

PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT
1009 N. ESPLANADE STREET CUERO, TX 77954
BOARD MEETING MINUTES
VIA TELEPHONE OR VIDEOCONFERENCE
DECEMBER 15, 2020 – 9:00 A.M.

Board Members Present: Darnell Knippa, Chairman (Pct. 2), Clem Waskow, Vice-Chairman (At Large), Velinda Geffert, Secretary/Treasurer (Pct. 3), and Marvin Sager, Director (Pct. 4), Tim Pennell Director (Pct. 1)

Also in attendance: Cindy Parma, General Manager, Carole Moore, Administrative Assistant, Kristen Fancher, Attorney

PUBLIC HEARING AGENDA

1. Call to order: The meeting was called to order by the Chairman at 9:00 A.M.
2. Pledge of Allegiance – Did not recite due to virtual only meeting.
3. Roll Call - Establish Quorum: Roll call established a Quorum was present.
4. Introduction of Virtual Visitors/Hearing Participants: Edmond McCarthy – Attorney, Sean Armstrong – (Senior Counsel for ConocoPhillips), Michael J. Mazzone (Haynes & Boone, LLP), Mary Mendoza (Haynes & Boone, LLP), Julia Peebles (Haynes & Boone, LLP), Levi Coon (ConocoPhillips), Lloyd Michael Hamilton.
5. Conduct Preliminary Hearing on Contested Application for Amendment to Operating Permit of Burlington Resources (Hamilton Permit #72). The Preliminary Hearing is conducted in accordance with Texas Water Code Sections 36.4051 (b), 36.415, 36.416, and 36.418 and the District's Rules. The District timely received a notice under District Rule 15.5(1)-(2) for the hearing to be conducted by the State Office of Administrative Hearings.
 - a) Public Comment: None
 - b) Presentation by Hamilton/Protestant representative regarding party status/justiciable interest (not to exceed 15 minutes): Edmond McCarthy, Attorney, spoke on behalf of Mr. Lloyd M. Hamilton to the PVGCD Board Members.
 - c) Presentation by Burlington Resources/Applicant representative regarding party status/justiciable interest (not to exceed 15 minutes): Michael Mazzone, (attorney with Haynes and Boone), spoke on behalf of ConocoPhillips and Burlington Resources to the PVGCD Board Members.

Public comment: Director Tim Pennell stated he would abstain from voting on any matter of this hearing due to a conflict of interest with Mr. Hamilton/Protestant. Attorney Kristen Fancher stated she would supply the abstention form required by law to General Manager Parma to have for Director Pennell to sign.

6. Discuss and action on designation of parties, referral of matter to the State Office of Administrative Hearings, and/or continuance of Preliminary Hearing as necessary: A motion that the Board refer both the matter of the party status and the evidentiary hearing to the State Office of Administrative Hearings, known as SOAH, as set forth in District Rules and Chapter 36 of the Texas Water Code. The General Manager and the Board President shall coordinate

with legal counsel as necessary to fulfill all legal requirements for referral of the matter to SOAH was made by Clem Waskow, seconded by Marvin Sager, which carried unanimously with 4 ayes recorded.

- a) Discussion and action on contract with State Office of Administrative Hearings to conduct hearing and deposit from Hamilton/Protestant per statutory requirements: A motion for the General Manager to provide the cost estimate received from SOAH to Mr. Hamilton, the party requesting the hearing, and that Mr. Hamilton pay the deposit to the District no later than 15 calendar days from the date of receipt and upon receipt of the deposit from Mr. Hamilton the District would officially refer the matter to SOAH pursuant to the District's rules and Chapter 36 of the Texas Water Code was made by Marvin Sager, seconded by Clem Waskow, which carried unanimously with 4 ayes recorded.

7. Adjourn Public Hearing: The Public Hearing adjourned at 9:35 A.M.

Closed Meeting: Executive Session was called at 9:38 A.M. by Darnell Knippa to discuss matters regarding attorney-client privilege pursuant to V.T.C.A. Government Code 551.071

Return to Open Meeting: Open Meeting was resumed at 9:43 A.M. with the Board continuing to the regular Board Meeting Agenda.

BOARD MEETING AGENDA

1. Call to Order: The meeting was called to order by the Chairman at 9:44 A.M.
2. Public Comments: None.
3. Minutes of November 17, 2020 (provided prior to meeting): A motion to approve the November 17, 2020 minutes as presented was made by Marvin Sager, seconded by Clem Waskow, which carried unanimously.
4. Financial Report – Board Treasurer has reviewed November 30, 2020 Bank Statement reconciliations and finds all in order: A motion to approve the November 30, 2020 Financial Report as presented was made by Velinda Geffert, seconded by Clem Waskow, which carried unanimously.
5. Discussion and possible action on November 2020 Investment Report (provided prior to meeting): A motion to approve the November 2020 Investment Report as presented was made by Marvin Sager, seconded by Clem Waskow, which carried unanimously.
6. Discussion and possible action on increasing amount of Certificate of Deposit on 1/21/21 maturity: A motion to move \$150,000 from the savings account to a CD and the CD is to be determined by General Manager Parma and Treasurer Geffert after they have looked at short term options that would allow it to go to October and/or if that is not available, to the January 21, 2021 CD that will expire in January was made by Marvin Sager, seconded by Clem Waskow, which carried unanimously.
7. Discussion and possible action on adoption of a Capitalization Policy: A motion to adopt the Capitalization Policy as presented was made by Tim Pennell, seconded by Marvin Sager, which carried unanimously.

8. Discussion and action on 2021 PVGCD Holiday Schedule: A motion to approve the 2021 PVGCD Holiday Schedule was made by Tim Pennell, seconded by Clem Waskow, which carried unanimously.
9. General Manager Report: General Manager Cindy Parma presented the report. (See attached report.)
10. Set date, time and location for January meeting: January 19, 2021 at 9:00 A.M., 1009 N. Esplanade, Cuero.
11. Adjourn: The meeting adjourned at 10:25 A.M. with a motion by Clem Waskow, seconded by Tim Pennell, which carried unanimously.

Velinda Geffert, Secretary/Treasurer
Recorded: Carole Moore, Admin. Assistant