



Edwards Aquifer Authority

900 E. Quincy
San Antonio, TX 78215
EdwardsAquifer.org

Meeting Minutes - Final

Board of Directors

Tuesday, February 14, 2017

3:00 PM

EAA Board Room

A. Call to Order – Roll Call – Pledge of Allegiance.

Chairman Buckner called the meeting to order at 3:05 p.m.

Present: 7 - Director Rader Gilleland, Treasurer Byron Miller, Director Gary Middleton, Director Carol Patterson, Vice Chair Enrique Valdivia, Director Scott Yanta and Secretary Ben Youngblood

B. Public comment.

There were no citizens who requested to address the board.

C. General Manager's announcements and reports.

C.1

- Staffing Items of Interest (anniversaries, new hires)
- Recent Activities/Events (reports on conferences attended, meetings held, etc.)
- Upcoming Activities/Events (conferences, meetings, etc.)
- Operational Announcements (schedule changes, program updates, etc.)
- Recent Activities of the Edwards Aquifer Habitat Conservation Program
- Recent Legislative Activities
- Aquifer Conditions

Mr. Roland Ruiz, General Manager, made the following announcements:

- *Mr. Matthew Schwarz, Environmental Coordinator, completed five years of service with the EAA.*
- *Dr. Ai Liu, Senior Modeler, completed 10 years of service with the EAA.*
- *Dr. E. Scott Bair would be the EAA's next Distinguished Lecturer on Friday, May 19. Dr. Bair, Professor Emeritus at Ohio State University in Columbus, Ohio, taught courses in earth science, water resources, environmental geology, hydrogeology and field methods and received the Ohio State award for teaching excellence. He was also the NGWA Birdsall-Dreiss Distinguished Lecturer, associated editor of the journal of Ground Water, and has also written numerous papers and the textbook Applied Problems in Groundwater Hydrology.*
- *This year the Board of Directors' Work Session would be held in Fredericksburg, Texas at the Hangar Hotel. Staff would be hosting a full 2-day work session as opposed to the partial, 3-day sessions we have had in the past. The event would be held all day on Friday and Saturday, September 22 & 23. More information would be sent out as the date gets closer.*
- *The annual board dinner has been scheduled for April 27 and more details would follow as they become available.*
- *Included in directors' folders was the EAA's investment report for the fourth quarter ending December 31, 2016. This report was presented to the Finance/Administrative Committee at the last meeting on January 24th. This information was included in accordance with Article IX of the EAA's Bylaws (Investment Policy and Investment Strategy) that calls for this report to be provided to the board.*
- *An updated board directory was included in directors' folders.*
- *The Edwards Aquifer Conservancy board would be participating in a training session the morning of March 6 at 8:30 a.m. Since this training would interfere with the regularly scheduled Executive Committee meeting, next month's meeting would begin at 12:30 p.m.*
- *Staff was working on scheduling tours of the recharge zone and of SAWS' new desal project H2Oaks.*
- *Mr. Geary Schindel, Chief Technical Officer/Director, briefed the board on current aquifer conditions.*

D. Treasurer's Report**D.1**

Receive report from EAA staff on unaudited financial statements for December 2016.

Treasurer Ellis presented the unaudited financial statements for December 2016.

E. Board Reports

F. Consent Agenda

**F.1 Approval of previous board meeting minutes
- Regular Board Meeting - January 10, 2017**

*Approval of previous board meeting minutes
- Regular Board Meeting - January 10, 2017*

F.2 Consider recommendation from the Permits/Enforcement Committee to approve leases of permitted Edwards groundwater rights with Texas by Anderson Family Properties, LP; Weldon Gilleland and wife, Judie M. Gilleland; Houston H. Harte and Carolyn H. Harte, Co-Trustees of the Harte Management Trust; Larry E. Seitz MD Revocable Trust; Gary W. Lochte and wife, Judith Lochte; and Mike H. McCraw and Paula N. McCraw, husband and wife, for the Aquifer Storage and Recovery Project of the San Antonio Water System, in support of the Edwards Aquifer Habitat Conservation Plan, in the total amount of \$2,614,287.48.

Adopt Resolution and Order No. 02-17-867 of the Edwards Aquifer Authority Board of Directors to approve leases of permitted Edwards groundwater rights from the permit holders as listed herein, to the EAA for the Aquifer Storage and Recovery Project of the San Antonio Water System in support of the Edwards Aquifer Habitat Conservation Plan, and authorizing the General Manager to execute the leases.

[Attached and made a part of these minutes.]

- F.3 Consider recommendation from the Permits/Enforcement Committee to approve amended leases of permitted Edwards groundwater rights with Thomas Verstuyft and wife, Betty Verstuyft, Fred Verstuyft etux Nancy Verstuyft and Randy Verstuyft; and Verstuyft Family Farms for the Aquifer Storage and Recovery Project of the San Antonio Water System, in support of the Edwards Aquifer Habitat Conservation Plan, in the total amount of \$223,300.00.**

Adopt Resolution and Order No. 02-17-868 of the Edwards Aquifer Authority Board of Directors to approve amended leases of permitted Edwards groundwater rights from the permit holder as listed therein to the EAA for the Aquifer Storage and Recovery Project of the San Antonio Water System in support of the Edwards Aquifer Habitat Conservation Plan, and authorizing the General Manager to execute the amended leases.

[Attached and made a part of these minutes.]

- F.4 Consider recommendation from the Permits/Enforcement Committee to approve a conversion of base irrigation groundwater owned by Benjamin and Shelia Johnston, based on a change in land use.**

Adopt a Final Order Granting Application to Convert Base Irrigation Groundwater for Initial Regular Permit No. P108-198 based on changes in land use submitted by Benjamin and Shelia Johnston.

[Attached and made a part of these minutes.]

- F.5 Consider recommendation from the Finance/Administrative Committee to approve payment to Kemp Smith for legal services for December 2016.**

Approve payment to Kemp Smith in the amount of \$34,961.00, for legal services for December 2016.

F.6 Consider recommendation from the Finance/Administrative Committee to approve a one-year renewal and extension of a contract with BBVA Compass for central depository services for the period March 1, 2017 through February 28, 2018.

Adopt Resolution and Order No. 02-17-869 of the Edwards Aquifer Authority Board of Directors approving a renewal and extension of a contract between the EAA and BBVA Compass for central depository services for the period March 1, 2017 through February 28, 2018, and authorizing the General Manager to execute the contract.

[Attached and made a part of these minutes.]

A motion was made by Director Laffere, seconded by Director Akers, to approve the consent agenda. The motion passed viva voce. Director Gilleland abstained from the vote on agenda item F.2.

G. Individual Consideration

G.1 Receive report regarding an interlocal cooperation contract with New Braunfels Utilities for the development and use of an aquifer storage and recovery project.

Mr. Ruiz introduced this item to the board, and Mr. Brock Curry, Deputy General Manager, introduced Mr. Doug Draeger, Executive Director of Operations - New Braunfels Utilities.

Mr. Draeger briefed the board regarding an interlocal cooperation contract with NBU for development of an aquifer storage and recovery (ASR) project in the brackish/saline portion of the Edwards Aquifer, from the New Braunfels Utilities (NBU) perspective.

Mr. Mark Hamilton, Executive Director - Aquifer Management Services, briefed the board on the ASR project, specifically with an overview of project monitoring.

Mr. Fred Bloomberg, Arcadis, answered questions from the board.

Ms. Cheryl Gilin, former EAA Director District 8, addressed the board regarding the NBU ASR project, the public hearing in New Braunfels by staff about EAA shifting liability, and addressed the misinformation to the public by NBU regarding feasibility at the site of injection.

H. Staff Reports

I. Closed Session.

The Board of Directors of the Edwards Aquifer Authority may go into a closed session under the authority of the Government Code, Chapter 551, Texas Open Meetings Act, to discuss:

The board did not meet in closed session.

I.1

Closed Session.

1. Consultation with Attorney - Pending Litigation (§ 551.071)

Active Litigation:

League of United Latin Am. Citizens v. Edwards Aquifer Auth. (W.D. Tex. filed June 21, 2012)

In re Jaffe, No. 16-50355 (W.D. Tex. filed Feb. 12, 2016)

Active Litigation - Enforcement:

Edwards Aquifer Auth. v. Barnard (274th Hays Cnty. filed Oct. 6, 2010)

2. Consultation with Attorney - Attorney/Client Privileged Consultations (§ 551.071)
3. Consultation with Attorney - Settlement Offers (§ 551.071)
4. Consultation with Attorney (§ 551.071)
5. Deliberations Regarding Real Property (§ 551.072)
6. Deliberations Regarding Personnel Matters (§ 551.074)

J. Consider recommendation(s) regarding matters discussed in closed session.

The board did not consider any recommendations.

K. Discuss items for future board meeting agendas.

The board did not discuss future board meeting agendas.

L. Adjournment.

There being no further business to discuss, the meeting adjourned at 4:05 p.m.

*Enrique P. Valdivia
Secretary, Board of Directors*

*Jennifer Wong-Esparza
Assistant to Board Secretary*