

**MINUTES
HARRIS-GALVESTON SUBSIDENCE DISTRICT
REGULAR MEETING
OF THE BOARD OF DIRECTORS
MARCH 12, 2014
10:00 A.M.**

MEMBERS OF THE BOARD PRESENT: Paul Maaz (Chair), Susan Baird, Edgar Barlow, Chris Canonico, Pete Côté, James Edwards, Alberto Gonzalez, Jason Hayley, Ken Hufstetler, Don Johnson, Bill Latimer, Lindall Murff, Alan Petrov, Pam Puckett, Dennis Sander, Kyle Sears, Linn Smyth, and Robert Ybañez.

MEMBERS OF THE BOARD ABSENT: Joe Goins.

PRESIDING: Paul Maaz

Chairman Maaz called the meeting to order at 10:07 a.m. in the Boardroom of the District office and announced the presence of a quorum.

OATH OF OFFICE

1. Ms. Helen Stewart Truscott administered the oath of office to Mr. Canonico, Mr. Hayley, Mr. Murff, Ms. Puckett, Mr. Sears, Ms. Smyth and Mr. Ybañez.

ELECTION OF OFFICERS

2. Chairman Maaz opened the floor for nominations for the offices of Chairman, Vice Chairman, and Secretary.
 - 2.1 Mr. Maaz announced he would decline the nomination of Chairman and made a motion to nominate Alan Petrov for Chairman; it was seconded by Mr. Latimer. Chairman Maaz put the question and, after the vote, announced the motion carried.
 - 2.2 Chairman Petrov now presiding
 - 2.3 Mr. Maaz moved to nominate Dennis Sander as Vice Chairman; it was seconded by Ms. Smyth. Chairman Petrov put the question and, after the vote, announced the motion carried.
 - 2.4 Ms. Smyth moved to nominate Susan Baird for Secretary; it was seconded by Mr. Hufstetler. Chairman Petrov put the question and, after the vote, announced the motion carried.

APPROVAL OF THE MINUTES

3. Ms. Smyth moved that the minutes of the regular meeting of February 12, 2014, be approved with the correction concerning Harris County MUD 50; it was seconded by Mr. Gonzalez. Chairman Petrov put the question and, after the vote, announced the motion carried.

HEARING EXAMINER'S REPORT

4. Ms. Helen Stewart Truscott presented the Hearing Examiner's Report for February 2014 (Exhibit #1).
 - 4.1 Ms. Truscott reviewed the testimony and findings for the recommendations of ITCR Knollwood Ltd. Partnership and Bui Luong, as well as 12 new wells and 40 wells with violations.
 - 4.2 Mr. Latimer moved to accept the Hearing Examiner's recommendations; it was seconded by Ms. Smyth. Chairman Petrov put the question and after the vote, announced the motion carried. Mr. Johnson abstained from voting on Memorial Herman.

EMERGENCY PERMITS

5. The Board considered the General Manager's actions in granting emergency permits to City of Bellaire, Dayton Superior Corporation, Denbury Onshore LLC, Fitcher Designs, LLC, Brittain K. Griffith, Hanh Thi Dhan, PL-J I, LP and John Swanson Jr. No appeals were filed and no motions were made to reconsider the actions taken by the General Manager.

RESOLUTION CALLING A PUBLIC HEARING

6. Mr. Turco stated that this resolution is adopted annually by the Board to call the hearing for the presentation of evidence on subsidence, water levels, and rainfall for the 2013 calendar year. He reported the hearing will be called for April 24, 2014 at 10:00am at the District office.

RESOLUTION CALLING A PUBLIC HEARING ON APRIL 24, 2014 AT 10:00AM TO DETERMINE THE EFFECTS OF GROUNDWATER WITHDRAWAL ON SUBSIDENCE DURING 2013

(This resolution is in full in the official records of the Harris-Galveston Subsidence District being Resolution No. 2014-933).

- 6.1 Mr. Latimer moved to approve Resolution No. 2014-933, calling a public hearing on April 24, 2014 to determine the effects of groundwater withdrawal on subsidence during 2013; it was seconded by Ms. Smyth. Chairman Petrov put the question and, after the vote, announced the motion carried.

RULES COMMITTEE REPORT

7. Ms. Baird, Chairman of the Rules Committee, reported that the committee met concerning lake makeup wells. Mr. Turco reported that originally the staff recommended making changes to the rules to prohibit permitting new wells for lake fill, but after meeting with interested parties and gathering additional information the staff recommends leaving the rules as they are but also collect additional information for another review in the future.

GENERAL MANAGER'S REPORT

8. Mr. Turco submitted the General Manager's Report.

EXECUTIVE SESSION REGARDING PENDING OR CONTEMPLATED LITIGATION OR SETTLEMENT OFFERS

9. The Board of Directors went into Executive Session at 10:41 a.m. as authorized by the Open Meetings Act, Sections 551.071, Government Code, to discuss proposed settlement offers and pending or contemplated litigation in consultation with the General Counsel and personnel matters.

9.1 Following Executive Session, the Board resumed the open meeting at 10:50 p.m.

COMPROMISE AND SETTLEMENT AGREEMENTS

10. Ms. Baird moved to deny the counter offer from Gus Haddad for the amount of \$1,000; it was seconded by Ms. Smyth. Chairman Petrov put the question and, after the vote, announced the motion carried.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, THE MEETING WAS ADJOURNED.

BY:



Chairman

ATTEST:



Secretary