

**SULPHUR RIVER BASIN AUTHORITY
BOARD OF DIRECTORS MEETING
TUESDAY, JUNE 21, 2016
1:00 P.M.**

PRESENT: Michael Russell, President
Wally Kraft, Vice President
Patricia Wommack
Michael Sandefur
Katie Stedman
Brad Drake
Bret McCoy

STAFF: Nancy Rose, Secretary/Treasurer
John Jarvis, Consultant
Kirk Patton, Attorney

ABSENT: NONE

VISITORS: Attachment

ITEM# 1: Meeting Called to Order at 1:00 P.M:

The meeting was called to order at 1:00 P.M. by Michael Russell, President.

He welcomed and thanked everyone in attendance.

ITEM# 2: Invocation:

The Invocation was given by Wally Kraft.

ITEM# 3: Discuss and take action on the approval of the minutes for May 17, 2016:

Michael Russell, President asked if there were any amendments to the Minutes for May 17, 2016.

A motion was made by Wally Kraft and seconded by Katie Stedman to approve the minutes for May 17, 2016 as presented.

The motion carried with all members present voting AYE.

ITEM# 4: PUBLIC COMMENTS:

NONE

ITEM# 5: Discuss and take action on the reports of the Cash Position & Expenditures:

Michael Russell, President stated that as of June 10, 2016, the checking account balance at Guaranty Bank & Trust was \$551,470.46. He stated that the General Ledger is included with the details.

A motion was made by Brad Drake and seconded by Wally Kraft to approve the reports of the Cash Position and Expenditures as presented.

The motion carried with all members present voting AYE.

ITEM# 6: Discuss and take action on Wilf & Henderson, P.C. conducting the Annual Audit for year ending August 31, 2016:

A motion was made by Michael Sandefur and seconded by Bret McCoy to approve the "Engagement Letter" as presented to allow Wilf & Henderson, P.C. to perform the annual audit for Fiscal year 2016 (September 1, 2015 thru August 31, 2016).

The motion carried with all members present voting AYE.

ITEM# 7: Discuss and take action on response to the Sunset Advisory Commission's recommendations for presentation at the public hearing before the Sunset Advisory Commission on June 23, 2016:

The board embraced the re-organization plan previously submitted to Sunset.

A motion was made by Brad Drake and seconded by Wally Kraft to accept Michael Sandefur outline and written testimony to respond at the public hearing before the Sunset Advisory Commission on June 23, 2016 for the Sulphur River Basin Authority Board of Directors.

The motion carried with all members present voting AYE.

ITEM# 8: Discuss and take action on the appointment of official spokesperson for the Board of Directors concerning the public hearing before the Sunset Advisory Commission on June 23, 2016:

A motion was made by Michael Russell, President and seconded by Katie Stedman to adopt the "Resolution Authorizing Appointment" as follows:

WHEREAS, Sulphur River Basin Authority ("SRBA") desires to appoint an official spokesperson for the Board of Directors concerning the public hearing before the Sunset Advisory Commission on June 23, 2016.

NOW, THEREFORE, it is RESOLVED that **Michael Sandefur** is appointed as official spokesperson for SRBA's Board of Directors concerning the public hearing before the Sunset Advisory Commission on June 23, 2016.

The motion carried with all members present voting AYE.

ITEM# 9: Discuss and take action on electing a President of the Board of Directors to succeed Michael Russell, to be effective as of the date of the July 2016 Board Meeting:

A motion was made by Wally Kraft and seconded by Patricia Wommack to adopt the "Resolution Authorizing Election of President" as follows:

WHEREAS, Michael Russell has resigned as President of the Board of Directors of Sulphur River Basin Authority ("SRBA"), to be effective as of the date of the July, 2016, Board meeting; and

WHEREAS, SRBA needs to elect a member of its Board of Directors to serve as President to be effective as of the date of the July, 2016, Board meeting; and

NOW, THEREFORE, it is RESOLVED that **Michael Sandefur**, a member of SRBA's Board of Directors, is hereby elected to serve as President of its Board of Directors, to be effective as of the date of the July, 2016, Board Meeting.

The motion carried with all members present voting AYE.

Bret McCoy and Michael Russell stated that they really appreciate all the work and efforts that Michael Sandefur has already shown and done for the Sulphur River Basin Authority.

ITEM# 10: Discuss and take action on electing two additional vice presidents:

Michael Sandefur stated that this will help with getting things done in different areas pending hiring an Executive Director. He stated that it could be a temporary thing.

A motion was made by Michael Sandefur and seconded by Wally Kraft to adopt the "Resolution Authorizing Elections of Two Additional Vice Presidents" as follows:

WHEREAS, Sulphur River Basin Authority ("SRBA") needs to elect two members of its Board of Directors to serve as additional Vice Presidents.

NOW, THEREFORE, it is RESOLVED that **Katie Stedman** and **Bret McCoy**, members of SRBA's Board of Directors, are hereby elected to serve as additional Vice Presidents of its Board of Directors.

The motion carried with all members present voting AYE.

ITEM# 11: Discuss and take action on assigning responsibilities to members of board of directors pending the hiring of an executive director:

- **Sedimentation**
- **Liaison**
- **Funding sources**
- d. Governance**
- e. Oversight of Consultant**

A motion was made by Michael Sandefur and seconded by Katie Stedman to approve the following;

1. Sedimentation.....Wally Kraft
2. Liaison..... Bret McCoy
3. Funding sources..... All Board of Directors
4. Governance..... Katie Stedman
5. Oversight of Consultant..... Brad Drake

The motion carried with all members present voting AYE.

ITEM# 12: Discuss and take action on reallocating funds for the remaining FY2015/2016 budget for new projects:

A motion was made by Michael Sandefur and seconded by Wally Kraft to transfer \$20,000 from the General Fund/Contingency over to a new project for Sedimentation. Michael Sandefur stated that Wally Kraft had shown a great deal of concern for Sedimentation.

The motion carried with all members present voting AYE.

ITEM# 13: Discuss and take action on securing of cost estimates for correction of deficient legal items set forth in the Sunset Advisory Commission’s report:

Mr. Kirk Patton, Attorney stated that the Board of Directors should Table this until the next meeting.

ITEM# 14: Discuss and take action on authorizing Michael Sandefur to discuss additional procedures and costs with Wilf & Henderson, PC:

Michael Sandefur had presented each Board of Directors with a Spreadsheet of 17 Year Audit Income Statement Summary of the General Fund & Clean Rivers Program for their review and analysis.

The Board of Directors gave verbal consensus to Michael Sandefur to go forward:

WHEREAS, Sulphur River Basin Authority ("SRBA") desires to authorize Michael Sandefur to discuss additional procedures and costs with the accounting firm of Wilf & Henderson, P. C.

NOW, THEREFORE, it is RESOLVED that **Michael Sandefur** is authorized to discuss additional procedures and costs with the accounting firm of Wilf & Henderson, P.C.

ITEM# 15: Discuss and take action on implementation of guidelines concerning solicitation of additional funding from governments, organizations and individuals:

A motion was made by Wally Kraft and seconded by Michael Sandefur to adopt the Resolution as follows:

WHEREAS, Sulphur River Basin Authority ("SRBA") desires to appoint a member of its Board of Directors to prepare guidelines concerning solicitation of additional funding from governments, organizations and individuals for review, revision and/or approval by SRBA's Board of Directors.

NOW, THEREFORE, it is RESOLVED that **Michael Sandefur** and **Brad Drake** are appointed to prepare guidelines concerning solicitation of additional funding from governments, organizations and individuals and present said guidelines to SRBA's Board of Directors for review, revision and/or approval.

The motion carried with all members present voting AYE.

ITEM# 16: Discuss and take action on travel arrangements and cost in connection with the hearing before Sunset Advisory Commission on June 23, 2016:

The following are planning on attending the Sunset Advisory Commission Public Hearing on Thursday, June 23, 2016 in Austin, Texas:

Michael Russell, Michael Sandefur, Patricia Wommack, Bret McCoy, Katie Stedman and Nancy Rose.

1. Everyone needs to be checked in at the Capitol Building before 8:30 A.M.
2. If you are planning on speaking during the public comments, you have to sign up and provide 15 copies of your testimony with you name and date.
3. SRBA pays for the hotel room, food and mileage to and from Austin, Texas.
4. Please keep up with your receipts and turn in for reimbursement.

ITEM# 17: Discuss and take action concerning legal clarifications recommended by the Texas Legislative Counsel in connection with legislation codifying laws governing Sulphur River Basin Authority:

A motion was made by Bret McCoy and seconded by Michael Sandefur to adopt the Resolution as follows:

WHEREAS, Sulphur River Basin Authority ("SRBA") desires to appoint Kirk Patton, P.C. to respond to the legal clarification recommended by Texas Legislative Counsel in connection with legislation codifying laws governing SRBA.

NOW, THEREFORE, it is RESOLVED that **Kirk Patton, P.C.**, is appointed to respond to the legal clarifications recommended by the Texas Legislature Counsel in connection with legislation codifying laws governing SRBA.

The motion carried with all members present voting AYE.

ITEM# 18: Updates on the Clean Rivers Program:

Nancy Rose stated that she had mailed out the Questionnaire for the Steering Committee Meeting to all the members and stakeholders. The Steering Committee meeting will be held on Thursday, July 21, 2016 at 1:30 P.M. at the

Texarkana College. She stated she would be mailing out the Agenda within a couple of weeks.

She stated that she had mailed the Progress Report and is preparing the 3rd Quarter Purchase Voucher. She stated that we have received the Amendment to the TCEQ Contract for the additional \$11,000.00 for water quality and water monitoring.

Dr. Mike Buttram stated that he and Wally Kraft had met with Lamar County agriculture in regards to the Sedimentation; he stated that it was a good meeting. Dr. Buttram will be looking further into what SRBA can do to help move this item along.

ITEM# 19: Updates on the Feasibility Study:

John Jarvis handed out the SBG Project status report for May 2016.

Michael Sandefur stated that in the future he wanted the material put into the Board packages so the board will have time to read.

John stated that Task 1: At the April 27, 2016 PDT meeting, the Corps requested 3 Ecological Function Modeling (EFM) runs from SBG concerning Marvin Nichols. The information was sent to the Corps. The Corps path then went to Hydraulics and Hydrology (H & H) then to Geospatial Information System (GIS) creating shape files and is not being reviewed in house. An EFM/reallocation mitigation planning meeting will be scheduled for some time in July. The mitigation planning information is for the reallocation component of Wright Patman Lake.

An International Paper (IP) 2 Analysis draft has been developed then discussed with Woody Frossard. Woody is the lead technical staff member for the JCPD's DFW group. He and Becky went over the information. A meeting with IP has been scheduled for July 1 to present the information. IP will be given time during the meeting and days after to review, ask questions, and help make sure the information concerning IP is correct. The analysis then will be presented to the SRBA board for consideration.

Task 2: Kingwood Forestry and the Corps met May 25 at the Corps offices in Ft. Worth to see if any of the data from the Timber and Agricultural Analysis could be used in the Corps Environmental Impact Statement (EIS). This information will be discussed in a Corps July meeting during the EFM and mitigation planning for reallocation of Wright Patman Lake.

Tasks 3 and 4: Listed are the meetings and tasks SBG was involved with during the month of May.

- Overall Work Order is approximately 45% complete.

John stated that it looks like the TSP will probably be in December 2016.

ITEM# 20: UPDATES ON REGION D:

Bret McCoy stated that Region D has not had a meeting.

ITEM# 21: Announcements from the Board of Directors and/or Staff:

1. George Frost, Maud, Texas asked to speak public in regards to appreciation.
2. Next SRBA Board Meeting is set for July 19, 2016 at 1:00 P.M.
3. Steering Committee Meeting is set for July 21, 2016 at 1:30 P.M. at the

Texarkana College.

Michael Russell, President stated that he appreciated all the board members and their help over his years as President.

ITEM# 22: Adjournment:

A motion was made by Brad Drake and seconded by Wally Kraft to Adjourn.

The motion carried with all members present voting AYE.

Michael Russell, President