

**Clearwater Underground Water Conservation District Meeting**  
**700 Kennedy Court**  
**Belton, TX**  
**Wednesday, December 12, 2018**  
**Minutes**

The Clearwater Underground Water Conservation District (CUWCD) held a board meeting on Wednesday, December 12, 2018 at 1:30 p.m. at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

**Board Members Present:**

Leland Gersbach, President, Pct. 1  
David Cole, Director - At Large  
Gary Young, Director – Pct. 2  
Scott Brooks, Director – Pct. 4

**Absent:**

Precinct 3 – Vacant

**Staff:**

Dirk Aaron, General Mgr.  
Shelly Chapman, Admin. Mgr.

**Guest**

Mike Keester – LRE  
Eugene Lindemann  
Jody Williams  
Wade Knight  
Jamie Miller  
Dennis Livingston - Ovivo

Bill Schumann – Commissioner  
Chris Harris  
RJ Collins  
Bobby Whitson - Commissioner  
Will Cribbs

Joe Yelderman - Baylor  
Jeff Hartzell  
Dewitt Mayfield  
Ronni Collins  
Don Ferguson – Salado

**Workshop convened with President, Leland Gersbach, at 1:31 p.m.**

***Workshop Item #1: Receive presentation related to TCEQ Waste Water Treatment Plant design & regulation for discharge permits.***

Dirk introduced Jamie Miller with Integrated Water Services. They specialize in permitting, design, and construction of wastewater treatment facilities. They are representing R.J. Collins for a development they are looking at called “The Salado Center”. Jamie gave a description of the project and what all it entails. She introduced Dennis with Ovivo to discuss and explain the technology associated with the project.

***Workshop Item #2: Receive presentation related to the Baylor Groundwater Surface Water Interaction project at Lake Stillhouse.***

Dr. Yelderman gave a progress report of the surface water affects from Stillhouse Hollow Reservoir on groundwater in the area below the reservoir. They are still collecting data and the project is not complete yet.

***Workshop Item #3: Receive updates from TAGD & TWCA Legislative reports and potential consensus legislation being filed.***

Dirk explained to the guest at the meeting who TAGD & TWCA are and their role. Dirk briefed the Board and gave updates from TAGD & TWCA Legislative reports and potential consensus legislation being filed. He discussed the role the District Attorneys have in keeping the District informed on all the Legislative issues.

**Workshop closed and Board meeting convened with President, Leland Gersbach, at 3:14 p.m.**

**1. Invocation and Pledge of Allegiance.**

Director, David Cole, gave the invocation.  
Director, Gary Young, led the Pledge of Allegiance.

**2. Public Comment.**

None.

**3. Approve minutes of the November 14, 2018 Board meeting.**

Director, Scott Brooks, commented that he was going to abstain from voting on the approval of the minutes since he did not attend the November meeting. He did point out a mistake in the recorded vote of agenda item #5. The vote was written as “motion carried 4-0, 1 absent, 1 vacant seat.” Scott was not in attendance at the meeting and the vote should read “motion carried 3-0, 1 absent, 1 vacant seat.”

Director, Gary Young, moved to approve the minutes of the November 14, 2018 Board meeting with correction as noted. Director, David Cole, seconded the motion.

**Motion carried 3-0, 1 abstained, 1 vacant seat.**

4. ***Discuss, consider and take appropriate action if necessary to accept the monthly financial report for November 2018 (FY19) as presented.***

Board members received the financial report in their Board Packet to review prior to the meeting.

Director, David Cole, moved to accept the monthly financial report for November 2018 as presented.

Director, Gary Young, seconded the motion.

**Motion carried 4-0, 1 vacant seat.**

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 report as presented. Director, Scott Brooks, seconded the motion.

**Motion carried 4-0, 1 vacant seat.**

6. ***Discuss, consider and take appropriate action if necessary to approve the FY19 line item budget amendments as needed and/or requested.***

No budget amendments needed or requested.

7. ***Discuss, consider and take appropriate action if necessary to swear in Board Members for Precincts 2, 4, and At-Large Directors and administer oaths of office.***

Leland informed the Board that Shelly Chapman will administer the Oath of Office and Statement to the elected Directors for precincts 2, 4, and at-large. Shelly, being a Notary Public, administered the Oath of Office and Statement to Gary Young – Precinct 2, Scott Brooks – Precinct 4, and David Cole – at large.

Paperwork will be signed and notarized after the meeting.

8. ***Discuss, consider and take appropriate action if necessary to interview five applicants and select final applicant for the Precinct 3 Director vacancy.***

Leland explained that the Board members will interview each candidate for the Precinct 3 position on the Board. The candidates will be interviewed one at a time in alphabetical order. Candidates in attendance are Wade Knight, Gene Lindemann, Dewitt Mayfield, and Jody Williams. Dirk asked staff to contact Wallace Biskup Jr. to see if he was going to arrive in time. Tristin Smith called Wallace, but he was not going to be able to make the meeting. Dirk indicated that this will disqualify him as a potential candidate.

The Board interviewed each candidate individually. Upon completion of the interviews, Leland explained how the voting procedures and passed out a ballot to the Board members. Shelly tallied the votes.

Leland presented the results. He announced the Jody Williams was unanimously appointed to the position of Director – Precinct 3 and will be sworn in at the January 9<sup>th</sup> Board meeting.

9. ***Discuss, consider and take appropriate action if necessary to amend approval by CUWCD for employee health provider.***

Dirk explained that at the November meeting, the Board chose Blue Cross and Blue Shield as the provider health insurance. Information given by the broker was incorrect in regard to the doctors and coverage area. The broker was caught off guard and was not aware of this information. Staff was under the impression that coverage under BCBS would be expanded nationwide but unfortunately it limits the coverage. Dirk asked the Board to resend the decision to use BCBS and approve Scott and White Health Plan with the same contribution as agreed upon at the November meeting. Scott Brooks pointed out there is no financial implications to make the change in providers.

Director, Gary Young, moved to amend the decision to use Blue Cross and Blue Shield and approve Scott and White Health Plan at the same contribution for employee health insurance provider. Director, David Cole, seconded the motion.

**Motion carried 4-0, 1 vacant seat.**

10. ***Discuss, consider and take appropriate action if necessary to Discuss, consider and take appropriate action if necessary related to TWC Sec's 36.1071, 36.1072, 36.1073 & 36.3011z(b)(5) & (h)(5) related to amending the current management plan with changes and set the date for the required public hearing necessary to take comments on the proposed DFC/MAG amendments to the District Management Plan.***

Dirk explained the recommendations related to amending the current District Management Plan and discussed the timeline involved. Dirk recommended the Board review the revision schedule in order to set the date for

public hearing and adoption of the revised Management Plan. He gave the Board members a “red line” copy of the Management Plan to review.

Time line suggested:

1. December 12<sup>th</sup>, receive draft of revisions and recommendation from GM.
2. December 20<sup>th</sup>, post the notice of the public hearing.
3. December 20<sup>th</sup>, send surface water management entities an electronic copy of the proposed plan.
4. January 9<sup>th</sup>, hold public hearing and receive comments.
5. January 9<sup>th</sup>, Board action and adoption of revised management plan by resolution.
6. January 10<sup>th</sup>, send copy to TWDB Executive Director by certified mail and an electronic version.

Director, David Cole, moved to approve the suggested time line presented by the General Manager.

Director, Scott Brooks, seconded the motion.

**Motion carried 4-0, 1 vacant seat.**

**11. Hold public hearing on the following permit application:**

*a) Discuss, consider and take appropriate action if necessary on the proposed operating permit of .22 ac-ft/year, for Justin Scott authorizing drilling/operating permit from a proposed well (N1-18-004P) completed in the Hosston Layer of the Trinity Aquifer for domestic use located at 17710 Stillman Valley Road, Killeen, TX 76542.*

Dirk gave a brief description of the permit application and explained that he had reviewed it and the applicant has met all the criteria.

Leland Gersbach opened the public hearing at 5:01 p.m.

Leland gave a summary of the application being presented to the Board. He reviewed the procedures of the hearings and the Board’s potential action on the applications. He noted that the hearings have been properly noticed pursuant to statute and District Rules and the applicants were required to provide notice of the filing of their application in the local newspaper and to adjacent property owners and well owners within ¼ mile.

Leland informed anyone wishing to participate in the hearing or protest the application must sign up to do so.

As presiding officer, Leland took evidence, sworn testimony, and ruled on any procedural issues. He noted that the permit application has undergone administrative and technical review by District staff, consultants and legal counsel.

Leland acknowledged all parties involved in the applications: Dirk Aaron (CUWCD-GM) present and Mike Keester (Hydrogeologist). Justin Scott did not have a representative.

Leland opened the hearing for public comment. There was none.

He administered the oath to all parties speaking on the applications being presented.

Dirk commented that the applicant had met all expectation, requirements, and stipulations. Dirk covered the elements in his briefing. Mike Keester answered questions from Director, David Cole, regarding transmissivity.

Leland inquired if the Board had any other questions or discussion on the pending permit. There was none.

Leland concluded the evidentiary portion of the application and asked for a motion to grant/deny/partially grant Justin Scott’s request for an operating/drilling permit with special provisions outlined by GM.

Director, David Cole, moved to approve the request for a drilling/operating permit for Justin Scott with special provisions as outlined by the General Manager. Director, Scott Brooks, seconded the motion.

**Motion carried 4-0, 1 vacant seat.**

**12. Discuss, consider and take appropriate action if necessary to set the calendar dates for 2019.**

A calendar of dates and holidays was presented to the Board for review. Dates can be amended as needed throughout the year.

Director, Gary Young, move to approve the calendar and holiday dates presented. Director, Scott Brooks, seconded the motion.

Motion carried 4-0, 1 vacant seat.

**13. General Manager's Report concerning office management and staffing related to District Management Plan.**

- Adaptive Management Coalition met Dec 11<sup>th</sup> to discuss resent legal action against USFWS for failure to designate a critical habitat for the Salado Salamander.
- Annual report will be developed.
- Permit renewals are underway. City of Troy in final stages of completing their new well. Moffat WSC has submitted an application to TWDB.

**14. Receive 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 required. Information items only.)

**15. Director comments and reports.**

Gary Young: Thanked the Staff for putting together the Christmas reception. Food was great.

David Cole: Welcomed Jody Williams to the Board. Glad to see Scott Brooks back.

Scott Brooks: Welcomed Jody. Thanked staff for the luncheon. Would like the Board to look at the District rules. Changes may need to be made regarding permits and wells. District should appoint a stakeholders group to provide thoughts and recommendation to the rules. Regarding wastewater permits, the Board should tread carefully on how much input they provide on these issues. Scott explained his thoughts on the topic.

Leland Gersbach: None.

**16. Discuss agenda items for the next meeting.**

- Oath of office for new Precinct 3 Director – Jody Williams.
- Election of Board Officers
- Public Hearing for amended Management Plan
- Re-adoption of financial policies
- Discuss future rule changes
- Establish a stakeholder/advisory committee
- Retirement Quarterly report
- Recap of Water Symposium

**17. Set time and date for next meeting.**

Wednesday, January 9, 2019 at 1:30 p.m. – CUWCD

**18. Adjourn.**

**Board meeting adjourned with President, Leland Gersbach, at 5:43 p.m.**

  
Leland Gersbach, President

ATTEST:

  
Dirk Aaron, Assistant Secretary