

MEETING OF THE BOARD OF DIRECTORS
PLUM CREEK CONSERVATION DISTRICT
CONFERENCE ROOM, COUNTY ANNEX
BUILDING, LOCKHART, TEXAS 78644
March 25th, 2008

Notices of this regular meeting were posted in the Hays and Caldwell County Courthouses at least 72 hours prior to the meeting. Receipts of the notices are on file in the office of Plum Creek Conservation District.

Checks were reviewed and signed, just prior to the call to order, by Vice President, James O Lipscomb.

2:00 PM The meeting was called to order by President of the Board, James A. Holt, Jr. with the following Board members present: James O. Lipscomb (Vice President), Melvin Bain (Treasurer), Ben Twidwell (Director), Fred Rothert (Director), and Lucy Fielder (Director). Also present were Josh Grimes (Assistant Manager), Johnie Halliburton (Executive Manager), Karen Bassett (Office Secretary), William Feathergail Wilson (PCCD Geologist), Isidro Morales (NRCS), and Bob Wilson (Attorney for the District). Minutes were taken by Karen Bassett.

2:00 PM Mr. Lipscomb made the motion that the minutes received via mail for the regular meeting held February 19th, 2008 stand approved. Ms. Fielder seconded. Motion carried unanimously.

2:01 PM Mr. Bob Wilson explained that he prepared a resolution for the Board to adopt on the order of the annexation of the 540 acres. He said that the order just ratified the action that the Board had taken at the last month's Board meeting.

2:01 PM Ms Fielder made a motion to adopt the resolution as presented. Mr. Lipscomb seconded. 5 Ayes 0 Nays and 1 abstention. Motion approved.

2:02 PM Mr. Feathergail Wilson discussed with the Board a Leona Gravel Thesis. Mr. Feathergail Wilson let the Board know that he emailed a PDF file to both Mr. Bob Wilson and Mr. Grimes, and that he had made a hard copy for the office.

- . Discussed a map of the Carrizo - Wilcox Aquifer
- . Discussed GMA 13 notes
- . Discussed Desired Future Conditions

Mr. Feathergail Wilson explained to the Board some calculations of how much water we have in storage and how much water is recoverable in the outcrop area as well as in the confined area. Mr. Feathergail Wilson explained that he had come up with 22,440 acre ft. in the amount of recoverable groundwater from the outcrop and the confined units.

Mr. Grimes discussed with the Board and Mr. Feathergail Wilson that he believes we could use a Desired Future Conditions (DFC) study committee.

Ms. Fielder and Mr. Twidwell volunteered to be on the DFC study committee.

2:16 PM Mr. Bob Wilson discussed GMA 12 with the Board. Mr. Bob Wilson discussed a presentation by Mr. Bob Kier who is the hydrologist for Lost Pines. Mr. Kier talked about the effects of how you model something and what happens to the DFC in a groundwater District. The Board discussed with Mr. Bob Wilson. Mr. Bob Wilson explained that the reason he brought that up was because of the issues about what happens here can be decided by Gonzales County, by what happens in Fayette County, or what happens in Lost Pines. Mr. Bob Wilson felt that the neighboring Districts needed to start getting together to talk more than we have done in the past. The Board discussed with Mr. Bob Wilson.

2:26 PM Mr. Isidro Morales discussed with the Board a letter from NRCS explaining the different kinds of inspections that the NRCS will be doing in September and October. They will be more detailed than in the past. The Board discussed with Mr. Morales. Mr. Morales explained to the Board that he will be getting with Mr. Halliburton this month to do an assessment of the estimated cost of repair on each site.

2:30 PM Executive Session

3:05 PM Back in Regular Session

3:08 PM Mr. Bob Wilson discussed with the Board that when the petition came in he had 2 copies made, one went to the District and the other he delivered to Mr. J.D. Head at the Gonzales District. Mr. Wilson let the Board members know that everyone should have received a map showing the area that is included with a list of the individual properties

3:09 PM Mr. Holt opened up the meeting for discussion.

3:09 PM Mr. Ed Small (attorney for the landowners requesting annexation into PCCD) explained to the Board that he delivered the petitions to Mr. Bob Wilson and to the Board for inclusion of various tracts of land into Plum Creek which were platted on the map. Mr. Ed Small explained that the petitions were a provision in chapter 36.321 of the water code which says the owner of land contiguous to a district may file a petition for annexation. Mr. Ed Small let the Board know that they worked hard to get a contiguous tract of land and to stay contiguous. Mr. Ed Small explained that the petitioners (landowners) felt it was an advantage to them as well as to the District by filing. Mr. Ed Small also discussed with the Board a couple of other issues. He said that in Section 36.328, when you look at the sections that govern that petition, it says annexation of the territory is not final until ratified by a majority vote of the voters. He explained that he believed that if PCCD did accept those petitions and adopt them the way PCCD accepted the last petition in February's meeting, that this would be final. Mr. Ed Small also discussed a question that arose regarding a phrase that was in the petition talking about water purposes only which stated that PCCD has flood Control purposes and Water Control purposes on the Agenda heading. Mr. Ed Small points out that it reads: Matters discussed and actions taken will be pursuant to powers granted the District as a Water Control and Improvement District pursuant to Chapters 49 and 51 of the Texas Water Code and as a Groundwater District pursuant to chapters 49 and 36 of the Texas Water Code. Mr. Ed Small said PCCD had two taxes, one for Flood Control purposes and one for Groundwater purposes. Mr. Ed Small explained that the landowners would rather not pay flood control taxes if they didn't have to and if they did, they couldn't see how they could benefit by being outside of the drainage area of Plum Creek. Mr. Bob Wilson discussed with Mr. Ed Small.

Mr. Holt asked Mr. Bob Wilson if PCCD took the petitioners into both taxing entities and if they had flood problems, would that be jurisdictions under PCCD also? Mr. Bob Wilson responded to Mr. Holt "absolutely".

Mr. Bob Wilson discussed with the Board that Plum Creek is an unusual entity because, originally, it was organized as a Water Control & Improvement District and it still is. He said it is governed by chapters 49 and 51 of the water code. He explained that it was granted the powers to exercise as a Groundwater District and these powers are in chapter 36. Gonzales County Groundwater District, as governed by powers of chapter 36 alone, is not subject to chapter 49. It has different rules governing it and the rules that PCCD can use. He said that PCCD can use everything that Gonzales County Groundwater uses but PCCD has more than that. Mr. Bob Wilson also explained that people look at Plum Creek because of its historic function as being the maintainer of facilities under a local agreement with the Federal Government to maintain soil and water conservation. Mr. Bob Wil-

son explained that PCCD is not limited. If PCCD wanted to go out and itself develop supplies of groundwater, it has the authority to do that and distribute them within the boundaries of the District or to contract with other people. He explained to the Board that the petitions conditioned this petition on the request that they be annexed only so that PCCD can exercise its chapter 49 and not 36. He explained that PCCD can exercise that power, but in doing it, because of the nature of the District, PCCD needed to exercise under chapters 51 and 49 which give the District the power to do the annexation. The findings that PCCD has to make are that you can add the land if it is feasible, practicable, and to the advantage of the District and if the District's systems and other improvements of the District are sufficient or will be sufficient to supply the added land without injuring land already in the District. The Board discussed with Mr. Bob Wilson.

Mr. Holt explained that PCCD has more authority in Chapter 36. Mr. Holt also explained that PCCD would except the petitions only if they came into both entities.

- 3:21 PM Ms. Fielder made a motion that we accept the petitions on the conditions that they come in as we were constituted under Chapter 49 as well as 36. Mr. Rothert seconded. 5 Ayes 1 Naye. Motion carried
Mr. Lipscomb asked to make a statement regarding his vote on the petition. Mr. Holt responded saying he was denied and that the motion had already passed.
- 3:25 PM Mr. Halliburton discussed that PCCD received 3 fence bids. Mr. Halliburton explained that one of the problems due to the Board meeting being postponed a week was that the price of materials went up 10%. Mr. Halliburton let the Board know that he had spoken with all of the bidders and they were able to re-submit bids if they chose to do so.
- . Cane: \$82,588.96
 - . Hohmann: \$88,750.00
 - . Sexton: \$39,960.00
- 3:35 PM Mr. Twidwell made a motion to accept Sexton's bid of \$39,960.00. Mr. Lipscomb seconded. Motion carried.
- 3:35 PM Mr. Halliburton discussed the fertilizer bids on 512 acres.
- . Lindemann: \$24,563.00
 - . Erig: \$24,844.40
- 3:42 PM Ms. Fielder made a motion to accept Lindemann's bid of \$24,563.00. Mr. Lipscomb seconded. Motion carried.
- 3:43 PM Mr. Halliburton discussed with the Board about the gentleman that interviewed for the new technician job at the PCCD office and that he declined the offer. Mr. Halliburton also discussed with the Board about PCCD applying for rehabilitation on site #6 which is classified as High Hazard. He explained that the deadline for this application was April 1st, 2008 and that the minimum cost estimate to start with would be 3 million dollars to complete the project.
- 3:50 PM Ms. Fielder made a motion that Plum Creek Conservation District would not secure or ask for any financial help on that site this year. Mr. Twidwell seconded. Motion carried unanimously.
- 3:51 PM Mr. Grimes discussed with the Board that Barry Miller from the Gonzales County Underground Groundwater Conservation District had called him requesting a meeting regarding Desired Future Conditions and that he had agreed and met with them in Luling. Mr. Feathergail Wilson attended as well as one of Mr. Barry Miller's Board members who was Mr. Emmitt Baker. At the meeting, they discussed DFCs and what Gonzales County and PCCD's ideas were. Mr. Grimes explained that Gonzales County's DFC would include a 200 ft. draw down in the Wilcox, and 100 ft. of draw down in the Carrizo.

Mr. Grimes explained that based on his discussion with Mr. Feathergail Wilson, Plum Creek Conservation District's DFC seemed to be significantly more conservative. Mr. Grimes also discussed with the Board that he attended a meeting at Weid Hall in Hallettsville pertaining to the creation of the Lavaca County Groundwater District. Ms. Rema Petrossian with the TWDB, Ms. Hohman, an eastern Caldwell county landowner, and Mr. Barry Miller with the GCUWC'D and the WPA all made presentations about the benefits of being in a Ground Water Conservation District. Mr. Grimes also let the Board know that he attended the Gonzales County Groundwater Conservation District meeting. Mr. Grimes discussed that Gonzales County approved the voting locations in Caldwell County and that they also discussed the possibility of a change in their rules dealing with the existing wells in the area of Caldwell County that would be annexed into the Gonzales County GCD if the election was approved.

Mr. Grimes let the Board know that he had attended a meeting this past Saturday in Taylorsville where an attorney from Austin did a presentation discussing Groundwater Districts, their benefits, and some of the basic differences between Plum Creek and Gonzales.

3:55 PM Mr. Bob Wilson discussed with the Board that there are a couple of groundwater projects that we may end up developing with Mr. Grimes. One project was exploring an ASR facility up in the Lytton Springs Area. The Board discussed with Mr. Bob Wilson. The second project was that there is a possibility of joining together with Water Supply Corporations, the City of Lockhart, and etc., and working on a test well to determine if there is some further brackish water north in the District. The Board discussed with Mr. Bob Wilson.

4:05 PM Mr. Twidwell makes motion to adjourn. Mr. Lipscomb seconded. Motion carries unanimously. Meeting Adjourned.

PRESIDENT

VICE PRESIDENT