

**Arroyo Colorado Watershed Partnership  
Steering Committee and Partnership Meeting  
Meeting Summary Notes– October 17, 2006**

**ATTENDEES**

Aaron	Wendt	Texas State Soil and Water Conservation Board
Alex	Nunez	Texas Parks and Wildlife Department
Amado	Salinas	Military Highway WSC
Beau	Hardegree	Texas Parks and Wildlife Department
Bing	Hung	Southern Star Shrimp Farm
Bobby	Aguilar	Rio Grande Sugar Association
Cecilia	Wagner	Texas Water Resource Institute
Clare	Lee	US Fish and Wildlife Service
Darrell	Gunn	Harlingen Waterworks System
Erin	McCarthy	Texas Parks and Wildlife Department
Fritz	Jaenike	Harlingen Shrimp Farms
Javier	Hinojosa	McAllen Public Utility
Joe	Hinojosa	LRGV Storm Water Task Force
Juan	Enciso	Texas Cooperative Extension
Jude	Benavides	The University of Texas Brownsville
Kay	Jenkins	Texas Parks and Wildlife Department
Kendal	Keyes	Texas Parks and Wildlife Department
Kevin	Wagner	Texas Water Resource Institute
Laura	De La Garza	Texas Sea Grant
Ludy	Saenz	Lower Rio Grande Valley Development Council
Marcie	Oviedo	Lower Rio Grande Valley Development Council
Mary Lou	Campbell	Sierra Club
Minerva	Martinez	East Rio Hondo WSC
Neil	Haman	Texas Water Development Board
Randy	Blankinship	Texas Parks and Wildlife Department
Ray	Prewett	Texas Citrus Mutual
Richard	Eyster	Texas Department of Agriculture
Rick	Reyes	US International Boundary and Water Commission
Rocky	Freund	Nueces River Authority
Roger	Miranda	Texas Commission on Environmental Quality
Tim	Skoglund	McAllen Public Utility
Wayne	Halbert	Harlingen Irrigation District Cameron County #1
Wes	Rosenthal	Texas Agricultural Experiment Station
Woody	Woodrow	Texas Parks and Wildlife Department
Xavier	Peries	Texas Cooperative Extension

**CALL TO ORDER/WELCOME/INTRODUCTIONS**

Laura De La Garza opens the 14<sup>th</sup> meeting of the Arroyo Colorado Steering Committee (SC) at 4:30 PM with a reminder to sign in and that the meeting was being recorded. Laura announced that the Steering Committee Chairman, Dr. Jude Benavides was unable to attend the meeting today and that she would be leading the meeting in his absence. Self-introductions were made and then Laura announced that Steering Committee (SC) member, Randy Blankinship representing Texas Parks and Wildlife Department (TPWD), was resigning his position with TPWD to work as a Highly Migratory Species Coordinator for the National Marine Fisheries Service in St. Petersburg, Florida. He said that Mark Lingo, a fisheries management biologist, will be his replacement on the SC. Laura asked if there were any objections to this appointment. There were none. Mark Lingo was recognized as the new SC member representing TPWD.

SC members recognized the exceptional contributions of Randy Blankinship to the watershed planning effort and sentiments were expressed that he would be missed. Randy gave praise to the project and was then awarded an Arroyo Colorado logo lapel pin, the first one distributed.

Laura then announced that there was a slight revision to the agenda. The agenda item “Industrial Wastewater Discharge Permits”, was being moved up on the schedule due to a request by one of the SC members and that that agenda item would be discussed after the agenda item “Distribution of 2<sup>nd</sup> Draft of the ACWPP”.

## **DISTRIBUTION OF 2<sup>nd</sup> DRAFT OF THE ACWPP**

The second draft of the Arroyo Colorado Watershed Protection Plan was distributed. Laura said that comments were received on the first draft and incorporated into the second draft. Roger Miranda discussed some of the changes made including the recalculation of the loading estimates and the expected loading reductions for biological oxygen demand (BOD), total nitrogen, total phosphorous, and total suspended solids. Roger stated that a copy of the draft plan, in PDF and as a MS Word file, will be posted on the Arroyo website by next Monday. This will start one more week for review in the hopes of producing a final draft by the end of November.

In relation to the production and printing of the plan, Laura discussed the plan for a “Pachanga-Media Event” and that \$2,500 is needed to pay for the event and luncheon. She solicited volunteers for the decoration committee. Marcie Oviedo, Ludy Saenz, and Mary Lou Campbell offered their services.

Laura asked for any final comments on the plan itself. Rock Freund said that we had done an excellent job in pulling it together.

## **INDUSTRIAL WASTEWATER DISCHARGE PERMITS**

Laura introduced the issue of industrial wastewater discharge permits within the watershed; that the issue has been brought up in light of the permit renewals for the existing two shrimp farms near Arroyo City. Laura said that she has received numerous of inquires on these permit renewals and asks that there be a discussion on the Partnership’s role in such issues. She said she had discussed this issue with Dr. Benavides and that at a minimum he suggests that we track

permits and inform the group on any permit activities; from there a determination could be made in regards to a need of a special task group meeting.

Rock Freund of the Nueces River (NR) Authority said that their group already tracks wastewater discharge permits and that a running list is available on their website. It was suggested that a link to the NR Authority be posted on the Arroyo website. Another SC member asked that notices of application be obtained and distributed to the Partnership.

Laura next introduced Steering Committee member Paul Bergh representing the Coalition to Save the Arroyo Colorado (CSAC) and the Costal Conservation Association. Paul reviewed the history of the Arroyo Colorado shrimp farm permits and informed the committee of the pending TPDES permit renewals for both Southern Star, Inc. and Arroyo Aquaculture Association. Paul acknowledged the presence of Fritz Jaenike of Harlingen Shrimp Farms and Bing Hung of Southern Star, Inc.

Paul briefly described the two farms (1,000 and 2,000 acres in size) and that in the late 1980's and early 1990's; the State of Texas did not require them to have a discharge permit in order to operate. He said that the CSAC was formed to address the issue and that 5 years and \$100,000 later resulted in a permit and substantially less discharge of better quality.

Paul said that the Arroyo City Advisory Committee held a public meeting on January 30, 2006 to discuss the shrimp farms permits and that prior to the meeting, Fritz and Bing gave presentations and tours of the operations. Paul said that permit modifications were asked for due to need to hold water before discharging in order to produce better quality water within permit limits. That one year the shrimp farms needed to hold water in order to drop out the algae. However, in holding the water while waiting for a cold front to come in and drop out the algae, they went beyond their allowable discharge time frame. If they discharged within the allowable discharge period, in this instance they would have exceed permit limits because of high algae, and because they waited for a cold front, they went beyond the allowable discharge period and again would violated the permit. He said that this was the reason for the request to extend the discharge period to 12 months per year verses the existing 9 months.

Paul said that local residents were concerned because the allowable average discharge limit of 100 million gallons per day (MGD) over three months amounted to a substantial increase in permitted discharge volume. He said this represented a major discharge to the Arroyo Colorado however on average the shrimp farms actually discharge approximately 4 MGD, 22 days per year. He also said that the shrimp farms are doing a good job of managing their discharge and that they are still watching and gathering data and that affects are not know. Paul said that local residents also expressed other conflicts in regards to smell and flies.

Amado Salinas pointed out that this shrimp farm issue is not addressed in the current plan and asked if we needed to start over. Paul said that our current plan is considered Phase I which concentrates on the low oxygen problem upstream of the shrimp farms in the zone of impairment, that the subsequent plan actions could address this issues and that there was no need to change the current plan. Roger said that this is a dynamic plan and we need to consider this current plan as Phase I and that this current plan does not address all discharge permits and

issues; he used the weir structures as an example of issues that surface. Roger said that there is reference to plan updates every 5 years. Amado recommended that if the current plan is Phase I and if there will be a Phase II in five years that we make some kind of reference to these two phases. Kay Jenkins asked if Phase II would incorporate more area or is Phase II a revision to Phase I. Roger said that watershed protection plans are designed to meet water quality standards and that the goal of this first Arroyo plan is to reduce loading to the maximum extent technically and economically feasible. Roger said that we may not see substantial water quality improvements in implementing this first plan, and that without a Phase II, that this plan would not be acceptable to the EPA. Phase II must incorporate whatever it takes to get the Arroyo Colorado in compliance with water quality standards. Roger said that because the Arroyo Colorado is a one way navigation channel, the standards could change.

Laura asked Roger if the Phase II TMDL study would consider discharges from the shrimp farms. He said that it would be identified as one of the permits in the water quality model.

Laura asked Minnie Martinez, member of the Arroyo City Advisory Committee and East Rio Hondo Water Supply Corporation (ERHWSC) board member, if she wanted to say anything on the issue. Minnie said that the shrimp farms have been good neighbors and have shown good faith effort. She said that Mr. Hung donates a meeting space for community education events. Minnie also talked about area septic systems on ½ acre lots and their proximity to the Arroyo Colorado as another pollution source; that the shrimp farms not the only contributor to pollution in the area.

Roger asked if ERHWSC had any plans to hook-up that area to a centralized treatment system. Laura said that Commissioner Edna Tamayo was very interested in addressing the bacterial pollution issue with a regional wastewater treatment facility in the Arroyo City area. Laura asked Neil Haman if the Texas Water Development Board had been approached for funding. He said no, that ERHWSC was just completing phase one and that something like this would be a phase three.

Paul asked if bacteria would be modeled. Roger said he would be working with Wes Rosenthal on the new watershed model and that he would be discussing this issue with him.

Next Laura said that the Roy Rodriguez of the McAllen Public Utility Board called her to request to meet with the Arroyo Colorado Watershed Partnership (Partnership) because they are thinking of building a desalinization plant and that they wanted to start discussions. Laura asked if anyone present would like to be on a special task group to discuss the issue. Joe Hinojosa, John Wallace, Alex Nunez, Mary Lou Campbell, D.J. Davis, Amado Salinas, and Darrell Gunn volunteered. Mary Lou suggested that McAllen PUB make a presentation to the Region M planning group. Laura said that there will be a meeting next week and that she will contact interested parties. Someone stated that five area cities were also moving towards desalination of groundwater to supplement city water needs.

Laura again asked about the Partnership's role in industrial permits. One Partner asked that the notices of intent for any permits or permit renewals be made available to the Partnership.

Joe Hinojosa asked if the shrimp farms considered using wetlands. Fritz Jaenike said yes; that other shrimp farms use wetlands however that it can sometimes be a “catch 22”. He said that sometimes wetland put out a high BOD, and in some cases nutrients are not a problem; sometimes wetlands help and sometimes a simple settling systems works. Paul said that a number of people object to the location of the shrimp discharge point on the Arroyo Colorado because it is between a number of residential homes. He suggests moving the discharge point south and east to the Laguna Atascosa National Wildlife Refuge area and that the idea would involve a constructed wetland made up of primarily mangroves. Paul said that there is 15 years of discharge data and that constructed wetlands could be workable using the discharge water for the wetlands while creating habitat. He acknowledged the issue of foreign shrimp and said that the existing discharge permit might be decreasing productivity because of the decreased volume of water circulated through the ponds; that a wetland may be something that could produce a win, win, win situation.

## **TARGETED WATERSHED GRANT – LESSONS LEARNED**

Laura introduces the next agenda item. She said that many lessons were learned in the pursuit of the Targeted Watershed Grant offered by the EPA. First of all, months and months of coordination are necessary and the issue of land acquisition makes things difficult. Laura said that she began drafting the grant with TWRI however they could take the lead because of the issue of using the majority of the grant for land acquisition. There were other questions of who would own the land, the difficulty in committing to a wetland on the land without the money to construct the wetland, and the question of who would manage the wetland.

Laura said that two regional wetlands are in the plan, one in the Llano Grande area and one east of Harlingen and that in the process of working on land acquisition details, the Valley Land Fund came on board as a new partner very interested in participating. Laura said the VLF is a land warehousing group that could assist in the process of land acquisition. Kay Jenkins suggested that the Habitat Work Group form a special sub-work group to start working on next year’s grant application. She said that the advantage of having VLF involved is that they could buy and hold the property until grants came through; that land was often gone by the time of the awarding of grants.

Laura said that the Nature Conservancy is also an interested partner that could assist with land acquisition. Again, Laura said that there are many challenges in making a regional wetland a reality. A member recommended that Dr. Kim Jones, Dr. Jude Benavides, and Dr. Uddameri begin work together on a site suitability analysis for the regional wetlands.

At 5:45 PM, Laura called for a fifteen minute break.

## **PROCESS AND REQUIREMENTS FOR A 501c(3) NON-PROFIT TAX FILING**

Laura resumed the meeting at 6:05 PM with a PowerPoint presentation titled “Process for Becoming a 501c(3)”. She presented the following:

### **Advantages to Incorporation as a Non-profit**

- Legal standing to accept grants, enter into contracts, hire employees, and incur debt
- Donations are tax-deductible
- Incorporation shields individuals from liability

### **Disadvantages**

- Developing and maintaining memberships require a lot of resources
- Political activity limited
- Incorporation costs (can be donated)

### **Establishing 501(c)(3) Status:**

- Must:
  - Formulate a mission statement
  - Form a Board of Directors
  - Develop a budget
  - Develop a record keeping system
  - Develop an accounting system

### **Must continued...**

- File for 501(c)(3) status
- File for a Federal Employee ID Number
- File for state tax exemption
- File for local tax exemption
- Fulfill charitable solicitation law requirements

### **Should have:**

- Articles of incorporation
- Bylaws
- Strategic plan
- Business plan

### **Board of Directors**

- Qualified individuals supportive of mission
- Diverse
- Willing to give their talents and time
- Should assist with fundraising

Large gifts (over \$500) from individual donors are often obtained through personal contacts from board members and other individuals involved with the organization.

### **Strong membership must be developed and maintained.**

- 90% of all charitable contributions come from individual donors, many of whom are members of the organization.
- Strong membership provides both a foundation for the organization, and also a repeatable source of funding through membership dues.

## **Article of Incorporation**

- Official statement of creation of an organization
- Important to protect both board and staff from legal liabilities incurred by organization

## **Articles:**

- Name of Corporation
- Name and address of the registered agent of the corporation
- Purpose(s)
- A statement of initial directors and their names and addresses (3 minimum)
- Statement defining period of existence

## **Article continued...**

6. Statement detailing provisions for membership
7. State's required language for 501(c)(3) tax exempt corporation
8. Name(s) and address(s) of person(s) who forms corporation

## **Drafting Bylaws**

- Name of organization
- Mission
- Membership (Responsibility, Dues, Quorum, Voting Procedure)

## **Drafting Bylaws continued...**

- Board of Directors (Duties, Officers, Meetings)
- Committees
- Procedures for amending the bylaws
- Date bylaws were adopted by the board

## **Steps to forming a Non-Profit**

1. *Genesis*: Establish a vision for the organization – “*An ecologically sound Arroyo Colorado and LLM that is understood and valued by all residents of the LRGV*”
2. *Recruit Leadership*: Identify a leader and recruit 5-10 initial incorporators
3. *Set-up*:
  - adopt a mission statement
  - file articles of incorporation
  - elect officers (Secretary, Treasure...)
  - open a checking and savings account
4. *Staffing*: Can include volunteers, paid employees such as an executive director, consultants, and support services such as an accountant.
5. *Identify Projects*
6. *Raise funds*: grants, fundraisers, other
7. *Project operation*:
  - Implement pilot projects
  - Administer grants

- Develop a newsletter

### **The ACW Partnership Board of Directors**

- How many?
- Who?
- Nominations!

Laura said that Ramon Vela, city attorney for the City of Weslaco, offered to help with the filing as a 501c(3) at no financial cost to the Partnership . In regards to how many board of directors the Partnership should have, Amado Salinas said his board is made up of 11 with a quorum of six. The benefits of a larger board (someone suggested 25) and small boards were discussed.

Paul Bergh asked with we had decided to form a non-profit organization or should we consider being under the umbrella of an existing non-governmental organization (NGO). Someone asked if the Nueces River Authority should be considered. Rocky Freund said that we should consider a local NGO to run grants through. Paul agreed with Rocky.

Laura said that Ken Jones of the Lower Rio Grande Valley Development Council (LRGVDC) was interested in filling the role. Ray Prewett said that the LRGVDC would be an excellent candidate and that it is worthwhile looking at local groups. Someone recommended the Rio Grande River Water Authority (RGVWA). Ray said that the RGVWA cover much more area that just the Valley and that their mission might be too broad. Mary Lou Campbell suggested we consider Frontera Audubon or Valley Proud Environmental Council.

Someone said we should consider an existing NGO with staff; some group that could take care of administration. There was a discussion on the need to not depend on 319 money in the future and the need for two paid positions and a staff budget of about \$100,000. Kevin Wagner asked if local businesses or cities would be willing to support this effort and he used the watershed group in Oklahoma as an example. Laura said the local cities were already supporting the LRGV Storm Water Task Force. Roger said that with storm water management coming down the pipeline, there could be benefit in working with the Task Force because they know the problems associated with the area and this would be something to explore.

Several members suggested that we talk with local NGOs to see how they operate and fund themselves. Mary Lou briefly discussed how Frontera Audubon operates, in part by donations and with the use of volunteers. Joe Hinojosa asked about the question of differing missions and that we have a very specific mission statement.

In concluding this agenda item, Laura asked if anyone would was interested in exploring the option of an umbrella NGO with her. Mary Lou Campbell offered her assistance. Laura said that Andy Garza also offered to talk with the director of the Coastal Bend Bays and Estuaries Program and provide information on how they operate. Laura said she would report back to the Steering Committee on any findings.

### **WATERSHED COORDINATOR POSITION – 319 CONTRACT**

Laura said that the TCEQ is funding two positions, a watershed coordinator and a grant writes for the next two years. Joe Hinojosa expressed thanks to the TCEQ. Roger said that they were not renewing the contract with Texas Sea Grant and that they were in current negotiations with an entity from TAMU. Roger said that the TCEQ was funding these position for only two more years and reminded the group that the Partnership must figure out how the keep those positions funded.

## **CLOSING COMMENTS**

Roger reminded the group that we are on a short time frame for comments on the plan and that there would be a few changes; one of them being in regards to the City of Weslaco. He said that Weslaco was now committing 1 MGD of their wastewater to reuse on a golf course versus a wetland on TPWD land. Roger that there was still opportunity for another wetland project on the TPWD's land in the form of a drainage ditch improvement project. Kendal Keyes and Beau Hardegree of TPWD said that they would be involved in that effort.

Laura said that the expected outcome for the next meeting would be a final printed plan and that December 14<sup>th</sup> is the tentative date for the Pachanga and next Steering Committee meeting.

As a final issue, Laura brought up the Border Fence issue and asked for any thoughts on the matter. A SC member said that if the issue does not affect water quality in the Arroyo Colorado that this Partnership not get involved as a group. It was acknowledged that this issue is very political and that various partnering entities will be addressing this matter. The consensus of the group was not for the Arroyo Partnership to get involved.

Meeting adjourned at 7:00 PM.