

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting with Public Hearings
Post Oak Savannah Ground Water District Offices
310 East Avenue C
Milano, Texas 76556
December 13, 2005 – 5:30 p.m.

MINUTES
Entity

Members Present

President /Nathan Ausley	POSGCD
Vice-President/Dwayne Jekel	POSGCD
Sec-Treasurer/Kerry Starnes	POSGCD
John Malazzo	POSGCD
Jay Tumlinson	POSGCD
Robert Ware	POSGCD
Andy Hovorak	POSGCD
Jay Wilder	POSGCD
Gary Westbrook	POSGCD District Manager
Elaine Gerren	POSGCD
Barney Knight	Barney Knight & Associates

Members Absent

Jim Hodson	POSGCD
Carroll Glaser	POSGCD

Others Present

Jackie Scott	Brazos River Authority
Dwight Mahoney	Brazos River Authority
Bill Graham	Land Owner
Scott Carlson	Metropolitan Water Co., L.P.
Dick Burns	Alcoa
Ron Freeman	Layne Water Development of Texas
Ridge Kaiser	R.W. Harden & Associates
Bob Barre	Self
Laurin Rainer	Court Reporter AAA Werlinger
Judith Slusher	Milam County Historical Society
Stanley Caffey	SWMWSC
Ken Hall	SWMWSC

PUBLIC HEARINGS

1. Call to Order

Board President Nathan Ausley called the Board Meeting with Public Hearings to order at 5:30 p.m.

2. Public Hearing on District 2006 Budget

The Public Hearing on the District's 2006 budget was opened at 5:31 p.m. General Manager, Gary Westbrook presented the proposed 2006 Budget from the Advisory Committee. The Budget Proposal was reviewed by the Board. The Public Hearing closed at 5:36 p.m.

- 3. Public Hearing on District Production Fees**
Items # 3 & 4 were opened simultaneously.
- 4. Public Hearing on District Transport Fees**
The Public Hearings for the District's Production Fees and the District's Transport Fees were opened at 5:37 p.m. No public comment was heard. General Manager, Gary Westbrook presented recommendations from the Advisory Committee. The Public Hearing closed at 5:40 p.m.
- 5. Public Hearing on District Fee Schedule**
The public Hearing for the District's Fees Schedule was opened at 5:41 p.m. No public comment was heard. General Manager, Gary Westbrook recommended that the fee schedule remain the same. The Public Hearing closed at 5:45 p.m.
- 6. Adjourn Public Hearing**
The Public Hearings adjourned at 5:45 p.m.

BOARD MEETING

- 1. Call to Order**
Board President Nathan Ausley called the Board Meeting with Public to order at 5:46 p.m.
- 2. Public Comment**
No public comment was heard
- 3. Approve Minutes of November 8th, 2005 Board Meeting**
A motion was made by Director Jay Tumlinson to approve the meeting minutes. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.
- 4. Amend District 2005 Budget**
General Manager, Gary Westbrook presented proposed amendments to the 2005 Budget. A motion was made by Director, Dwayne Jekel to amend the 2005 Budget. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.
- 5. District 2006 Budget**
General Manager, Gary Westbrook presented the 2006 Budget as recommended by the Advisory Committee. A motion was made by Director Robert Ware to accept the 2006 Budget. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.
- 6. District Production Fee**
General Manager, Gary Westbrook presented recommendations from the Advisory Committee. A motion was made by Director Andy Hovorak to reduce the Production Fee by 33 1/3% to become .02/1000 gallons. The motion was 2nd by Director John Malazzo. The Motion carried unanimously.
- 7. District Transport Fee**
General Manager, Gary Westbrook presented recommendations from the Advisory

Committee. No recommendations for change were made. A motion was made by Director Nathan Ausley to retain the current Transport Fee of .10/1000 gallons. The motion was 2nd by Director Jay Tumlinson. The Motion carried unanimously.

8. District Fee Schedule

General Manager, Gary Westbrook presented recommendations from the Advisory Committee. No action was recommended. A motion was made by Director Nathan Ausley to retain the current Fee Schedule. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.

9. Layne Water Development of Texas pending approvals for applications for Amendments and Extensions to existing permits, and Drilling and Operating permits

General Manager, Gary Westbrook reported on the current applications and new applications that have been filed. Applications filed by LWDT in December 2004 will be approved and permits will be issued. Director Andy Hovorak had questions concerning the existing and the new applications. Comment was heard from Barney Knight, Legal Counsel for the District. A motion was made by Director Dwayne Jekel to grant the extension of the current drilling and production permits. The motion was 2nd by director Robert Ware. The motion carried unanimously.

10. Receive report from District Manager on recent District activities and take appropriate actions.

A. Permit applications filed with the District and possible Hearing Dates for those applications

General Manager, Gary Westbrook reported that no applications had been filed with the District

B. Emergency Permits Granted, well recordings, & new well applications

General Manager, Gary Westbrook reported that no emergency permits had been issued, 77 Exempt Wells were recorded, 6 new well applications were completed and 14 new well applications were received.

C. Recent and future District presentations and activities

1. Texas Alliance of Groundwater District Meeting of November 29-30, 2005 in Austin

General Manager, Gary Westbrook gave a report on the events of the meeting.

2. Joint Planning meeting for GMA # 12

General Manager, Gary Westbrook gave a report on the meeting that was held on December 8, 2005. Mr. Westbrook also reported that the next scheduled meeting would be held on January 26, 2006 at the POSGCD Offices in Milano.

11. Proposal for 2005 District Audit

An Audit Proposal from Alton Thiele was submitted to the Directors for their review. A motion was made by Director Robert Ware to approve the Audit Contract Proposal from Alton Thiele. The motion was 2nd by Director Jay

Tumlinson. The motion carried 7-1 with Director Dwayne Jekel abstaining

12. Participation in Amicus Brief filed by Texas Alliance of Groundwater District in Lawsuit filed against Kinney County GCD

A motion was made by Director Robert Ware to participate in the TAGD Amicus Brief being filed. The motion was made to participate in the amount of \$ 500.00. The motion was 2nd by Director Jay Wilder. The motion carried unanimously.

13. Milam County Historical Commission request to place Preserve America Marker on District property

A motion was made by Director Robert Ware to accept the placement of the Preserve America Marker on the District property. The motion was 2nd by Director Dwayne Jekel. The motion carried unanimously.

14. Bills received and current financial status.

A motion was made by Director Jay Tumlinson and 2nd by Director John Malazzo to pay all bills. The motion carried unanimously.

15. Dates, locations, and times of future meetings

The next scheduled Board Meeting and will be on January 10th, 2006 at the District office in Milano, Texas at 5:30 p.m.

16. Adjourn

The meeting adjourned at 6:23 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON DECEMBER 13TH, 2005 WERE APPROVED AND ADOPTED BY THAT BOARD ON JANUARY 10TH, 2006.

Nathan Ausley, President

Attest:

Kerry Starnes, Secretary/Treasurer _____ Date _____

A meeting recording of this meeting is available on CD.