

COMAL TRINITY GROUNDWATER CONSERVATION DISTRICT

MINUTES of Fourth Quarter Board Meeting Monday October 19, 2020

This meeting was conducted via teleconference in compliance with the Governor's Executive Order and DSHS Covid-19 Social Distancing protocol and directly followed Public Rulemaking Hearing. The meeting was recorded as required by the Texas Open Meetings Act.

- 1) President Larry Hull called meeting to order at 6:36 p.m. and declared a quorum, with all current Board members in attendance: David Davenport, David Heier, Jensie Madden, Dr. Larry Sunn, and Robert Johnson.
- 2) Public Comment: There were no public comments.
- 3) Mr. Hull called for action regarding District Rules modifications as were discussed and considered immediately prior to the regular Board meeting during the Public Hearing.
 - A) Rob Johnson moved to accept and approve proposed changes and adoptions of the new rules under Chapter 11 (District Rules 11.2, 11.2(1), 11.2(2), 11.2(3)b-d) as set forth in the agenda. Larry Sunn seconded, motion passed 6 ayes, zero nays.
 - B) Rob Johnson moved to adopt proposed changes and adoptions of the rule changes, as discussed, to District Rule 9.4 Penalty Schedule as well as revisions to District Rules 5.3 and 5.4. Seconded by Larry Sunn, motion passed, 6 ayes, zero nays.
- 4) Consent Agenda
 - A) Board Meeting Minutes, August 17, 2020
 - B) Financial Statement and Expenditures for the Third Quarter, 2020Larry Sunn moved to accept the Consent Agenda, Rob Johnson seconded, and motion passed 6 ayes, zero nays.
- 5) Discussion of adjustment to 2020 Budget, line item Construction Mileage, resulted in tabling this agenda item until final 2020 year-end financials are complete, first quarter 2021 meeting. Larry Sunn moved to table agenda item until first quarter 2021, seconded by Jensie Madden. Motion passed 6 ayes, 0 nays.
- 6) Discussed proposed 2021 Budget, including Statement of Contingency Reserves. Dave Heier moved to accept the 2021 Budget as proposed, Larry Sunn seconded and motion passed 6 ayes, zero nays.
- 7) Discussed renewal of Texas Alliance of Groundwater Districts membership at \$1,080.00. Rob Johnson moved to renew membership, seconded by Dave Heier. Motion passed 6 ayes, zero nays.
- 8) Discussion and Consideration of Resolution to support Texans for Responsible Aggregate Mining (TRAM): Jensie Madden introduced the Resolution and Mr. Cliff Kaplan, guest and representative for Hill Country Alliance, and the TRAM organization. Jensie expressed her support and moved that the Board discuss and adopt the TRAM Resolution. David Davenport seconded discussion of the Resolution by the Board. Larry Sunn expressed concern for adopting a political stance. Rob Johnson expressed concern for adopting any resolution which may result in an organization's endorsement being used outside the original intent without knowledge (delegate your opinion), and, how to justify which groups the organization supports vs. those that aren't approved. Dave Heier discussed concern of perception of seeming to take sides and prefers we remain an apolitical body. Larry Hull discussed water monitoring ability and the issue of contamination from quarries has not been an issue that he is aware of. Cliff Kaplan addressed each of the comments and concerns and re-iterated that Texas quarries do not commonly follow best practices. The public was invited to comment and there were some made. Larry Hull stated intention of adding agenda item to next meeting to address developing a process of dealing with requests for resolution. David Davenport called for a vote on the motion put forth by Jensie Madden to adopt the TRAM resolution. Roll call vote: Larry Sunn, nay; Jensie Madden, aye; Rob Johnson, nay; Dave Davenport, nay; Larry Hull, nay; David Heier, nay. Motion failed 5 nays, 1 aye.
- 9) The Board members and General Manager H.L. Saur adjourned to a Closed Session, Pursuant to the Texas Government Code Section 551.074 at 7:36 p.m. to Board deliberate personnel matters.

10) Regular meeting resumed at 7:55 p.m. and the following Motions were made pertaining to personnel matters: Rob Johnson moved to increase Valerie Posladek's salary to \$1750.00/month and a thank you from the Board. Larry Sunn seconded, and motion passed 6 ayes, zero nays.

Rob Johnson moved to authorize H.L. Saur to begin process of locating an understudy to train in support of the General Manager and to recommend someone to join CTGCD by June of 2021 as a contract employee. Larry Sunn seconded, motion passed 6 ayes, zero nays.

Rob Johnson moved to increase H.L. Saur's salary to \$60,000.00/year immediately and to provide retention bonuses to him as follows: \$5,000.00 at the end of 2021; \$7,500.00 at the end of 2022, and \$10,000.00 at the end of 2023.

Dave Heier seconded. Motion passed 6 ayes, zero nays.

11) H.L. Saur presented the Manager's Report:

A) Reported no drought conditions in Comal County as of the end of September. Within the District precipitation varied from 2 to 5 inches since last meeting. Departure from the average normal last month was up .5 to 4 inches in parts of the county. Report on monitoring wells showed that most had lower water levels. Number 4 monitor equipment was removed, and number 7 may need to be moved as well due to erratic readings.

B) Report on well authorizations: Year-to-date, 120 approved authorizations with 23 wells not yet drilled in 2020. H.L. Saur discussed a new subdivision in North portion of District and well logging activities with initial test wells drilled. He plans to meet with County Engineer regarding clarification of Subdivision and County rules and CTGCD requirements. Board discussion regarding Water Availability Study and County responsibility vs. water district responsibility. Another topic of concern is the recent request for landscaping domestic wells and how to classify wells that are by-passing public water system. H.L. Saur requests this be addressed by the Board in the future. Larry Hull stated this topic will be included in a future meeting agenda.

C) Report non-exempt groundwater data: GMA 9 in Comal County has used 1,795.51 acre-feet with 8,280 acre-feet MAG remaining; GMA 10 in Comal County used 3,388.46 acre-feet with 25,896 acre-feet MAG remaining.

D) All information presented in A), B) and C) was emailed to Board prior to meeting as well as presented in a Powerpoint presentation depicting reported information during the meeting to all Zoom attendees.

E) Report on State Audit: Valerie Posladek reported that Fieldwork is complete, and auditors are performing internal reviews. The Final Audit Report and Request for Management Response is expected the third week of December. Larry Hull stated a report format will be developed to meet all audit requirements for reporting.

12) Board agreed to February 15, 2021 as first quarter meeting date

13) Meeting was adjourned at 8:28 p.m.

Comal Trinity Groundwater Conservation District
Profit & Loss
 January through September 2020

	<u>Jan - Sep 20</u>
Income	
CTGCD Income	
Authorization Fee	
Boring a New Exempt Well	
Domestic Well	37,600.00
Livestock Well	1,200.00
Total Boring a New Exempt Well	38,800.00
Boring a New Nonexempt Well	
Less than 25000 GPD	2,400.00
Total Boring a New Nonexempt Well	2,400.00
Completion of test bore	
Greater than 25,000 GPD	1,200.00
Less than 25,000 GPD	300.00
Total Completion of test bore	1,500.00
Plugging a well	2,800.00
Test Bore	300.00
Variance to a Rule request	5,700.00
Total Authorization Fee	51,500.00
Dividends & Interest	
TRB - Certificate of Deposit	1,033.48
GVTC	190.94
Texas Regional	4,089.58
Total Dividends & Interest	5,313.98
Late Fees and Fines	397.35
Production	121,148.41
Total CTGCD Income	178,359.74
Total Income	178,359.74
Gross Profit	178,359.74
Expense	
CTGCD Expenses	
Administrative Services	
Audit/Accounting	4,000.00
Computer & Expenses	566.95
Insurance/Bonds	1,518.84
Monitoring Equipment	1,036.00
Office Supplies	303.39
Postage and Delivery	28.80
Printing and Reproduction	21.00
Public Notices	472.00
Telephone and Internet	
Cell Phone	1,535.07
Internet Charges	499.38
Long Distance Charges	134.59
Telephone Service Charge	414.18
Total Telephone and Internet	2,583.22
Travel and Meals	27.00
USPS Box Rental	92.00
Website Hosting	179.48
Total Administrative Services	10,826.46
Operating Expense	
Contracted Labor	49,718.70
Intralocal Agreement	1,369.50
Materials for Operation	230.00

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Accrual Basis

Comal Trinity Groundwater Conservation District

Profit & Loss

January through September 2020

	<u>Jan - Sep 20</u>
Mileage	
Construction	3,993.25
CTGCD Admin.	466.61
Well Monitoring	81.09
Mileage - Other	14.38
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Total Mileage	4,555.33
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Total Operating Expense	55,871.53
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Total CTGCD Expenses	66,897.99
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Total Expense	66,897.99
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Net Income	111,661.75
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Accrual Basis

Comal Trinity Groundwater Conservation District
Balance Sheet
As of September 30, 2020

	<u>Sep 30, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking - TRB 1356443	580,896.39
Total Checking/Savings	580,896.39
Accounts Receivable	
Accounts Receivable	15,828.26
Total Accounts Receivable	15,828.26
Other Current Assets	
Undeposited Funds	800.00
Total Other Current Assets	800.00
Total Current Assets	597,524.65
TOTAL ASSETS	<u>597,524.65</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	6,211.68
Total Accounts Payable	6,211.68
Total Current Liabilities	6,211.68
Total Liabilities	6,211.68
Equity	
Retained Earnings	479,651.22
Net Income	111,661.75
Total Equity	591,312.97
TOTAL LIABILITIES & EQUITY	<u>597,524.65</u>