

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

AGENDA PREPARED AND POSTED: January 05, 2023
DATE OF MEETING: January 10, 2023
TIME OF MEETING: 8:00 A.M.

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

In Attendance:

Ronald Gertson – President CBGCD; Daniel Berglund – Vice-President/Treasurer CBGCD; Edmund Weinheimer – Secretary CBGCD; Alan Heskamp – Director CBGCD; Aland Wittig – Director CBGCD; Neil Hudgins – Manager CBGCD; Jaime Bosch – Office Manager CBGCD; Greg Ellis; Tim Anderson; Wade Whitlow; Jim Van Antwerp

I. Call to Order:

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

II. Public Comments:

None

III. Approval of Minutes:

Vice-President Berglund made a motion to approve the November 08, 2022 meeting and permit hearing minutes as presented. Director Wittig seconded. President Gertson announced the motion passed without opposition.

V. Manager's Report:

Financial Report – Mr. Hudgins reported a checking account balance of \$239,847.77; a money market account balance of \$138,734.60, 2018 CD balance of \$823,821.34; 2020 CD balance \$547,776.70. A budget vs. actual and the balance sheet were also presented. After discussion and review, Vice-President Berglund made a motion to approve the financials as presented. Secretary Weinheimer seconded. President Gertson announced the motion passed without opposition.

Quarterly Investment Report – Mr. Hudgins presented the board with the quarterly investment report. After discussion and review, Secretary Weinheimer made a motion to move \$150,000.00 from Prosperity Bank/EC checking account to Prosperity Bank Money Market account and approve the report as presented. Vice-President Berglund seconded. President Gertson announced the motion passed without opposition.

Well Monitoring Update – Mr. Hudgins presented the board with the monthly monitor well levels as of January 2023. The index well graph shows 2.5-foot recovery from the previous month of December 2022, 5 feet lower than January 2022, and a similar recovery to 2011-2014. The November 2022 bi-annual monitor wells average is showing 2 feet lower than November 2021 but not as low as 2014, 2015, 2016 averages. The Lissie transducer shows a similar trend to the index wells.

Upcoming Meetings – None

VI. Audit Presentation by Kennermer, Masters & Lunsford, LLC: Wade Whitlow, with KM&L, reviewed the advisement letter for the board, explained the detail 2021-2022 audit information, and answered any questions. After review and discussion, Secretary Weinheimer made a motion to approve the audit as presented. Vice-President Berglund seconded. President Gertson announced the motion passed without opposition.

- VII. **Discussion to Approve Permit Applications:** After discussion and review of the permit applications, see attached, the following motions were made. Director Wittig made a motion to approve the permit amendments as presented. Director Heskamp seconded. President Gertson announced the motion passed without opposition. Secretary Weinheimer made a motion to approve the drilling permit applications as presented. Director Wittig seconded. President Gertson announced the motion passed without opposition. Vice-President Berglund made a motion to approve the combined drilling and permit applications as presented. Director Wittig seconded. President Gertson announced the motion passed without opposition. Vice-President Berglund made a motion to approve the 2023 permit renewal applications as presented. Secretary Weinheimer Seconded. President Gertson announced the motion passed without opposition.
- VIII. **Consider the Resignation of Board Member Edmund Weinheimer and Possible Appointment to Fulfill the Remainder of His Term:** After discussion, Vice-President Berglund made a motion to accept Secretary Weinheimer's resignation letter. Director Wittig seconded. President Gertson announced the motion passed without opposition. Director Wittig made a motion to appoint Tim Anderson to complete Secretary Weinheimer's term until 2024 election. Vice-President Berglund seconded. President Gertson announced the motion passed without opposition. Tim Anderson took the oath of office as presented by President Gertson before the board. No additional action was needed by the board.
- IX. **Discuss CBGCD Banking Signature Card Updates:** After review and discussion, Director Wittig made a motion to remove Edmund Weinheimer and Lance Raun from the Prosperity Bank Money Market Account and the Prosperity Checking Account signature cards and add Director Tim Anderson and Director Alan Heskamp to both account signature cards. Vice-President Berglund seconded. President Gertson announced the motion passed without opposition.

Director Heskamp Left Meeting at 9:45

- X. **Review and Discuss GMA 15 DFC Adoption:** After review and discussion, Vice-President Berglund made a motion to approve the CBGCD DFC achievement policy, see attached, Director Wittig seconded. President Gertson announced the motion passed without opposition.
- XI. **Discuss and Review Engagement Letter with Gregory M. Ellis for Legal and Consulting Services:** After review and discussion, Director Wittig made a motion to accept the engagement letter with Gregory M. Ellis. Vice-President Berglund seconded. President Gertson announced the motion passed without opposition.
- XII. **Litigation Update a) Cockrell Investment Partners, Ltd. v Middle Pecos Groundwater Conservation District (8th Court of Appeals) (challenging settlement agreement with Fort Stockton Holdings) b) Cockrell Investment Partners, Ltd. v Middle Pecos Groundwater Conservation District (8th Court of Appeals) (challenging permit renewal) c) Gatehouse Water LLC v Lost Pines Groundwater Conservation District et al. (Federal District Court-Western District of Texas, Austin Division) (multiple Constitutional and Federal claims):** Greg Ellis updated the board on the current status of the cases.
- IV. **Legislative Report:** Greg Ellis updated the board on the current legislative and groundwater issues.

- XIII. **PDSI:** The report shows none and abnormally dry areas within the CBGCD area.
- XIV. **Possible Future Agenda Items:** None
- XV. **Public Comments/Announcements:** None.
- XVI. **Set Next Meeting Date and Agenda:** Vice-President Berglund made a motion that the next CBGCD board meeting be set for Tuesday, March 14, 2023 at the CBGCD office. Director Anderson seconded. President Gertson announced the motion passed without opposition.
- XVII. **Adjournment:** Meeting adjourned at 10:37 a.m.

**CBGCD Board Meeting 01/10/2023
Permit Applications**

2020 Permit Amendments

YEAR	NAME	PERMIT #	Actual Use	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	CW Rod Markham, LLC	OP-A08062327							
2020			107.73	Irrigation	100	Waterfowl	100		
2021	Requesting Additional 10 Acre Feet		98.817	Irrigation	100	Waterfowl	100		
2022			102.712	Irrigation	100	Waterfowl	100		300
	Total Use		309.259					Requesting New Permit	10 310

2020 Permit Amendments

YEAR	NAME	PERMIT #	Actual Use	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2020	Steve & Morita Schoeneberg	OP-05011033							
	Requesting Additional 250 Acre Feet		175.752	Irrigation	100	Pasture/Hay	100		
				Irrigation	0	Livestock	20		
2021	Increased Acreage To 250 Acres Of Pasture/Hay Each Year		18.206	Irrigation	100	Pasture/Hay	100		
				Irrigation	0	Livestock	20		
2022			?	Irrigation	100	Pasture/Hay	100		
				Irrigation	0	Livestock	20		360
	Total Use		193.958					Requesting New Permit	250 610

2020 Permit Amendments

YEAR	NAME	PERMIT #	Actual Use	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	Raymond Bram Jr.	OP-04122103							
2020			230.999	Irrigation	50	Rice	220		
	Requesting Additional 110 Acre Feet			Irrigation	37	Pasture/Hay	37		
	Added Row Crop All 3 Years			Irrigation	8	Aquaculture	8		
2021			151.027	Irrigation	50	Rice	220		
				Irrigation	37	Pasture/Hay	37		
				Irrigation	8	Aquaculture	8		
2022			?	Irrigation	50	Rice	220		
				Irrigation	37	Pasture/Hay	37		
				Irrigation	8	Aquaculture	8		795
	Total Use		382.026					Requesting New Permit	110 905

2020 Permit Amendments

YEAR	NAME	PERMIT #	Actual Use	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2020	Wharton CO W.C.&I.D. #1	OP-A04120712							
2021	Requesting Additional 32 Acre Feet		122.543	Municipal		Municipal	116		
2022			112.119	Municipal		Municipal	116		
			?	Municipal		Municipal	116		348
		Total Use	234.662					Requesting	32
								New Permit	380

2020 Permit Amendments

YEAR	NAME	PERMIT #	Actual Use	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2020	Richards Brothers Company	OP-11102702							
	Requesting Additional 300 Acre Feet		623.2	Irrigation	155	Rice	550		
2021	Dry & Increased Acres		590.4	Irrigation	50	Waterfowl	50		
				Irrigation	250	Rice	750		
2022			?	Irrigation	50	Waterfowl	50		
				Irrigation	250	Rice	750		
				Irrigation	50	Waterfowl	50		2200
		Total Use	1213.6					Requesting	300
								New Permit	2500

2020 Permit Amendments

YEAR	NAME	PERMIT #	Actual Use	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2020	Richards Brothers Company	OP-05011003							
	Requesting Additional 1000 Acre Feet		1021.6	Irrigation	250	Rice	750		
2021	Dry & Increased Acres		1116.7	Irrigation	100	Waterfowl	100		
				Irrigation	250	Rice	750		
2022			?	Irrigation	100	Waterfowl	100		
				Irrigation	250	Rice	750		2550
				Irrigation	100	Waterfowl	100		1000
		Total Use	2138.3					Requesting	3550
								New Permit	

New Drilling Permit

YEAR	NAME	PERMIT #	Discharge	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2020	Greenleaf Nursery Company	OP-A04080520	8						
2021	Adding Well To Aggrigate System			Irrigation	464	Nursery	2235		
2022				Irrigation	464	Nursery	2235		
				Irrigation	464	Nursery	2235		6705

New Drilling & Operating Permits

YEAR	NAME	PERMIT #	Discharge	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	Joey J. Tomasino II	OP-22122101	2						
2023				Commercial		Commercial	5		
2024				Commercial		Commercial	5		
2025				Commercial		Commercial	5		15

New Drilling & Operating Permits

YEAR	NAME	PERMIT #	Discharge	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	Michael Sulak	OP-22122102	6						
2023				Irrigation	192	Row Crop	192		
2024				Irrigation	192	Row Crop	192		
2025				Irrigation	192	Row Crop	192		576

New Drilling & Operating Permits

YEAR	NAME	PERMIT #	Discharge	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	Kyle Koudela	OP-21062401	6						
2023				Irrigation	65	Row Crop	65		
2024				Irrigation	65	Row Crop	65		
2025				Irrigation	65	Row Crop	65		195

2023 Permit Renewal

YEAR	NAME	PERMIT #	Discharge	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	PJM Investments	OP-22090101							
2023				Irrigation	150	Waterfowl	150		
	2020 Permit Term Was Only 1 Year			Irrigation	300	Rice	1275		
2024				Irrigation	150	Waterfowl	150		
				Irrigation	300	Rice	1275		
2025				Irrigation	150	Waterfowl	150		
2025				Irrigation	300	Rice	1275		4275

2023 Permit Renewal

YEAR	NAME	PERMIT #	Discharge	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
	Harry H. Anderson	OP-05021801							
2023				Irrigation	225	Rice	956.25		
	Increase Rice Acres			Irrigation	225	Row Crop	225		
2024				Irrigation	225	Rice	956.25		
				Irrigation	225	Row Crop	225		
2025				Irrigation	225	Rice	956.25		
2025				Irrigation	225	Row Crop	225		3543.75

2023 Permit Renewal

YEAR	NAME	PERMIT #	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2023	Harry H. Anderson	OP-0502803	Irrigation	125	Rice	531.25		
2024	Farming Rice All 3 Years		Irrigation	125	Row Crop	125		
2025			Irrigation	125	Rice	531.25		
			Irrigation	125	Row Crop	125		
			Irrigation	125	Rice	531.25		
			Irrigation	125	Row Crop	125		1968.75

2023 Permit Renewal

YEAR	NAME	PERMIT #	USE	ACR.	CROP	AC. FT.	PER AC.	TOTAL
2023	Annie Drastata	OP-13062003	Irrigation	171	Row Crop	171		
2024	2020 Permit Term Was Only 1 Year		Irrigation	171	Row Crop	171		
2025			Irrigation	171	Row Crop	171		513

Coastal Bend Groundwater Conservation District

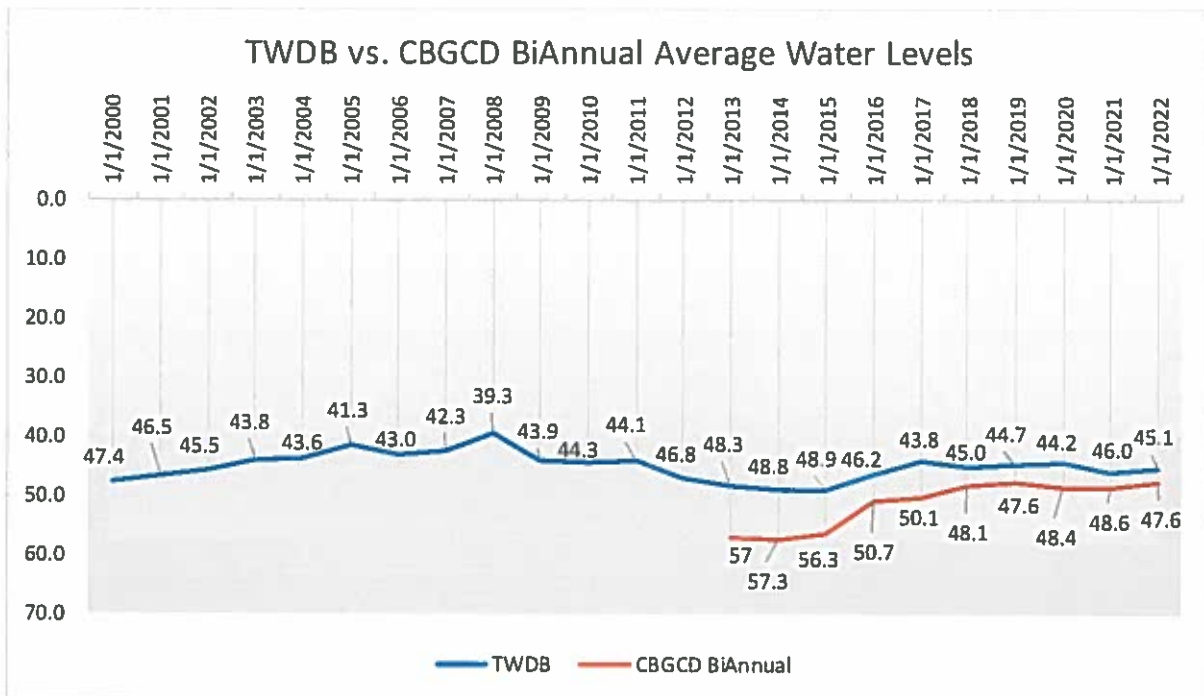
Desire Future Condition (DFC) Achievement Policy

As required by Texas Water Code, Section 36.108(d), not later than May 1, 2021, and every five years thereafter, the districts shall consider groundwater availability models and other data or information for the management area and shall propose for adoption Desired Future Conditions (“DFCs”) for the relevant aquifers within the management area.

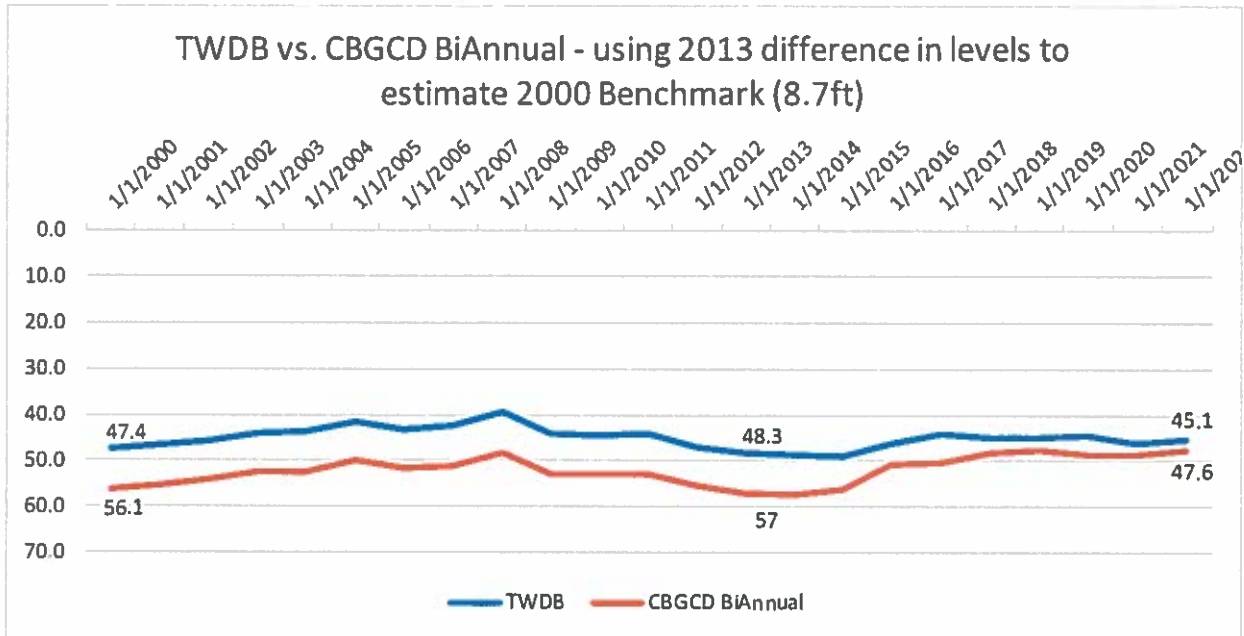
“Desired Future Condition” or “DFC” means a quantitative description, adopted in accordance with Section 36.108, of the desired condition of the groundwater resources in a management area at one or more specified future times.

In the most recent round of joint planning for Groundwater Management Area 15, member districts adopted a GMA-wide DFC to limit the average drawdown to 13 feet for the Gulf Coast Aquifer system between the years 2000 and 2080. Specifically for Wharton County (CBGCD), a DFC of 15 feet average drawdown for the Chicot/Evangeline aquifers was adopted.

CBGCD developed and began monitoring a network of wells designated to monitor for DFC achievement in 2013. This network consists of 18 wells geographically spaced throughout the county with varying depths. Since this network of wells was not established until 2013, CBGCD decided to use TWDB monitor wells to establish the baseline water levels in the year 2000 and utilize those same baseline levels for CBGCD’s 18 DFC monitor wells. This graph shows the trend of TWDB wells (28) and CBGCD wells (18) from 2000-2022.



CBGCD uses the difference between the CBGCD and TWDB measurements for 2013 to extrapolate data for the prior years. In 2013, the difference in average water levels between the 2 monitor networks was 8.7 feet. This graph shows the difference in average water levels plotted back to 2000.



- ❖ TWDB Water Level Measurements taken within Jan 1 – Feb 15 of each calendar year
- ❖ CBGCD Water Level Measurement taken within March 1 – 15 of each calendar year

By using this method, CBGCD established an average water level for 2000 starting conditions of 56.1 feet below land surface. If the average water levels in the CBGCD monitor wells taken in March of calendar year drop below 71.1 feet below land surface at (exceeding the DFC of an average of 15 feet of decline since 2000), CBGCD would consider action to reduce permit allocations based on CBGCD Rule Section 6.11.