

MINUTES

of the October 6, 2008, 8:30 a.m. Board of Directors Meeting

Directors Present: Eddie Schneider, Leo Wick, Sr., L.J. Calley, Lloyd Brunner, Leo Kainer
Directors Absent: None
Others Present: David Van Dresar, General Manager; Monique Norman, Legal Counsel; Lori Hefner, Administrative Assistant; John West, William Crawford, Kenneth Ladd, Terry Stewart, Helen Swank, Terry Cheatham, Shawn Raborn, Frank Menefee, Bob Schmidt, H.H. Howze

The meeting was called to order by President Schneider at 8:30 a.m. on October 6, 2008 at the Fayette County Agricultural Building Conference Room 104 located at 255 Svoboda Lane, in La Grange, Texas. A quorum to conduct business was declared to be present.

Mr. Schneider welcomed the members of the public to the meeting and asked if anyone had comments. Mr. Ladd addressed the Board, asking if Mr. Van Dresar could give a short presentation and overview of the District and its Management Plan to his Board of Directors at Fayette Water Supply Corporation. Mr. Schneider requested that Mr. Ladd submit his request in writing.

There being no further comments Mr. Schneider asked that the next item of business be the City of La Grange's Notice of Intent to Drill a Test Hole/Well. Mr. Van Dresar presented to the Board the City of La Grange's Notice of Intent to Drill a Test Hole/Well as well as documentation mapping neighboring wells in the area. Several members of the public expressed their concern over the proposed location of the City of La Grange's new test well located 5.3 miles east of La Grange. Mr. Schneider asked if the members of the public had registered their wells and explained why it's crucial that all wells within the District be registered. Mr. Menefee and Mr. Raborn both stated that the City wants to be a good neighbor, and is therefore testing two aquifer sources, with the potential depth of the well expected to exceed 1000 feet. Mr. Calley made the motion to approve the Notice of Intent to Drill a Test Hole/Well submitted by the City of La Grange. Mr. Brunner seconded the motion and it was approved.

Minutes from the August 22, 2008 Board of Directors meeting were presented. Mr. Schneider asked that a typographical error be corrected. There being no further additions or corrections to the minutes, they were approved as read.

Minutes from the September 2, 2008 tax rate hearing were presented. There being no additions or corrections to the minutes, they were approved as read.

Minutes from the September 2, 2008 public hearing were presented. There being no additions or corrections to the minutes, they were approved as read.

Minutes from the September 2, 2008 Board of Directors meeting were presented. There being no additions or corrections to the minutes, they were approved as read.

The September financial statement and all outstanding bills to be paid were presented. Mr. Wick made the motion to approve the financial report and to pay the bills presented. Mr. Kainer seconded the motion and it was approved.

Mr. Van Dresar gave the District Manager s' report to the Board. Mr. Van Dresar advised the Board that an investigation was conducted at 9205 Hwy 90 regarding the well owner stating that the water level had dropped 20 feet in his well. Two complaints were investigated regarding groundwater being pumped into ponds, Van Dresar informed the Board that both locations will continue to be monitored as no activity was noted during either investigation. Mr. Van Dresar stated that several previous complaint sites were visited on September 10 to insure compliance with District Rules. Another complaint was received regarding a well driller leaving an open hole and two open mud pits at 5200 Hwy. 159 West. Mr. Van Dresar stated that resolution of the complaint was arranged via telephone conversations with the well driller and the property owner. Van Dresar updated the Board on the September 3, Region K Water Planning Group meeting held in Bastrop. He stated that the Region s' consulting engineers are working on applying to the TWDB for grant funds for the next round of water planning. Van Dresar also advised the Board that Harold Striecher will not be seeking reappointment to the Region K Board. Mr. Van Dresar stated that comments had been received from the Texas Water Development Board on the preliminary Management Plan revision. He stated that the required and suggested changes given by the TWDB would be incorporated and that the TWDB requested a second review process prior to the District holding a public hearing on the proposed Management Plan. Mr. Van Dresar stated that resumes were accepted for the Administrative Assistant position through September 30 and that interviews were to begin within the next week. Van Dresar then updated the Board on activities related to Hurricane Ike including an emergency management meeting that took place on September 11 and that the office was closed on September 12 at noon. The Board was advised of a meeting of Heritage Realtors that Mr. Van Dresar attended on September 9 at which time he discussed the District s' responsibilities and procedures. Van Dresar advised the Board that water level data had been compiled from monitoring which occurred during the year of 2008 by both the FCGCD and the TWDB. Regarding the 2008 election, Mr. Van Dresar advised the Board of a Notice of General Election that will be posted at the County Clerk s' office and published in the area newspapers on time between October 5 and October 27. The Board was then updated about noteworthy groundwater issues around the state, including a Fourth Court of Appeals opinion. Ms. Norman answered questions by the Board regarding the court s' opinion. Upcoming meetings and seminars were also present to the Board.

The Board considered action on renewing the copier maintenance and supplies contract with DeWitt Poth & Son. Mr. Brunner made the motion to renew the copier maintenance and supplies contract. Mr. Wick seconded the motion and it was approved.

The Board considered action on the recommendation for a District Hydrologist. Mr. Van Dresar reviewed the process in which a Request for Qualifications was sent to approximately 10 individuals and companies that provide hydrologic services. Mr. Van Dresar stated that only three responses were received. After reviewing the selection process used by the District staff, Mr. Van Dresar recommended that contract negotiations be started with Strata Geological Services, Inc. Mr. Wick made the motion to accept Mr. Van Dresar s' recommendation of Strata Geological Services. Mr. Calley seconded the motion and it was approved.

The Board considered action on extending the District s' current office hours of 8 a.m. to 3 p.m.. Mr. Van Dresar presented the Board with his recommendation regarding extending the office hours to 8 a.m. to 4 p.m. Monday through Friday. Van Dresar s' recommendation stated that the extended office hours could be implemented as early as December 2008. After discussion and consideration, Mr. Kainer made the motion to change the District s' office hours to 8 a.m. to 4 p.m.. Mr. Calley seconded the motion and it was approved.

The Board considered action on the procurement of a safety deposit box for important records and documents pertinent to the District. After discussion and consideration, Mr. Brunner made the motion for the District to obtain a safety deposit box at National Bank & Trust in La Grange, Texas which would require two signatures to access the box, comprised of one (1) Director and the General Manager, with a total of four (4) signatories on record comprised of three (3) Directors (Eddie L. Schneider, L.J. Calley and Leo J. Wick, Sr.) and the General Manager (David A. Van Dresar). Mr. Kainer seconded the motion and it was approved.

Mr. Van Dresar updated the Board on the District Goals and Management Objectives.

Items were identified for the next meeting s'agenda. The next meeting is scheduled for November 3, 2008 in the conference room of the Fayette County Agricultural Building located at 255 Svoboda Lane, La Grange, Texas 78945.

The meeting was adjourned at 9:34 a.m.

Eddie Schneider, President

L.J. Calley, Secretary-Treasurer