

SOUTH TEXAS WATERMASTER ADVISORY COMMITTEE MEETING

June 14, 2002

Meeting Minutes

The South Texas Watermaster Committee met at 1:30 p.m. at the offices of the TNRCC Region 13, San Antonio.

Chairman Fred Blumberg called the meeting to order and took roll call. The following members were present: Fred Blumberg, Eduardo Garaña, Jack Nelson, Herb Mueller, Richard Ocker, Jim Brown, Steve Raabe, Pete Anaya, and Wesley Hamff.

Chair, Fred Blumberg announced that there was a quorum present. He then called for a motion to approve the minutes from the October 25, 2001 meeting. Motion to accept was made by Jim Brown and seconded by Wesley Hamff. Herb Mueller requested that the minutes be amended to correct the name of Roy Penshorn. The minutes were then unanimously approved and accepted as amended, (with the exception of Mr. Pete Anaya who was not present at the time the vote was cast).

Watermaster, Al Segovia then announced that a member of the committee, Mr. Hector Herrera, had passed away in January.

Mr. Jim McFarland of the TNRCC then gave a presentation on the new computer database that will replace the current Watermaster Focus program. The new system will include a table to display special conditions contained in a permit and will allow changes to be made more easily to the data. The implementation of the new database is an ongoing project that should be complete within the next 12 months.

Ms. Pat Hooper of the TNRCC then gave a presentation on the Watermaster fund balances and how they are processed by the TNRCC as a result of a legislative mandate. She also spoke of possible legislative action requests and interpretations of Article 6, Rider 16 of the State Appropriations Act.

This presentation was followed by a discussion on clarifying the definition of a “fund balance”. The TNRCC is interpreting the act to say that unexpended fund balances must be spent by the end of the following year, and that the Watermaster program cannot access its existing balances. In summary, this interpretation results in the money previously paid by the water rights holders not being available as a source of income for the program. This then drives the rates required *to* generate enough revenue to meet the expenses of the

program to a higher level than they should be.

This discussion was followed by a discussion about meeting with the Rio Grande Watermaster Advisory Committee as they do not agree with the TNRCC's interpretation of this portion of the Act. Mr. Jack Nelson stated that there is a need to get an Attorney General's ruling on the interpretation of the legislative intent on the rewrite of Rider 16. A discussion then followed regarding whether budget approval was really within the scope of the committee or if the committee was only supposed to be concerned with approving the assessments.

Watermaster, Al Segovia then gave a presentation on the 2003 proposed budget. Al Segovia and Richard Garcia explained the workings of the TNRCC. Jim Brown expressed his frustrations over how the budget is prepared. Questions were raised by Steve Raabe as to what happens to interest that is accumulated in the Watermaster account and the administrative charge that is included in the budget. Ed Garaña stated that he would like for the budget presentation to show the past two years of actual expenditures so that the committee could have something with which to compare the current budget proposal to. Fred Blumberg asked about the rate effects of reducing the budget by \$204,426.00.

Ms. Tracy Callen of the TNRCC then presented an explanation of the STWM portion of the appropriations bill.

A motion was then made by Jack Nelson to request an attorney General's opinion on the legislative intent on the use of the unexpended fund balance in the Watermaster operation budget. This motion was seconded by Jim Brown and was passed with a unanimous vote.

A motion was then made by Jack Nelson to have the Watermaster re-calculate the assessment based upon the inclusion of the \$204,426.00 fund balance for Fiscal Year 2001 and with the estimated \$18,859.00 fund balance for Fiscal Year 2002 as revenue sources and to adopt a budget proposal of \$518,574.00. This motion was seconded by Jim Brown and was passed unanimously by all of the members present.

A motion was then made by Jim Brown to authorize the Chair of the committee to draft and send a letter to the Executive Director in regard to the utilization of the fund balances as passed by the previous vote. This motion was then seconded by Steve Raabe. In the discussion that followed, the motion was amended so that the letter to the Executive Director should request that the fund balances be included as sources of income for the program. If the Executive Director did not feel that he could do that, the Executive Director should request an Attorney General's opinion on the Appropriations bill. This letter is also to include language from the Watermaster Committee: (a) strongly supporting the Watermaster program; (b) concurring with the work plan and a budget of \$518,574.00; and (c) expressing the strong feeling that failing to use the fund balances as sources of income amounts to requiring all water rights holders to pay twice for services provided by the program. This issue was then called to a vote and the motion was unanimously approved as amended.

A motion was then made by Jack Nelson and seconded by Wesley Hamff to recommend to the Executive Director that he fill the position recently vacated by the late Mr. Hector Herrera with Mr. Mario Escobar. This motion was unanimously approved.

A motion was then made by Fred Blumberg to send the Executive Director biographies on three candidates. This motion was seconded by Steve Raabe and was approved unanimously.

Wesley Hamff moved to adjourn. It was seconded by Pete Anaya and passed unanimously.

The meeting was adjourned at 4:15 p.m. on June 14, 2002.

Duly approved at a meeting of the South Texas Watermaster Advisory Committee this 6th day of March, 2003.

Fred Blumberg, Chair

Attest:

Lynn Short, Secretary