

**MINUTES OF
July 8, 2011
BOARD MEETING
CENTRAL TEXAS GROUNDWATER
CONSERVATION DISTRICT**

The Board of Directors of the Central Texas Groundwater Conservation District met in regular session Friday, July 8, 2011 at 9:00 a.m. in the District office located at 225 S. Pierce Street, Suite 104, Burnet, Texas.

The following persons were present:

Members Present

John Simmons, President

Clyde Waters, Secretary/Treasurer

Steve Henderson, Director

Members Absent

Todd Fox, Vice President Wayne Brown, Director

Staff and or Consultants Present

Richard Bowers, General Manager

Donnita Coats, Administrative Assistant

Mitchell Sodek, Hydrologist

Others present

3 Members of the Public

President Simmons asked General Manager Bowers to establish a quorum through a roll call of Directors; declared a quorum present; and called the Meeting to order at 9:00 a.m.

President Simmons asked for public comment.

Jo Karr Tedder gave an update on the Central Texas Water Coalition activities.

President Simmons then asked for consideration and/or action on the Minutes of the Board Meeting held June 10, 2011.

Clyde Waters moved to:

Approve the minutes of the Board Meeting held June 10, 2011.

Second was by Steve Henderson.

Vote on the motion carried. (All Directors voted.)

President Simmons then asked for consideration and/or action on Expenditures for June 2011, review of 2010 – 2011 Budget and Quarterly Report on Investment Accounts.

Steve Henderson moved to:

Approve the expenses for June 2011.

Second was by Clyde Waters.

Vote on the motion carried. (All Directors voted.)

General Manager Bowers provided a quarterly report of the Investment Position of the District as of June 30, 2011 in accordance with Section IV of the Public Investment Policy of the District.

President Simmons then asked Burnet County Commissioner Joe Don Dockery for an update on the current budget situation and the direction of the Household Hazardous Waste Committee. Commissioner Dockery gave an outline of events held since the formation of the project. He informed the Board that since the Legislature had cut solid waste grants by fifty percent, the plans for a Permanent Facility would be moved further into the future. He and Chief Wright with the Marble Falls fire Department requested that since the District had budgeted reserve funds that would not be used to help with a permanent facility at this time, would they consider re-budgeting this reserve fund to use for future Household Hazardous Waste events. After discussion, President Simmons tabled consideration and/or action on the request for approval for expenditures from the District Commitment or budgeting for Household Hazardous Waste Projects.

President Simmons then asked for consideration and/or action on the current drought stage. Mitchell Sodek, District Hydrologist, gave a PowerPoint presentation on the Palmer Hydrological Drought Index and district monitor well levels. He and General Manager Bowers recommended that the Board renew the severe drought stage of the District Drought Management Plan.

Clyde Waters moved to:

Renew the Stage 3 Severe Drought stage of the District Drought Management Plan with the possibility of entering the extreme drought stage in the near future.

Second was by Steve Henderson.

Vote on the motion carried. (All Directors voted.)

President Simmons then asked for consideration and/or action on Report of meetings of Groundwater Management Area (GMA) 8 in regard to GAM Runs for CTGCD and other GMA 8 Business.

General Manager Bowers provided the following summary to the Report included in the Board Packet.

On June 22, 2011 Mitchell Sodek and I attended a meeting between the Central Texas GCD, Clearwater GCD and Middle Trinity GCD. We discussed the GAM runs for four scenarios and I stated that we believed the DFC that would provide for 20,000 acre feet per year of pumping was what we supported and I was not authorized to compromise on a lower amount and that we believed that we had actually reduced our pumping amount from 32,000 acre feet to the 20,000. Finally Dirk Aaron, General Manager of Clearwater GCD asked. Where do we go from here in regard to the GMA 8 meeting? I stated that I would report that we had not reached an agreement.

Mitchell and I also attended the GMA 8 meeting on June 23, 2011. My report to GMA 8 was: Clearwater GCD, Middle Trinity GCD and Central Texas GCD met on June 22nd had not reached an agreement and our District would continue to operate under the current DFC and would permit wells according to what we believed would allow us to meet the DFC until a model of the Trinity Aquifer was developed that more accurately represented the conditions of the Trinity Aquifer in our District.

General Manager Bowers then reviewed the proposed GMA 8 Administrative Budget for the remainder of 2011 and for 2012.

Clyde Waters moved to:

Allocate \$350.00 for the GMA 8 Administrative Budget for the remainder of 2011.

Second was by Steve Henderson.

Vote on the motion carried. (All Directors voted.)

Clyde Waters informed the General Manager that the District will want a financial audit of GMA 8 and will want to see the audit reports. He also stated that consideration and/or action on the GMA 8 Administrative Budget for 2012 be put on a future agenda.

President Simmons then asked for consideration and/or action on a request from Scott and Tammy Schneider for refunding the delinquent fees they paid on 2010 property taxes.

Clyde Waters moved to:

Deny the request from Scott and Tammy Schneider for refunding the delinquent fees they paid on 2010 property taxes.

Second was by Steve Henderson.

Vote on the motion carried. (All Directors voted.)

President Simmons then asked for consideration and /or action on amendments to and readoption of the District Investment Policy. The Investment Policy of the District requires the District to review the Investment Policy at least annually and adopt a resolution confirming the continuance of the Investment Policy without amendment or adopt an Amended Investment Policy. General Manager Bowers, District Investment Officer, reviewed amendments made to the Investment Policy that were necessary to meet the requirements of House Bill 2226.

Clyde Waters moved to:

Re-adopt the Central Texas Groundwater Conservation District Public Funds Investment Policy as amended.

Second was by Steve Henderson.

Vote on the motion carried. (All Directors voted.)

President Simmons then asked for consideration and/or action on the appointment of an Investment Officer for the District.

General Manager Bowers informed the Board that the investment Policy requires that an investment officer have 6 hours of training in the Public Funds Investment Act (PFIA) and at least four hours of additional investment training within each two year period after the first year. Since I knew I would be retiring and no other staff member or Director had received the training I sent Donnita to the TAGD PFIA Training on June 28, 2011. The 6 hours of training meets the requirement of the District Investment Policy and the PFIA. If the person hired as General Manager has the PFIA qualifications that will be great. However, if they do not, Donnita is qualified to serve as the Investment Officer until the new General Manager can receive the training.

Clyde Waters moved to:

Appoint Donnita Coats as the Investment Officer for the District upon the retirement of Richard S. Bowers. Donnita Coats will be the investment officer of the District until such time as she is replaced by action of the Board of Directors.

Second was by Steve Henderson.

Vote on the motion carried. (All Directors voted.)

President Simmons then asked for a report on the Water Issues Meeting and a Report on the Texas Water Development Board Planning Grant Meeting.

Director Waters stated that it was a 95% Design Review, \$277,000, Report that included only projects for Burnet County not Llano County. The District provided information on Monitor Well program but they did not use, The District does have In-Kind services sufficient to meet commitment. The next Meeting to review the final draft of the Planning Grant document will be August 3, 2011, 2-4 p.m., at the Burnet Community Center.

President Simmons then asked for a report on Senate Bill 100 relating to the change of election dates and terms of office of directors.

Donnita Coats, Administrative Assistant, informed the Board that to comply with the federal Military and Overseas Voter Empowerment Act (MOVE), the Texas Legislature enacted Senate Bill 100 (SB 100) in the 82nd Regular Session. SB 100 requires that in certain elections ballots be mailed or emailed to military and overseas voters no later than the 45th day before the election and that this would have a significant impact on the entire election calendar.

SB 100 limits the May uniform election date in even-numbered years to only non-county elections. Cities, schools or other political subdivisions that hold a general election in May of even-numbered years were urged to contact their county election officials soon to determine if county election officials would be able to contract to either conduct the election or lease voting equipment in May of even-numbered years. County election officials are not required to contract to conduct elections in May of even-numbered years or to lease voting equipment if doing so jeopardizes the equipment's availability for county elections.

SB 100 does not require a political subdivision to change its general election date but it does allow a political subdivision to change to the November uniform election date or to May of an odd-numbered year. The Office of the Secretary of State will likely adopt an administrative rule clarifying that a political subdivision may move its general election date.

The Burnet County Elections Administrator has offered to hold the May 2012 Election on a trial basis if any of the entities that contract with the County choose to stay with the May even-numbered year election. The cost of the election would depend on the number of entities that choose to hold the election. A meeting will be held on August 15th to get an idea of what each entity is leaning toward doing. If the Election date is changed it will affect the terms of office of all current directors. Donnita informed the Board that she had attended one meeting held by the Elections Administrator, had talked with the Office of the Secretary of State, is receiving updated election advisories and that she would have an update and request for action for the Board at a future board meeting.

President Simmons then called on the General Manager for the Staff Report.

The General Manager provided the following report:

a. Rule implementation activities,

Activity	Total as of June 9, 2011	Total as of July 7, 2011
Well registrations	3,267	3,275
Exempt Well Drilling Auth.	255	270
Permit App. Received	116	118
 Permit Applications by Use		Permits Issued
Commercial	16	1
Domestic, Livestock & Poultry	38	37
Industrial	7	0
Irrigation	23	0
Public Water Supply	34	0
<u>Total</u>	<u>118</u>	<u>38</u>
 Permit Applications by Precinct		
Precinct 1	51	
Precinct 2	29	
Precinct 3	22	
Precinct 4	15	
<u>Precincts 1 2 & 3</u>	<u>1</u>	
<u>Total</u>	<u>118</u>	

I met with some of the quarry operators to determine what the consumptive use will be and how much more they have to report above what they are currently reporting to TCEQ.

- b. We purchased 10 rain gages with rain loggers. Plans are to install the rain gages over areas of recharge for the various monitor wells. Mitchell is going to present the information about setting up the rain gage network.
- c. Monitor Wells. Mitchell included the monitor well discussion in the Drought Management Agenda Item.
- d. We have a Permit Hearing scheduled for Friday, July 15, 2011 at 9:00 a.m. There are 3 existing Commercial use permits, 5 existing Irrigation use permits and 1 new Irrigation use permit.
- e. Tuesday, July 12, 2011 is the deadline for submitting an employment application for the general manger position. I suggest that we schedule a Board Meeting in conjunction with or after the July 15th Hearing and include an Executive Session to review the applications and schedule interviews with applicants.
- f. At the last Board meeting I stated that Donnita and I have several suggested changes to the Rules. Please review the suggested changes and consider adding an agenda item to the next

Friday Hearing/Board Meeting to proceed with preparation of a Rule Change Hearing. (Copies of the suggested changes were provided to the Board and people in attendance.)

President Simmons then called for any Director comments. There were no Director comments.

President Simmons called for Agenda items for the next Board Meeting.

Permit Hearing
Rules Revisions
General Manager Position

President Simmons stated that there would be a Permit Hearing and Special Board Meeting that would include these agenda items on, Friday, July 15, 2011 at 9:00 a.m. at the District Office located at 225 S. Pierce, Burnet, Texas.

President Simmons stated that Directors could contact the Manager or himself prior to the deadline for posting notice of the next meeting if they have a suggested agenda item.

President Simmons then set the next regular board meeting for, Friday, August 12, 2011 at 9:00 a.m. at the District Office located at 225 S. Pierce, Burnet, Texas.

President Simmons adjourned the meeting at 10:50 a.m.

John Simmons, President

Clyde Waters, Secretary/Treasurer