

**STERLING COUNTY UNDERGROUND WATER CONSERVATION DISTRICT
REGULAR BOARD MEETING**

August 8, 2016

Members present: Jack Clark, Josh Gaines, Herbert McCaleb Ruthe Foster and Frank Price
Manager; Scott Holland, Assistant Manager/Technician; Diana Thomas and Accountant; Karen
Hodges.

Visitors present: None

The meeting was called to order by Jack Clark, Chairman.

Ruthe Foster moved to accept the minutes of the previous meetings. Josh Gaines seconded the motion and it carried.

After reviewing the bills as presented by the accountant, Frank Price moved to move \$20,000 from the MMDA to the checking account and pay all bills. Herbert McCaleb seconded and the motion passed.

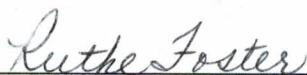
The Manager's report included: WTWMA in San Angelo, Sen Rodriguez and Kolkhorst in Austin, Senate Ag and Water Committee Hearing live stream, TAGD Legislative Committee conference call and TML Webinar live stream. WTWMA has a year to date target area average of 13.88" and is also conducting the TPWM program again this year. In response to Sen. Rodriguez reaching out to all GCD after the last Sen Ag and Water Committee hearing that questioned if GCD's are doing their job the Manager and two other GCD managers met with both Sen Rodriguez and Kolkhorst staff to explain that not all GCD were created for the same purpose and that at least these three districts were doing what they were created for. The Senate AG, Water, and Rural Affairs committee interim hearing covered the topic of GCD performance hearing testimony from lawyers hydrologists, and GCD representatives. GCD funding and performance were often tied together, with smaller districts often being identified as less desirable. Aquifer wide management schemes were often preferred in testimony, but it was never clearly identified how this change could be implemented especially for aquifers covering highly diverse regions. The TAGD Legislative Committee conference call discussed the aforementioned Senate hearing. It was identified that we as GCD employees should be answering the questions of Senators that are left open at these hearings (like what would aquifer wide management look like for us specifically?). Discussion was held on a GCD accountability grading system being developed to highlight the well performing districts and to encourage the "low performing" ones. The TML conference call is in preparation for ObamaCare 2016 reporting requirements and regulatory changes. More details and conference calls will be scheduled in the coming months. Well surveillance included: Water levels, rain gauges, Targa and Melvin Freeman.

Diana Thomas, investment officer, presented the second quarter investment report.

Following lengthily discussion during the FY 2016-17 budget workshop, Frank Price moved to propose a FY 2016-17 budget of \$160,800 to be amended later to include a cash reserves vehicle purchase. Josh Gaines seconded and all voted in favor.

Josh Gaines then moved to propose a 2016 tax rate of \$0.01796 which is 4.5% above the effective rate to fund the proposed budget. Herbert McCaleb seconded the motion. The motion carried 4-1 with Frank Price voting against the motion.

There being no further business, Frank Price moved and Ruthe Foster seconded to adjourn. The meeting adjourned at 10:25 A.M.



Attesting Signature



Presiding Officer

Date: 9-12-16