

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

On the 20th day of July, 2016, at 10:30 o'clock a.m., a regular meeting of the Kenedy County Groundwater Conservation District was held at the Kenedy County Courthouse Courtroom in Sarita, Texas.

Directors present:

Chuck Burns, President
Homero Vera, Vice-President
Dave Delaney, Secretary
Craig Weiland, Member

Also present:

Andy Garza, General Manager
Leo Villarreal, Administrative Assistant
Louie Pena, Duval County GCD
Ryan Guillen, State Representative
Joshua Perez, Duval County GCD
Nora Perez, Duval County GCD
Jeremy Garcia, Duval County GCD
Monica Jacobs, La Paloma Ranch
Tom Denney, Kenedy County Chief Appraiser

Absent:

Danny Butler, Member

1. Call Meeting to Order

Chuck Burns, President, called the meeting to order at 10:30 a.m.

2. Public Comments

Louie Pena introduced the summer interns who are working for the Duval County GCD.

3. Discuss & Act on Minutes of June 15, 2016 Regular Meeting

Chuck Burns presented the Board with the June 15, 2016 regular meeting minutes of the Kenedy County Groundwater Conservation District.

Dave Delaney moved and Homero Vera seconded the motion; the motion passed unanimously that the June 15, 2016 regular meeting minutes be approved as presented.

4. Receive Report from State Representative Ryan Guillen's Office

Guillen informed the directors that the larger cities will continue to meet their water needs by either piping fresh water from outside their boundaries or through desalination of brackish groundwater or seawater. District directors stressed the importance of allowing groundwater districts to manage brackish groundwater like all other groundwater. Monica Jacobs reminded Representative Guillen that districts are a good source of information when it comes to issues relative to groundwater. The directors look forward to working with Representative Guillen during the 2017 legislative session.

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

5. Receive General Manager's Activity Report & Act, If Necessary, Regarding:

a. Communications

b. Well registrations

c. GMA-16 update

d. Public hearing: Senate Agriculture, Water & Rural Affairs; 7/25/2016

e. Riviera Water Systems, Inc. update

f. Attorney General's opinion on handguns

g. STPRA meeting held in Zapata, TX(Homero Vera)

h. Injection well case: Duval County GCD(Louie Pena)

i. News articles

j. Other

Andy Garza, General Manager, reported on the following:

a. Communications: Garza reported that since the District meeting in June, 2016, he had communicated with the following individuals and/or entities: Craig Weiland and Monica Jacobs regarding comments that will be submitted to the Texas Water Development Board in response to groundwater transport model being developed for Lower Rio Grande Valley; Mary Sahs regarding the status of the database maintained by the Kenedy County GCD; Justin Cantu, Rockefeller Ranch manager, regarding the role of the GCD in the management of exempt and nonexempt wells; J & S Water Wells regarding the forms needed when drilling a well in the district; Jim Polonis, General Manager of the Sutton County GCD, regarding "Intent to Drill Form" that their district uses; and TAGD regarding the possibility of featuring our District in its monthly newsletter.

b. Well registrations: There was no information to be presented for this item.

c. GMA-16 update: Garza informed the directors that GMA-16 may have to hire another contractor to finish the revised DFC work and explanatory report. The current contractor, Randy Williams, is not responding to communications from GMA-16.

d. Public hearing: Senate Agriculture, Water & Rural Affairs Committee; 7/25/16: Garza informed the directors that he would be attending a public hearing held by the Senate Agriculture, Water and Rural Affairs Committee in Austin, TX on July 25, 2016.

e. Riviera Water Systems, Inc. update: Garza informed the directors that the district had received a notice of intent to sell facilities and transfer water services from the Riviera Water Systems, Inc. to the Riviera Water Control and Improvement District.

f. Attorney General's opinion on handguns: Garza informed the directors that according to the opinion, subsection 46.035(c) of the Penal Code makes it an offense to carry a handgun in the room or rooms where a meeting of a governmental entity is held if the meeting is an open meeting subject to Chapter 551, Government Code and the entity provided the requisite notice. Garza stated that he will be consult with Leo Villarreal to ensure that such notice is posted at the next District meeting.

g. STPRA meeting held in Zapata, TX(Homero Vera): Garza reported that he and Homero Vera had attended a meeting of the STPRA on June 28, 2016 in Zapata, TX. Vera reviewed the agenda and provided comments.

h. Injection well case: Duval County GCD(Louie Pena): Garza informed the directors that he had asked Louie Pena, General Manager of the Duval County GCD, to review the particulars of the injection well case that his district had experienced in late 2015.

i. News articles: Garza provided the directors with news articles pertinent to groundwater and related issues.

j. Other: Garza informed the directors that Felix Saenz, General Manager of the Brush Country GCD, had undergone double bypass heart surgery in Corpus Christi, TX and was on his way to a speedy recovery.

6. Discuss & Act, If Necessary, on Designation of Brackish Zones as Per HB 30

Andy Garza reviewed portions of the presentation given by Steve Young, hydrologist with Intera. No brackish production zones were designated within the boundaries of the Kenedy County GCD. There were 2 zones designated within the boundaries of the Brush Country and Duval County GCDs, respectively.

Dave Delaney moved and Craig Weiland seconded the motion; the motion passed unanimously to authorize Andy Garza to follow-up and inquire about the depths of the wells in Kleberg County that were shown in the presentation.

7. Discuss & Act on Comments Prepared for Submission to the Lower Rio Grande Valley Groundwater Transport Model Project

Craig Weiland initiated the discussion by stating that La Paloma Ranch found it worthwhile to submit comments relative the groundwater transport model being developed for the Lower Rio Grande Valley because the study area includes parts of 3 groundwater conservation districts including the Kenedy County GCD. Weiland then asked Monica Jacobs, attorney who represents La Paloma Ranch, to review the proposed comments which were compiled by hydrologists at Intera. Many of the comments were technical in nature and Ms. Jacobs did a good job in explaining them to the directors. It was agreed that the Brush Country GCD and the Red Sands GCD should submit the comments with their own cover letter.

Dave Delaney moved and Craig Weiland seconded the motion; the motion passed unanimously the Kenedy County GCD, along with the Brush Country and Red Sands GCDs, submit comments relative to the Lower Rio Grande Valley groundwater transport model to the TWDB.

8. Discuss & Act on an Order Calling the November 8, 2016 Election Regarding the Board of Directors for Precinct 3 and Precinct 4 and Publish Notices as Required by Law

Leo Villarreal informed the board that the directors from Precinct 3, Chuck Burns, and from Precinct 4, Danny Butler, were up for reelection in 2016 and that an order for the election needed to be passed in accordance with the law. The election, if needed, will be held on November 8, 2016 during the General Election.

Homero Vera moved and Craig Weiland seconded the motion; the motion passed unanimously to pass an order calling for election for directors from Precinct 3 and Precinct 4 on November 8, 2016.

9. Conduct 2017 Budget Workshop

Leo Villarreal reviewed the current budget through the first 6 months of 2016. Amounts remaining for each budget line item were shared with the directors. Because of the decline in valuations for 2016, a shortfall in the 2017 budget will occur if the tax rate is maintained at the current level. Leo Villarreal suggested that a 2016 budget surplus carryover be used to balance the budget for 2017. The directors will approve a preliminary budget at the August, 2016 meeting for fiscal year 2017.

No vote was needed and none was taken.

10. Receive Quarterly Investments Report and Materials

Leo Villarreal provided the directors with an investments report for the 2nd quarter, 2016. Villarreal reported that the District's beginning and ending checking account balances were \$312,821.65 and \$305,282.02, respectively. CD #60852, valued at \$157,031.84, will mature on November 17, 2016 and CD #60854, valued at \$157,933.84, will mature on November 17, 2016.

Villarreal handed out information on various types of investments that he acquired at a seminar that he attended in Galveston, TX.

Homero Vera moved and Dave Delaney seconded the motion; the motion passed unanimously to accept the quarterly investments reported as presented by Villarreal.

11. Discuss & Act on Date for Next Board Meeting

Chuck Burns informed the directors that a date for the August, 2016 meeting needed to be set.

Craig Weiland moved and Homero Vera seconded the motion; the motion passed unanimously to hold the next meeting at 9:00 AM on August 17, 2016.

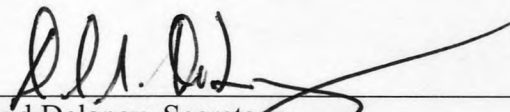
12. Discuss & Act on Payment of Bills

Chuck Burns presented the bills to the directors for consideration and payment.

Craig Weiland moved and Dave Delaney seconded the motion; the motion passed unanimously that the bills be paid as presented.


13. Adjournment

There being no other business to come before the Board of Directors, Homero Vera moved and Craig Weiland seconded the motion; the motion passed unanimously that the meeting be adjourned at 12:30 PM.



David Delaney, Secretary

ATTESTED TO:



Chuck Burns, President