NEWS

GUADALUPE-BLANCO RIVER AUTHORITY
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Texas Supreme Court supports GBRA Canyon Permit Amendment
Refuses to hear appeal by FOCL

GBRA now able to provide water to area communities including Boerne, Bulverde and Fair Oaks Ranch

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SEGUIN – Guadalupe-Blanco River Authority (GBRA) general manager W. E. "Bill" West, Jr. called yesterday's decision by the Supreme Court of Texas, denying Friends of Canyon Lake (FOCL) a hearing on GBRA's amended water rights permit for Canyon Reservoir, "a very significant victory."

"This decision by the state's highest court means that we can now proceed with the funding and construction of several regional water supply projects that will deliver water to area communities including Boerne and Fair Oaks Ranch in Kendall County, Bulverde and other areas of western Comal County, and the cities of San Marcos, Kyle and Buda in Hays County. This water will also provide a crucial back-up supply for the City of Blanco. They have been waiting for this additional water for several years, all the while incurring expenses and being left in limbo as to their future water resources," said West.

West also emphasized that the permit amendment has been an integral part of the last three State Water Plans and is a key element in Region L's water plan. "The Texas Supreme Court's decision yesterday allows us to start implementing parts of that plan."

The amendment to GBRA's Certificate of Adjudication No. 18-2074 was originally filed in 1997 with the Texas Natural Resource Conservation Commission (now Texas Commission on

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Environmental Quality – TCEQ). It will increase Canyon Reservoir's authorized water deliveries from 50,000 to approximately 90,000 acre-feet per year (ac-ft/year), and was officially approved by TNRCC on August 9, 2001.

Several previous lawsuits by FOCL challenging the permit amendment have been overruled or dismissed. On March 5, 2002 in a pre-trial hearing, Judge Margaret Cooper of the 353rd District Court in Travis County dismissed all issues raised by FOCL, leaving the sole issue to be decided if GBRA properly posted its intention to file the permit amendment request with TNRCC. On March 18, the District Court ruled in GBRA's favor, stating that "FOCL has failed to demonstrate any violation by GBRA of the Open Meetings Act." The Court also authorized GBRA to issue the $75,000,000 in contract revenue bonds that were approved by its Board of Directors on October 17, 2001. A subsequent appeal by FOCL to the Texas Court of Appeals, Third District, also resulted in a ruling in favor of GBRA in October 2002.

Responding to accusations that the permit amendment will severely impact Canyon Reservoir levels and economic development, West referred to the results of an independent economic impact study presented last month to the GBRA Board of Directors and Comal County Commissioners Court. The study, conducted by BBC Research & Consulting of Denver, Colorado, found that net economic benefits from the amended permit, through subordination of downstream hydropower water rights, will average $14 million per year over the next 50 years, as compared to the future without the amendment and subordination.

The study also identified several additional benefits from the permit amendment and subordination, including that lake levels will be higher in the future than they would have been without the amendment, lake recreation activity will be greater, there will be minimal impact on downstream river recreation activity, there will be more business income and jobs in the local area, and more tax revenues for local governments.

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