



**LOWER RIO GRANDE AUTHORITY (LRGA) MEETING
THURSDAY, AUGUST 7, 2003 - 9:00 A.M.
Rio Red Classroom - Texas A&M Citrus Center
312 North International Blvd.
Weslaco, Texas**

Presiding: Tito Nieto, Vice-President

Chairman Tito Nieto, Vice-President, called the meeting to order. It was announced that there was a quorum present. A copy of the roll call sheet is attached to these minutes for reference.

The Chairman then moved to agenda item 2. - Consider Approval of Meeting Minutes of July 3, 2003. Following discussion, ***Mr. Jimmie Steidinger made a motion to approve them with the addition of Mr. Gordon Hill's name to the list of those present. Mr. Gordon Hill seconded the motion, and upon a vote, the motion passed unanimously.*** That change has been recorded in the Minutes of July 3, 2003.

Chairman Nieto moved to agenda item 3. - Financial Report, and asked Mr. Joe Barrera, Secretary-Treasurer, to report. Mr. Barrera reported that there was currently \$45,262.32 in the LRG Account. Following Mr. Barrera's report, ***Ms. Sonia Kaniger made a motion to approve the report. Mr. Jimmie Steidinger seconded the motion, and upon a vote, the motion carried unanimously.***

The Chairman then proceeded to agenda item 4. - Report from TCEQ Watermaster, and asked Mr. Ken Jones to report. Mr. Jones informed the Board that Mr. Rubinstein sent his apologies for being out of the region and unable to attend the meeting. Mr. Jones added that the latest reservoir levels report and a communiqué from Mr. Carlos Rubinstein, Regional Director, TCEQ, were in the binders. Some of the issues reported on in Mr. Rubinstein's were: 1) the recent rains and inflows from Claudette should allow the Watermaster's Office to make an allocation to irrigation accounts in excess of 110,000 acre-feet (estimate) by mid-August; 2) the TCEQ is continuing its work on migrating to a new water accounting program that will allow them to not only provide the current services for each of the accounts as presently done, but to also have in electronic data the history of each water right ownership transaction and conversion for not only TCEQ's benefit, but for those who will be looking at actual water right purchases in the future; 3) Mr. Rubinstein's office looks forward to continuing to assist the authority in its endeavor to determine the method by which the authority could host a water market to facilitate water purchases and sales; and 4) Mr. Rubinstein assured the LRG that he would continue to provide the same level of services to water right holders they have come to expect from this TCEQ program in his new capacity as TCEQ Regional Director.

At the conclusion of Mr. Jones' summarization of the Watermaster's report, Chairman Nieto proceeded to agenda items 5.A. - Legislative Update, and 5.B. - Treaty Update, and asked for a report. Mr. Gordon Hill, Mr. Jimmie Steidinger, and Mr. Jo Jo White reported that they

had met with Lieutenant Governor David Dewhurst's staff and others. Mr. White stated that the group had asked for more support from elected officials regarding the Rio Grande Valley's water situation. Mr. Hill stated that Mr. Buddy Garcia, Texas Governor's Office, and a staff member from Senator Armbrister's office attended this same meeting. Discussion then occurred regarding the possibility of a new IBWC Commissioner being appointed. Following discussion, **Mr. Jimmie Steidinger made a motion to develop a resolution in support of the appointment of the nominee for IBWC Commissioner as long as the nominee is acceptable to this group, and to authorize the Executive Committee to take action on this item, and have the LRGA President sign the resolution. Mr. Gordon Hill seconded the motion, and upon a vote, the motion carried unanimously.**

Following this action, the Chairman moved to agenda item 5.C. - Regional Water Planning Committee, and again recognized Mr. Jones. Mr. Jones reported that the Planning Committee was scheduled to meet today at noon at the Palm Aire Best Western Hotel. He invited the LRGA members to attend and provided a briefing on the agenda items to be discussed.

There being no questions, the Chairman then proceeded to agenda item 5.D. - Bylaws, and asked Mr. Jones for a report. Mr. Jones reminded the group that a Bylaws Committee had been appointed at the previous LRGA meeting, and that this committee would try to meet and draft bylaws for presentation at a future meeting.

At the conclusion of discussion regarding the bylaws, Chairman Nieto moved to agenda item 6. - Consider Authorization to Issue Request for Qualifications (RFQ) for Legal Services, and recognized Mr. Jones. Mr. Jones informed the members that at the last meeting the members had indicated interest in this item. A draft RFQ packet was provided by staff to Authority members for review. Following discussion, **Mr. Gordon Hill made a motion to approve the draft RFQ and to advertise for legal services one time (on a Sunday) in all three Valley newspapers, and to mail out the RFQ to a list (to be provided by various LRGA members). Mr. Jimmy Steidinger seconded the motion, and upon a vote, the motion passed unanimously.** It was agreed that the Legal Committee would review the responses to the RFQ and bring back a recommendation at a future LRGA meeting.

Following action on the RFQ for Legal Services, Chairman Nieto moved to agenda item 7.A. 1. - Consider Approval of Resolution of Support for Brownsville Public Utilities Board Off-Channel Storage Project, and recognized Mr. Mike Myers, NRS Consulting Engineers. Mr. Myers stated that a copy of this resolution was in the binders, and asked for its approval. Following discussion, **Mr. Paul Heller made a motion to approve the resolution in support of the Brownsville PUB project, with the third paragraph from the top deleted, and with the addition of the phrase "that does not adversely impact upstream users" to the last paragraph after the word Reservoir, Mr. Jimmie Steidinger seconded the motion, and upon a vote, the motion carried unanimously.**

Mr. Myers then asked for approval of agenda item 7.A.2. - Resolution of Support for Willacy County Regional Brackish Groundwater Desalination Project. Following his request and discussion, **Mr. Jo Jo White made a motion to approve the Wilacy County Support Resolution. Mr. Gordon Hill seconded the motion, and upon a vote, the motion passed unanimously.**

Chairman Nieto then proceeded to agenda item 7.B. - Master Plan Implementation, and asked Mr. Myers to report. A written report on the Draft Scope of Work was distributed to the members, and during discussion, Mr. Gordon Hill suggested that there should be a differentiation among projects done by Region M, the LRGAs, and Texas A&M. It was agreed that NRS Consulting Engineers would continue to refine the plan, including costs, and report at future meetings of the LRGAs.

At the conclusion of Mr. Myers' report and discussion on Master Plan Implementation, the Chairman moved to agenda item 7.C. - Summit on Water Supply Issues in the Lower Rio Grande Valley, and asked Ms. Linda Fernandez, Fernandez Group, Inc., for a report. Ms. Fernandez informed the members that the Summit was now tentatively scheduled for one day in mid-February at the Harlingen Marine Military Academy. She added that the budget for this function was estimated between \$45,000 to \$50,000, and approximately \$18,000 had been pledged from an entity to help fund it. However, more funds from sponsors were needed to finalize the Summit preparations. During discussion, it was mentioned that it is planned to involve several sectors in this dialogue, including cities, such as Brownsville, Harlingen and McAllen in addition to Irrigation Districts and Texas A&M Agricultural Extension Service representatives.

Following discussion, it was agreed to present agenda item 7.D. under agenda item 9. However, Ms. Fernandez stated that other information should be added to the website, such as the Watermaster reservoir level reports and approved minutes of LRGAs meetings.

Following discussion on the website, Chairman Nieto proceeded to agenda item 8. -Consider Approval of Contract for Services RE: Public Information Including Website Maintenance, and recognized Mr. Jones. Mr. Jones informed the Board that there was a draft contract included in their binders, and added that additions not been previously approved were a \$60.00 per hour "for other communications services explicitly authorized by the Authority," and authorized travel expenses. Mr. Jones added that the contract specifically noted that prior to authorization of "other communications services," consultant shall submit a written estimate of projected fees and services for consideration by the LRGAs. Following Mr. Jones' explanation of the contract, and discussion, ***a motion was made by Mr. Paul Heller to approve this contract with the Fernandez Group, and to authorize the LRGAs President to sign it. Ms. Sonia Kaniger seconded the motion, and upon a vote, the motion carried unanimously.***

Following action on the Fernandez contract, the Chairman moved to agenda item 9. - Consider Approval of Water Market Procedure, and asked Mr. Jones to report. Mr. Jones explained that the first page of the information packet on this item listed the ten steps of the procedures to buy and sell water, and that the Irrigation District Managers Association had endorsed the concept of this water market. He added for consideration a proposed 10% administrative fee which would be retained by the LRGAs. Discussion occurred regarding a minimum charge regardless of the quantity of water transferred in a transaction, and different charges for LRGAs members and non-members. There was concern that the final administrative fees should not adversely affect cost to growers. It was suggested that the final procedure be tested for a 90-day period and brought back to the LRGAs Board for review. Action was deferred on this item until the concept and administrative fee could be studied

further, and it was the consensus of the members that an updated report be presented at the next LRGA meeting.

Following discussion on the water market, Ms. Fernandez presented agenda item 7.D. - Demonstration of Website Water Market Procedures. She added that the transaction would have to be approved by TCEQ, which would assign a Certificate of Adjudication Number to the Seller at the time of the transaction. Ms. Fernandez requested permission to continue development of the website, and following discussion, **Ms. Sonia Kaniger made a motion to approve continued development of the website with a \$900 cap on cost. Mr. Joe Barrera seconded the motion, and upon a vote, the motion carried unanimously.**

At the conclusion of Ms. Fernandez' presentation on the website, the Chairman moved to agenda item 10. - Discuss and Act on Future Meeting Dates and Locations. Following discussion, **it was the consensus of the group to schedule its next meeting for 9:00 a.m. on September 4, 2003 at this same location (the Rio Red Classroom, Texas A&M Citrus Center, Weslaco).**

Following discussion on future meetings, Mr. Jones reported that agenda item 11.A. - Correspondence RE: Action Taken at June Meeting consisted of written copies of this correspondence were included in the binders, and no action was required.

There being no further business to be discussed, Chairmen Nieto adjourned the meeting.

Tito Nieto, Vice-President

Joe Barrera, Secretary-Treasurer