

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

On the 20th day of February, 2013, 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
Homero Vera, Vice-President
Dave Delaney, Secretary
Daniel Butler

Also present:

Leo Villarreal, Administrative Assistant
Andy Garza, General Manager
Felix Saenz, Brush Country GCD
J.D. Head, Laborcitas Ranch
Shana Horton, La Paloma Ranch
Larry Garcia, Cameco
Bryan Soliz, Cameco
Robert Blackstone, Cameco
Mark Pelizz, URI
Dain McCoig, URI
Jim Kegebein, URI
Bill Hutchison, PE
Joe Stiles, Kenedy Trust

Absent:

Craig Weiland

1. Call Meeting to Order

Chuck Burns, President, called the meeting to order at 8:05 a.m.

2. Receive Public Comments

No comments were received.

3. Discuss and Act on Approval of January 16, 2013, Regular Meeting Minutes

Chuck Burns, President, presented to the Board of Directors the Minutes of the January 16, 2013, regular meeting of the Kenedy County Groundwater Conservation District.

David Delaney moved and Danny Butler seconded the motion; the motion was unanimously passed that the January 16, 2013 regular meeting minutes be accepted as presented.

4. Receive General Manager's Activity Report and Act, If Necessary, Regarding:

- a. **Communications**
- b. **2012 Water Use Reports**
- c. **Winter 2013 well hydrostatic level measurements**
- d. **Region N meeting**
- e. **Handouts**
- f. **Trip to Desalination Plant in Brownsville**
- g. **Other**

Andy Garza, General Manager, reported to the Board of Directors regarding the following matters: a.) Most communications were in reference to 2012 water reports; one was in regards to planned improvements at the Kleberg County Airport b.) The 2012 water use reports for permitted and temporary rig supply wells was reviewed with the board. The report on permitted wells still lacks information from Sante Fe Feeders and Pattern Gulf Wind.c.) Winter 2013 well hydrostatic level measurements have been completed and was reviewed with the Board. d.) The next Region N meeting will be held on March 7, 2013 in Robstown, TX. e.) Copies of various news articles were distributed to the directors. f.) A brief follow-up to the tour of the desalination plant in Brownsville, TX was discussed; and g.) Garza reported that the Brush Country GCD will resubmit its management plan to the TWDB for approval and that it continues to develop its rules.

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

5. Receive Report from Cameco Regarding Expansion of Uranium Exploration Area

The board of directors received an update from representatives of URI and Cameco. Mark Pelizza and Josh Leftwich reported that Cameco and URI are in an exploration agreement and have extended the exploration area by 22,000 acres located in the northeast corner of the Kenedy county. The amendment required for the expansion needs to be approved by the Railroad Commission. Pelizza indicated that all of the existing water wells in the expansion area would be sampled prior to the exploration phase. Brian Soliz with Cameco gave a brief overview on how the in situ recovery process works.

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

6. Receive Report Regarding Dr. Uddameri No Longer Being Able to Provide Assistance to District Because of New Position at Texas Tech

Chuck Burns reported that in discussions with Mary Sahs, it had become apparent that Dr. Uddameri would not be able to continue to provide the necessary engineering assistance to the District from his new position in Lubbock, TX. Andy Garza reported that Dr. Uddameri had attended the last GMA-16 meeting through Skype, but, his presence was ineffective through this process.

7. Discuss and Act, If Necessary, To Approve Proposals For Technical Consulting For GMA-16 Activities and Water Well Drillers Rulemaking

Andy Garza, General Manager, informed the Board of Directors that proposals had been received from Bill Hutchison, Daniel B. Stephens and Associates and LBG-Guyton Associates. It was agreed that all three entities are well qualified to do the work. David Delaney stated that he would like more time to review the proposals.

David Delaney moved and Homero Vera seconded the motion; the motion was unanimously passed that this item be tabled and that a special meeting be held on February 25, 2013 to act on this item.

8. Discuss & Act on Retaining a Consultant to Address the GMA-16 DFC's and Related Matters and to Authorize Chuck Burns to Negotiate and Sign the Consultant's Contract

This item was related to item #7 which was tabled.

No vote was needed and none was taken.

9. Receive, Discuss and Act, If Necessary, on GMA-16 Activities Report

Andy Garza, General Manager, reported to the Board of Directors regarding the GMA-16 activities report. The next meeting will be held on March 5, 2013 in Falfurrias, TX. A copy of the agenda was given to the directors.

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

10. Discuss and Act, If Necessary, On Legislative, Litigation and Agency Rulemaking Report Submitted by Sahs and Associates

Andy Garza, General Manager, informed the Board of Directors that Mary Sahs had submitted a report on this matter. Several bills of interest to the District were reviewed and discussed by the Board. Of particular interest were Senate bills 4, 272, 293 and 302.

Chuck Burns asked the directors for some guidance on how much work Mary Sahs should be allowed to do in tracking bills, attending committee hearings, etc. After some discussion on this matter, David Delaney proposed that a cap of \$3,000.00 be placed on work performed by Mary Sahs on legislative issues.

David Delaney moved and Danny Butler seconded the motion; the motion was unanimously passed that Mary Sahs continue tracking legislative issues but cap expenses at \$3,000.00 per month until the Board decides that this service is no longer needed.

11. Discuss and Act on Date of Next Board Meeting

Chuck Burns informed the Board of Directors that a date for the March 2013 meeting needed to be determined.

Danny Butler moved and Homero Vera seconded the motion; the motion was unanimously passed that the next regular Board of Directors meeting be held on March 20, 2013.

12. Receive Report on 2013 Tax Revenue Collected

Leo Villarreal presented the Board of Directors the County Tax Assessor's report regarding tax revenue collected to date; that \$214,690.31 had been collected and there was a base tax due in the amount of \$1,827.57.

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

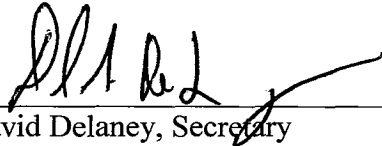
13. Discuss and Act on Payment of Bills

Chuck Burns presented the bills to the Board of Directors and informed the Board of Directors that the bills should be considered for payment.

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

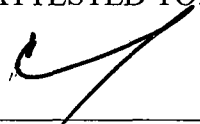
14. Adjournment

There being no other business to come before the Board of Directors, Homero Vera moved and Danny Butler seconded the motion; the motion was unanimously passed that the meeting be adjourned at 9:05 a.m.



David Delaney, Secretary

ATTESTED TO:



Chuck Burns, President