

**MINUTES
HARRIS-GALVESTON SUBSIDENCE DISTRICT
REGULAR MEETING
OF THE BOARD OF DIRECTORS
APRIL 11, 2018
10:00 A.M.**

MEMBERS OF THE BOARD PRESENT: Susan Baird, Edgar Barlow, Chris Canonico, Pete Côte, James Edwards, Joe Goins, Don Johnson, Shannon Lucas, Lindy Murff, Alan Petrov, Kathy Rogers, Dennis Sander, Linn Smyth

MEMBERS OF THE BOARD ABSENT: Alan Petrov, Alberto Gonzalez, Ken Hufstetler, Pam Puckett, Kyle Sears, Shaun Theriot-Smith

PRESIDING: Dennis Sander, Vice-Chairman

Chairman Sander called the meeting to order at 10:03 a.m. in the Boardroom of the District office and announced the presence of a quorum.

PUBLIC COMMENTS

1. None

APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING OF MARCH 14, 2018

2. Mr. Latimer moved that the minutes of the regular meeting of March 14, 2018, be approved; it was seconded by Ms. Rogers. Chairman Sander put the question and, after the vote, announced the motion carried.

2.1 Mr. Sears is present.

HEARING EXAMINERS REPORT

3. Ms. Helen Stewart Truscott presented the Hearing Examiner's Report for March 2018, including the testimony and findings for Oakland Land Development and Ruben Velasquez.
 - 3.1. Mr. Canonico moved to accept the Hearing Examiner's recommendations; it was seconded by Ms. Rogers. Chairman Sander put the question, and after the vote, announced the motion carried.

EMERGENCY PERMITS

4. The Board considered the General Manager's actions in granting emergency permits to INEOS Polyethylene North America, Patty James, Schrag Brothers, L.L.C., and Sterling Meadows, L.L.C. No appeals were filed and no motions were made to reconsider the actions taken by the General Manager.

ITEM C

CONSIDER A RECOMMENDATION FROM THE FINANCE COMMITTEE TO ACCEPT THE ANNUAL FINANCIAL AUDIT FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017

5. Mr. Turco stated that the District engages a third party firm to conduct the annual financial audit of the District's previous year-end financial report, and that staff develops the Annual Financial Audit Report. At the last Board meeting, Staff presented a review of the District's 2017 fiscal year budget plan, as compared to the 2017 actuals, which included the information provided in the financial audit. The Finance Committee met last week to discuss the financial audit.
 - 5.1. Mr. Canonico moved to accept the Annual Audit; it was seconded by Mr. Latimer.
 - 5.2. Ms. Laura Lynch stated that she is an auditor with Whitley Penn presenting their opinion on the financial statements, as to whether or not they're materially correct, and to convey the required communications as an auditor. She stated that the audit found that no material corrections were needed to the financial statements.
 - 5.3. Mr. Daniel Newcomb, Administrative Officer, presented a summary of the financial statements for the year ending 2017.
 - 5.4. Mr. Theriot-Smith is present.
 - 5.5. Mr. Gonzalez is present.
 - 5.6. After discussion, Chairman Sander put the question, and after the vote, announced the motion carried. YES-15 NO-Mr. Johnson

CONSIDER A RESOLUTION AUTHORIZING A LETTER AGREEMENT WITH GREG ELLIS FOR LEGAL SERVICES

6. Mr. Turco stated that this is an amendment to the original agreement with Mr. Ellis, which is ongoing.
 - 6.1. Mr. Latimer moved to approve Resolution 2018-1014 authorizing a letter agreement with Greg Ellis for general counsel. It was seconded by Mr. Barlow.
 - 6.2. Chairman Sander put the question, and after the vote, announced the motion carried.

(This resolution is in full in the official records of the Harris-Galveston Subsidence District being Resolution No. 2018-1014.)

GENERAL MANAGERS REPORT

7. Mr. Turco submitted the General Manager's Report.

(The General Manager's Report is in full in the official records of the Harris-Galveston Subsidence District as part of the Board's Agenda Packet for this meeting.)

LEGAL MATTERS

8. Mr. Ellis updated the Board on recent litigation on groundwater issues.

ITEM C

EXECUTIVE SESSION

9. The Board of Directors went into executive session at 10:43 a.m., as authorized by the Open Meetings Act, Section 551.071, Government Code, to discuss legal matters.

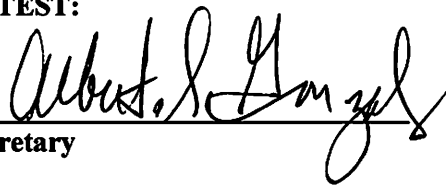
9.1. Following the Executive Session, the Board resumed the open meeting at 10:48 a.m.

9.2. Vice Chairman Sander asked if there was a motion. There was no motion and no action taken.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, THE MEETING WAS ADJOURNED AT 10:49 A.M.

BY: 
Chairman

ATTEST:


Secretary