

MEETING OF THE BOARD OF DIRECTORS
PLUM CREEK CONSERVATION DISTRICT,
LOCKHART, TEXAS 78644
April 15th, 2014

Notices of this regular meeting were posted in the Hays and Caldwell County Courthouses at least 72 hours prior to the meeting. Receipts of the notices are on file in the office of Plum Creek Conservation District.

Checks were reviewed and signed, just prior to the call to order, by Vice President, James O Lipscomb.

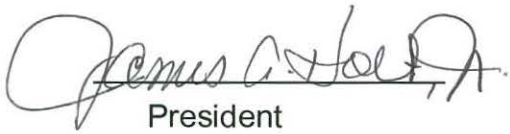
- 1:00 PM The meeting was called to order by President of the Board, James Holt, with the following Board members present: James O. Lipscomb (Vice President), Peter Reinecke (Secretary/Treasurer), Ben Twidwell (Director), Lucy Knight (Director), and Fred Rotherth (Director). Also present were Bob Wilson (Attorney) Feathergail Wilson (PCCD Geologist) and PCCD staff Johnie Halliburton, Karen Bassett, and Dan Meyer. Minutes were taken and transcribed by Karen Bassett.
- 1:00PM President Holt requested motions or comments regarding the minutes of the regular meeting held on March 25th, 2014. Mr. Lipscomb made a motion that the minutes of the regular meeting held on March 25th, 2014 be accepted as mailed out. Mr. Twidwell provided the second and the motion was approved unanimously.
- 1:02PM President Holt requested any unfinished business that required the Board of Directors' attention. Mr. Halliburton explained that there was no unfinished business at this time.
- 1:03PM President Holt requested discussion of item IV on the agenda. Mr. Halliburton informed the Board of Directors that the Plum Creek Conservation District had received three bid proposals for the structural repair on sites damaged in the October 31st, 2013 flood. President Holt then announced the bid proposals of each site. President Holt explained the bid proposals for site 11 were Nighthawk Construction's at nineteen thousand eight hundred and fifty dollars (\$19,850.00), Dennis Dorsett Ditching Inc.'s at seventeen thousand one hundred and fifty dollars (\$17,150.00), and Sexton Inc.'s at thirteen thousand one hundred and seventy nine dollars and seventy cents (\$13,179.70). Site 12 proposals were Nighthawk Construction's at forty five thousand six hundred dollars (\$45,600.00), Dennis Dorsett Ditching Inc.'s at fifty one thousand six hundred and seventy five dollars (\$51,675.00), and Sexton Inc.'s at forty nine thousand eight hundred and ninety one dollars and seventy four cents (\$49,891.74). Site 14 proposals were Nighthawk Construction's at fifty nine thousand seven hundred dollars (\$59,700.00), Dennis Dorsett Ditching Inc.'s at one hundred and eight thousand one hundred and sixty dollars (\$108,160.00), and Sexton Inc.'s at seventy three thousand nine hundred and eighteen dollars and seventy two cents (\$73,918.72). Ms. Knight made a motion to select the low bid proposal, Sexton Inc.'s for site 11 and the low bid proposals, Nighthawk Construction's for sites 12 and 14. Ms. Knight stated in the motion that if Sexton Inc. was unable to accept the motion for site 11, that all bid proposals would be awarded to Nighthawk Construction. Mr. Twidwell provided the second and the motion was approved unanimously.
- 1:23PM President Holt requested the Plum Creek Conservation District's quarterly investment report. Mr. Lipscomb then gave the Board of Directors an update of the investment accounts that the Plum Creek Conservation District currently holds and their recent activity.
- 1:24PM President Holt requested a report from the PCCD's Geologist, Mr. William Feathergail Wilson. Mr. Feathergail Wilson gave a report on the Central Texas drought in Caldwell County and surrounding areas. Mr. Feathergail also

- recommended PCCD purchase all of the geophysical well logs in Caldwell County from Cambe Geological Services, Inc. for \$2.00 a log. Mr. Feathergail Wilson explained that he felt it was important for the District to have all the geophysical logs that are available. Ms. Knight made a motion that PCCD purchase all of the geophysical logs from Cambe Geological Services, Inc. Mr. Reinecke provided the second and the motion passed unanimously. Mr. Feathergail Wilson then showed the Board a slide presentation of the total dissolved solids (TDS) profiles and correlations in the District's groundwater in relation to the oilfields in Caldwell County.
- 1:40PM President Holt requested a report from the NRCS' District Conservationist, Mr. Isidro Morales. Mr. Morales was not in attendance at this meeting.
- 1:40PM President Holt requested a report from the PCCD's Assistant Manager, Mr. Daniel Meyer. Mr. Meyer asked the Board for direction in voting on the proposed Groundwater Management Area (GMA) 13's Desired Future Conditions (DFC) in the upcoming May 15th, 2014 meeting. The Board then acknowledged Mr. Meyer to act as PCCD's representative on voting on the GMA 13 DFCs. Mr. Meyer explained to the Board that PCCD had granted the Hays Caldwell Public Utility Agency (HCPUA) two test hole permits and two test well permits. Mr. Meyer lastly stated that he had attended the HCPUA meeting in March for their lease holders at Delhi, Texas.
- 1:55PM President Holt requested a report from the PCCD's Executive Manager, Mr. Johnie Halliburton. Mr. Halliburton explained to the Board that he and Mr. Meyer had assisted Lindemann Fertilizer Service, Inc. on the April 1st, 2014 application of herbicide and fertilize on a number of PCCD's structures. Mr. Halliburton stated that the final application of herbicide and fertilize would be in May for the remaining structures. Mr. Halliburton explained to the Board that he had received inspection reports from the Texas Commission on Environmental Quality (TCEQ) on sites 2, 3, and 4. Mr. Halliburton explained to the Board that, in the report, TCEQ recommended that PCCD get updated hydrologic and hydraulic studies performed on site 4 as well as a final Emergency Action Plan (EAP). Mr. Halliburton stated that they had also recommended rehabilitation for sites 2 and 3 and that grazing needed to be monitored on site 4. Mr. Halliburton told the Board that he had visited with Steve Bednarz with the Texas State Soil and Water Conservation Board (TSSWCB) and found that they wanted to support PCCD in all possible ways to rehabilitate PCCD's structures with needed rehabilitation. Mr. Halliburton explained that the 2014 Federal Farm Bill had appropriated \$250 million dollars for 5 years for rehabilitation of structures across the United States and that it was estimated Texas should receive around \$40-50 million dollars of that amount. Mr. Halliburton also noted that PCCD was one of a very few that had already applied for rehabilitation on a number of its structures and was in an excellent position to take advantage of the federal funding. Mr. Halliburton explained to the Board that site 6 was first in line for rehabilitation and that the planning had been completed. He said the designing would be completed by the end of 2014 and possible construction could start around May of 2015. Mr. Halliburton also explained that surveys are being done on site's 12 and 10. Mr. Halliburton discussed with the Board a letter from Todd Marek with the Natural Resource Conservation Service (NRCS) regarding the RV Park at site 16. Mr. Halliburton explained to the Board that Mr. Marek stated that the engineer for the RV Park was correct on his elevations and that Mr. Marek suggested allowing them to continue with their work and when the work is completed to have a Topographic survey performed to see how much storage was lost or gained. The Board discussed with Mr. Halliburton. Mr. Bob Wilson advised Mr. Halliburton to require the "as built" drawings after the work was completed to certify that no flood water storage was lost, and that the work complies with the dam safety act provisions.
- 2:10PM President Holt requested a report from the PCCD's Attorney, Mr. Bob Wilson. Mr. Bob Wilson briefly discussed the Clean Water Act and the controversy over the Federal Government trying to reinterpret it as to what waters are regulated. Mr. Wilson stated that nothing has changed at this time, but if it did it

was possible that it could have an impact on PCCD and he did not know what that impact would be. Mr. Bob Wilson explained that he would keep the Board informed.

2:18PM President Holt requested any public comments. Mr. Graham Moore with the Hays Caldwell Public Utility Agency (HCPUA) took the opportunity to thank Mr. Daniel Meyer and Mr. Peter Reinecke for attending the HCPUA lease holders meeting in Delhi. Mr. Moore also updated the Board on their test well program and said they were going through the bidding process to hire a driller. Mr. Moore anticipated the drilling to start in May.

2:19PM Mr. Twidwell made a motion to adjourn. Mr. Lipscomb provided the second and the motion to adjourn passed unanimously.


President


Vice President