

BLUEBONNET GROUNDWATER CONSERVATION DISTRICT

Board of Directors Meeting

Wednesday, November 20, 2002
6:00 PM

Bluebonnet Groundwater Conservation District
2448 Becker Drive
Brenham, Texas

Minutes

In Attendance: Directors Jared Patout, Bill Thomas, David Minze, Frank Tressie, Glen Schroeter, Michael Blezinger, Milton Beckendorff, Glenn Huebner, Paul Isham, Sharon Brandes, Shannon Theeck, Les Mauldin, Joe Sandal, Tommy Oates, James Morrison; Mr. Hubert Yaist of Industry; Dennis Peschel of West End Water Supply Corp; Bill Dugat of Bickerstaff, Heath, Smiley, Pollen, Keever & McDaniel; Lloyd Behm of BVCOG, and Frances Behm of Town and Country Consulting.

1. Call to order
Meeting was called to order at 6:02 PM by President Patout.
2. Public Comment
There was no public comment.
3. Approve Minutes of October 16, 2002 and November 8, 2002 Board Meetings
Director Theeck moved and Director Tressie seconded that the minutes of the October 16 and November 8 meetings be approved as presented. Motion carried.
4. Financial Report
The financial report presented at this meeting is for the first month of the new fiscal year, October 2002
5. Monthly recap of production reports
Director Tressie moved, Director Thomas seconded that the monthly recap of production reports be accepted as presented this month, and that future reports be changed to show balance by owing entity.
6. Discussion and possible action ratifying Canvassing Resolution, R2002-02, for the November 5, 2002 Special Election
Discussion was held about the ways that the laws on election vary, one law says a committee must ratify election reports and the Canvassing Resolution, the water code says that the board will ratify.

Director Thomas made, and Director Sandal seconded a motion to approve an Order Ratifying Canvassing Resolution, R2002-2 for the November 5, 2002 Special Election. Motion carried
7. Discussion of November 5, 2002 Special Election results and impact of election on the District

Board members asked if the precinct count was available, each director was provided this report. On November 5, 2002 twenty one counties in the state held elections to establish groundwater conservation districts. Of the 21 counties holding elections, 3 counties did not confirm their groundwater district. Director Thomas suggested that single county districts may have to pass an ad valorem tax to pay for the district because production fees will not support district. Colorado, Washington, Waller Counties failed to confirm groundwater conservation districts. Goliad county passed as a taxing district.

Various methods of inclusion of counties not currently included in groundwater conservation districts into an existing district were discussed. The directors agreed that this district should be receptive to counties wanting to join the district.

Closed Session

President Patout announced that "It is now 6:38pm. At this time the Bluebonnet Groundwater Conservation District Board of Directors will go into closed session for the purpose of consulting with their attorney, regarding the agenda items 8 and 9 and other matters pursuant to Section 551.071, Texas Government Code. No action will be taken in executive or closed session.

"I would ask that the Board Members, the representative of Bickerstaff, Heath and Lloyd and Frances remain in this room. All other persons are asked to leave the room at this time.

"It is now 7:05pm, at this time the Bluebonnet Groundwater Conservation District Board of Directors will reconvene in open session."

8. Discussion and possible action on terms of Directors and Officers
No action taken
9. Discussion and possible action on enforcement of District rules
No action taken
10. Discussion and possible action to accept Director resignations
Director Isham moved and Director Morrison seconded that the resignations of Directors Theeck, Mauldin, Tressie, Minze, and Schroeter be accepted.
Motion Carried.
11. Election of Board Officers with terms ending January, 2004
Director Morrison resigned as vice president of the Board. Director Morrison moved and Director Oates seconded a motion to accept Director Morrison's resignation from the executive committee and Director Isham's appointment to the executive committee and election as Secretary to the Board. Motion carried.

Director Thomas moved that Director Beckendorff remain as vice president and Director Patout continue as President of the Board, Director Brandes seconded. Motion carried.
12. Discussion and possible action to confirm location of District Offices as 2448 Becker Drive, Brenham, Texas
Discussion was held concerning moving the Board's office to a location within the district.

Director Isham moved that due to time constraints for filling various required reports the current temporary location be confirmed and that no later than the January 2003 meeting there be proposals for permanent space in Navasota, Director Thomas seconded. Motion carried.

Director Oates suggested that meetings could be held in each of the counties within the district to allow the residents throughout the district an opportunity to become familiar with the board and the programs of the district.

13. Discussion and possible action to set date, time and place for next meeting and for regular meetings of the Board of Directors.

President Patout suggested no December meeting and possibly an appreciation party during January with the directors who have resigned.

Director Morrison moved and Director Beckendorff seconded that the Board set meetings in January, April, July, and October 2003; and that at anytime, with proper notice two of the three members of the executive committee can call for special meetings. The Board may decide to hold a called meeting in February for special needs. Motion Carried.

14. Discussion and possible action to designate official newspapers in each county in the District for the publication of official notices of the District.

Director Isham moved and Director Blezinger seconded a motion that the The Bellville Times, The Huntsville Item, The Navasota Examiner, the New Ulm Enterprise and the Sealy News be designated as official newspapers for the District. Motion carried.

15. Discussion and possible action to authorize and establish, effective 12/1/02, the position of General Manager for the District with full authority to manage and operate the affairs of the District subject to the orders of the Board and with the number of hours worked and the hourly compensation to be designated by the Board.

Director Oates moved and Director Sandal seconded that the District authorize and establish, effective 12/1/02, the position of General Manager for the District with full authority to manage and operate the affairs of the District subject to the orders of the Board. The General Manager will work twenty-four (24) hours per week. The hourly compensation for this position is currently set at \$22.00 (Twenty-Two) dollars an hour. Motion Carried.

16. Discussion and possible action to designate Lloyd A Behm, an employee of the Brazos Valley Council of Governments made available to the District through the terms of a Memorandum of Understanding Agreement with the District, as General Manager for the District effective 12/1/02.

Director Oates moved, Director Sandal seconded that Lloyd Behm be designated General Manager for the District. Motion Carried.

Director Blezinger moved, Director Beckendorff seconded that the Memorandum of Understanding be revised to show these changes. Motion Carried

17. Discussion and possible action to appoint the District General Manager as a Deputy Secretary to the Board of Directors.

Director Morrison moved to appoint the District General Manager as a Deputy Secretary to the Board of Directors, Director Sandal seconded. Motion carried.

18. Discussion and possible action to authorize drafting of an Amendment to the Memorandum of Understanding Agreement with the Brazos Valley Council of Governments to:

- A. Amend Section II to include provisions for BVCOG to provide a General Manager for the District with the number of hours worked and the hourly compensation to be designated by the Board.

Director Isham moved that an amendment be drafted to bring the Memorandum of Understanding with BVCOG up to date. Director Blezinger seconded. Motion carried.

- B. Amend Section III to reflect compensation for the full period of the MOU as Amended.

Director Isham moved that Section III of the MOU be amended to reflect compensation as adopted under item 15 above. Director Blezinger seconded. Motion Carried.

- C. Amend other sections of the MOU as needed to reflect the current relationship between the Board and BVCOG.

Director Blezinger moved, Director Beckendorff seconded that the Memorandum of Understanding be revised to show these changes. Motion Carried

- 19. Discussion and possible action to confirm appointment of Board Committees.
This item was tabled for later discussion.

- 20. Adjourn
Director Morrison moved, Director Thomas seconded that the meeting be adjourned. Meeting Adjourned at 8:16pm.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE BLUEBONNET GROUNDWATER CONSERVATION DISTRICT HELD ON NOVEMBER 20, 2002 WERE APPROVED AND ADOPTED BY THAT BOARD ON JANUARY 15, 2003.

JARED PATOUT,
PRESIDENT

ATTEST:

PAUL ISHAM
SECRETARY

DATE