

Gonzales County Underground Water Conservation District
Minutes of the Board of Directors
August 08, 2017
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, Kermit Thiele, Barry Miller and Bruce Patteson. Also present for the meeting were GCUWCD General Manager Greg Sengelmann, Administrative Assistant Laura Martin, Mitigation Manager Link Benson, and Legal Counsel Greg Ellis. Other Attendees included: (See Attached List)

Call to Order.

Public Comments. Limit to 3 minutes per person.

No public comments were made. A recording of the meeting is available at the district office.

Consent Agenda (Note: These items may be considered and approved by one motion of the Board. Directors may request to have any consent item removed from the consent agenda for consideration and possible action as a separate agenda item):

Approval of minutes of July 11, 2017 Regular Board Meeting.

Approval of the Financial Report.

Approval of the District's bills to be paid.

Approval of the Mitigation Fund bills to be paid.

Approval of District Manager, Administrative Staff, Board Member, Field Technician, Mitigation Manager Expenses.

Approval of Manager's Report (monthly report, transporter usage, drought index).

Approval of Well Mitigation Manager's Report (well mitigation progress).

Approval of Field Technician Report (monthly report).

The Board of Directors took action on the Consent Agenda, including, approval of the July 11, 2017 Regular Board Minutes, the Financial Report, District Bills to be paid, District Manager, Administrative Staff, Board Member, Field Technician and Mitigation Manager Expenses, Manager's Report, Well Mitigation Manager's Report, and Field Technician Report. Mr. Steve Ehrig made a motion to approve the Consent Agenda. Mr. Bruce Patteson seconded the motion. The motion passed unanimously.

Discuss and possibly take action on any item removed from Consent Agenda.

None.

Discuss and possibly take action on an industrial well drilling and production permit for Rosewood Resources, Inc. -Ward.

Rosewood Resources, Inc., applied to a re-equip an existing well for an industrial use on Farm to Market 108 South in the Smiley area of Gonzales County. The well will produce 387 ac-ft a year at a rate of 667 gpm from the Carrizo Aquifer. The board and general manager stated the application was administratively complete and the board discussed the permit parameters. Mr. Barry Miller made a motion to approve the permit application for Rosewood Resources, Inc. – Ward. Mr. Kermit Thiele seconded the motion. The motion passed unanimously.

Discuss and possibly take action on an industrial well drilling and production permit for Rosewood Resources, Inc.-Huffman.

Rosewood Resources, Inc., applied to drill a well for an industrial use on County Road 211 in the Smiley area of Gonzales County. The well would produce 150 ac-ft a year at a maximum rate of 489 gpm from the Yegua-Jackson Aquifer. The board and general manager stated the application was administratively complete and the board discussed the permit parameters. Mr. Thiele made a motion to approve the permit application for Rosewood Resources, Inc. Mr. Ehrig seconded the motion. The motion passed unanimously.

Discuss and possibly take action on an industrial well drilling and production permit for Mr. Craig Hines.

Mr. Craig Hines, H&H Ranch applied to a re-equip an existing well for an industrial use on Farm to Market 1116 and County Road 311 in Gonzales County. The well will produce 250 ac-ft a year at a rate of 770 gpm from the Carrizo Aquifer. The board and general manager stated the application was administratively complete

and the board discussed the permit parameters. Mr. Patterson made a motion to approve the permit application for Mr. Hines. Mr. Ehrig seconded the motion. The motion passed unanimously.

Discuss and possibly take action on renewing the District's U.S. Postal Service office lease contract. The GCUWCD lease for the office location at the USPS is up for renewal in 2018. Review of the new 5 year contract was completed. Mr. Miller made a motion to table renewal of the lease until other options could be presented. Mr. Pattenon seconded the motion. The formation of a committee to search for property to purchase or lease was suggested.

Discuss and possibly take action on Receipt of the Certification of 2017 Appraisal Rolls for Gonzales and Caldwell Counties.

The next item for discussion was the receipt of the appraisal rolls from Gonzales County Appraisal District and Caldwell County Appraisal District. Mr. Barry Miller made a motion to receive the Certified Appraisal Roll for 2017 for Gonzales and Caldwell Counties. Mr. Thiele seconded the motion

Discussion on the District's fiscal year 2017 – 2018 budget.

Then the Board of Directors and General Manager had a discussion about the District's 2017-2017 budget for the District. The tax rate, taxable value for Gonzales County and Caldwell Counties were discussed. Roll back rate options were mentioned. Changes in the budgeted line items were discussed individually.

Discuss and possibly take action on setting a Proposed Tax Rate for the District.

Then the Board discussed and took action on setting the proposed tax rate. Mr. Miller made a motion to set a proposed tax rate of 0.0068% for 2018. Mr. Pattenon seconded the motion. The motion passed unanimously.

Discuss and possibly take action on setting a Public Hearing for the Proposed Tax Rate of the District.

Next, Mr. Miller made a motion to hold a Public Hearing on the Proposed Tax Rate prior to the next Board meeting on September 12, 2017 at 5:30 p.m. Mr. Thiele seconded the motion. The motion passed unanimously.

Discussion on the District's Western Mitigation Fund fiscal year 2017 – 2018 budget.

Then the Board of Directors and General Manager had a discussion about the Western Mitigation's 2017-2017 budget. Changes in the budgeted line items were discussed individually. Letters to San Antonio Water Systems, Schertz-Seguin Local Government Corporation, and Canyon Regional Water Authority were sent out to request additional funds as per the mitigation fund account reaching the minimum balance.

Discussion on the District's Eastern Mitigation Fund fiscal year 2017 – 2018 budget.

Then the Board of Directors and General Manager had a discussion about the Eastern Mitigation's 2017-2017 budget. Changes in the budgeted line items were discussed individually.

Discussion on the District's Monitor Well Project fiscal year 2017 – 2018 budget.

Then the Board of Directors and General Manager had a discussion about the Monitoring Well Project 2017-2017 budget.

Discuss and possibly take action on the District's water well drillers audit and enforcement actions.

The general manager addressed the board and discussed the procedural actions taken for water well drillers who had received letters of violation. Legal counsel then addressed suggested procedural actions for those water well drillers who had received enforcement actions. Mr. Leon Davis, Leon Davis Water Well Service, addressed the board regarding the letter of enforcement received. A recording of the meeting is available in the District office.

Discussion of other items of interest by the Board and direction to management based on the items set forth above.

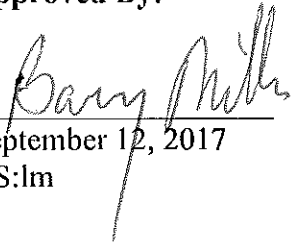
The board, Mr. Greg Sengelmann, General Manager and Mr. Greg Ellis, District Attorney discussed the enforcement proceedings against Mr. Richard Burns, Century Oaks Estates for operating a Public Supply well without proper permitting. More information is needed from TCEQ Enforcement Division regarding their plan to proceed with enforcement proceedings. No action was taken until more the action from TCEQ is complete and more information is available.

The Board went into Executive Session for personnel matters at 6:37 p.m., per Section 551.074 of the Texas Government Code. Mr. Tieken called the meeting back to order at 7:14 p.m.

Adjourn:

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

Approved By:


September 12, 2017
GS:lm