

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting & Public Hearing
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
November 6, 2018 – 5:30 p.m.

MINUTES

Directors Present

Chris Whittaker
Durwood Tucker
Steven Wise
Lee Alford
Jay Wilder
Bob Wilson
Bob Ware
Tommy Tietjen

Directors Absent

Becky Goetsch
Sidney Youngblood

Staff Present

Gary Westbrook
Bobby Bazan
Elaine Gerren
Ralph Sifuentes
Doug Box

Others Present

Barbara Boulware-Wells
Pat Riley
Ross Cummings
Dan Fisher
Melvin Lehmann
Nathan Ausley
Shan Rutherford
James Bene
Blair Parker
Chanyin Wise

Entity

The Knight Law Firm, LLP
Blue Water System
Blue Water Systems
Landowner
Property Owner
Land Owner
Terrill & Waldrop
R W Harden
SAWS
Land Owner

BOARD MEETING

1. Pledge of Allegiance

Vice President Steven Wise lead the pledges to the flags of the United States and Texas at 5:30 pm.

2. Invocation

Vice President Steven Wise lead the invocation.

3. Call to Order and establish quorum

The meeting was called to order and a quorum established at 5:32 p.m. by Vice President Steven Wise. Mr. Wise invited all who were interested to sign in and to sign up to give comment in the public hearings.

4. Public Hearing on District 2019 Budget

Vice President Steven Wise opened the Public Hearing on the District 2019 Budget at 5:33, and asked the Draft 2019 Budget be placed on the screens for viewing. He also noted that copies were available to the public on the sign in tables in the rear of the room. An overview of the Draft 2019 Budget was given by GM Gary Westbrook, including a full discussion of the differences in the draft of the 2019 Budget first reviewed at the October 2 Board meeting and the amended version offered at this meeting. Mr. Westbrook also explained that the Advisory Committee, which is responsible for construction of the District's budget, still had a minor amount of work to perform to have a final version of the 2019 Budget ready for consideration. Mr. Wise then invited public comment. No public comment was given. Mr. Wise closed the Public Hearing on the District 2019 Budget at 5:41 p.m.

5. Public Hearing on District Production Fees

Vice President Steven Wise opened the Public Hearing on the District Production Fees at 5:41. GM Westbrook discussed the difference in the projected production fees for 2019 of \$.01/1000 gallons permitted which had been included in the draft first offered at the October 2 Board meeting and the \$.015/1000 gallons permitted which had been included in the version considered at this meeting. Director Bob Wilson voiced concern about the 50% increase in production fees. Mr. Wise then invited public comment. No public comment was given. Mr. Wise closed the Public Hearing on the Production Fees at 5:46 pm.

6. Public Hearing on District Transport Fees

Vice President Steven Wise opened the Public Hearing on the District Transport Fees at 5:46. GM Westbrook noted the difference in the projected transport fees for 2019 of \$.075/1000 gallons permitted which had been included in the draft first offered at the October 2 Board meeting and the \$.11/1000 gallons permitted which had been included in the version considered at this meeting. Director Bob Wilson voiced concern about the increase in transport fees stating that this would affect certain entities. Mr. Westbrook noted the Advisory Committee had desired an equitable sharing of increase between the production and transport fees to fund the projected expenses. Mr. Wise noted that both increases were approximately 50%. Mr. Wise then invited public comment. No public comment was given. Mr. Wise closed the Public Hearing on the District Transport Fees at 5:47 pm.

7. Public Hearing on District Fee Schedule

Vice President Steven Wise opened the Public Hearing on the District Fee Schedule at 5:47. GM Westbrook stated that the Fee Schedule was in the Board Packet and stated that the schedule had no changes noted, but would include any changes to the production and transport fees once adopted. Mr. Wise then invited public comment. No public comment was given. Mr. Wise closed the Public Hearing on the District Fee Schedule at 5:49 pm.

8. Public Comment

Vice President Steven Wise invited public comment. No public comment was given.

9. District 2019 Budget

Vice President Steven Wise opened agenda items 9-12 simultaneously. After discussion by the Board, no action was taken and these items will be taken up at the December 4 Board meeting.

10. District Production Fees

11. District Transport Fees

12. District Fee Schedule

13. Minutes of October 2, 2018

After brief discussion a motion was made by Director Bob Wilson to approve the minutes of the October 2, 2018 board meeting as presented. The motion to approve the board meeting minutes was 2nd by Director Robert Ware. The motion carried unanimously.

14. Transfer Funds from Money Market Account to Certificate of Deposit with Citizens National Bank

VP Wise recused himself from discussion and voting on this item and asked GM Gary Westbrook to discuss this item with the Board. GM Westbrook noted that he and Director Wise were the Financial Officers of the District, and after recent changes in the market, it would be beneficial for the District to transfer money into a Certificate of Deposit. He discussed the letter provided in the Board packet and recommended that \$1.25 Million be transferred from the District's money market account to a 12 month Certificate of Deposit with Citizens National Bank, which would yield a return of 2.12% APR. After discussion by the Board a motion was made by Director Tommy Tietjen to proceed with transfer \$1.25 Million to the Certificate of Deposit with Citizens National Bank. The motion was 2nd by Director Lee Alford. The motion passed 7-0 with Director Steven Wise abstaining.

15. Requests for amendments to Groundwater Conservation Grant applications, awards, and contracts with the District by Lyons Water Supply Corp.

An overview of the request from Lyons Water Supply was given by Director Lee Alford, chair of the Grant Committee. After discussion, a motion was made by Director Tommy Tietjen to deny the request from Lyons Water Supply. The motion was 2nd by Director Jay Wilder. The motion passed unanimously.

16. Review and discussion of Draft Post Oak Savannah Aquifer Conservancy Program (PACP)

GM Gary Westbrook stated that there were no new comments received during the past month. He stated he will be scheduling orientation meetings for the Ambassador program in December. No action was taken.

17. Community Outreach Committee of October 23, 2018

GM Gary Westbrook reported on the meeting, and noted that we did not have a large community participation in the outreach committee meeting, but that the meeting went well. Director Chris Whittaker commented that there were 5 Board Members present but although community participation was light, he felt it important to continue the effort. Dan Fisher thanked the Board for the opportunity to participate, and stated he received a great deal of benefit from the opportunity to ask questions and receive information, but also stated it was a lot of effort on the District's part to set and talk with only him and a few others.

18. Board Dashboard, Committee Updates on task for 2018, and Projected Task for 2019

Director Wise gave an update on the DFC Committee meeting and progress on tasks. Director Ware gave an update on the Rules Committee, noting the committee was waiting for additional information

from the DFC Committee to finish its work. No action was taken.

19. Education Update

An update was given by Doug Box and a handout was provided showing the current accomplishments of the Education department and the upcoming programs. Director Whittaker asked Mr. Box to contact the city concerning an opportunity during Earth Day with the City of Rockdale.

20. Well Monitoring Network and Water Level Well Monitoring Work

Bobby Bazan Water Resource Manager provided a handout and an update on recent monitoring activities and noted the current count for District monitor wells stands at 200. He stated that they are seeking other locations for monitor wells but wanted to make sure that we obtained good locations. He stated that the monitor wells on the county properties were at a standstill due to new locations needing to be identified.

21. Joint planning process and Desired Future Conditions (DFCs), groundwater resources in the District, and future process for evaluating District DFCs for Groundwater Management Area 12 (GMA 12) and Groundwater Management Area 8 (GMA 8)

GM Gary Westbrook advised the Board that the next GMA 8 meeting will be on November 30th at the Hilco Event Center in Itasca Texas. He stated that the next GMA 12 meeting will be in January 2019.

22. Receive report from District Manager on recent District activities and take appropriate actions.

A. Permit applications filed with the District and Hearing Dates; Emergency Permits Granted

GM Gary Westbrook reported no applications were filed which require a hearing and no emergency permits had been granted.

B. Well Drilling activities: registrations, applications, completions, plugging, inspections

GM Gary Westbrook reported 13 registrations, 2 new applications, 13 completions, 0 plugging, 0 wells inspected since the last meeting.

C. Recent and future District presentations and activities

1. Texas Water Conservation Association Interim Groundwater Committee

GM Gary Westbrook advised the Board of recent activities of this committee.

2. Texas Water Conservation Association meetings October 17-19, 2018

GM Gary Westbrook stated that he attended this meeting and invited conversation about some of the presentations there.

3. District Rainwater Harvesting Classes of October 9, 2018

GM Gary Westbrook reported that this class was well received and that the next class will be on trees, shrub and vines and the class will be on Friday November 16th from 1-4 at the District Offices.

4. Local Water Utility Workshop of October 25, 2018

GM Gary Westbrook reported that the Local Water Utility Workshop was well attended and well received.

5. Texas Alliance of Groundwater district Leadership Training of October 24, 2018

GM Gary Westbrook reported that he, Bobby Bazan and Doug Box all attended this conference, and noted special value from several of the sessions.

6. Set meeting for review of Board Rules, Process and Procedures

GM Westbrook advised the need of this meeting. After discussion it was determined the meeting would be held immediately after the December 4 Board meeting, and that the regular meeting was to begin at 4:00 pm.

23. Bills received, current financial status, Investment Officer Report.

After discussion by the board, a motion was made by Director Tommy Tietjen to approve payment of bills and accept the financial report. The motion was 2nd by Director Jay Wilder. The motion passed unanimously.

24. Public Comment

Vice President Steven Wise invited public comment.
No Public Comment was offered.

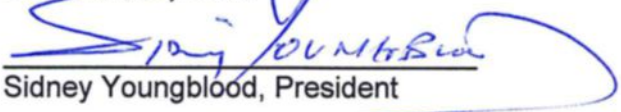
25. Dates, locations, and times of future meetings.

The next scheduled regular meeting will be on December 4, 2018 at the District Office at 4:00 pm with the additional meeting to follow that same day at 5:30 pm.

21. Adjourn Board Meeting

Vice President Steven Wise adjourned the meeting at 6:36 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT, HELD ON NOVEMBER 6, 2018 WERE APPROVED AND ADOPTED BY THAT BOARD ON DECEMBER 4, 2018.


Sidney Youngblood, President

Attest:


Tommy Tietjen, Secretary/Treasurer

Date 12/4/2018