

**MINUTES
HARRIS-GALVESTON SUBSIDENCE DISTRICT
REGULAR MEETING
OF THE BOARD OF DIRECTORS
JULY 9, 2014
10:00 A.M.**

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

MEMBERS OF THE BOARD ABSENT: None

PRESIDING: Alan Petrov

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

APPROVAL OF THE MINUTES

1. Ms.Smyth moved that the minutes of the regular meeting of June 11, 2014, be approved as presented; it was seconded by Mr. Latimer. Chairman Petrov put the question and, after the vote, announced the motion carried.

HEARING EXAMINER'S REPORT

2. Ms. Helen Stewart Truscott presented the Hearing Examiner's Report for June 2014 (Exhibit #1).
 - 2.1 Ms. Truscott reviewed the testimony and findings for the recommendations for Comanche Auto Parts #1, Maria Del Rosario Torres, Arnoldo Chavez, Tom Ferguson, MBP Supply LLC, Jose Valladares, Gene Vincent and YMCA, withdrew Hall's Bayou Ranch as well as 25 new wells and 85 wells with violations.
 - 2.2 Ms. Baird now present.
 - 2.3 Mr. A.G. Crouch, an attorney representing Hall's Bayou Ranch, stated that he was informed five minutes prior to the Board Meeting that the permit request was being withdrawn and replaced with a recommendation to send refer that application to a contested case before the Hearing Examiner. Mr. Crouch provided the Hall's Bayou Ranch history and stated that Gulf Coast Water Authority has informed Hall's Bayou Ranch that no surface water will be provided in 2014. Of the 13,309 acres on the ranch, only 319 acres would be used to raise rice and that requires the requested amount of 400,000 MG of

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groundwater. Mr. Crouch also state the groundwater would be used for raising rice and then recycled into a nearby pond for the Ducks Unlimited organization and duck hunting. Mr. Crouch asked the Board to act on the permit today. Mr. Crouch stated that the construction time required to drill the well and install the water lines to be placed before growing season requires quick action by the Board.

- 2.4 Mr. Canonico moved to accept the Hearing Examiner's recommendations but severing the application for Hall's Bayou Ranch; it was seconded by Mr. Latimer. Chairman Petrov put the question and after the vote, announced the motion carried. Ms. Puckett abstained from voting on Gleannloch Farms Community Association, City of Houston and Harris County.
- 2.5 Mr. Latimer moved to recommit the Hall's Bayou Ranch to the Hearing Examiner for a contested case; it was seconded by Ms. Puckett. Chairman Petrov put the question and after the vote, announced the motion carried.

EMERGENCY PERMITS

3. The Board considered the General Manager's actions in granting emergency permits to Maria A. Cabas, Everlasting Learning CDC, City of League City and Andrea Woodland. No appeals were filed and no motions were made to reconsider the actions taken by the General Manager.

GOLDWATER PROJECT

4. Mr. Gonzalez reported that the Water Conservation Committee met in a Workshop with other Board Members and representatives from the Goldwater Project on June 23rd. The committee met before the Board meeting and voted to recommend funding the Project.
 - 4.1 Mr. Gonzalez moved to fund the Goldwater Project; it was seconded by Mr. Latimer.
 - 4.2 Mr. Maaz moved to table the decision on the Goldwater Project till next month to get more details; it was seconded by Mr. Hufstetler. Chairman Petrov put the question and, after the vote, announced the motion failed. (Yeas-8, Nays-8)
(Yeas –Barlow, Goins, Gonzalez, Hufstetler, Latimer, Maaz, Petrov and Puckett)
(Nays – Baird, Canonico, Côté, Johnson, Murff, Sears, Smyth and Ybañez)
 - 4.3 Chairman Petrov called for the vote on the motion to fund the Goldwater Project and, after the vote, announced the motion failed. (Yeas-8, Nays-10)
(Yeas –Barlow, Goins, Gonzalez, Hayley, Latimer, Petrov, Puckett, Sander)
(Nays – Baird, Canonico, Côté, Hufstetler, Johnson, Maaz, Murff, Sears, Smyth and Ybañez)

GENERAL MANAGER'S REPORT

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

EXECUTIVE SESSION REGARDING PENDING OR CONTEMPLATED LITIGATION OR SETTLEMENT OFFERS

6. The Board of Directors went into Executive Session at 11:31 a.m. as authorized by the Open Meetings Act, Section 551.071, Government Code, to discuss proposed settlement offers and pending or contemplated litigation in consultation with the General Counsel and personnel matters.

6.1 Mr. Côté has left the meeting.

6.2 Following Executive Session, the Board resumed the open meeting at 11:42 p.m.

COMPROMISE AND SETTLEMENT AGREEMENTS

7. Ms. Baird moved to accept the counter offer from Jose Aldaba (\$540.00); it was seconded by Mr. Canonico. 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