

**COASTAL BEND GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING**

AGENDA PREPARED AND POSTED: January 6, 2012
DATE OF MEETING: January 10, 2012
TIME OF MEETING: 8:00 A.M.

PLACE WHERE MEETING WAS HELD: District Office, 109 E. Milam, WHARTON, TEXAS 77488.

I. In Attendance:

II. Ronald Gertson – President CBGCD; L.G. Raun – Vice President CBGCD; Leonard Wittig – Director CBGCD; Arthur Priesmeyer – Director CBGCD; Neil Hudgins – Manager CBGCD; Mandy Bain – CBGCD; Susan Reed.

III. Call to Order:

The meeting was called to order at 8:04 A.M.

IV. Public Comments:

None.

V. Approval of Minutes:

Director Priesmeyer made a motion to accept the December 13, 2011 regular meeting minutes as presented and the December 13, 2011 permit hearing minutes as presented. Director Wittig seconded. All voted for; motion carried.

VI. Manager's Report:

Financial Report – Mr. Hudgins reported a checking account balance of \$ 49,491.77 and a money market balance of \$ 719,089.47. A budget vs. actual, a list of total District investments, and the balance sheet for December was also presented. After discussion and review, Director Wittig made a motion to approve the checking account balance, the money market account balance, the investment report, and a list of detailed checks and deposits for the month of December as presented. Vice President Raun seconded. All voted for; motion carried.

Well Registration Update – Mr. Hudgins presented the Board with a detailed breakdown of current Exempt and Non Exempt Well Information for the 2011-2013 permitting term.

Well Monitoring Update – Mr. Hudgins will email the Board a copy of the January well monitoring report by the end of the week.

2011 Water Use Report – The water use reports are slowly being turned in to office staff. The due date is for the water use reports is January 31, 2012. After all of the water use reports have been submitted, District Staff will send a letter to those that have used more than 50% of their current permit.

VII. **Review and Approve Permit Applications:** After discussion and review of the permit applications, Vice President Raun made a motion to approve permits OP-08082703 for Turkey Creek Ranch, OP-11122101 and Op-11122102 for Gertson Farms Partnership, OP-11122103 and OP-11122104 for I.V. Duncan Ranch, OP-11222001 for Harry Goudeau, and OP-08062326 for Oaklawn Memorial Park. Director Wittig seconded. All voted for, with President Gertson abstaining, motion carried.

VIII. **Historic Use Permits:** The Board had a discussion on Historic Users and Permits associated with Historic Use. Mr. Hudgins will email any draft Rules that Coastal Plains GCD are discussing. Mr. Hudgins will also draft a letter to go out to any recent permit applicants explaining that the District is beginning to look at Rule Amendments

that might potentially affect their permit(s). As soon as the Board has draft options for Historic Use Permits, the Board will host a public meeting to consider public opinions on such options. The Board would like the District's attorney, Gregg Ellis, to be present at our next Board meeting to help in the legal aspect of coming up with draft plans.

- IX. **Coastal Bend GCD ByLaw Amendmet:** After discussion, Director Priesmeyer made a motion to amend the District's ByLaws Article V Section 5.01. Investments and District Finances to read "The Board shall appoint an audit/finance committee to oversee, manage, account for and secure the financial stability of the District in accordance with Chapter 36, Texas Water Code". And to amend the District's ByLaws Article V Section 5.03 Security of District Funds A. to read "It shall be the policy of the District that all funds shall be insured by the FDIC, or by collateral pledged to the extent of the fair market value of the amount not insured. The District recognize that: FDIC insurance is available up to a maximum amount (including accrued interest) and the at the amount of funds at any one Texas financial institution (including branch banks located within the same county)will be cumulated to determine the maximum amount of insurance coverage." Vice President Raun seconded. All voted for; motion carried. Vice President Raun then made a motion to approve all 5 directors of the board as the audit committee Director Priesmeyer seconded. All voted for; motion carried.
- X. **Audit Presentation by Susan Reed of Reed and Associates, P.C.:** Susan Reed presented the 2010-2011 Fiscal Year Audit to the Board. She first addressed the letters accompanying the audit. The first letter presented outlined the outcome of a revised standard that auditors of governmental entities must complete. The letter contains the auditors responsibilities under U.S. generally accepted auditing standards, the planned scope and timing of the audit, any significant audit findings and any difficulties encountered in performing the audit. The second letter presented listed any deficiencies in the controls of the District. There were no noted deficiencies. Ms. Reed commented on how well District staff is handling the audit procedures and the financials. After the completed presentation, Director Priesmeyer made a motion to accept the audit as presented. Vice President Raun seconded. All voted for; motion carried.
- XI. **Next Meeting:** The next general board meeting was set for Tuesday, February 7, 2012 at 8:00 a.m. at the District Office.
- XII. **Adjournment:** Director Wittig made a motion to adjourn. Director Priesmeyer seconded. All voted for; motion carried. Adjournment at 10:12 a.m.