

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

**AGENDA PREPARED AND POSTED:** August 09, 2018  
**DATE OF MEETING:** August 14, 2018  
**TIME OF MEETING:** 8:00 A.M.

**PLACE WHERE MEETING WAS HELD: Coastal Bend GCD, 109 E. Milam,  
WHARTON, TEXAS 77488.**

**I. In Attendance:**

Ronald Gertson – President CBGCD; L.G. Raun – Vice-President; Daniel Berglund – Director CBGCD; Aland Wittig – Director CBGCD; Neil Hudgins – Manager CBGCD; Jaime Bosch – Office Manager CBGCD; Greg Ellis; and Judge Spenrath.

**II. Call to Order:**

The meeting was called to order at 8:01 A.M. by President Gertson.

**III. Public Comments:**

None

**IV. Approval of Minutes:**

Director Berglund made a motion to accept the meeting minutes, with the addition to well monitoring report (continued discussion to expand monitor well network) and the permit hearing minutes as presented for July 25, 2018. Vice-President Raun seconded. All voted for; motion carried.

**V. Manager's Report:**

Financial Report – Mr. Hudgins reported a checking account balance of \$375,116.26; a money market balance of \$385,328.29; and CD balance of \$512,915.16. A budget vs. actual and the balance sheet for July was also presented. After discussion and review, Director Berglund made a motion to approve the financials as presented. Director Wittig seconded. All voted for; motion carried.

Well Monitoring Update – Mr. Hudgins presented the board with the monitor well levels as of August 01, 2018. The index well graph shows a 1-foot recovery from the previous month of July. The critical depletion study area monitor wells show a 2 feet recovery from July.

Upcoming Meetings – TAGD Groundwater Summit August 28-30 in San Antonio, 2 House and Natural Resource Committee Meetings

**VI. Discussion to Approve Permit Applications:** After discussion and review of the permit application for Willie Gavranovic OP-11101902, Director Berglund made a motion to approve the permit applications as presented. Director Wittig seconded. All voted for; motion carried.

**VII. Annual Evaluation of District Investment Policy:** After review of the district investment policy, Vice-President Raun made a motion to approve the policy as presented. Director Berglund seconded. All voted; motion carried.

**VIII. Annual Evaluation of District Rules on Prevention of Groundwater Waste:** After review, Vice-President Raun made a motion to approve the evaluation as presented. Director Berglund seconded. All voted; motion carried.

**IX. Review and Propose 2018-2019 Budget:** Mr. Hudgins presented and discussed the preliminary 2018-2019 budget. Director Berglund made the motion to propose the 2018-2019 budget as presented which would necessitate a Tax Rate of \$0.0083/100 valuation. Director Wittig seconded. All voted for; motion carried.

- X. **Review and Propose 2018-2019 Tax Rate:** Director Berglund made a motion to propose a Tax Rate of \$0.0083/100 valuation. Vice-President Raun seconded. All voted for; motion carried.
- XI. **Discuss and Review Auditor Proposals:** Mr. Hudgins presented the board with the auditor proposals. After review and discuss, Vice-President Raun made a motion to use Kennemer, Masters & Lunsford. Director Berglund seconded. All voted for; motion carried.
- XII. **Review and Discuss Possible Current Investment Options:** Mr. Hudgins presented the board with investment options currently available. After review and discussion, Director Berglund made a motion to move \$400,000 from Prosperity Bank accounts to Industry State Bank Certificate of Deposit (11 months @ 2.15%) once Industry State Bank provides verification of pledged securities to cover the total amounts at Industry State Bank. Director Wittig seconded. All voted for; motion carried.
- XIII. **Review and Discuss CBGCD Fee Schedule:** Mr. Hudgins presented the board with the current fee schedule. After review and discussion, Director Berglund made a motion to change the wording to reflect the changes to Houston's fee schedule (Change Wholesale Water Rate to Resale Water Rate). Director Wittig seconded. All voted for; motion carried.
- XIV. **Review and Discuss CBGCD Rules on Spacing and Screening Requirements:** Mr. Hudgins presented the current spacing and screening rules. Staff will contact the hydrologist and continue the discussion at the next meeting.
- XV. **Review and Discuss Possible Joint Funding an Amicus Brief:** No Action
- XVI. **Review and Discuss Current AG Opinion Request RE: GCD Authority on Defining Agricultural Irrigation:** Request was presented and discussed; no action.
- XVII. **Litigation Update a) City of Conroe, et al v. Lone Star Groundwater Conservation District, et al (District Court) b) Fazzino v Brazos Valley Groundwater Conservation District (District Court):** Greg Ellis updated the board on the current status of the cases.
- XVIII. **Legislative Update:** Greg Ellis updated the board on the current legislative meetings and groundwater issues.
- XIX. **Possible Future Agenda Items:** None
- XX. **Public Comments/Announcements:** None.
- XXI. **Set Next Meeting Date and Agenda:** Director Berglund made a motion that the next CBGCD board meeting be set for Tuesday, September 11, 2018 at 8:00 am. Director Wittig Seconded. All voted for; motion carried.
- XXII. **Adjournment:** Meeting adjourned at 9:07 a.m.