

THE STATE OF TEXAS * GROUNDWATER CONSERVATION DISTRICT
COUNTY OF KENEDY * OF KENEDY COUNTY, TEXAS

On the 24th day of August, 2011, at 8:00 o'clock a.m., a regular meeting of the Kenedy County Groundwater Conservation District was held in Sarita, Texas, at the Kenedy County Courthouse.

Directors present:

Chuck Burns, President
David Delaney, Secretary
Homero Vera
Daniel Butler

Also present:

Leo Villarreal, Administrative Assistant
Mary Sahs
Andy Garza, General Manager
Kathryn Miles
Craig Weiland
Cindy Smiley
Maria I. Gutierrez
Bobby Jemison
Robert W. Schmidt

Absent:

None

1. **Call Meeting to Order**

Chuck Burns, President, called the meeting to order at 8:00 a.m.

2. **Public Comments**

No public comments were made.

3. **Discuss & Act on Minutes of July 28, 2011, Meeting**

Chuck Burns, President, presented to the Board of Directors the minutes of the July 28, 2011, regular meeting of the Kenedy County Groundwater Conservation District.

Homero Vera moved and David Delaney seconded the motion; the motion was unanimously passed that the minutes from the July 28, 2011, meeting be accepted as presented.

4. **Hold Public Hearing on the Proposed 2012 Budget**

Chuck Burns, at 8:11 a.m. announced that the public hearing on the Proposed 2012 Budget was now in session and welcomed members of the public to address the Board of Directors regarding the Proposed 2012 Budget.

No member of the public came forward to address the Kenedy County Groundwater Conservation District regarding the Proposed 2012 Budget; therefore, Chuck Burns closed the Proposed 2012 Budget public hearing at 8:13 a.m.

5. **Discuss & Act on Adoption of the 2012 Budget**

Chuck Burns presented the Board of Directors the proposed 2012 Budget.

David Delaney moved and Daniel Butler seconded the motion; the motion was unanimously passed that the proposed 2012 Budget of \$248,000.00 be adopted as presented, a copy of which is attached to these minutes.

6. **Hold Public Hearing on the Proposed 2011 Tax Rate**

Chuck Burns, at 8:14 a.m., announced that the public hearing on the Proposed 2011 Tax Rate was now in session and welcomed members of the public to address the Board of Directors regarding the Proposed 2011 Tax Rate of \$.0153 per hundred valuation with no discounts.

Craig Weiland inquired regarding how the current tax rate compared to the proposed rate. Leo Villarreal stated that the current tax rate was \$.012500 and the proposed tax rate is \$.0153. No other member of the public came forward to address the Kenedy County Groundwater Conservation District regarding the Proposed 2011 Tax Rate; therefore, Chuck Burns closed the Proposed 2010 Tax Rate public hearing at 8:16 a.m.

7. **Discuss & Act on Adoption of the 2011 Tax Rate**

Chuck Burns presented the Board of Directors the proposed 2011 tax rate of \$.0153 per hundred valuation with no discounts.

Daniel Butler moved and David Delaney seconded the motion; the motion was unanimously passed that the 2011 Tax Rate is \$.0153 per hundred valuation with no discounts be adopted.

8. **Discuss & Act on Date for Meeting to Certify 2011 Tax Roll**

Chuck Burns informed the Board of Directors that a date to certify the 2011 Tax Roll needed to be designated.

Daniel Butler moved Homero Vera and seconded the motion; the motion was unanimously passed that the next Board of Directors meeting to certify the 2011 tax roll be held on September 21, 2011, at 8:00 a.m.

9. **Hold Public Hearing on Kenedy County Groundwater Conservation District's Proposed Redistricting Plan**

Chuck Burns, at 8:20 a.m., announced that the public hearing on the Proposed Redistricting was now in session and welcomed members of the public to address the Board of Directors regarding the Proposed Redistricting.

Cindy Smiley inquired whether there was a link between annexation and redistricting. Leo Villarreal responded that all annexed tracts of land with the residents therein were part of the District's 2010 census and that they were included in the 2011 Redistricting. No other member of the public came forward to address the Kenedy County Groundwater Conservation District regarding the Proposed Redistricting; therefore, Chuck Burns closed the Proposed Redistricting public hearing at 8:36 a.m.

10. **Discuss & Act on the Kenedy County Groundwater Conservation District's Redistricting Plan**

Chuck Burns presented the Board of Directors the proposed Redistricting Map and Plan for the Kenedy County Groundwater Conservation District. Generally, Precinct 1 consisted of 139 residents from Kenedy County and the Laureles Ranch, Precinct 2 consisted of 140 residents from Kenedy and Kleberg County and Santa Gertrudis Colony, Precinct 3 consisted of 139 residents from Kenedy, Willacy, Brooks & Hidalgo Counties, Precinct 4 consisted of 140 residents from Kenedy and Willacy County and Precinct 5 consisted of 137 residents from Jim Wells County and the Santa Gertrudis Colony.

David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that the proposed Redistricting Plan be adopted and presented to the U. S. Department of Justice for approval as per the following resolutions and orders:

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
2011 REAPPORTIONMENT PLAN
August 24, 2011**

**RESOLUTION TERMINATING THE
KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT'S PLAN
AND SUBSEQUENT AMENDMENTS THERETO**

BE IT RESOLVED that the Kenedy County Groundwater Conservation District's Board of Directors is authorized to issue an Order, effective December 31, 2011, terminating and declaring null and void the November 4, 2004, original Kenedy County Groundwater Conservation District Plan as amended on November 14, 2007, January 24, 2008 and January 29, 2010.

**ORDER TERMINATING THE KENEDY COUNTY GROUNDWATER
CONSERVATION DISTRICT ORIGINAL PLAN AND
SUBSEQUENT PLANS THERETO**

IT IS THEREFORE ORDERED that, effective December 31, 2011, the original Kenedy County Groundwater Conservation District Plan as amended on November 14, 2007, January 24, 2008 and January 29, 2010, is hereby terminated and held null and void.

Upon motion duly made by Director David Delaney and seconded by Director Homero Vera, the following Resolution and Order were unanimously adopted and issued:

**RESOLUTION ESTABLISHING THE
KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
2011 REAPPORTIONMENT PLAN**

BE IT FURTHER RESOLVED that the Kenedy County Groundwater Conservation District Board of Directors is hereby authorized to adopt the Gary Don Hopkins Kenedy County Groundwater Conservation District 2011 Reapportionment Plan effective January 1, 2012; that the Kenedy County Groundwater Conservation District Board of Directors Precincts be numbered and redefined by metes and bounds; that the thirteen polling places be numbered and redefined as described below; that a 2011 Reapportionment Map be prepared in accordance with the below metes and bounds as described below and to be displayed in the Kenedy County Courthouse; and that the 2011 Reapportionment Plan be submitted to the U. S. Department of Justice for pre-clearance.

**ORDER ESTABLISHING THE KENEDY COUNTY
GROUNDWATER CONSERVATION DISTRICT 2011 REAPPORTIONMENT PLAN**

IT IS THEREFORE ORDERED that the Gary Don Hopkins' Kenedy County Groundwater Conservation District 2011 Reapportionment Plan is hereby adopted effective January 1, 2012; that the Kenedy County Groundwater Conservation District Board of Directors' Precincts be numbered and redefined by metes and bounds as described below; that the thirteen polling places be numbered and redefined as described below; that the 2011 Reapportionment Map be prepared in accordance with the below metes and bounds and to be displayed in the Kenedy County Courthouse; and that the 2011 Reapportionment Plan be submitted to the U. S. Department of Justice for pre-clearance.

**THE KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
2011 REAPPORTIONMENT PLAN LEGAL DESCRIPTION
OF VOTING PRECINCTS**

VOTING PRECINCT 1

See Exhibit "A" attached hereto and made a part hereof for all purposes.

VOTING PRECINCT 2

See Exhibit "B" attached hereto and made a part hereof for all purposes.

VOTING PRECINCT 3

See Exhibit "C" attached hereto and made a part hereof for all purposes.

VOTING PRECINCT 4

See Exhibit "D" attached hereto and made a part hereof for all purposes.

VOTING PRECINCT 5

See Exhibit "E" attached hereto and made a part hereof for all purposes.

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT THIRTEEN POLLING PLACES

Precinct 1: Polling Place Number One:

All voters in Director's Precinct No. 1 residing in Kenedy County shall vote at Polling Place No. 1, at Sarita Elementary School.

Precinct 1: Polling Place Number Two:

All voters in Director's Precinct No. 1 residing at Laureles King Ranch Division shall vote at Polling Place 2, at the King Ranch Office at Laureles.

Precinct 2: Polling Place Number Three:

All voters in Director's Precinct No. 2 residing in Kenedy County shall vote at Polling Place No. 3, at the Kenedy County Courthouse.

Precinct 2: Polling Place Number Four:

All voters in Director's Precinct No. 2 residing in Kleberg County and in the southern portion of the Santa Gertrudis King Ranch Division shall vote at Polling Place No. 4, at the Santa Gertrudis School Building on the King Ranch.

Precinct 3: Polling Place Number Five:

All voters in Director's Precinct No. 3 residing north of the southern boundary of Los Finados Grant extended across said Precinct No. 3 shall vote at Polling Place No. 5, at the County Court J. P. Office for J. P. No. 3 in Sarita.

Precinct 3: Polling Place Number Six:

All voters in Director's Precinct No. 3 residing south of the southern boundary of Los Finados Grant extended across said Precinct No. 3 shall vote at Polling Place No. 6, at the Donald Schulz office barn at Santa Cecelia Ranch.

Precinct 3: Polling Place Number Seven:

All voters residing Director's Precinct No. 3 residing in Brooks County shall vote at Polling Place No. 7 at the Encino School.

Precinct 3: Polling Place Number Eight:

All voters residing in Director's Precinct 3 residing in Hidalgo County shall vote at Polling Place No. 8 at the Catholic Church in San Manuel.

Precinct 3: Polling Place Number Nine:

All voters in Director's Precinct No. 4 residing in Willacy County shall vote at Polling Place No. 9 at the Willacy County Library.

Precinct 4: Polling Place Number Ten:

All voters in Director's Precinct No. 4 residing south of the southern boundary of Los Motos de la Barreta Grant (Little Barreta Grant) in Kenedy County shall vote at Polling Place No. 10, at the King Ranch Office at Norias Ranch.

Precinct 4: Polling Place Number Eleven:

All voters in Director's Precinct No. 4 residing in Willacy County shall vote at Polling Place No. 11 at the Willacy County Library.

Precinct 5: Polling Place Number Twelve:

All voters in Director's Precinct No. 5 residing at the Santa Gertrudis Division of the King Ranch other than those residing in the southern portion of the Santa Gertrudis Division in Precinct 2 shall vote at Polling Place No. 12, at the Santa Gertrudis School Building on the King Ranch.

Precinct 5: Polling Place Number Thirteen:

All voters in Director's Precinct No. 5 residing in Jim Wells County shall vote at Polling Place No. 13, at the Premont High School in Premont, Texas.

RESOLVED, ORDERED AND PASSED by the Kenedy County Groundwater Commissioners' Court on this 21st day of September, 2011.

11. Receive General Manager's Activity Report, Including Update on Water Level Measurements and Groundwater Quality Survey, and Act, If Necessary

Andy Garza, General Manager, presented to the Board of Directors updates on (1) water level measurements; and (2) groundwater quality survey. He informed the Board of Directors that three (3) wells are needed to complete the water level measurements; that Dr. Clapp's students have sampled nine wells in the county; and that a total of at least 24 wells will be sampled through the project. The Board instructed Mr. Garza to prepare a presentation that could be presented at the Kenedy County Commissioners' Court meeting to show historic water levels including recent water level measurements. The presentation is to be reviewed by the Kenedy County Groundwater Conservation District's Board at the next meeting, prior to being presented to the Commissioners' Court.

This being a report only, no vote was needed and none was taken.

12. Discuss & Act on Advance Travel for General Manager to Attend:

A. TAGD Meeting in Austin, Texas, on August 30-31, 2011

B. Training from Mary Sah's Office on Well Registration and Permitting Prior to Attending TAGD Meeting

C. Texas Water Law Conference in Austin, Texas, on September 15-16, 2011

Andy Garza, General Manager, informed the Board of Directors that it was necessary for him to attend the following meetings and conferences:

- a. TAGD meeting in Austin, Texas, on August 30-31, 2011;
- b. Training from Mary Sah's office on well registration and permitting prior to attending the TAGD meeting; and
- c. Texas Water Law Conference in Austin, Texas, on September 15-16, 2011.

David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that Andy Garza attend the TAGD meeting in Austin, Texas, on August 30-31, 2011; training from Mary Sah's office on well registration and permitting prior to attending the TAGD meeting; and that the Kenedy County Groundwater Conservation District reimburse Andy Garza's registration and travel expenses connected therewith provided that proper receipts are provided to the District.

13. Receive Report on 2010 Draft Irrigation Water Use Estimates Compiled by TWDB, and Act, If Necessary

Andy Garza presented the Board of Directors with the 2010 Draft Irrigation Water Use Estimates compiled by TWDB. He informed the Board of Directors that the data provided by

the TWDB pertains to the entire county rather than the portion of a county that is within the boundaries of the District.

David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that Andy Garza respond to TWDB.

14. **Receive Report on GMA-16 Joint Planning and Act, If Necessary**

Mary Sahs presented the Board of Directors with the GMA-16 Joint Planning report, including activities at the August 3, 2011, Joint Planning Committee meeting. She distributed a copy of the letter that Andy Garza sent Dr. Hutchison at TWDB regarding the District's domestic/livestock exempt use pumpage numbers and oil and gas exempt pumpage numbers. She noted that at the Brush Country Groundwater Conservation District's request, GMA-16 has asked for an extension until November to respond to TWDB's exempt numbers in the MAG report.

Ms. Sahs distributed copies of the power point presentation by Brush Country GCD's consultant, Steve Young, and noted that he concluded that under the adopted DFC, 70% of the water wells in Jim Hogg County would go dry and that there could be similar impacts in other up-dip counties. The Board discussed actions that could be taken to increase communications between the District and Brush County District; therefore, Mr. Garza is to attend their Board meetings.

Ms. Sahs further reported that she will be participating as the chair of a "bylaws" committee, as authorized by David Delaney at the meeting. She distributed the original Interlocal Participation Agreement.

David Delaney moved and Daniel Butler seconded the motion; the motion was unanimously passed that the Kenedy County Groundwater Conservation District would support Scottie Bledsoe to remain as president of GMA-16.

David Delaney moved and Daniel Butler seconded the motion; the motion was unanimously passed that a resolution be approved authorizing Andy Garza and Mary Sahs to be voting representatives in the event that neither David Delaney or Chuck Burns is present at a GMA-16 meeting.

15. **Discuss & Act on GMA-16 Representative to Regional Water Planning Groups M and N**

Mary Sahs informed the Board of Directors of the need to nominate a District member to represent GMA-16 in the Regional Water Planning Region N.

David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that Andy Garza is nominated as the District's representative for the GMA-16 Regional Water Planning Region N.

16. **Receive Report on State Agencies' Rulemaking Activities for Implementing New Law and Act, If Necessary**

Mary Sahs informed the Board of Directors of the rulemaking activities by the Railroad Commission of Texas; the Texas Water Development Board; and the Texas Commission on Environmental Quality designed to implement legislation enacted by the 82nd legislature.

David Delaney moved and Daniel Butler seconded the motion; the motion was unanimously passed that Mary Sahs is authorized to continue to inform the District on Senate Bill 660 rules; however, Mary Sahs is not to exceed 10 hours of billable time.

17. **Receive Report on Railroad Commission Notice of Mestena Uranium Exploration Permit Application Renewal**

Andy Garza, General Manager, informed the Board of Directors of an August 5, 2011, letter from the Railroad Commission pertaining to a notice of receipt of Mestena Uranium's exploration permit renewal; however, the permit renewal does not apply to the Kenedy County Groundwater Conservation District.

This being a report only, no vote was needed and none was taken.

18. **Receive Report on Registration and Permitting Program and Act, If Necessary**

Mary Sahs distributed to the Board of Directors a report on the registration and permitting program. She reported that Headington Oil's permit application regarding its compressor station well on the Armstrong Ranch will be on the agenda in September.

This being a report only, no vote was needed and none was taken.

19. **Discuss & Act on Failure of Kenedy County to Submit Water Quality Reports**

Mary Sahs reported to the Board of Directors that the District sent a letter to Daniel Almeida regarding water quality data pertaining to the Kenedy County water supply system wells and that the data has not been received. The Board instructed Andy Garza to continue to try to work with Mr. Almeida to obtain this data on a monthly basis.

This being a report only, no vote was needed and none was taken.

20. **Discuss & Act on Failure of Headington Oil to Submit Permit Application**

Mary Sahs informed the Board of Directors that she had received Headington Oil's application; therefore, action on this agenda item was not needed.

This being a report only, no vote was needed and none was taken.

21. **Receive Annual Management Plan Report, and Act, If Necessary**

Andy Garza, General Manager, presented the Board of Directors with a Groundwater Management Plan Implementation Status Report, including a draft of an educational letter addressed to the water well service companies doing business in the District. Ms. Sahs pointed out that the District has met or exceeded all of its management goals except the identification of recharge features.

After considerable discussion, David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that 1) the Groundwater Management Plan Implementation Status Report be accepted as presented; 2) the water well service company educational letter is approved and is to be sent to the water well service companies; and 3) approve Ms. Sahs request regarding Dr. Uddameri beginning identification of recharge features as part of his contract for technical services supporting the management plan update.

22. **Receive Report on Status and Schedule for Updating District's Management Plan**

Mary Sahs reported to the Board of Directors that almost every section of the District's management plan needs to be updated. She reported that she, Andy Garza and Dr. Uddameri had met and that each of them had been assigned tasks; and had scheduled a telephone conference the week of September 6 to set dates for completing these tasks; that the completion dates would include sufficient time for Board work sessions, a pre-review by the TWDB and that public notices and hearings would be held prior to the submission deadline.

This being a report only, no vote was needed and none was taken.

23. **Discuss & Act on Contract with Dr. Venkatesh Uddameri to Assist in Updating the District's Management Plan**

Mary Sahs presented the Board of Directors a copy of Dr. Uddameri's proposed contract for technical services regarding the update of the District's management plan. She reminded the Board of Directors that technical services for the original plan had cost \$25,000 because the data had to be compiled for the first time; and that this contract for technical services is \$8,000.00, significantly lower, because it only involves updating the District's plan.

David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that Dr. Uddameri be retained for \$8,000.00 regarding updating the District's plan which is to include the identification of recharge features.

24. **Conduct Rulemaking Work Session, And Act, If Necessary**

The Board conducted a rulemaking work session. Mary Sahs provided new materials for the rulemaking work session notebooks. The Board discussed whether the current system of allocating water production should be changed. After much discussion, the Board came to a

consensus that the working draft of the rules should keep the same production scheme, updated to reflect current conditions, and that certain smaller volumes of production could be approved by the General Manager with no opportunity for a contested case hearing. The Board also discussed the need for the District to relate production from new permitted wells to the owners' surface acreage, to maintain records of this correlation, and to issue certificates as part of the permitting process.

This being a work session only, no vote was needed and none was taken.

25. **Discuss & Act on Communications Letter from John Womack & Co., P.C.**

Leo Villarreal presented the Board of Directors with a letter regarding communications from John Womack & Co., P.C. concerning the 2010 audit that needed to be signed by Chuck Burns.

Daniel Butler moved and David Delaney seconded the motion; the motion unanimously passed that Chuck Burns is authorized to sign John Womack & Co., P.C.'s communications letter.

26. **Discuss & Act on Date of Next Board Meeting**

Chuck Burns informed the Board of Directors that the Board needed to meet in September, 2011, to approve the District's tax roll and that the meeting date needed to be designated.

David Delaney moved and Daniel Butler seconded the motion; the motion was unanimously passed that the District's next meeting be held on September 21, 2011, at 8:00 a.m.

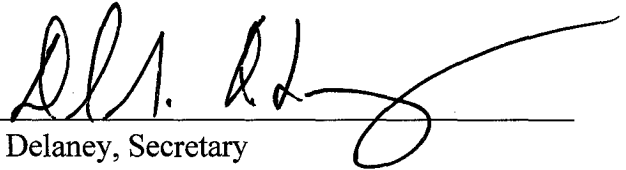
27. **Discuss & Act on Payment of Bills**

Chuck Burns presented the Board of Directors the July 2011 bills for consideration and payment.

Homero Vera moved and David Delaney seconded the motion; the motion was unanimously passed that the bills be paid as presented.


28. **Adjournment**

There being no other business to come before the Board of Directors, David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that the meeting be adjourned at 11:16 a.m.



David Delaney, Secretary

ATTESTED TO:



Chuck Burns, President