

**MINUTES OF
November 9, 2012
BOARD MEETING
CENTRAL TEXAS GROUNDWATER
CONSERVATION DISTRICT**

The Board of Directors of the Central Texas Groundwater Conservation District met in regular session on Friday, November 9, 2012 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

Bill Felps, President	Bill Luedecke, Director
Wayne Brown, Vice President	Steve Henderson, Director
Dan Brady, Secretary/Treasurer	

Staff and or Consultants Present

Charles Shell, General Manager Mitchell Sodek, Hydrologist
Donnita Coats, Administrative Assistant

Others present - Several Members of the Public

President Felps asked General Manager Shell 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 Felps then asked for public comment. Chad Calhoun commended the newly elected Board of Directors for their shared values of limited government and property owner's rights, their decision to hire new legal counsel for the District and their decision to work on simplifying the District Rules. Gordon Griffin spoke in support of Mr. Calhoun's statements and encouraged the Board to go forward with simplifying the Rules.

President Felps then asked for consideration and/or action on Minutes of the Regular Board Meeting held October 12, 2012.

Wayne Brown moved to:

Approve the Minutes of the Regular Board Meeting held October 12, 2012.

Second was by Steve Henderson.

Vote on the motion carried.

President Felps then asked for consideration and/or action on Expenditures for October 2012; Review of 2012-2013 Budget; and consideration and/or action on Budget Line Item Adjustments.

Wayne Brown asked the staff to report, at the next regular meeting, on funds needed in the past to operate the District for the months of October, November and December. General Manager Shell reported that Registration Fees and Automobile Insurance had exceeded budget due to newly elected Directors attending meetings and seminars and auto insurance rerates.

General Manager Shell reported the following budget line item adjustments within the same categories that he and Secretary/Treasurer Brady will make to the budget:

\$1,700.00 from Other Expenses – Staff Education to Other Expenses – Registration Fees

\$100.00 from Insurance - Property to Insurance - Automobile

\$200.00 from Insurance – General Liability to Insurance - Automobile

Wayne Brown moved to:
Approve the Expenditures for October 2012.
Second was by Bill Luedecke.
Vote on the motion carried.

President Felps then asked for consideration and/or action on Auto Debits for Recurring Accounts. General Manager Shell requested that the Board approve auto debits to the District checking account for payments to the Texas County and Districts Retirement System and other recurring accounts of the District. Dan Brady suggested that payments such as office lease payments and other recurring payments could be auto debited or made online.

Steve Henderson moved to:
Allow District Staff to make recurring account payments of the District online or through auto debit and report these payments as Electronic Funds Transfers on the financial reports to the Board.
Second was by Bill Luedecke.
Vote on the motion carried.

President Felps then asked for consideration and/or action Legal Services for the District. General Manager Shell presented and reviewed engagement letters from Timothy L. Brown and Andy Carson. After discussion of the letters and a need for clarification of the specific duties of each attorney;

President Felps moved to:
Table consideration and or action on execution of engagement letters of legal counsel Timothy L. Brown and Andy Carson until job descriptions are presented at the next regular meeting of the Board and to continue using them as legal counsel to the District prior to execution of letters.
Second was by Bill Luedecke.
Vote on the motion carried.

President Felps then asked for consideration and/or action on Resolution of Support for Central Texas Water Coalition. Jo Karr Tedder, representative for the Central Texas Water Coalition, reviewed a Resolution Requesting an Emergency Drought Order for 2013 asking the LCRA Board to request and submit to TCEQ for approval, the re-authorization or renewal of the Emergency Drought Order.

General Manager Shell and Hydrologist Sodek expressed their concerns regarding the impact of lower lake levels on the use of groundwater by cities and individual Alluvial wells.

Wayne Brown moved to:
Approve the Resolution Requesting an Emergency Drought Order for 2013as presented and to attach a letter from the Board expressing the concerns of releasing large quantities of water from the Highland Lakes resulting in the possible demand on groundwater by cities, and the likelihood that wells in Alluvium Formations near the lakes would go dry with lower lake levels.

President Felps then asked for consideration and/or action on Resolution to execute a Plan Term Amendment regarding the former Retirement Plan of the District and Change of Plan Trustees if Required.

Bill Luedecke moved to:
Approve the execution of all required resolutions or documents to terminate the District's 457(b) Retirement Plan and to appoint William Felps and Charles Shell as trustees if it is determined to be a requirement to make distributions to rollover IRA's on behalf of the plan participants.

Second was by Wayne Brown.
Vote on the motion carried.

President Felps then asked for consideration and/or action on Revisions to District Rules. General Manager Shell reviewed the number of outstanding permit applications with the District and suggested that rule amendments be made after completion of permit hearings on outstanding applications. The Board discussed holding work sessions to review, discuss and develop language for amendments to the rules and President Felps set a work session for this purpose to be held at 3:00 p.m. on Tuesday, November 27, 2012 at the District Office.

President Felps then asked for consideration and/or action on Determination of the Drought Stage. Hydrologist Sodek informed the Board that, due to his attendance at various water issues meetings, monitor well water levels had not been measured prior to the meeting. He informed them that the outlook was mixed on precipitation forecasts and the occurrence of El Nino or La Nina and recommended remaining at Stage 2 – Moderate Drought. No action was taken to change the Drought Stage. He also reminded the Board of his Hydro Blog on the District Website and reported that the blog would be updated every month or two.

President Felps then called on the General Manager for the General Manager and/or Staff Report.

a. Rule implementation activities

Activity	Total as of October 11, 2012	Total as of November 8, 2012
Well registrations	3513	3513
Exempt Well Drilling Auth.	507	513
Permit App. Received	129	129

Permit Applications by Use		Permits Issued
Commercial	14	13
Domestic, Livestock & Poultry	41	41
Industrial	9	0
Irrigation	30	19
Public Water Supply	35	27
Total	129	100

Permit Applications by Precinct	
Precinct 1	56
Precinct 2	33
Precinct 3	24
Precinct 4	15
Precincts 1 2 & 3	1
Total	129

Approximately 30 permit applications pending. Plans for permit hearings in January 2013.

b. GMA 8 Tech Adv Meeting – Mitchell Sodek

Hydrologist Sodek attended a Trinity Modeling Technical Meeting in Cleburne and informed the Board that data analysis for the new model will produce better MAG numbers and better data for the western outcrop of the Trinity Aquifer.

c. TAGD Meeting

General Manager Shell and Hydrologist Sodek attended the Quarterly Meeting in Conroe, Texas and obtained good information on water issues and legislative issues.

d. UTCLE Meeting

General Manager Shell, Hydrologist Sodek, Director Brown and Director Luedecke attended the meeting and reported that there were very good and informative speakers, good discussions and information on legislative issues. Director Brown discussed the issue covered on the use of brackish water in some counties and the possibility of a future study for use of brackish water in Burnet County.

e. Progress Report USGS Study

General Manager Shell reviewed the progress report and stated that the project is moving forward with more work to be done the following week.

f. November 27, 2012 Permit Hearing

General Manager Shell reminded the Board of a Permit Hearing to be held at 1:00 p.m. on Tuesday, November 27, 2012 at the District Office.

President Felps then called for any Director comments.

Director Brown shared comments made at the UTCLE Meeting regarding some water conservation districts not stepping up and fulfilling their purpose and stressed the point that the Central Texas GCD is meeting all requirements of a District and much more.

Director Henderson requested statistics of activity on the District Website be reported at monthly meetings.

President Felps then called for Agenda items for the next Regular Board Meeting.

Annual Report

Website Statistics

Job Descriptions for Legal Counsel

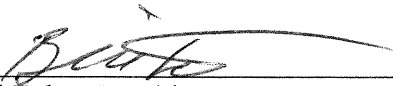
Estimates of previous years operating expenses for October, November and December

Rules Work Session

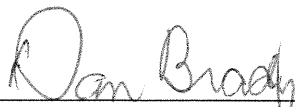
President Felps stated that Directors could contact the General Manager or Board President prior to the deadline for posting notice of the next meeting if they have a suggested agenda item.

President Felps then set the date for the next regular board meeting for, Friday, December 14, 2012 at 9:00 a.m. at the District Office located at 225 S. Pierce, Burnet, Texas.

President Felps adjourned the meeting at 10:53 a.m.



Bill Felps, President



Dan Brady, Secretary/Treasurer