

**MINUTES OF
December 14, 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, December 14, 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	Dan Brady, Secretary/Treasurer
Wayne Brown, Vice President	Steve Henderson, Director

Members Absent

Bill Luedecke, Director

Staff and or Consultants Present

Charles Shell, General Manager	Donnita Coats, Administrative Assistant
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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 9:01 a.m.

President Felps then asked for public comment. John Kelso introduced himself as a citizen of Burnet County who had recently registered an existing well with the District. He suggested that the District include more positive public relations and conservation items in its applications and certificates. He also suggested that the information on well registration applications regarding well inspection include a statement that District Staff must contact a well owner prior to inspecting a well. President Felps informed Mr. Kelso that the Board and Staff will consider his suggestions.

President Felps then asked for consideration and/or action on the Annual District Audit for 2011-2012. Charity Tabor, District Auditor with Tabor and Burnett PC, reviewed the audit and reported that there were no Non-Compliance Issues and No Control Weaknesses.

Wayne Brown moved to:

Approve the Central Texas Groundwater Conservation District 2011-2012 Annual Audit as presented.

Second was by Steve Henderson.

Vote on the motion carried.

President Felps then asked for consideration and/or action on Minutes of the Special Board Meeting held November 27, 2012.

Dan Brady moved to:

Approve the Minutes of the Special Board Meeting held November 27, 2012.

Second was by Wayne Brown.

Vote on the motion carried.

President Felps then asked for consideration and/or action on Expenditures for November 2012; Review of 2012-2013 Budget; and consideration and/or action on Budget Line Item Adjustments. General Manager Shell stated that there were no budget line item adjustments needed.

Dan Brady moved to:
Approve the Expenditures for November 2012.
Second was by Steve Henderson.
Vote on the motion carried.

President Felps then asked for consideration and/or action on the Fiscal Year 2011-2012 Annual Report.

Bill Felps moved to:
Adopt the Fiscal Year 2011-2012 Annual Report as presented.
Second was by Dan Brady.
Vote on the motion carried.

President Felps then asked for consideration and/or action on the Employee Health Plan; Agreements with TML Employee Benefits Pool. General Manager Shell informed the Board of a substantial rate increase to the 2013 insurance rates with the District's Scott & White Health Plan and reviewed a less expensive proposal for an employee health plan with the TML Intergovernmental Employee Benefits Pool (TML). He informed them that the TML plan would cost the District substantially less but would substantially increase the premium for the family plan for Administrative Assistant, Donnita Coats. He suggested that the Board approve the change from the Scott and White Plan to the TML Plan and that Donnita Coats continue paying the same out of pocket premium amount that she is currently paying with the Scott & White Plan, which would still save the District a substantial amount for the District health plan.

Wayne Brown moved to:
Approve the change from the Scott & White Employee Health Plan to the TML Intergovernmental Employee Benefits Pool (TML) and to allow Administrative Assistant, Donnita Coats, to pay TML no more than the current out of pocket premium amount she is paying for a Scott & White Family Plan.
Second was by Steve Henderson.
Vote on the motion carried.

President Felps then asked for consideration and/or action on Legal Services for the District. General Manager Shell presented Andy Carson, Attorney at Law, with suggested changes to a copy of his engagement letter to the District. President Felps asked Mr. Carson to review the changes and tabled consideration and/or action on the Agenda Item until later in the meeting.

President Felps then asked for consideration and/or action on Determination of the Drought Stage. General Manager Shell announced that Hydrologist Mitchell Sodek was not in attendance but that he and Mitchell agreed that with the drought continuing, monitor well levels dropping and a negative forecast for precipitation that the District should initiate the Severe Drought Stage of the District Drought Management Plan with 20% voluntary reduction. General Manager Shell also discussed the District's concerns over the negative impact that the LCRA decision to release approximately 145000 acre feet of water from the Highland Lakes would have on the Alluvium Aquifer in Burnet County, which is the sole drinking water source for citizens along the Colorado River. The Board agreed that President Felps and General Manager Shell should continue to stress the District's objections to the release of 145000 acre feet of water from the Highland Lakes to local and state officials.

Bill Felps moved to:

Initiate the Stage 3 - Severe Drought Stage of the District Drought Management Plan with 20% voluntary reduction effective December 14, 2012.

Second was by Wayne Brown.

Vote on the motion carried.

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

a. Rule implementation activities

Activity	Total as of November 8, 2012	Total as of December 14, 2012
Well registrations	3513	3538
Exempt Well Drilling Auth.	513	525
Permit App. Received	129	129
Permit Applications by Use		Permits Issued
Commercial	14	13
Domestic, Livestock & Poultry	41	41
Industrial	9	0
Irrigation	30	21
Public Water Supply	35	30
Total	129	105
Permit Applications by Precinct		
Precinct 1	56	
Precinct 2	33	
Precinct 3	24	
Precinct 4	15	
Precincts 1 2 & 3	1	
Total	129	

b. USGS Study Update

USGS has completed the first two gain/loss studies. Hydrologist Sodek worked with the team on obtaining stream flow measurements. Flow is so low that it was hard to take measurements but some measurements were taken and more will be taken when streams are flowing more. USGS will provide trip reports on the two studies in the near future.

c. Satellite Equipment for Monitor Wells

The District has received equipment for four wells and the wells will be equipped as soon as Texas Water Development Board Staff is available to help District Staff equip the wells.

d. Monitor Well Network

In negotiation with the City of Marbles Falls on obtaining two monitor wells at 50% participation.

e. Web Site Stats

Monthly review of Statistics

President Felps then called for any Director comments.

There were no Director Comments.

President Felps then returned to Agenda Item No. 8 consideration and/or action on Legal Services for the District. Mr. Carson informed the Board that he agreed to the changes that General Manager Shell made to his engagement letter.

Wayne Brown moved to:

Execute engagement letters from District Legal Counsel Timothy L. Brown and Andy Carson. Second was by Steve Henderson.

Vote on the motion carried.

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

Consider change of Regular Meeting Date and Time.


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, January 11, 2013 at 9:00 a.m. at the District Office located at 225 S. Pierce, Burnet, Texas.

President Felps adjourned the meeting at 9:53 a.m.



Bill Felps, President



Dan Brady, Secretary/Treasurer