
**Calhoun County Groundwater Conservation District
Meeting Minutes for October 27, 2025**

THE STATE OF TEXAS
CALHOUN COUNTY

The Board of Directors of the Calhoun County Groundwater Conservation District convened a meeting at 312 W. Live Oak, Port Lavaca TX 77979, Calhoun County, Texas on October 27, 2025, at 5:30 PM.

Item 1 - Convene Meeting to order and welcome guest

Mr. Andruss explained staff completed the necessary public notification requirements for the meeting.

Mr. Brett called the meeting to order at 5:30 p.m. and called the roll of representatives:

Precinct 1: Mr. Steven Dierschke, Director: Present.

Precinct 2: Mr. Wesley (Clay) Brett, Vice-President: Present.

Precinct 3: Mr. Galen Johnson, Secretary: Present.

Precinct 4: Mr. Michael (Mike) Hahn, Treasurer: Present.

At Large: Mr. Harold (Danny) May, President: Present.

General Manager: Tim Andruss: Present.

General Counsel: Jim Allison: Present.

Item 2 - Receive Public Comment

No public comment was given.

Item 3 - Consideration of and possible action on matters related to groundwater management including the efforts and activities of the District regarding permitting, complaints, investigations, violations, and enforcement cases associated with permitting.

Topic 3.1 - Report

Mr. Andruss provided the following information:

Regarding Well Registration Processing for FY2025.

As of October 9, 2025, staff had received 7 well registration applications (ARWs) since October 1, 2024.

As of October 9, 2025, staff had received 37 Notices of Intent to Drill a Well (NIDWs) since October 1, 2024.

Regarding Production Permit Renewal Processing for FY2025.

As of October 9, 2025, staff had received 3 production permit renewal requests (ARPs) since October 1, 2024.

Regarding Permit Processing for FY2025.

As of October 9, 2025, staff had initiated 8 permitting request case (PRCs) since October 1, 2024.

As of October 9, 2025, staff had 5 permitting request cases pending.

See:

1. PRC-20250820-01 - ARP-20250721-01 - Robert & Samantha Penland - Pending/Uncontested
2. PRC-20250820-02 - ARP-20250722-01 - Calhoun Coastal Ranch, LP - Pending/Uncontested
3. PRC-20250820-03 - ARP-20250722-02 - Calhoun Coastal Ranch, LP - Pending/Uncontested
4. PRC-20250911-01 - ANHUPPW-20250306-01 - Wildlife Water Alliance - Pending/Uncontested
5. PRC-20250821-01 - ANHUPPW-20250721-01 - Jake Huddleston - Pending/Uncontested

As of October 9, 2025, staff had 45 active or approved production permits recorded in the permitting database with a combined amount of authorized groundwater production per year of 5,643 acre-feet.

Regarding Groundwater Production Report Processing for CY2024.

As of October 9, 2025, staff had processed 84 groundwater production reports for the preceding calendar year since October 1, 2024.

As of October 9, 2025, staff had recorded groundwater production reports for 84 water wells reporting 8,795.43 acre-feet of groundwater production during CY2024. (TWDB estimated the volume of groundwater produced for rural domestic, livestock, mining, and rig supply exempt uses in Calhoun County in Year 2020 was 206 acre-feet. See: TWDB - Projected Exempt Groundwater Use Estimates.).

Regarding Manage Investigations related to Permitting Violations for FY2025.

As of October 9, 2025, staff had initiated 2 investigations related to groundwater management (i.e., permitting) since October 1, 2024.

As of October 9, 2025, staff had 2 active investigations related to groundwater management (i.e., permitting).

See:

1. Investigation - INV- 20251015-01 - Unpermitted Non-Exempt Use - Active
2. Investigation - INV- 20250305-01 - Unpermitted Non-Exempt Use - Active

Regarding Manage Enforcement Cases related to Permitting Violations for FY2025.

As of October 9, 2025, the Board had initiated 4 enforcement case violations related to groundwater management (i.e., permitting) since October 1, 2024.

As of October 9, 2025, staff had 4 unresolved enforcement cases related to groundwater management (i.e., permitting).

1. Enforcement Case Violation - ECV-20250425-01
2. Enforcement Case Violation - ECV-20250425-02
3. Enforcement Case Violation - ECV-20250425-03
4. Enforcement Case Violation - ECV-20250425-04

Topic 3.2 - Failures to Report Groundwater Production for CY2024 re Group 1

Mr. Andruss explained:

On April 25, 2025, the compliance specialist of the District initiated 4 enforcement case violations related to potential failures to report groundwater production for calendar year 2024. Of the four potential violations, three of the violations are associated with persons without previous violations of Rule 4.2.

As of July 21, 2025, the alleged violators associated with the four enforcement case violations have achieved compliance by submitting groundwater production reports for the associated wells for CY2024.

Enforcement Case Violation	Groundwater Production Report CY2024	Date Received
<u>ECV-20250425-02</u>	<u>GPR-20250606-01</u>	June 5, 2025
<u>ECV-20250425-03</u>	<u>GPR-20250718-01</u>	July 18, 2025
<u>ECV-20250425-04</u>	<u>GPR-20250514-01</u> <u>GPR-20250514-02</u>	May 13, 2025

Rule 11.10: PENALTIES of the Rules of the District, adopted on October 17, 2024 read as follows (emphasis added):

Rule 11.10: PENALTIES

1. The general manager shall recommend to the board of directors the following penalties to settle alleged violations:
 - 1.1. one hundred dollars (\$100.00) for a single alleged violation per incident;
 - 1.2. two hundred dollars (\$200.00) for each violation per incident when multiple violations are alleged;
 - 1.3. two hundred and fifty dollars (\$250.00) for each re-occurrence of a violation with a 5-year period; and
 - 1.4. one thousand dollars (\$1,000.00) for providing or performing the services of a water well driller without a current license issued by the Texas Department of Licensing and Regulation.
2. The board of directors may assess penalties in excess of the penalties recommended by the general manager as established within the rules of the district in accordance with Chapter 36.102 of the Texas Water Code.

On October 28, 2024, the Board of Directors of the Calhoun County Groundwater Conservation District approve a motion to limit the acceptable forms of payment for penalties and settlement fees to cashier's check or money order made payable to the Calhoun County Groundwater Conservation District.

Board Action: Mr. Johnson moved to designate the violations resolved upon the associated alleged violator complying with the following settlement offer by December 31, 2025: 1) pay a \$100.00 settlement fee to the District, 2) acknowledge the violation in writing. Mr. Brett seconded the motion. The motion passed unanimously.

Topic 3.3 - Failures to Report Groundwater Production for CY2024 re Group 3

Mr. Andruss provided the following information:

On April 25, 2025, the compliance specialist of the District initiated 4 enforcement case violations related to potential failures to report groundwater production for calendar year 2024. Of the four potential violations, one of the violations are associated with persons with previous violations of Rule 4.2.

As of July 21, 2025, the alleged violators associated with the enforcement case violation had achieved compliance by submitting groundwater production reports for the associated wells for CY2024.

Enforcement Case Violation	Groundwater Production Report CY2024	Date Received
<u>ECV-20250425-01</u>	<u>GPR-20250616-01</u>	June 16, 2025

Rule 11.10: PENALTIES of the Rules of the District, adopted on October 17, 2024 read as follows (emphasis added):

Rule 11.10: PENALTIES

1. The general manager shall recommend to the board of directors the following penalties to settle alleged violations:
 - 1.1. one hundred dollars (\$100.00) for a single alleged violation per incident;
 - 1.2. two hundred dollars (\$200.00) for each violation per incident when multiple violations are alleged;
 - 1.3. two hundred and fifty dollars (\$250.00) for each re-occurrence of a violation with a 5-year period; and
 - 1.4. one thousand dollars (\$1,000.00) for providing or performing the services of a water well driller without a current license issued by the Texas Department of Licensing and Regulation.
2. The board of directors may assess penalties in excess of the penalties recommended by the general manager as established within the rules of the district in accordance with Chapter 36.102 of the Texas Water Code.

On October 28, 2024, the Board of Directors of the Calhoun County Groundwater Conservation District approve a motion to limit the acceptable forms of payment for penalties and settlement fees to cashier's check or money order made payable to the Calhoun County Groundwater Conservation District.

Board Action: Mr. Brett moved to designate the violations resolved upon the associated alleged violator complying with the following settlement offer by December 31, 2025: 1) pay a \$250.00 settlement fee to the District, 2) acknowledge the violation in writing. Mr. Hahn seconded the motion. The motion passed unanimously.

Topic 3.4 - Production Permit Renewals for FY2025

Mr. Andruss provided the following information:

As of July 31, 2025, staff had received administratively complete application seeking the renewal of production permit scheduled to expire in July 2025.

1. PRC-20250820-01 - ARP-20250721-01 - Robert & Samantha Penland - Pending
2. PRC-20250820-02 - ARP-20250722-01 - Calhoun Coastal Ranch, LP - Pending
3. PRC-20250820-03 - ARP-20250722-02 - Calhoun Coastal Ranch, LP - Pending

RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS

1. The district shall not renew a permit that has expired before an administratively complete application requesting the renewal of the permit has been submitted to

the district.

2. The district shall not renew a permit associated with a proposed well.
3. The well owner, authorized agent, or the authorized operator of a permit shall submit an administratively complete application requesting the renewal of the permit prior to the permit expiration date.
4. The general manager may authorize an authorized operator of a permit for which an administratively complete application requesting the renewal of the permit has been submitted to the district to continue authorized activities of the permit under the conditions of the permit, subject to any changes necessary under the rules of the district, or the Management Plan of the district, for the period of time during which the application requesting the renewal of the permit is the subject of a contested case hearing.
5. The district shall, without a hearing, consider an application to renew a permit submitted to the district provided that:
 - 5.1. the application, if required by the district, is submitted in a timely manner and accompanied by any required fees in accordance with rules of the district; and
 - 5.2. the authorized operator is not requesting an amendment to the permit in conjunction with the request to renew the permit.
6. The district shall not renew a permit if the owner of groundwater resources or authorized operator:
 - 6.1. is delinquent in paying a fee required by the district;
 - 6.2. is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the district that has not been settled by agreement with the district or a final adjudication; or
 - 6.3. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a permit, order, or rule of the district.
7. The district shall consider a permit that the district did not renew because the applicant or authorized operator of the is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the district, which has not been settled by agreement with the district or a final adjudication, to be in effect until the final settlement or adjudication on the matter of the substantive violation.
8. The district shall consider a request to renew a permit, as it existed prior to the initiation of an amendment process, without penalty if the amendment process results in a denial of the amendment unless the applicant or authorized operator of the permit:

- 8.1. is delinquent in paying a fee required by the district;
- 8.2. is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the district that has not been settled by agreement with the district or a final adjudication; or
- 8.3. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a permit, order, or rule of the district.

9. The well owner, well field owner, or well system owner of a non-exempt-use well, a nonexempt-use well field, or a non-exempt-use well system shall submit to the district an application to amend any registrations or permits within ninety days (90 days) of acquiring the non-exempt-use well, the non-exempt-use well field, or the non-exempt-use well system.

10. The board of directors shall consider administratively complete applications to amend a permit or waiver requested by the well owner, authorized agent, or the authorized operator of a permit or waiver that involve the substantive provisions of the related permit or waiver such as production rates, production amounts, purposes of use, or conditions of the permit.

11. The general manager may process and issue amendments to permits and waivers associated with administratively complete applications to amend a permit requested by the well owner, authorized agent, or the authorized operator of a permit that are solely administrative in nature that do not involve the substantive provisions of the related permits or waivers such as production rates, production amounts, purposes of use, or conditions of the permit.

12. The district shall consider the permit associated with an application requesting an amendment to the permit as being in effect as the permit existed before the submittal of the administratively complete application requesting an amendment to the permit until the later of:

- 12.1. the conclusion of the permit amendment or renewal process, as applicable; or
- 12.2. final settlement or adjudication on the matter of whether the change to the permit requires a permit amendment.

13. The district may initiate the process for amending a permit in connection with the renewal of a permit.

14. The district shall consider the permit associated with an amendment process initiated by the district as being in effect as the permit existed before the district initiated the amendment process until the conclusion of the permit amendment process.

Summary of Permits and Renewal Applications:

Permit	Permit Expiration Date	Renewal Application Submittal Due Date	Renewal Application	Date Application Received	Effective Date of Administrative Completeness
<u>OPW-20171016-02</u>	7/31/2025	7/31/2025	<u>ARP-20250721-01</u>	7/21/2025	7/21/2025

On July 22, 2025, staff had received administratively complete applications seeking the renewal of production permit scheduled to expire in July 2025. The owner of groundwater resources for the production permit renewals has an unresolved enforcement case violation related to failure to report groundwater production for CY2024, ECV-20250425-04. The renewal application for the permit identified above satisfy the requirements established under Rule 4.4 of the Rules of the District.

Permit	Permit Expiration Date	Renewal Application Submittal Due Date	Renewal Application	Date Application Received	Effective Date of Administrative Completeness
<u>OPW-20210419-03</u>	7/31/2025	7/31/2025	<u>ARP-20250722-01</u>	7/22/2025	7/22/2025
<u>OPW-20210419-04</u>	7/31/2025	7/31/2025	<u>ARP-20250722-02</u>	7/22/2025	7/22/2025

The renewal applications for the permits identified above does not satisfy the requirements established under Rule 4.4 of the Rules of the District.

Board Action: Mr. Johnson moved to approve the following production permit renewal and authorize the general manager to issue production permit renewals for the permits associated with the following renewal request in accordance with the Rules of the District: ARP-20250721-01. Mr. May seconded the motion. The motion passed unanimously. Mr. Johnson moved to approve the following production permit renewals and authorize the general manager to issue production permit renewals contingent upon the resolution of enforcement case violation ECV-20250425-04 for the permits associated with the following

renewal request in accordance with the Rules of the District: ARP-20250722-01, ARP-20250722-02. Mr. May seconded the motion. The motion passed unanimously.

Topic 3.5 - Port O'Connor Improvement District

Mr. Andruss provided the following information:

On May 19, 2025, Mr. Seeger for the Port O'Connor Improvement District submitted the initial conditions report for the well field constructed associated with waiver WV-20221114-01 - Port O'Connor Improvement District.

The initial conditions observed at the dedicated monitoring wells indicate 1) the production zones of the production wells of the well field contain brackish groundwater (i.e., groundwater with concentrations of total dissolved solids in excess to 1,000 mg/L) and 2) the initial water levels range between 14.97 to 17.82 feet below the surface.

On August 22, 2025, Mr. Seegar for the Port O'Connor Improvement District submitted the quarterly report to the District.

Board Action: None.

Item 4 - Consideration of and possible action on matters related to groundwater protection including complaints, investigations, violations, and enforcement cases related to groundwater contamination and waste.

Topic 4.1 - Report

Mr. Andruss provided the following information:

Regarding Well Inspections for FY2025.

As of October 9, 2025, staff had recorded 13 well inspection forms (WIFs) since October 1, 2024.

Regarding Manage Investigations related to Groundwater Protection for FY2025.

As of October 9, 2025, staff had initiated 0 investigation related to Groundwater Protection since October 1, 2024.

As of October 9, 2025, staff had 0 active investigation related to Groundwater Protection.

Regarding Manage Enforcement Cases related to Groundwater Protection for FY2025.

As of October 9, 2025, the Board had initiated 0 enforcement case violations related to Groundwater Protection since October 1, 2024.

As of October 9, 2025, staff had 0 unresolved enforcement case violations related to Groundwater Protection.

Item 5 - Consideration of and possible action on matters related to groundwater monitoring.

Topic 5.1 - Report

Mr. Andruss provided the following information:

Regarding Monitor Drought Conditions for FY2025.

As of October 24, 2025, the U.S. Drought Monitor (<https://www.drought.gov/states/texas/county/calhoun>) indicates that 96.7% of

Calhoun County was experiencing abnormally dry conditions.

As of October 24, 2025, drought condition information related to the district and the surrounding region of Texas collected from the Water Data for Texas website <https://www.waterdatafortexas.org/drought/> indicates that 97.67% of Calhoun County is experiencing abnormally dry conditions.

Regarding Synoptic Aquifer Monitoring for FY2025.

As of October 24, 2025, staff had collected 8 water level measurements since October 1, 2024.

Regarding Advanced Water Level Monitoring for FY2025.

Regarding Baseline Water Quality Aquifer Monitoring for FY2025.

Regarding Ad-Hoc Baseline Water Quality Sampling for FY2025.

As of October 24, 2025, staff had collected 9 water quality field measurements since October 1, 2024.

As of October 24, 2025, staff had collected 3 water quality samples since October 1, 2024.

As of October 24, 2025, staff had received 2 water quality lab report since October 1, 2024.

Regarding Annual Water Level Assessment for FY2025.

Regarding Annual Water Quality Assessment for FY2025.

Regarding Monitoring Network Assessment and Improvement Project for FY2025.

Item 6 - Consideration of and possible action on matters related to groundwater conservation.

Topic 6.1 - Report

Mr. Andruss provided the following information:

Regarding Promote Conservation for FY2025.

On April 30, 2025, Tim Andruss reviewed and update the content maintained on the website of the district regarding groundwater conservation. See:

<https://www.calhouncountygcd.org/groundwater-conservation>

Item 7 - Consideration of and possible action on matters related to groundwater resource planning including Groundwater Management Area 15 Joint Planning and regional water planning.

Topic 7.1 - Report

Mr. Andruss provided the following information:

Regarding Regional Water Planning Participation for FY2025.

The South Central Texas Regional Water Planning Group (Region L) met on October 2, 2025. During the meeting, the planning group adopted the 2026 regional water plan for the region. The next meeting of the group is anticipated to meet in January 2026.

See: <https://www.regionltexas.org/>.

Regarding GMA 15 Joint Planning for 4th Planning Cycle in FY2025.

The representatives of Groundwater Management Area 15 met on October 9, 2025, at the consolidated offices of Victoria County, Calhoun County, Refugio, and Texana GCD in Victoria, Texas. Mr. Andruss attended the meeting to participate in 4th Cycle of the Joint Planning as required under Chapter 36 of the Texas Water Code. See: <https://www.vcgcd.org/groundwater-management-area-15>.

Topic 7.2 - Joint Planning and Desired Future Conditions

Mr. Andruss provided the following information:

Section 36.108, Water Code has been revised. See

<https://statutes.capitol.texas.gov/Docs/WA/htm/WA.36.htm#36.108>.

Item C of Section 36.108 requires "district representatives shall meet at least annually to conduct joint planning with the other districts in the management area. The representatives shall review: (1) the accomplishments of the management area;" (emphasis added)

Item c of Section 36.108 requires "district representatives shall meet at least annually to conduct joint planning with the other districts in the management area. The representatives shall review: ... (3) not less than once during each five-year period described by Subsection (d), the management plans of each district in the management area."

Item c-1 of Section 36.108 requires member districts of GMAs to "consider: (1) the goals of each management plan and its impact on planning throughout the management area; (2) the effectiveness of the measures established by each district's management plan for conserving and protecting groundwater and preventing waste, and the effectiveness of these measures in the management area generally; (3) any other matters that the boards consider relevant to the protection and conservation of groundwater and the prevention of waste in the management area; and (4) the degree to which each district is achieving the desired future conditions established during the joint planning process through the implementation of the district's management plan and rules." (emphasis added)

Item d-1a of Section 36.108 requires district representatives to "(1) adopt desired future conditions under this section for each approximately 50-year planning period identified by the executive administrator for the preparation of state and regional water plans; and (2) identify interim values for the desired future conditions adopted under Subdivision (1) for time periods not to exceed 10 years solely to assist the districts in monitoring interim progress in achieving the desired future conditions adopted for the approximately 50-year planning period."

Item d-3 of Section 36.108 has been expanded to include the following "(6) include an explanation in plain language of why a desired future condition adopted for an aquifer was changed if the desired future condition is different from the desired future condition

adopted for the aquifer over the preceding five-year joint planning period; and (7) include a summary of how each district is performing in achieving the desired future conditions."

Board Action: None.

Item 8 - Consideration of and possible action on matters related to groundwater policy including the Management Plan of the District and the Rules of the District.

Topic 8.1 - Report

Mr. Andruss provided the following information:

Regarding Management Plan Revisions for FY2025.

Regarding Rule Amendments for FY2025.

Regarding Legislative Support and Lobbying for FY2025.

Topic 8.2 - Management Recommended Rule Revisions

Mr. Andruss provided the following information:

Staff have identified several aspects of the Rules of the District that could be amended to improve the clarity of district's policies and improve on the District's efforts to properly conserve and protect groundwater resources within its jurisdiction.

In order to clarify that reporting requirements apply to all wells used to produce groundwater used for purposes other than exempt-use purposes, regardless of any classification that may be applied to the registration of a well by the district, management believes Rule 4.2 would benefit from the following revisions:

2. The owner of groundwater resources produced from a non-exempt-use well that produced groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well for the preceding calendar year to the district.
4. The owner of groundwater resources produced from a non-exempt-use well that produced groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well that is accurate within ten percent (10%) of the actual volume of groundwater produced by the non-exempt use during the calendar year.
5. The owner of groundwater resources produced from a non-exempt-use well that produced groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well for the previous calendar year (January 1 to December 31) during January of the current calendar year.
6. The owner of groundwater resources produced from a non-exempt-use well that produced groundwater for non-exempt-use purposes shall report the volume of groundwater produced from the non-exempt-use well using a form provided by the district.
7. The owner of groundwater resources produced from a non-exempt-use well that produced groundwater for non-exempt-use purposes shall include the following

information when reporting the volume of groundwater produced from a non-exempt-use well:

In order to clarify the the requirement related to water flow gradients apply to both the Guadalupe River and the San Antonio River, management believes Rule 6.3 would benefit from the following revision:

1.3. the operation of the subject well, subject well field, or subject well system shall not cause the water flow gradients to be altered between the Gulf Coast Aquifer System and those portions of the Green Lake and Guadalupe River or San Antonio River water bodies located within the district.

In order to establish a deadline for the seeking historic use protections, management believes Rule 5.1 could be amended to establish deadlines for a) submitting applications related to historic use protection and b) approval of historic use protection permits.

Rule 5.1: GENERAL POLICIES RELATED TO PROTECTION OF HISTORIC USE PERMITTING

8. The district shall not accept nor process applications for production permits for the protection of historic use after December 31, 2027.

9. The district shall not approve nor issue production permits for the protection of historic use associated with permit applications submitted to the district after December 31, 2027.

In order to clarify the established policy related to the District's general procedures related to permitting, management believes Rule 4.3 would benefit from the following revisions:

RULE 4.3: GENERAL PROCEDURES RELATED TO PERMITTING

6. The district incorporates the application and all supplemental information submitted with an application for a permit is incorporated into any resulting the permit approved by the district. 7. The district issues, approves, and grants a permit on the basis of and contingent upon the accuracy of the information supplied in the associated application. 8. Acceptance of a permit by the The applicant, the authorized agent, the authorized operator, orand the owner of groundwater resources constitutes acknowledgement and acceptance of, by accepting a permit, acknowledges and accepts the conditions, limitations, and restrictions of the permit and the rules of the district. 9. A decision regarding the permit is final if the The applicant, the authorized agent, the authorized operator, or the owner of groundwater resources, and all other interested or affected parties consider a decision regarding a permit final if any of the parties fail to file a request for rehearing within twenty days (20 days) of the decision. 10. An application The district shall be automatically withdrawn withdraws an application submitted under the rules of district from the district if the applicant fails to provide any information requested by the general manager needed to fully consider the application relative to the rules of the district within 60 days of the request being sent to the applicant.

In order to clarify the established policy related to the District's general procedures related to non-historic use permitting, management believes Rule 6.2 would benefit from the following revisions:

RULE 6.2: GENERAL PROCEDURES RELATED TO NON-HISTORIC USE PERMITTING

12. A permit shall be The district automatically terminated terminates a permit approved for a proposed well if the construction of the proposed well is not completed within 365 days of the date the production permit was issued approved by the district.

If instructed to prepare for a rulemaking hearing during the meeting scheduled on January 26, 2026, staff will coordinate with legal counsel on drafting a set of proposed rules as well as publish and post all required notices.

Board Action: Mr. Johnson moved to instruct the general manager and legal counsel to draft set of proposed rules as well as publish and post all required notices to conduct a rulemaking hearing during the meeting scheduled on January 26, 2026. Mr. Dierschke seconded the motion. The motion passed unanimously.

Item 9 - Consideration of and possible action on matters related to administration and management including the minutes of previous meetings, amendments to the annual budget of the district, bank accounts, investments, financial reports of the district, bills and invoices of the district, management goals and objectives of the district, administrative policies, staffing, consultant agreements, interlocal cooperation agreements, and support services provided to and from other groundwater conservation districts.

Topic 9.1 - Report

Mr. Andruss provided the following information:

Regarding Election Coordination for CY2025.

Regarding Financial Audit for FY2024.

Regarding Investment Management for FY2025.

Regarding Financial Record Processing and Reporting for FY2025.

Regarding Budget Development for FY2026.

Regarding Asset Tracking for FY2025.

Regarding Public Funds Training for FY2025.

Regarding Website Improvements for FY2025.

Regarding Public Notice and Meeting Coordination for FY2025.

The next meeting of the Board is scheduled for January 26, 2025, with each meeting to convene at 5:30 PM. Regular meetings will be rescheduled as necessary and special meeting may be scheduled to address unforeseen issues.

Regarding Performance Audit for FY2024.

Regarding Project Management for FY2025.

Regarding Administrative Policy Review for FY2025.

Regarding Transparency Reporting for FY2025

Regarding Cybersecurity Training for FY2025

Regarding Consultant Review for FY2025.

Regarding Open Government Training for FY2025.

Regarding District Liability Insurance Review and Renewal for FY2025.

Regarding Digital Record Archiving for FY2025.

Regarding Physical Record Archiving for FY2025.

Topic 9.2 - Minutes of Previous Meeting

Mr. Andruss provided the following information:

The minutes for May 14, 2025 and August 25, 2025, were drafted by the administrative coordinator, reviewed by the other administrative staff and management, and available to the directors for review prior to the meeting. The minutes appear to accurately reflect the actions taken by the board and the context in which those actions were taken.

CCGCD - Board Minutes 20250514 - Final.pdf

CCGCD - Meeting Minutes - 20250825.pdf

Board Action: Mr. May moved to accept and approve the meeting minutes for May 14, 2025 and August 25, 2025, as drafted. Mr. Hahn seconded the motion. The motion passed unanimously.

Topic 9.3 - Investments of the District

Mr. Andruss provided the following information.

The investment reports for March, April, May, June, July and August 2025, have been drafted by the administrative coordinator, reviewed and executed by the investment officer/general manager, and available to the directors for review prior to the meeting.

CCGCD - Investment Report - IR-20250331-01 - FY25M06 - March 2025.pdf

CCGCD - Investment Report - IR-20250430-01 - FY25M07 - April 2025.pdf

CCGCD - Investment Report - IR-20250531-01 - FY25M08 - May 2025.pdf

CCGCD - Investment Report - IR-20250630-01 - FY25M09 - June 2025.pdf

CCGCD - Investment Report - IR-20250731-01 - FY25M10 - July 2025.pdf

CCGCD - IR-20250831-01 - FY2025M11 - August 2025.pdf

The balance of all funds of the district as of August 31, 2025, is \$2,663,977.00.

Board Action: Mr. Dierschke moved to accept the investment reports for March, April, May, June, July and August 2025. Mr. Brett seconded the motion. The motion passed unanimously.

Topic 9.4 - Financial Transaction Report

Mr. Andruss explained since May 1, 2025, as of October 14, 2025, there has been 22 accounts payable and 41 accounts receivable transactions.

Board Action: None

Topic 9.5 - Internal Financial Reports of the District

Mr. Andruss provided the following information:

Staff have revised the structure of the internal financial transaction tracking database to support the use of project and encumbrances for tracking transactions and budget performances.

The internal control review reports and internal financial reports for March, April, May, June, July and August 2025 have been compiled by the administrative coordinator and available to the directors for review prior to the meeting.

CCGCD - Internal Financial Report - March 2025.pdf

Internal Control Review Report - ICRR-20250331-01 - March 2025.pdf

CCGCD - Internal Financial Report - April 2025.pdf

Internal Control Review Report - ICRR-20250430-01 - April 2025.pdf

CCGCD - Internal Financial Report - May 2025.pdf

Internal Control Review Report - ICRR-20250531-01 - May 2025

CCGCD - Internal Financial Report - June 2025.pdf

Internal Control Review Report - ICRR-20250630-01 - June 2025.pdf

CCGCD - Internal Financial Report - July 2025.pdf

Internal Control Review Report - ICRR-20250731-01 - July 2025.pdf

CCGCD - Internal Financial Report - August 2025.pdf(Revised: 20251023)

Internal Control Review Report - ICRR-20250831-01 - August 2025.pdf

Board Action: Mr. Brett moved to accept the internal control review and internal financial reports for March 2025, April 2025, May 2025, June 2025, July 2025, and August 2025. Mr. May seconded the motion. The motion passed unanimously.

Topic 9.6 - Unpaid Invoices and Bills

Mr. Andruss provided the following information:

The District has outstanding accounts payable invoices that are not considered regular and routine for which the District has received the goods and services billed for under the invoices.

Board Action: Mr. May moved to authorize the general manager to pay the following items:

1. ACCTP-20251023-01 - \$1,245.00 - Allison, Bass & Magee

Mr. Brett seconded the motion. The motion passed unanimously.

Topic 9.7 - Financial Audit Services

Mr. Andruss provided the following information:

On August 17, 2025, staff published the notice of the RFQ for Auditing Services in the Victoria Advocate and the website of the district.

On August 26, 2025, the general manager, due to the closure of the office of the district on September 1, 2025, in observance of Labor Day, extended the deadline for submitting statements to 4:00 P.M., September 2, 2025.

The district received responsive statement from the following entities:

1. Ede and Company, LLC, which is located in Uvalde Texas, provides services to other groundwater conservation districts, estimated audit fess to be \$8,500, and specified a maximum hourly rate for service at \$285. See: CCGCD - Adm - OM - Statement of Qualifications - SOQ - 20250828-01 - Ede and Company, L.L.C.
2. Goldman, Hunt, and Notz, L.L.P., which is located in Victoria Texas, provides services to other groundwater conservation districts, estimated audit fees to be \$9,000, and specified a maximum hourly rate for service at \$210. See: CCGCD - Adm - OM - Statement of Qualifications - SOQ - 20250828-02 - Goldman, Hunt, Notz, L.L.P.
3. Harrison, Waldrop, and Uherek, L.L.P., which is located in Victoria Texas, provides services to other special districts, estimated audit fees to be \$9,300, and specified a maximum hourly rate for services at \$225. See: CCGCD - Adm - OM - Statement of Qualifications - SOQ - 20250902.-01 - Harrison, Waldrop and Uherek, L.L.P.
4. Pena Briones McDaniel, and Co., P.C., which is located in El Paso Texas, provides services to other special districts, estimated audit fees to be \$12,500, and specified a maximum hourly rate for services at \$200. See: CCGCD - Adm - OM - Statement of Qualifications - SOQ - 20250826-01 - Pena, Briones, McDaniel and Co.
5. Roloff, Hnatek and Co. L.L.P. which is located in Victoria Texas, provides services to other special districts, estimated audit fees to be \$6,500, and did not specified a maximum hourly rate. See: CCGCD - Adm - OM - Statement of Qualifications - SOQ - 20250828-03 - Roloff, Hnatek and Co., L.L.P.

On October 10, 2025, the Board of Directors of the Victoria County GCD selected Goldman, Hunt, and Notz L.L.P. as their preferred respondent.

On October 16, 2025, the Board of Directors of the Texana GCD selected Goldman, Hunt, and Notz L.L.P. as their preferred respondent.

Board Action: Mr. Johnson moved to:

1. identify Goldman, Hunt, and Notz, L.L.P. as the preferred respondent and alternate preferred respondent to the RFQ for Auditing Services,
2. authorize the general manager and legal counsel to negotiate terms of an agreement for auditing services with the preferred respondent and, if necessary with the alternate preferred respondent,
3. authorize the presiding officer to enter into an agreement with the preferred respondent or the alternate preferred respondent, and
4. authorize the general manager to initiate the financial audit for the fiscal year ending September 30, 2025, upon development of the internal financial reports for September 2025.

Mr. Hahn seconded the motion. The motion passed unanimously.

Item 10 - Consideration of and possible action on matters related to legal counsel report.

Mr. Allison was present and responded with information throughout the meeting.

Item 11.0 - Adjourn Meeting

Board Action: Mr. Hahn moved to adjourn the meeting after concluding all business of the District at approximately 6:30 PM. Mr. Brett seconded the motion. The motion passed unanimously.

THE ABOVE AND FOREGOING MINUTES WERE READ AND APPROVED ON THIS THE 2 DAY OF February A.D. 2016

 Director of the Calhoun County
Groundwater Conservation District

ATTEST:  Director of the Calhoun County
Groundwater Conservation District