

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

On the 17th day of February, 2023, at 10:30 AM, a regular meeting of the Kenedy County Groundwater Conservation District was held at the Kenedy Memorial Foundation's Carriage House in Sarita, TX.

Directors present:

Edward Bordovsky, President
Verl Cash, Vice-President
Esteban Lopez, Secretary
Sonny Burns, Member
Danny Butler, Member

Also present:

Andy Garza, General Manager
Leo Villarreal, Administrative Assistant
George Gonzalez, Duval County GCD manager
Margaret Kelly, John Womack & Co.
Louie Longoria, John Womack & Co.
Chuck Burns, Kenedy County Judge

1. Call Meeting to Order

Edward Bordovsky, President, called the meeting to order at 10:30 AM and announced that a quorum was present.

2. Public Comments

None were offered.

3. Discuss & Act on Minutes of January 18, 2023 Regular Meeting

Esteban Lopez moved and Sonny Burns seconded the motion; the motion passed unanimously to approve the minutes of the January 18, 2023 regular meeting as presented.

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

- a. Communications
- b. Well registrations
- c. Brush Country GCD meeting
- d. Duval County GCD meeting
- e. TAGD quarterly meeting, January 31-February 1, 2023; March 9, 2023
- f. Region N report
- g. 2022 water use reports
- h. Texas House interim report
- i. Legislative report

- j. Eminent domain report**
- k. Quarterly drought report**
- l. News articles**
- m. Other**

Andy Garza, General Manager, reported on the following:

a. Communications: Garza reported that since the District's January, 2023 meeting, he had communicated with David Olden, TWDB mesonet specialist, regarding the weather station that will be installed west of Sarita, TX; Thomas Becker, Energy Transfer engineer, regarding a revised water use report; Mike Webb, Kleberg County resident, regarding registration of water wells; Arlena Porras, Headington Energy compliance clerk, regarding a temporary rig supply water use report; Tom Koeneke, Starr County GCD director, regarding information relevant to the GCD; Randy Kohler, EOG field superintendent, regarding the removal of a permit from reminder letter and Raul Gonzalez, Texas State Library and Archives Commissioner representative, regarding information relative to GCD records retention policy.

b. Well registrations: Garza informed the Directors that Kebo Oil and Gas had registered a water well since the last meeting.

c. Brush Country GCD meeting: Garza reported that the Brush Country GCD had met on January 24, 2023 and reviewed the highlights of the meeting.

d. Duval County GCD meeting: Garza stated that the Duval County GCD had met on January 25, 2023 and covered the highlights of the meeting.

e. TAGD quarterly meeting; January 31-February 1, 2023; March 9, 2023: Garza informed the Directors that the TAGD meeting scheduled for January 31-February 1, 2023 had been cancelled due to inclement weather. A rescheduled meeting will be held on March 9, 2023 in Pflugerville, TX.

f. Region N report: Garza reviewed the highlights the Region N committee meeting that was held on January 26, 2023 in Robstown, TX.

g. 2022 water use reports: Garza provided the Directors with the 2022 water use reports and stated that there were two instances whereby the amount used was greater than was allocated in the permit. Garza will be working with both entities to address the issue.

h. Texas House interim report: Garza provided the Directors with a copy of the Texas House interim report to the 88th Legislature and reviewed portions of the report.

i. Legislative report: Garza provided the Directors with a publication that describes the legislative process in Texas.

j. Eminent domain report: Garza informed the Directors that the annual eminent domain activity report had been filed with the State Comptroller's office.

k. Quarterly drought report: Garza handed out the latest drought map from the U.S. Drought Monitor.

l. News articles: Garza handed out news article pertinent to groundwater issues.

m. Other: Garza informed the Directors that Kenedy County GCD Management Plan had been approved by the TWDB.

Danny Butler moved and Sonny Burns seconded the motion; the motion passed unanimously to accept the General Manager's report.

5. Discuss & Act on Audit

Margaret Kelly, John Womack & Co. accountant, reviewed the 2021 Kenedy County GCD audit with the Directors. Relative to bonds investment with New York Life, Ms. Kelly stated that a correction was needed to address the amount that is not covered by the FDIC.

Esteban Lopez moved and Danny Butler seconded the motion; the motion passed unanimously to approve the 2021 audit contingent on the correction needed to address the bonds investment.

6. Discuss & Act on Investment Policy

Leo Villarreal reported that he is working on a revised version of the district's Investment Policy that should be ready for approval in October, 2023.

No vote was needed and none was taken.

7. Receive Update on Construction Project

Leo Villarreal provided an update on the possibility of the Kenedy County GCD acquiring its own office building. Villarreal covered various aspects of what it would take to construct such a building. Acquiring a location for the building would be of utmost importance. Judge Burns indicated that the county may be interested in a community center that could possibly house the GCD office. Villarreal stated that he will continue gathering data for this project and that he will donate his office furniture to the GCD.

No vote was needed and none was taken.

8. Discuss & Act on Date for Next Regular Meeting

Edward Bordovsky informed the Directors that a date needed to be set for the next regular meeting.

Verl Cash moved and Sonny Burns seconded the motion; the motion passed unanimously to hold the next regular meeting at 9:00 AM on March 15, 2023 in Sarita, TX.

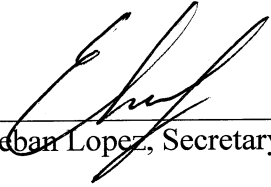
9. Discuss & Act on Payment of Bills for February, 2023

Edward Bordovsky presented to the Directors the bills for February, 2023 for consideration and payment.

Sonny Burns moved and Esteban Lopez seconded the motion; the motion passed unanimously to pay the bills for February, 2023 as presented.

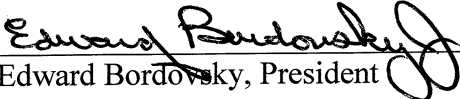
15. Adjournment

There being no other business to come before the Board of Directors, Sonny Burns moved and Esteban Lopez seconded the motion; the motion passed unanimously that the meeting be adjourned at 10:50 AM.



Esteban Lopez, Secretary

ATTESTED TO:



Edward Bordovsky, President