

MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
OF THE
SAN ANTONIO RIVER AUTHORITY
AUGUST 20, 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 2:03 p.m., Wednesday, August 20, 2008, at the General Offices of the San Antonio River Authority, 100 East Guenther Street, San Antonio, Bexar County, Texas.

Mr. Weaver called on Sally Buchanan for the roll call and certified a quorum present as follows:

BEXAR COUNTY:

Sally Buchanan	Present
Hector Morales	Present
Jeff Neathery	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:

Gaylon J. Oehlke	Present
H.B. Ruckman III	Present

WILSON COUNTY:

John Flieller	Present
A.D. Kollodziej, Jr.	Absent

Staff members present were:

Suzanne Scott, General Manager
Steve Graham, Assistant General Manager
Steve Raabe, Director of Technical Services
Susan Eason, Director of Internal Resources
John Chisholm, Director of Operations
Larry Anderson, Director of Support Services
Claude Harding, Real Estate Manager
Dale Bransford, Manager of Park Services
Al Astran, Utilities Manager
Rudy Farias, Manager of Water Resources and Community Development
Steven Schauer, Manager of External Communications
Nefi Garza, Manager of Watershed Management

Mike Gonzales, Manager of Environmental Sciences
Jim Blair, Flood Control Infrastructure Manager
Tom Pardue, Engineer
Jim Doersam, Engineer
Karen Bishop, Executive Services Supervisor

Other individuals present were:

David Ross, Legal Counsel
Lupe Moreno, Executive Assistant

Mr. Weaver called for Agenda Item 5: INTRODUCTION OF VISITORS. Ms. Moreno announced that the following persons were present: Jerry Needham, San Antonio Express News; Jane Macon, Fulbright & Jaworski; Dode Harvey and Mike Mazur, Diamond T; David McBeth, Jacob, Carter & Burgess; Marcus Jahns, Diamond T; and Jeffrey McKinnie, Pate Engineering.

Mr. Weaver called for Agenda Item 6: CITIZENS TO BE HEARD. Ms. Moreno reported that there were none.

Mr. Weaver called on Suzanne Scott for Agenda Item 7: EMPLOYEE RECOGNITIONS. Ms. Scott presented Service Pins to Juan Fuentes and Sharon McCoy-Huber.

Mr. Weaver called for Agenda Item 8: APPROVAL OF THE MINUTES OF THE FOLLOWING MEETINGS:

- a. SPECIAL MEETING OF THE BOARD OF DIRECTORS HELD MAY 12, 2008.
- b. SPECIAL MEETING OF THE BOARD OF DIRECTORS HELD JUNE 4, 2008.
- c. REGULAR MEETING OF THE BOARD OF DIRECTORS HELD JUNE 18, 2008.

With legal counsel's approval, Ms. Buchanan called for approval of the minutes, collectively, as written, and seconded by Mr. Oehlke, the minutes were approved unanimously.

Mr. Weaver called for Agenda Item 9: SAN ANTONIO RIVER AUTHORITY BOARD OF DIRECTORS EXECUTIVE, COMMUNICATIONS, FISCAL AND OPERATIONS COMMITTEE AND BOARD MEMBER CONFERENCE ATTENDANCE REPORTS

- a. Executive Committee Briefing was given by Committee Chairman Weaver regarding the last meeting held on August 11, 2008.
- b. Fiscal Committee Briefing was given by Committee Chairman Oehlke regarding the last meeting held on August 11, 2008.
- c. Communications Committee Briefing was given by Committee Chairman Rodriguez regarding the last meeting held on May 29, 2008.
- d. Operations Committee Briefing was given by Committee Chairman Ruckman regarding the last meeting held on August 11, 2008.
- e. Board Member Conference Reports were addressed by Mr. Weaver and a brief report was given by Mr. Oehlke.

Mr. Weaver called for the approval of *CONSENT AGENDA ITEMS (ITEMS 10 – 20)*:

Agenda Item 10: RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SIGN AN AGREEMENT TO LEASE/PURCHASE STORAGE AREA NETWORK FOR INFORMATION TECHNOLOGY DEPARTMENT, BACKHOE, TWO TRACTORS, DOZER, AND WATER TRUCK FOR THE WATERSHED OPERATIONS DEPARTMENT AND DUMP TRUCK AND UTILITY TRUCK FOR THE UTILITIES DEPARTMENT

Staff recommended a motion that Resolution No. R-1344 be passed and approved.

Agenda Item 11: APPROVAL OF AN INTERGOVERNMENTAL REIMBURSEMENT AGREEMENT BETWEEN THE SAN ANTONIO RIVER AUTHORITY AND THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY TO CONDUCT WATER QUALITY SURVEYS ON LEON CREEK AS PART OF THE LEON CREEK TOTAL MAXIMUM DAILY LOAD PROGRAM

Staff recommended a motion authorizing the General Manager to execute, and amend as necessary, an intergovernmental reimbursement agreement with the Texas Commission on Environmental Quality to perform work associated with the Leon Creek Total Maximum Daily Load effort.

Agenda Item 12: RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE A 16-FOOT WIDE UTILITY AND ACCESS EASEMENT TO DOROTHY WALKER OVER, UNDER, AND ACROSS PROPERTY OWNED BY THE SAN ANTONIO RIVER AUTHORITY LOCATED AT 9115 ESPADA ROAD, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, AND WAIVER OF THE PERMIT APPLICATION FEE

Staff recommended a motion passing Resolution Number R-1345 authorizing the General Manager to execute, and the Secretary to attest to, the execution of a utility and access easement to Dorothy Walker substantially in the form as attached hereto as Attachment "A", to grant a waiver of the Permit Application Fee, and to do and carry out all other activities necessary to complete this project.

Agenda Item 13: RESOLUTION AUTHORIZING THE GENERAL MANAGER TO DECLARE AS SURPLUS APPROXIMATELY 0.201 ACRES OF PROPERTY OWNED BY THE SAN ANTONIO RIVER AUTHORITY LOCATED AT 9115 ESPADA ROAD, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS

Staff recommended a motion passing Resolution Number R-1346 declaring that an 0.201-acre vacant parcel of property at 9115 Espada Road, San Antonio, Bexar County, Texas is not required by the River Authority for project purposes, is not convenient to the business of the River Authority, and is surplus; and that the General Manager of the River Authority is hereby authorized to market the property for sale, and to do and carry out all other activities necessary to complete the sale of this property.

Agenda Item 14: RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE A PARTIAL RELEASE OF THE INUNDATION EASEMENT AT

STONE OAK PARK DAM IN THE SALADO CREEK WATERSHED TO DIAMOND T RANCH DEVELOPMENT, IN SAN ANTONIO, BEXAR COUNTY, TEXAS

Staff recommended a motion passing Resolution Number R-1347 authorizing the General Manager to execute, and the Secretary to attest to, the execution of a partial release of the easement for 15.161 acres of the inundation easement at Stone Oak Park Dam to Diamond T Ranch Development substantially in the form as attached hereto as Attachment "A," in San Antonio, Bexar County, Texas, for the residential development at this time, and a partial release of the easement for 2.333 acres of the inundation easement at Stone Oak Park Dam to Diamond T Ranch Development substantially in the form as attached hereto as Attachment "B", in San Antonio, Bexar County, Texas, at such time as Diamond T Ranch Development receives full approval from TCEQ and SAWS for the commercial development, and to do and carry out all other activities to complete this project.

Agenda Item 15: ORDINANCE DECLARING A PUBLIC NECESSITY FOR THE ACQUISITION OF FEE SIMPLE TITLE TO AND PERMANENT AND TEMPORARY EASEMENTS ON CERTAIN PROPERTY WITHIN NEW CITY BLOCKS A-20, A-24, 20, 2907, 2910, 2911, 3381, 3382, 3400, 3848, 3849, 6102, 6150, 6153, 6155, 6719, 6720, 7649, 7650, 7665, 7666, 7672, 7674, 7675, 7770, 7771, 7772, 8616, 8618, 8619 AND 14330, IN BEXAR COUNTY, TEXAS TO CONSTRUCT, MODIFY, OPERATE, MAINTAIN AND REPAIR THE MISSION REACH OF THE SAN ANTONIO RIVER IMPROVEMENTS PROJECT, AUTHORIZING ALL APPROPRIATE ACTION BY THE GENERAL MANAGER, EMPLOYEES, AGENTS AND ATTORNEYS OF SAN ANTONIO RIVER AUTHORITY IN THE INSTITUTION AND PROSECUTION OF EMINENT DOMAIN PROCEEDINGS TO ACQUIRE SAID PROPERTY INTERESTS AND RELATED RIGHTS OF INGRESS AND EGRESS THAT CANNOT BE ACQUIRED THROUGH NEGOTIATION; RATIFYING AND CONFIRMING ALL ACTS AND PROCEEDINGS PREVIOUSLY DONE OR INITIATED BY EMPLOYEES, AGENTS AND ATTORNEYS OF SAN ANTONIO RIVER AUTHORITY TO ACQUIRE SUCH PROPERTY INTERESTS; AND AUTHORIZING SUCH OTHER LAWFUL ACTION NECESSARY AND INCIDENTAL TO SUCH ACQUISITION OR EMINENT DOMAIN PROCEEDINGS TO SURVEY, SPECIFY, DEFINE AND SECURE THE NECESSARY INTERESTS IN REAL PROPERTY

Staff recommended a motion that Ordinance No. O-1317 be passed and approved.

Agenda Item 16: AWARD OF A CONSTRUCTION CONTRACT FOR THE MILLER RIDGE SEWER LINE REPLACEMENT PROJECT PHASE 2

Staff recommended a motion authorizing the General Manager to execute a contract with Pipelayers, Inc. in the amount of \$432,151.08 and contingency of \$43,200 for the Miller Ridge Sanitary Sewer Line Replacement Project Phase 2, and authorizing the General Manager or her designee to amend the contract if field changes are required.

Agenda Item 17: AWARD OF A CONSTRUCTION CONTRACT FOR THE BRAUNIG LAKE COURTESY DOCK PROJECT

Staff recommended a motion authorizing the General Manager to execute a contract with Lehne Construction in the amount of \$202,139.00 and contingency of \$20,200 for the Braunig Lake Courtesy Dock Project, and authorizing the General Manager or her designee to amend the contract if field changes are required.

Agenda Item 18: MOTION APPROVING THE APPOINTMENTS OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY TO THE WATERSHED IMPROVEMENT ADVISORY COMMITTEE

Staff recommended a motion approving the re-appointment of Norm Dugas, Steve Horvath and Steve Bonnette and the appointment of Art Downey and Billy Carlisle to the Watershed Improvement Advisory Committee (WIAC).

Agenda Item 19: APPROVAL OF RIVER AUTHORITY BOARD OF DIRECTOR APPOINTMENT TO GOLDEN CRESCENT REGIONAL PLANNING COMMISSION

Staff recommended a motion appointing Terry Baiamonte as the San Antonio River Authority's member on the General Assembly of the Golden Crescent Regional Planning Commission effective immediately and continuing through the Assembly's 2008/09 fiscal year starting September 1, 2008.

Agenda Item 20: BUDGET AMENDMENT

Staff recommended a motion that the Budget Amendment associated with the SARA Wastewater Systems Fund, the Salatrillo Wholesale Fund, and the Salatrillo Retail Fund be authorized and approved.

Mr. Ruckman moved to approve the motion, and seconded by Ms. Buchanan, the Consent Agenda was approved unanimously:

ITEMS FOR INDIVIDUAL CONSIDERATION:

Mr. Weaver called on Sharon McCoy-Huber, John Chisholm, and Steve Raabe for Agenda Item 21: PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING THE PROPOSED 2008 TAX RATE INCLUDING FUNDING TO SUPPORT THE COLETO CREEK SURFACE WATER/GROUNDWATER INTERACTION STUDY, THE EDWARDS AQUIFER RECOVERY IMPLEMENTATION PROGRAM AND THE RIVER AUTHORITY'S PARK SERVICES PROGRAM FOR 2008 AND TO PUBLISH NOTICE OF A PUBLIC HEARING AT WHICH THE ADOPTION OF THE 2008 TAX RATE WILL BE DISCUSSED

Staff recommendation is to set the 2008 tax rate at \$0.016280, which is slightly below the rollback tax rate above. Contingent on the certified tax roll from Wilson County, this rate would result in an increase of budgeted revenue of approximately \$231,000. The increased revenue

would allow the River Authority to supplement current project funding requirements including allocation of an additional \$10,000 toward the USGS Coletto Creek Surface Water/Groundwater interaction study as requested by the Goliad County Groundwater Conservation District and an additional \$45,000 toward the Edwards Aquifer Recovery Implementation Program to support the River Authority's share of a biological modeling study. A portion of the remaining revenue will provide funding for the River Authority to respond to decisions anticipated later this fiscal year relating to the future operation at Braunig and Calaveras Lake Parks.

Staff recommended a motion to propose setting the 2008 tax rate at \$0.016280 and to publish Notice of Public Hearing as supported by the Fiscal Committee.

Mr. Ruckman moved to approve the motion and, seconded by Ms. Buchanan, Mr. Weaver called for a roll call vote, as follows:

Sally Buchanan	Yes
Hector Morales	Yes
Jeff Neathery	Yes
Názirite Rubén Pérez	No
Roberto G. Rodríguez	Yes
Thomas G. Weaver	Yes
Terry E. Baiamonte	Yes
Adair R. Sutherland	Yes
Gaylon J. Oehlke	Yes
H.B. Ruckman III	Yes
John Flieller	Yes
A.D. Kollodziej, Jr.	Absent

Mr. Weaver asked to take Agenda Item 27 out of order due to a time constraint for certain visitors. Mr. Weaver called on visitor Deputy City Manager of the City of San Antonio, Pat DiGiovanni, to address the Board on **Item 27: PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING THE CITY OF SAN ANTONIO'S INVITATION TO PARTICIPATE IN THE VERANO TAX INCREMENT REINVESTMENT ZONE.**

Following Mr. DeGiovanni's presentation, Mr. Weaver called on **Rudy Farias regarding Agenda Item 27.**

Staff recommended a motion that Resolution No R-1349 be passed and approved.

Mr. Oehlke moved to approve the motion, and seconded by Ms. Buchanan, the motion was approved by 10 board members, with Mr. Neathery abstaining.-

Returning to the original order of the Agenda, **Mr. Weaver called on Sharon McCoy-Huber for Agenda Item 22: DISTRIBUTION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDING JUNE 30, 2008**

There being no action required of the Board on Item 22, **Mr. Weaver called on Dale Bransford and Claude Harding for Agenda Item 23: BRIEFING REGARDING ESTABLISHMENT OF THE SAN ANTONIO RIVER NATURE PARK IN WILSON COUNTY, TEXAS**

Following Mr. Bransford and Mr. Harding's briefing, **Mr. Weaver called on David Ross, Dale Bransford and Claude Harding for Agenda Item 24: 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 WILSON COUNTY, TEXAS, AS PART OF THE SAN ANTONIO RIVER NATURE PARK**

After appropriate disclosure in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act, Section 551.072, Mr. Weaver then recessed to meet in Executive Session at 4:11 p.m. for consultation with attorney on a matter in which the duty of the attorney to the governmental body under the Texas disciplinary rules of professional conduct of the State Bar of Texas clearly conflicts with chapter 551 of the Texas Government Code concerning the purchase, exchange, lease or value of real property to be acquired in Wilson County, Texas, as part of the San Antonio River Nature Park.

The Executive Session having concluded, the Regular meeting of the Board of Directors resumed into Open Session at 4:41 p.m.

Mr. Weaver called on Dale Bransford and Claude Harding for Agenda Item 25: PRESENTATION, DISCUSSION AND APPROPRIATE ACTION CONCERNING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY TO BE ACQUIRED IN WILSON COUNTY, TEXAS, AS PART OF THE SAN ANTONIO RIVER NATURE PARK

Staff recommended a motion authorizing negotiation of the acquisition of 76.4 +/- acres owned by J. William Helton and Ruth J. Williams, Trustees of the Helton-Williams Family Trust, located at 2785 County Road 128 in Wilson County, Texas, and the acquisition of 21.6 +/- acres owned by Francisco C. Castillo, located at 15662 FM 775 in Wilson County, Texas.

Mr. Perez moved to approve the motion, and seconded by Mr. Flieller, the motion was approved unanimously.

Mr. Weaver called on Sharon McCoy-Huber for Agenda Item 26: PRESENTATION, DISCUSSION, AND APPROPRIATE ACTION REGARDING A RESOLUTION EXPRESSING OFFICIAL INTENT TO REIMBURSE THE COSTS OF DESIGN, ACQUISITION, CONSTRUCTION AND EQUIPPING THE MARTINEZ II WASTEWATER TREATMENT PLANT EXPANSION PROJECT LINE WITH UTILITY SYSTEM REVENUE BONDS

Staff recommended a motion that Resolution No. R-1348 be passed and approved.

Ms. Buchanan moved to approve the motion, and seconded by Ms. Sutherland, the motion was approved unanimously.

Mr. Weaver announced that Agenda Item 31: **PRESENTATION AND DISCUSSION REGARDING THE SAN ANTONIO RIVER AUTHORITY ENVIRONMENTAL SCIENCES DEPARTMENT ENVIRONMENTAL INVESTIGATION AND RESPONSE ACTIVITIES FEBRUARY 2008 TO JULY 2008,**

had been pulled from the agenda and would be presented during the regular meeting to be held on September 17, 2008.

Mr. Weaver then moved to postpone the following Agenda Items until the Special Meeting on September 2, 2008, due to time constraints:

Agenda Item 28: PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING AMENDMENT TO ARTICLE IV, SECTION 2, OF THE BYLAWS OF THE SAN ANTONIO RIVER AUTHORITY

Agenda Item 29: PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING SCHEDULING THE SPECIAL MEETING TO SET THE SAN ANTONIO RIVER AUTHORITY DISTRICT'S 2008 TAX RATE

Agenda Item 30: PRESENTATION AND DISCUSSION REGARDING THE 2008 CLEAN RIVERS PROGRAM BASIN SUMMARY REPORT

Agenda Item 32: BRIEFING ON THE SAN ANTONIO RIVER AUTHORITY BYLAWS, EXECUTIVE OFFICE POLICIES, AGENDA PROCESS, MINUTES, AND DIRECTOR HANDBOOK

Agenda Item 33: BRIEFING ON WATER RESOURCES AND DEVELOPMENT ACTIVITIES

Agenda Item 34: STATUS REPORT ON THE SAN ANTONIO RIVER IMPROVEMENTS PROJECT

Agenda Item 35: ITEMS FOR FUTURE CONSIDERATION

Mr. Weaver called on Suzanne Scott for Agenda Item 36: GENERAL MANAGER'S REPORT

Ms. Scott reported that there will be a briefing addressing the Commissioners Court Work Session on Tuesday, August 26, 2008. The board will be briefed at the September 2nd meeting. Board was given a calendar of scheduled meetings and conferences. Flow 2008 in October in San Antonio will be sponsored by SARA.

Ms. Scott then introduced members of the Utilities crew who presented an overview of the McAllen rescue effort as a result of Hurricane Dolly.

Mr. Weaver moved on to Agenda Item 37: NEXT MEETING DATE. As previously discussed throughout the meeting, the Board will hold a Special Meeting on September 2, 2008, at 2:00 p.m.

There being no further business, Ms. Sutherland moved to adjourn the meeting at 5:04 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
SEPTEMBER 17, 2008.

THOMAS G. WEAVER, Board Chairman

ATTEST:

SALLY BUCHANAN, Secretary