

MINUTES OF THE REGULAR MEETING
of the
REGIONAL WATER PLANNING GROUP “I”
Wednesday, February 26, 2014 – 10:00 a.m.
Nacogdoches Recreation Center
1112 North Street, Nacogdoches, Texas

1. Call to Order – Kelley Holcomb, Chair called the meeting to order at 10:03 a.m.
2. Invocation & Pledge of Allegiance – Chris Davis gave the invocation and led the group in the Pledge of Allegiance.

Chair Holcomb recognized Ray Wilson from State Representative Chris Paddie’s office, as well as TWDB Director Bech Bruun and his Chief of Staff Lauren Graber.

3. Roll Call and Determination of Quorum –The roll was called by Lila Fuller and a quorum was determined as follows:

Voting Members Present (17 of 24)

Kelley Holcomb
David Alders
David Brock
Jerry Clark
Josh David
Chris Davis
Mark Dunn
Scott Hall
Mike Harbordt
William Heugel
Joseph Holcomb
Bill Kimbrough
John Martin
Dale R. Peddy
Monty Shank
Worth Whitehead
J. Leon Young

Voting Members Absent (4)

Leah Adams
Jeff Branick
Bill Kimbrough
Darla Smith

Voting Member Vacancies (3)

Proxies:

Scott Hall for Jeff Branick
Bill Heugel for Darla Smith

Non-Voting Members Present:

Connie Standridge – Region C

Governmental Reporting Agencies Present:

Bech Bruun – Texas Water Development Board
Lauren Graber, Texas Water Development Board
Temple McKinnon, Texas Water Development Board
Terry D. Stelly, Texas Department of Wildlife – CF
Michelle Spodnik, Texas Department of Agriculture

Other Guests Present:

Lila Fuller, City of Nacogdoches
Stacy Corley, City of Nacogdoches
Rex Hunt, Alan Plummer Associates, Inc.
Simone Kiel – Freese and Nichols, Inc.
Clay Evers – Freese and Nichols, Inc.
Mary S. Vann – SRA-Tx
Jim Brown – SRA-Tx
Ann Galassi – SRF-Tx
Jess Landreneau, Panola County GCD
Ray Wilson – Rep Chris Paddie’s office
Charlie Luse – Etoile Water Supply
Ron Morton – Etoile Water Supply
Rick Hanning – Luminant
Gregg Lewis – City of Elkhart
Steve Bartlett – City of Nacogdoches
Bill Goodrum – ForeStar Group

4. Receive comments from Mr. Bech Bruun, Director, Texas Water Development Board.

Director Bruun recognized the importance of board service and thanked the Region I board members. He briefly reviewed HB 4 and the work being done and spoke of the 2 billion dollars in SWIFT Funding opportunities in 2015 and referenced the SWIFT website for more information.

He stated the draft rules should be complete by June, and the process complete by the end of the year. He further stated Kathleen Jackson of Beaumont was the newest member to the TWDB Board of Directors effective March 18.

Region I member Leon Young stated SB1 was enacted to get more input from Regions, but it seemed that more and more decisions were being made in Austin and decisions at the regional level decreased.

Director Bruun commented that Legislature dictates to the Board, but the Board believes in the planning process and the regional input is important in the process.

5. Consideration and approval of the minutes of the August 8, 2013, meeting.

Worth Whitehead moved to approve the minutes as presented. Motion seconded by Scott Hall and unanimously passed.

Chair Holcomb moved to Agenda Item no. 12 at this time.

12. Educational Presentation: Presentation on HB 4, 2011 Regional Water Plan Prioritization.

Kelley Holcomb, Rex Hunt and Simone Kiel gave a presentation on the HB4 Water Management Strategy Prioritization Process and Challenges.

(A copy of the PowerPoint presentation can be obtained from the Administrator)

6. Report from City of Nacogdoches – Lila Fuller.

No report.

7. Reports of adjoining regions activity (only as needed):

- A. Region C – Michael Harbordt commented that Region C was doing the same as Region I. A work session was scheduled for March 31.
- B. Region D - Worth Whitehead stated Region D was asking to change the rules to give rural entities more opportunities to receive funding.
- C. Region H – Scott Hall reported Region H was at about the same place in their regional planning as Region I, with their consultants doing the initial prioritization.

8. Reports from Standing Committees (only as needed):

- A. **Executive Committee** – No report.
- B. **Finance Committee** – No report.
- C. **Bylaws Committee** – No report.
- D. **Technical Committee** – No report.
- E. **Nominations Committee** – Monty Shank, chair of the Nominations Committee stated a committee recommendation would be presented under Item 15.

9. Reports from other State agencies:

- A. Texas Department of Parks and Wildlife – Terry Stelly reported the Sabine fared well during freezing temperatures, with flounders being better in the next year or two.
- B. Texas Department of Agriculture. – Michelle Spodnik stated Bill Hoppe had retired and for now she would be the TDA representative. She stated she was headquartered in Madisonville, but served the east Texas area. Michelle said she would keep the Planning Group apprised of any issues that may affect them and grant funding that might become available.

10. Report from Texas Water Development Board staff:

- A. **Update on 2016 Regional Water Planning process.**

Temple McKinnon stated the next stakeholder meeting was scheduled for March 6. She referred members to the TWDB website, which contained quite a bit of information regarding the 2016 Regional Planning process.

She briefly explained the re-organization of the Texas Water Development Board, stating that she and Lann Bookout would share duties as liaison for Region I.

11. Report from consultant team – Rex Hunt/Alan Plummer Associates, Inc.

- A. Review of schedule (remainder of 2014)

Rex Hunt reviewed the schedule for the remainder of the calendar year.

12. **Educational presentation** – Presentation on HB 4 Water Management Strategy Prioritization Process and Challenges

Kelley Holcomb, Simone Kiel and Rex Hunt provided information on HB 4 prioritization process, to include statutory provisions, the role of the Stakeholder Committee, implementation schedule and implications to Region I.

Kelley Holcomb provided background information and the basis for the prioritization process. He reviewed questions from the Stakeholder Committee and the implementation schedule. Holcomb stated the Stakeholders Committee felt strongly about not straining the planning process.

Rex Hunt explained the basic approach to be followed by the consultant team, reviewing the TWDB spreadsheet refined by Freese Nichols to add macros to pull the data down easier.

Simone Kiel reviewed the draft methodology in the process and walked through an example project. She stated the consulting team needed to document decisions and challenges throughout the process to defend assumptions.

Questions were answered by the planning group. Bill Goodrum, VP of Water Resources with Forestar asked what the thought process was behind making the unit cost of the water carry the lowest weighted criteria.

(A copy of the PowerPoint presentation can be obtained from the Administrator)

Chair Holcomb recessed the meeting for lunch at 11:45 a.m.

Chris Davis left at this time.

Chair Holcomb reconvened the meeting at 12:18 p.m.

13. **Public comment** – None.

14. **Unfinished business:**

A. Consideration and Approval of a Recommendation from the Nominations Committee concerning Interest Categories.

Monty Shank, chair of the nominations committee, reviewed the recommendation from the last meeting to maintain membership at 22 rather than 24. He stated the nominations committee recommended the following re-organization of member interest categories:

Kelley Holcomb from Water Utilities to River Authority
Josh David from Other to Agriculture
Bill Kimbrough from Other to Public
Eliminate one Public and one Other category

Shank stated in speaking with David Alders, chair of the Bylaws committee, there would be no conflict with the Bylaws if this change was made.

Monty Shank moved to approve the membership interest categories as presented. The motion was seconded by Michael Harbordt and unanimously passed.

15. New Business:

A. Consideration and Approval of Task D Scope of Work.

Rex Hunt reviewed three criteria covered by a proposed resolution regarding the Task 4D Scope of Work. He explained each scope of work in the following categories:

1. Surface water resource strategies evaluations.
2. Groundwater resource strategies evaluations.
3. Water conservation and drought management strategies evaluations
4. General water management strategies evaluations addressing all types of strategies.
5. Database management and report preparation.

Scott Hall moved to approve the Scope of Work for Task 4D as presented. The motion was seconded by Michael Harbordt and unanimously passed.

(A copy of Technical Memo on the Scope of Work for Task 4D Water Management Strategy Evaluations can be obtained from the Administrator)

B. Consideration and Approval of a Resolution authorizing:

1. **a Contract Amendment for the incorporation of Task 4D Scope of Work between the City of Nacogdoches and Texas Water Development Board; and between the City of Nacogdoches and Alan Plummer Associates, Inc.;**
2. **a Contract Amendment for the incorporation of Water Management Strategies Prioritization Scope of Work and Budget between the City of Nacogdoches and Texas Water Development Board; and between the City of Nacogdoches and Alan Plummer Associates, Inc.;**
3. **Submittal of a request to the TWDB for release of the additional funds in the contract for Task 4D; and issuance of a Notice to Proceed.**

Rex Hunt reviewed the resolution which authorized the City of Nacogdoches to amend the contract with TWDB and Alan Plummer Associates, Inc. to cover the Task 4D prioritization scope of work, water management strategies and budget; as well as request TWDB to release additional funds in the contract for the Task 4D work and issue a Notice to Proceed.

Leon Young moved to approve the Resolution as presented. The motion was seconded by Mark Dunn and passed unanimously.

C. Consideration and approval of the 2014 Executive Committee appointments.

Monty Shank, chair of the nominations committee, stated the committee was recommending no changes to the Executive Committee, with the following being re-appointed:

Chair – Kelley Holcomb
1st Vice Chair – Worth Whitehead
2nd Vice Chair – Dr. Mike Harbordt
Secretary – Jerry Clark

Assistant Secretary – David Brock
At-Large – Dr. Leon Young
At-Large – David Alders

D. Committee Appointments for Nominations, By-laws, Technical and Finance Committee

Chair Holcomb made the following committee appointments:

ETRWPG COMMITTEES-2014

NOMINATIONS COMMITTEE

Chairman: Monty Shank
Josh David
Mark Dunn
Chris Davis
Ex-Officio: Kelley Holcomb

BY-LAWS COMMITTEE

Chairman: David Alders
Bill Kimbrough
Worth Whitehead
Dale Peddy
Leah Adams

FINANCE COMMITTEE

Chairman: Darla Smith
William Heugel
John Martin
David Brock
Greg Morgan

TECHNICAL COMMITTEE

Chairman: Dr. Michael Harbordt
Dr. Leon Young
Monty Shank
Scott Hall
Joseph Holcomb
Jerry Clark

16. **Chairman's Report – Kelley Holcomb.** Chair Holcomb reviewed the result of the Regional Chairs Conference calls which centered on discussion regarding the prioritization plan from TWDB and HB 4.

17. **General Discussion** – Chair Holcomb stated the next meeting would be held prior to May 31 in order to meet required submission deadlines for 2011 RWP project prioritizations.

Michael Harbordt thanked Kelley, Simone and Rex for their hard work on their presentations. He also asked that if any member were uncomfortable with not having a meeting prior to May 31, then he asked that they voice that.

18. **Adjourn** – Monty Shank moved to adjourn. The motion was seconded by Leon Young and the meeting was adjourned at 1:00 p.m.

APPROVED THIS 21st day of May, 2014

Kelley Holcomb, Chair
ETRWPG – Region I

ATTEST:

Jerry Clark, Secretary

Minutes approved: May 21, 2014



7. REPORTS FROM STANDING COMMITTEES

7-B. Finance Committee

Darla Smith – Finance Committee Chair

10:44 AM
 05/05/14
 Cash Basis

East Texas Regional Water Planning Group Profit & Loss Budget Performance September 2013 through April 2014

	Sep '13 - Apr 14	Budget	Sep '13 - Apr 14
Ordinary Income/Expense			
Income			
45000 · Investments			
45030 · Interest-Savings, Short-term CD	201.32		201.32
Total 45000 · Investments	201.32		201.32
47200 · Program Income			
47230 · Membership Dues	9,710.00		9,710.00
Total 47200 · Program Income	9,710.00		9,710.00
Total Income	9,911.32		9,911.32
Gross Profit	9,911.32		9,911.32
Expense			
62000 · Operations			
62400 · Supplies	14.57		14.57
Total 62000 · Operations	14.57		14.57
62600 · Meeting Expenses	631.24		631.24
63000 · Contract Services			
63100 · Accounting Fees	39.56		39.56
63400 · Engineering Services	102,995.19		102,995.19
63500 · Administrative Services	6,117.37		6,117.37
Total 63000 · Contract Services	109,152.12		109,152.12
68300 · Travel and Meetings			
68322 · Travel - Board	504.90		504.90
68300 · Travel and Meetings - Other	66.53		66.53
Total 68300 · Travel and Meetings	571.43		571.43
Total Expense	110,369.36		110,369.36
Net Ordinary Income	-100,458.04		-100,458.04
Net Income	-100,458.04	0.00	-100,458.04

**East Texas Regional Water Planning Group
Check Detail**

September 2013 through April 2014

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Account</u>	<u>Paid Amount</u>	<u>Original Amount</u>
Check	TRF-1G	12/09/2013	Regions Bank		Region I WPG - Grant		-14.66
					63100 · Accounting Fees	-14.66	14.66
TOTAL						-14.66	14.66
Check	TRF-2	12/09/2013	Regions Bank		Region I WPG - Adm.		-24.90
					63100 · Accounting Fees	-24.90	24.90
TOTAL						-24.90	24.90
Check	1028	09/05/2013	Alan Plummer Associates, Inc		Region I WPG - Grant		-3,933.04
					63400 · Engineering Services	-3,933.04	3,933.04
TOTAL						-3,933.04	3,933.04
Check	1029	11/05/2013	Alan Plummer Associates, Inc		Region I WPG - Grant		-16,502.23
					63400 · Engineering Services	-16,502.23	16,502.23
TOTAL						-16,502.23	16,502.23
Check	1030	01/09/2014	Alan Plummer Associates, Inc		Region I WPG - Grant		-40,193.08
					63400 · Engineering Services	-40,193.08	40,193.08
TOTAL						-40,193.08	40,193.08
Check	1031	01/10/2014	Alan Plummer Associates, Inc		Region I WPG - Grant		-6,239.80
					63400 · Engineering Services	-6,239.80	6,239.80
TOTAL						-6,239.80	6,239.80
Check	1032	02/18/2014	Alan Plummer Associates, Inc		Region I WPG - Grant		-21,833.64
					63400 · Engineering Services	-21,833.64	21,833.64
TOTAL						-21,833.64	21,833.64
Check	1033	03/13/2014	Alan Plummer Associates, Inc		Region I WPG - Grant		-14,293.40
					63400 · Engineering Services	-14,293.40	14,293.40
TOTAL						-14,293.40	14,293.40
Check	1175	09/09/2013	William Heugel		Region I WPG - Adm.		-504.90
					68322 · Travel - Board	-504.90	504.90
TOTAL						-504.90	504.90
Check	1176	09/09/2013	City of Nacogdoches Tx		Region I WPG - Adm.		-153.97
					62600 · Meeting Expenses	-153.97	153.97
TOTAL						-153.97	153.97

**East Texas Regional Water Planning Group
Check Detail**

September 2013 through April 2014

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Item</u>	<u>Account</u>	<u>Paid Amount</u>	<u>Original Amount</u>
Check	1177	10/08/2013	City of Nacogdoches Tx		Region I WPG - Adm.		-124.85
					62600 - Meeting Expenses	-124.85	124.85
TOTAL						-124.85	124.85
Check	1179	03/05/2014	City of Nacogdoches		Region I WPG - Adm.		-14.57
					62400 - Supplies	-14.57	14.57
TOTAL						-14.57	14.57
Check	1180	03/05/2014	Josh David		Region I WPG - Adm.		-66.53
					68300 - Travel and Meetings	-66.53	66.53
TOTAL						-66.53	66.53
Check	1181	03/13/2014	City of Nacogdoches		Region I WPG - Adm.		-6,117.37
					63500 - Administrative Services	-6,117.37	6,117.37
TOTAL						-6,117.37	6,117.37
Check	1182	04/16/2014	City of Nacogdoches		Region I WPG - Adm.		-352.42
					62600 - Meeting Expenses	-352.42	352.42
TOTAL						-352.42	352.42

East Texas Regional Water Planning Group
Customer Balance Summary
All Transactions

	<u>Apr 25, 14</u>
Angelina County	16,413.00
Henderson County	194.00
Orange County	1,094.00
Shelby County	243.00
TOTAL	17,944.00