

**COASTAL BEND BAYS & ESTUARIES PROGRAM, INC.**  
**BOARD OF DIRECTORS MEETING**

**December 22, 2011**  
**MINUTES**

**BOD Members/Proxies Present**

Greg Brubeck for the Port of Corpus Christi Authority  
Robert Corrigan for Bays Council  
Tom Curlee for Port Industries of Corpus Christi  
Jay Reining for the City of Corpus Christi  
Tom Russell for Port Industries of Corpus Christi  
Robert Wallace for Coastal Bend Bays Foundation

**Staff Present**

Ray Allen	Lari Jo Johnston
Sara Bounds	Rosario Martinez
Dustin Cravey	Alice Sanchez
Jake Herring	Leo Trevino
Anne Hulse	Jace Tunnell

**1. Call to Order, Welcome and Introductions, and Quorum Determination**

Mr. Robert Wallace, Chairman, called the meeting to order at 8:07 a.m. and a quorum was set.

**2. Consideration and Action re: Minutes of Meeting held on September 22, 2011 – Ms. Anne Hulse (attachment 1)**

*Mr. Reining made the motion to approve the minutes of the September 22, 2011 meeting as written. The motion was seconded by Mr. Curlee and passed unanimously.*

**3. Consent Agenda: The following items are of a routine or administrative nature and do not require an action of the Board. Any member of the Board of Directors may request that an item on the consent agenda be discussed in open session:**

- a. **Monthly Financial Report, Local Government Funding Report, and Working Capital/Reserve Fund Report – Ms. Alice Sanchez (attachments 2A, B, C)**
- b. **Monthly Project Status Report – Mr. Leo Trevino (attachment 3)**
- c. **Grants and Proposals Update – Prepared by Dustin Cravey (attachment 4)**
- d. **Communications Activities Update – Ms. Beth Wilson (attachment 5)**
- e. **Environmental Education Activities Update – Ms. Lari Jo Johnston (attachment 6)**
- f. **CBBEP Property Management – Prepared by Mr. Jake Herring (attachment 7)**
- g. **Coastal Bird Program Activities – Prepared by Mr. David Newstead (attachment 8)**
- h. **Future Meeting Schedule – Ms. Anne Hulse (attachment 9)**

**4. Report on EPA Financial Review of CBBEP Expenditures - Ms. Alice Sanchez (attachment 10)**

Ms. Sanchez first discussed the interest of other National Estuary Programs in our project management database which was developed by CBBEP staff and programmed by Richard Martin. A couple of NEPs will send staff to the CBBEP office for training on the database in January 2012.

Ms. Sanchez announced that EPA had conducted a financial review of CBBEP expenditures in July. The evaluation letter was recently received stating that there were no findings or recommendations for improvement.

**5. Report on Selection of Firm to conduct FY 2011 Annual Audit – Ms. Alice Sanchez (attachment 11)**

Ms. Sanchez discussed the process by which CBBEP requested audit proposals in October. Three equally qualified proposals were received. The only distinguishing feature between the three proposals was the cost of services. The proposals were evaluated and those results were presented to the Financial Committee. It was agreed to continue with Lovvorn & Keischnick, as they presented the lowest cost for services.

*Mr. Reining made a motion to ratify the actions taken by the Finance Committee concerning the selection of Lovvorn & Keischnick to conduct the FY 2011 Annual Audit. The motion was seconded by Mr. Russell and passed unanimously.*

**6. Consideration and Action regarding Selection of Contractor for Nueces Bay Causeway Marsh Restoration Project – Mr. Dustin Cravey and Mr. Leo Trevino (attachment 12)**

Mr. Cravey explained the recent request for bids issued for the second phase of the Nueces Bay Causeway Marsh Restoration Project, the subsequent bid evaluations, and final recommendation. A total of 18 contractors requested the bid packet and 10 contractors actually bid on the project. ABB Industrial Services presented the lowest bid and the project engineers have recommended contracting with them.

*Mr. Reining made a motion to award the contract to ABB Industrial Services for the Nueces Bay Causeway Marsh Restoration Project in the amount of \$878,085 and was seconded by Mr. Russell. The motion passed unanimously.*

Mr. Cravey further explained that CBBEP has been awarded additional funding for this project from the Texas General Land Office through their Coastal Impact Assistance Program totaling approximately \$2.3 million. Because those funds traditionally are slow to arrive, they will be utilized to provide protection to the project by way of constructing a revetment along the external edge of the outer berm.

**Mr. Wallace inquired whether additional rocks could be ‘piggy-backed’ in on this project for use on Shamrock Island as a separate project in order to save on transportation costs. Mr. Reining inquired whether a sakrete-rebar wall would be a viable alternative to rock.**

Mr. Cravey acknowledged that with sufficient planning, both options could be viable.

**7. Consideration and Action on Agreements with City of Corpus Christi for construction, operation and maintenance of a water control structure on Rincon Bayou - Mr. Ray Allen (attachment 13)**

Mr. Allen explained that CBBEP has received a CMP grant to construct a more permanent, manually-operated water control structure on the Rincon Bayou. CCA is contributing 50% of the matching funds required for this project.

*Mr. Brubeck made a motion to accept the Agreements with the City of Corpus Christi for construction, operation and maintenance of a water control structure on Rincon Bayou. The motion was seconded by Mr. Corrigan and passed unanimously, with Mr. Reining abstaining.*

**8. Update on San Antonio Bay Partnership Activities – Ms. Rosario Martinez (attachment 14)**

Ms. Martinez reported that the San Antonio Bay Partnership continues to move forward with obtaining their 501(c)(3) status. A Board of Directors, consisting of three members, has been elected; and a budget has been adopted, in addition to a set of by-laws. SABP still needs to adopt a conflict of interest policy and plans to do so at the next Board of Directors meeting. CBBEP is administering a \$100,000 CMP

grant to fund the SABP, which requires SABP provide match of \$66,000. SABP has obtained support from the San Antonio River Authority in the form of a challenge grant of up to \$25,000 requiring a 1:1 match and SABP continues to search for the remaining match.

Additionally, CBBEP has contracted with the International Crane Foundation for an expansion on the existing inventory of potential wetland protection, restoration and enhancement projects which were listed and prioritized in the 2011 project.

Mr. Corrigan inquired about CBBEP's long-term objective in connection with the SABP. Mr. Allen explained that CBBEP is simply trying to help SABP establish and fund itself, based on the Estuary Program model of working with local industry, governments and community groups in order to focus on the ecological issues surrounding that community.

Mr. Corrigan asked why CBBEP doesn't just expand its program boundaries to include San Antonio Bay. Mr. Allen stated that CBBEP's program area only extends to the southern half of San Antonio Bay. Ideally, it is hoped that SABP will be able to establish themselves with representation from local entities to help resolve local issues. While CBBEP is administering, or 'overseeing', dedicated EPA funds and the CMP grant, CBBEP is not providing any of its own base funding to SABP. CBBEP is simply acting as a pass-through and oversight vehicle.

#### **9. Update on SB3 Nueces BBASC and BBEST activities – Mr. Jace Tunnell (attachment 15)**

Mr. Tunnell provided an update on the Senate Bill 3 process by which environmental flow standards are developed and implemented with regard to the bays and estuaries within Texas. The Scientific Team just completed their report for the Nueces and Baffin Bay systems. The Nueces Bay and Delta were the only areas determined to be unsound ecological environments.

Currently, the flow regime is monthly, but the Scientific Team recommended a seasonal regime instead, with instream subsistence flows of not less than 1 cfs for all seasons. The team further recommended that no additional water be diverted from Baffin Bay, Upper Laguna Madre, Oso Bay, or Corpus Christi Bay as those systems have nothing left to divert. Additionally, it was recommended that Nueces Bay and Delta receive 166,000 acre feet of base freshwater inflow annually, up from the current 138,000 acre feet. This level is achieved naturally 80% of the time.

Mr. Tunnell further explained that the Nueces Bay and Delta were deemed unsound ecological environments due to loss and/or shift in native species composition, loss and/or alteration of key habitat features and natural flow required by native species, and compromised nutrient and sediment loading.

Mr. Allen explained that the purpose of these recommendations is to provide advice to TCEQ regarding future water rights permitting, and to the BBASC as they also develop a strategy for protecting instream flows and meeting industrial needs. People with existing water rights will not be affected by these recommendations.

#### **10. Executive Session: Public Notice is given that the Board of Directors may go into an Executive Session as authorized by the Open Meeting Act, Chapter 551.072 to deliberate regarding real property acquisition of Whooping Crane Habitat on Copano Bay and habitat in the Nueces Delta and may in open session take such action as appropriate on items deliberated in Executive Session (attachment 16)**

The meeting remained in Open Session. Mr. Herring announced that the property acquisition in the Nueces Delta is anticipated to close in mid-January. Additionally, our offer to purchase the Whooping Crane Habitat has been accepted. The funds for this acquisition are provided by a USFWS Section 6 Grant and the Whooping Crane Conservation Association is providing the non-federal matching funds.

*Mr. Reining made a motion to approve the Board Chairman and the Executive Director to pursue property acquisitions on Copano Bay and the Nueces Delta. The motion was seconded by Mr. Russell and passed unanimously.*

- 11. Executive Director Comments – Mr. Allen announced that Cheniere LNG is moving forward with work at Shamrock Island to provide erosion protection and create additional seagrass habitat.**
- 12. Board of Director Comments – Mr. Wallace asked Mr. Russell to keep CBBEP in mind as a stakeholder for any discussions involving the Eagle Ford Shale fracking processes.**
- 13. Public Comments - None.**
- 14. Adjourn – The meeting adjourned at 10:10 am.**

Approved by the Board of Directors on \_\_\_\_\_

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Robert Wallace, Jr., Chairman of the Board