenda to the offering circular.

D. The River Authority by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

E. In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management

investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

viii. Portfolio of Certain Investment Pools (Section 2256.017)

A public funds investment pool created to function, as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005.

ix. Advisory Board of Investment Pools (Section 2256.018)

A. An investment pool other than a pool described by Subsection (b) shall establish an advisory board composed of participants in the pool and other persons.

B. A public funds investment pool created under Chapter 791 and managed by a state agency shall establish an advisory board composed equally of participants in the pool and other persons who do not have a business relationship with the pool. A board member must be qualified to advise the pool.

Sec. 2256.019. Rating of Certain Investment Pools. A public funds investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

b. Collateralization

In accordance with state law on the Collateralization of Public deposits, and the River Authority depository contract, full collateralization will be required on all certificates of deposits and repurchase agreements.

A third party custodian designated by the River Authority will hold securities. The third party custodian shall provide a monthly listing of the collateral pledged to the River Authority marked to current market prices. The listing will include total pledged securities itemized by name, type and description of the security; safekeeping receipt number; par value; current market value; maturity date, if available; and Moody's or Standard & Poor's rating if available.

c. Compliance with State Law

All authorized investments outlined above must meet the requirements of the Public Funds Investment Act, Section 2256 of the Texas Government Code. No investment may be made in any instrument except as provided above

7. INVESTMENT PARAMETERS

a. Diversification

The investments will be diversified by security type and institution.

b. Maximum Maturity

The River Authority shall limit their maximum final stated maturity to five (5) years. To the extent possible, investments will be made to match anticipated cash flow requirements. Unless matched to a specific cash flow and authority is given to exceed, the River Authority will not directly invest in securities maturing more than 5 years from the date of purchase.

8. REPORTING

a. Methods

An investment report will be prepared quarterly, including a management summary that provides the status of the current investment portfolio and investment transactions made over the last quarter. This report will be provided to the Board of Directors and will be signed by the Director of Support Services, Financial Services Manager, and the Controller. As part of the scope of the River Authority's Annual Audit, all internal controls on investments, safekeeping procedures and investment procedures performance will be presented to the Fiscal Committee by the Auditor.

b. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy.

The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. (The 3-month U.S. Treasury Bill rate is an appropriate benchmark standard)

c. Marking to Market

A statement of the market value of the portfolio shall be done quarterly. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility.

d. Exemption

Should amendments be made to State Law or River Authority policy, the River Authority will not be required to liquidate currently held investments that were

authorized investments at the time of purchase. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

9. AMENDMENTS

This policy shall be reviewed annually by the Board of Directors. The Board shall adopt, by resolution or ordinance, the investment policy and strategies. The Board of Directors must approve any changes upon recommendation of the General Manager, Financial Services Manager or Director of Support Services charged with maintaining internal controls.

10. INVESTMENT STRATEGIES

The River Authority operates with a pooled investment strategy and the investment strategies for the individual funds of the River Authority are as follows:

a. Operating Funds:

The Operating Funds of the River Authority are:

- General Fund
- Park Services Fund
- SARA Wastewater Fund
- SARA Water Fund
- Salatrillo Wholesale Fund

Investment strategies for the operating funds of the River Authority have as their objectives the following: To assure that the anticipated cash flows are matched with adequate liquidity. During economic cycles assuring that the investment portfolio will experience minimal volatility. Investment purchases will be of high quality, with short to medium term securities that complement each other in a laddered portfolio structure and will have a stated final maturity of five (5) years or less.

b. Debt Service Funds:

The Debt Service Funds of the River Authority are:

- Debt Service
- Martinez Construction & Improvement Debt Service
- Salatrillo Construction & Improvement Debt Service
- Public Facilities Corporation Debt Service

Investment strategies for the Debt Service Funds have as their primary objective the assurance of investment liquidity adequate to cover obligations on required

payment dates. Securities purchased shall not have a stated maturity date, which exceeds the unfunded required payment date.

c. Reserve Funds:

The Reserve Funds of the River Authority are:

- Debt Service Reserve
- SARA Wastewater Construction & Improvement Reserve
- Salatrillo Construction & Improvement Reserve

Investment strategies for the River Authority's Reserve Funds have as the primary objective the assurance of investment liquidity and a low degree of volatility. Except as may be otherwise required, (investments must first follow the bond ordinances) securities should be of high quality, with short to intermediate term maturity. Purchased securities will have a stated final maturity of five (5) years or less.

d. Capital Project Funds:

The Capital Project Funds of the River Authority are:

- SACIP Projects
- City of San Antonio Projects
- San Antonio Water System Projects
- Bexar County Projects
- SARIP-Bexar County Project
- SARIP-Bexar County Visitor Tax Project
- Down River County Projects
- Other Capital Projects
- SARA Wastewater Construction & Improvement Projects
- Salatrillo Construction & Improvement Projects
- Park Services Projects
- Regional Water Resource Development Group Water Purchases

Investment strategies for the River Authority's project funds must first have as their primary objective the assurance of meeting cash flow requirements on all contractual obligations. In addition, where applicable, all bond covenants must be followed. All securities purchased must be of high quality; short to medium term that complements each other in a laddered portfolio structure. Purchased securities will have a stated final maturity of five (5) years or less.

e. Special Revenue Funds:

The Special Revenue Funds of the River Authority are:

- Flood Tax Revenue
- South Texas Regional Water Planning Group
- Regional Water Resource Development Group
- Regional Water Alliance
- City of Kenedy Desalination
- Bay & Estuary Study
- Insurance Fund
- TCEQ Clean Rivers Program
- ESD Contracts Fund
- EPA Contracts Fund
- Karnes County Maintenance

Investment strategies for the special revenue funds of the River Authority have as their objectives the following: To assure that the anticipated cash flows are matched with adequate liquidity. During economic cycles assure that the investment portfolio experiences minimal volatility. Investment purchases will be of high quality, with short to medium term securities that complement each other in a laddered portfolio structure and will have a stated final maturity of five (5) years or less.

Approved

Suzanne B. Scott
General Manager

Date

Date: 11/02/2009

Funds Management Policy

Submitted By: Sharon McCoy-Huber,
Support Services

Division: Support Services

Department: Finance

Information

CAPTION

**DISCUSSION AND APPROPRIATE ACTION REGARDING THE FUNDS
MANAGEMENT POLICY**

Presenter

Larry Anderson and Sharon McCoy-Huber

Estimated Presentation Time: 10 minutes

Staff will review the Funds Management Policy with the Committee to give Committee members an opportunity to recommend and vote upon any changes they deem appropriate.

Recommendation


Motion to be crafted after discussion of this item, if necessary.

Discussion

Vote

Attachments

Link: Funds Management Policy

	SAN ANTONIO RIVER AUTHORITY	POLICY & PROCEDURE	POLICY NUMBER: FN 0002
SUBJECT: Funds Management		FINANCE	REPLACING POLICY NUMBER: EO 0008
RESPONSIBLE MANAGER: Director of Support Services		EFFECTIVE DATE: 8/15/2001	
		REVISED DATE: November 19, 2008	PAGE: 1 of 3

PURPOSE

The purpose of this policy is to establish guidelines for the maintenance and use of San Antonio River Authority (River Authority) fund balances net of fixed assets, i.e. cash balances.

FUND TYPES

The River Authority maintains five major types of funds. They are Operating, Debt Service, Reserve, Special Revenue and Capital Project Funds. Each is described below.

Operating Funds: These funds are used for purposes of supporting the ongoing operations of the River Authority. Revenues consist of customer revenue, interest earnings and charges for services rendered. Uses of these funds include operating expenses and capital purchases and improvements.

Debt Service Funds: These funds are established from funding sources as required by bond covenants. Monies flow through these funds in prescribed amounts from funding sources for purposes of payments of principal and interest on debt.

Reserve Funds: These funds are also required by bond covenants to maintain specified amounts of funds in reserve to support bond management.

Special Revenue Funds: These funds are set up to support special projects. Revenues typically include grants or other special sources of revenue received by the River Authority. These funds are designated for operations, studies or reports. Laws and/or contracts with others govern the use of these funds.

Capital Project Funds: These funds are designated to support construction of capital projects. The use of a particular capital project fund is limited to the capital project for which it is formed. Funding sources are typically bonds, impact fees or monies received from another entity for purposes of constructing a designated facility or project.

FUND MANAGEMENT

The policy for the management of the River Authority funds is:

Operating Funds – Operating Funds will be managed to meet the following objectives.

1. Maintenance of Adequate Reserves. Sufficient fund balances will be maintained to:
 - a. Maintain appropriate reserves to fund operating expenses where funding sources are variable throughout the annual fiscal cycle.
 - b. Maintain appropriate reserves to meet emergency expenses and interruptions in revenue sources.
 - c. Provide and protect the River Authority's ability to borrow funds to construct new capital projects. The River Authority will maintain operating fund balances and take other actions necessary to maintain an appropriate bond rating to support future bond issues.
 - d. Provide funds for planning the expansion of existing projects or the development of new projects that are forecast to meet growth of a particular operation.
2. Utilization of Fund Balances: Fund balances available after meeting the requirements for reserves in (1) above will be used to:
 - a. Invest in the River Authority's human and physical resources to provide a sound functional organization that is able to respond to opportunities to provide services to its constituents consistent with the River Authority's mission, purpose, and enabling legislation.
 - b. Support and generate new projects where the Board of Directors determine that investment is necessary and desirable and is consistent with the River Authority's mission, purpose, and enabling legislation.
3. Reports and Budgets: The General Manager will report to the Board of Directors as a part of the annual budget process on the fund balances. The report will include the proposed use of the fund balances, including reserve requirements, in the budget being proposed.

Debt Service, Reserve, Special Revenue and Capital Project Funds – Each of these funds will be independently managed to conform to the particular requirements associated with each contract, project, bond issue or other purpose for which they are specifically established.

Approved

Suzanne B. Scott
General Manager

Date

Date: 11/02/2009

Broker/Dealer List

Submitted By: Sharon McCoy-Huber,
Support Services

Division: Support Services

Department: Finance

Information

CAPTION

**PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING
REVIEW AND DESIGNATION OF QUALIFIED BROKERS THAT ARE
AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTIONS WITH THE SAN
ANTONIO RIVER AUTHORITY**

Presenter

Sharon McCoy-Huber and Larry Anderson

Estimated Presentation Time: 10 minutes

On May 21, 2008, the Board reviewed and accepted the Broker/Dealer list as required by the Public Investment Act (Act). The Act requires that the Board annually review and designate brokers to engage in investment transactions. The brokers/dealers on the attached list meet the requirements to serve as Brokers/Dealers with the San Antonio River Authority.

Recommendation

Motion that the attached Broker/Dealer list be supported by the Fiscal Committee for presentation to the San Antonio River Authority Board of Directors for approval.

Discussion

Vote

Attachments

Link: [Broker List](#)

**SAN ANTONIO RIVER AUTHORITY
BROKER/DEALERS**

Primary Broker/Dealers

RBC Dain Rauscher
Florham Park, NJ

Mr. Daniel Vidovich

Secondary Broker/Dealers

Gilford Securities, Inc.
Newport Beach, CA

Mr. Robert Allen

ING/Financial Northeastern Corp.
Miami, FL

Mr. Michael A. Harris

First Southwest Company
Austin, TX

Ms. Linda Callaway

Frost Bank
San Antonio, TX

Mr. Brad Johnson

AJ Capital, Corp.
Spring, TX

Ms. Anne Jenkins

Paine Webber, Inc.
A. G. Edwards & Sons, Inc
Morgan Stanley

Vining Sparks
Merrill Lynch
UBS Financial Services, Inc.

Coastal Securities
Austin, TX

Mr. Steven Albert

Duncan-Williams, Inc.
Houston, TX

Mr. Stephen Capoferi

Wells Fargo Brokerage Services, LLC
Austin, TX

Mr. Lance Pettus

TexasTerm/TexasDaily
Austin, TX

Ms. Anne Romanick

Vining Sparks
Memphis, TN

Mr. Michael Smith

Apex Prior Securities
Chicago, IL

Ms. Carol L. Mackoff

Date: 11/02/2009

Financial Assistance to SA Alternative Housing - Westside Creeks**Submitted By:** Rudy Farias, Operations**Division:** Operations**Submitted For:** Rudy Farias**Department:** Water Resources &
Community Dvlpmnt

Information**CAPTION**

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING A REQUEST FOR FINANCIAL ASSISTANCE FROM THE SAN ANTONIO ALTERNATIVE HOUSING CORPORATION TO PROVIDE FOR THE DEVELOPMENT OF A LINEAR PARK ALONG APACHE CREEK WITHIN THE PROJECT LIMITS OF THE WESTSIDE CREEKS RESTORATION PROJECT

Presenter

Rudy R. Farias

Estimated Presentation Time: 10 minutes

The San Antonio Alternative Housing Corporation, through the use of tax increment financing funds, is developing a linear park along Apache Creek from Commerce Street to General McMullen, just upstream of Our Lady of the Lake University and Elmendorf Lake. The funds for this project are identified in the City of San Antonio's Rosedale Tax Increment Reinvestment Zone (TIRZ) Number 2.

The TIRZ was created in 1998 and will expire in 2019. Over the next ten years, the TIRZ is projected to generate an additional \$359,600. The San Antonio Alternative Housing Corporation is requesting financial assistance of \$300,000 to develop the linear park in a single phase which is estimated at just over \$700,000. The \$300,000 will be reimbursed to the River Authority from funds received through the TIRZ. Currently the TIRZ has generated \$410,400 for the development of the park.

The plans for the park call for the installation of a trail eight tenths of a mile long situated along the upper bank of the creek. The trail will be 10 feet wide with six feet being concrete and four feet crushed aggregate. Lighting will also be part of the project, along with bridges, landscaping, a wrought iron fence, signage, benches, trash cans, and an exercise station. The bridges will span existing drainage outfalls and will be similar to bridges found along the City of San Antonio's existing linear park trails as well as at the Brackenridge Golf Course. Once completed, the City of San Antonio Public Works department will maintain the mowing and the City's Parks Department will maintain the added amenities. The estimated time to construct the park is three months.

The recreational trail and other amenities for the project could serve as a demonstration/pilot project for showcasing the potential of the Westside Creeks Restoration Project. The area has mature trees and many species of native plants that will benefit from reduction of invasive species that will be part of the project. The park is several months ahead of the conceptual restoration plan being developed by the Westside Creek Restoration Project, but the plans have been reviewed by the Westside Creeks consultant team, and it has been determined that any future enhancements, such as modifications to the creek, would dovetail nicely into the park and not directly impact the park amenities.

The Westside Creeks Oversight Committee received a recommendation from the Apache Creek Subcommittee supporting the loan. The Oversight Committee also approved a motion to recommend to the San Antonio River Authority Board of Directors support for the loan in order to use this opportunity to demonstrate the potential of the Westside Creeks Restoration Project.

Recommendation

Motion indicating Fiscal Committee support for presenting to the River Authority Board of Directors a recommendation to support a \$300,000 request for financial assistance from the San Antonio Alternative Housing Corporation to develop a linear park along Apache Creek from Commerce Street to General McMullen.

Vote

Date: 11/02/2009

Salatrillo Reuse Water Project

Submitted By: Melissa Bryant, Operations

Division: Operations

Department: Water Resources & Community Dvlpmnt

Information

CAPTION

DISCUSSION AND APPROPRIATE ACTION REGARDING AN INTERLOCAL AGREEMENT WITH THE ALAMO COMMUNITY COLLEGE DISTRICT, CITY OF LIVE OAK, AND UNIVERSAL CITY FOR REUSE WATER FROM THE SALATRILLO WASTEWATER TREATMENT SYSTEM

Presenter

Melissa Bryant

Estimated Presentation Time: 20 minutes

The Alamo Community College District, the City of Live Oak, and Universal City are interested in obtaining reuse water from the Salatrillo wastewater treatment system. The City of Converse is also in attendance at discussions but is pursuing development of a separate reuse system at this time. The River Authority has been in discussions with these three entities to determine their reuse water needs. The projected annual reuse water usage for these entities is 230 acre-feet of water, almost exclusively for irrigation purposes. Based upon the projected water needs, the River Authority developed a preliminary cost estimate of \$4,345,689 to construct this project.

The project estimate includes funding for River Authority staff to provide project management, engineering, surveying and real estate services in design and construction administration of the project. The River Authority proposes to issue contract revenue bonds to fund the project and enter into Interlocal Agreements with the three entities for repayment of this investment. The Interlocal Agreements will also address payment of all system-related operating, maintenance and capital replacement expenses.

Alamo Community College District staff will recommend approval of this project to their board in December. Universal City and City of Live Oak are currently in the process of discussing their involvement in the project with their city managers and city council members.

The project will advance SARA's mission of being better environmental stewards by promoting water conservation in our Salatrillo service area.

Recommendation

Motion indicating Operations Committee support for presenting to the San Antonio River Authority Board a recommendation to proceed with the Salatrillo Reuse Project and authorize the General Manager to negotiate the necessary Interlocal Agreements.

Discussion

Vote

Date: 11/02/2009

Executive Session: Truehart Ranch

Submitted By: Claude Harding, Technical Services

Division: Technical Services

Department: Real Estate

Information

CAPTION

EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION 551.072 FOR DELIBERATION REGARDING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY TO BE ACQUIRED IN BEXAR COUNTY, TEXAS, AS PART OF THE SAN ANTONIO RIVER NATURE PARK SYSTEM

Presenter

David Ross, Dale Bransford and Claude Harding

Estimated Presentation Time: 15 minutes

Date: 11/02/2009

Truehart Ranch

Submitted By: Claude Harding, Technical Services

Division: Technical Services

Department: Real Estate

Information

CAPTION

PRESENTATION, DISCUSSION AND APPROPRIATE ACTION CONCERNING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY TO BE ACQUIRED IN BEXAR COUNTY, TEXAS, AS PART OF THE SAN ANTONIO RIVER NATURE PARK SYSTEM

Presenter

Dale Bransford and Claude Harding

Estimated Presentation Time: 10 minutes

The San Antonio River Authority owns limited land resources on which to further advance its mission and strategic performance objectives. An opportunity exists to acquire land in south Bexar County at and along the San Antonio River and Blue Wing Road known as Truehart Ranch. The 335-acre property has excellent access, abundant natural resources, over 1-1/2 mile river frontage, and contains significant historic resources. The property also offers an excellent river access site that is positioned well to connect upriver to Mission Espada and downriver to the Loop 1604 access site.

This proposed acquisition for park purposes is consistent with and promotes the goals of the River Authority's River Basin Plan for Nature-based Park Resources, as well as the River Authority's 2009-2010 goal to enhance community appreciation for the environmental resources of the San Antonio River and its tributaries: promote recreational value of the river.

After a due diligence investigation involving a Phase I Environmental Assessment, the property was void of any environmental concerns that would otherwise compromise or limit the River Authority's intended use of the land. The property is owned by Blue Wing Holdings, LLC, and is currently used for cattle grazing and hunting.

At the October 5, 2009, meeting of the River Authority's Operation Committee, the Committee received a briefing from staff on this proposed acquisition.

If establishment of this park is approved, staff will explore a waiver of retroactivity from the Texas Parks & Wildlife Department that would allow the amount of funds expended on acquisition to be eligible for inclusion in the local match for a future grant application.

Recommendation

Motion indicating Fiscal Committee support for presentation to the San Antonio River Authority Board a recommendation to negotiate the acquisition of approximately 335 acres owned by Blue Wing Holdings, LLC, located at 14984 Blue Wing Road in south Bexar County, Texas.

Discussion

Vote

Submitted By: Lupe Moreno, Executive
Offices

Division: Executive Offices

Submitted For: Suzanne B. Scott

Department:

15.

Information

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

16.

Information

CAPTION

ITEMS FOR FUTURE CONSIDERATION

Presenter

Suzanne B. Scott

Estimated Presentation Time: 5 minutes

Discussion

17.

Information

CAPTION

NEXT MEETING DATE

Presenter

Suzanne B. Scott

Estimated Presentation Time: 5 minutes

After brief discussion, the next Fiscal Committee meeting date will be determined.

Discussion

Fiscal Committee
Date: 11/02/2009
Adjourn

18.

Submitted By: Lupe Moreno, Executive
Offices

Division: Executive Offices

Department:

Information

CAPTION
ADJOURN

Presenter
Mr. Oehlke, Committee Chairman
