

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, TX
Wednesday, August 14, 2019
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a board meeting on Wednesday, August 14, 2019 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
Jody Williams, Director – Pct. 3
Scott Brooks, Director – Pct. 4

Absent:

Staff:

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

Guest:

Sandra Blankenship	Allan Standen	Michelle Southerland
Vince Clause	Mike Keester – LRE	Bryant Evans
Michael Moore	Wayne Duncan	Troupe Brewer – Lloyd Gosselink
Lamar Lewis	Deborah Kahil	Joe Yelderman – Baylor Univ.
Mitchell Sodek – CTGCD	Bill Schumann – Bell County	Chad May – Lone Star Land Partners
Dan Eckstiom – Ft. Hood	Marcus Hornd	Adam Soorholtz
Greg Stanton – USGS	Walker Hancock – USGS	Jennifer Wilson - USGS

Board meeting convened with President, Leland Gersbach, at 1:30 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.*

No Public comments. Dirk Aaron did ask to introduce a guest at this time. Dan Eckstiom is a Garrison Commander at Fort Hood. He has a Masters in Geology and will be retiring from Fort Hood soon. Dirk commented that he will be coming to the Board with an Internship opportunity in the Spring.

3. *Approve minutes of the July 10, 2019 Board meeting.*

Vice President, David Cole, moved to approve the minutes of the July 10, 2019 Board meeting. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

4. *Hold public hearing on the following application:*

Discuss consider and take appropriate action if necessary, on the application from Lone Star Land, LLC c/o Davy Roberts, for a combination drilling/operating permit on 213.74-acre tract for wells (N1-19-005P thru N1-19-010P) for domestic purposes each with a 1 ¼ column pipe and maximum of 17 gpm for a total of 10.26-acre feet/year (each well at 1.71 ac-ft/yr) or 3,343,231 gallons per year.

Public Hearing opened with President, Leland Gersbach at 1:33p.m.

President, Leland Gersbach, called to order the public hearing at 1:33 p.m. As President of the Board, Leland served as the Presiding Officer. Leland gave a summary of the public hearing and reviewed the procedures for the hearing. He stated that anyone interested in participating in the hearing or protesting the hearing must sign in to speak.

Leland noted that the hearing was properly noticed per District rules and has undergone administrative and technical review by District staff, as well as the District's geoscience consultant, Mike Keester with LRE and Troupe Brewer, the District's legal counsel.

Leland noted that he would be taking appearances by:

- Dirk Aaron, District General Manager
- Troupe Brewer, District Legal Counsel
- Mike Keester, District Hydrogeologist
- Mitchell Sodek, CTGCD
- Chad May, Lone Star Land Partners (on behalf of the applicant)

Leland opened the floor for public comments and protests. Two men from Burnett County, Michael Moore and Bryant Evans, signed up for public comments and voiced their concerns of how the applicant's proposed wells would affect their wells and properties.

Leland inquired if there was anyone interested in being a "party to the hearing"? Dirk noted that Wayne Duncan and Debra Kahil had signed up to be a party to the hearing. He asked them to stand, state their names, and explain what qualifies them to be a party to the hearing.

Leland determined Mr. Duncan and Mrs. Kahil do qualify to be parties to the hearing.

Leland asked all parties speaking or testifying at this hearing to stand and take an oath.

Leland administered the oath to Dirk Aaron, Mitchell Sodek, Troupe Brewer, Mike Keester, Chad May, Wayne Duncan, and Debra Kahil.

Chad May, representing the applicant, presented information about the company. He stated that they are good stewards and good neighbors of the land. He gave a brief description of the project, subdivision plans, and adjustments they have made through the process. They did agree to lower the usage on the wells from 1.7-acre feet to .6-acre feet. There will not be any public water supply for this area.

Dirk Aaron presented general information on his executive summary, the administrative completeness of the application, his recommendations and special conditions of the proposed permits.

Mike Keester addressed the hydrogeology of the area and the aquifer conditions. He reviewed the applicant's groundwater availability study, provided his analysis of the application and the projected drawdown of the aquifer. He made recommendations as well as offering special conditions related to future monitoring.

Dirk noted for the record that they are looking at 6 wells in Bell County's jurisdiction only. The District can't consider wells in Burnett County at this hearing per Troupe Brewer. Dirk commented that the applicant's groundwater availability study was focused on .34-acre feet.

Dirk recommends forgoing wells on lots 14, 16, 19, and 20 and defer those decisions to CTGCD. Dirk recommends permitting wells on lots 17 and 18 in Bell County at the lower rate of .34-acre feet and memorialize the wells on the plat for Bell County deferring the other wells to the adjacent GCD.

Mitchell Sodek, Central Texas GCD, explained their rules and regulations for well permits and subdivisions in Burnett County. CTGCD permits by rule for wells on 10 acres or less. There is no hearing involved. The GM approves the permit. Mitchell answered several questions regarding permitting rules.

Leland asked Wayne Duncan, an adjacent property owner, if he had any questions or comments. Wayne explained who he was and the lay of the land in that area. He expressed some concerns he has regarding water quality in that area.

Debra Kahil introduced herself as an adjacent property owner. Her property is also next to Wayne's. Her house is on Kempner Water Supply. She expressed her concerns about her well for the animal troughs going dry and the creeks that run through her property. She is concerned about how these new wells and homes are going to affect the value of her property.

Director, Scott Brooks, addressed Wayne Duncan and Debra Kahil. He asked if all of their questions had been answered. They replied that they had.

Leland asked if Chad May had anything else to add. He did not.

Leland asked the Board if they had any other questions or further discussion. There was none.

Leland concluded the evidentiary portion of the hearing at 2:59 p.m.

Leland entertained motion grant/deny/partially grant Mr. Robert's application for the proposed Arrowhead Trails Subdivision and his request for six combination drilling/operating permits of 1.71 acre feet per year per well, for a maximum total of 10.26 acre feet per year for six wells should the subdivision be approved by the Bell County Commissioners Court and include all/or a portion of the special provisions which have been outlined by the General Manager and our District Consultants.

Director, Scott Brooks, moved to defer permits for wells on lots 14, 16, 19 and 20 to the Central Texas GCD and to approve wells N1-19-007P (lot 17) and N1-19-008P (lot 18) by plat with special conditions limited to .6 acre feet per well per year, drilled and installed according to District rules and special provisions as agreed upon, and submitted to the County in form of a memo for the plat. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

Public Hearing closed at 3:01 p.m. and Workshop convened at 3:07 p.m. with President Leland Gersbach.

Workshop Item #1 – Receive information from USGS Water Science related to current and future studies.

Jennifer Wilson presented an overview of the Salado Creek nutrient and bacteria study they recently completed in cooperation with the Bell County Adaptive Management Coalition. She also reminded everyone about the new website that USGS has put up and how to access it. Greg Stanton mentioned it at the last meeting.

Workshop Item #2 – Receive information from Joe Yelderman, Baylor University, on current and future studies.

Dr. Yelderman presented the results of the Synoptic pump test at River Ridge Ranch and recognized everyone involved in the process. Dirk commented that the data has been collected and sent to the District's team that works on the 3-D model.

Workshop Item #3 – Receive information from Allen Standen on current and future 3-D Visualization efforts.

Michelle Southerland gave a demonstration of the updated work on the 3-D model for FY19. Allan Standen presented his proposal for new tasks for FY2020.

Workshop Item #4 – Receive information related to GMA8 efforts related to Round III joint planning.

Dirk, Gary, and Reagan Langemiere attended the GMA8 meeting on July 26th. Not much to report. Everything is progressing forward and the contract with James Beach and WSP has been signed.

Workshop Item #5 – Discuss and review items of interest concerning the FY2020 budget development process.

Dirk asked that the Board have this discussion during agenda items #7, #8, and #9.

Workshop closed and Board meeting reconvened at 4:23 p.m. with President Leland Gersbach.

5. *Discuss, consider and take appropriate action if necessary, to accept the monthly financial report for July 2019 (FY19) as presented.*

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

Secretary, Gary Young, moved to accept the monthly financial report for July 2019 as presented. Vice President, David Cole, seconded the motion.

Motion carried 5-0.

6. *Discuss, consider and take appropriate action if necessary, to accept the monthly Investment Fund report for July 2019 (FY19) as presented.*

Board members received the monthly Investment Fund report in their Board Packet to review prior to the meeting.

Vice-President, David Cole, moved to accept the monthly Investment Fund report as presented. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

7. Discuss, consider and take appropriate action if necessary, approve the FY19 line item budget amendments as requested.

Shelly presented the requests for a line item budget amendment for the purpose of adjusting line item 50415 (Director Fees – Pct. 2). Gary Young, Director – Pct 2, has attended GMA8 and other meetings with General Manager, Dirk Aaron, throughout this fiscal year. He will be attending 6 more meetings before the end of FY19. A line item amendment is being requested to meet the budgetary needs.

Vendor	Line Item	Invoice Amount	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
Director	50415-Pct 2	\$1,800.00	\$300.00	\$1,500.00	\$1,800.00	50410-Pct 1	\$2,550.00	\$1,050.00

Director, Jody Williams, moved to approve the line item budget amendment as requested by staff. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

8. Discuss, consider and take appropriate action if necessary, to set the preliminary tax rate for tax year 2019 on proposed budget FY20.

Dirk presented items of interest concerning the preliminary tax rate for tax year 2019 and on the proposed budget for FY20. The proposed budget is based on 2019 certified property values provided by the Tax Appraisal District. Dirk presented a proposed draft budget and noted that it is in the red. He suggested the District utilize additional funds from reserves as opposed to raising taxes.

Current tax rate is \$.00383/per \$100 valuation. Dirk proposed the Board drop the tax rate to \$.00357/\$100 valuation. He explained how he came up with that number and how the effective tax rate will affect the budget.

Dirk presented a list of scientific studies and data management priorities as well as salary adjustments to be considered as directed.

Dirk encouraged the Board to take the draft budget home, study it closely, and make recommendations as necessary.

After continued discussion, based on the General Managers recommendation, the Board moved to set the preliminary tax rate.

Vice President, David Cole, moved to set the preliminary tax rate for tax year 2019 at \$.00357/\$100 valuation. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

9. Discuss, consider and take appropriate action if necessary, to set date for adoption of the FY20 budget.

Dirk asked the Board to set the date of Wednesday, August 28, 2019 at 1:30 to adopt the FY20 budget.

Director, Scott Brooks, moved to set the suggested date of August 28, 2019 at 1:30 p.m. to adopt the FY20 budget. Director, Jody Williams, seconded the motion.

Motion carried 5-0.

10. Discuss, consider and take appropriate action if necessary, to set date for public hearing and adoption of the tax rate for tax year 2019.

Dirk recommended the Board set the date of Wednesday, August 28, 2019 at 1:30 p.m. for the public hearing and adoption of the tax rate for tax year 2019.

Vice President, David Cole, moved to set the date of Wednesday, August 28, 2019 at 1:30 p.m. for the public hearing and adoption of the tax rate for tax year 2019. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

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

- Reminded the Board to take their budget packet home and review prior to the meeting on the 28th.
- Update from Allan Standen.
- Important upcoming dates:
 - Groundwater Summit 8/19-22/19 (Shelly prepared packets for the Board members)
 - Public hearing 8/28/19
 - Water Symposium 11/6/19

12. 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.)

13. Director comments and reports.

- **Jody Williams:** None
- **Leland Gersbach:** The whole year is controlled through the budget process.
- **Gary Young:** Healthiest discussion the Board has had.
- **David Cole:** The budget should reflect what we do. The GM/Staff are a big asset to the District. He thanked them for all they do.
- **Scott Brooks:** None

14. Discuss agenda items for the next meeting.

Public Hearing
Set tax rate
Adopt budget
Reagan Langemeier presentation
Discussion of possible new intern for spring

15. Set time and date for next meeting.

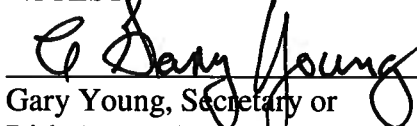
Wednesday, August 28, 2019 at 1:30 p.m. at the District's office.

16. Adjourn

Board meeting adjourned with President, Leland Gersbach, at 5:57p.m.


Leland Gersbach, President

ATTEST



Gary Young, Secretary or
Dirk Aaron, Assistant Secretary