

Gonzales County Underground Water Conservation District
Minutes of the Board of Directors
September 8, 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, Bruce Patteson, Kermit Thiele and Barry Miller. Mr. Steve Ehrig was not in attendance. Also present for the meetings were GCUWCD General Manager Greg Sengelmann, administrative assistant, Laura Martin, and district legal counsel Greg Ellis. Other Attendees included: (See Attached List)

A moment of silence was observed for Mr. Pat Rosato.

Public Comment: Public comments were made Ms. Sally Ploeger, and Mr. Wayne LePori. A recording of the board meeting and comments received are filed at the District office.

The minutes from the August 11, 2015 Board Meeting were reviewed. Mr. Barry Miller made a motion to approve the minutes and Mr. Kermit Thiele seconded the motion. The motion passed unanimously.

Ms. Laura Martin gave the financial report. Mr. Thiele made a motion to approve the financial report. Mr. Bruce 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 bill, \$188.89 to GVTC Communications for phone and internet service, \$595.86 to the U.S. Post Office for office rent, \$35.00 to Rockin'S Marketing & Design for website maintenance, \$180.00 to WorkSpace Infrastructure & Mobility, LLC for computer services, \$225.33 to Ricoh for copier rental, \$19.18 to Texas Workforce Commission for workers compensation payment, \$245.10, \$94.88, \$94.88 and \$86.25 to Gonzales Inquirer for published notices, \$100.00 to J.B. Dubose for bond insurance, \$6.46 and \$23.08 for Caldwell County Appraisal District 4th Qtr. payment, \$562.55 for Lockhart Post-Register for Notice of Public Hearing, \$207.16 for Order My Checks for district checks, \$98.00 to U.S. Postal Service for postage, \$363.75 for Gonzales County Appraisal District 4th Qtr. payment, and \$206.00 for Post Office box fee for 12 months, Mr. Miller made a motion to pay the District's bills. Mr. Patteson seconded the motion. The motion passed unanimously.

The Board reviewed the Western and Eastern Mitigation Funds' outstanding bills. There were no bills for the Western Fund. The bill for the Eastern Fund was as follows: \$233.40 to the U.S. Post Office for office rent, \$5,328.48 (A113) to Guadalupe Valley Electric Corporation (GVEC) for electrical work related to well mitigation. Mr. Patteson made a motion to pay the Eastern Mitigation Fund bills and Mr. Miller seconded the motion. The motion passed unanimously.

Next, the Board and Mr. Greg Sengelmann discussed 2014-2015 Fiscal Year the budget amendments for the District, Western Mitigation Fund and Eastern Mitigation Fund. The directors and Mr. Sengelmann discussed each line item of the 2014-2015 budgets to date, adjustments to be made, and the budget amendments. Mr. Miller made a motion to approve 2014-2015 budget amendments and Mr. Patteson seconded the motion. The motion passed unanimously.

The Board then discussed and took action on setting the proposed tax rate for the District. Mr. Patteson made a motion to adopt a 2015-2016 Fiscal Year proposed tax rate of \$0.0060 of each \$100.00 value for the District. Mr. Thiele seconded the motion. The motion passed unanimously with four directors present at the meeting; Mr. Tieken, Mr. Miller, Mr. Thiele, and Mr. Patteson and voting for the motion. Mr. Steve Ehrig was not in attendance.

The Board went into Executive Session for personnel matters, per Section 551.074 of the Texas Government Code; at 5:44 p.m. Mr. Ticken called the meeting back to order at 5:57 p.m.

The next item on the agenda was to discuss and take action on the 2015-2016 Fiscal Year Operating Budget for the District. The directors and Mr. Sengelmann discussed each line item of the District Operating Budget and made adjustments where necessary. Mr. Miller made a motion to approve the 2015-2016 District Operating Budget as amended. Mr. Patteson seconded the motion. The motion passed unanimously.

Next, the Board discussed and took action on the 2015-2016 GCUWCD Western Mitigation Fund (WMF) Budget. Mr. Patteson made a motion to approve the 2015-2016 WMF Budget. Mr. Thiele seconded the motion. The motion passed unanimously.

The next item on the agenda was to discuss and take action on the 2015-2016 GCUWCD Eastern Mitigation Fund (EMF) Budget. Mr. Thiele made a motion to approve the EMF Budget and Mr. Bruce Ticken seconded the motion. The motion passed unanimously.

Next, the Director's discussed and took action on approving Floyd & Gindler, PC to conduct the District's 2014-2015 fiscal year audits. Mr. Miller made the motion. Mr. Ticken seconded the motion. The motion was approved unanimously.

The board discussed and took action on contract renewals for WorkSpace Infrastructure and Mobility, LLC the district's networking IT company, Rockin'S Marketing & Design the district's website maintenance company, and GVTC Communications the district's telephone and internet provider. Mr. Thiele made a motion to approve the contracts Mr. Ticken seconded the motion. The motion was approved unanimously.

The Directors and Mr. Greg Ellis, attorney, discussed the division of the district into Management Units and the possibility of amending the Management Plan to represent the division. Management Units would allow transfer of water rights to non-contiguous water right owners within their individual management unit. A workshop was scheduled for Wednesday, September 23, 2015, to further discuss amending of the Management Plan. The Workshop will be open to the public for comment. Mr. Thiele made a motion to table this item until after the workshop. Mr. Ticken seconded the motion. The motion was approved unanimously.

Manager's Report:

Mr. Sengelmann gave his monthly manager's report and discussed the June water level measurements. On August 4th, Mr. Sengelmann met with a representative of EOG to discuss the proposed amendments to the District's rules. On August 4th, he met with attorneys in San Antonio to prepare for my expert witness deposition in opposition to the Post Oak Clean Green Landfill. On August 6th, Mr. Sengelmann travelled to Lockhart to post the Board Meeting agenda. On August 19th, he attended the Region L Workgroup meeting in San Antonio to review comments to the 2016 Initially Prepared Plan. On August 21st, and 28th, Mr. Sengelmann met with Bill Klemt to discuss details for an article on aquifer commingling they are co-authoring for the Texas Ground Water Association's Fountainhead. On August 25th, 26th, and 27th, he attended the Texas Alliance of Groundwater Districts (TAGD) 2015 Texas Groundwater Summit in San Marcos. On August 31st, he met with attorneys for the Post Oak Clean Green Landfill to provide an oral deposition concerning the District's opposition to the landfill. SSLGC's August production was about 1,445 ac-ft. CRWA's August production was about 284 ac-ft. SAWS August production was about 1,083. AQUA's July production was about 27 ac-ft. The Palmer Drought Index, as of September 1, 2015 indicates that we are under moderate to severe drought conditions.

The Board discussed and took action on the agenda item for paying the General Manager's, Administrative Staff, and Board Members' expenses for the month. Mr. Thiele made a motion to approve the expenses and Mr. Patteson seconded the motion. The motion passed unanimously.

Mitigation Fund Manager's Report:

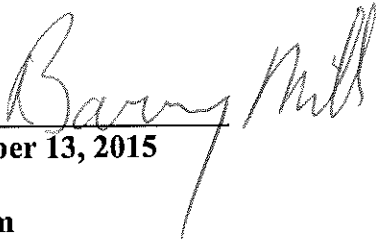
Ms. Martin gave Mr. Link Benson's monthly manager's report. On August 5th, Mr. Benson traveled to Saturn to observe the Farrar water well, and to take pictures. On August 17th, he traveled to Belmont and met B&S to discuss mitigation of the Pearson's water well. On August 19th, Mr. Benson traveled to Gonzales and met B&S at the Parker water well to discuss mitigation. On August 20th, he traveled to Smiley to check the progress of electricity on the Stahl water well. On August 21st, Mr. Benson traveled to Smiley to review the Morris water well. On August 24th, he traveled to Gonzales to meet with B&S at the Parker water well to discuss jet line troubles. On August 25th, Mr. Benson traveled to Gonzales and met with B&S at the second Parker well that had stopped flowing. On August 27th, he traveled to Gonzales and met GVEC at the Parker water well #2, and #3; well #3 had stopped flowing. On August 31st, he traveled to Leesville and met Mr. Lott at a water well site that is out of water.

The Board discussed and took action on paying the Mitigation Manager's expenses for the month. Mr. Thiele made a motion to pay the Mitigation Manager's expenses and Mr. Patteson seconded the motion. The motion passed unanimously.

Adjourn:

A motion was made by Mr. Thiele to adjourn the meeting and Mr. Patteson seconded the motion. The motion passed unanimously.

Approved By:



October 13, 2015

GS:lm

