

MINUTES

RIO GRANDE REGIONAL WATER AUTHORITY (RGRWA)
12:00 P.M. – THURSDAY, NOVEMBER 30, 2006
QUINTA MAZATLAN WORLD BIRDING CENTER
600 SUNSET AVE. – MCALLEN, TX

PRESIDING: JIM DARLING, PRESIDENT

The Rio Grande Regional Water Authority (RGRWA) Board of Directors held a regular meeting at 12:00 p.m. on Thursday, November 30, 2006 at the Quinta Mazatlan World Birding 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. Tomas Rodriguez, Webb County
Mr. John Bruciak, Cameron County
Mr. Wayne Halbert
Ms. Kathleen Reavis
Mr. Jimmie Steidinger
Mr. Glenn Wilde

Others

Mr. Chris Anzaldua, USIBWC
Mr. Charlie Rankin, El Morillo Drain
Mr. Joe Coulter, LRG Water Comm. Inc.
Ms. Linda Fernandez, Fernandez Group, Inc.
Mr. Carlos Rubinstein, TCEQ
Mr. Ed Vela, TCEQ
Mr. Joey Mejia, TCEQ
Ms. Blanca Villalpando, Senator Eddie Lucio
Mr. Allen Shields, FRGRWAEDC
Mr. Charles Browning, NAWSC
Mr. Bill Norris, NRS
Mr. Jake White, NRS
Mr. Ken Jones, LRGVDC
Ms. Debby Morales, LRGVDC

President Jim Darling called the meeting to order and announced that a quorum of Board members was present. The President then moved to agenda item 2. – Consider approval of October 17, 2006 Meeting Minutes. ***Mr. Jimmie Steidinger noted a grammatical error on page one then made a motion to accept the minutes with the correction. 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. – Discussion and possible action RE: RGRWA Legislation. President Darling informed the Board that the Legislative Committee had a phone-conference with Mr. Ian Randolph of Senator Lucio's office regarding the legislative changes and the President received a draft of the changes the previous day, which he distributed to the Board members. President Darling stated that he had compared the draft with the summary of changes the Board created at the August Board meeting and was satisfied with the results. The President stated that the focal point of the appointments would be the

Conference, which was key to this legislation being successful relating to the stakeholders. The President suggested scheduling a conference of the stakeholders to create a list of nominees to send to the governor. The President then went over the details of the changes and stated that after lengthy negotiations with the senators' offices, the changes the Board agreed upon were put into this draft. President Darling stated that drainage was left out because of two issues: the international aspects of the El Morillo Drain were very complex, but could be amended at a later date, and the RGRWA assuming drainage authority was not wise due to county jurisdictional issues. The President stated that Ms. Melissa Del Bosque of Senator Hinojosa's office would provide information to get notice of the legislative changes published in newspapers in the six counties the RGRWA represented during the next week. **Mr. Ricardo Gutierrez made a motion to approve moving forward with the posting of this draft legislation. Mr. Jimmie Steidinger seconded the motion, and upon a vote the motion carried unanimously.**

Upon conclusion of discussion and action on item 4, President Darling moved to item 5. – Report from TCEQ Watermaster. Mr. Carlos Rubinstein was recognized. Mr. Rubinstein read the reservoir status report then informed the Board that he recently discussed the improvements to El Morillo Drain with Mr. Ken Rakestraw, IBWC. Mr. Rubinstein stated that he agreed with the IBWC's proposed improvements, but was concerned about the proposed time frame (January through April) for the construction to take place. The drain would not be operational during construction, which would increase the salinity of the river too much for irrigation purposes. Mr. Rubinstein stated that Mr. Rakestraw agreed to discuss a later timeline for the improvements to take place with the Mexican IBWC representatives. At the conclusion of the Watermaster report President Darling announced to the Board that he had received a letter from Carlos Marin, IBWC. The President read the letter to the Board, the gist of which was that on November 29th Mr. Marin had been appointed as the official U.S. Commissioner for the U.S. Section of the International Boundary and Water Commission (IBWC). Mr. Marin had been "Acting" Commissioner for some time now, and the Board was pleased at his long awaited appointment. Mr. Rubinstein stated that he and Mr. Marin were planning on holding a formal meeting with Mexico in January 2007. The President then read a thank you letter to the Board from Dr. John Goolsby, USDA for the Board's contribution to his *Arundo donax* research project.

President Darling then moved 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, and the Fernandez Group Expenses that require Board approval. **Mr. Ricardo Gutierrez made a motion to approve LRGVDC and Fernandez Group expenses. Mr. Joe Barrera 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, Region M Chairman, was recognized and reported that as of November 14, 2006 the TWDB had approved the Group's water plan, and it was available on their website. Mr. Jarvis stated that the Group was waiting for the TWDB's decision regarding funding the six projects the Group hoped to undertake in 2007 and anticipated an answer in January. Mr. Jarvis also informed the Board that he had received a meeting notice from the Red Sands Groundwater District regarding a public meeting on December 5, 2006 for their

Water Management Plan, and that state statute required Groundwater Districts to coordinate their water plan through the regional planning group.

Regarding item 6.D. – Report from the First Rio Grande Regional Water Authority Economic Development Corporation (FRGRWAEDC). President Darling introduced the FRGRWAEDC's newest Board member, Mr. Allen Shields to the Board. President Darling then informed the Board that the RGV Sugar Mill's \$27MM Bond issue should be finalized in December. The President also announced that he had sent out letters to all the commissioners' courts to inform them the FRGRWAEDC's existence for other bond opportunities.

Upon conclusion of the Status Reports, the President moved to item 7. – Committee Reports. The President asked the Board's permission to get an update on the Joint Committee on the Water Rights Conversion Bill. Mr. Wayne Halbert stated that the Committee had been meeting for the past eighteen months and working on legislation that would provide for the conversion of agricultural water to municipal water as properties were subdivided within the irrigation districts. This strategy would outline the process of converting agricultural water for public water supply entities within the district boundaries, within the Rio Grande Valley, then outside the Valley along the Rio Grande from Amistad Reservoir down the river. Mr. Halbert was hopeful that they have had their last session as most of the details had been worked out. The committee was waiting on approval of the final language, and was ready to post for the early posting for the 80th legislation on summary issue, then will be ready to file the legislation when the time comes.

Regarding item 7.A. – Community Outreach, subtopic 7.A.1. – Website, Mr. Jones stated that there was nothing new to report at this time. Regarding item 7.A.1.a. – Water Market, Ms. Linda Fernandez, Fernandez Group, Inc. was recognized and stated that the Water Market web page had been revamped from the previous LRGA website, but had not received Board authorization to become active. Ms. Fernandez then summarized the procedure to buy and sell water rights via this website. Mr. Wayne Halbert asked what needed to be done to authorize the Water market webpage. Mr. Joe Barrera stated that the Board had decided to wait until the legislation had been finalized, and suggested that now may be the time to authorize it. Ms. Fernandez stated that this would be a revenue generating mechanism as the RGRWA would charge a fee for each transaction. Mr. Jones suggested this be more thoroughly reviewed at the next Board meeting .

Regarding - 7.A.2. Educational Forum & Fund Raiser – that event was scheduled to happen the same afternoon.

Regarding item 7.B. Finance and Planning, Item 7.C. – Personnel and Professional Services, there was nothing new to report.

Regarding item 7.D. Legislation, sub topic 1. – Senate Bill 3 – Mr. Wayne Halbert reported that all the hearings for Senate Bill 3 had been completed, and he expected that the same type of legislation from the past would be refined in some degree from the debates of the last session and the inner hearings and be included in this legislation. Mr. Halbert was not certain how this would affect the Rio Grande Valley due to the many international water issues this area faced. Mr. Halbert explained that what happened many times in the past was that the Rio Grande Valley had been exempted from certain aspects of the legislation that would create international conflicts, and that possibly could happen this time. President Darling suggested that at the next meeting the Board discuss where it stands as an authority regarding Senate Bill 3 to better prepare Board Members who wished to attend hearings.

Regarding item 7.E. – El Morillo Drain, Dr. Joe Coulter was recognized and informed the Board that the Lower Rio Grande Water Committee (LRGWC) was scheduled to meet on December 13th to decide on a design for a tribute that would recognize the efforts of the nine men who were founders of the El Morillo Drain. The Committee would like the tribute to be a plaque that would hang on the wall of the Old Hidalgo Pumphouse in Hidalgo, Texas. President Darling stated that authority over the El Morillo Drain was not included in this new legislation due to previous political concerns, and that the legislature required a letter of recommendation from the LRGWC before it could be included in the RGRWA legislation. Dr. Coulter stated that once the legislation was finalized discussions could be opened on this topic, and that the LRGWC had a contract with the IBWC, but it was his understanding that the process of transferring the contract to the RGRWA would not be difficult.

President Darling then moved to item 8. – New or Old Business. The President stated that because this meeting was at the end of November that the Board did not need to meet in December. It was the consensus of the Board that the next meeting would be held on Tuesday, January 16, 2007 at 9:00 a.m. at the Palmview Community Center.

Upon conclusion of discussion, the meeting was adjourned.

Jim Darling, President, RGRWA

ATTEST:

Joe Barrera, Secretary-Treasurer, RGRWA