

BLUEBONNET GROUNDWATER CONSERVATION DISTRICT

Board of Directors Meeting

Wednesday, January 21, 2004
6:00 PM

Navasota City Hall, City Council Chambers
107 Farquhar
Navasota, Texas

Minutes

In Attendance: Directors Beckendorff, Blezinger, Huebner, Patout, Thomas, Ward, Morrison, Oates and Sandel, General Manager Behm; Visitors: David Weinkauff & Betty Jackson, Riverside WSC; Bill Daugette, City of Huntsville; Bill Couch, Turner Collie & Braden Inc.; Jackie Scott, BRA; Zac Falkenbury, Grimes County Commissioner; Chris deMilliano, Landscapers Pride & Steely Lumber Co. and Frances Behm, Town and Country Consulting.

1. Call to order

President Patout called the meeting to order at 6:05 PM.

2. Public Comment

(Public comment is limited to a maximum of 5 minutes per speaker and/or 30 minutes total time for all speakers)

None

3. Discussion and possible action to approve minutes of October 15, November 18, November 19 and December 4, 2003 Board meetings

Director Morrison moved and Director Beckendorff seconded that the minutes be approved as presented. Motion Carried.

4. Public Hearing – Proposed District Rules establishing definitions; procedures governing the District Board and General Manager; spacing requirements; production limits; registration and permitting requirements; user and transport fees; permits for groundwater export; procedures for reworking and replacing a well; standards for completing wells; prohibition against waste; hearings procedures; enforcement procedures; penalties; and providing for severability.

General Manager Behm explained that as a result of the public hearing in each county in the District, minor changes had been made to the rules: Cover – Effective Date of July 1, 2004 added; Page following cover – Dates of publication of Notice of Hearings, Dates of Public Hearings, Date of adoption and effective Date added; Page 8, Rule 1.14 – effective date added; Page 14, Rule 8.1D – date changed to one year after new effective date; Page 20, Rule 8.5A1(g) – Reworded and divided into 2 sentences for clarification (intent of rule not changed); Page 24, Rule 8.6B – provision for optional waiver of past dues fees removed; Page 38-39, Rule 10.2 – typo corrected; Page 43-44, Rule 12.4B – typo corrected; Page 50, Rule 15.6E – venue for enforcement changed to county where District Offices are located.

At 6:10pm President Patout opened the public hearing.

No one addressed the Board about Resolution 2004-01 or the Rules adopted thereby during the public hearing.

At 6:12pm President Patout asked for a motion to close the public hearing.

Director Ward moved and Director Beckendorff seconded that the public hearing be closed. Motion Carried.

5. Discussion and possible action to approve Resolution 2004-01 adopting rules that establish definitions; procedures governing the District Board and General Manager; spacing requirements; production limits; registration and permitting requirements; user and transport fees; permits for groundwater export; procedures for reworking and replacing a well; standards for completing wells; prohibition against waste; hearings procedures; enforcement procedures; penalties; and providing for severability.

Director Beckendorff moved and Director Oates seconded that Resolution 2004-01 be approved. Motion Carried.

6. Discussion and possible action to approve quarterly Investment Report.

The Quarterly Investment Report was presented by GM Behm showing that the District had one 30 day certificate of deposit, one 60 day certificate of deposit and one interest bearing checking account. Interest received on these accounts was shown on the report.

Director Ward moved and Director Sandel seconded that the Quarterly Investment Report be approved. Motion Carried.

7. Discussion and possible action to approve quarterly Financial Report

The Quarterly Financial Report was presented by GM Behm. In addition to discussing the report, he stated that revenues are currently ahead of budget predictions and that this report reflects all payments/deposits made for the reporting period.

Director Sandel moved and Director Thomas seconded that the Quarterly Financial Report be approved. Motion carried.

8. Discussion and possible action to approve and authorize President to execute extension for a period of 12 months of employment agreement with District General Manager.

At 6:22 PM President Patout announced that "At this time the Bluebonnet Groundwater Conservation District Board of Directors will go into closed session for the purpose of discussion of General Manager Contract pursuant to Section 551.074, Texas Government Code. I would ask that the Board Members move to another room at this time."

At 6:32 PM President Patout announced that "At this time the Bluebonnet Groundwater Conservation District Board of Directors will reconvene in open session."

Director Ward moved and Director Morrison seconded that the Board approve and authorize the President to execute an extension for a period of 12 months of the employment agreement with the District General Manager. Motion Carried.

9. Discussion and possible action to approve and authorize President to execute engagement letter with Ingram, Wallis & Company for auditing services for the District.

Director Oates moved and Director Thomas seconded that since the review committee had received and reviewed the proposals from auditing firms and selected Ingram, Wallis and Company that the Board authorize President to execute engagement letter with Ingram, Wallis & Company for auditing services for the District. Motion Carried.

10. Discussion and possible action to approve and authorize President to execute an agreement with Turner, Collie & Braden Inc. to provide consulting engineering services for the District.

Review committee has reviewed all proposals received and Turner, Collie & Braden, Inc. was the committee's recommendation.

Director Morrison moved and Director Beckendorff seconded that the Board approve and authorize the President to execute an agreement with Turner, Collie & Braden, Inc., with cost and scope of work caps as shown on current proposal. Motion carried.

11. General Manager Report

a. Report on status of outstanding payments of production fees

Copies of outstanding invoices have been sent to Cities of Hempstead and Prairie View. All other producers are current.

b. Region G WPG and Groundwater Work Group Meetings

GM has attended several meetings since the last Board meeting. Region G has adopted the water availability numbers for parts or sections of the aquifers. Director Watson chairs groundwater availability group. In November we found out that Region G was not allocating Grimes County any water from the Carrizo-Wilcox aquifer. After presentations to the Region G groundwater availability group and to the consultants preparing the availability study for Region G, Grimes County is now allocated 2,500 acre foot annually in Carrizo formation and 2,500 acre feet annually from the Simsboro formation.

c. TAGD Quarterly Meeting

GM attended TAGD Quarterly Meeting in San Marcos

d. Texas Water Summit

GM attended the Texas Water Summit in Austin

The GM also attended the Region H RWPG meeting in Conroe since Austin and Walker Counties are in this planning region.

12. Administer Oath of office to re-appointed Directors (Austin County – Beckendorff & Brandes; Grimes County – Ward & Watson; Walker County – Isham & Oates)

Notary Public Frances Behm administered the Oath of Office to re-appointed Directors Beckendorff, Ward and Oates.

13. Approve Bonds for Directors

Director Morrison moved and Director Oates seconded that the Board approved bonds for Directors Beckendorff, Brandes, Ward, Watson and Oates. Motion Carried.

14. Discussion and possible action to elect Board Officers (President, Vice President and Secretary)

Director Ward moved and Director Oats seconded that the Board re-elect Director Jared Patout President by acclamation. Motion Carried.

Director Morrison moved, Director Ward seconded that the Board re-elect Director Beckendorff Vice-president by acclamation. Motion Carried.

Director Morrison moved, Director Oates seconded that Director Sandel be elected Secretary by acclamation. Motion Carried.

15. Discussion and possible action to approve Executive (Administrative and Finance) Committee appointed by President.

President Patout appointed an Executive Committee consisting of the President, Vice-President and Secretary. Director Ward moved, Director Thomas seconded that the Board approve the Executive Committee appointed by the President. Motion Carried

16. Discussion and possible action to approve Rules Committee appointed by President

President re-appointed the current Rules committee consisting of Director Beckendorff, Chairman with Directors Huebner, Sandel and Watson as members.

17. Discussion and possible action to approve Management Plan Committee appointed by President.

President re-appointed the current Management Plan Committee consisting of Director Morrison, Chairman with Directors Oates, Brandes and Ward as members.

18. Discussion and possible action to set date and time for next board meeting.

Unless the need for a special called meeting arises, the next scheduled Board meeting will be April 21, 2004 at 6:00 PM.

19. Adjourn

Director Sandel moved and Director Ward seconded that the meeting adjourn at 7:25 PM. Motion carried.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE BLUEBONNET GROUNDWATER CONSERVATION DISTRICT HELD ON JANUARY 21, 2004 ARE APPROVED AND ADOPTED BY THAT BOARD ON APRIL 21, 2004.

(s) J Jared Patout

J. Jared Patout, President

ATTEST:

(s) Joe B Sandel

Joe B. Sandel, Secretary