

ATTACHMENT 1

**MINUTES
FUNDING WORK GROUP MEETING
Monday, January 17, 2011
San Antonio, Texas**

Members of Funding Work Group in attendance:

| | | | |
|--------------------|-------------|---------------|----------------|
| Weir Labatt, Chair | Jim Bower | Calvin Finch | Kim Stoker |
| Kerim Jacaman | Jerry James | Con Mims | Kirk Patterson |
| Annalisa Peace | Tom Taggart | Todd Votteler | Adam Yablonski |

Members of Funding Work Group absent: None

Others Present:

| | | | |
|-----------------|-----------------|---------------|-----------------|
| Robert Gulley | Joe McMahon | Mary Kelly | Patrick Shriver |
| Buck Benson | Rader Gilleland | Tommy Hill | Sam Helmle |
| Carol Patterson | Sam Vaugh | Brian Perkins | |

The meeting was facilitated by Joe McMahon.

Sam Vaugh and Brian Perkins, HDR, presented a *Technical Evaluation of the Bottom-Up Program for Springflow Protection*. The presentation is posted on the website under the 1/13/11 EARIP meeting. This presentation was followed by a question and answer session.

Robert Gulley then presented a *Strawman Structure for a Regional Sales Tax*. A lengthy discussion followed, centered primarily on the governance of this proposed regional special purpose district. Gulley was asked to make suggested changes to this strawman paper and distribute the revised document before the next meeting of the Funding Work Group, which will be held on Monday, January 24th as detailed below.

It was tentatively decided to propose that the following 16 counties be included in the boundaries of the regional special purpose district:

| | | |
|-----------------------|-----------|---------|
| Bexar | Kendall | Wilson |
| Medina | Caldwell | Karnes |
| Uvalde | Guadalupe | Goliad |
| Comal | Gonzales | Refugio |
| Hays (portion in EAA) | DeWitt | |
| | Victoria | |
| | Calhoun | |

To be assured that a sales tax bill can be considered, it must be introduced by March 11, 2011. If it is a “local” bill, a notice of intent notice must be published in a newspaper of general circulation in each of the counties within the boundaries of the proposed regional special purpose district before a bill can be introduced. Thus, we must have that notice filed at least by February 8 (earlier if the only paper is a weekly). This date is before the next scheduled EARIP meeting.¹

Accordingly, the Work Group scheduled another meeting on at 3:30 p.m. on January 24 at the IRNR offices in San Antonio to review and make a recommendation on the structure for a regional sales tax. The Work Group also recommended setting EARIP meetings on January 28 and February 4, 2011. Decisions on two issues should be made with respect to (1) the proposed regional special purpose district, and (2) the Bottoms-Up Package for the HCP should be made at the January 28 meeting. The February 4 meeting is necessary in case one or both of these issues must be resolved through an issues team. The EARIP meeting schedules for Thursday, February 10, 2011 should be cancelled. Instead, the Funding Work Group will meet at 9 a.m. on February 10 to continue its discussion of the internal allocation option at the IRNR offices.

The meeting adjourned at 2:15 p.m.

¹ Subsequent to the meeting, it was determined that if the bill were cast as a “bracket” bill it would not require a notice of intent in the affected counties but that it would have to meet the March 11 date for introducing the bill.