



Every drop counts!

Board Meeting
&
Workshop

Clearwater Underground Water Conservation District
700 Kennedy Court
Belton, Texas

Wednesday
February 15, 2023
1:30 p.m.

**Clearwater Underground Water Conservation District
Board Members**

**Leland Gersbach, Director Pct. 1
President**

7872 Hackberry
Holland, TX 76534
Phone: 254-657-2679
E-mail: lgersbach@cuwcd.org

Work: Brockway, Gersbach, Franklin
& Niemeier P.C.
3520 SW H.K. Dodgen Loop
Temple, TX 76504
Phone: 254-773-9907
Fax: 254-773-1570

**Gary Young, Director Pct. 2
Secretary**

1314 Creek View
Salado, TX 76571
Cell Phone: 972-571-3118
E-mail: gyoung@cuwcd.org

Jody Williams, Director Pct. 3

15098 FM 437 South
P.O. Box 780
Rogers, TX 76569
Cell Phone: 254-493-4705
E-mail: jwilliams@cuwcd.org

Scott Brooks, Director Pct. 4

425 Mercy Ranch Rd.
Florence, TX 76527
Phone: 254-226-4000
E-mail: sbrooks@cuwcd.org

Director At-Large

Agenda

**NOTICE OF THE MEETING OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
February 15, 2023**

Notice is hereby given that the above-named Board will hold a Workshop and Board meeting on Wednesday, February 15, 2023, beginning at 1:30 p.m., in the Clearwater UWCD Board Room located at 700 Kennedy Court, Belton, Texas. The following items of business will be discussed¹.

Workshop:

1. Receive annual report from Texas AgriLife 4-H Water Ambassador Program.
2. Receive updates related to the 2022 Bell County Water Symposium.
3. Receive information related to Bell/Coryell Karst Coalition RHCP.
4. Receive a draft of the Annual Report for 2022.
5. Receive information related to the 88th Legislative Session and Groundwater Legislation.
6. Receive information related to Groundwater Management Area 8, per the Joint Planning and Development of the Round 4 Desired Future Conditions.

Board Meeting:

1. Invocation and Pledge of Allegiance.
2. Public comment².
3. Approve minutes of the January 11, 2023, Board meeting.
4. Discuss, consider, and take appropriate action, if necessary, to accept the monthly financial report for January 2023 (FY23) as presented.
5. Discuss, consider, and take appropriate action, if necessary, to accept the monthly investment fund account report for January 2023 (FY23) as presented.
6. Discuss, consider, and take appropriate action, if necessary, to approve the FY23 line-item budget amendments as requested.
7. Reconvene show cause hearing on the following violation:
 - a) Discuss, consider, and take the appropriate action necessary upon receiving testimony related to the violation of District Rule 6.5 by drilling & completing a well on January 22, 2022, without a formal CUWCD permit on a tract of land less than 10 acres and great than or equal to 2 acres, Latitude 30.930066 °/ Longitude -97.701384° by both Raul Zavala ("Driller") (TDLR License #54363) officed at 1910 S. Wheeler St., Jasper TX 76951 and Mr. Tomas Reynoso ("Property Owner"), located at 15731 Cedar Valley Rd, Salado TX.
8. Discuss, consider, and take appropriate action, if necessary, to accept the FY22 Financial Audit as presented by the District's contracted auditing firm.
9. Discuss, consider, and take appropriate action, if necessary to appoint a Director for the At-Large Directorship upon completion of qualified candidate interviews for the position.
10. Discuss, consider, and take appropriate action, if necessary approve the Interlocal Agreement Related to the Four County Regional Groundwater Studies with Central Texas Groundwater Conservation District and Southwestern Travis County Groundwater Conservation District.
11. General Manager's report concerning office management and staffing related to District Management Plan³.
12. Receive monthly staff report and possible consideration and Board action on the following²:
 - a. Drought Status reports
 - b. Education Outreach update
 - c. Monitoring Well reports
 - d. Rainfall report
 - e. Well Registration update
 - f. Aquifer Status and Non-exempt Monthly Well Production reports
13. Director comments and reports³.
14. Discuss agenda items for the next meeting.
15. Set time and place for the next meeting.
16. Adjourn.

Dated the 10th day of February, 2023

Leland Gersbach, Board President

By: Dirk Aaron
Dirk Aaron, Asst. Secretary

RECEIVED FOR POSTING
FEB 15 10 13 AM
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

Agenda items may be considered, deliberated and/or acted upon in a different order than set forth above. The Clearwater Underground Water Conservation District is committed to compliance with the Americans with Disabilities Act (ADA) Reasonable accommodations and equal opportunity for effective communications will be provided upon request. Please contact the District office at 254-933-0120 at least 24 hours in advance if accommodation is needed.

¹During the meeting, the Board reserves the right to go into executive session for any of the purposes authorized under Chapter 551 of the Texas Government Code, for any item on the above agenda or as otherwise authorized by law.

²Citizens who desire to address the Board on any matter may sign up to do so prior to this meeting. Public comments will be received during this portion of the meeting. Please limit comments to 3 minutes. No discussion or final action will be taken by the Board except as authorized by section 551.042 of the Government Code.

³No formal action will be taken by the Board on these agenda items. These items are on the agenda to provide the District's staff, Public Task Force Committees, and Directors with an opportunity to bring to the public's and each other's attention important activities and issues pertinent to the management of groundwater within the District, including, but not limited to, current events in the District involving groundwater, wells, or District permittees, state or regional developments related to water management, and activities of the staff, Public Advisory Committee, and Directors. Substantive deliberation and formal action on any of these issues will be conducted pursuant to a specific item on a future agenda.

Workshop Item #1
4-H2O Water Ambassadors
Annual Update

Texas 4-H Water Ambassadors



TEXAS 4-H WATER AMBASSADORS PROGRAM

ANNUAL REPORT 2022

A YEAR IN REVIEW



For more information contact:

David W. Smith

Texas A&M AgriLife Extension Service

Biological & Agricultural Engineering

Texas 4-H Youth Development

(979) 862-1989

davidsmith@tamu.edu



Growing the next generation of
Texas water leaders!



TEXAS A&M UNIVERSITY

Department of Biological
and Agricultural Engineering



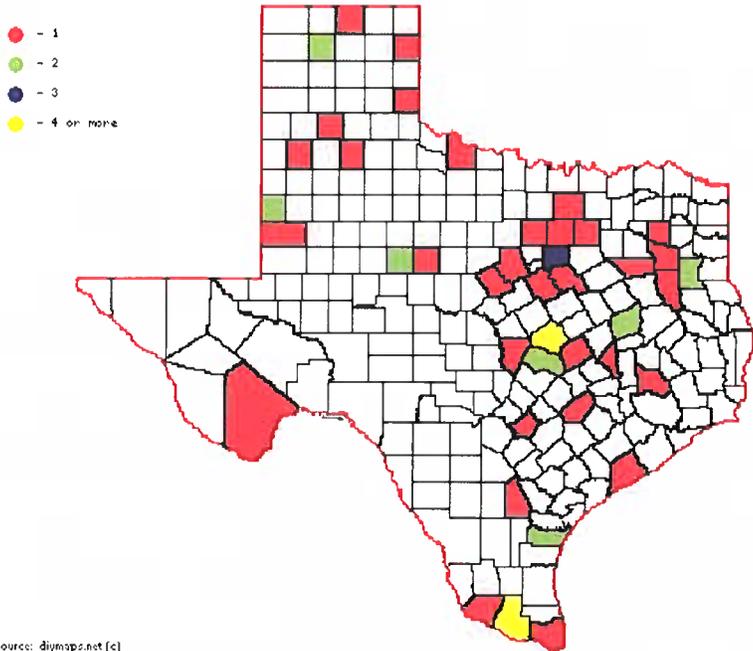
(27) NEW WATER AMBASSADORS ADDED

Since its inception in 2017, (158) youth have served as 4-H Water Ambassadors. There are currently (59) active members representing (41) Texas counties. In 2022, (27) youth were selected for service.



New Tier I Ambassadors (County): Ethan Averling (Dallas); Zane Ball (Johnson); Ryan Beasley (Hidalgo); Justin Braune (Guadalupe); Jesse Calk (Gaines); Victoria Canales (Bell); Andrew Childress (Henderson); Olivia Clifton (Rusk); Tara Easterling (Moore); Hunter Fox (Nueces); Emma Garza (Hidalgo); Joseph Haines (Montgomery); Brindle Harper (Lamb); Hunter Holder (Burnet); Chase Janke (Coryell); Aasia Kim (Erath); Jacy Lampe (Collingsworth); Megan Luna (Brewster); Khora Marez (Hidalgo); Eileen Martinez (Hidalgo); Sienna Molina (Cameron); Lucas Moreno (Hemphill); Texann Ralston (Hansford); Brock Riker (Parker); Mia Salazar (Hidalgo); Andie Saxon (Yoakum); and Clay Workman (Leon).

ALL 2022-2023 4-H WATER AMBASSADORS



Source: diymaps.net (c)

- (27) Tier I water ambassadors
- (15) Tier II water ambassadors
- (14) Tier III water ambassadors
- (3) Tier IV water ambassadors

Map designates the current number of youth representing each county.

CURRENT ROSTER AND COUNTY AFFILIATION

TIER I 4-H WATER AMBASSADORS				
No.	First Name	Last Name	County	Class
1	Ethan	Averling	Dallas	Junior
2	Zane	Ball	Johnson	Freshman
3	Ryan	Beasley	Hidalgo	Junior
4	Justin	Braune	Guadalupe	Sophomore
5	Jesse	Calk	Gaines	Junior
6	Victoria	Canales	Bell	Freshman
7	Andrew	Childress	Henderson	Senior
8	Olivia	Clifton	Rusk	Sophomore
9	Tara	Easterling	Moore	Freshman
10	Hunter	Fox	Nueces	Junior
11	Emma	Garza	Hidalgo	Senior
12	Joseph	Haines	Montgomery	Freshman
13	Brindle	Harper	Lamb	Junior
14	Hunter	Holder	Burnet	Freshman
15	Chase	Janke	Coryell	Sophomore
16	Aasia	Kim	Erath	Freshman
17	Jacy	Lampe	Collingsworth	Freshman
18	Megan	Luna	Brewster	Sophomore
19	Khora	Marez	Hidalgo	Sophomore
20	Eileen	Martinez	Hidalgo	Sophomore
21	Sienna	Molina	Cameron	Sophomore
22	Lucas	Moreno	Hemphill	Sophomore
23	Texann	Ralston	Hansford	Freshman
24	Brock	Riker	Parker	Junior
25	Mia	Salazar	Hidalgo	Freshman
26	Andie	Saxon	Yoakum	Junior
27	Clay	Workman	Leon	Freshman

TIER II 4-H WATER AMBASSADORS				
No.	First Name	Last Name	County	Class
1	Lee	Barnhill	Fisher	Sophomore
2	Mallory	Bunch	Yoakum	Senior
3	Dora (D.A.)	Bush	Taylor	Sophomore
4	Peyton	Clifton	Rusk	Senior
5	Cora	Ford	Hidalgo	Sophomore
6	Jane	Gauntt	Bell	Sophomore
7	Roxane	Islas	Taylor	Sophomore
8	Cone	Johnson	Swisher	Sophomore
9	Daniel	Kernes	Wood	Sophomore
10	Hannah	Lewis	Hill	Sophomore
11	Robert	Miller III	Milam	Sophomore
12	Madison	Olivarez	Starr	Sophomore
13	Sophia	O'Neill	Williamson	Sophomore
14	Emma	Pool	Johnson	Sophomore
15	Charlotte	Sander	Hidalgo	Sophomore

TIER III 4-H WATER AMBASSADORS				
No.	First Name	Last Name	County	Class
1	Isaiah	Atoe	Tarrant	Junior
2	Savannah	Bearden	Cherokee	Junior
3	Sadie	Berry	Comanche	Junior
4	Vie Vie	Blanchard	Collin	Senior
5	Emma	Canales	Bell	Junior
6	Carlie	Estes	Williamson	Senior
7	John	Gauntt	Bell	Junior
8	Summer	Halbert	Brazos	Senior
9	Justin	Hill	Moore	Junior
10	Mark (Ty)	Kubecka	Matagorda	Senior
11	Ava	Larson	Denton	Junior
12	Shelby	Slavinski	Live Oak	Senior
13	Sierra	Snowden	Floyd	Junior
14	Kyle	Workman	Leon	Junior

TIER IV 4-H WATER AMBASSADORS				
No.	First Name	Last Name	County	Class
1	Joshua	Jones	Smith	Senior
2	Andy	Vela	Nueces	Senior
3	Madeline	Brown	Wilbarger	Senior

UP TO (30) YOUTH TO BE ADDED SPRING 2023

TIER I 4-H2O LEADERSHIP ACADEMY

The Tier I 4-H2O Leadership Academy focused primarily on groundwater management in the High Plains and Panhandle regions. The tour began in San Marcos at the Meadows Center for Water and the Environment. From there, tour stops included Central Texas Groundwater Conservation District, Southern Ogallala Conservation and Outreach Program member districts, City of Brownfield, Samuel Jackson, Inc., Texas A&M AgriLife Research and USDA-ARS in Bushland, High Plains Water District, Playa Lakes Outdoor Classroom, and North Plains Groundwater Conservation District. The academy concluded with a visit to John Bunker Sands Wetland Center in Seagoville.



North Plains Groundwater Conservation District demonstration farm tour—Dumas



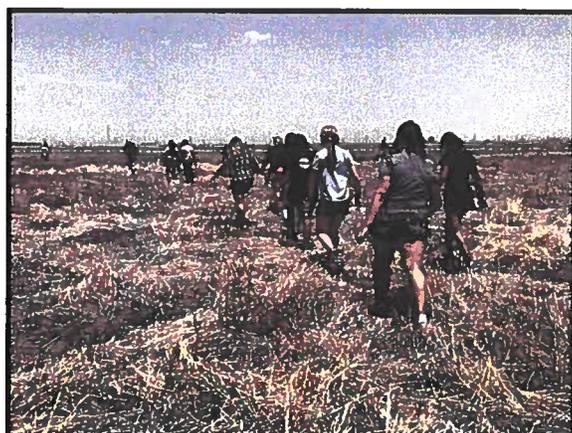
High Plains Water Conservation District visit—Lubbock



Tour of Samuel Jackson, Inc. rainfall harvesting system—Lubbock



Water quality testing at Meadows Center for Water and the Environment —San Marcos



Walking through the Playa Lakes Outdoor Classroom — Nazareth



Southern Ogallala Conservation and Outreach Program mobile classroom—Brownfield



Check out our highlight video!

JUNE 12-17
HIGH PLAINS/PANHANDLE

TIER II 4-H2O LEADERSHIP ACADEMY

The Tier II 4-H2O Leadership Academy, for second-year water ambassadors, focused on water issues in east Texas and along the Texas Gulf Coast. During the tour, youth learned about water and wastewater treatment, hatcheries and fisheries, wetland restoration, aquatic plants, marine ecosystems, and bays and estuaries. Tour stops included the Texas On-site Wastewater Treatment Facility, Texas Water Resources Institute, Galveston Bay Foundation, Long Acres Ranch (Richmond) and Sea Center Texas.



Sea Center Texas wetland and hatchery tour
—Lake Jackson



Planting, water testing and seining with Galveston Bay Foundation—Beach City



Texas A&M Aquacultural Research and Teaching Center
tour —College Station



Fishing, water testing and learning about the Brazos River—Long Acres
Ranch (Richmond)

JUNE 26-30 GULF COAST

TIER III 4-H2O LEADERSHIP ACADEMY

Third year water ambassadors toured south-central Texas and the Lower Rio Grande Valley and met with many water industry organizations and professionals. These included the Guadalupe-Blanco River Authority, Headwaters on the Comal, Edwards Aquifer Authority, Texas A&M AgriLife Research and Extension at Weslaco, Lower Rio Grande Water District Managers Association, Arroyo Colorado Project and Sea Turtle, Inc. Students learned about irrigation districts, water quality, watershed protection, habitat restoration and agricultural irrigation methods in the Lower Rio Grande Valley.



Sea Turtle Inc. rescue and rehabilitation facility—South Padre Island



Canyon Lake George tour with Guadalupe Blanco River Authority—New Braunfels



Edwards Aquifer Authority Education Outreach Center—San Antonio



Dolphin Watch tour—South Padre Island Center



Headwaters on the Comal—New Braunfels



City of San Benito Facultative Lagoon Waste Water Treatment System—San Benito

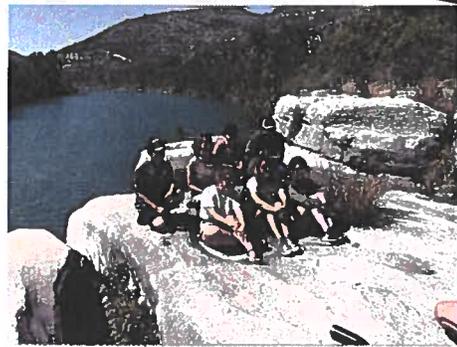


Irrigation district canal automated gate system—Hidalgo

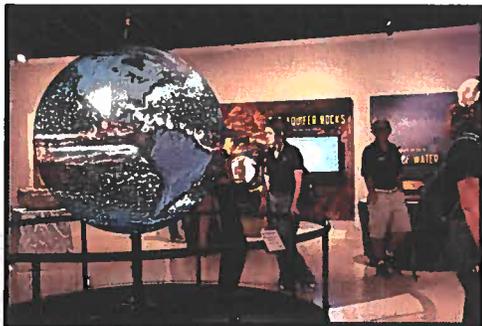
JULY 17-21 LOWER RIO GRANDE VALLEY

TIER IV 4-H2O LEADERSHIP ACADEMY

Fourth year and graduating water ambassadors participated in the first ever Tier IV 4-H2O Leadership Academy. The tour began in San Antonio with a visit with the Edwards Aquifer Authority, and continued west with stops at Upper Guadalupe River Authority, Dolan Falls along the Devils River, Sutton County Groundwater Conservation District, Middle Pecos Groundwater Conservation District, Irion County Water Conservation District, Balmorhea State Park, El Paso Water Utilities and White Sand National Park.



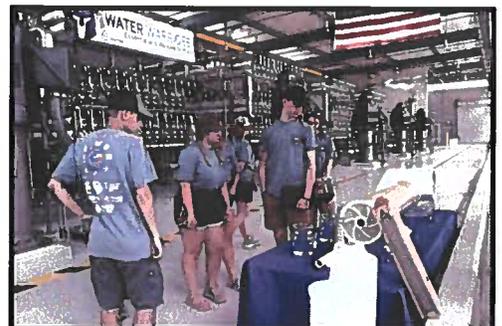
Dolan Falls along the Devils River with Texas Nature Conservancy and Sutton County Groundwater Conservation District



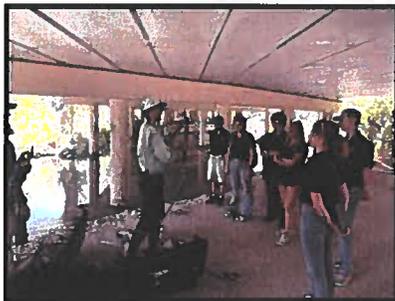
Edwards Aquifer Authority Education Outreach Center—San Antonio



White Sands National Park— New Mexico



El Paso Water Utility Kay Bailey Hutchison Desalination Center—El Paso



Ambassadors spent an afternoon with the Upper Guadalupe River Authority learning about wildlife management areas, water quality field techniques, healthy riparian areas, aquatic invertebrates, rainwater harvesting and water utility operation. They also got a tour of the UGRA Environmental Lab and toured their demonstration garden.



Ambassadors met with Middle Trinity Groundwater Conservation District. They learned about Comanche Springs and visited several flowing wells including Lake Boehmer which has been growing since 2003.

JULY 31—AUGUST 5 FAR WEST

Check out our highlight video!

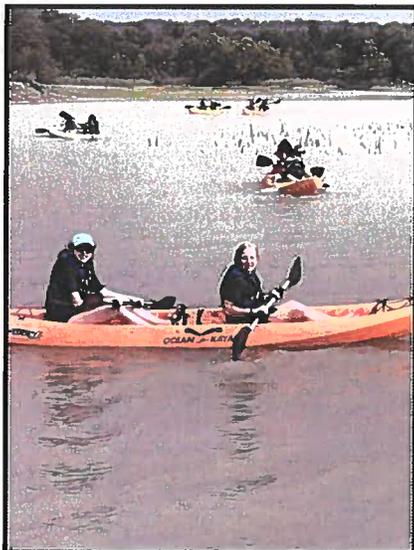


SPRING RETREAT

A weekend spring retreat was held at the State 4-H Conference Center at Lake Brownwood. Dr. Jheri-Lynn McSwain, Texas A&M AgriLife Extension, led a sportfish and micro invertebrate training. Ambassadors enjoyed collecting and identifying aquatic organisms, testing water quality, and fishing. They learned about electro-coagulation to treat water. There were several group activities including constructing a model community water system. At the conclusion, ambassadors presented their model as if they were teaching a youth audience.



Ambassadors worked in groups to build a model community water system.



Ambassadors enjoyed kayaking at Lake Brownwood.



The fishing was good! Several youth caught white crappie and striped bass.



Students used seines and dip nets to collect and inventory micro invertebrates in the lake. They learned how to use this data as indicators of water quality.



Each ambassador received an electro-coagulation-in-a-jar kit and learned how to use electricity to treat dirty water.



Ambassadors practiced using their models to teach about community water systems.

Check out our highlight video!



MAY 20-22 4-H CONFERENCE CENTER

FALL RETREAT

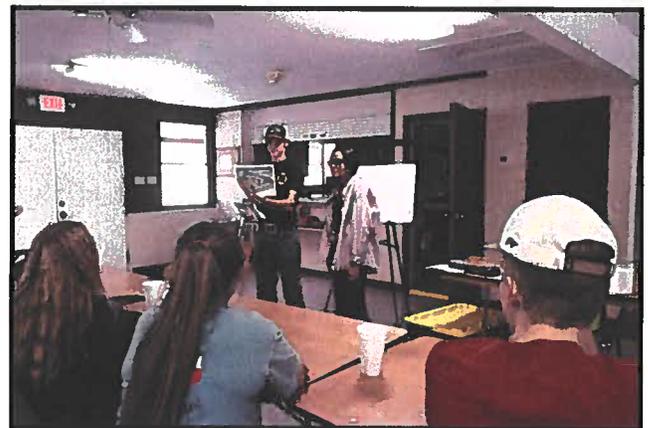
The fall retreat was an opportunity for water ambassadors to learn and practice new water education activities that they can teach in their communities. A simulated “water day” included six rotations where students led 10-20 minute sessions on rainfall harvesting, sprinkler systems, aquatic science, water testing, trivia games and the water cycle. A mock town hall was organized where students advocated different stakeholder interests in a controversial issue—flowing wells.



The sprinkler system activity focused on basic construction, performance testing and efficiency.



The aquatic science station included fish identification and aquatic health as well as casting and fishing basics.



The water cycle station discussed rainfall, infiltration, runoff, evaporation, condensation and transpiration.



The rainfall harvesting station included benefits, basic system components and uses of collected rain water.



During a mock town hall students were assigned one of five stakeholder groups and had to advocate for and defend their position on a specific controversial water issue.

OCTOBER 21-23
4-H CONFERENCE CENTER

WATER CONFERENCES

This year, we exhibited at the Texas Ground Water Association Annual Convention (Frisco), 6th Biennial Panhandle Conservation Symposium (Amarillo), Texas Groundwater Summit (San Antonio), Milam and Burleson Counties Groundwater Summit (Caldwell), and Bell County Water Symposium (Belton).



NETWORKING, PROFESSIONAL DEVELOPMENT

AMBASSADOR SERVICE

4-H water ambassadors delivered presentations and led educational activities at county fairs, water/ag days and in schools, organized river and beach cleanups, and assisted water districts with educational efforts. In 2022, ambassadors reported **2,092** education and service hours and reached **21,842** youth and adults with water education.



Sarah Wood (Bell Co) taught students at Valley Mills Elementary School's Annual Water Day about hydration, pollution, aquifers and the water cycle using the Enviroscape watershed model.



Kyle Workman (Leon Co.) provided water education activities at the Leon County Water Fair.



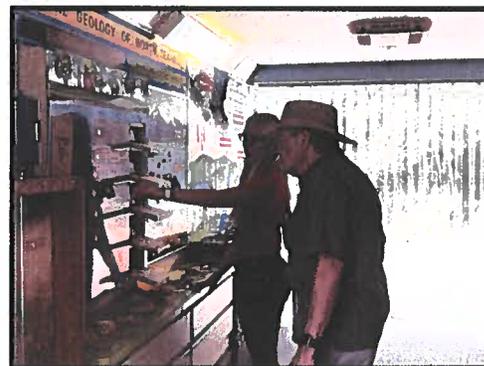
Isaiah Atoe (Tarrant Co.) assisted Dr. Fox of TPWD and other volunteer scouts to install artificial fish habitats.



Tara Easterling and Justin Hill (Moore Co.) ran the District 1 4-H booth at the Tri-State Fair and Rodeo.



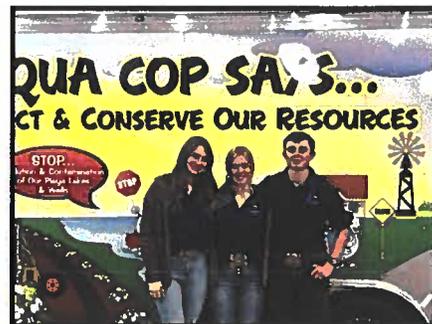
Madeline Brown (Wilbarger Co.) used the Texas A&M AgriLife Stream Trailer to teach 450+ 4th and 5th graders about stream formation and riparian zones at the Wilbarger County Ag Day.



Emma Pool (Johnson Co.) assisted the Upper Trinity Groundwater Conservation District and Texas Master Naturalists at Action Nature Center.

Ambassador activities posted on our social media channels!

Andie Saxon (Yoakum Co.), Jesse Calk (Gaines Co.) and Mallory Bunch (Yoakum Co.) assisted Ms. Michelle Cooper (Southern Ogallala Conservation and Outreach Program) at the Jamboree in Denver City.



\$62,670—VALUE OF VOLUNTEER SERVICE

CONTINUING EDUCATION VIRTUAL SEMINARS

Water industry and education professionals delivered eight seminars during the year for water ambassadors to help them stay engaged and learning about Texas water issues.

SEMINAR TITLE	PRESENTER
H2Oaks Desalination Center	Heather Ginsburg—San Antonio Water System
Nueces River Authority	Sky Jones-Lewey—Nueces River Authority
Agricultural Waste Management—Challenges and Solutions in Manure	Dr. Zong Liu—Texas A&M AgriLife Extension, Department of Biological & Agricultural Engineering
Feral Hog Ecology and Impacts	Mikayla Killam—Texas A&M AgriLife Extension, Department of Rangeland, Wildlife and Fisheries Sciences
A Dive into Texas Water Issues	David Smith—Texas A&M AgriLife Extension, Department of Biological & Agricultural Engineering
Groundwater Law and Policy 101	Ty Embrey, Lloyd-Gosselink, Rochelle and Townsend, P.C.
Landscape Irrigation Technologies	Charles Swanson—Texas A&M AgriLife Extension, Department of Biological & Agricultural Engineering
Bring Baffin (Bay) Back	Dr. Michael Wetz, Harte Research Institute



The 4-H Water Ambassadors Program Advisory Committee met May 24 and December 14 to review program activities, provide constructive feedback and offer suggestions to guide the continued success of the program.

ADVISORY COMMITTEE MEMBERS

David Smith—Texas A&M AgriLife Extension	Adeline Fox—Texas Water Conservation Association
Jay Bragg—Texas Farm Bureau	Jill Garcia—Upper Trinity Groundwater Conservation District
Michelle Wood-Ramirez—Tarrant Regional Water District	Whitney Grantham—Texas A&M AgriLife Extension
Sinclair Newby—Johnson County Special Utility District	Roxanna Reyna—Texas A&M AgriLife Extension
Julia Stanford—Texas Alliance of Groundwater Districts	Megan Lamb—Brazos Valley Groundwater Conservation District
Michelle Cooper—Southern Ogallala Conservation & Outreach Prog.	Stephanie Keith—Middle Trinity Groundwater Conservation Dist.
Dirk Aaron—Clearwater Underground Water Conservation District	Molly McKinney—Former 4-H Water Ambassador, Student Tech
Samantha Reiter—Lone Star Groundwater Conservation District	Riley Calk—Former 4-H Water Ambassador, Student Tech

ADVISORY GROUP MET MAY 24 AND DECEMBER 14

PROGRAM SPONSORS

The Texas 4-H Water Ambassadors program is funded through private sponsorships and in-kind support. Funds are used solely for the mission and objectives of the Texas 4-H Water Ambassadors Program. Thanks to all sponsor organizations for their support!



Like us on social media and keep up with our 4-H Water Ambassadors!



@TX4HWaterAmbassador



@4H2O_Ambassador



4h_water_ambassadors

Sponsorships are made to the Texas 4-H Youth Development Foundation—a 501(c)(3) nonprofit organization. Donations to the Foundation are tax deductible to the fullest extent allowed by law.

A LOOK AHEAD TO 2023

Through an application process, up to (30) youth are selected each spring from across Texas to serve as 4-H Water Ambassadors. Those chosen will participate in a Tier I 4-H2O Leadership Academy – a multi-day tour of Texas aimed at exposing youth to a wide diversity of water issues. Following the Academy, youth commit to a minimum of (40) hours of water education and service in their communities. Those who complete their service commitment may continue as 4-H Water Ambassador in successive years until they graduate high school and are no longer age-eligible to serve. Year 2 (Tier II), year 3 (Tier III) and year 4 (Tier IV) 4-H Water Ambassadors participate in 4-H2O Leadership Academies which focus on a different region of Texas, and renew their annual education and service commitment throughout their remaining terms of service.

IMPORTANT DATES AND DEADLINES

- * **March 15, 2023—Applications open**
- * **May 1, 2023—Applications close**
- * **May 10, 2023—Applicants notified of acceptance status**
- * **June 10, 2023—\$250 participation fee due**
- * **June 11-16, 2023—Tier I 4-H2O Leadership Academy**

HOW TO APPLY

Check out the informational brochure and online application instructions at:

<https://texas4-h.tamu.edu/projects/water/> or visit

<http://www.texas4hwaterambassadors.com>



The Texas 4-H State Water Ambassadors Program is led by Texas 4-H and Texas A&M AgriLife Extension, and supported in part by the Texas 4-H Youth Development Foundation. A team of industry, organization sponsors, and stakeholders provide guidance for programming and serve as mentors for water ambassadors.

Workshop #2
Water Symposium Updates



November 16, 2022

Final Balance Sheet 1/5/2023

<u>Sponsors:</u>	<u>Name</u>	<u>Commitment</u>	<u>Received</u>
	AGS	\$500.00	\$500.00
	Allan R Standen	\$500.00	\$500.00
	Bell County Engineer	\$1,000.00	\$1,000.00
	Blanton & Assoc	\$500.00	\$500.00
	Gamblin & Assoc	\$500.00	\$500.00
	KPA	\$1,000.00	\$1,000.00
	Lloyd Gosselink	\$500.00	\$500.00
	LRE	\$500.00	\$500.00
	Michelle A Sutherland	\$500.00	\$500.00
	RW Harden & Assoc	\$500.00	\$500.00
Total Sponsorship:		\$6,000.00	\$6,000.00

<u>Expenses:</u>		<u>Year</u>	<u>Attendance</u>
TDT -Advertisement	\$1,168.75		
KDH - Advertisement	\$1,106.00		
Expo - Assembly Hall - Deposit	\$900.00		
Catering	\$2,790.00		
32 Round Tables	\$96.00		
11 8ft Tables	\$33.00		
Table linens	\$90.00		
219 chairs	\$109.50		
Staging	\$35.00		
Pipe & Drape	\$180.00		
Internet Access	\$20.00	2016	135
Texas Tour Gear	\$1,785.00	2017	165
Supplies/Coffee/Snacks	\$428.83	2018	158
Speaker Gifts	\$409.64	2019	157
Hotel - Dr. Eckstien	\$119.60	2020	N/A
Mileage - Dr. Eckstien	\$182.50	2021	183
Meal - Dr. Eckstien	\$12.90	2022	187
Total Expenses:	\$9,466.72		

CUWCD: Cost Share \$3,466.72

*1/5/2023
AEC*

Clearwater Underground Water Conservation
 Transaction Detail By Account
 October 2022 through September 2023

6:35 PM
 01/05/2023
 Accrual Basis

	Name	Memo	Amount	Balance
53000 · Operating Expenses				
53600 · Educational Outreach/Marketing				
53605 · Event Cost				
	Bell County Engineer	Water Symposium - Sponsor	-1,000.00	-1,000.00
	Lloyd Gosselink	Water Symposium - Sponsor	-500.00	-1,500.00
	LRE	Water Symposium - Sponsor	-500.00	-2,000.00
	Blanton & Associates	Water Symposium - Sponsor	-500.00	-2,500.00
	Allan Standen	Water Symposium - Sponsor	-500.00	-3,000.00
	R W Harden & Associates, Inc	Water Symposium - Sponsor	-500.00	-3,500.00
	AGS	Water Symposium - Sponsor	-500.00	-4,000.00
	Michelle Sutherland	Water Symposium - Sponsor	-500.00	-4,500.00
	KPA	Water Symposium - Sponsor	-1,000.00	-5,500.00
	Card Service Center	Water Symposium - Expo deposit	900.00	-4,600.00
	Gamblin Engineering Group, LLC	Water Symposium - Sponsor	-500.00	-5,100.00
	Temple Daily Telegram	Water Symposium - Newspaper Ads	584.37	-4,515.63
	Killeen Daily Herald	Water Symposium - Newspaper Ads	1,106.00	-3,409.63
	Bell County Expo Center	Water Symposium - Facility/catering/Technology	5,138.50	1,728.87
	Gabriel Eckstein	Water Symposium - Mileage - Key Note Speaker	182.50	1,911.37
	Gabriel Eckstein	Water Symposium - Meal - Key Note Speaker	12.90	1,924.27
	Temple Daily Telegram	Water Symposium - Newspaper Ads	584.38	2,508.65
	Card Service Center	Water Symposium - coffee/snacks/paper goods/supplies	428.83	2,937.48
	Card Service Center	Water Symposium - Speaker gifts	409.64	3,347.12
	Card Service Center	Water Symposium - Hotel - Key Note Speaker	119.60	3,466.72
	Total 53605 · Event Cost		<u>3,466.72</u>	<u>3,466.72</u>
	Total 53600 · Educational Outreach/Marketing		<u>3,466.72</u>	<u>3,466.72</u>
	Total 53000 · Operating Expenses		<u>3,466.72</u>	<u>3,466.72</u>
TOTAL			<u><u>3,466.72</u></u>	<u><u>3,466.72</u></u>

11/5/2023
 SEC

2022 Bell County Water Symposium

Evaluation Results Interpretation

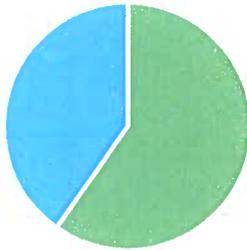
Attachments:

- A. Copy of the evaluation instrument provided at the symposium
- B. Evaluation result summary provided by Texas A&M AgriLife Extension's Office of Data and Accountability
- C. List of comments provided by participants on the back of the evaluations

Participant Break Down

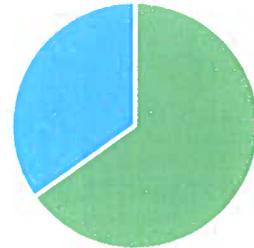
89 paper surveys were returned.

Are you a resident of Bell County?



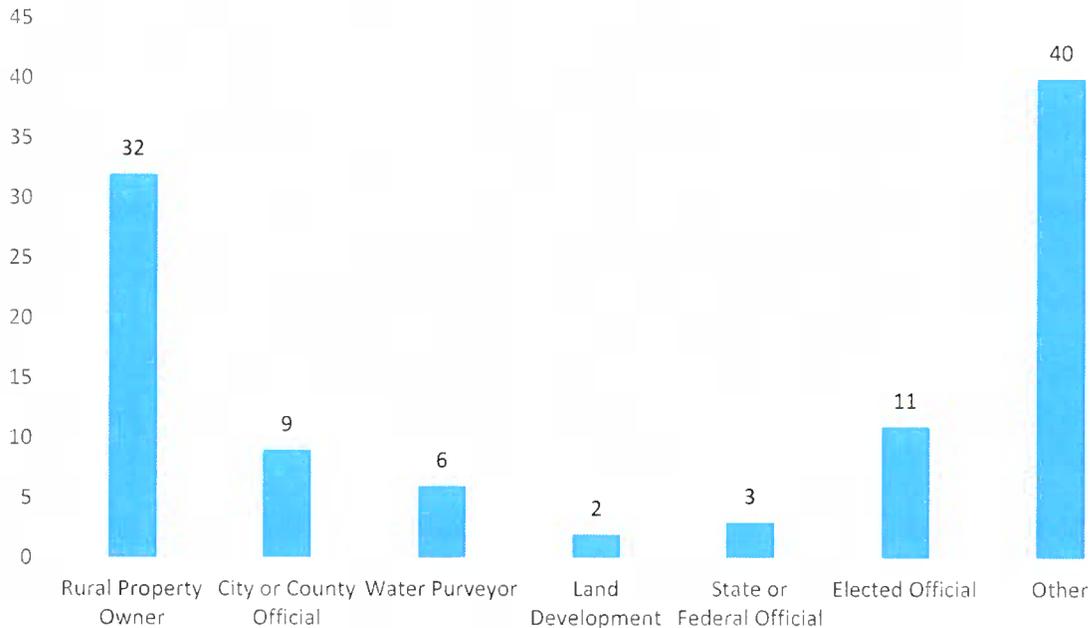
■ Yes = 52 ■ No = 35

Have you attended this symposium in the past?



■ Yes = 58 ■ No = 31

Who do you represent?



Your views on the quality and effectiveness of Extension programs are extremely important. Please take a few minutes to tell us about your experience with this activity. Your answers to the following questions will help us better meet your needs. Please do not write your name on this form so that your responses are anonymous. Thank you!

MARKING INSTRUCTIONS
 CORRECT: ● INCORRECT: ✗ ⊗ ☹ ☺

1. For each item listed below, mark the ONE number in the left column that best describes your level of understanding BEFORE the program; and then mark the ONE number in the right column that best describes your level of understanding AFTER the program.

Your understanding of . . .	Poor	Fair	Good	Excellent	BEFORE Program				AFTER Program			
	1	2	3	4	1	2	3	4	1	2	3	4
The current population trends in Texas and Bell County?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How development plats are approved and who approves them?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Where is Bell County to experience growth?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Why is Bell County experiencing population growth?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
What is a Regional Habitat Conservation Plan and why a plan is needed in Central Texas?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
What is the Brazos River Authority's responsibilities to the entire river basin?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The current state of "water demands and existing supplies" in the Little River System?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
What is the Allens Creek Reservoir and what does it mean to Bell County?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are there any current drought curtailment efforts in Bell County?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Who is Bell County Water Control & Improvement District #1?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Who does Bell County WCID #1 serve?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Who manages Groundwater in Bell County?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How is Clearwater UWCD funded and governed in Bell County?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Who is the Aquifer Conservation Alliance?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The legal remedies for landowners who want groundwater management, WC Chapter 36?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Regional Water Planning process supporting the Texas State Water Plan?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Who is the State Climatologist?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
What is the difference between a La Nina and a El Nino?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is Texas destined to have another epic drought like 2011-2012?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Thank you!



1) Have you attended the symposium in the past? Yes No

a. If so, how many times?

2) Are you a resident of Bell County? Yes No

3) Who do you represent?

a. Rural property owner

b. City or County Official

c. Water Purveyor

d. Land Development

e. State or Federal Official

f. Elected Official

g. Other

4) In the space below, please provide any additional comments you would like to share with us.

Event Profile

First Name	WHITNEY
Last Name	INGRAM
Primary County	Bell
Additional County	.
Additional County	.
Additional County	.
Additional County	.
Additional County	.
Additional County	.
Type of Plan	Outcome
State Goal	Goal 2 (Agriculture, Natural Resources, Economic and Environmental Education)
TEexas Plan Number	.
TEexas Task Number	.
Type of Event	Group educational event
Event Title	BELL COUNTY WATER SYMPOSIUM
Event Date	16-NOV-2022
Economic Benefit an Explicit Goal	No
CEUs Offered	CEUs not offered
Partial Cost Recovery Even	No
Zip Code Where the Event Occurred	76513
Scan Form ID	31152
Batch number assigned by OD	56072
Surveys Returned	89
Total Attendance	120
Survey Response Rate	74.2%

Table: Pre Means, Post Means & Percent Change

	Your understanding of . . .	Mean Before	Mean After	Percent Change
1	The current population trends in Texas and Bell County?	2.83	3.63	26.7%
2	How development plats are approved and who aproves them?	2.61	3.34	24.3%
3	Where is Bell County to experience growth?	2.63	3.67	34.7%
4	Why is Bell County Experiencing population growth?	2.83	3.46	21.0%
5	What is a Regional Habitat Conservation Plan and why a plan is needed in Central Texas?	2.22	3.28	35.3%
6	What is the Brazos River Authority's responsibilities to the entire river basin?	2.70	3.56	28.7%
7	The current state of 'water demands and existing supplies' in the Little River System?	2.10	3.01	30.3%
8	What is the Allens Creek Reservoir and what does it mean to Bell County?	1.71	3.44	57.7%
9	Are there any current drought curtailment efforts in Bell County?	2.30	3.03	24.3%
10	Who is Bell County Water Control & Improvement District #1?	2.32	3.43	37.0%
11	Who does Bell County WCID #1 serve?	2.26	3.46	40.0%
12	Who manages Groundwater in Bell County?	3.20	3.77	19.0%
13	How is Clearwater UWCD funded and government in Bell County?	2.97	3.72	25.0%
14	Who is the Aquifer Conservation Alliance?	1.79	3.54	58.3%
15	The legal remedies for landowners who want groundwater management, WC Chapter 36?	2.00	3.39	46.3%
16	The Regional Water Planning process supporting the Texs State Water Plan?	2.40	3.22	27.3%
17	Who is the State Climatologist?	2.09	3.69	53.3%

Table: Pre Means, Post Means & Percent Change

	Your understanding of . . .	Mean Before	Mean After	Percent Change
18	What is the difference between La Nina and a El Nino?	2.82	3.66	28.0%
19	Is Texas destined to have another epic drought like 2011-2012?	2.49	3.44	31.7%

Percent Change = ((Post Mean - Pre Mean) / 3) * 100

Comprehensive list of all written comments received:

- Excellent program!
- Excellent symposium providing much needed information
- Highly educational
- Well planned meeting which keeps improving in providing relevant information. Lunch provided is appreciated.
- Excellent program!
- Very good program. Thanks for a very good presentation and information. Thanks for the invitation!
- I appreciate the comprehensive presentations and the thoughtful organization best symposium's agenda.
- Last session could use some work.
- The room was cold, the food not very warm either. Otherwise, another good/information symposium. Thanks.
- Great
- Thank you! Keep doing these! More detail on Water Conservation education, particularly for water purveyors and their ability to increase consumer fees for abuse/overuse of water and reeducation in their water loss before it get to the consumer.
- Well done.
- Very professionally done with great speakers. Always a learning experience.
- Ref. Aquifer and You; Reinventing the wheel on intersection and response based on education and personality.
- Great sound system. Finally great meeting.
- Would be nice if you would ask TCEQ to give hours for with or without credit.
- Great event.
- A short break after lunch @ 2:00 ish would be nice to let people mill about a little.
- As always, a great program. Caterer was not up to past standards. Williamson County ACA was big surprise, never heard of.
- More towns, cities on map for those who are unfamiliar with county geography
- A lot of information, excellent experts, but sometimes assessed we already knew more than, perhaps, we did. A little more organizational explanation would be helpful. Thanks.
- Great Symposium!
- Learned a lot! Thank you!
- Really good symposium. Looking forward to the future.
- This is an incredible program; we look forward to it every year because it is so information and important.
- Very well-organized event. Great speakers. I got of good information presented. Good program. Thank you all!
- Really liked the ACA annexation discussion. (I live in the Southwest Travis Co GCD area) Getting to vote on the GCD approval was a big deal for me.
- Dirk had too many acronyms in his presentation that I didn't know the meaning of, without explanation. All speakers and presentations were outstanding. A lot of the maps were difficult/impossible to read (text size was too small).
- Thank you! This meeting is becoming more interesting each year! Just make sure that Dirk will NEVER Retire!!
- I would like to hear more short presentations and less long presentation.
- Great job. Really enjoyed the event and the overriding theme of thinking regionally.
- Great Symposium!
- Good agenda, as always
- All good!
- Would like to have the talk come from Central Texas Water Supply. We get supplemental water from them. Talk about water reuse for electric stream generator, like BRA to power electric plant has presentation or water conservation, rainwater collection.

Workshop #5
88th Legislative Session

**Workshop
February 15, 2023**

**Workshop Item #5
88th Legislative Session and Groundwater Legislation Update**

Workshop Item #5:

Receive information related to the 88th Legislative Session and Groundwater Legislation

Narrative:

Per the FY23 budget year we agreed to have Legislative Services from Ty Embrey for the 88th Legislative session as follows:

A. Monitoring Services

- Identify and read all bills, committee substitutes, and amendments to assess impact on the District
- Ty will use Telicon legislative database to identify and track bills.
- Bill reports will be provided the District initially on a bi-weekly basis and then on a weekly basis as the Regular Session unfolds and more legislative activity occurs.
- Ty will bring bills of special interest to District's immediate attention.

B. Defensive Services

- Analyzing and advising CUWCD on legislative strategies to defend CUWCD's current groundwater management and regulatory structure.
- When necessary, consultations with legislators and legislative staff on issues and language of concern to CUWCD.
- Working with CUWCD reps, legislators and staff, and the Texas Legislative Council to secure the drafting of any necessary amendments.
- Meetings and briefings with CUWCD reps and key legislators and their staff on relevant legislation and addressing CUWCD and legislators' concerns.
- Identifying opportunities for CUWCD reps to testify before legislative committees and to meet individually with key legislators and their staff.
- Analyzing and advising CUWCD on the drafting of any necessary legislative amendments.
- Consultations with the Office of the Governor for defeat of legislation by that office of any legislation that is enrolled by the Legislature.
- Updating CUWCD on the provision of these legislative services and tasks through phone calls, meetings, and correspondence related to the provision of these legislative consulting services.

C. Advocacy Services

- Ty will work with CUWCD to identify legislation that is supported by and helpful to the efforts of the CUWCD.
- Ty will meet with legislators and legislative staff on a routine basis to urge the movement and passage of favorable legislation.
- Ty will work on amendments that can enhance filed legislation that is supported by CUWCD.

See attached some preliminary information related to discussions with TWCA and TAGD. The following is information from the Senate Water, Ag, and Rural Affairs Committee report to the 88th Legislature. The full report can be viewed at : https://senate.texas.gov/cmtes/87/c700/c700_InterimReport_2022.pdf

The summary recommendations related to the groundwater charge (interim charge 3) are as follows:

Interim Charge #3 states: *Groundwater conservation districts are the designated gatekeepers of Texas groundwater supply. The need for accurate and timely scientific data is critical when permitting groundwater. Specifically, regarding the basin of origin, if the science proves to be inaccurate, or better science enters the picture, and individual well-owners are impacted due to large water export permits, there should be a remedy for the landowners. Solutions could be funds to drill wells deeper to reach water or other compensatory means for those where the taking occurred.*

Recommendations

- ✓ *Encourage groundwater conservation districts to maximize tools such as export fees and contracts to adequately plan for mitigation.*
- ✓ *Texas should invest in updated groundwater availability models at the Texas Water Development Board. Additionally, the state should consider grants to groundwater conservation districts to employ the best available science at a local level.*
- ✓ *Encourage districts to incentivize and perform outreach to the benefits of data to individual landowner for the use of well meters.*
- ✓ *Continue to replenish the Agriculture Conservation grant funding for incentives for drip irrigation and other conservation technologies that have a proven record of water savings.*
- ✓ *Greater education to the public, including the public schools as to the importance of water conservation.*

The full discussion on the groundwater charge begins on page 40 of the full report. There are also recommendations related to investments in water infrastructure funding (charge 1) and water planning, including funding for new water supply opportunities such as produced water and desalination (charge 2).

Minutes - Item #3

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, TX
Wednesday, January 11, 2023
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a Workshop at 10:00 a.m. and the Regular Board meeting at 1:30 p.m. on Wednesday, January 11, 2023, at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

Board Members Present:

Leland Gersbach, President, Pct 1
Gary Young, Secretary, Pct 2
Jody Williams, Director, Pct 3
Scott Brooks, Director, Pct 4
Vacant position, Director, At-Large

Absent:

Staff:

Dirk Aaron, General Manager
Shelly Chapman, Admin Manager

Guests

Jane L Van Praag – Bartlett	Sandra Blankenship – WCID1	Linda Griffith – Salado
Cole Ruiz – Lloyd Gosselink	Mike Walsh – Salado	Darlene Walsh – Salado
Valleri Bond – Liberty Hill	Keith Elliston – Liberty Hill	Linda Egg – Salado
Richard Egg – Salado	Melanie Caraway – Salado	Gary Caraway – Salado
Gail Christian – Belton	Lou Hight – Temple	Stan Simons – Belton
Sharon Douglas – Salado	K.D. Hill – Salado	Keren Kinnison – Salado
Susan Gordon – Salado	Bruce Gordon – Salado	Tracy Brown – Temple
Murray Lane – Salado	Chad Stewart – RREAF	Sarah Bolton – Georgetown
James Zavodny – Liberty Hill	Jim Brown – Salado	William Gamblin – Gamblin Eng.
CV Capen – Belton	Pat Mielnick – Temple	Murray McCarley – Temple
Don Fergeson – Salado	Jim Moreland – Florence	Kerry Fillip – Salado
Mike Keester – RW Harden	Sara Whitis	Paul Stevens – Salado
Jennifer Bronson Warren – TPWD	Bill Johnston – Belton	Marcia Cross – Belton
David Cross – Belton	Tim Fleischer – Salado Village Voice	Whitney Ingram – AgriLife Ext
Chet Sutton – Salado	Session Herald – SWSC	Warren Stevens - Salado

Board meeting convened with President, Leland Gersbach, at 1:47 p.m.

1. *Invocation and Pledge of Allegiance.*

Director, Jody Williams, gave the invocation.
Secretary, Gary Young, led the Pledge of Allegiance.

2. *Public Comment.*

None.

3. *Approve minutes of the December 14, 2022, Board meeting.*

Board members received the minutes of the December 14, 2022, Board meeting and workshop in their Board packet to review prior to the meeting.

Secretary, Gary Young, moved to approve the minutes of the December 14, 2022, Board meeting and Workshop. Director, Jody Williams, seconded the motion.

Motion carried 4-0.

4. *Discuss, consider, and take appropriate action, if necessary, to accept the resignation of AT-Large Board Member, R. David Cole effective January 4, 2023.*

Leland noted that David had sent in a letter of resignation from the Board. Dirk asked to speak on David's tenure with the district. He served on the Advisory Board when the district was established. He was appointed to the Board in 2011 when John Mayer stepped down for health reasons. David spoke highly of the Board and the honor it has been to serve.

Dirk noted that the staff would do something to recognize David at the March Board meeting.

Director, Jody Williams, moved to accept the resignation of R. David Cole effective January 4, 2023. Director, Scott Brooks, seconded the Motion.

Motion carried 4-0.

5. *Discuss, consider, and take appropriate action, if necessary, direct General Manager to begin accepting applications immediately for the At-Large Directorship to replace R. David Cole until the close of business, Thursday, February 9, 2023.*

Secretary, Gary Young, moved to direct General Manager to begin accepting applications for the At-Large Directorship. Director, Scott Brooks, seconded the motion.

Motion carried 4-0.

President, Leland Gersbach asked the Board to move to agenda item 16 at this time.

16. *Conduct Public Hearing on the following application:*

Discuss, consider, and take appropriate action, if necessary, on a proposed operating permit for an existing well for RREAF Holdings, LLC, and the Hanks-Cabiness Christian Trust submitted on November 1, 2022, for an operating permit for an not to exceed 19.2 acre-feet or 6,256,339 gallons per year for landscape use only, completed in the Edwards BFZ Aquifer and located in the Edwards BFZ Management Zone described in District Rule 7.1 and limited to a maximum 2-inch column pipe on a 14.387-acre tract in accordance with District Rule 9.5 and located at Latitude 30.93497°/Longitude -97.53675° at the N.E. corner of I-35 and FM 2268, Salado, Texas.

President, Leland Gersbach, called the public hearing to order at 1:53 p.m.

Leland gave a summary of the application before the Board and reviewed the procedures that will apply. He noted for the record that the hearing had been properly noticed according to statute and District rules. Leland instructed anyone wishing to participate in the hearing, in support or protest to sign up to speak.

As presiding Officer, Leland will hear evidence and sworn testimony and rule on any procedural issues. He stated that the permit application must meet certain elements to be approved. General Manager, Dirk Aaron will cover these elements in his review and recommendations

Leland noted that the application before the Board has undergone administrative, legal, and technical review by District staff, General Counsel, and Geoscience Consultants.

Leland laid out the procedures for the hearing. First, the Board will offer members of the public wishing to speak in support of or against the application to provide such comments. These individuals may or may not qualify as affected parties. This opportunity for public comment will be afforded specifically to those members of the public seeking to offer public comment, but not wanting to request a contested hearing under District Rule 6.10.8., and/or not qualifying as an affected party. Leland noted that the district did receive requests for a contested case hearing prior to today's hearing in writing, and if the district receives any additional requests by a person appearing today before the Board, the Board will enter a preliminary phase of the contested case hearing. Next, Leland will ask the applicant (Chad Stewart) and his representative (William Gamblin) to provide testimony explaining the applications. Then Leland will take testimony on the merits of the application from General Manager Dirk Aaron, hydrogeologist and District Consultant – Mike Keester, and if necessary, Legal Counsel – Cole Ruiz.

Leland noted again that this is a contested case hearing and will ask any affected persons who have qualified to participate as a party to the case, to speak and provide testimony and any evidence they might have. Leland will then allow the applicant an opportunity for rebuttal and allow affected parties to express their concerns and ask questions.

Leland opened the floor to anyone interested in making a public comment but doesn't want to request a contested case hearing or does not qualify as an affected party. He noted that the Board accepts public comment from any member of the public wishing to comment.

Dirk stated that there were 4 people signed up to make public comments but don't meet the criteria of an "affected party".

Leland introduced the following people for public comment:

Jane Van Praag – Commented that she is opposed to any excess withdrawal of water and would appreciate the conservation of our water.

Richard Egg – He is opposed to the use of groundwater for the irrigation of commercial landscapes. He commented that there is insufficient groundwater in the area for this use considering the growth in Bell County and frequent and persistent drought. He suggested a better use would be rainwater catchment systems and the use of native plants. He also requests the application be denied.

Murray Lane – He is opposed to the use of a well for this purpose. He agrees with Richard Egg's suggestions for rainwater catchment and the use of native plants.

Murry McCarley – He is opposed to the application. Stated his credentials and background. He uses a rainwater catchment system on his property. He reviewed the application and noted the use of "native Bermuda grass". He commented that Bermuda grass is not native to this area. The use of native plants would use a lot less water.

Leland stated that anyone wishing to be recognized as an official affected party needs to explain to the Board how they meet the legal standard and establish party status according to the Water Code and the District Rules.

Dirk gave Leland a list of individuals who signed up to establish party status and be recognized as an affected party. Leland asked each person to state their name, legal right, duty, privilege, power, or economic interest that they believe will be affected if the application is granted.

Chet Sutton – adjacent landowner, 3 adjacent tracts with grandfathered exempt wells. **Will testify.**

Linda Griffith – adjacent property owner, shares a property line. **Will testify.**

Session Herald – representing Salado Water Supply Corp. Does not wish to testify.

Karen Kinnison – lives across the street from the development and is worried about water. Does not wish to testify.

Warren Stevens – lives within ½ mile from the development and is concerned about excessive water use. Does not wish to testify.

K.D. Hill – property owned downstream from the development, concerned about economic value as a business owner (The Barrow and Rio Salado). Does not wish to testify.

Darlene Walsh – owns property downstream, concerned about drainage issues from the development. **Will testify.**

Murray Lane – a property owner. **Will testify.**

Sara Whitis – ½ mile radius, doesn't share property line or a well on the property. Does not wish to testify.

Leland moved to the evidentiary phase of the hearing. He asked Dirk if representatives for the applicant were present. Chad Stewart and James Zavodny were present. Also present were District Counsel Cole Ruiz, and Hydrogeologist Mike Keester representing CUWCD.

Leland administered an oath to all parties introduced that will speak on the application. The oath was administered to Dirk Aaron, Cole Ruiz, Mike Keester, William Gamblin, Darlene Walsh, Linda Griffith, Chet Sutton, James Zavodny, and Chad Stewart.

Leland asked Chad Stewart with RREAF to lay out the application for an operating permit for an existing well. Chad introduced himself and gave a brief summary of his background and who he is. He presented his request for an operating permit for an existing well. He laid out their plans to protect and preserve water resources.

William Gamblin - Gamblin Engineering, consultant for the applicant, laid out his plans to gather the best science possible from the required pump tests. They will utilize 2 observation wells as required by the district.

Dirk Aaron – Clearwater UWCD, presented his executive summary and support documents referenced in his summary. He stated that the applicant met all administrative requirements, agreed to use existing wells as observation wells, and agreed to avoid waste and achieve water conservation. Dirk noted that landscape is considered beneficial use and they meet the metrics under state law.

Mike Keester – RW Harden, presented his evaluation and analysis concerning the application and projected groundwater demand and recommendations.

The meeting was interrupted by a gentleman not signed in (later identified Leland Gersbach as John Asbury). He referenced the Open Meetings Act and had concerns about people wanting to testify and were not given the opportunity because they were not in the geographical area of the location. District Counsel, Cole Ruiz, addressed the comment.

Leland addressed the applicant and verified he understood and agreed to all the requirements discussed. The applicant agreed.

Leland invited protestants who were determined to have legal standing an opportunity to state their concerns about the application.

Linda Griffith – Most of what she had to cover, CUWCD addressed. She read a letter she submitted regarding her concerns. She is an adjacent property owner and a member of the Native Plant Society of Texas. She gave a binder to the applicant from the Native Plant Society and offered their services.

Chet Sutton – He is an adjacent property owner. He has no option for public water supply. He is worried about the quality of his water and concerned about his wells failing. He is concerned about the economic value of his property.

Darlene Walsh – Salado resident and business owner. She is concerned about the runoff/drainage of water from the Sanctuary. She noted that there is not a well on that property. She is mainly concerned about where runoff is going to go.

Chad addressed Darlene's concerns and explained how they are improving the detention ponds. He also addressed Chet's concern and noted that they have worked with Salado Water Supply and provided in excess of \$5,000,000 in infrastructure. Which consisted of a new water system and everything that entails. Chet should be able to tap into those lines. Chet did say he had been in touch with SWSC.

Leland offered another opportunity for anyone else that is a party to the case to testify if they choose to.

Karen Kinnison – She agrees with everything Linda Griffith said. Water is precious. She is also concerned about the trees being cut down and then more trees being planted and having to be watered. Those are the things that bother her.

Chad asked to address Karen's comments. He explained that they have navigated roads and placement of buildings to mitigate the position of the trees. They are making every effort to save the "Legacy" trees.

There were no other comments.

Leland asked the Board if they had any additional questions. Director, Scott Brooks asked for clarification that the applicant agreed to monthly curtailments. Dirk confirmed.

Leland concluded the discussion on the application at 3:57 p.m.

Seeing all parties have had an opportunity to submit their case, Leland asked if any other parties contesting the application were interested in submitting additional evidence. There were none.

Leland asked the applicant when they will be able to complete the requirements and return to the Board for the final decision? Chad stated that will be contingent on the 2nd observation well. Dirk will get the contact information to them regarding the 2nd observation well. The applicant requested 60 days. That will put it out to the March or possible April Board meeting.

Leland concluded the evidentiary portion of the application and will not be issuing an operating permit until the applicant meets the additional requirements.

Leland stated that the hearing will be reconvened at a time to be determined.

Public Hearing closed

(10 min break – move to item 12)

12. Discuss, consider, and take appropriate action, if necessary, to formally receive a petition for annexation from the Aquifer Conservation Alliance in Western Williamson County, and set forth the prescribed public hearings.

Dirk noted that he received the petition for annexations from the ACA on January 2, 2023. The petition was reviewed by Dirk and the District's legal counsel, Cole Ruiz. Addresses on the petition have been verified to determine if they are in the petition territory for annexation. There is a requirement for 50 or more valid addresses to move forward. Dirk commented that the metrics were met by meets & bounds.

Dirk drafted a "Notice of Public Hearing" and requested that 3 public hearings be held. Dirk presented tentative dates and requested 2 be held in Williamson County and 1 be held in Bell County. Dirk will be meeting with a group from Florence that have an interest. The locations and notification of the public hearings will fall on the back of the district. The district is required to hold public hearings. The notifications of the dates will be in one notice and run in several of the small local papers in the petition territory as well as the TDT, KDH, and Salado Village Voice. Shelly has worked to get information on the community papers and deadlines to run the notice. Austin American Statesman would be extremely expensive.

Dirk explained to the Board that he would like to meet with the Board in Executive Session with legal counsel to continue the discussion.

Leland moved to Executive Session with legal counsel at 4:23 p.m.

Executive session concluded on the discussion of item 12 and the regular Board meeting resumed at 4:53 p.m.

Dirk asked the Board for direction to move forward to set dates, time, and locations for the public hearings to be held, to run the "Notice" in the local papers, and to post at the Bell and Williamson County Clerk's office.

Dirk and Cole discussed the flow of the public hearing and that no decisions will be made. The Board will be in "listening" mode only. The purpose of the hearing is to gather information.

Director, Scott Brooks, moved to have Dirk make arrangements to hold 3 public hearings as discussed on January 31st, February 1st, and February 2nd in various locations beginning at 6:00 p.m. depending on availability. Secretary, Gary Young, seconded the motion.

Motion carried 4-0.

6. Discuss, consider, and take appropriate action, if necessary, to accept the monthly Financial Report for November 2022 (FY23) as presented.

Board members received the corrected monthly financial report for November 2022 in their Board packet to review prior to the meeting.

Shelly presented and explained the corrections to the November 2022 monthly financial report.

Director, Scott Brooks, moved to accept the corrected financial report for November 2022 as presented. Secretary, Gary Young, seconded the motion.

Motion carried 4-0.

7. *Discuss, consider, and take appropriate action, if necessary, to accept the monthly Investment Fund account report for November (FY23) as presented.*

Board members received the monthly Investment Fund account report for November 2022 in their Board packet to review prior to the meeting.

Director, Jody Williams, moved to accept the monthly investment Fund account report as presented. Director, Scott Brooks, seconded the motion.

Motion carried 4-0.

8. *Discuss, consider, and take appropriate action, if necessary, to accept the monthly Financial Report for December 2022 (FY23) as presented.*

Board members received the monthly financial report for December 2022 in their Board packet to review prior to the meeting.

Secretary, Gary Young, moved to accept the monthly financial report for December 2022 as presented. Director, Jody Williams, seconded the motion.

Motion carried 4-0.

9. *Discuss, consider, and take appropriate action, if necessary, to accept the monthly Investment Fund account report for December (FY23) as presented.*

Board members received the monthly Investment Fund account report for December 2022 in their Board packet to review prior to the meeting.

Director, Scott Brooks, moved to accept the monthly Investment Fund account report for December 2022 as presented. Director, Jody Williams, seconded the motion.

Motion carried 4-0.

10. *Discuss, consider, and take appropriate action, if necessary, to accept the Quarterly Deferred Compensation Employee Retirement Program account report as presented.*

Board members received the quarterly report in the Board packet to review prior to the meeting.

Director, Scott Brooks, moved to accept the quarterly report as presented. Director, Jody Williams, seconded the motion.

Motion carried 4-0.

11. *Discuss, consider, and take appropriate action, if necessary, to approve the FY23 line-item budget amendments as requested.*

Shelly and Dirk presented a request for line-item budget amendments to cover legal expenses related to the ACA request for annexation and event costs related to the Christmas reception for permit holders, consultants, and Board members.

Staff also requests an additional adjustment to line item 53605-Event Cost to cover expenses of special meetings or events that may be held by the District in the coming months.

Vendor	Line Item	Invoice Amount	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
Lloyd Gosselink	53703-General (Rules & Accountability)	\$8,791.00	\$8,470.50	\$320.50	\$0.00	50250-Contingency Fund	\$48,038.74	\$47,718.24
Card Services	53605-Event cost	\$271.73	\$0.00	\$271.73	\$0.00	53603-Sponsorships	\$6,007.12	\$5,735.39
Internal Adjstnt	53605-Event cost		\$0.00	\$500.00	\$500.00	53603-Sponsorships	\$5,735.39	\$5,235.39

Staff and Board members discussed the request for the additional adjustment of \$500 to the line-item 53605-Event cost and determined it would be better to move \$1,000 instead of just \$500. Dirk explained there may be additional costs to hold public hearings related to the ACA's petition for annexation of portions of Williamson County.

Director, Jody Williams, moved to approve the line-item budget amendments as requested. Director, Scott Brooks, seconded the motion.

Motion carried 4-0.

13. Discuss, consider, and take appropriate action, if necessary, to approve the sponsorship level of the Texas 4-H Water Ambassador Program.

Bell County and Hidalgo County have the most participants in this program. In the past, the district has sponsored at the \$2,500 Legacy level and reimbursed registration fees when participants complete the program.

Director, Jody Williams, moved to support the Water Ambassador Program at the \$2,500 Legacy level and reimburse registration fees for Bell County participants. Secretary, Gary Young, seconded the motion.

Motion carried 4-0.

14. Discuss, consider, and take appropriate action, if necessary, to review and adopt the District Investment policy by resolution for calendar year 2023.

Dirk presented the District Investment Policy to be adopted by resolution. He noted that he had reviewed the policy and made changes where needed.

Secretary, Gary Young, moved to adopt the District Investment policy by resolution for calendar year 2023. Director, Scott Brooks, seconded the motion.

Motion carried 4-0.

15. Discuss, consider, and take appropriate action, if necessary to elect officers of the Board for the calendar year 2023 per District Bylaws, Article VI (Sec. 1 & 2).

Secretary, Gary Young, moved to retain Leland Gersbach as president, himself as Secretary, and to nominate Jody Williams as Vice President to replace David Cole. Director, Scott Brooks, seconded the motion.

Motion carried 4-0.

17. General Manager's report concerning office management and staffing related to District Management Plan.

- Reports due in January have been completed for the Comptroller's Office and TCEQ.
- Grant for Karst Coalition contract with TPWD is going smooth. The district's share for "match funds" is \$26,250. Dirk will confirm all parties are still on the development portions of the RHCP
- Annual audit will be presented in February.
- Tristin is working on the Annual Report for 2022. A draft will be presented at the February Board meeting.

- Drilling/Operating permit renewals are being reviewed.
- Several website updates are being worked on.

18. Review monthly report and possible consideration and Board action on the following:

- a) Drought Status Reports***
- b) Education Outreach Update***
- c) Monitoring Wells***
- d) Rainfall Reports***
- e) Well Registration Update***
- f) Aquifer Status Report & Non-exempt Monthly Well Production Reports***

(Copies of the Monthly Staff Reports were given to the Board Members to review. No action is required. Information items only.)

19. Director's comments and reports.

- **Leland Gersbach:** There is no policy in place regarding plaques/recognition for former Board members. If the District wants to recognize Board members that served for 10-plus years, he would be fine with that.
- **Jody Williams:** None
- **Gary Young:** Wishes nothing but the best for David Cole and his family. Today's meeting was very informative. Was surprised at how many people showed up for the public hearing.
- **Scott Brooks:** None

20. Discuss agenda items for the next meeting.

- Audit presentation
- Dirk requested the Workshop items be tabled until next month.

21. Set the time and place of the next meeting.

Wednesday, February 15, 2023, at 1:30 p.m. at the CUWCD office.

22. Adjourn.

Board Meeting closed with President, Leland Gersbach, at 5:54 p.m.

Workshop deferred to next meeting per President, Leland Gersbach.

Leland Gersbach, President

ATTEST:

Gary Young, Secretary or
Dirk Aaron, Assistant Secretary

Financial Reports - Item #4

Clearwater Underground Water Conservation
Balance Sheet
As of January 31, 2023

02/08/23

Accrual Basis

	Jan 31, 23
ASSETS	
Current Assets	
Checking/Savings	
10005 · Cash-Reg Operating	8,135.28
10500 · Cash-TexPool Prime	719,765.16
10505 · Cash - TexPool	712,888.76
Total Checking/Savings	1,440,789.20
Accounts Receivable	
11000 · Accounts Receivable	884.00
Total Accounts Receivable	884.00
Other Current Assets	
11005 · Accounts Receivable - Taxes	22,425.93
Total Other Current Assets	22,425.93
Total Current Assets	1,464,099.13
Fixed Assets	
15005 · Land	59,981.29
15010 · Leasehold Improvements	19,000.00
15015 · Building	306,734.08
15016 · Storage Building	104,382.03
15018 · Monitor Wells	92,938.18
15019 · Mobile Classroom Trailer	90,688.85
15020 · Field Equipment	17,243.55
15023 · Vehicles	6,920.00
15025 · Office Equipment	71,574.04
15030 · Accumulated Depreciation	-208,221.30
Total Fixed Assets	561,240.72
TOTAL ASSETS	2,025,339.85
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
21000 · Deferred Tax Revenue	22,425.93
21050 · Compensated Absences Accrued	13,352.88
24000 · Payroll Liabilities	
24010 · TWC	22.69
Total 24000 · Payroll Liabilities	22.69
Total Other Current Liabilities	35,801.50
Total Current Liabilities	35,801.50
Total Liabilities	35,801.50
Equity	
31000 · Unappropriated Fund Balance	863,207.26
32000 · *Retained Earnings	90,365.81
33000 · Investment in Fixed Assets	592,189.66
Net Income	443,775.62
Total Equity	1,989,538.35
TOTAL LIABILITIES & EQUITY	2,025,339.85

**Clearwater Underground Water Conservation
Profit & Loss Budget vs. Actual
October 2022 through September 2023**

2:21 PM
02/08/2023
Accrual Basis

	Jan '23	Oct '22 thru Jan '23	FY23 Original Budget	FY23 Amended Budget	\$ Over Budget
Ordinary Income/Expense					
Income					
40005 · Application Fee Income	0.00	884.00	50,000.00	50,000.00	-49,116.00
40007 · Administrative Fees	0.00	150.00	0.00	0.00	150.00
40010 · Bell CAD Current Year Tax	18,651.22	641,003.13	816,578.00	816,578.00	-175,574.87
40015 · Bell CAD Delinquent Tax	216.56	2,505.83	10,000.00	10,000.00	-7,494.17
40020 · Interest Income	5,353.46	15,788.73	1,000.00	1,000.00	14,788.73
40030 · Transport Fee Income	0.00	0.00	1,500.00	1,500.00	-1,500.00
40035 · Civil Penalties	0.00	0.00	0.00	0.00	0.00
Total Income	24,221.24	660,331.69	879,078.00	879,078.00	-218,746.31
Gross Profit	24,221.24	660,331.69	879,078.00	879,078.00	-218,746.31
Expense					
50000 · Administrative Expenses					
50100 · Audit	0.00	0.00	8,500.00	8,500.00	-8,500.00
50200 · Conferences & Prof Development	230.00	1,075.00	4,000.00	4,000.00	-2,925.00
50250 · Contingency Fund	0.00	0.00	61,545.00	47,718.24	-47,718.24
50300 · Director Expenses					
50305 · At Large	0.00	0.00	1,500.00	1,500.00	-1,500.00
50310 · Pct. 1	0.00	0.00	1,500.00	1,500.00	-1,500.00
50315 · Pct. 2	0.00	0.00	1,500.00	1,500.00	-1,500.00
50320 · Pct. 3	0.00	0.00	1,500.00	1,500.00	-1,500.00
50325 · Pct. 4	0.00	0.00	1,500.00	1,500.00	-1,500.00
Total 50300 · Director Expenses	0.00	0.00	7,500.00	7,500.00	-7,500.00
50400 · Director Fees					
50405 · At Large	0.00	450.00	2,550.00	2,550.00	-2,100.00
50410 · Pct. 1	0.00	0.00	2,550.00	2,550.00	-2,550.00
50415 · Pct. 2	150.00	600.00	2,550.00	2,550.00	-1,950.00
50420 · Pct. 3	150.00	600.00	2,550.00	2,550.00	-1,950.00
50425 · Pct. 4	0.00	0.00	2,550.00	2,550.00	-2,550.00
Total 50400 · Director Fees	300.00	1,650.00	12,750.00	12,750.00	-11,100.00
50500 · Dues & Memberships	0.00	2,816.00	4,000.00	4,000.00	-1,184.00
50550 · Election Expense	0.00	0.00	5,000.00	5,000.00	-5,000.00
50600 · GMA 8 Expenses					
50605 · Technical Committee	1,422.50	1,522.50	5,000.00	5,000.00	-3,477.50
50610 · Administration	18.17	18.17	2,500.00	2,500.00	-2,481.83
Total 50600 · GMA 8 Expenses	1,440.67	1,540.67	7,500.00	7,500.00	-5,959.33
50700 · Meals	76.70	89.41	1,000.00	1,000.00	-910.59
50800 · Mileage Reimbursements	0.00	1,226.25	5,000.00	5,000.00	-3,773.75
50900 · Travel & Hotel	56.29	922.20	5,175.00	5,175.00	-4,252.80
Total 50000 · Administrative Expenses	2,103.66	9,319.53	121,970.00	108,143.24	-98,823.71

	Jan '23	Oct '22 thru Jan '23	FY23 Original Budget	FY23 Amended Budget	\$ Over Budget
52000 · Salary Costs					
52005 · Administrative Assistant	4,830.00	19,320.00	57,960.00	57,960.00	-38,640.00
52010 · Educational Coord/Support Tech	4,312.50	17,250.00	51,750.00	51,750.00	-34,500.00
52015 · Manager	8,625.00	34,500.00	103,500.00	103,500.00	-69,000.00
52020 · Part Time/Intern	0.00	0.00	4,500.00	4,500.00	-4,500.00
52025 · Office Assistant/Field Tech	4,053.75	16,215.00	48,645.00	48,645.00	-32,430.00
52040 · Health Insurance	2,769.74	13,113.95	34,525.00	34,525.00	-21,411.05
52045 · Payroll Taxes & Work Comp	1,748.22	6,924.82	26,636.00	26,636.00	-19,711.18
52050 · Retirement	889.83	3,559.32	11,986.00	11,986.00	-8,426.68
52055 · Payroll Expenses	46.65	130.31	425.00	425.00	-294.69
52060 · Freshbenies	44.00	176.00	528.00	528.00	-352.00
Total 52000 · Salary Costs	27,319.69	111,189.40	340,455.00	340,455.00	-229,265.60
53000 · Operating Expenses					
53010 · Bank Service Charges	0.00	10.00	350.00	350.00	-340.00
53020 · Advertisement	0.00	455.50	4,000.00	4,000.00	-3,544.50
53030 · Appraisal District	0.00	1,772.17	9,000.00	9,000.00	-7,227.83
53100 · Clearwater Studies					
53105 · Trinity Studies					
53105.1 · Pumping Distribution	0.00	0.00	0.00	0.00	0.00
53105.2 · Pumping Test	0.00	0.00	4,000.00	4,000.00	-4,000.00
53105.3 · Synoptic	0.00	0.00	0.00	0.00	0.00
53105.4 · GAM Run	2,502.00	6,737.00	74,000.00	84,077.25	-77,340.25
53105.5 · Mgmt Options	0.00	0.00	0.00	0.00	0.00
53105.6 · Water Quality Studies	0.00	0.00	12,600.00	12,600.00	-12,600.00
Total 53105 · Trinity Studies	2,502.00	6,737.00	90,600.00	100,677.25	-93,940.25
53110 · Edwards BFZ Studies					
53110.1 · Pumping Distribution	0.00	0.00	0.00	0.00	0.00
53110.2 · Pumping Test	0.00	0.00	4,000.00	4,000.00	-4,000.00
53110.3 · Synoptic	0.00	0.00	0.00	0.00	0.00
53110.4 · Spring Shed (Baylor)	0.00	20,000.00	20,000.00	20,000.00	0.00
53110.5 · Water Quality Studies	0.00	0.00	0.00	0.00	0.00
53110.6 · GAM Calibration	0.00	0.00	5,000.00	5,000.00	-5,000.00
Total 53110 · Edwards BFZ Studies	0.00	20,000.00	29,000.00	29,000.00	-9,000.00
53115 · Drought Contingency Plan	0.00	0.00	0.00	0.00	0.00
53120 · Endangered Species					
53120.1 · Coalition	0.00	0.00	15,000.00	15,000.00	-15,000.00
53120.2 · Reimburseable Order	0.00	0.00	0.00	0.00	0.00
53120.3 · 4(d) rule	0.00	0.00	0.00	0.00	0.00
53120.4 · DPS Petition	0.00	0.00	0.00	0.00	0.00
Total 53120 · Endangered Species	0.00	0.00	15,000.00	15,000.00	-15,000.00
53125 · Environmental Flows	0.00	0.00	0.00	0.00	0.00
53130 · General Consulting					
53130.1 · DFC Process	0.00	0.00	7,500.00	7,500.00	-7,500.00

	Jan '23	Oct '22 thru Jan '23	FY23 Original Budget	FY23 Amended Budget	\$ Over Budget
53130.2 · Eval of Rules	0.00	0.00	0.00	0.00	0.00
53130.3 · Eval. Hydrogeologic Report	0.00	0.00	0.00	0.00	0.00
53130.4 · Investigations	1,000.00	3,654.00	8,000.00	8,000.00	-4,346.00
53130.5 · Geo Logging	0.00	0.00	5,000.00	5,000.00	-5,000.00
53130.6 · Aquifer Monitor Well Tool	0.00	0.00	0.00	0.00	0.00
53130.7 · ASR Study	0.00	0.00	0.00	0.00	0.00
53130.8 · Data Release	0.00	0.00	0.00	0.00	0.00
Total 53130 · General Consulting	1,000.00	3,654.00	20,500.00	20,500.00	-16,846.00
53135 · Monitor Well Construction	0.00	10,398.26	0.00	10,398.26	0.00
53140 · Monitor Wells Expenses	1,103.95	1,103.95	5,000.00	5,000.00	-3,896.05
53141 · Weather Station Expense	0.00	0.00	2,000.00	2,000.00	-2,000.00
53145 · Spring Flow Gauge	0.00	0.00	0.00	0.00	0.00
53150 · Water Quality	622.19	1,511.08	4,500.00	4,500.00	-2,988.92
53155 · 3-D Visualization	0.00	0.00	5,000.00	5,000.00	-5,000.00
Total 53100 · Clearwater Studies	5,228.14	43,404.29	171,600.00	192,075.51	-148,671.22
53200 · Spring Flow Gage System					
53205 · Op. & Maintenance	0.00	0.00	16,377.00	16,377.00	-16,377.00
53210 · Installation	0.00	0.00	0.00	0.00	0.00
Total 53200 · Spring Flow Gage System	0.00	0.00	16,377.00	16,377.00	-16,377.00
53300 · Computer Consulting					
53305 · Enhancements - Data Base	0.00	0.00	6,200.00	6,200.00	-6,200.00
53306 · Hosting - Data Base	0.00	0.00	2,000.00	2,000.00	-2,000.00
53310 · Hosting - PDI	0.00	0.00	0.00	0.00	0.00
53311 · Hosting - Website	25.00	75.00	0.00	300.00	-225.00
53312 · Enhancements - Website	0.00	0.00	0.00	0.00	0.00
53315 · IT Network Sustainment	650.00	2,400.00	5,400.00	7,800.00	-5,400.00
53317 · Management Tool Sustainment	0.00	0.00	1,500.00	1,500.00	-1,500.00
Total 53300 · Computer Consulting	675.00	2,475.00	15,100.00	17,800.00	-15,325.00
53400 · Computer Licenses/Virus Prctcn	120.50	405.50	1,500.00	1,908.00	-1,502.50
53450 · Computer Repairs and Supplies	0.00	0.00	2,000.00	2,000.00	-2,000.00
53500 · Computer Software & Hardware	1,120.00	1,682.90	5,000.00	5,000.00	-3,317.10
53550 · Copier/Scanner/Plotter	486.56	1,946.24	6,000.00	6,000.00	-4,053.76
53600 · Educational Outreach/Marketing					
53603 · Sponsorships	0.00	1,526.16	8,500.00	6,261.55	-4,735.39
53605 · Event Cost	271.73	3,738.45	2,500.00	4,738.45	-1,000.00
53615 · Promotional Items	569.00	1,584.00	5,000.00	5,000.00	-3,416.00
53620 · Supplies & Equipment	0.00	554.89	4,500.00	4,500.00	-3,945.11
53625 · Curriculum	0.00	0.00	0.00	0.00	0.00
Total 53600 · Educational Outreach/Marketing	840.73	7,403.50	20,500.00	20,500.00	-13,096.50
53650 · Furniture & Equipment	0.00	-730.69	2,500.00	2,500.00	-3,230.69
53700 · Legal					
53701 · Drought Contingency Plan	0.00	0.00	0.00	0.00	0.00
53702 · Endangered Species	0.00	0.00	10,000.00	10,000.00	-10,000.00

	Jan '23	Oct '22 thru Jan '23	FY23 Original Budget	FY23 Amended Budget	\$ Over Budget
53703 · General (rules/accountability)	8,791.00	10,320.50	10,000.00	10,320.50	0.00
53704 · Legislative Research/Analysis	816.50	2,059.00	2,500.00	2,500.00	-441.00
53705 · Legislative Services	0.00	0.00	35,000.00	35,000.00	-35,000.00
53706 · GMA/DFC/MAG support	0.00	0.00	10,000.00	10,000.00	-10,000.00
Total 53700 · Legal	9,607.50	12,379.50	67,500.00	67,820.50	-55,441.00
53720 · Office Supplies	425.52	1,728.76	3,500.00	3,500.00	-1,771.24
53730 · Permit Reviews					
53731 · Geoscience	3,748.76	6,793.76	25,000.00	25,000.00	-18,206.24
53732 · Legal Evaluation	0.00	0.00	25,000.00	25,000.00	-25,000.00
Total 53730 · Permit Reviews	3,748.76	6,793.76	50,000.00	50,000.00	-43,206.24
53740 · Postage	0.00	148.54	2,875.00	2,875.00	-2,726.46
53750 · Printing	0.00	0.00	2,500.00	2,500.00	-2,500.00
53760 · Reserve for Uncollected Taxes	0.00	0.00	20,000.00	20,000.00	-20,000.00
53780 · Subscriptions	35.42	104.97	900.00	900.00	-795.03
53785 · Mobile Classroom Expense	0.00	0.00	2,000.00	2,000.00	-2,000.00
53790 · Vehicle Expense	164.93	926.59	5,600.00	5,600.00	-4,673.41
Total 53000 · Operating Expenses	22,453.06	80,906.53	408,802.00	432,706.01	-351,799.48
54000 · Facility Costs					
54100 · Insurance					
54101 · Liability	0.00	2,020.76	2,400.00	2,100.00	-79.24
54102 · Property	0.00	2,094.26	2,220.00	2,220.00	-125.74
54103 · Surety Bonds	200.00	1,240.00	1,000.00	1,300.00	-60.00
54104 · Worker's Comp	0.00	905.52	1,100.00	1,100.00	-194.48
54105 · Liability - Vehicle	0.00	849.66	1,250.00	1,250.00	-400.34
Total 54100 · Insurance	200.00	7,110.20	7,970.00	7,970.00	-859.80
54200 · Building Repairs/Maintenance	-5,237.15	2,162.16	8,000.00	8,000.00	-5,837.84
54300 · Janitorial Service	844.00	2,169.00	6,000.00	6,000.00	-3,831.00
54400 · Janitorial Supplies	0.00	40.26	750.00	750.00	-709.74
54500 · Lawn Maintenance/Service	225.00	900.00	3,000.00	3,000.00	-2,100.00
54600 · Security	59.90	149.75	375.00	375.00	-225.25
Total 54000 · Facility Costs	-3,908.25	12,531.37	26,095.00	26,095.00	-13,563.63
55000 · Utilities					
55200 · Electricity	166.38	667.26	2,500.00	2,500.00	-1,832.74
55300 · Internet	140.60	421.80	2,900.00	2,900.00	-2,478.20
55400 · Phone	373.90	985.48	2,400.00	2,400.00	-1,414.52
55500 · Water/Garbage	152.15	534.70	2,300.00	2,300.00	-1,765.30
Total 55000 · Utilities	833.03	2,609.24	10,100.00	10,100.00	-7,490.76
Total Expense	48,801.19	216,556.07	907,422.00	917,499.25	-700,943.18
Net Ordinary Income	-24,579.95	443,775.62	-28,344.00	-38,421.25	482,196.87
Other Income/Expense					
Other Income					
61000 · Reserve Funds-Special Projects	0.00	0.00	28,344.00	28,344.00	-28,344.00
61050 · Reserve Funds from Prior Years	0.00	0.00	0.00	10,077.25	-10,077.25

Total Other Income
Net Other Income
Net Income

Jan '23	Oct '22 thru Jan '23	FY23 Original Budget	FY23 Amended Budget	\$ Over Budget
0.00	0.00	28,344.00	38,421.25	-38,421.25
0.00	0.00	28,344.00	38,421.25	-38,421.25
-24,579.95	443,775.62	0.00	0.00	443,775.62

Clearwater Underground Water Conservation Profit & Loss Detail January 2023

02/08/23

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
Ordinary Income/Expense						
Income						
40010 · Bell CAD Current Year Tax						
Deposit	01/10/2023			Deposit	27,247.22	27,247.22
Deposit	01/10/2023			Deposit	4.17	27,251.39
Deposit	01/10/2023			Deposit	-8,600.17	18,651.22
Total 40010 · Bell CAD Current Year Tax					18,651.22	18,651.22
40015 · Bell CAD Deliquent Tax						
Deposit	01/10/2023			Deposit	647.03	647.03
Deposit	01/10/2023			Deposit	-430.47	216.56
Total 40015 · Bell CAD Deliquent Tax					216.56	216.56
40020 · Interest Income						
Deposit	01/31/2023			Deposit	2,773.03	2,773.03
Deposit	01/31/2023			Deposit	2,580.43	5,353.46
Total 40020 · Interest Income					5,353.46	5,353.46
Total Income					24,221.24	24,221.24
Gross Profit					24,221.24	24,221.24
Expense						
50000 · Administrative Expenses						
50200 · Conferences & Prof Development						
Bill	01/11/2023		Card Service Center	TAGD mtg - ...	230.00	230.00
Total 50200 · Conferences & Prof Development					230.00	230.00
50400 · Director Fees						
50415 · Pct. 2						
Bill	01/30/2023		Jan 2023 Gary Young	Jan 2023 Bo...	150.00	150.00
Total 50415 · Pct. 2					150.00	150.00
50420 · Pct. 3						
Bill	01/30/2023		Jan 2023 Jody Williams	Jan 2023	150.00	150.00
Total 50420 · Pct. 3					150.00	150.00
Total 50400 · Director Fees					300.00	300.00
50600 · GMA 8 Expenses						
50605 · Technical Committee						
Bill	01/11/2023		Inv 11764 Advanced Groundwater...	GMA8 DFC	1,422.50	1,422.50
Total 50605 · Technical Committee					1,422.50	1,422.50
50610 · Administration						
Bill	01/30/2023		Inv 78 North Texas GCD	Inv 78	18.17	18.17
Total 50610 · Administration					18.17	18.17
Total 50600 · GMA 8 Expenses					1,440.67	1,440.67
50700 · Meals						
Bill	01/11/2023		Card Service Center	GMA 8 Worki...	76.70	76.70
Total 50700 · Meals					76.70	76.70
50900 · Travel & Hotel						
Bill	01/11/2023		Card Service Center	TAGD - Dirk	56.29	56.29
Total 50900 · Travel & Hotel					56.29	56.29
Total 50000 · Administrative Expenses					2,103.66	2,103.66

Clearwater Underground Water Conservation Profit & Loss Detail January 2023

Type	Date	Num	Name	Memo	Amount	Balance
52000 · Salary Costs						
52005 · Administrative Assistant						
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	4,281.14	4,281.14
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	548.86	4,830.00
Total 52005 · Administrative Assistant					4,830.00	4,830.00
52010 · Educational Coord/Support Tech						
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	4,312.50	4,312.50
Total 52010 · Educational Coord/Support Tech					4,312.50	4,312.50
52015 · Manager						
Paycheck	01/27/2023	DD1373	Richard E Aaron	Direct Deposit	8,625.00	8,625.00
Total 52015 · Manager					8,625.00	8,625.00
52025 · Office Assistant/Field Tech						
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	4,053.75	4,053.75
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	0.00	4,053.75
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	0.00	4,053.75
Total 52025 · Office Assistant/Field Tech					4,053.75	4,053.75
52040 · Health Insurance						
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	500.00	500.00
Paycheck	01/27/2023	DD1373	Richard E Aaron	Direct Deposit	500.00	1,000.00
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	-265.25	734.75
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	1,219.72	1,954.47
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	-1,219.72	734.75
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	0.00	734.75
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	550.02	1,284.77
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	-550.02	734.75
Check	01/30/2023	SWHP-Feb23	Scott & White Health Pl...		2,034.99	2,769.74
Total 52040 · Health Insurance					2,769.74	2,769.74
52045 · Payroll Taxes & Work Comp						
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	282.33	282.33
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	66.03	348.36
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	4.55	352.91
Paycheck	01/27/2023	DD1373	Richard E Aaron	Direct Deposit	565.75	918.66
Paycheck	01/27/2023	DD1373	Richard E Aaron	Direct Deposit	132.31	1,050.97
Paycheck	01/27/2023	DD1373	Richard E Aaron	Direct Deposit	9.00	1,059.97
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	283.01	1,342.98
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	66.19	1,409.17
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	4.83	1,414.00
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	267.38	1,681.38
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	62.53	1,743.91
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	4.31	1,748.22
Total 52045 · Payroll Taxes & Work Comp					1,748.22	1,748.22
52050 · Retirement						
Paycheck	01/27/2023	DD1372	Corey C Dawson	Direct Deposit	204.92	204.92
Paycheck	01/27/2023	DD1373	Richard E Aaron	Direct Deposit	410.63	615.55
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	144.90	760.45
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	129.38	889.83
Total 52050 · Retirement					889.83	889.83
52055 · Payroll Expenses						
Check	01/11/2023	HSAfeeJan23	Wex	ACH Approved	25.00	25.00
Bill	01/11/2023		Card Service Center		21.65	46.65
Total 52055 · Payroll Expenses					46.65	46.65

Clearwater Underground Water Conservation Profit & Loss Detail January 2023

02/08/23

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
52060 · Freshbenies						
Check	01/03/2023	Jan23-TS	New Benefits Ltd - Fres...	Freshbenies ...	22.00	22.00
Check	01/03/2023	Jan23-SC	New Benefits Ltd - Fres...	Freshbenies ...	22.00	44.00
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	22.00	66.00
Paycheck	01/27/2023	DD1374	Shelly Chapman	Direct Deposit	-22.00	44.00
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	22.00	66.00
Paycheck	01/27/2023	DD1375	Tristin S Smith	Direct Deposit	-22.00	44.00
Total 52060 · Freshbenies					44.00	44.00
Total 52000 · Salary Costs					27,319.69	27,319.69
53000 · Operating Expenses						
53100 · Clearwater Studies						
53105 · Trinity Studies						
53105.4 · GAM Run						
Bill	01/11/2023	Inv 11887	Advanced Groundwater...	Inv 11887 G...	1,747.00	1,747.00
Bill	01/11/2023	Inv 9295	R.W. Harden & Assoc, I...	Inv 9295 - G...	755.00	2,502.00
Total 53105.4 · GAM Run					2,502.00	2,502.00
Total 53105 · Trinity Studies					2,502.00	2,502.00
53130 · General Consulting						
53130.4 · Investigations						
Bill	01/11/2023	Inv 9295	R.W. Harden & Assoc, I...	Inv 9295 - Pu...	1,000.00	1,000.00
Total 53130.4 · Investigations					1,000.00	1,000.00
Total 53130 · General Consulting					1,000.00	1,000.00
53135 · Monitor Well Construction						
Bill	01/30/2023	Inv 5916	Eno Scientific LLC	Inv 5916	888.95	888.95
Total 53135 · Monitor Well Construction					888.95	888.95
53140 · Monitor Wells Expenses						
Bill	01/30/2023	Inv 2559	WellIntel, Inc	Inv 2559	215.00	215.00
Total 53140 · Monitor Wells Expenses					215.00	215.00
53150 · Water Quality						
Bill	01/11/2023	Inv 13391498	HACH Company	Inv 13391498	622.19	622.19
Total 53150 · Water Quality					622.19	622.19
Total 53100 · Clearwater Studies					5,228.14	5,228.14
53300 · Computer Consulting						
53311 · Hosting - Website						
Bill	01/11/2023	Inv 19583	Engineer Austin, LLC	hosting	25.00	25.00
Total 53311 · Hosting - Website					25.00	25.00
53315 · IT Network Sustainment						
Bill	01/11/2023	Inv 19583	Engineer Austin, LLC	Network sust...	650.00	650.00
Total 53315 · IT Network Sustainment					650.00	650.00
Total 53300 · Computer Consulting					675.00	675.00
53400 · Computer Licenses/Virus Prtctn						
Bill	01/11/2023	Inv 19583	Engineer Austin, LLC	License	60.50	60.50
Bill	01/11/2023	Inv 19583	Engineer Austin, LLC	Backup	60.00	120.50
Total 53400 · Computer Licenses/Virus Prtctn					120.50	120.50
53500 · Computer Software & Hardware						
Bill	01/30/2023	Inv 19719	Engineer Austin, LLC	Inv 19719 - F...	150.00	150.00
Bill	01/30/2023	In v19709	Engineer Austin, LLC	Inv 19709 - L...	970.00	1,120.00
Total 53500 · Computer Software & Hardware					1,120.00	1,120.00

**Clearwater Underground Water Conservation
Profit & Loss Detail
January 2023**

02/08/23

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
		53550 · Copier/Scanner/Plotter				
Bill	01/30/2023	Inv 0178489...	Xerox	Inv 017848980	486.56	486.56
		Total 53550 · Copier/Scanner/Plotter			486.56	486.56
		53600 · Educational Outreach/Marketing				
		53605 · Event Cost				
Bill	01/11/2023		Card Service Center	Permit Holde...	271.73	271.73
		Total 53605 · Event Cost			271.73	271.73
		53615 · Promotional Items				
Bill	01/01/2023	Inv 80974412	Killeen Daily Herald	Inv 80974412	569.00	569.00
		Total 53615 · Promotional Items			569.00	569.00
		Total 53600 · Educational Outreach/Marketing			840.73	840.73
		53700 · Legal				
		53703 · General (rules/accountability)				
Bill	01/11/2023	Inv 97536940	Lloyd Gosselink Attorne...	Inv 97536940	8,791.00	8,791.00
		Total 53703 · General (rules/accountability)			8,791.00	8,791.00
		53704 · Legislative Research/Analysis				
Bill	01/11/2023	Inv 97536994	Lloyd Gosselink Attorne...	Inv 97536994	816.50	816.50
		Total 53704 · Legislative Research/Analysis			816.50	816.50
		Total 53700 · Legal			9,607.50	9,607.50
		53720 · Office Supplies				
Bill	01/11/2023		Card Service Center		119.02	119.02
Bill	01/30/2023	Inv IN-1494...	Perry Office Plus	Inv IN-1494700	306.50	425.52
		Total 53720 · Office Supplies			425.52	425.52
		53730 · Permit Reviews				
		53731 · Geoscience				
Bill	01/11/2023	Inv 11764	Solana Ranch	JSWSC - Sol...	1,566.26	1,566.26
Bill	01/11/2023	Inv 9295	RREAF Holdings LLC	Inv 9295 - R...	2,182.50	3,748.76
		Total 53731 · Geoscience			3,748.76	3,748.76
		Total 53730 · Permit Reviews			3,748.76	3,748.76
		53780 · Subscriptions				
Bill	01/11/2023		Card Service Center	Subscription ...	11.71	11.71
Bill	01/11/2023		Card Service Center	Subscription ...	17.03	28.74
Bill	01/11/2023		Card Service Center	Subscription ...	6.68	35.42
		Total 53780 · Subscriptions			35.42	35.42
		53790 · Vehicle Expense				
Check	01/11/2023	Cefco-Jan23	CEFCO	ACH Approved	164.93	164.93
		Total 53790 · Vehicle Expense			164.93	164.93
		Total 53000 · Operating Expenses			22,453.06	22,453.06
		54000 · Facility Costs				
		54100 · Insurance				
		54103 · Surety Bonds				
Bill	01/01/2023	Inv SI1073815	Victor Insurance Manag...	Inv SI1073815	200.00	200.00
		Total 54103 · Surety Bonds			200.00	200.00
		Total 54100 · Insurance			200.00	200.00

Clearwater Underground Water Conservation Profit & Loss Detail January 2023

02/08/23

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
54200 · Building Repairs/Maintenance						
General Jour...	01/01/2023	BGFN 2022R		Reverse of G...	-6,153.31	-6,153.31
Bill	01/30/2023	Inv 27373062	Bell Air Conditioning, Inc	Annual maint...	916.16	-5,237.15
Total 54200 · Building Repairs/Maintenance					-5,237.15	-5,237.15
54300 · Janitorial Service						
Bill	01/11/2023	Inv 3238-6486	Fish Window Cleaning	Inv 3238-6486	50.00	50.00
Bill	01/11/2023	Inv AST012...	Jani-King of Austin	INv AST0123...	397.00	447.00
Bill	01/30/2023	Inv AST022...	Jani-King of Austin	Inv AST0223...	397.00	844.00
Total 54300 · Janitorial Service					844.00	844.00
54500 · Lawn Maintenance/Service						
Bill	01/30/2023	Inc 22292	Greeson Lawn Services...	Inv 22292	225.00	225.00
Total 54500 · Lawn Maintenance/Service					225.00	225.00
54600 · Security						
Bill	01/11/2023	Inv 112873	Progressive Protection		29.95	29.95
Bill	01/30/2023	Inv 113247	Progressive Protection	Inv 113247	29.95	59.90
Total 54600 · Security					59.90	59.90
Total 54000 · Facility Costs					-3,908.25	-3,908.25
55000 · Utilities						
55200 · Electricity						
Check	01/30/2023	FreePtFeb23	Freepoint Energy Soluti...	ACH approved	166.38	166.38
Total 55200 · Electricity					166.38	166.38
55300 · Internet						
Check	01/11/2023	Spect-Dec22	Spectrum (Charter Com...	ACH Approved	140.60	140.60
Total 55300 · Internet					140.60	140.60
55400 · Phone						
Check	01/11/2023	Spect-Dec22	Spectrum (Charter Com...		0.00	0.00
Bill	01/11/2023	Inv 47456	Folkerson Communicati...	INv 47456	203.90	203.90
Bill	01/30/2023	Inv 47548	Folkerson Communicati...	Inv 47548	170.00	373.90
Total 55400 · Phone					373.90	373.90
55500 · Water/Garbage						
Bill	01/11/2023		City of Belton		152.15	152.15
Total 55500 · Water/Garbage					152.15	152.15
Total 55000 · Utilities					833.03	833.03
Total Expense					48,801.19	48,801.19
Net Ordinary Income					-24,579.95	-24,579.95
Net Income					-24,579.95	-24,579.95

Clearwater Underground Water Conservation
A/P Aging Detail
As of February 7, 2023

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Due Date</u>	<u>Aging</u>	<u>Open Balance</u>
Current						
Total Current						
1 - 30						
Total 1 - 30						
31 - 60						
Total 31 - 60						
61 - 90						
Total 61 - 90						
> 90						
Total > 90						<hr/>
TOTAL						<hr/> <hr/>

Investment Fund - Item #5

TexPool Participant Services
1001 Texas Avenue, Suite 1150
Houston, TX 77022



Summary Statement

CLEARWATER UNDERGROUND WCD
ATTN DIRK AARON
PO BOX 1989
BELTON TX 76513-5989

Statement Period 01/01/2023 - 01/31/2023
Customer Service 1-866-TEX-POOL
Location ID 000079358

GENERAL FUND - 07935800001

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance	Average Balance
TexPool	\$714,308.33	\$6,000.00	-\$10,000.00	\$2,580.43	\$712,888.76	\$715,552.86
TexPool Prime	\$720,992.13	\$6,000.00	-\$10,000.00	\$2,773.03	\$719,765.16	\$722,629.97
Total Dollar Value	\$1,435,300.46	\$12,000.00	-\$20,000.00	\$5,353.46	\$1,432,653.92	

ACCOUNT TOTALS

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance
TexPool	\$714,308.33 ✓	\$6,000.00 ✓	-\$10,000.00 ✓	\$2,580.43 ✓	\$712,888.76 ✓
TexPool Prime	\$720,992.13 ✓	\$6,000.00 ✓	-\$10,000.00 ✓	\$2,773.03 ✓	\$719,765.16 ✓
Total Dollar Value	\$1,435,300.46	\$12,000.00	-\$20,000.00	\$5,353.46	\$1,432,653.92

2/18/2023
SEC

**Clearwater Underground Water Conservation
Reconciliation Summary**
10505 · Cash - TexPool, Period Ending 01/31/2023

	<u>Jan 31, 23</u>
Beginning Balance	714,308.33
Cleared Transactions	
Checks and Payments - 1 item	-10,000.00
Deposits and Credits - 2 items	8,580.43
Total Cleared Transactions	<u>-1,419.57</u>
Cleared Balance	<u>712,888.76</u>
Register Balance as of 01/31/2023	712,888.76
Ending Balance	712,888.76

Clearwater Underground Water Conservation
Reconciliation Summary
10500 · Cash-TexPool Prime, Period Ending 01/31/2023

	<u>Jan 31, 23</u>
Beginning Balance	720,992.13
Cleared Transactions	
Checks and Payments - 1 item	-10,000.00
Deposits and Credits - 2 items	8,773.03
Total Cleared Transactions	<u>-1,226.97</u>
Cleared Balance	<u>719,765.16</u>
Register Balance as of 01/31/2023	719,765.16
Ending Balance	719,765.16

FY22 Financial Audit - Item #8

**Board Meeting
February 15, 2022**

**Agenda Item: #8
FY22 Financial Audit**

Agenda Item: #8

Discuss, consider and take appropriate action if necessary, to accept the FY22 Financial Audit as presented by the District's contracted auditing firm.

Narrative:

The District contracted with Ludwick, Montgomery & Stapp, P.C. to conduct the annual financial audit for FY22. They have submitted a preliminary/draft audit report for review. The District GM and Board President have had an opportunity to review the report prior to the Board meeting.

Shelly Chapman worked directly with the auditing firm to provide a copy of the District's QuickBooks and all documentation necessary to conduct the audit.

Staff Recommendation:

GM recommends accepting the FY22 Financial Audit as presented by the District's auditing firm.

Auditor's Report (Draft)

DRAFT

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

Audited Financial Statements

For the Year Ended September 30, 2022

and Independent Auditors' Report

DRAFT

TABLE OF CONTENTS

Financial Section

Independent Auditors' Report	1
Management's Discussion and Analysis	3

Basic Financial Statements:

Government-wide and Fund Financial Statements	
Statement of Net Position and Governmental Fund Balance Sheet	8
Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	9
Notes to the Financial Statements	10

Required Supplementary Information:

Budgetary Comparison Schedule - General Fund	19
--	----

Texas Supplementary Information:

TSI-1 - Services and Rates - not applicable	
TSI-2 - General Fund Expenditures	20
TSI-3 - Temporary Investments	21
TSI-4 - Taxes Levied and Receivable	22
TSI-5 - Long-Term Debt Service Requirements by Years - not applicable	
TSI-6 - Changes in Long-Term Bonded Debt- not applicable	
TSI-7 - Comparative Schedule of Revenues and Expenditures - General Fund - Five Years	23
TSI-8 - Board Members, Key Personnel, and Consultants	24

Compliance and Internal Control Section:

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	25
Schedule of Findings and Responses and Corrective Action Plan	27
Schedule of Prior Year Findings and Corrective Action Plan	28

DRAFT

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Clearwater Underground Water Conservation District
Belton, TX

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Clearwater Underground Water Conservation District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Clearwater Underground Water Conservation District, as of September 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Clearwater Underground Water Conservation District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Clearwater Underground Water Conservation District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Clearwater Underground Water Conservation District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-7 and 19 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Texas supplementary information section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2023, on our consideration of Clearwater Underground Water Conservation District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clearwater Underground Water Conservation District's internal control over financial reporting and compliance.

In this section of the annual financial report, we, the managers of Clearwater Underground Water Conservation District (the District), discuss and analyze the District's financial performance. Please read it in conjunction with the independent auditors' report on page 1 and the District's basic financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- The District's net position increased by \$51,177 as a result of this year's operations.
- The ending net position was \$1,471,774.
- During the year, the District had expenses that were \$51,177 less than the \$800,797 generated in revenues.
- Total costs of all the District's programs were \$749,620.
- The resources available for appropriation were \$111,280 more than budgeted due to an over budgeting of compensation and benefits, Clearwater studies and other operating expenses offset by an over budgeting of revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: (1) Management's Discussion and Analysis (this section), (2) government-wide and fund financial statements, and (3) notes to the financial statements. The government-wide and fund financial statements include the statement of net position and governmental fund balance sheet and the statement of activities and governmental fund revenues, expenditures, and changes in fund balance (on pages 8 and 9). The government-wide and fund financial statements are presented together because the District has only one fund. These provide information about the activities of the District as a whole. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

The notes to the financial statements, starting on page 10, provide narrative explanations or additional data needed for full disclosure in the government-wide statements and fund financial statements. This report also contains the budgetary comparison schedule as required supplementary information in addition to the government-wide and fund financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government-wide financial statements use the economic resources measurement and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flow.

The statement of net position presents information on all of the District's position and liabilities, with the difference between the two reported as net position. The District's net position (the difference between assets and liabilities) provide one measure of the District's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well. The analysis of the District's overall financial condition and operations begins on page 8.

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

The statement of activities presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

These two statements report the District's net position and changes in them.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund, namely the general fund.

The general fund is a governmental fund used to account for essentially the same function reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

The District maintains one general fund in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance.

Because the focus of the general fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the general fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the general fund balance sheets and the general fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the general fund and governmental activities. The general fund financial statements are shown in conjunction with the government-wide financial statements on pages 8 and 9.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10 through 18 of this report.

REQUIRED SUPPLEMENTARY INFORMATION

The budgetary comparison schedule is presented for purposes of additional analysis as required by accounting principles generally accepted in the United States of America. The schedule can be found on page 19 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District implemented GASB 34 during the fiscal year ended September 30, 2004. The following analysis focuses on the Net Position (Table I) and Changes in Net Position (Table II) of the District's governmental fund activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Net position of the District's governmental activities increased from \$1,420,597 to \$1,471,774. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements was \$1,002,622 at September 30, 2022.

The District's total revenues increased by \$51,576. The cost of all governmental activities this year was \$749,620 compared to \$728,759. Therefore, revenues and expenses both had increases.

Table I
Clearwater Underground Water Conservation District

Net Position		
	Governmental Activities 2022	Governmental Activities 2021
Assets:		
Cash	\$ 1,003,949	\$ 902,467
Taxes receivable	17,804	21,208
Capital assets - net of depreciation	<u>469,152</u>	<u>530,292</u>
Total Assets	<u>1,490,905</u>	<u>1,453,967</u>
Liabilities:		
Current	<u>19,131</u>	<u>33,370</u>
Total Liabilities	<u>19,131</u>	<u>33,370</u>
Net Position		
Unrestricted	1,002,622	890,305
Net investment in capital assets	<u>469,152</u>	<u>530,292</u>
Total Net Position	<u>\$ 1,471,774</u>	<u>\$ 1,420,597</u>

DRAFT

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
Management's Discussion and Analysis
For the Year Ended September 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Table II
Clearwater Underground Water Conservation District
Changes in Net Position

	Governmental Activities 2022	Governmental Activities 2021
Revenues		
Property taxes	\$ 760,441	\$ 723,678
Permits and other fees	12,736	24,736
Interest income	8,542	807
Gain on sale of assets	19,078	-
Total Revenues	<u>800,797</u>	<u>749,221</u>
Expenses		
Operating expenses	<u>749,620</u>	<u>728,759</u>
Total Expenses	<u>749,620</u>	<u>728,759</u>
Increase (decrease) in net position	51,177	20,462
Net position - beginning of the year	<u>1,420,597</u>	<u>1,400,135</u>
Net position - end of the year	<u>\$ 1,471,774</u>	<u>\$ 1,420,597</u>

FUND FINANCIAL ANALYSIS

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the year.

As the District completed the current year, its governmental fund, which consists of one general fund, as presented in the governmental fund balance sheet on page 8 reported an ending fund balance of \$997,794, which is \$111,280 higher than last year's total of \$886,514. The District's major source of revenue is property taxes. The fund balance represents funds available for operations.

The District's general fund balance of \$997,794 reported on page 19 differs from the General Fund's budgetary fund balance of \$886,514 reported on the same schedule. This is principally due to expenses being under budget offset by revenues being over budgeted.

CAPITAL ASSETS

At the end of fiscal year 2022, the District had \$469,152 invested in building, land and equipment, net of accumulated depreciation. During the year ended September 30, 2022, there was land sold for a gain of \$19,078.

DEBT

The District had no debt during the year or at year end.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District's board considered many factors when setting the 2023 budget. One of the factors was the appraisal value of property. Additionally, the economy and population growth were considered.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the District's finances and to show the District's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the District's business office, Clearwater Underground Water Conservation District, 700 Kennedy Ct., P.O. Box 1989, Belton, TX 76513.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
Statement of Net Position and Governmental Fund Balance Sheet
September 30, 2022

DRAFT

	General Fund	Adjustments (Note 11)	Statement of Net Position
Assets			
Current Assets:			
Cash and cash equivalents	\$ 49,084	\$ -	\$ 49,084
Temporary investments	954,865	-	954,865
Taxes receivable, net of allowance of \$-0-	17,804	-	17,804
Total Current Assets	1,021,753	-	1,021,753
Noncurrent Assets:			
Capital assets not being depreciated			
Land	-	29,059	29,059
Capital assets being depreciated			
Building and equipment, net of accumulated depreciation	-	440,093	440,093
Total Capital Assets, net	-	469,152	469,152
Total Noncurrent Assets	-	469,152	469,152
Total Assets	\$ 1,021,753	469,152	1,490,905
Liabilities			
Payroll liability	\$ 2	-	2
Compensated absences	-	19,129	19,129
Total Liabilities	2	19,129	19,131
Deferred Inflows of Resources			
Unavailable revenue - property taxes	17,804	(17,804)	-
Insurance proceeds	6,153	(6,153)	-
Total Deferred Inflows of Resources	23,957	(23,957)	-
Fund Balance			
Unassigned	997,794	(997,794)	-
Total Fund Balance	997,794	(997,794)	-
Total Liabilities, Deferred Inflows, and Fund Balance	\$ 1,021,753		
Net Position			
Unrestricted		1,002,622	1,002,622
Net investment in capital assets		469,152	469,152
Total Net Position		\$ 1,471,774	\$ 1,471,774

The accompanying notes are an integral part of these financial statements.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

DRAFT

**Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended September 30, 2022**

	General Fund	Adjustments (Note 11)	Statement of Activities
Revenues			
Property taxes	\$ 757,692	\$ 2,749	\$ 760,441
Permits and other fees	12,736	-	12,736
Interest and other income	8,542	-	8,542
Gain on sale of assets	50,000	(30,922)	19,078
Total Revenues	828,970	(28,173)	800,797
Expenditures			
Administrative	25,200	-	25,200
Clearwater studies	108,277	-	108,277
Compensation and benefits	302,898	1,712	304,610
Depreciation	-	30,218	30,218
Directors fees	7,050	-	7,050
Educational outreach	14,784	-	14,784
Facility costs	21,574	-	21,574
Legal and professional	75,656	-	75,656
Other operating expenses	117,523	-	117,523
Payroll taxes	20,156	-	20,156
Spring flow gauge system	15,900	-	15,900
Utilities	8,672	-	8,672
Total Expenditures	717,690	31,930	749,620
Excess of revenues over expenditures	111,280	(111,280)	-
Change in net position	-	51,177	51,177
Fund balance/net position:			
Beginning of year	886,514	534,083	1,420,597
End of year	<u>\$ 997,794</u>	<u>\$ 473,980</u>	<u>\$ 1,471,774</u>

The accompanying notes are an integral part of these financial statements.

1. Nature of Activities

The Clearwater Underground Water Conservation District (the "District") was created in 1989 by the Texas State Legislature and resolution of the Commissioners Court of Bell County, Texas, in order to carry out groundwater management in Bell County. The purpose of the District is to develop and implement an efficient, economical and environmentally sound groundwater management program to protect and enhance the water resources of the District. The District is governed by a five member Board of Directors ("the Board") elected by the qualified voters within the boundaries of the District.

2. Summary of Significant Accounting Policies

The following is a summary of certain significant accounting policies followed in the preparation of the financial statements of Clearwater Underground Water Conservation District.

The District is a governmental entity with its principal office in Belton, Texas from which it oversees groundwater management in Bell County. Principal revenues are property taxes and permit fees. The board of directors constitutes an on-going entity and is the level of government which has governance responsibilities over all activities.

Reporting Entity

The District has developed criteria to determine if the activities of any outside agencies or organizations should be included within its financial statements. The criteria includes the amount of oversight responsibility exercised by the District over the activities of an agency or organization, the scope of public service of an agency or organization, and the nature of any special financing relationships which may exist between the District and an agency or organization. Oversight responsibility includes financial interdependency, selection of the governing authority, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The District's financial statements include all funds over which the District exercises oversight responsibility. The District does not exercise oversight responsibility over any other reporting entity. Also, the District is not included as a part of any other reporting entity.

Government-wide and Fund Financial Statements

The statement of net position and the statement of activities are government-wide financial statements. They report information on all of Clearwater Underground Water Conservation District. The fund financial statements provide reports on the financial condition and results of operations for one fund category - governmental.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

2. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. Clearwater Underground Water Conservation District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of permit and other fees and property taxes. These revenues are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Cash and Cash Equivalents

Cash and cash equivalents includes all short-term liquid investments convertible into cash and includes cash and money market accounts with an original maturity of less than three months.

Taxes Receivable

Taxes receivable are the amount of ad-valorem taxes which have been collected for the District by the various county tax assessor-collectors which were remitted to the District during the ensuing sixty day period. The assessment and collection of these taxes has been handled solely by the counties involved.

Capital Assets

Capital assets, which include office equipment and furniture, are reported in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost. Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Equipment	5-15 years
Building and Improvements	10 – 40 years

2. Summary of Significant Accounting Policies (Continued)

Recently Adopted Accounting Pronouncements

In June 2017, The Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 87, *Leases*. The standard was effective for year-ends beginning after June 15, 2021. We adopted the requirements of the new statement effective October 1, 2021. Adoption of the new standard had no material impact on the financial statements for the year ended September 30, 2022.

Budget

The Board of Directors prepared and formally adopted an annual budget prior to the disbursement of funds.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Fund Accounting

The District reports the following major governmental funds:

General Fund - This is the District's primary operating fund. It accounts for all financial resources of the District.

Clearwater Underground Water Conservation District does not have any long-term debt for the year ended September 30, 2022.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This statement, known as the "Reporting Model" statement, affects the way the District prepares and presents financial information in addition to requiring the presentation of the Clearwater Underground Water Conservation District's Management's Discussion and Analysis (MD&A). MD&A is considered to be required supplementary data and precedes the financial statements.

2. Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

To conform to the requirements of GASB 34, the following changes have been made to the Clearwater Underground Water Conservation District's financial statements:

- Fund balance has been reclassified into the following category of net position: Unrestricted and Net Investment in Capital Assets.
- The balance sheet has been modified to report a statement of net position.
- The balance sheet was adjusted for net capital assets of \$469,152 and compensated absences of \$19,129 on the statement of net position.
- The statement of revenues, expenditures, and changes in fund balance has been modified to report a statement of activities with operating and non-operating revenues and expenses.
- The statement of revenues, expenditures, and changes in fund balance was adjusted by \$30,218 for depreciation, \$1,712 for increases in compensated absences and \$2,749 for property taxes and \$30,922 for gain on sale of assets.

Deferred Outflows/Inflows

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time. A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

3. Deposits and Investments

The District is required by Government Code Chapter 2256, *The Public Funds Investment Act*, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act ("the Act") requires an annual audit of investment policies. Audit procedures in this area conducted as a part of the audit of the financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

3. Deposits and Investments (Continued)

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

Additional Contractual Provisions governing deposits and investments are as follows:

The funds of Clearwater Underground Water Conservation District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

At September 30, 2022, the bank balance of the District was \$80,263 with \$-0- of deposits in excess of FDIC coverage.

Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and, if so, the reporting of certain related disclosures:

- a. Credit Risk - Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District's investments, other than those which are obligations of or guaranteed by the U.S. Government, are related as to credit quality.

The Clearwater Underground Water Conservation District does not invest in debt securities.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. TexPool is rated AAA by Standard and Poor's. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as the office of the Comptroller of Public Accounts for review. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

- b. Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

3. Deposits and Investments (Continued)

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agency but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

- c. Concentration of Credit Risk - This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District had no positions of 5% or more in the securities of a single issuer.

The District's undesignated temporary investments at September 30, 2022, are shown below:

	<u>Carrying Amount</u>	<u>Fair Value</u>
TexPool	\$ 954,865	\$ 954,865
	<u>\$ 954,865</u>	<u>\$ 954,865</u>

- d. Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
- e. Foreign Currency Risk - This is the risk that exchange rates will adversely affect the fair value of an instrument. At year end, the District was not exposed to foreign currency risk.

4. Capital Assets

Capital asset activity for the period ended September 30, 2022 was as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Balance - October 1, 2021	\$ 769,462	\$ (239,170)	\$ 530,292
Additions	-	(30,218)	(30,218)
Disposals	<u>(30,922)</u>	<u>-</u>	<u>(30,922)</u>
Balance - September 30, 2022	<u>\$ 738,540</u>	<u>\$ (269,388)</u>	<u>\$ 469,152</u>

5. Long-Term Debt

The District has no long-term debt.

6. Risk Management

The District is exposed to various risks of loss related to torts, thefts, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past year and there were no settlements exceeding insurance coverage.

7. Property Taxes

Clearwater Underground Water Conservation District has contracted with the Tax Appraisal District of Bell County for the assessment and collection of taxes. By September 1 of each year, the rate of taxation is set by the board of directors based upon the valuation of property within the District as of January 1. Taxes are due October 1, and become delinquent after January 31 of the following year.

8. Employee Benefits

a. Annual Leave

Annual leave (vacation) is a benefit provided to eligible, full-time, employees of the District. A full-time employee is one who is regularly scheduled to work thirty to forty hours per week. Annual leave is accrued at eight hours per pay period immediately upon employment but cannot be taken until the employee has reached the one hundred eighty (180) day probationary period. The accrual maximum is twelve days for an employee with up to five years of continuous service. After five years, an employee is entitled to accrue an additional three days for a total of fifteen days per year. An employee may carry-over leave up to a maximum of twenty-four days per fiscal year. Remaining accrued leave is payable up separation. Accrued compensated absences for September 30, 2022 was \$19,129.

b. Sick Leave

A full-time employee, as previously defined, is entitled to six days per year. Accrual of sick leave is at four hours prepay period and a full-time employee can accumulate up to twelve days with carry-over. Upon termination of employment, no accumulated sick leave will be paid and therefore, no accrual is recorded.

c. Retirement Plan

The District has established a Governmental 457 Deferred Compensation Plan as their retirement plan for full-time eligible employees. UMB Bank, N.A. is designated as trustee and Security Financial Resources, Inc. is the plan service provider. The District agrees to match employee contributions at 100% of the first 3% and 50% of the next 3% for a maximum match of up to 4.5% depending on the contribution of the employee. As of September 30, 2022, the employer match was \$10,335.

9. Litigation

At September 30, 2022, the District was not involved in any litigation.

10. Management Review of Subsequent Events

Management has evaluated subsequent events through February 7, 2023, the date on which the financial statements were available to be issued.

11. Reconciliation to Government-Wide Statements

Total fund balance - total governmental funds	\$ 997,794
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in government activities are not financial resources; therefore, they are not reported in the funds.	469,152
Compensated absences are not a current requirement of resources and therefore are not accrued in the general fund.	(19,129)
Deferred inflows of resources are potential revenue that do not meet the "measurable" and "available" criteria; therefore, it is reported in the funds.	<u>23,957</u>
Total net position	<u>\$ 1,471,774</u>

DRAFT

11. Reconciliation to Government-Wide Statements (Continued)

Net change in fund balance - total governmental funds	\$ 111,280
Amounts reported for governmental activities in the statement are different because:	
Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund.	2,749
Adjustment made to compensated absences	(1,712)
The net effect of various transactions involving capital assets (e.g. sales and disposals) is to decrease net position. See note 4.	(30,922)
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of \$30,218 was more than capital outlays of \$-0-.	(30,218)
Change in net position	<u>\$ 51,177</u>

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

BUDGETARY COMPARISON SCHEDULE

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended September 30, 2022

DRAFT

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	\$ 787,106	\$ 787,106	\$ 757,692	\$ (29,414)
Permits and other fees	51,500	51,500	12,736	(38,764)
Interest and other income	1,000	1,000	8,542	7,542
Sale of assets	-	-	50,000	50,000
Total Revenues	839,606	839,606	828,970	(10,636)
Expenditures				
Administrative	132,764	46,012	25,200	20,812
Clearwater studies	92,500	139,629	108,277	31,352
Compensation and benefits	303,967	304,299	302,898	1,401
Director's fees	12,750	12,750	7,050	5,700
Educational outreach	19,500	18,393	14,784	3,609
Facility costs	22,375	23,545	21,574	1,971
Legal and professional	42,500	83,815	75,656	8,159
Other operating expenses	162,850	160,795	117,523	43,272
Payroll taxes	25,300	25,268	20,156	5,112
Spring flow gauge system	15,900	15,900	15,900	-
Utilities	9,200	9,200	8,672	528
Total Expenditures	839,606	839,606	717,690	121,916
Excess Revenues Over (Under) Expenditures	-	-	111,280	111,280
Net Changes in Fund Balance	-	-	111,280	111,280
Fund Balance - Beginning of the Year	886,514	886,514	886,514	-
Fund Balance - End of the Year	\$ 886,514	\$ 886,514	\$ 997,794	\$ 111,280

See independent auditors' report.

DRAFT

TEXAS SUPPLEMENTARY INFORMATION

DRAFT

TSI - 2

CLEARWATER CONSERVATION UNDERGROUND WATER CONSERVATION DISTRICT
TSI - 2: General Fund Expenditures
For the Year Ended September 30, 2022

DRAFT

Personnel expenditures (including benefits)	\$ 302,898
Professional fees:	
Auditing	7,700
Legal	75,656
Utilities	8,672
Clearwater studies	108,277
Facility costs	21,574
Administrative expenditures	17,500
Directors fees	7,050
Educational outreach	14,784
Spring flow gauge system	15,900
Other expenditures	<u>137,679</u>
Total Expenditures	<u>\$ 717,690</u>

See independent auditors' report.

DRAFT

TSI - 3

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
TSI - 3: Temporary Investments
For the Year Ended September 30, 2022

DRAFT

General Fund	ID or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
Tex Pool - Investment Pool	449/7935800001	2.8465%	-	\$ 474,328	\$ -
Tex Pool Prime - Investment Pool	590/7935800001	3.1307%	-	480,537	-
Total - All Funds				<u>\$ 954,865</u>	<u>\$ -</u>

See independent auditors' report.

DRAFT

TSI - 4

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
TSI - 4: Taxes Levied and Receivable
For the Year Ended September 30, 2022

DRAFT

	<u>Maintenance Taxes</u>
Taxes receivable, beginning of year	\$ 21,208
2021 original tax levy	774,997
Less abatements	-
Total to be accounted for	<u>796,205</u>
Tax collections	
Current year	771,883
Prior years	6,518
Total collections:	<u>778,401</u>
Taxes receivable, end of year	<u>\$ 17,804</u>
Taxes receivable, by year	
2021	\$ 7,235
2020	3,264
2019	2,313
2018	1,663
2017 and prior	3,329
Taxes receivable, end of year	<u>\$ 17,804</u>

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Property valuations				
Property valuations, net taxable	\$ 24,999,251,580	\$ 22,630,374,553	\$ 20,531,428,738	\$ 18,670,513,065
Tax rates per \$100 valuation	\$0.00310	\$0.00327	\$0.00357	\$0.00383
Maintenance tax rates				
Total tax rates per \$100 valuation	\$0.00310	\$0.00327	\$0.00357	\$0.00383
Original tax levy	774,997	740,538	732,972	715,081
Percent of taxes collected to taxes levied	99.60%	98.59%	96.60%	96.75%

See independent auditors' report.

DRAFT

TSI - 7

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
TSI - 7: Comparative Schedule of Revenues and Expenditures
General Fund - Five Years Ended
For the Year Ended September 30, 2022

DRAFT

	Amounts				
	2022	2021	2020	2019	2018
General Fund					
Revenues					
Property taxes	\$ 757,692	\$ 724,896	\$ 716,887	\$ 684,759	\$ 660,854
Permits and other fees	12,736	24,736	13,866	6,689	7,767
Interest and other income	58,542	807	11,935	15,580	13,964
Total revenues	828,970	750,439	742,688	707,028	682,585
Expenditures					
Personnel	323,054	280,788	278,509	264,480	233,264
Professional fees	75,656	69,403	41,025	41,330	62,950
Clearwater studies	108,277	171,082	287,509	123,472	84,620
Administrative expenditures	25,200	23,918	36,110	25,528	28,126
Other expenditures	185,503	148,555	141,412	170,707	315,528
Total expenditures	717,690	693,746	784,565	625,517	724,488
Excess (Deficient) revenues over expenditures	\$ 111,280	\$ 56,693	\$ (41,877)	\$ 81,511	\$ (41,903)

Percent of Total Fund Revenues				
2022	2021	2020	2019	2018
91.4%	96.6%	96.5%	96.9%	96.8%
1.5%	3.3%	1.9%	0.9%	1.1%
7.1%	0.1%	1.6%	2.2%	2.0%
100.0%	100.0%	100.0%	100.0%	100.0%
39.0%	37.4%	37.5%	37.4%	34.2%
9.1%	9.2%	5.5%	5.8%	9.2%
13.1%	22.8%	38.7%	17.5%	12.4%
3.0%	3.2%	4.9%	3.6%	4.1%
22.4%	19.8%	19.0%	24.1%	46.2%
86.6%	92.4%	105.6%	88.5%	106.1%
13.4%	7.6%	-5.6%	11.5%	-6.1%

See independent auditors' report.

DRAFT

TSI - 8

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
TSI - 8: Board Members, Key Personnel, and Consultants
For the Year Ended September 30, 2022

DRAFT

Complete District Mailing Address: P.O. Box 1989, Belton, TX 76513

District Business Telephone Number: (254) 933-0120

Submission Date of the Most Recent District Registration Form:
(TWC Sections 36.054 and 49.054) November 28, 2022

Limit on Fees of Office That a Director may Receive During a Fiscal Year:
(TWC Section 36.060) \$9,000

<u>Names:</u>	<u>Term of Office (Elected or Appointed) or Date Hired</u>	<u>Fees of Office Paid for the Year Ended 9/30/2022</u>	<u>Title at Year End</u>
Board Members			
Leland Gersbach	Elected Nov. 2020-2024	\$ -	President
Gary Young	Elected Nov. 2018-2022	\$ 2,400	Secretary
Jody Williams	Elected Nov. 2020-2024	\$ 2,550	Director
Scott Brooks	Elected Nov. 2018-2022	\$ -	Director
David Cole	Elected Nov. 2018-2022	\$ 2,100	Vice President
Key Administrative Personnel			
Dirk Aaron	June 2011	\$ 100,000	General Manager
Shelly Chapman	October 2011	\$ 56,000	Office Manager
Consultants			
Ludwick, Montgomery, & Stapp, P.C.	July 14, 2021	\$ 7,700	Auditor
Lloyd Gosselink, Attorneys at law	2012	\$ 82,201	Attorney
Bell County Tax Appraisal District	1989	\$ 7,677	Tax appraiser/collector

See independent auditors' report.

DRAFT

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Clearwater Underground Water Conservation District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater Underground Water Conservation District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Clearwater Underground Water Conservation District's basic financial statements, and have issued our report thereon dated February 7, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clearwater Underground Water Conservation District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Clearwater Underground Water Conservation District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clearwater Underground Water Conservation District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Temple, Texas
February 7, 2023

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
Schedule of Findings, Responses, and Corrective Action Plan
For the Year Ended September 30, 2022

DRAWN

FINANCIAL STATEMENT FINDINGS

There were no findings in the current year.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
Schedule of Prior Year Findings and Corrective Action Plan
For the Year Ended September 30, 2022

12/24/22
Blanchard

There were no prior year findings.

Governance Letter (Draft)

DRAFT

February 7, 2023

To the Board of Directors

Clearwater Underground Water Conservation District
P.O. Box 1989
Belton, TX 76513

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clearwater Underground Water Conservation District for the year ended September 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 24, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clearwater Underground Water Conservation District, are described in Note 2 to the financial statements. As described in Note 2, the District changed accounting policies related to reporting of leases by adopting GASB Statement No. 87, *Leases*, in 2022. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Organization's financial statements was:

Management's estimate that all of accounts receivable is deemed collectible is based on historical performance and analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has been provided and corrected the attached misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 7, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Clearwater Underground Water Conservation District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issue

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Clearwater Underground Water Conservation District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Mgmt Representation Letter

Clearwater Underground Water Conservation District

P.O. Box 1989
Belton, TX 76513

February 7, 2023

Ludwick, Montgomery & Stapp, P.C.
1949 Scott Blvd.
Temple, TX 76504

This representation letter is provided in connection with your audit of the financial statements of Clearwater Underground Water Conservation District, which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of September 30, 2022, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of February 7, 2023, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 24, 2022 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We have implemented GASB Statement No. 87, *Leases* during the audit period. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the statement. However as of September 30, 2022, the District had no material leases that would affect the financial statements.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 5) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 6) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 7) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 8) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 9) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 10) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 11) Guarantees, whether written or oral, under which the Organization is contingently liable, if any, have been properly recorded or disclosed.
- 12) In regard to the financial statement preparation services performed by you, we have-
 - a) Assumed all management responsibilities.
 - b) Designated Leland Gersbach and Dirk Aaron , who have suitable skill, knowledge or experience to oversee the services.
 - c) Evaluated the adequacy and results of the services performed
 - d) Accepted responsibility for the results of the services.

Information Provided

- 13) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of board of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

- 17) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, regulators, or others.
- 18) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 19) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 20) We have disclosed to you the identity of the Organization's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 21) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 23) The Organization has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 24) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 26) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 27) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

- 28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 30) The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 31) The Organization has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 32) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 34) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 36) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 39) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 40) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 41) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 42) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 43) The government meets the GASB-established requirements for accounting for eligible infrastructure assets using the modified approach.

- 44) We have appropriately disclosed the Organization's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 47) With respect to the supplemental information:
- a) We acknowledge our responsibility for presenting the supplemental information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplemental information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplemental information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplemental information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: _____

Signature: _____

Title: _____

Title: _____

At-Large Director Position - Item #9

**Regular Board Meeting
February 15, 2023**

**Agenda Item #9
Interview and Select At-Large Director**

Agenda Item #6: Discuss consider and take appropriate action if necessary to appoint a Director for the At-Large Directorship upon completion of qualified candidate interviews for the position.

Narrative: Per the attached notice that the Board of Directors for the Clearwater Underground Water Conservation District accepted applications for the Director-At-Large Position currently vacated by the resignation of Mr. R. David Cole on January 4, 2023. Mr. Cole was reelected to the At-Large Director position recently and was unopposed for a four-year term ending in 2026.

The Board of Directors formally accepted his resignation on January 11, 2023, thus by Board Action directed the General Manager to provide public notice that applications for the position can be made and accepted immediately and until the close of business on February 9, 2023.

The District received the following applications prior to the prescribed deadline:

- James D. Brown (January 13, @ 11:12 a.m.)
- Dr. Amber Preston Dankert (January 23, @ 8:50 p.m.)
- Joe Taylor Shepard (February 6, @ 1:00 p.m.)
- Carl Ford (February 8, @ 2:41 p.m.)
- Bracken Marburger (February 9, @ 9:37 a.m.)

Applicants do reside in Bell County and are registered voters in Bell County.

Applicants if selected cannot serve in any other elected office in accordance with Texas Water Code Chapter 36.051(a)(b)(c) Board of Directors.

Texas Water Code § 36.051(c) provides in relevant parts that, “...If the vacant office is not scheduled for election for longer than two years at the time of the appointment, the board shall order an election for the unexpired term to be held as part of the next regularly scheduled director's election. The appointed director's term shall end on qualification of the director elected at that election.”

Mr. Cole's current term won't expire until 2026, thus Texas Water Code § 36.051(c) requires the Board to order the special election to be held at its next regularly scheduled directors' election—which is November 5, 2024. This election will be a special election to fill the remainder of David's term, which would be up for election again in 2026.

The election process will be as follows:

- February 15, 2023 Board appoints temporary at-large Director.
- November 5, 2024 Board holds special election to fill vacancy for the remainder of the term.
- November 2026, Board holds general directors election for a full four-year term.

2023 JAN 12 P 12: 58

**NOTICE CALLING FOR APPLICATIONS FOR
AT-LARGE DIRECTOR POSITION
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**

SHELLEY COSTON
CO. CLERK BELL CO. TX

Notice is hereby given that the Board of Directors for the Clearwater Underground Water Conservation District will be accepting Applications for the Director-At-Large Position currently vacated by the resignation by Mr. R David Cole on January 4, 2023. Mr. Cole was reelected to the At-Large Director position recently and was unopposed for a four-year term ending in 2026. Mr. Cole as served on the board continuously since 2012 during which he was reelected for three full four-year terms office.

The Board of Directors formally accepted his resignation on January 11, 2023, thus by Board Action directed General Manager to provide public notice that applications for the position can be made and accepted immediately and until the close of business on February 9, 2023.

Applications should include a letter of intent stating your desire to serve and your qualifications for the position. Applicants shall also include a current resume. Applicants shall reside in Bell County and shall be registered voters in Bell County. Applicants if selected cannot serve in any other elected office in accordance with Texas Water Code Chapter 36.051(a)(b)(c) Board of Directors. Statue can be viewed online at the following website:

<http://www.statutes.legis.state.tx.us/Docs/WA/htm/WA.36.htm>

Applications can be sent to the District by regular mail, delivered in person, or emailed to General Manager, Mr. Dirk Aaron daaron@cuwcd.org but must arrive by COB on Thursday, February 9, 2023. The headquarters of the District is located at 700 Kennedy Court, in Belton, Texas, the mailing address is P.O. Box 1989 Belton, TX 76513.

The Board of Directors will interview all applicants at the regular board meeting on February 15, 2023, at 1:30 p.m. The Board meeting will be posted in accordance with the Texas Open Meetings Act.

For additional information about the position and application process, interested individuals may make that request by contacting the District at 700 Kennedy Court (PO Box 1989) Belton, Texas, 76513, 254-933-0120.

This notice is ISSUED this 12th day of January 2023 in Belton, Texas, on the recommendation of General Manager.

I, the undersigned authority, do hereby certify that the above NOTICE OF AT-LARGE DIRECTORSHIP APPLICATIONS TO the Board of Directors of the Clearwater Underground Water Conservation District is a true and correct copy of said Notice. I have posted a true and correct copy of said Notice at the District office located in Belton, Texas, and said Notice was posted on January 12th, 2023, and remained posted continuously for at least 30 (thirty) days immediately preceding the day of the said regular board meeting on February 15, 2023; a true and correct copy of said Notice was furnished to the Bell County Clerk, in which the above-named political subdivision is located.

Dated 01/12/2023

Clearwater Underground Water Conservation District

By: 
Dirk Aaron, General Manager

4 County Regional Groundwater Study
Interlocal Agreement - Item #10

**INTERLOCAL AGREEMENT RELATED TO
THE FOUR COUNTY REGIONAL GROUNDWATER STUDIES
IN BELL, BURNET, WILLIAMSON & TRAVIS COUNTIES**

This Interlocal Agreement (“Agreement”) is entered into by and between the Central Texas Groundwater Conservation District (“CTGCD”), Clearwater Underground Water Conservation District (“CUWCD”), and the Southwestern Travis County Groundwater Conservation District (“SWTCGCD”) (collectively “the Districts” or “the Parties”) for the purposes and mutual benefits to be derived by the Districts as described herein. In this Agreement, the Districts are sometimes individually referred to as “District” or “Party.”

WHEREAS, the CTGCD is a political subdivision of the State of Texas created under Article XVI, Section 59 of the Texas Constitution, and operates pursuant to Chapter 36 of the Texas Water Code and Chapter 8810 of the Special District Local Law Code (Enabling Act); and

WHEREAS, the CUWCD is a groundwater conservation district and a body politic and corporate, created and operating pursuant to Article XVI, Section 59 of the Constitution of Texas; Chapter 36 of the Texas Water Code; Chapter 8877 of the Texas Special District Local Laws Code; and the applicable, general laws of the State of Texas; and

WHEREAS, the SWTCGCD is a political subdivision of the State of Texas created and operating pursuant to Article XVI, Section 59 of the Constitution of Texas; Chapter 36 of the Texas Water Code; Chapter 8871 of the Texas Special District Local Laws Code; and the applicable, general laws of the State of Texas; and

WHEREAS, the Districts desire to and are authorized to enter into this Agreement pursuant to Texas Interlocal Cooperation Act, §791.001, *et. seq.* of the Texas Government Code; and

WHEREAS, each District has authority under the Texas Interlocal Cooperation Act, its respective enabling act, and Chapter 36 of the Texas Water Code, including, but not limited to §36.106, 36.107, 36.109, and 36.158 to enter into and perform the function under this Agreement; and

WHEREAS, each District is responsible for managing a portion of the Trinity Aquifer in its respective jurisdiction; and

WHEREAS, the Districts recognize that the Trinity Aquifer is a shared resource that is of mutual interest to the Districts and their constituents; and

WHEREAS, the Districts recognize the need and benefit of groundwater studies and data collection in the Trinity Aquifer and that these efforts improve management and understanding of groundwater resources; and

WHEREAS, groundwater production from the Trinity Aquifer in Williamson and northern Travis counties affects groundwater resources and availability in the Districts; and

WHEREAS, LRE WATER LLC (“LRE”) is a well-recognized company that provides engineering, geoscience, and groundwater hydrogeologic consulting services; and

WHEREAS, CUWCD established a professional services agreement with LRE in 2018 (LRE Agreement) to develop a high-density interactive 3D stratigraphic model and analytical tools within its jurisdiction; and

WHEREAS, CUWCD has funded in 2021 the extension of its 3D stratigraphic model into northwestern portions of Williamson County, which allowed for the investigation of the geology, structure, historical water levels, and hydraulic properties that now inform how groundwater is moving through the subsurface into Bell County and the extended area of northwestern Williamson County, along IH 35 to SH29 to the Burnet County line; and

WHEREAS, the research efforts by LRE, funded by CUWCD, gathered additional data that complement the information presented in the “*Hydrogeologic Atlas of Southwest Travis County, Central Texas*”; and

WHEREAS, the Districts find it to be of their mutual advantage and to benefit their constituents to coordinate their efforts to collect and evaluate scientific data related to the Trinity Aquifer in Bell, Burnet, Williamson, and Travis counties to ensure the Districts have access to the best available scientific information as contemplated by Chapter 36 of the Texas Water Code; and

WHEREAS, the Districts agree to collaborate to expand the existing high-density interactive 3D stratigraphic model of the Trinity Aquifer into portions of Burnet, Williamson, and Travis counties to provide the Districts and local governmental agencies with a shared platform to improve management and understanding of groundwater resources in the region; and

NOW, THEREFORE, in consideration of the foregoing and the mutually acceptable terms and conditions of the Parties in this Agreement, the Parties agree as follows:

ARTICLE 1 PURPOSE

The purpose of this Agreement is to initiate a cooperative effort between the Districts under which the Districts will provide in-kind support for and will fund and engage LRE to: (1) develop the expanded interactive 3D stratigraphic model with formation layers and faulting delineated; (2) assess regional water levels and groundwater flow directions for the Upper, Middle, and Lower Trinity aquifers in the study area; (3) deliver all source data through the development of a geodatabase containing stratigraphic interpretations, source-aquifer designations, and water-well, water-chemistry and aquifer-property data for the study area; (4) develop a summary report in collaboration with the Parties and other participants; and (5) present results to the Parties (collectively referred to as “Four County Regional Groundwater Studies” or “Project” and described in additional detail in Exhibit A – Task Order).

ARTICLE 2

OBLIGATIONS AND RIGHTS OF CUWCD

2.1 CUWCD has already contributed \$20,000.00 to the Project and is not responsible for any additional payments to LRE unless the Parties agree otherwise in writing.

2.2 CUWCD hereby agrees to provide in-kind services in support of the Project to potentially include: compiling and delivering available water-level data, pumping and production data, well locations and pumping rates, and other hydrogeologic data; acquiring geophysical logs; and providing local hydrogeologic expertise.

2.3 At the same time that CUWCD executes this Agreement, CUWCD will issue and execute the task order for LRE to conduct the Project as described in Exhibit A.

2.4 Before issuing a task order other than Exhibit A task order relating to the Project and for which SWTCGCD and CTGCD may incur costs, CUWCD will provide SWTCGCD and CTGCD with at least 7 days' prior notice of the proposed task order. SWTCGCD and CTGCD may object to the task order during this period, at which point CUWCD will work with SWTCGCD and CTGCD to find a mutually acceptable solution. CUWCD will not submit a task order that SWTCGCD or CTGCD has previously objected to, unless the Districts agree otherwise in writing.

2.5 CUWCD will maintain the LRE Agreement in effect during the duration of this Agreement and CTGCD and SWTCGCD are third party beneficiaries under the LRE Agreement.

ARTICLE 3 OBLIGATIONS AND RIGHTS OF CTGCD

3.1 CTGCD hereby agrees to contribute up to \$15,000.00 to the Project under this Agreement.

3.2 CTGCD hereby agrees to provide in-kind services in support of the Project to potentially include: compiling and delivering available water-level data, pumping and production data, well locations and pumping rates, and other hydrogeologic data; acquiring geophysical logs; and providing local hydrogeologic expertise.

3.3 CTGCD shall receive separate invoices from LRE for the Project and shall pay to LRE its portion of the full cost of the Project in accordance with the terms and conditions set forth in this Agreement and described in the task order Exhibit A.

3.4 CTGCD will utilize its own consultant, INTERA, to perform services in support of the Project, as described in the task order Exhibit A, through an independent pre-existing agreement.

ARTICLE 4 OBLIGATIONS AND RIGHTS OF SWTCGCD

4.1 SWTCGCD hereby agrees to contribute up to \$75,000.00 to the Project under this Agreement.

4.2 SWTCGCD hereby agrees to provide in-kind labor in support of the Project to potentially include: compiling and delivering available water-level data, pumping and production data, well locations and pumping rates, and other hydrogeologic data; acquiring geophysical logs; and providing local hydrogeologic expertise.

4.3 SWTCGCD shall receive separate invoices from LRE for the Project and shall pay to LRE its portion of the full cost of the Project in accordance with the terms and conditions set forth in this Agreement and described in the task order Exhibit A.

**ARTICLE 5
TERM AND TIME OF PERFORMANCE**

5.1 The Effective Date of this Agreement shall be the date last executed by the Parties below. Unless extended in writing by mutual agreement, the term of the Agreement shall continue from the Effective Date until one year or until the Parties have fulfilled all obligations under this Agreement, whichever is sooner.

**ARTICLE 6
NOTICE**

6.1 Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests, or communications related to non-compliance issues required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, (ii) via email, or (iii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the Parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

CTGCD: Central Texas Groundwater Conservation District
Attn: Mitchell Sodek, General Manager
225 South Pierce
Burnet, TX 78611
(512) 756-4000
(512) 756-4997 (fax)
Email: sodek@centraltexasgcd.org

CUWCD: Clearwater Underground Water Conservation District
Attn: Dirk Aaron, General Manager
P.O. Box 1989
700 Kennedy Court
Belton TX 76513
(254) 933-0120
Email: daaron@cuwcd.org

SWTCGCD: Southwestern Travis County Groundwater Conservation District
Attn: Lane Cockrell, General Manager

P.O. Box 340595
Austin, TX 78734
(512) 276-2875
Email: generalmanager@swtcgcd.org

ARTICLE 7 DISPUTE RESOLUTION

7.1 Negotiation. The Parties will attempt in good faith to resolve promptly through negotiation any claim or controversy arising out of or relating to this Agreement. If a controversy or claim should arise, the Parties agree to each select a Representative and to have those Representatives meet at least once to attempt in good faith to resolve the dispute. For such purpose, any Party may request the others to meet within ten (10) days, at a mutually-agreed-upon time and place. The Parties shall, within ten (10) days after the Effective Date of this Agreement, each designate to the other their respective Representatives, who shall be an executive-level individual with authority to settle disputes subject to approval of the Party's governing body. Each of the Parties may change the designation of its Representative but shall maintain at all times during the term of this Agreement a designated Representative and shall ensure that the other Parties are notified of any change in the designation of its Representative.

7.2 Mediation. If the dispute has not been resolved within sixty (60) days after the first meeting of the designated Representatives (or such longer period of time as may be mutually agreed upon), any of the Parties may refer the claim or controversy to non-binding mediation conducted by a mutually-agreed-upon party qualified to perform mediation of disputes related to the subject matter of this Agreement (herein referred to as the "Mediator") by sending a written mediation request to the other District. If such a request is made, the Parties agree to participate in the mediation process. The Parties and the Mediator may join in the mediation any other party necessary for a mutually acceptable resolution of the dispute. Should the Mediator ever be unable or unwilling to continue to serve, the Parties shall select a successor Mediator. The mediation procedure shall be determined by the Mediator in consultation with the Parties. The fees and expenses of the Mediator shall be borne equally by the Parties.

7.3 Litigation. If the dispute is not resolved within thirty (30) days after the commencement of mediation, or if no mediation has been commenced within ninety (90) days after the first meeting between Representatives (or such longer period of time as may be mutually agreed upon), any of the Parties may commence litigation to resolve the dispute in any Texas state court of competent jurisdiction, or in the United States District Court for the Western District of Texas, Austin Division, to the extent said Court shall have jurisdiction over the matter.

ARTICLE 8 MISCELLANEOUS

8.1 Not-to-Exceed: Budget Amount. Under no circumstances shall the Districts' financial obligations exceed the amounts cited in Sections 2.1, 3.1, and 4.1, above. Notwithstanding any other provision of this Agreement, if each District respective Board of Directors appropriate or budget funds to meet the terms and conditions cited herein, then any non-appropriating entity shall not be obligated to fulfill obligations under this Agreement.

8.2 Entire Agreement. This Agreement represents the entire and integrated agreement between the three Districts and supersedes all prior negotiations, representations or arguments either written or oral. No official, representative, agent, or employee of the Parties has any authority to modify this Agreement, except pursuant to such express authority as may be granted by the respective governing body. The recitals set forth above are incorporated herein.

8.3 Lawful Authority. The execution and performance of this Agreement by each respective District have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of each District in accordance with its terms.

8.4 Amendments. No amendment, modification or alteration of the terms hereof shall be binding unless the same shall be in writing and dated after the date hereof and duly executed by the Parties hereto.

8.5 Independent Parties. It is understood and agreed between the Parties that the Parties, in executing this Agreement, and in performing their respective obligations, are acting independently, and not in any form of partnership or joint venture.

8.6 Construction. The captions and headings contained in this Agreement are solely for convenient reference and will not be deemed to affect the meaning or interpretation of any provision or paragraph hereof. All references in this Agreement to any gender are for convenience only and will be construed and interpreted to be of the appropriate gender. For the purposes of this Agreement, the term "will" is mandatory. Should any provision in this Agreement be found or deemed to be invalid, this Agreement will be construed as not containing such provision, and all other provisions which are otherwise lawful will remain in full force and effect, and to this end the provisions of this Agreement are declared to be severable.

8.7 Conflict with Applicable Law. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, ordinance or administrative executive or judicial regulation, order or decree, or amendment thereof, contrary to which the Parties have not legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

8.8 No Waiver. No waiver by a Party of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

8.9 Public Information Act. The Districts are governed by the Texas Public Information Act (the "Act"). Chapter 552 of the Texas Government Code. This Agreement and all written information generated under this Agreement may be subject to release under the Act.

8.10 Additional Documents. The District and County covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

8.11 Compliance with Laws. In performing this Agreement, the Parties will comply with all local, state and federal laws.

8.12 Counterparts. This Agreement has been executed by the Parties in multiple originals or counterparts each having full force and effect.

**ARTICLE 9
LIABILITY**

9.1 To the extent allowed by Texas law, each District agrees that each entity is responsible for its own proportionate share of any liability for its negligent acts or omissions.

Clearwater Underground Water Conservation District:

ATTEST:

By: _____
Leland Gersbach
Board President, Director Precinct 4

By: _____
C. Gary Young
Secretary, Director Precinct 2

Date: _____

Date: _____

Central Texas Groundwater Conservation District:

ATTEST:

By: _____
Ryan Rowney
Board President

By: _____
Kathy Griffis-Bailey
Board Secretary

Date: _____

Date: _____

Southwestern Travis County Groundwater Conservation District:

ATTEST:

By: _____
Richard A. Scadden
Board President

By: _____
Tim Van Ackeren
Board Secretary

Date: _____

Date: _____

EXHIBIT A

REGIONAL STRATIGRAPHIC STUDY

TASK ORDER #1

This Task Order is effective on the Effective Date of the Interlocal Agreement by and between Southwestern Travis County Groundwater Conservation District (SWTCGCD), Clearwater Underground Water Conservation District (CUWCD) and Central Texas Groundwater Conservation District (CTGCD) (collectively referred to as "Client") entitled "Interlocal Agreement Related to the Four County Regional Groundwater Studies in Bell, Burnet, Williamson and Travis Counties" (ILA). Under an existing agreement between LRE Water ("Consultant") and CUWCD, Consultant will perform services described in this Task Order and will be paid as provided in the ILA and this Task Order.

1. The Services to be performed by Consultant under this Task Order are as follows: Develop a high-data density 3-dimensional stratigraphic model of the Trinity Aquifer system with formation layers and faulting delineated, to include approximately 500 stratigraphic control points per county for the study area outlined in the hatched area shown in Attachment A. This will include: (1) the evaluation and interpretation of geophysical logs, water well drillers' report lithologic descriptions from the Texas Department of Licensing and Regulation Submitted Driller Report Database (TDLR SDR), Texas Commission on Environmental Quality Plotted Well Report Viewer and the Texas Water Development Board Groundwater Database (TWDB GWDB) and select oil and gas well records and reports (cable tool and scout logs). This service will be performed by the Consultant except for the portion of the study area within Burnet County, which will be performed by INTERA through an independent pre-existing agreement with Central Texas GCD, which Consultant will incorporate into the 3-dimensional stratigraphic model. (2) development of a 3-dimensional stratigraphic model workspace using Leapfrog geologic modeling software, and delivery of viewer files to the Client for the study area and for each county, (3) source aquifer designations for each TWDB GWDB and TDLR SDR water well that includes well completion information, (4) regional water level surfaces and groundwater flow directions for upper, middle and lower Trinity stratigraphic units, (5) delivery of all source data through the development of a geodatabase with stratigraphic interpretations, water well, water chemistry and aquifer property data for the study area, (6) stakeholder and project collaborator meetings, (7) a summary report developed in collaboration with Consultant, its subcontractors (Bureau of Economic Geology and Michelle A. Sutherland, LLC), INTERA through its preexisting agreement with CTGCD, and GCD in-kind services of SWTCGCD (Lane Cockrell). Stakeholder and team member meetings and a presentation of the project results will also be covered by this Task Order
2. The Project Schedule is as follows: LRE will begin project on the first business day of the month that follows Client ILA approval. The project will be completed within one

EXHIBIT A

year of the Effective Date of the ILA but may be extended by mutual agreement of the Consultant and Client if the stratigraphic interpretations for the Burnet-County portion of the study area developed through an independent pre-existing agreement between CTGCD and INTERA delay completion.

3. The Compensation to be paid to LRE for the performance of the Services under this Task Order is \$110,000, only \$90,000 is pending (see A below). This is a "Not To Exceed" quantity and is based on our experience on past projects. Costs do not include any other special services not outlined in the Task Order. The break-down of Client financial commitments are listed in the table below. Each Client will be invoiced separately at monthly intervals and payment will be due and payable within 30 days following the date of the invoice.

A) The Clearwater UWCD prepaid the full \$20,000 during the Fall of 2022, no further compensation is required from the Clearwater UWCD.

Task	Description	Cost
1	Southwestern Travis County GCD	\$75,000
2	Clearwater UWCD	\$20,000, paid
3	Central Texas GCD	\$15,000
	Total pending	\$90,000

NOTES: LRE will not undertake other tasks included in Task Order #1 unless otherwise directed by Client.

4. Because SWTCGCD and CTGCD (Non-Contracting Parties) are not parties to the agreement between LRE and CUWCD (LRE Agreement), LRE acknowledges that the Non-Contracting Parties are third party beneficiaries under the LRE Agreement by virtue of payment received by LRE from the Non-Contracting Parties for the work performed for and services received by the Non-Contracting Parties under this Task Order.

CLIENT

CONSULTANT

Signature

Signature

Name (Printed or Typed)

Name (Printed or Typed)

Date

Date

EXHIBIT A

ATTACHMENT A

EXHIBIT A

