

**Minutes of the Headwaters Groundwater Conservation District Board of Directors Special Meeting on Wednesday January 17, 2024 Immediately following the Rules Hearing at the Guadalupe Basin Natural Resources Center – Boardroom 125 Lehmann Dr., Kerrville, Texas.** [RECORDS MGMT.](#)

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PERMANENT DOCUMENT

**1. Call to Order, Pledge of Allegiance, Roll Call, and Certification of Quorum in Compliance with Texas Open Meetings Law.**

Directors Present: Tom Jones – Precinct 1, President  
Chris Childs – Precinct 2, Vice President  
John Elliott – At Large, Secretary/Treasurer  
Kenneth Wilke – Precinct 3  
Laurie Lowe – Precinct 4

Staff Present: Gene Williams, Monica Thibodeaux, Deneise Harris, Michael Mann  
Other: Richard Mosty, HGCD Attorney

**2. Public Comment - Any person may address the Board at any time on any agenda item of this meeting. Non-agenda items may only be addressed during the Public Comment section of this meeting; no formal action will be taken on the non-agenda items.**

**N/A**

**3. Consent Agenda**

- 1. Approval of the Regular Meeting Minutes (December 13, 2023)**
- 2. Approval of Paying of the Bills**
- 3. Receiving the Treasurer’s Report (December 2023)**
- 4. Public Funds Investment Policy Reporting (December 2023)**
- 5. Receiving the Groundwater Report**

Director Lowe motioned to Approve the Consent Agenda. Director Elliott seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The motion passed.

4. **Discussion and Possible Action, to Adopt the Annual Financial Report for the Year Ending September 30, 2023, presented by Ede & Company, CPA.**

Director Elliott motioned Adopt the Annual Financial Report for the Year Ending September 30, 2023. Director Childs seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The motion passed.

5. **Discussion and Possible Action, City of Kerrville Conjunctive Use Production Permit P0020, Violation of District Rules.**

**Public Comments:**

**Stuart Barron** – Executive Director of Public Works, City of Kerrville – Overview of the ASR Program and the Purpose of the ASR Program. He also advised on the affects of pumping ASR water if the City of Kerrville changes Drought Stages.

**Mike Gershon** - Lloyd Gosselink Attorneys at Law, City of Kerrville – Comparison of the City of Kerrville Drought Stages and the HGCD Drought Stages, and overview of Nomenclature vs. Substance

**Richard Mosty** – HGCD Attorney – Requested City of Kerrville move to Stage 3 during discussions

**Dalton Rice – City Manager, City of Kerrville – Via Zoom** – gave authorization to Stuart Barron to administratively declare changes to City of Kerrville Drought Stages.

**Mike Hays – City of Kerrville Attorney** – presented argument that the City of Kerrville cannot change drought stage without City Council Meeting and an immediate change would require an Emergency Meeting, however there are no triggers to require an Emergency Meeting by the City Council.

Director Jones motioned to find the City of Kerrville in Violation of the Conjunctive Use Production Permit P0020. Director Lowe seconded the motion. Director Jones, Director Elliott, Director Wilke and Director Lowe all voted in favor. Director Childs voted opposed. The motion passed.

Director Jones motioned to Abate the Fine until the next HGCD Board Meeting. Director Elliott seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The motion passed.

6. **Discussion and Possible Action, any Action if Needed as a Result of Executive Session.**

**No Executive Session – N/A**

7. **Discussion and Possible Action to Adopt the Proposed District Rules Revision Titled “District Rules Revised January 17, 2024”**

**Public Comments:**

**Madison Huerta** – Lloyd Gosselink Attorneys at Law, City of Kerrville – Referred back to her comments on opposing the Rule Changes to the arguments made during the Public Hearing.

**Jerry Wolff** – 509 W Buckboard Dr., Kerrville - Endorsing the Rules Revision as it protects other Public Water Systems in the County.

Director Lowe motioned to Adopt the Proposed District Rules Revision Titled “District Rules Revised January 17, 2024”. Director Elliott seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The motion passed.

8. **Discussion and Possible Action, Annual Review of District Rule 7 - Production Caps for Permitted Wells, as required by Headwaters Groundwater Conservation District Rule 7.G.**

After Annual Review of District Rule 7 - Production Caps for Permitted Wells, as required by Headwaters Groundwater Conservation District Rule 7.G. General Manager Gene Williams recommended no changes be made. Director Childs motioned to leave the Production Caps for Permitted Wells unchanged. Director Elliott seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The motion passed, No Action Taken.

9. **Discussion and Possible Action, to Adopt the Headwaters Groundwater Conservation District Annual Report for achieving the Management Plan Goals for Year 2023.**

Director Lowe motioned to Adopt the Headwaters Groundwater Conservation District Annual Report for achieving the Management Plan Goals for Year 2023. Director Wilke seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The motion passed.

10. **Discussion and Possible Action, Review the Public Funds Investment Policy Revised July 26, 2023 and Approve any changes or modifications.**

Annual Review of the Public Funds Investment Policy Revised July 26, 2023 completed and no changes or modifications required. No Action Taken.

11. **Discussion and Possible Action, to Nominate and Vote to elect Officers for the Headwaters Groundwater Conservation District Board of Directors FY 2024, as required by HGCD By-Laws Article IV, Section 2. The officer positions included are:**

- **President**
- **Vice-President**
- **Secretary/Treasurer**
- **Assistant Secretary/Treasurer**

Director Elliott motioned to keep officers as currently elected.

Director Childs requested to be relieved of the Vice-President position.

Director Childs nominated Director Lowe for the Vice-President position.

Director Childs motioned to nominate Tom Jones as President.

Director Elliott motioned to nominate John Elliott as Board Secretary.

Director Elliot motioned to nominate Gene Williams as Assistant Secretary/Treasurer.

Director Childs motioned to Accept the nominations; Director Elliott seconded the nominations. Director Elliott, Director Jones, Director Childs, Director Wilke and Director Lowe all voted in favor. The motion passed.

12. **General Managers Report**

- **Drought Stage Outlook.**
- **Discussion – Ethics and Conflict of Interest Laws.**

13. **Directors Request for Agenda Items for Next Meeting.**

Director Jones requested a follow-up with the City of Kerrville regarding matters discussed in today's meeting.

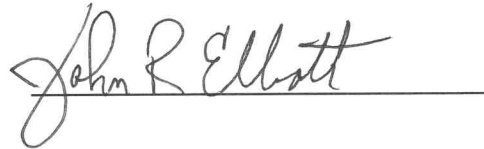
14. **Adjournment**

Director Childs motioned to Adjourn. Director Lowe seconded the motion. Director Jones, Director Childs, Director Elliott, Director Wilke and Director Lowe all voted in favor. The meeting was adjourned.

**APPROVED:**



**Tom Jones**  
**Board of Directors, President**



**John Elliott**  
**Board of Directors, Secretary/Treasurer**