

**RIO GRANDE REGIONAL WATER AUTHORITY (RGRWA)
9:00 A.M. - TUESDAY, JANUARY 17, 2006
MCALLEN MILLER INTERNATIONAL AIRPORT - EAST CONFERENCE ROOM
2500 SOUTH BICENTENNIAL - MCALLEN, TEXAS
PRESIDING: RICARDO GUTIERREZ, PRESIDENT**

The Rio Grande Regional Water Authority (RGRWA) Board of Directors held a regular meeting at 9:00 a.m. on Tuesday, January 17, 2006 in the East Conference Room, McAllen International Airport, McAllen, Texas. In attendance were:

Board Members

President: Mr. Ricardo Gutierrez, Starr Co.
Vice-President: Ms. Sonia Kaniger, San Benito
Secretary-Treasurer: Mr. Joe Barrera, Brownsville
Mr. Jim Darling, McAllen
Mr. Eduardo Guerra, Zapata Co.
Mr. Wayne Halbert, Harlingen
Mrs. Kathleen Reavis, Mission
Mr. Tomas Rodriguez, Webb Co.
Mr. Jimmie Steidinger, Donna
Mr. Bill Card III, Cameron Co.
Mr. Frank Torres, Willacy County
Mr. Glen Wilde, Lyford

Others

Robert R. Flores, TWDB
Bobby Sparks, HCCID #9
Jo Jo White, HCCID #9
Blanca Villalpando, E. Lucio
Linda Fernandez, Fernandez Group Inc.
Harold Seiver, Donna, Irr
Rick Smith, LFID #3
Melissa del Bosque, J. Hinojosa
Senator Juan Hinojosa
Carlos Rubenstein, TCEQ Watermaster
Ken Jones, LRGVDC
Debby Morales, LRGVDC

Board members not in attendance:

All present

President Ricardo Gutierrez, Chairman, called the meeting to order, and asked Mr. Ken Jones to call roll. Upon completion of the roll call, it was ascertained that a quorum of voting members was present. Mr. Jim Darling pointed out that according to the Bylaws his appointment from the Commissioners Court expired a year ago, but that he will still serve until his successor is appointed. Mr. Darling suggested the other county appointed Board Members contact their respective counties regarding reappointment consideration. The Chairman then moved to agenda item 2. - Consider Approval of December 20, 2005 Meeting Minutes. As there were no changes to these minutes, **Ms. Sonia Kaniger made a motion to approve the minutes as presented. Ms. Kathleen Reavis seconded the motion, and upon a vote, the motion passed unanimously.**

The President then moved to agenda item 3. - Discussion and Possible Action RE: Process for Addressing Revisions to Current RGRWA Legislation. Mr. Ken Jones informed the Board that Senator Juan Hinojosa was in transit to the meeting. The Board decided to wait to discuss this item until the senator arrived.

The President moved on to agenda item 4. - Consider Resolution of Support RE: Rio Grande Flood Control System Rehabilitation. Mr. Ken Jones explained that the LRGVDC Board had adopted a resolution identifying the need to improve our Levee Support System based on IBWC report, and provided a draft resolution for the RGRWA for consideration. Then, following discussion, **Mr. Jim Darling made a motion to adopt this resolution. Mr. Jimmie Steidinger seconded the motion, the motion carried unanimously.**

Following adoption of the Resolution of Support for the Rio Grande Flood Control System Rehabilitation, President Gutierrez asked Mr. Ken Jones to address agenda item 5. - Discussion and Possible Action on Code of Ethics Policy. **Mr. Joe Barrera made a motion to adopt the policy. Mr.**

Jim Darling seconded the motion and the motion carried unanimously.

The President then proceeded to agenda item 6. - Discussion and Possible Action RE: Agreement for Professional Services with Fernandez Group, Inc., (tabled at last meeting)

Before discussion could begin, Ms. Sonia Kaniger asked to go back to Code of Ethics, agenda item 5 - stating she recalled there was to be a disclosure clause that was to be added concerning conflict of interest. After discussion it was decided to include the wording, "*Such member of the Board shall disclose nature of the conflict at the time of abstention of subject matter,*" in the first paragraph. Upon discussion, **Mr. Joe Barrera made an amended motion to include discussed wording. Mr. Jimmie Steidinger seconded the motion, and after a vote was taken, the motion carried unanimously.**

The President then went back to agenda item 6. - Discussion and Possible Action RE: Agreement for Professional Services with Fernandez Group, Inc., (tabled at last meeting). **Mr. Jim Darling made a motion to remove item 6 from table. Mr. Joe Barrera seconded the motion and upon a vote, the motion carried unanimously.** Linda Fernandez explained her proposal and at the conclusion of discussion, Mr. Bobby Sparks added that Agenda item 3. - Discussion and Possible Action RE: Process for Addressing Revisions to Current RGRWA Legislation needs to be addressed before fund-raising can be addressed. After further discussion, **Mr. Jim Darling made a motion to table this item until the Legislation was finalized. Mr. Tomas Rodriguez seconded the motion, and upon a vote the motion carried unanimously.**

The President then went back to agenda item 3. - Discussion and Possible Action RE: Process for Addressing Revisions to current RGRWA Legislation. Mr. Paul Cowen stated Senator Eddie Lucio Jr. desired that there be peace in the RGRWA. There was much discussion regarding everyone's desire to have a positive resolve to legislative changes to the current RGRWA. At this time Senator Juan Hinojosa arrived and stated how important water was to the Rio Grande Valley and expressed his confidence in the Authority to work out the legislation issues. At close of discussion, **Ms. Sonia Kaniger made a motion to have the two committees, RGRWA and LRGA, meet again and come up with a compromise on the legislation. Mr. James Steidinger seconded the motion.** Mr. Ken Jones then clarified the committee should consist of: Sonia Kaniger, Tomas Rodriguez, Jim Darling, Wayne Halbert; as well as: Rick Smith, Bobby Sparks, Jo Jo White, and Harold Seiver from the LRGA, as well as representatives from the two senators' offices, and the Water Development Board. Paul Cowen asked that the Committee meet during the first week of February, and to include Senator Zaffirini's office. **Upon a vote the motion carried unanimously. Mr. Jim Darling then made a motion to take item 6 off the table. Mr. Joe Barrera seconded the motion, and upon a vote the motion carried unanimously.** Mr. Jim Darling stated there is a pending motion on item 6 to approve the contract with Fernandez Group. **Ms. Kathleen Reavis made a motion to approve a website agreement with the Fernandez Group.** Upon conclusion of discussion, **Ms. Kathleen Reavis revised her motion to approve website agreement and set up a committee to work with Fernandez Group on the educational forum; Mr. Joe Barrera seconded the motion.** Mr. Ken Jones then clarified that if approved Linda Fernandez would revise her contract for web site services and bring it back for consideration at the February meeting. **Upon a vote the motion carried unanimously.** The President asked for four volunteers for the committee to work with Fernandez Group Inc. on the fund raising forum, Mr. Ken Jones suggested the Financial Planning committee members: Bill Card III, Eduardo Guerra, Kathleen Reavis, Tomas Rodriguez, Frank Torres, and Glen Wilde.

Regarding agenda item 7. - Discussion and Possible Action RE: Development of 5, 10, and 15-Year Water Capital Improvement Plans, and Determination of Formula to Solicit Local Matching Funds Prior to Submission of Application to TWDB, (tabled at December meeting). Mr. Jones informed the Board that Mr. Bill Norris, NRS Consulting Engineers, Inc., was unable to attend due to jury duty.

Jimmie Steidinger made a motion to leave this item on the table. Ms. Kathleen Reavis seconded the motion, and upon a vote the motion carried unanimously.

President Gutierrez then asked Mr. Ken Jones to address agenda item 8 - Status Reports. Item.8. A. - Local Fund Contributions. Mr. Ken Jones reported that the \$6,000 from the City of McAllen is still in the account and that President Gutierrez had signed letters for Local Contribution Requests to local governments based on a \$25,000 budget. He added that additional letters requesting funds were sent to Chambers of Commerce (\$250 each) and Economic Development Corporations (\$500 each). Mr. Jones stated he would keep the authority apprised on the responses at each of the Authority's monthly meetings.

With regard to agenda item 8. B. - Financial Report, Mr. Jones informed the Board that expenditures were less than \$5.00, and would have an update at the next meeting. Mr. Jones then asked Secretary-Treasurer, Mr. Joe Barrera if he had anything additional to report. Mr. Barrera stated he had received a renewal reminder for bonds for the LRGVDC from Smith-Reagan Insurance Agency. He reported that he informed Smith Reagan that the bonds would not be renewed as the LRGVDC is now dissolved; this is a "no action item". He also submitted a bill for -\$2.00 from the County Clerk and asked that the address be changed to go to the office of the LRGVDC. Staff acknowledged that this will be taken care of.

With regard to item 8. C. - Report from Rio Grande Regional Water Planning Group, Mr. Robert Flores reported that the Regional Water Plan had been submitted on schedule and he anticipated it would be taken before the Texas Water Development Board in March.

With regard to item 10.A. - Reservoir Levels, Mr. Carlos Rubenstein reported that there should be enough water for this year and next. Water was moved from Amistad to Falcon to prevent Amistad from getting full and the surplus going to Mexico. He also stated that written reports on the reservoir levels were in the folders.

With regard to item 8.D. - Correspondence: Mr. Ken Jones pointed out copies of invitations to Senators Hinojosa and Lucio as well as a letter to David Mendez at Bickerstaff, Heath, Pollan & Caroom, L.L.P regarding Statements for Professional Services were in the folders for information purposes.

Mr. Jim Darling then acknowledged that this was the last meeting President Ricardo Gutierrez would preside over as President as his term ends in January. Mr. Darling thanked President Gutierrez for his service. President Gutierrez thanked the Board and expressed his wish to continue with the work they had started.

Item 9.A. - Committee Reports, Community Outreach: President Gutierrez announced that Texas Water Day in Washington is going to be on March 15th and 16th and that it would be at the Members own expense if Members decided to attend. Mr. Wayne Halbert encouraged the Board Members to attend and to encourage elected officials and others to go to the Texas Water Day. Mr. Carlos Rubenstein encouraged the Board to remind folks that all is not well with the Valley's water situation, even though we have enough for the next couple of years we could be entering a La Niña or drought period.

There being no further business, President Ricardo Gutierrez then adjourned the meeting.

Ricardo Gutierrez, President, RGRWA
ATTEST: Joe Barrera, Secretary-Treasurer, RGRWA