

**MINUTES OF
October 8, 2010
BOARD MEETING
CENTRAL TEXAS GROUNDWATER
CONSERVATION DISTRICT**

The Board of Directors of the Central Texas Groundwater Conservation District met in regular session Friday, October 8, 2010 at 9:05 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

Wayne Brown, Director

Clyde Waters, Secretary/Treasurer

Steve Henderson, Director

Members Absent

Todd Fox, Vice President

Staff and or Consultants Present

Richard Bowers, General Manager

Mitchell Sodek, Hydrologist

Donnita Coats, Administrative Assistant

Brian Sledge, District General Counsel

Others present

Charles Shell

James Walker

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 9:05 a.m.

President Simmons then asked for public comment.

There were no public comments.

President Simmons then asked the Directors to consider the Minutes of the Regular Board Meeting held September 10, 2010.

Clyde Waters moved to:

Approve the Minutes of the September 10, 2010 regular Board Meeting as presented.

Second was by Wayne Brown.

Vote on the motion carried.

President Simmons then asked the Board to consider and/or act on the expenditures for September 2010.

Clyde Waters moved to:

Approve the expenses for September 2010.

Second was by Wayne Brown.

Vote on the motion carried.

General Manager Bowers then gave a quarterly report of the Investment Position of the District on September 30, 2010 in accordance with Section IV of the Public Investment Policy of the District.

President Simmons then asked the Board for consideration and/or action on the engagement letter from Michael Warner & Associates, p.c. for the 2009 – 2010 Audit.

Wayne Brown moved to:

Approve Michael Warner and Associates, P.C. to do the 2009-2010 Audit for the District.

Second was by Clyde Waters.

Vote on the motion carried.

President Simmons then asked for consideration and/or action on Approval of a Resolution Adopting Enforcement Policy and Civil Penalty Schedule as Appendix C to the District Rules.

Brian Sledge, District General Counsel, reviewed the Resolution he had prepared on Adopting Enforcement Policy and Civil Penalty Schedule as Appendix C to the District Rules. After discussion, Director Brown suggested tabling any action on Appendix C until all Board members were present for a vote. On recommendation of legal counsel and without objection, the Board decided to direct the General Manager to publish notice of these draft rules as presented and a rulemaking public hearing to be held at 9:05 a.m. on Friday, November 12, 2010 in accordance with Chapter 36 of the Texas Water Code.

President Simmons then asked for consideration and/or action on Resolutions providing for the Sale of Property Acquired by the Burnet Central Appraisal District at Delinquent Tax Sale. Lots 889 and 890, Sherwood Shores III, Section B, Burnet County, Texas and Lots 200 and 201, Greencastle Section of Sherwood Shores, City of Granite Shoals, Burnet County, Texas.

Wayne Brown moved to:

Pass, approve and adopt the Resolutions providing for the Sale of Property Acquired by the Burnet Central Appraisal District at Delinquent Tax Sale.

Second was by Clyde Waters.

Vote on the motion carried.

President Simmons then asked for consideration and/or action on sharing in the cost with other Groundwater Conservation Districts in sharing the costs of a proposed Geophysical Logging Trailer Project. General Manager Bowers discussed the request for participation and cost sharing figures provided by Ron Fieseler, Blanco-Pedernales GCD. He suggested that the Board move to participate in the project for up to \$15,000.00 taken from funds held in reserve and that the District Budget be amended once and invoice is received. After discussion among the Board, General Manager Bowers, and District Hydrologist Mitchell Sodek;

Clyde Waters moved to:

Approve District participation in the proposed Geophysical Logging Trailer Project with Blanco-Pedernales and other participating groundwater conservation districts for a cost of up to \$15,000.00 to be taken from funds held in reserve and to amend the District Budget to reflect this expenditure once and invoice has been received.

Second was by Wayne Brown.

Vote on the motion carried.

President Simmons then stated that the Board would go into Executive Session items for consultation concerning attorney- client matters Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated (§551 .071) and that no action would be taken in Executive Session.

The Board went into Executive Session at 10:20 a.m.

The Board reconvened in regular session at 10:44 a.m.

President Simmons then asked the Directors to Consider a District policy of paying for flow meters on existing wells as required by District Rules or as a provision of expedited processing of existing well operating permits.

The General Manager presented information to the Board showing the number of meters, the various size meters required and the cost. This information was based on the well registrations and permit applications received.

Steve Henderson moved to:

Purchase meters for wells that existed prior to September 1, 2009 that the Rules require to have metered production and the well was not equipped with a flow meter prior to September 1, 2009 and then any other well the owner requests to install a meter, the total expense of all meters shall not exceed the \$18,000 budgeted for this fiscal year; And instruct the Manager to draft an agreement between the District and well owners stating that the District is providing the meter to the well owner and the well owner will install the meter at the well owner's expense and any future repair and/or replacement cost will also be at the expense of the well owner. The well owner will be required to install the meter within fifteen (15) days after the meter is delivered to the well owner.

Second by Clyde Waters

Vote on the motion carried.

President Simmons then asked Director Brown for an update on the Public Education Program. Director Brown stated that several individuals had shown an interest in being on the Education Program committee with him and Director Henderson. The committee plans on meeting by the end of the year or the first of next year and will post notice of committee meetings.

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

General Manager provided the Board with the following report:

- Rule implementation activities stating that there have been 3,190 Wells Registered, 174 New Exempt Well Drilling Authorizations issued since and 103 Permit Applications received since September 1, 2009.
- Staff has been working on end of fiscal year bookkeeping and reporting in preparation of the annual audit and annual report of district activities.
- A monitor well was drilled and equipped in the Hickory outcrop up dip from the Timber Ridge subdivision. Removed and installed a monitor probe in the Granite Gravel aquifer in the Tobyville area.

- January – September 2010 and 2009 water level graphs are on the CTGCD Website. Rainfall Date for January – August 2010 and all of 2009 is also on the CTGCD Website.

He concluded his report with the following list of upcoming meeting:

- Texas Innovative Water 2010 Sponsored by Texas Water Development Board, U.S. Bureau of Reclamation and San Antonio Water System. October 11 & 12, 2010 Henry B Gonzalez Convention Center, San Antonio, Texas.
- 10th Annual Bell County Water Symposium, October 21, 2010 Belton, Texas
- Burnet County Water Issues Meeting October 22, 2010 at 10:00am.
- 4th Annual Groundwater 101 Seminar, November 10, 2010, Stephen F. Austin Bldg. Austin, Texas.

President Simmons then called for any Director comments.

President Simmons asked if a response letter acknowledging receipt of application would be sent to all permit applicants within 30 days from this meeting. General Counsel Sledge stated that a letter would be prepared within one week and would be mailed prior to the next regular Board Meeting.

Director Waters stated that at some point in time the District needed a statement of work and preliminary Engineering Report on Burnet County Springs.

Director Waters stated that he questions committing future boards to spend funds other than loans, bonds and certain contracts.

Director Waters believes that the Board should develop a policy for walk on items that require action at meetings. He feels that Directors should have time to think about items before they are presented for a vote. Example: The Joint Position Statement on Groundwater Ownership of the Texas and Southwest Cattle Raisers Association, Texas Farm Bureau and Texas Wildlife Association.

Discussion between Directors, General Manager Bowers and General Counsel Sledge regarding permit hearings – when, where, procedure and legal issues.

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

They were:

Jeff Saunders Springs Presentation

Public Hearing on Civil Penalties

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, November 12, 2010 immediately following the 9:05 a.m. Public Hearing on Rule Amendments at the District Office located at 225 S. Pierce, Burnet, Texas.

President Simmons adjourned the meeting at 11:24 a.m.

John Simmons, President

Clyde Waters, Secretary/Treasurer