

Clearwater Underground Water Conservation District Meeting

700 Kennedy Court

Belton, TX

Wednesday, November 13, 2019

Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a Board meeting on Wednesday, November 13, 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, Vice President, At Large
Gary Young, Secretary, Pct. 2
Jody Williams, Director, Pct. 3

Absent:

Scott Brooks, Director, Pct. 4

Staff:

Dirk Aaron, General Manager
Shelly Chapman, Admin. Manager

Guest:

Bill Schumann – Bell County Commissioner
Jeff Straub – City of Troy
Anthony Beach – MRB Group

Sandra Blankenship
Lou Fleischhauer

Dan Eckstrom
Billy Gamblin – Braun Intertec

Board meeting convened with President, Leland Gersbach, at 1:38 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.

3. *Approve minutes of the October 16, 2019 Board meeting and Workshop.*

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

Secretary, Gary Young, moved to approve the minutes of the October 16, 2019 Board meeting and Workshop.
Vice President, David Cole, seconded the motion.

Motion carried 4-0 (1 absent).

4. *Discuss, consider, and take appropriate action if necessary, to accept the monthly financial report for October 2019 (FY20) as presented.*

Board members received the monthly financial report for October 2019 in their Board Packet to review prior to the meeting.

Vice President, David Cole, moved to accept the monthly financial report for October 2019 as presented.
Director, Jody Williams, seconded the motion.

Motion carried 4-0 (1 absent).

5. *Discuss, consider, and take appropriate action if necessary, to accept the monthly investment fund account report for October 2019 (FY20) as presented.*

Board members received the monthly investment fund account report for October 2019 in their Board Packet to review prior to the meeting.

Secretary, Gary Young, moved to accept the monthly investment fund account report for October 2019 as presented. Director, Jody Williams, seconded the motion.

Motion carried 4-0 (1 absent).

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

Vendor	Line Item	Over Budget	Amount Requested	New Balance	From	Available Funds	New Balance
IN-HOUSE Line item adjustments for FY19 Close Out							
Payroll	52015 - Manager	\$0.04	\$0.04	\$0.00	52010-Ed. Coordinator	\$0.04	\$0.00
Payroll	52025 - Field Tech	\$0.04	\$0.04	\$0.00	52055-Payroll exp	\$14.57	\$14.53
Operating Exp	53010 - Bank Service Chg	\$11.95	\$11.95	\$0.00	23030-Appraisal Dist	\$160.13	\$148.18

40010 BellCAD Current Year Tax \$26,199.83
 40015 BellCAD Delinquent Tax -\$6,833.97
 (uncollected taxes) \$19,365.86

Adjust line item 53760 - Reserves for uncollected taxes from \$20,000 to \$19,365.86

53760 Reserves for uncollected tax \$20,000.00
 (adjustment for uncollected tax) -\$19,365.86
 (return to Contingency Fund) \$634.14

 50250 Current Contingency Fund \$12,571.00
 Return to Contingency Fund \$634.14
 Adjusted Contingency Fund \$13,205.14

Shelly Chapman presented the request for line item budget amendments and adjustments for the purpose of closing out the FY19 Budget.

She noted that this is a simple adjustment between line items only and does not affect the bottom line of the budget.

Secretary, Gary Young, moved to approve line item budget amendments as requested. Vice President, David Cole seconded the motion.

Motion carried 4-0 (1 absent).

7. *Discuss, consider and take appropriate action if necessary, to close out FY19 Budget year as presented.*

Dirk presented the final close out numbers for FY19 Budget year. He stated that the original budget for FY19 was set at \$759,771.00 (projected income and expenses). The actual income for FY19 was \$733,178.84. Total expenses were \$605,608.82 leaving a return to Fund balance of \$127,570.02.

Vice President, David Cole, moved to approve the budget close out for FY19 returning a balance of \$127,570.02 to Reserve funds as presented. Director, Jody Williams, seconded the motion.

Motion carried 4-0 (1 absent).

8. *Discuss, consider, and take appropriate action if necessary, to approve the FY20 line item budget amendment as requested.*

No budget amendments requested. No action needed.

9. *Hold Public Hearing on the following operating permit application:*

- a) *Discuss, consider and take action if necessary on an application from City of Troy for a new operating permit of two well aggregate system on the existing well #1 (N2-02-036G, with a 4 inch column pipe at 200gpm) and the new well #2 (N2-15-002P, with a 6 inch column pipe at 650 gpm) for a withdrawal of*

250 acre feet per year or 81,462,750 gallons per year from the Hosston (Lower) layer of the Trinity Aquifer for public water supply.

- b) Discuss, consider and take action if necessary on an application from City of Troy for an amendment to the historic and existing use permit (HEU) for a two well aggregate system on the existing well #1 (N2-02-036G, with a 4 inch column pipe at 200gpm) to include a new well #2 (N2-15-002P, with a 6 inch column pipe at 650 gpm) for a withdrawal of 119.9 acre feet per year or 39,069,535 gallons per year from the Hosston (Lower) layer of the Trinity Aquifer for public water supply.*
- c) Discuss, consider and take action if necessary on an application from City of Troy for an amendment to the existing operating permit (OP) for a two well aggregate system on the existing well #1 (N2-02-036G, with a 4 inch column pipe at 200gpm) to include a new well #2 (N2-15-002P, with a 6 inch column pipe at 650 gpm) for a withdrawal of 100.5 acre feet per year or 32,748,026 gallons per year from the Hosston (Lower) layer of the Trinity Aquifer for public water supply.*

As Presiding Officer of the hearing, President, Leland Gersbach, opened the public hearing at 1:43 p.m.

Leland gave a summary of the items to be considered and a brief explanation of the procedural issues. He noted for the record that Director, Scott Brooks, was not in attendance. He confirmed that a quorum of the Board was in attendance to participate in the ruling of the application.

Leland opened the hearing up for public comments. There were none.

Leland stated that the permit application has undergone administrative and technical review by District staff, consultants, and legal counsel.

Leland will hear testimony from Dirk Aaron (CUWCD General Mgr.), Billy Gamblin (Consulting Engineer-City of Troy), James Beach (MRB Group), Jeff Straub (City Mgr-City of Troy). The District's hydrogeologist, Mike Keester and legal counsel, Troupe Brewer, will testify via phone conference call.

Leland administered oath to all participants.

Dirk Aaron testified that the application has been deemed administratively complete, all fees have been paid, and all criteria has been met. Dirk has addressed the potential for propositional curtailments in the future in order to meet the DFC. He has also addressed the conditions and recommendation for metering, monthly reporting and monthly static water level measurements.

Next, Leland heard testimony from the City of Troy consultants, Billy Gamblin and James Beach, and City Manager Jeff Straub.

Billy gave a power point presentation laying out the specificity of the new well and its construction. Leland inquired about the advantages of having an aggregated permit. Billy responded, "better management." Jeff Straub addressed the District's concern over water loss levels, repairs made, and a path moving forward.

Leland confirmed the understanding of the City of Troy representatives and consultants related to production curtailments, monthly reporting of production and static water levels, annual renewal of the operating permit contingent on compliance with special provisions agreed upon, and that well #2 has been equipped with a transduce and alternate observation port.

CUWCD's hydrogeologist gave a short power point presentation and hydrogeologic review.

As legal counsel for the District, Troupe Brewer, confirmed that Chapter 36 and the District rules do allow for the special provisions as proposed and agreed to by the applicant.

Leland concluded the discussion on the City of Troy's application with special conditions as described and agreed to by the applicant at 3:01 p.m. He noted that all parties had an opportunity to make their cases. There were no other parties interested in submitting additional evidence. No other comments or questions were asked by the Board.

Leland asked for motions to grant/deny/partially grant each of the City of Troy's 3 separate requests as follows:

- Item #9a: The City of Troy is requesting a new operating permit on their newest well and the need to aggregate their two well system. The first item is a new permit for an additional 250 additional ac-ft/year for an aggregate operating permit. The existing well #1 has a 4-inch column pipe at 200gpm and the new well #2 has a 6-inch column pipe at 650 gpm. This permit is for a withdrawal of 250 additional acre feet per year or 81,462,750 gallons per year from the Hosston (Lower) layer of the Trinity Aquifer for public water supply with special conditions as agreed upon.

Motion offered by David Cole. Seconded by Gary Young.

Motion carried 4-0 (1 absent).

- Item #9b: The City of Troy is also requesting an amendment to their historic & existing use permit (HEU) for a two well aggregate system on the existing well #1 at 20 to include their newest well #2. The historic permit is for the withdrawal of 119.9 ac-feet pe year or 39,069,535 gallons per year also from the Hosston (Lower) layer of the Trinity Aquifer for public water supply with special conditions as agreed upon.

Motion offered by Gary Young. Seconded by Jody Williams.

Motion carried 4-0 (1 absent).

- Item #9c: The City of Troy is requesting an amendment to their existing operating permit (OP) for a two well aggregate system on the existing well #1 to include their newest well #2. The current standard operating permit is for a withdrawal of 100.5 ac-ft per year or 32,748,026 gallons per year from the Hosston (Lower) layer of the Trinity Aquifer for public water supply with special conditions as agreed upon.

Motion offered by David Cole. Seconded by Jody Williams.

Motion carried 4-0 (1 absent).

Closed Public hearing closed with President, Leland Gersbach, at 3:06 p.m.
Break

Board meeting reconvened with President, Leland Gersbach, at 3:19 p.m.

10. *General Manager's Report concerning office management and staffing related to District Management Plan³.*

- Received a Petition of Inquiry from TCEQ regarding Starr County GCD. Dirk has been asked to Chair the panel. This is 120-day process.
- Research still ongoing with USFWS, Baylor, and the District. Reports to be presented in December.
- Dirk will be working to coordinate a meeting with the Coalition and all research teams before signing the MOA.
- Bell County ASR Feasibility study meeting is set for November 25th. This meeting is being coordinated by Judge Blackburn.
- Village of Salado is hosting a meeting of landowners on November 20th at 6:00 p.m. to discuss violation and consequences related to entering the creek and removing gravel, rock, etc. TPWD and the Game Wardens will make presentations. CUWCD will be there to answer any questions related to the Districts role in groundwater management, spring flow, and water quality.
- The District has been receiving numerous plats for subdivisions and developments.
- Currently working on a rural subdivision that has completed a groundwater availability study to subdivide 50 – 10-acre tracts. The District can only review and give opinion to Commissioners' Court for final approval or denial.
- Dirk and Gary will be attending GMA8 on November 22nd.

- There are 2 Region G meetings scheduled for 11/20 and 12/18 in Waco.
- December 11th is the next Board meeting. The District will host its annual Christmas reception that day prior to the Board meeting.
- Dirk reminded the Board to complete the Audit Questionnaire they were given when they arrived. This is part of the annual audit and Board members need to return the forms directly to Alton Thiele's office in the envelope provided.

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

- Drought Status Reports*
- Education Outreach Update*
- Monitoring Wells*
- Rainfall Reports*
- Well Registration update*
- 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.)

12. Director comments and reports³.

- **Jody Williams:** Great Water Symposium. He reminded staff that he is there to help with the heavy lifting when needed.
- **Gary Young:** Good Symposium and topics. How can the District appeal to a younger audience? Majority of the attendees were his age.
- **David Cole:** Agreed that the Symposium was good. Well organized. Catering wasn't so great. Can discuss at a later time.
- **Scott Brooks:** Absent
- **Leland Gersbach:** No comment.

13. Discuss agenda items for next meeting.

- Calendar and Holiday dates for 2020.
- Christmas reception 12/11 at 11:00

14. Set time and place of next meeting.

Wednesday, December 11, 2019 at 1:30 p.m. at the District's office.

15. Adjourn.

Board meeting adjourned and workshop convened with President, Leland Gersbach, at 3:44 p.m.

Workshop Item #1. Receive update related to the 19th Annual Bell County Water Symposium held in Killeen at Texas A&M University – Central Texas on November 6, 2019.

Dirk recapped the events of the Symposium. Lyle will have the results of the survey at the January meeting. Shelly worked with the caterer after the meeting to rectify the issues the District had with the service. The caterer discounted the meal and discussed solutions to make the service better.


Workshop Item #2. Receive information regarding ASR feasibility study.

Judge Blackburn is coordinating an ASR meeting among water purveyors interested in ASR to include City of Temple, City of Belton, Bell County, and regional Water Supply Corporations. Clearwater will be involved as well. The District's commitment is \$27,000. Dirk recommends that one Board member attend the meeting with him on Nov 25th.

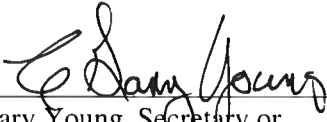
Workshop Item #3. Receive information related to Groundwater Management Area 8, related to Joint Planning and Development of the Desired Future Conditions.

Dirk and Gary heading to GMA 8 meeting on November 22nd. Nothing new to report at this time.

Workshop closed with President, Leland Gersbach, at 4:03 p.m.


Leland Gersbach, President

ATTEST:



Gary Young, Secretary or
Dirk Aaron, Assistant Secretary