

LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 28, 2017

MINUTES OF SPECIAL MEETING

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) held a “Special Meeting,” open to the public, in the Lone Star GCD – James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on June 28, 2017.

President Moffatt called the meeting to order at 9:02 a.m., announcing that it was now open to the public.

The roll was called of the members of the Board of Directors, to wit:

John D. Bleyl, PE
Gregg Hope
Jace Houston
Roy McCoy, Jr.
Webb Melder
Rick J. Moffatt
Jim Stinson, PE
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, with the exceptions of Director(s) McCoy, Wood and Weisinger, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Paul R. Nelson, Assistant General Manager; Brian L. Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

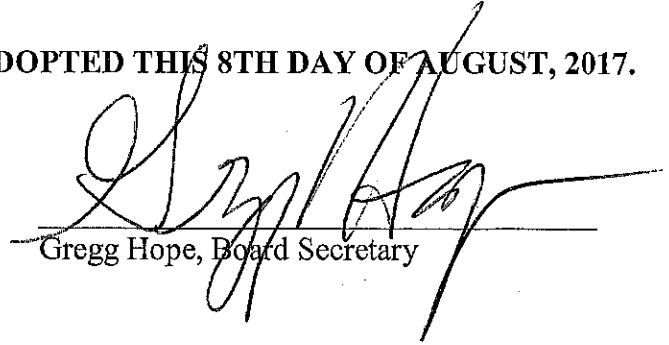
After a proper and legally sufficient announcement to the public by President Moffatt, the Board of Directors went into a Closed Executive Session at 9:03 AM pursuant to Texas Government Code, Sections 551.071 and 551.074, to consult with the District’s attorney regarding pending or contemplated litigation, settlement offers, personnel matters, or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, Chapter 551, Government Code.

Director Weisinger entered the meeting at 9:05 a.m.

Following Executive Session, the Board reconvened in Open Session and President Moffatt declared it open to the public at 10:19 AM.

No additional action was taken on matters discussed in Executive Session and President Moffatt adjourned the meeting at 10:19 AM.

PASSED, APPROVED, AND ADOPTED THIS 8TH DAY OF AUGUST, 2017.



Gregg Hope, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 28, 2017

MINUTES OF SPECIAL MEETING

A “board work session” sponsored by the Budget and Finance Development Committee, open to the public, was held in the Lone Star GCD - James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on June 28, 2017.

CALL TO ORDER:

President Moffatt called the meeting to order at 10:23 a.m., announcing that it was now open to the public.

ROLL CALL:

The roll was called of the members of the Board of Directors, to wit:

John D. Bleyl, PE
Gregg Hope
Jace Houston
Roy McCoy, Jr.
Webb Melder
Rick J. Moffatt
Jim Stinson, PE
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, with the exceptions of Director(s) McCoy and Wood, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Paul R. Nelson, Assistant General Manager; Brian L. Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

PRAYER AND PLEDGES OF ALLEGIANCE:

Director Bleyl gave the opening prayer. Following the prayer, both Pledges of Allegiance to the United States and State of Texas were recited.

The Board then discussed the possibility of reducing the USGS joint funding expense. Staff was directed to research the potential effects reducing the USGS expense could have and bring to the Findings and Review Committee for review.

There was additional discussion regarding the use of the District's current line of credit. Director Bleyl stated that he felt it best to rely on the line of credit as the safety net for legal expenses. Then, Director Weisinger recommended cancelling the existing line of credit and using the District's building as collateral to get a large enough loan to offset the need to raise rates. President Moffatt asked that the General Manager discuss with the bank.

President Moffatt announced the July board meeting had to be rescheduled and would be held on Wednesday, July 19, 2017.

PUBLIC COMMENTS:

Mayor Pro-Tem, Duke Coon of the City of Conroe. Mayor Pro-Tem Coon publicly invited President Moffatt, his staff and legal team to speak to the Conroe City Council. He also discussed the Council's televised meetings. He recommended that the meeting agenda's Public Comment section be placed at the beginning of the agenda rather than at the end. Mr. Coon followed by reading a letter from Mayor Toby Powell inviting President Moffatt to speak to Conroe city council.

Charlie Bradt, Mayor Pro Tem of the City of Shenandoah, stated his opposition to any rate increase and charged the Board to be more transparent.

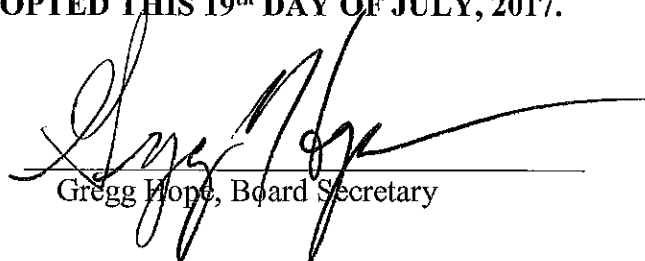
Ritch Wheeler, Mayor of the City of Shenandoah, questioned the method of disbursing funds that would be returned to individuals should the District win the ongoing court battles. He urged the Board to have an exit strategy and a cap on litigation expenses.

Mr. Greg Smith, City Administrator for City of Shenandoah reported that the Shenandoah City Council was considering a resolution to oppose the rate increase. He also requested the board to consider alternate methods for generating revenue. He asked that the Board consider posting the budget on the website and discouraged board members from considering a reduction in salaries.

Last, Mr. Harry Hardman of Conroe spoke against the proposed rate increase stating that his water bill was the second largest expense of his personally. He also suggested more transparency. He also discussed the need for the Board to go to the various schools to find out if they could absorb some of the education expenses.

There being no further business, upon a motion made by Director Weisinger and seconded by Director Bleyl, the special meeting was adjourned at 11:54 AM.

PASSED, APPROVED, AND ADOPTED THIS 19th DAY OF JULY, 2017.


Gregg Hope, Board Secretary