

**Clearwater Underground Water Conservation District Meeting**  
**700 Kennedy Court**  
**Belton, TX**  
**Wednesday, November 14, 2018**  
**Minutes**

The Clearwater Underground Water Conservation District (CUWCD) held a board meeting on Wednesday, November 14, 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

**Absent:**

Scott Brooks, Director - Pct 4  
Precinct 3 - vacant

**Staff:**

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

**Guest**

Mike Keester – LRE  
Eugene Lindemann  
Jody Williams  
Wade Knight

Bill Schumann – Commissioner  
Wallace Biskup Jr  
Tim Brown – Bell County  
Bobby Whitson

Lou Fleischhauer – Collier  
Jodi Kemp  
Dewitt Mayfield

**Workshop convened with President, Leland Gersbach, at 1:34 p.m.**

**Workshop Item #1: Receive and discuss applications for Precinct 3 District Director position.**

Dirk gave a brief explanation of the rules for appointing a replacement Director for Precinct 3. Dirk introduced the 5 applicants in attendance and stated that he verified the applicants are eligible to serve on the Board and live with-in the specific precinct. The Board members have been given copies of the applications to review.

The applicants introduced themselves to the Board.

Leland informed the applicants of the voting/scoring procedure the Board will use to select a replacement. He thanked them for their interest in serving on the Board.

**Workshop Item #2: Receive update and review final agenda of the November 15<sup>th</sup> Annual Bell County Water Symposium.**

Dirk brought the Board up to date on the agenda and events of the Water Symposium on the 15<sup>th</sup>. He gave them a copy of the final agenda.

Dirk introduced Bobby Whitson as the new Commissioner for Precinct 2.

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

Dirk briefed the Board on Legislative reports and potential legislation being filed based on updates from TAGD, TWCA, and Ty Embry.

**Workshop Item #4: Receive information related to the LRE 2018 Drawdown Study of the Middle and Lower Trinity Aquifer.**

Received presentation from Mike Keester (LRE) regarding the 2018 Drawdown Study of the Middle and Lower Trinity Aquifer. He covered the status or condition of the Trinity Aquifer, causes of current condition, and potential future impacts.

Mike will be giving the formal presentation of his findings at the Water Symposium on the 15<sup>th</sup>.

**Workshop Item #5: Discuss and received information related to TWC sec's. 36.1071, 36.1072, 36.1073, and 36.3011(b)(5) and (h)(5) related to amending the current management plan with changes to the DFC and Subsidence information.**

Dirk explained that the 5 Year update to the Management Plan was approved by TWDB on January 13, 2016. Dirk is currently preparing a draft of the proposed revisions of the District's current Management Plan that will be provided to TWDB for the purpose of amending the DFC statements to reflect the current GMA8 second round adoption and include update information on subsidence. Dirk presented a timeline to review the revision, set the public hearing, and adopt the revised plan at the January 9<sup>th</sup> Board meeting.

**Workshop Item #6: Discuss the Bell County Adaptive Management Coalition upcoming meeting.**

Dirk met with Tim Brown and Bobby Whitson about continuing the Coalition and discussed what projects should be done. The date has not been set for a meeting as of yet. Dirk recommends the precinct 2 Director work closely with the Commissioner and the Village of Salado. Shelly is working with the County Auditor to determine what is left in the budget.

**Workshop closed and Board meeting convened with President, Leland Gersbach, at 3:4 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 October 10, 2018 Board meeting.**

Director, Gary Young, moved to approve the minutes of the October 10, 2018 Board meeting. Director, David Cole, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

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

Board members received the financial report in their Board Packet for review prior to the meeting. Staff was made aware of an error on the report and made corrections prior to the meeting. Board members were presented a corrected financial report to review upon arrival to the meeting.

Director, Gary Young, moved to accept the monthly financial report for October 2018 with corrections as presented. Director, David Cole, seconded the motion. **Motion carried 3-0, 1 absent, 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, Gary Young, seconded the motion. **Motion carried 4-0, 1 absent, 1 vacant seat.**

*Correction 3-0 See [Signature]*

**6. Discuss, consider and take appropriate action if necessary to approve the FY18 line item budget amendments as needed and/or requested.**

Shelly Chapman presented the request for FY18 line item budget amendments and adjustments needed to officially close out FY18. Amendments and adjustments requests are as follows:

Vendor	Line Item	Over Budget	Amount Requested	New Balance	From	Available Funds	New Balance
<b>IN-HOUSE Line item adjustments for FY18 Close Out</b>							
Director Exp	50310 - Pct 1	\$301.42	\$301.42	\$0.00	50320 - Pct 3	\$1,375.00	\$1,073.58
Payroll	52015 - Manager	\$0.04	\$0.04	\$0.00	52010 - Ed. Coord.	\$0.04	\$0.00
Payroll	52025 - Field Tech	\$0.05	\$0.05	\$0.00	52055 - Payroll exp	\$38.40	\$38.38

40010 BellCAD Current Year Tax **-\$22,889.37**  
 40015 BellCAD Deliquent Tax **\$6,128.37**  
 (uncollected taxes) **-\$16,761.00**

**Adjust line item 53760 - Reserves for uncollected taxes from \$20,000 to \$16,761.00**

53760 Reserves for uncollected tax **\$20,000.00**  
 (adjustment for uncollected tax) **-\$16,761.00**  
 (return to Contingency Fund) **\$3,239.00**

50250 Current Contingency Fund **\$7,579.34**  
 Return to Contingency Fund **\$3,239.00**  
 Adjusted Contingency Fund **\$10,818.34**

Director, David Cole, moved to approve the FY18 line item budget amendments and adjustments as requested. Director, Gary Young, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

7. ***Discuss, consider and take appropriate action if necessary to close out FY18 Budget year as presented.***

Dirk presented the information necessary to officially close the FY18 Budget. Close out information is as follows:

The Original Budget set for FY18:	\$724,520.00 (projected income and expenses)
The Board Amended Budget for FY18:	<u>\$ 4,000.00</u> (from Reserve Funds for generator)
Total Amended Budget:	\$728,520.00 (total projected expenses and income)

The following describes the year end closeout for FY18.

Actual income:	\$ 707,028.30 (Tax Revenue, Permit Fees, and Delinquent Taxes Collected)
Reserve Funds:	<u>\$ 4,000.00</u>
Adjusted Income:	\$ 711,028.30
<b>Total Expenses:</b>	<b><u>\$ 617,024.37</u></b>
<b>Return to Fund Balance:</b>	<b>\$ 94,003.93</b>

Director, Gary Young, moved to approve the FY18 Budget close out as presented. Director, David Cole, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

8. ***Discuss, consider and take appropriate action if necessary to approve premium contributions by CUWCD for employee health coverage with Freshbenies.***

Dirk recapped the current contributions that the Board approved for 2018. He informed the Board that the District has changed to a different insurance broker for 2019. He presented the options available to the staff for the renewal. Jeanette Abbe, with Texas Benefit Alliance, was in attendance to answer any questions.

Jeanette also presented information on Freshbenies and how it works. Leland has used Freshbenies and thinks this benefit is well worth the money.

The Board discussed the options and asked questions of the staff and Jeanette. Board members gave their thoughts on the subject.

Dirk's recommendation is for the Board to fund the employees at the current contribution \$1,219.72 and select the Blue Cross and Blue Shield plan along with funding the Freshbenies for the two employees taking the health plan.

After much discussion, Director, David Cole, moved to offer the Blue Cross and Blue Shield plan with the current contribution of \$1,219.72 per employee and to also fund the Freshbenies for the two employees taking the health plan. Director, Gary Young, seconded the motion.

Leland opened up further discussion commenting that he voted no last time because he will not give any organization any more that what he provides for his own employees.

Leland also suggested there be 2 motions. The first motion being the selection of the healthcare plan at \$1219.72 and continue to provide employee/spouse coverage. The second motion to approve the Freshbenies.

Director, David Cole, amended his motion to offer Blue Cross and Blue Shield, employee/spouse, at the current contribution of \$1,219.72. Director, Gary Young, seconded the motion. **Motion carried 2-1, 1 absent, 1 vacant seat.**

Director, Gary Young, moved to approve the Freshbenies contribution at \$432/year for employees taking the health plan. Director, David Cole, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

9. ***Discuss, consider and take appropriate action if necessary to approve the FY19 line item budget amendments***

*as needed and/or requested.*

Based on Board decision in agenda item #8 to include the Freshbenies as part of the employee health insurance benefit, an FY19 line item budget amendment is necessary. Dirk recommended the following amendment:

	Line Item	Amount	Original Budget	Ameded Budget		From	Original Budget	Amended Budget
Health Insurance	52040	\$432.00	\$41,274.00	\$41,706.00		50250-Contingency	\$13,003.00	\$12,571.00

Director, David Cole, moved to approve the FY19 line item budget amendment as requested. Director, Gary Young, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

**10. Discuss, consider and take appropriate action if necessary to approve an exception to setback requirement per District rule 9.5.5(a)(e) for Michael Maples by David Cole at 7569 Chaparral Road, Killeen 76542.**

Dirk presented a history of the applications for N1 permits granted several months ago to Michael Maples and David Cole (not Director, David Cole). The applicant, David Cole, is requesting an exception set back of 50' from all property lines. The applicant has provided the required waiver from the adjacent property owner and all signatures have been notarized.

Dirk recommends approving the request and noted that all requirements have been met and submitted.

Director, Gary Young, moved to approve the exception to set back. Director, David Cole, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

**11. Discuss, consider and take appropriate action if necessary related to the TPDES Permit by Pampa Investment Group, LP to discharge 300,000 per day of treated waste water in Recharge Zone of the Edwards BFZ Aquifer.**

Dirk summarized the details of the TPDES Permit by Pampa Investments to discharge 300,000 per day of treated waste water in the Edwards BFZ Aquifer recharge zone. He presented concerns associated with this permit and possible contamination of wells. The Village of Salado has concerns as well in relation to the springs. Dirk provided a packet of information for the Board to review. Dirk would like the Board to allow him to submit comments speaking to what the District's expectations are in protection of the aquifer from a water quality stand point and encourage them to hook up to the Village.

Director, Gary Young, moved to allow General Manager to proceed with comments. Director, David Cole, seconded the motion. Motion carried 3-0, 1 absent, 1 vacant seat.

**12. Discuss, consider and take action if necessary related to the TPDES Permit by Victor and Alexis Turley to discharge 220,000 per day of treated waste water in Smith Branch Tributary.**

Dirk presented information on the TPDES Permit by Victor and Alexis Turley to discharge 220,000 per day of treated waste water in Smith Branch Tributary. Dirk would like the Board to allow him to begin the process of weighing in on this permit and let them know the District's concerns about water quality or table it until the December meeting.

Director, Gary Young, moved to allow Dirk to submit comments to TCEQ. Director, David Cole, seconded the motion. **Motion carried 3-0, 1 absent, 1 vacant seat.**

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

- Water Symposium Thursday.
- Christmas reception will be Dec. 12<sup>th</sup>.
- Management plan revision
- Election of Officers
- Oaths of office
- 2019 calendar
- Interview of applicants for Pct 3

**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.**

None

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

Agenda items discussed in item #14 General Manager's Report.

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

Wednesday, December 12, 2018 at 1:30 p.m. – CUWCD

**18. Adjourn.**

**Board meeting adjourned with President, Leland Gersbach, at 4:43 p.m.**

  
Leland Gersbach, President

ATTEST:

  
Dirk Aaron, Assistant Secretary