

## **SOUTH TEXAS WATERMASTER ADVISORY COMMITTEE MEETING**

June 28, 2001

### **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, substitutes and guests were present: Fred Blumberg, Lynn Short, Hector Herrera, Jim Brown, Pat Brzozowski, Wesley C. Hamff, Robert Saenz, James Blair, Greg Carter, and Herb Mueller. Pat Hooper was present to represent TNRCC-Austin. Watermaster staff present were Al Segovia and Pat Guzman.

South Texas Watermaster, Al Segovia announced that the Regional Director, Richard Garcia, sent his apologies for being unable to attend the meeting.

Al Segovia distributed copies of the FY 2002 Proposed Budget. Watermaster staff provided an overview of the budget and answered questions.

The proposed FY 2002 budget totaled \$422,344.00, which included no indirect charges by TNRCC this year, represents an \$84,415.00 reduction from the projected FY 2001 operating budget.

With a projected fund balance of \$122,218.00 carried forward from FY 2001, assessment collections of \$450,126.00 will be required to fund the proposed budget and provide a \$150,000.00 fund balance for FY 2003.

The attached is the proposed FY 2002 operating budget.

# SOUTH TEXAS WATERMASTER FY 2002 PROPOSED BUDGET

June 2001

	Projected 2001 Budget	Actual 2001 Expenses	Projected 2002 Budget
Salaries - Base(08 Staff)	\$258,648	\$258,648	\$268,994
Salaries - Longevity	\$2,160	\$2,160	\$2,580
Salaries - Merits/Promotions	\$6,401	\$4,967	\$6,748
Fringe (Estimated at 22% of base salaries)	\$56,903	\$56,903	\$59,179
Professional Services	\$0	\$0	\$0
Temporary Services	\$10,175	\$3,000	\$4,425
Travel In-State	\$5,550	\$3,404	\$4,005
Training	\$2,860	\$2,550	\$2,480
Rent	\$36,600	\$24,427	\$33,050
Postage	\$4,300	\$4,300	\$4,300
Telephone & Utilites	\$13,500	\$10,046	\$10,500
Supplies	\$17,510	\$19,983	\$20,000
Maintenance & Repairs	\$9,000	\$5,281	\$5,000
Capital	\$36,000	\$31,000	\$0
Other	\$1,083	\$1,083	\$1,083
<b>TOTAL OPERATING BUDGET</b>	<b>\$460,690</b>	<b>\$427,752</b>	<b>\$422,344</b>
Indirect Budget (10% of Total Operating Budget)	\$46,069	\$42,775	\$0
<b>TOTAL BUDGET</b>	<b>\$506,759</b>	<b>\$470,527</b>	<b>\$422,344</b>
<b>STWM FUND 1580</b>			
	FY 2001	FY2001	FY2002
Est Beginning Fund Balance(Carry Over) 2001	\$110,381	\$144,282	\$122,218
Est Assessment Collections	\$468,632	\$448,464	\$450,126
<b>TOTAL</b>	<b>\$579,013</b>	<b>\$592,746</b>	<b>\$572,344</b>
Est STWM Expenses	\$506,759	\$470,527	\$422,344
Est Fund Balance (Carry Over)	\$72,254	\$122,218	\$150,000

\*\*\*\* 98% of \$459,312 needed  
to collect \$450,126 assessment \*\*\*\*

- \* Two vehicles will be bought and paid for by the agency (not Watermaster ) in FY '01 from Agency funds.
- \* One vehicle will be purchased from Fiscal year '01 from Watermaster funds
- \* These vehicles are replacing high mileage vehicles
- \* 10% administrative charge will not be charged for Fy '02
- \* Salaries have been increased by 4% with Fringe as per legislative pay increase
- \* Merits and Promotions are provided for but may not be used depending on TNRCC limitations

\*\*\* RATES REDUCTION FROM .154721 TO .144500

Using a 98% collection rate, the total assessments for FY 2002 will need to be \$459, 312.00. This assessment value will result in a base rate reduction from \$0.154721 to \$0.144500.

The attached are the proposed FY 2000 South Texas Watermaster assessment rates.

### **SOUTH TEXAS WATERMASTER 2002 ASSESSMENT RATES**

BASE RATE	-	.144500
MUNICIPAL RATE	-	.144500
INDUSTRIAL	-	.144500
IRRIGATION	-	.115600
MINING	-	.144500
HYDRO/NPR	-	.007200
HYDRO/PR	-	.028900
RECREATION	-	.144500
RECHARGE	-	.072300
SECONDARY	-	.072300
SALTWATER	-	.007200
SPREADER DAMS	-	.057800
DOM./LIVESTOCK	-	.144500
STORAGE	-	.057800
NON-CONSUMP.	-	.028900

Jim Brown asked about the fund balance and questioned where the interest accrual on this balance was credited. Mr. Brown suggested that the committee pose this question to either the TNRCC or the State Comptroller. Mr. Brown volunteered to draft a letter to that effect for consideration at the next meeting.

Jim Brown asked if the absence of indirect charges in the proposed FY 2002 was a one-time occurrence. Al Segovia answered yes, but that the indirect charges would probably not impact the assessment rate by more than \$0.01. He added that the indirect charges are a legitimate expense because many services were provided to the South Texas Watermaster by the TNRCC.

Fred Blumberg asked why there was no indirect charge this year. Pat Guzman responded that she thought the agency was struggling with whether or not they should carry a fund balance. Al Segovia added that at first the agency told him to prepare the budget with no fund balance, but later directed him to include one.

Fred Blumberg asked if the committee could have a TNRCC representative come to a future meeting to explain the agency's new recordkeeping procedures.

Greg Carter, a representative of Central Power & Light Company, asked for a brief overview of legislative changes that might affect water rights holders. He also asked for clarification of the Watermaster's jurisdiction over salt water diversions.

Al Segovia explained that SB289 exempted small, privately owned, non-priority hydroelectric rightholders, (<2.5 megawatts), from assessments. Al added that this made very little effect on the base assessment rate. He said he had to carry the assessment figures out to six decimal places to see an effect.

Al Segovia also commented that the TNRCC Sunset Bill had no effect on the Watermaster program. He then explained the Watermaster program's position in the agency's organizational chart.

Jim Brown asked about the status of the San Angelo Watermaster program. Al explained that there were currently two methodologies being explored for the San Angelo program. One being the provision of a satellite deputy stationed there who would report to Al. The other being the implementation of full-blown Watermaster program there. He added that the TNRCC would be conducting hearings on this in the future.

Jim Brown asked how the addition of the Lavaca basin had affected the assessment rate. Al Segovia said it amounted to about a ½ cent increase although there were no additional deputies added. Jim Brown asked if they could have a separate rate. Al responded no, there were no provisions for a separate rate in the program.

Al Segovia stated that he had talked to Greg Ellis with the Edwards Aquifer Association about the water right buydowns that were stipulated in SB 1477. Ellis told him that he did not see this happening for another two years.

Al Segovia thanked former members Becky Cedillo, John Wester, and Ed Garana for their past service.

Because there was no quorum present, a vote could not be taken to approve the budget. A consensus was acquired, however, that the committee make a recommendation to the Executive Director to approve the Watermaster budget as submitted.

The committee members then reviewed the minutes from the March 14<sup>th</sup> meeting. Since there was no quorum present, they could not be approved.

Fred Blumberg passed around an attendance list and asked attendees to indicate any changes to their address as they signed it.

Fred Blumberg discussed those members whose terms expire this summer and asked if they had indicated if they wanted to be re-appointed.

- Fred Blumberg said yes.
- Jim Brown said yes.
- Robert Saenz said yes.
- Jim Brown said Kenneth Whitewood said no, but he submitted the name of a Mr. Rhoades of Center Point, Texas as a potential replacement.
- Al Segovia stated that nothing had been heard from Paul Garrison.
- Al Segovia added that although Richard Ocker was not present he would probably seek re-appointment.
- Al Segovia also stated that Mr. Mario Escobar of Uvalde had indicated he would like to serve on the committee.

Fred Blumberg mentioned that during two of the last three meetings that there was no quorum present. He reminded the members that the members must themselves be present. Proxies could not be accepted. He asked if he should send a letter to the members explaining the importance of their attendance.

Hector Herrera stated that a letter would be appropriate. Fred Blumberg agreed to prepare one.

Jim Brown indicated that he did not have a copy of the committee's bylaws.

Pat Guzman distributed copies to all of the members who requested one.

Robert Saenz asked when the committee should make a recommendation to the Executive Director regarding the re-appointments.

Fred Blumberg indicated that we should do so soon.

Pat Hooper added that the Austin office could prepare letters for those who agreed.

The committee then began discussing the next meeting.

Fred Blumberg stated that if the next meeting were in the Fall or Winter, he would like to:

- Bring all of the Watermaster staff in for an introduction and explanation of their duties and responsibilities.
- Discuss additional training opportunities for the deputies and the possibility of escaping agency caps on training expenses.
- Have a briefing on the fund balance and interest accrual issue.
- Provide maps of the service areas.
- Have a briefing on the new software and recordkeeping procedures.

Fred Blumberg added that this would be especially important if the new appointees are present.

Al Segovia briefly discussed data migration process throughout the agency. He said an effort was being made to meld all of the available databases together so that the data could be accessed

by multifunctional workgroups and even by people other than TNRCC employees. He said that they were trying to standardize all of the data and that TNRCC AUSTIN would probably manage the entire database administration function.

Jim Brown asked if the data as well as public information concerning the Watermaster program would be available to the public via the Internet.

Pat Hooper answered that the minutes of the meetings have to be posted on the TNRCC website.

Robert Saenz asked if the agendas needed to be posted to satisfy Open Meetings Act requirements.

Pat Hooper indicated that she would have to check on whether the meeting agendas were required to be posted.

Fred Blumberg asked if the TNRCC liaison could be present at the regular meetings of the Watermaster committee because the committee often had questions regarding agency caps and other matters. Pat Hooper said she would check with management.

Fred Blumberg asked if an annual audit was available for review. Pat Hooper answered, "No".

The committee then set the tentative date for the next meeting as 1:00 p.m., October 25, 2001 at the Watermaster office in San Antonio.

There being no further business, and with no quorum present, the meeting was adjourned by consensus of the members present.

Duly approved at a meeting of the South Texas Watermaster Advisory Committee  
this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

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Fred Blumberg, Chair

Attest:

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Lynn Short, Secretary