

MINUTES

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

SAN ANTONIO RIVER AUTHORITY



April 20, 2011, 2:00 p.m.

**GENERAL AND CEREMONIAL ITEMS:**

1. **CALL TO ORDER WAS MADE BY THE CHAIRMAN, MR. GAYLON J. OEHLKE, AT 2:00 P.M.**
2. **PLEDGE OF ALLEGIANCE WAS RECITED**
3. **THE BOARD SECRETARY, MR. ROBERTO G. RODRÍGUEZ, CALLED THE ROLL AND REPORTED THE FOLLOWING BOARD MEMBERS PRESENT:**

BEXAR COUNTY:

- Sally Buchanan
- Michael W. Lackey, P. E.
- Hector R. Morales
- Názirite Rubén Pérez
- Roberto G. Rodríguez
- Thomas G. Weaver

GOLIAD COUNTY:

- Terry E. Baiamonte
- Adair R. Sutherland (2:22 p.m. arrival)

KARNES COUNTY:

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

WILSON COUNTY:

- John J. Flieller
- A.D. Kollodziej, Jr. (absent)

4. **CERTIFICATION OF A QUORUM WAS ANNOUNCED BY THE SECRETARY, MR. RODRÍGUEZ**
5. **INTRODUCTION OF VISITORS**

Ms. Sanchez announced the visitors who were present in the audience.

**6. CITIZENS TO BE HEARD**

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

**7. EMPLOYEE RECOGNITIONS: AWARDING OF SERVICE PINS**

Chairman Oehlke and General Manager Scott recognized and awarded service pins to Russell D. Neal for his 25 years of service, Linda Muñoz for her 10 years of service, and Donald Alan Stephenson for his five years of service. A plaque was presented to Al Astran for this retirement from SARA, accompanied by a plaque for his wife.

**8. SAN ANTONIO RIVER AUTHORITY BOARD OF DIRECTORS EXECUTIVE, COMMUNICATIONS, FISCAL AND OPERATIONS COMMITTEE; SPECIAL PURPOSE COMMITTEE; AND BOARD MEMBER CONFERENCE ATTENDANCE REPORTS**

- A briefing was given for the Communications Committee by Committee Chair Buchanan regarding the last meeting held on April 5, 2011.
- A briefing was given for the Fiscal Committee by Committee Chair Baiamonte regarding the last meeting held on April 11, 2011.
- A briefing was given for the Operations Committee by Committee Chairman Ruckman regarding the last meeting held on April 11, 2011.
- A briefing was given for the Executive Committee by Committee Chairman Oehlke regarding the last meeting held on April 13, 2011.
- A briefing was given for the General Manager Appraisal Special Purpose Committee by Chairman Oehlke regarding the last meetings held on March 29, and April 13, 2011.
- Board Member Conference Reports were given by Mr. Weaver and Ms. Sutherland regarding the USACE and EPA.

***CONSENT AGENDA ITEMS:***

**9. APPROVAL OF THE MINUTES OF THE BOARD OF DIRECTORS' REGULAR MEETING HELD ON MARCH 16, 2011**

**10. RESOLUTION R-1439 OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE JOINT FUNDING AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY FOR STREAM MONITORING AND WATER RESOURCE PROJECTS FOR THE FISCAL YEAR 2010/2011**

Attachments:

11. **RESOLUTION R-1440 AUTHORIZING THE GENERAL MANAGER TO SUBMIT AN APPLICATION FOR FEDERAL ASSISTANCE (SF-424) FOR THE REHABILITATION OF BINZ ENGELMAN DAM (MARTINEZ 1 - TX01461), MARTINEZ CREEK DAM (MARTINEZ 2 - TX01462), ESCONDIDO CREEK DAM (MARTINEZ 3 - TX01463) AND PARITA CREEK DAM (CALAVERAS 10 - TX01452) AS AUTHORIZED BY PUBLIC LAW 106-472, *THE SMALL WATERSHED REHABILITATION AMENDMENT***

Attachments:

R-1440

12. **AUTHORIZATION FOR THE GENERAL MANAGER TO PURCHASE EDWARDS AQUIFER GROUNDWATER RIGHTS AND TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN ANTONIO RIVER AUTHORITY AND THE CITY OF UNIVERSAL CITY, TEXAS, FOR THE PURCHASE OF EDWARDS AQUIFER GROUNDWATER RIGHTS**

Attachments:

Draft MOU

13. **AUTHORIZATION FOR A REQUEST FOR PROPOSAL TO SOLICIT BIDS FOR LEASE AGREEMENT TO CONSTRUCT, MANAGE, AND OPERATE A RECREATIONAL USE FACILITY AT THE HILL COUNTRY VILLAGE DAM SITE ON BLANCO ROAD IN SAN ANTONIO, BEXAR COUNTY, TEXAS**

Mr. Oehlke called for a motion that items 9, 10, 11, 12, and 13, presented under the consent agenda, be passed and approved collectively.

Motion made by H.B. Ruckman III

Seconded by Sally Buchanan

**Vote:** 11 - 0 Passed

Other: A.D. Kollodziej, Jr. (Absent)

### ***INDIVIDUAL AGENDA ITEMS:***

To accommodate the visitors in the audience, the Chair called on Agenda Item 17.

**17. BRIEFING ON THE WESTSIDE CREEKS RESTORATION PROJECT  
CONCEPTUAL PLAN**

There being no action taken on this item, Mr. Oehlke returned to the regular order of business and called for Agenda Item 14.

**14. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING  
THE SAN ANTONIO RIVER AUTHORITY BOARD APPOINTMENTS TO THE  
SAN ANTONIO RIVER FOUNDATION BOARD**

Staff recommended a motion regarding the SARA Board appointments to the San Antonio River Foundation Board as follows:

- Ms. Buchanan completes her current term of two years and then opens her position for new representation.
- Mr. Lackey accepts a three-year term and is eligible for a second term under the Foundation's lottery.
- Mr. Collins, Mr. Ruckman, and Ms. Sutherland draw under the Foundation's upcoming lottery for either a two or three-year term, and all are eligible for a second term under the lottery.

Motion made by Sally Buchanan

Seconded by Thomas G. Weaver

**Vote:** 11 - 0 Passed

Other: A.D. Kollodziej, Jr. (Absent)

**15. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING  
THE APPROVAL OF THE APPOINTMENTS OF THE BOARD OF DIRECTORS  
OF THE SAN ANTONIO RIVER AUTHORITY TO THE WATERSHED  
IMPROVEMENT ADVISORY COMMITTEE**

Staff recommended a motion to approve the re-appointment of Billy Carlisle, Art Downey, and Steve Horvath and the appointment of Kevin Conner and Miguel Sanchez to the Watershed Improvement Advisory Committee (WIAC).

Motion made by Sally Buchanan

Seconded by Roberto G. Rodríguez

**Vote:** 11 - 0 Passed

Other: A.D. Kollodziej, Jr. (Absent)

**16. PRESENTATION, DISCUSSION AND APPROPRIATE ACTION REGARDING  
ACTIVITIES ASSOCIATED WITH THE 82ND SESSION OF THE STATE  
LEGISLATURE AND THE 112TH CONGRESS**

There being no action taken on this item, Mr. Oehlke called for Agenda Item 17.

**17. BRIEFING ON THE WESTSIDE CREEKS RESTORATION PROJECT  
CONCEPTUAL PLAN**

Having already addressed Agenda Item 17, Mr. Oehlke called for Agenda Item 18.

**18. UPDATE ON COMMUNITY ASSISTANCE ACTIVITIES**

There being no action taken on this item and after appropriate disclosure in accordance with Chapter 551 of the Texas Government Code, the Open Meetings Act, Section 551.071, Mr. Oehlke then recessed to meet in Executive Session at 3:54 p.m. for consultation with attorney regarding Agenda Items 19 and 20.

**19. EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTION  
551.071 FOR CONSULTATION WITH ATTORNEY REGARDING RUBEN  
ESPRONCEDA V. THE CITY OF SAN ANTONIO, ET. AL., CASE NO.  
5:11-CV-00251 IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF TEXAS**

**20. 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**

The Executive Sessions having concluded, the Regular Meeting of the Board of Directors resumed into Open Session at 4:28 p.m.

**21. 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**

There being no action taken on this item, Mr. Oehlke called for Agenda Item 22.

**22. STATUS REPORT ON THE SAN ANTONIO RIVER IMPROVEMENTS  
PROJECT**

There being no action taken on this item, Mr. Oehlke called for Agenda Item 23.

**23. 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**

There being no action taken on this item, Mr. Oehlke called for Agenda Item 24.

**24. ITEMS FOR FUTURE CONSIDERATION**

There being no action taken on this item, Mr. Oehlke called for Agenda Item 25.

**25. NEXT MEETING DATE**

Mr. Oehlke announced that the next Regular meeting of the Board of Directors will be Wednesday, May 18, 2011, at 2:00 p.m.

**26. ADJOURN**

There being nothing further to report, Ms. Sutherland moved to adjourn. Mr. Oehlke called the meeting adjourned at 4:48 p.m.

**PREPARED AND RECOMMENDED FOR BOARD APPROVAL BY THE MANAGER.**

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**SUZANNE B. SCOTT, General Manager**

**APPROVED BY THE BOARD OF DIRECTORS AT THE REGULAR MEETING HELD ON MAY 18, 2011.**

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**GAYLON J. OEHLKE, Board Chairman**

**ATTEST:**

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**ROBERTO G. RODRÍGUEZ, Board Secretary**

UNITED STATES DEPARTMENT OF THE INTERIOR  
U.S. GEOLOGICAL SURVEY  
AMENDMENT OF JOINT FUNDING AGREEMENT  
FOR  
WATER RESOURCES INVESTIGATIONS

11C4TX060000000  
TX060  
TIN: 74-6011311  
Amendment No. 1

Fixed Cost Agreement

Yes  No

This amendment is for the agreement dated October 1, 2010.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation surface-water data collection activities

\_\_\_\_\_ herein called the program.

2. Paragraph 2a of the agreement is hereby     increased/  X  decreased by \$  888  to read as follows:

(a) \$  135,312  by the party of the first part during the period  October 1, 2010  to  September 30, 2011 .

Paragraph 2b of the agreement is hereby  X  increased/     decreased by \$  49,369

(b) \$  544,729  by the party of the second part during the period  October 1, 2010  to  September 30, 2011 .

Billing for this agreement will be rendered  quarterly . Payments of bills are due within 60 days after billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30-day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 3717; Comptroller General File B-212222, August 23, 1983.)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
U.S. GEOLOGICAL SURVEY

by  Robert L. Joseph   
(Signature)

Robert L. Joseph   
(Name)  
 Director

(Title)

Date  MAR 02 2011

SAN ANTONIO  
RIVER AUTHORITY

by \_\_\_\_\_  
(Signature)

(Name)

(Title)

Date \_\_\_\_\_

ATTACHMENT FOR TX060

STATION NUMBER	DESCRIPTION	USGS FUNDS	COOP FUNDS	TOTAL FUNDS
<b>00170: SURFACE WATER</b>				
<b>UPPER SAN ANTONIO RIVER STATIONS</b>				
08177700	Olmos Creek at Dresden Dr, San Antonio, TX Full Range Streamflow Station (Added from City of San Antonio Program) Funded by the National Stream Flow Information Program (NSIP) Calibrated rain gage	\$0 \$300	\$0 \$2,230	\$0 \$2,530
08178000	San Antonio River at San Antonio, TX Stage Only Station (one level) (through March 31, 2011) Full Range Streamflow Station Calibrated rain gage	\$738 \$737 \$300	\$2,947 \$7,725 \$2,230	\$3,685 \$8,462 \$2,530
08178030	San Antonio Rv at Lone Star Blvd, San Antonio, TX Stage Only Station (one level) Discontinue March 31, 2011 Calibrated rain gage Periodic Below Base or Low flow measurements	\$737 \$150	\$2,947 \$1,115	\$3,684 \$1,265
08178050	San Antonio River at Mitchell St., San Antonio, TX Full Range Streamflow Station Calibrated rain gage	\$5,100 \$300	\$10,350 \$2,230	\$15,450 \$2,530
08178565	San Antonio Riv at Loop 410, S. San Antonio, Tx Full Range Streamflow Station (Added from City of San Antonio Program) Calibrated rain gage	\$5,100 \$300	\$10,350 \$2,230	\$15,450 \$2,530
08178700	Salado Creek at Loop 410 at San Antonio, TX Full Range Streamflow Station (Added from City of San Antonio Program) Calibrated rain gage	\$0 \$0	\$7,725 \$2,530	\$7,725 \$2,530
08178800	Salado Creek at Loop 13 at San Antonio, TX Full Range Streamflow Station Funded by the National Stream Flow Information Program (NSIP) Calibrated rain gage		\$0	\$0
08181480	Leon Creek at IH 35 at San Antonio Full Range Streamflow Station (Added from City of San Antonio Program) Calibrated rain gage	\$5,100 \$300	\$10,350 \$2,230	\$15,450 \$2,530
08181500	Medina River at San Antonio, TX Full Range Streamflow Station Funded by the National Stream Flow Information Program (NSIP) Calibrated rain gage	\$0 \$300	\$0 \$2,230	\$0 \$2,530
08181435	Upper Leon at Loop 410 Frontage Road Installation 1/2 Year Operations and Maintenance Calibrated rain gage Installation 1/2 Year Operations and Maintenance		\$25,000 \$7,725 \$600 \$965	\$25,000 \$7,725 \$600 \$1,265
<b>UPPER SAN ANTONIO RIVER SUBTOTAL:</b>		<b>\$20,062</b>	<b>\$105,939</b>	<b>\$126,001</b>

**LOWER SAN ANTONIO RIVER STATIONS**

08183200	San Antonio Rv nr Floresville, TX Full Range Streamflow Station Calibrated rain gage	\$0 \$300	\$15,450 \$2,230	\$15,450 \$2,530
08185065	Cibolo Ck nr Saint Hedwig, TX Full Range Streamflow Station Calibrated rain gage	\$0 \$300	\$15,450 \$2,230	\$15,450 \$2,530
08185100	Martinez Ck nr Saint Hedwig, TX Full Range Streamflow Station Calibrated rain gage	\$0 \$300	\$15,450 \$2,230	\$15,450 \$2,530
08185500	Cibolo Ck at Sutherland Springs, TX Full Range Streamflow Station Calibrated rain gage	\$0 \$300	\$15,450 \$2,230	\$15,450 \$2,530
08188570	San Antonio Rv nr McFaddin, TX Full Range Streamflow Station Calibrated rain gage	\$0 \$300	\$18,200 \$2,230	\$18,200 \$2,530
08188060	San Antonio Rv at HWY 72 Installation 1/2 Year Operations and Maintenance Calibrated Rain gage Installation 1/2 Year Operations and Maintenance	\$0 \$0 \$0 \$300	\$25,000 \$7,725 \$600 \$965	\$25,000 \$7,725 \$600 \$1,265
LOWER SAN ANTONIO RIVER SUBTOTAL:		\$1,800	\$125,440	\$127,240
SURFACE WATER TOTAL:		\$21,862	\$231,379	\$253,241

**00370: WATER QUALITY**

08180850	Medina Rv at Applewhite Rd, San Antonio, TX Temp., Cond., pH, Diss. Oxy., Monitor (4-Parm)	\$0	\$35,000	\$35,000
08181500	Medina River at San Antonio, TX Temp., Cond., pH, Diss. Oxy., Turbidity Monitor (5-Parm) Calibrated rain gage	\$0	\$39,000	\$39,000
08188060	San Antonio Rv at HWY 72 Installation of 5 Parm Monitor Temp.,Cond., ph, DO, Turbidity 3 Months Operation and Maintenance	\$0 \$0	\$27,400 \$11,000	\$27,400 \$11,000
WATER-QUALITY TOTAL:		\$0	\$112,400	\$112,400

**INVESTIGATIVE STUDIES:**

**ABE02 Paired-Watershed Study**  
 A paired-watershed study design will be used to quantify differences in the quantity and quality of streamflow and springflow between the control and treatment watersheds from implementation of brush management BMPs. Study locations are the Honey Creek State Natural Area in Comal County and the Government Canyon State Natural area in Bexar County.

**PROJECT SUBTOTAL:**           \$15,000      \$15,000      \$30,000

**DRR01**      **Coieto Creek**  
 The objective of this study is to characterize the surface water and ground water in the upper section of the Coieto Creek watershed.

**PROJECT SUBTOTAL:**           \$7,200      \$7,200      \$14,400

**E3F01**      **Bexar County Trinity Springs Survey**  
 The objective of this study is to 1) review available data on location of Trinity aquifer springs in northern Bexar County and develop a database of springs, 2) conduct a reconnaissance of springs and to collect discharge and water-quality data from selected springs, and 3) publish a USGS report documenting location and characteristics of springs

**PROJECT SUBTOTAL:**           \$0          \$5,000      \$5,000

**0000001**      **Emerging Contaminates (New)**  
 The objective of this study is to assess the occurrence and concentrations of hormone, pharmaceutical, and other waste-water compounds at selected locations in the San Antonio River Basin

**PROJECT SUBTOTAL:**           \$36,250      \$93,750      \$130,000

**0000002**      **Sediment Load Characterization (New)**  
 The objective of this study is to characterize sediment transport in the lower San Antonio River through collection of needed ancillary, bedload and suspended sediment data and the development of a sediment model.

**PROJECT SUBTOTAL:**           \$55,000      \$80,000      \$135,000

INVESTIGATIVE STUDIES TOTAL: \$113,450 \$200,950 \$314,400

PROJECT	USGS FUNDS	COOP FUNDS	TOTAL FUNDS
SURFACE WATER: 001	\$21,862	\$231,379	\$253,241
WATER QUALITY: 003	\$0	\$112,400	\$112,400
PROJECT: ABE02	\$15,000	\$15,000	\$30,000
PROJECT: DRR01	\$7,200	\$7,200	\$14,400
PROJECT: E3F01	\$0	\$5,000	\$5,000
Emerging Contaminates (NEW FY11) 000001	\$36,250	\$93,750	\$130,000
Sediment Load Characterization (NEW FY11) 000002	\$55,000	\$80,000	\$135,000
TOTAL	\$135,312	\$544,729	\$680,041

RESOLUTION NO. R-1439

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE JOINT FUNDING AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY FOR STREAM MONITORING AND WATER RESOURCE PROJECTS FOR THE FISCAL YEAR 2010/2011.

PREAMBLE

WHEREAS, the San Antonio River Authority currently holds a Joint Funding Agreement with the United States Geological Survey for Stream Monitoring and Water Resource Projects; and

WHEREAS, SARA is currently funding the operation and maintenance of fifteen stream flow gauges, two water quality gauges, a Paired-Watershed at Honey Creek, a Groundwater/Surface Water Interaction Study at Coletto Creek, a Trinity Springs Survey Study, an Emerging Contaminants Study, and a Sediment Load Characterization Study, and

WHEREAS, SARA proposes to add a water quality component to the new gauge installed at Highway 72 and the San Antonio River, and

WHEREAS, SARA is proposing to take the Lone Star gauge offline to fully utilize the Mitchell Street gauge, and

WHEREAS, SARA proposes to make the Alamo Street gauge a full stream gauge to monitor streamflow, height and rainfall at the location, and

WHEREAS, the amendment of such an agreement with USGS is necessary and in the public interest.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ANTONIO RIVER AUTHORITY:

That the General Manager is authorized to execute an Amendment to the Joint Funding Agreement for Stream Monitoring and Water Resource Projects between the United States Geological Survey and the San Antonio River Authority substantially in the form as attached hereto and to do and carry out all other activities necessary to complete such project.

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GAYLON J. OEHLKE, Chairman

ATTEST:

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ROBERTO G. RODRÍGUEZ, Secretary



RESOLUTION NO. R-1440

RESOLUTION R-1440 AUTHORIZING THE GENERAL MANAGER TO SUBMIT AN APPLICATION FOR FEDERAL ASSISTANCE (SF-424) FOR THE REHABILITATION OF BINZ ENGELMAN DAM (MARTINEZ 1 - TX01461), MARTINEZ CREEK DAM (MARTINEZ 2 - TX01462), ESCONDIDO CREEK DAM (MARTINEZ 3 - TX01463) AND PARITA CREEK DAM (CALAVERAS 10 - TX01452) AS AUTHORIZED BY PUBLIC LAW 106-472, THE SMALL WATERSHED REHABILITATION AMENDMENT.

WHEREAS, the San Antonio River Authority entered into the Martinez Creek Watershed Work Plan Agreement, Bexar County, Texas, pursuant to Resolution No. R-158, passed and approved on February 24, 1959; and

WHEREAS, the San Antonio River Authority accepted the Operation and Maintenance responsibilities and liabilities of the six dams of the Martinez Creek Watershed Protection and Flood Prevention Project pursuant to Ordinance No. O-409, passed and approved April 14, 1966; and

WHEREAS, on March 18, 1981, the Texas Water Commission notified the San Antonio River Authority that Dam Site 6A of the Martinez Creek Watershed Project is considered hydraulically inadequate and advised that steps be taken to modify the dam and/or spillway to meet appropriate criteria as established by Commission rules; and

WHEREAS, the Congress of the United States authorized Public Law 106-472, signed by the President on November 28, 2001, which appropriates funds through the United States Department of Agriculture, Natural Resources Conservation Service to assist watershed sponsors with the rehabilitation of aging dams, and

WHEREAS, the San Antonio River Authority endorsed the Calaveras Creek Pilot Dam Project as an important link in the Flood Control Program for the San Antonio River Watershed by unanimously approved motion pursuant to the Board Minutes, September 11, 1953; and

WHEREAS, the San Antonio River Authority established a policy to participate in various Projects and Works of Flood Control and Soil Conservation under the Federal Watershed Protection and Flood Prevention Act known as Public Law 566 pursuant to Resolution No. R-152, passed and approved September 23, 1958; and

WHEREAS, the San Antonio River Authority accepted the Operation and Maintenance responsibilities and liabilities and an undivided one-half interest in the easement rights of the dams of the Calaveras Creek Pilot Watershed Protection and Flood Prevention Project pursuant to Ordinance No. O-283, passed and approved October 23, 1963; and

WHEREAS, on March 25, 1981, the Texas Department of Water Resources (now known as the Texas Commission of Environmental Quality) notified the San Antonio River Authority that Dam Site 6 of the Calaveras Creek Pilot Watershed Project is considered hydraulically

inadequate and advised that steps be taken to modify the structure to meet appropriate criteria as established by Commission rules; and

WHEREAS, the Congress of the United States authorized Public Law 106-472, signed by the President on November 28, 2001, which appropriates funds through the United States Department of Agriculture, Natural Resources Conservation Service to assist watershed sponsors with the rehabilitation of aging dams,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIVER AUTHORITY THAT:

1. The General Manager is authorized to execute and submit to the United States Department of Agriculture, Natural Resources Conservation Service Applications For Federal Assistance (SF-424) for the Rehabilitation of Binz Engelman Dam (Martinez 1 - TX01461), Martinez Creek Dam (Martinez 2 - TX01462), Escondido Creek Dam (Martinez 3 - TX01463) and Parita Creek Dam (Calaveras 10 - TX01452).
2. The General Manager is authorized to make all necessary commitments and incur all obligations, and make all expenditures called for in the application, a true and correct copy of which is attached hereto as Exhibit A and incorporated herein by reference.

PASSED AND APPROVED this the 20<sup>th</sup> day of April, 2011.

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GAYLON J. OEHLKE, Chairman

ATTEST:

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ROBERTO G. RODRÍGUEZ, Secretary



## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding, (“MOU”), is between the City of Universal City, Texas (“Universal City”) and San Antonio River Authority, (“SARA”). The purpose of the MOU is to memorialize the respective obligations of the parties concerning the proposed Agreement for the purchase and financing of Edwards Underground Water Rights between Universal city and SARA, (the “Agreement”).

- Upon mutual agreement by SARA and Universal City, of the obligations contained herein, the parties shall each proceed to request authorization and approval from their respective Board and City Council to consummate the Agreement.
- SARA shall purchase a Water Permit for 77.5 acre feet of Edwards Underground Water currently authorized for withdrawal from the San Antonio Pool. The purchase price of the Water Permit has been established at \$5500.00 per acre foot. Therefore:  $\$5500.00 \times 77.5 = \$426,250.00$  (The purchase price indicated excludes the one-time applicable six (6) per cent fee in the amount of \$25,575.00, due to the Regional Water Resource Development Group (RWRDG) for coordinating the subject water permit transfer, which shall be paid by Universal City to RWRDG.
- SARA’s purchase of the subject Water Permit shall be effectuated with the expressed intent of not revising the “character of purpose” as defined by the Edwards Aquifer Authority (EAA).
- The term for the Agreement shall be three (3) years from the date of execution and shall not exceed the three (3) year term unless Universal City makes written a request to SARA and by mutual agreement of both parties.
- Upon SARA having consummated the purchase of the above mentioned Water Permit for 77.5 acre feet, SARA and Universal City shall execute an Agreement for the purchase and financing of the subject Water Permit of 77.5 acre feet by Universal City from SARA for the amount that SARA purchased the Water Permit.
- Financing terms and conditions for the Agreement between SARA and Universal City shall be the following:
  1. The interest to be imposed on the amount financed by the Agreement shall be five (5) per cent (simple interest) per annum of the outstanding balance with annual accrued interest to be paid by Universal City to SARA on or before each annual anniversary date.
  2. Universal City will make principal payments to SARA in the amounts and frequencies of Universal City’s choosing during the term of the Agreement with all unpaid principal being due at the end of the term of the Agreement.

3. SARA, as Title Holder of the subject Water Permit, shall retain title to the subject Water Permit until such time as Universal City has made full payment to SARA for all outstanding debt due on the Agreement.
  4. In the event Universal City should default on the Agreement, SARA will retain full title to the subject Water Permit with no partial conveyance and/or transfer of the subject Water Permit to be effectuated for any payments previously made by Universal City to SARA.
- During the term of this Agreement, SARA shall make available and lease to Universal City the entire Water Permit allocation of 77.7 acre feet for the annual lease amount of \$1.00.
  - SARA's lease accommodation to Universal City will require a "change of purpose" for the subject Water Permit, and will therefore effectuate a one-time EAA fee in the amount of \$37.00 per acre foot, to be paid by Universal City to EAA.
  - In the event Universal City should default on the Agreement and no extension of the term(s) has been mutually agreed upon, Universal City shall forfeit any and all claim to the subject Water Permit and shall allow SARA upon the expiration of the original three (3) year Agreement term, the right to sell and/or lease the subject Water Permit for 77.5 acre feet at a value of SARA's discretion.

SAN ANTONIO RIVER AUTHORITY

UNIVERSAL CITY

By: \_\_\_\_\_  
 Name, Title

By: \_\_\_\_\_  
 Name, Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_