

# MINUTES

RIO GRANDE REGIONAL WATER AUTHORITY (RGRWA)  
BOARD OF DIRECTORS MEETING  
9:00 A.M. – TUESDAY, JANUARY 16, 2007  
PALM VIEW COMMUNITY CENTER  
3401 JORDAN – MCALLEN, TX

**PRESIDING: JIM DARLING, PRESIDENT**

The Rio Grande Regional Water Authority (RGRWA) Board of Directors held a regular meeting at 9:00 a.m. on Tuesday, January 16, 2007 at the Palm View Community Center in McAllen, Texas. In attendance were:

## Board Members

President: Mr. Jim Darling, Hidalgo County  
Vice President: Ms. Sonia Kaniger  
Secretary -Treasurer: Mr. Joe Barrera  
Mr. Eduardo Guerra, Zapata County  
Mr. Ricardo Gutierrez, Starr County  
Mr. John Bruciak, Cameron County  
Mr. Wayne Halbert  
Ms. Kathleen Reavis  
Mr. Jimmie Steidinger

## Others

Mr. Charlie Rankin, El Morillo Drain  
Mr. Allen Sturdivant, TAMU / TCE  
Mr. Roy Rodriguez, McAllen PUB  
Mr. Charles Browning, NAWSC  
Ms. Nora Lara, McAllen Housing Authority  
Mr. Ed Vela, TCEQ  
Mr. Bill Norris, NRS  
Mr. Ken Jones, LRGVDC  
Ms. Debby Morales, LRGVDC

President Jim Darling called the meeting to order at 9:12 a.m. and announced that a quorum of Board members was present. The President then moved to agenda item 2. – Consider approval of November 30, 2006 Meeting Minutes. ***Mr. Joe Barrera made a motion to accept the minutes as presented. Mr. Ricardo Gutierrez seconded the motion, and upon a vote the motion carried unanimously.***

The President then moved to agenda item 3. – Public Comment. As there were no public comments the President then moved to Agenda item 4. – Report from TCEQ Watermaster. Mr. Ed Vela was recognized and read the statistical report and the Reservoir Levels. Mr. Joe Barrera asked if Mexico had released any water to pay their debt. Mr. Vela stated that Mexico had not made any payments toward that debt. Mr. Vela stated that the salt content of the river had been high during the past two weeks due to pumps that malfunctioned at the El Morillo Drain, and staff had run connectivity tests to document the negative effects on the river when El Morillo Drain was not working properly. TCEQ staff ran 25 cubic meters per second extra to dilute the salt to acceptable levels, but unfortunately a spill of several meters per second resulted from this release.

At the conclusion of item 4. President Darling moved to item 5. – Consider Continuation / Revision of Contract for Professional Services RE: Fernandez Group Inc. Ms. Fernandez was not in attendance; however the President read the costs on this contract; and Mr. Ken Jones stated that this was an increase of \$150 quarterly, or \$50 per month. **Mr. Joe Barrera made a motion to approve the Standard Form of Agreement between the RGRWA and Fernandez Group, Inc. for Professional Services. Mr. Ricardo Gutierrez seconded the motion, and upon a vote the motion carried unanimously.**

The President, with the Board's permission took item 7. – Consider Website Expansion RE: Water Market out of order as it also pertained to the Fernandez Group Inc. Mr. Ken Jones presented to the Board what the Water Market web pages would look like, and stated that the Administrative cost for transactions would be \$1.00 per acre foot up to 250 acre feet and \$0.50 per acre foot thereafter, up to a maximum of \$750.00 for any single transaction. Mr. Wayne Halbert stated that the administrative fee needed to be nominal due to the fact that these transactions were very simple and the majority of transactions were quickly conducted via fax machine from the Irrigation Districts to the Water Master's office. Mr. Halbert stated that this was not a manner in which the RGRWA could gain revenue, but it would be a great way to post water rights availability. President Darling suggested that instead of a transaction fee the Board could charge a posting fee. Mr. Jones suggested that the Water Market Page could be revamped to show postings, list rules of water right sales, post Water Master Office contact information, as well as a brief description of what a Class A and a Class B water right was and present it at the next Board meeting. President Darling suggested that a map of water district boundaries could also be included. At the conclusion of discussion **Mr. Jimmie Steidinger made a motion to table this item. Mr. Ricardo Gutierrez seconded the motion, and upon a vote the motion carried unanimously.**

President Darling then moved back to item 6. – Status Reports.

Regarding item 6.A. – Local Fund Contribution there were no new contributions to report.

Regarding item 6.B. – Financial Report. Mr. Jones detailed the LRGVDC Administrative Expenses that require Board approval. **Mr. Ricardo Gutierrez made a motion to approve LRGVDC's Administrative expenses. Ms. Kathy Reavis seconded the motion, and upon a vote the motion carried unanimously.**

Regarding item 6.C. – Report from Rio Grande Regional Water Planning Group (RGRWPG). Mr. Glenn Jarvis, President of the Region M Board, was unable to attend, but Mr. Jones reported to the Board that the application Region M had submitted to the TWDB to update the next 5 year cycle was scheduled to be reviewed by the Board the following day, but due to inclement weather that meeting had been postponed and the new meeting date had yet to be determined.

Regarding item 6.D. – Report from the First Rio Grande Regional Water Authority Economic Development Corporation (FRGRWAEDC). President Darling informed the Board that the FRGRWAEDC was not scheduled to meet after this Board meeting, but the bonds for the RGV Sugar Growers expansion were scheduled to be ready by January 21<sup>st</sup>. The President mentioned that the Board needed to determine an administrative fee for this transaction and that given the magnitude of the bond (over 25 million) that a fee of approximately \$25,000 would be reasonable.

Regarding item 6.E. – RGRWA Legislation, President Darling informed the Board that December 14, 2006 was the last date for publication of the “Notice of Intent to Introduce a Bill in the Texas Legislature” and the legislation could be introduced as early as the previous day. The President then stated that he had received a current list of the Senate Standing Subcommittees. Senators Hinojosa and Lucio had been reappointed to the Natural Resources Subcommittee and Senator Hinojosa had been reappointed to the Finance Subcommittee.

Action was previously taken on agenda item 7, and the President then moved to item 8. – Committee Reports.

Regarding item 8.A. – Community Outreach was covered under item 5.

Regarding item 8.B. – Finance and Planning, there was nothing new to report

Regarding item 8.C. – Personnel and Professional Services, there was nothing new to report.

Regarding item 8.D. Legislation, sub topic 1. – Senate Bill 3, there was no new information to report on this item.

Regarding item 8.E. – El Morillo Drain. Mr. Charlie Rankin was recognized and distributed a report by Dr. Ronald Lacewell entitled “Expected Economic Benefits of the El Morillo Drain”. Mr. Rankin then turned the floor over to Mr. Allen Sturdivant of Texas A&M Station. Mr. Sturdivant then highlighted various sections of the report.

- Total annual residential and municipal cost for South Texas without the El Morillo Drain was estimated between \$20.1 and \$31.6 million.
- Total annual irrigated agricultural losses occurring without the El Morillo Drain were estimated between \$20.5 and \$76.9 million.
- Annual impact of the El Morillo Drain for South Texas was between \$40.6 and \$108.5 million.

Mr. Rankin informed the Board that Federal dollars were needed to continue maintenance on the El Morillo Drain, but the Lower Rio Grande Water Committee needed to build economic feasibility to demonstrate the momentous impact that The El Morillo Drain had on this region. Mr. Wayne Halbert asked Mr. Sturdivant about the reports’ precision as Mr. Halbert referred to studies such as this one at times when he was called to testify in such matters. Mr. Sturdivant stated that this study was a starting point. President Darling asked if this report would be refined. Mr. Rankin stated that the RGRWA and the Lower Rio Grande Water Committee could suggest specific projects to refine particular parts of this study.

Upon conclusion of presentation and discussion President Darling then moved to item 9. – New or Old Business. There being no New or Old Business to discuss the meeting was adjourned.

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Jim Darling, President, RGRWA

ATTEST:

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Joe Barrera, Secretary-Treasurer, RGRWA