

MINUTES OF REGULAR MEETING
OF
BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT

November 16, 2006

THE STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

The Board of Directors of Brazoria County Groundwater Conservation District, met in regular session, open to the public, on the 16th day of November, 2006, at the Brazoria County Courthouse, West Annex, 451 N. Velasco Street, 1st Floor Conference Room, Angleton, Texas, inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Dennis Davenport	President
Michael O'Day	Vice President
Raymond Felder	Secretary
John Pyburn	Assistant Secretary
Leo Mikeska	Director

and all of said Directors were present except for Directors O'Day and Mikeska, thus constituting a quorum.

Also present for all or part of the meeting were the following: Dennis R. Ferguson and Donald R. Mudd, Director candidates; Kent Burkett, Chief Administrator of the Office of the Brazoria County Judge; Sherry Plentl of the Offices of the Brazoria County Judge; David Lingle of URS Corporation ("URS"); Stephen M. Robinson and Justine M. Cherne of Allen Boone Humphries Robinson LLP ("ABHR"); and persons listed on the attached attendance sheet.

Director Davenport called the meeting to order.

RECEIVE PUBLIC COMMENTS

Director Davenport opened the meeting to receive public comments. No public comments were made.

APPROVE MINUTES

The Board next considered approving the minutes of the October 5, October 12, and October 24, 2006, meetings. Upon a motion made by Director Felder and seconded by Director Pyburn, the Board unanimously approved the minutes as written.

ADOPT ORDER CANVASSING RETURNS AND DECLARING RESULTS OF DIRECTORS ELECTION

The Board reviewed the results of the November 7, 2006, Directors Election with the following persons receiving the following number of votes cast for Directors of the District:

Director, At-Large:	Dennis R. Ferguson	23,180 votes
	Clarence L. Wittwer	7,377 votes
Director, Precinct 1:	Raymond D. Felder	5,307 votes
Director, Precinct 2:	John A. Pyburn	8,329 votes
Director, Precinct 3:	Michael O'Day	7,477 votes
Director, Precinct 4:	Donald R. Mudd	8,042 votes

The Board declared that the election results are that Dennis R. Ferguson has been elected to the office of Director, At-Large; that Raymond D. Felder has been elected to the office of Director of Precinct 1, that John A. Pyburn has been elected to the office of Director of Precinct 2, that Michael O'Day has been elected to the office of Director of Precinct 3, and that Donald R. Mudd has been elected to the office of Director of Precinct 4. Following discussion, the Board concurred that Directors O'Day and Pyburn shall serve until the Directors' election to be held on November 4, 2008, and Directors Ferguson, Felder, and Mudd shall serve until the Directors' election to be held on November 2, 2010. Following review and discussion, Director Felder moved that the Board adopt the Order Canvassing Returns and Declaring Results of Directors Election. Director Pyburn seconded the motion, which passed by unanimous vote. A copy of the Order is attached.

APPROVE SWORN STATEMENTS, OFFICIAL BONDS AND OATHS OF OFFICE OF NEWLY ELECTED DIRECTORS

The Sworn Statements, Official Bonds, and Oaths of Office for Directors Ferguson, Mudd, Pyburn, and Felder were presented to the Board for review, copies of which are attached. Ms. Cherne stated that each Director must execute an individual Official Bond and Oath of Office that states that he will execute the duties of Director and will, to the best of his ability, preserve, protect, and defend the Constitution and laws of the United States. After discussion, Director Felder moved that the Board of Directors approve the newly elected Directors' Sworn Statements, Official Bonds and Oaths of Office, and direct that they be filed and retained in the District's official records and that the Oaths of Office and Official Bonds be filed with the Secretary of State of the State of Texas. The motion was seconded by Director Pyburn, which carried unanimously.

REORGANIZE THE BOARD OF DIRECTORS

Ms. Cherne reviewed the current officers of the Board of Directors. After discussion, Director Mudd moved that Director Pyburn serve as President. Director Ferguson seconded the motion. Discussion ensued. Following discussion, the motion failed with Directors Felder and Pyburn opposed. Director Felder moved that Director Ferguson serve as President. Director Pyburn seconded the motion, which was approved by unanimous vote. Director Felder moved that Director Pyburn serve as Vice President. Director Mudd seconded the motion, which was approved by unanimous vote. Director Pyburn moved that Director Felder serve as Secretary. Director Mudd seconded the motion, which was approved by unanimous vote. Director Felder moved that Director Mudd serve as Assistant Secretary. Director Pyburn seconded the motion, which was approved by unanimous vote.

AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board next considered approving a District Registration Form for Board Members of Water Districts and Authorities in Texas for filing with the Texas Commission on Environmental Quality to record the Directors' terms and the organization of the Board. After review and discussion, Director Felder moved that the Board authorize the execution and filing of the District Registration Form. Director Pyburn seconded the motion, which was approved by unanimous vote. A copy of the District Registration Form is attached.

AUTHORIZE LETTER TO CITY OF PEARLAND REGARDING EXPORT FEES

The Board next discussed a request and new information received from the City of Pearland regarding the assessment of export fees on pre-existing wells located within Brazoria County. Following discussion, Director Felder moved that the Board authorize ABHR to draft a letter for forwarding to the City of Pearland as notification that the District's Rules currently provide that the City of Pearland is not required to pay for the export of groundwater that occurs as a result of the distribution of water within a single, aggregate system of a retail public water system that overlaps the District boundary. Director Mudd seconded the motion after discussion, which was approved by unanimous vote.

DISCUSS MISSION, OBJECTIVES, FEES, ADMINISTRATION, REVIEW AND APPROVE PAYMENT OF INVOICES AND RECEIVE UPDATE ON BRAZORIA COUNTY COMMISSIONERS' COURT ACTIONS RELATED TO ADMINISTRATIVE SERVICES AND FINANCIAL ASSISTANCE

Mr. Burkett updated the Board on actions undertaken to establish a District office and purchasing procedures pursuant to the Interlocal Agreement between the District and Brazoria County.

Mr. Lingle reviewed activities undertaken by URS pursuant to the additional expenditures previously approved by the Board and proposed that URS submit an invoice in the amount of \$3,416.00 for October's activities for consideration at next month's meeting. Mr. Burkett and the Board discussed procedures for approving invoices. Following discussion, Director Felder moved that the Board authorize URS to submit an invoice in the amount of \$3,416.00 for October's activities for consideration at next month's meeting. Director Pyburn seconded the motion, which was approved by unanimous vote.

AUTHORIZE EXECUTION OF INTERLOCAL AGREEMENT FOR ELECTORAL SERVICES WITH BRAZORIA COUNTY

Mr. Burkett reviewed an Interlocal Agreement between the District and Brazoria County for electoral services containing an estimated cost amount. The Board reviewed a final invoice from Brazoria County for electoral services in the amount of \$50,349.64. Following review and discussion, Director Pyburn moved that the Board authorize execution of an Interlocal Agreement between the District and Brazoria County for electoral services contingent upon revision of the reimbursement amount to reflect the amount of the final invoice. Director Felder seconded the motion, which was approved by unanimous vote.

ADOPT AMENDED BUDGET

Discussion ensued regarding the Operating Budget for fiscal year 2007. Following discussion, Director Pyburn moved that the Board table this item. Director Felder seconded the motion, which was approved by unanimous vote.

DISCUSS CURRENT WATER ISSUES AFFECTING BRAZORIA COUNTY

The Board next reviewed and discussed a Notice of Dismissal of an Application to Amend a Certificate of Adjudication submitted to the Texas Commission on Environmental Quality (the "TCEQ") by the Chocolate Bayou Water Company to change its diversion point for surface water from the Brazos River, a copy of which is attached. Mr. Robinson stated that the dismissal did not dismiss the application of interest to the District.

The Board reviewed and discussed correspondence from the Texas Senate Committee on Natural Resources to Judge Willy, a copy of which is attached.

No action was taken by the Board.

REORGANIZE THE BOARD OF DIRECTORS

Mr. Robinson presented Director O'Day's letter of resignation from the Board of Directors of the District, a copy of which is attached. Mr. Robinson stated that the remainder of the Board fills the vacancy created by Director O'Day's resignation by

appointing a qualified candidate. The Board concurred to accept Director O'Day's resignation.

DISCUSS GMA 14 JOINT PLANNING GROUP MEETING

Mr. Lingle reported that the next meeting of the Upper Gulf Coast Aquifer (GMA 14) Joint Planning Group is scheduled for sometime in January 2007. Following discussion, Director Pyburn moved that the Board nominate Director Mudd to attend the GMA 14 meetings as the District's representative. Director Felder seconded the motion, which was approved by unanimous vote.

RECEIVE REPORTS FROM DIRECTORS

Director Mudd reported on his attendance at a training seminar for groundwater districts sponsored by the Center for Public Policy Dispute Resolution and held on Monday, October 30, 2006, through Wednesday, November 1, 2006, in Cedar Creek, Texas. Discussion ensued regarding the focus area of the GMA 14 versus the Texas Water Planning Region H Group.

Directors Pyburn and Felder discussed issues regarding the District's well permitting and registration forms and deadlines, and the difficulties of not having an administrative staff to respond to submitted applications. Mr. Robinson reminded the Board that URS has been authorized to provide such administrative functions and that the Board can waive any penalties until the District's administrative staff is fully functioning. He stated that revision of the District's Rules requires hearings and publication of notice, and that the District can amend the Order Establishing Fees, Charges, and Penalties at any time. Following review and discussion, the Board concurred to consider revising the District's well permitting and registration forms and amending the Order Establishing Fees, Charges, and Penalties at next month's meeting. The Board requested Mr. Lingle to determine the cost of providing an interactive website for completion of the District's well permitting and registration forms by applicants.

Director Felder reported that he and former Director Davenport interviewed and made an offer to candidate Sherry Plentl for an office manager position with the District for \$35,000 and a continuation of benefits from Brazoria County as previously approved by the Board. He stated that she accepted the position to begin as of January 1, 2007.

DISCUSS MEETING SCHEDULE

The Board concurred to hold the next regular meeting on December 14, 2006, at the regularly scheduled time and location.

CONVENE EXECUTIVE SESSION PURSUANT TO SECTION 551.074 OF THE TEXAS GOVERNMENT CODE TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, AND DUTIES OF A PUBLIC OFFICER OR EMPLOYEE

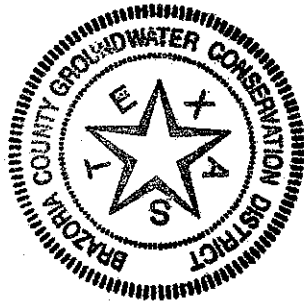
Director Ferguson moved that the Board convene in executive session pursuant to Section 551.074 of the Texas Government Code. Director Felder seconded the motion, which was approved by unanimous vote.

RECONVENE OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION FOR PERSONNEL MATTERS

The Board reconvened in open session. Following review and discussion, Director Pyburn moved that the Board employ Sherry Plentl for an office manager position with the District for \$35,000 and a continuation of policies and benefits as earned from Brazoria County. Director Felder seconded the motion, which was approved by unanimous vote. The Board requested a copy of Brazoria County's employee handbook for review by ABHR.

Upon a motion made by Director Felder and seconded by Director Pyburn, the Board voted unanimously to adjourn.

(SEAL)




Secretary, Board of Directors