

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, Texas
Tuesday, March 11, 2014
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a board meeting on Tuesday, March 11, 2014 at 1:30 p.m. at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

Board Members Present:

Leland Gersbach, President
Wallace Biskup, Vice President
Judy Parker, Secretary
David Cole, Director
Bill Bartlett, Director

Public Advisory Committee:

Henry Bunke
Bradley Ware

Staff:

Dirk Aaron
Shelly Chapman

Guests:

Delores Goode – Kempner WSC
Allan Standen – Hydrologist
James Beach- LBG-Guyton
Alton Theile – CPA

Mike Gershon – Attorney
Tiffany Kocis
Mike Keester – Thornhill Group

Board Meeting called to order with President, Leland Gersbach, at 1:30 p.m.

1. Invocation and Pledge of Allegiance:

Vice President, Wallace Biskup, gave the invocation.
Director, Bill Bartlett, lead the Pledge of Allegiance.

2. Public Comments:

None

3. Approve minutes of the February 11, 2014 Board Meeting and Workshop.

Director, David Cole, moved to approve the Minutes of the February 11, 2014 meeting as presented. Vice President, Wallace Biskup, seconded the motion. **Motion carried 5-0.**

4. Discuss, consider and take appropriate action if necessary to accept the monthly financial report as presented.

Vice President, Wallace Biskup, moved to accept the monthly financial report as presented. Director, Bill Bartlett, seconded the motion. **Motion carried 5-0.**

5. Discuss, consider and take appropriate action if necessary to accept the monthly Investment Fund account report as presented.

Director, David Cole, moved to accept the monthly Investment Fund account reports as presented. Secretary, Judy Parker, seconded the motion. **Motion carried 5-0.**

6. Discuss, consider and take appropriate action if necessary to approve the exception to spacing requirements on Jack Hilliard Dozer Service & Materials LP, per District Rule 11.5.5(e).

General Manager, Dirk Aaron, explained to the Board that in accordance to District rule 11.5.5(e), they could accept a waiver for the spacing requirements for the affected property owner. The District has not received the waiver at this time. Dirk presented information to the Board regarding the request and Mike Keester with Thornhill Group also gave input as to why the exception was needed.

Dirk Aaron suggested that the Board table this action item at this time since the District does not have the waiver in hand. President, Leland Gersbach, tabled this item.

Public Hearing opened with President, Leland Gersbach at 1:42 p.m.

7. *Hold Public Hearing on the following permit application:*

Discuss, consider and take appropriate action if necessary on the proposed operating permit, for Jack Hilliard Dozer Service & Materials LP, authorizing withdrawal from an well #1 (N2-13-0029) in the Lower (Hosston member of the Trinity Group) Trinity Aquifer of 73.2 acre-feet for industrial purposes (sand and gravel mine) with a rate of withdrawal of 1400 gallons per minute.

President, Leland Gersbach, reviewed the procedures for the Public Hearing to include proper posting and notification of the Public Hearing. President Gersbach noted that all posting requirements had been met.

Leland Gersbach opened the Hearing up for public comments and administered oath to all participating parties (Dirk Aaron-General Manager CUWCD, Allan Standen – Hydrologist, and Mike Keester – Thornhill Group).

General Manager, Dirk Aaron, presented the facts and related information associated with the permit application. He informed the Board that the application is not technically administratively complete since the problem with the setback came up. The application will be considered complete once the adjacent property owner's waiver is in hand. All other criteria has been met.

Mike Keester, Thornhill Group, gave a brief testimony of what JHM is trying to accomplish and also information on the design of the well.

Leland Gersbach opened up the Hearing for discussion on the applications to the Board.

Due to the fact that the application is not administratively complete, as presiding office of the public hearing, President Gersbach declared the hearing to be continued at the April 11, 2014 meeting.

President, Leland Gersbach, closed the Public Hearing and convened the regular Board Meeting at 2:15 p.m.

8. *Discuss, consider and take appropriate action if necessary to accept 2013 Financial Audit Report as presented from District's contracted auditing firm.*

Dirk Aaron introduced Alton Theile, the District's contracted CPA for the annual audit. Mr. Theile presented the results of the 2013 audit conducted by his firm. Director Bill Bartlett questioned the amount of \$95,270 listed as the Districts liabilities. Mr. Theile wasn't sure where those numbers came from. The District has no debt. Mr. Theile will get clarification on this amount and report back to the Board at the next meeting. Mr. Theile did question our capitalization policy. He suggested that if the Board does not already have one, they should determine an amount and create a policy and resolution. The audit went well and staff was helpful in the process.

Secretary, Judy Parker, moved to table the approval of the audit until clarification/correction of the Districts liabilities is made. Director, David Cole, seconded the motion. **Motion carried 5-0.**

9. *Discuss, consider and take appropriate action if necessary to approve participation with other GMA8 districts, and related efforts on the development of DFC/MAG in accordance with TWC Section 36.108(d).*

Dirk Aaron introduced James Beach – LBG Guyton Associates. Mr. Beach informed the Board that GMA 8 is currently considering Desired Future Conditions (DFC) for the Joint Groundwater Planning process and gave a brief summary of the process.

Director, David Cole, moved that the District actively participate in the GMA8 DFC process. Secretary, Judy Parker, seconded the motion. **Motion carried 5-0.**

10. Discuss, consider and take appropriate action if necessary on a request for a tax abatement agreement with Thomas Biodiesel, LLC located at 3111 and 3289 Eberhardt Road, Temple, TX.

Dirk Aaron presented a request for tax abatement agreement for Thomas Biodiesel, LLC.

Director, Bill Bartlett, moved to deny the request for tax abatement. Director, David Cole, seconded the motion. **Motion carried 5-0.**

11. Discuss, consider and take appropriate action if necessary to approve the FY14 line item budget amendment as requested.

Dirk Aaron presented the request for a line item budget amendment to the Board. Dirk explained that the staff is requesting a line item within account 53600 – Educational Outreach and Marketing. This would be a simple transfer between subcategories 53610 (Book Covers) and 53605 (Event Cost).

Dirk also explained to the Board that book covers are becoming a thing of the past and the area schools are no longer utilizing them for the intended purpose. Staff would like to transfer the \$3,500 budgeted for book covers to the line item for event cost. This will increase the event cost line item from \$4,000 to \$7,500 allowing the District to participate in more educational programs within Bell County.

Secretary, Judy Parker, moved to approve the line item budget amendment as presented. Director, David Cole, seconded the motion. **Motion carried 5-0.**

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

- Once the Audit is approved, Dirk will submit to TWDB and TCEQ as is required.
- District will reconvene Public Hearing.
- We will have the Auditor back with clarification of District Liabilities.
- Will have Allan Standen present the findings from his investigation of the Shelley/Heffington Well.
- Salado Salamander final designation has been made and listed on the registry. Dirk will set up a meeting of the stakeholders and U.S. Fish to discuss the next steps.
- TAGD Summit in August.
- TWCA meeting update.
- Will possibly have a request from Armstrong for Operating Permit next month.

13. Receive monthly report and possible consideration and Board action on the following:

a. Salado Creek stream flow gauges

Dirk presented an update on the stream flow gauges.

b. Education Outreach Update

Dirk presented an update on education outreach and Todd's accomplishments

c. Monitoring wells

Dirk presented the monitor well information to the Board

d. Rainfall/Drought Conditions

Dirk discussed the rainfall totals and drought conditions

e. Well registration

Shelly informed the Board that there was 1 grandfathered exempt wells created and plugged, 6 new exempt wells registered, and 2 new monitor wells (Gault Site) if February.

f. Non-exempt Monthly well production

Dirk presented the monthly production report to the Board.

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

14. Public Advisory Committee comments.³

None

15. *Director comments*³

None

16. *Discuss agenda items for next meeting.*

Agenda items:

Tax Abatement request – Wilsonart

JHM Public Hearing continuation

Audit review continuation

Possible Armstrong permit

Workshop items:

Allan Standen-opinion on Shelley/Heffington well

17. *Set time and place of next meeting.*

April 8, 2014 @ 1:30

18. *Adjourn.*

Meeting adjourned by President, Leland Gersbach at 4:18 p.m.



Leland Gersbach, President

ATTEST:

Wallac Biskup
~~JUDY PARKER, Secretary~~ Wallac Biskup, Vice President

(A compact disc of this meeting is available upon request.)