

Gonzales County Underground Water Conservation District
Minutes of the Board of Directors
October 13, 2015
Board Meeting

The regular meeting of the Board of Directors of the Gonzales County Underground Water Conservation District (the District) was called to order. Present for the meeting were directors: Bruce Tieken, Steve Ehrig, Barry Miller, Kermit Thiele, and Bruce Patteson. Also present for the meeting were Greg Ellis, legal counsel, GCUWCD General Manager, Greg Sengelmann and GCUWCD Well Mitigation Manager, Link Benson, and administrative assistant, Laura Martin. Other Attendees included: (See Attached List)

Call to Order: 5:30 p.m.

Public Comment:

Public comments were made by landowner Mr. Wayne LePori. Public comments were made by landowner Ms. Sally Ploeger. Public comments were made by landowner Mr. Ted Boriack. A recording of the board meeting and comments received has been filed at the District office.

The minutes from the September 8, 2015 Public Tax Hearing were reviewed. Mr. Barry Miller made a motion to approve the minutes and Mr. Bruce Patteson seconded the motion. The motion passed unanimously.

The minutes from the September 8, 2015 Board Meeting were reviewed. Mr. Kermit Thiele made a motion to approve the minutes and Mr. Patteson seconded the motion. The motion passed unanimously.

The minutes from the September 29, 2015 Public Hearing on Proposed Additions and Amendments to the District Rules were reviewed. Mr. Patteson made a motion to approve the minutes and Mr. Steve Ehrig seconded the motion. The motion passed unanimously.

The minutes from the September 29, 2015 Special Called meeting on Proposed Additions and Amendments to the District Rues were reviewed. Mr. Ehrig made a motion to approve the minutes and Mr. Patteson seconded the motion. The motion passed unanimously.

Ms. Laura Martin gave the financial report. The account balances had been reconciled and balanced. The WAM was within the required 365 day timeframe. CD rates in financial report were reviewed from local banks. Mr. Miller made a motion to approve the financial statement and allow CD 0745 with South Star Bank to roll over and stay at current bank. Mr. Patteson seconded the motion. The motion passed unanimously.

The Board reviewed the District's outstanding bills. The bills were as follows: \$108.07 to AT&T Mobility for basic mobile telephone, \$189.06 to GVTC for telephone and internet service, \$595.86 to the US Post Office for office rent, \$35.00 to Rockin'S Marketing & Design for website maintenance, \$210.00 to WorkSpace Infrastructure & Mobility, LLC for computer services, \$198.33 to Ricoh for copier rental, \$1,000.00 to ESRI for software single use maintenance, \$85.94 to American Association of Notaries for notary registration, \$225.00 to LJD Consulting & Bookkeeping for quarterly audit of accounts, \$1,847.26 to Texas Municipal League Intergovernmental Risk Pool for insurance, \$40.00 to Texas Groundwater Association for dues renewal, \$1,500.00 to Floyd & Gindler for annual audit, \$332.75 to TWCA for Annual Dues, \$197.40 to Gonzales Inquirer for employment advertisement, \$1,250.00 to Texas Alliance of Groundwater Districts for annual membership, and \$120.00 to Texas Alliance of Groundwater Districts for quarterly meeting. Mr. Patteson made a motion to pay the District's bills. Mr. Ehrig seconded the motion. The motion passed unanimously.

The Board reviewed the Western and Eastern Mitigation Funds' outstanding bills. The bills for the Western

Fund were as follows: \$233.40 to the U.S. Post Office for office rent, \$1,500.00 to Floyd & Gindler for annual audit, \$35,451.15 to B&S Water Well Service for mitigation services on water well H198. The bill for the Eastern Fund was as follows: \$1,500.00 to Floyd & Gindler for annual audit, \$944.60 for water well mitigation on well A112, \$6,031.03 to B&S Water Well Service for mitigation on water well A109. Mr. Thiele made a motion to pay the Western and Eastern Mitigation Fund bills and Mr. Patteson seconded the motion. The motion passed unanimously.

The Directors and General Manager discussed a request for a drilling and production permit application to drill a new irrigation water well for Kisner Enterprises, LLC. Mr. Patteson made a motion to approve the production permit application. Mr. Ehrig seconded the motion. The motion passed unanimously.

Next, a discussion regarding the GCUWCD Regional Planning Group changing from Region L to Region P occurred as boundaries may be changing. Mr. Miller made a motion to write a letter explaining that it is the Board's preference that GCUWCD not be moved from Region L Planning Group. Mr. Thiele seconded the motion. The motion passed unanimously.

Then the board, Mr. Sengelmann, and Mr. Ellis discussed the Plugging & Abandonment Program. Parameters of cost sharing, needs assessment, language of the writing were discussed. Mr. Ehrig made a motion to table the Plugging and Abandonment Program for further study.

The Directors and Mr. Ellis, attorney, discussed rules and regulations governing District export permits. This was not an action item.

The Board passed Resolution 15-10-13a to adopt the Proposed Additions and Amendments to the Rules of the District. Mr. Miller made a motion to adopt the Proposed Additions and Amendments to the Rules of the District including the additional language on Rule 15.I to include a timeline for transport permits, and including amended punctuation in Rule 15.B.1. to be one sentence. Mr. Patteson seconded the motion. The motion passed unanimously.

The board and general manager then discussed the opening up of the Rules of the District to possibly amend Rules 16 and 21. Mr. Miller made a motion to schedule a Public Hearing for Proposed and Additions and Amendments to District Rules 16 and 21 for December 08, 2015. Mr. Patteson seconded the motion. The motion passed unanimously.

The board, general manager, and district attorney discussed whether changes to the Management Plan were needed due to the newly adopted rules. No changes to the Management Plan were required at this time since the Resolution of the Rules passed.

Manager's Report:

Mr. Patteson made a motion to suspend the reading of the manager's report. Mr. Miller seconded the motion.

Mr. Greg Sengelmann reviewed the water level maps from the September 2015 water level measurements. The manager's report is available at the District office. Mr. Ehrig made a motion to approve the district's manager's expenses. Mr. Miller seconded the motion. The motion passed unanimously.

Mitigation Fund Manager's Report:

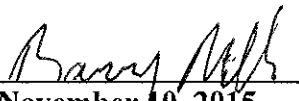
Mr. Patteson made a motion to suspend the reading of the manager's report. Mr. Miller seconded the motion.

Mr. Link Benson discussed the amount of gas being produced in water wells and the possible reasons. The mitigation manager's report is available at the District office. Mr. Miller made a motion to approve the district's manager's expenses. Mr. Ehrig seconded the motion. The motion passed unanimously.

Adjourn:

A motion was made by Mr. Patteson to adjourn the meeting and Mr. Thiele seconded the motion. The motion passed unanimously. The meeting was adjourned at 7:12 p.m.

Approved By:


November 10, 2015

GS:lm