

**Clearwater Underground Water Conservation District Meeting**  
**700 Kennedy Court**  
**Belton, TX**  
**Wednesday, May 13, 2020**  
**Minutes**

In accordance with Governor Abbott's declaration of the COVID-19 public health threat, action to temporarily suspend certain provisions of the Texas Open Meetings Act, and Executive Order, a quorum of CUWCD's Board of Directors held its regular Board meeting by telephonic conference call and, for redundancy, videoconference on Wednesday, May 13, 2020 at 1:30 p.m. The meeting originated from 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  
Scott Brooks, Director, Pct. 4

**Absent:**

**Staff:**

Dirk Aaron, General Manager  
Shelly Chapman, Admin. Manager  
Tristin Smith, Education/Compliance  
Corey Dawson, Field Tech

**Guest:**

Mike Gershon – Lloyd Gosselink  
Lou Fleischhauer  
Maddie Todd  
Stephanie Wong – Baylor Univ.

Mike Keester – LRE  
Troupe Brewer – Lloyd Gosselink  
Dr. Joe Yelderman – Baylor Univ.  
William Anderson

A.W. Hines – applicant  
Bill Schumann – Bell County  
Ty Embrey – Lloyd Gosselink  
Sandra Blankenship

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

Dirk reminded everyone understood the procedure for making comments. He noted that the instructions were included in the announcements for the meeting.

**Workshop Item #1. Receive updated information if necessary related to the current round of joint planning for GMA8.**

Dirk introduced Ty Embrey with Lloyd Gosselink. Ty gave a briefing related to the efforts of the joint planning for GMA8 and what is on the horizon. Mike Keester with LRE presented the technical side of the data being reviewed for the GAM run.

**Workshop Item #2. Receive update of the USFWS settlement to designate the Critical habitat of the Threatened Salado Salamander.**

Mike Gershon with Lloyd Gosselink gave an update of the USFWS settlement to designate the Critical habitat of the Salado Salamander. He gave a brief background of the listing of the Salado Salamander and where we are today. He explained what a critical habitat is and the next plan for the Coalition.

**Workshop Item #3. Review items of interest concerning the FY2021 budget development process.**

Dirk laid out a timeline and important dates concerning the FY21 budget development process. He noted that the truth and taxation laws changed in the last legislative session. He discussed the changes to calculations and notices effective for 2020. Leland encouraged the Board to block the suggested dates out on their calendars.

**Workshop Item #4. Review items of interest concerning the District milestone efforts for the remainder of calendar year 2020.**

Dirk stated that there are several milestones the District is working towards. One is the Coalitions efforts since 2012 and the narrow window of time to intercede and provide scientific assessments of a more appropriate designation of critical habitat. Gary and Dirk will be on a conference call with GMA8 working toward the end of joint planning round 3. They will be setting a new DFC and there will be new discernment. Dirk was notified by TWDB that the District is up for their 5-year review on the Management Plan. January 1<sup>st</sup> will be the start of the next legislative session. A stakeholder's group has been identified. Scott Brooks will be the lead person to help from the Board standpoint. This is not a slow time of year for the District by any means. We are still operating under the Covid standpoint. Dirk will give an update on that in his General Manager's report.

**Workshop item #5. Review and discuss the required cybersecurity training of all district directors and staff member.** Section 2054 of the Texas Government Code requires all government employees, and elected officials, with access, as well as computers to participate in cyber security training. TAGD is offering this free of charge to the membership. Shelly has gone through the training and will be reaching out to the Board members to complete the training. The District must submit a report of completion to the State by June 14<sup>th</sup>.

**Workshop closed and regular Board meeting convened with President, Leland Gersbach, at 3:07 p.m.**

President, Leland Gersbach, requested another roll call. General Manager, Dirk Aaron, conducted the roll call.

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

Vice President, David Cole, gave the invocation.  
Secretary, Gary Young, led the Pledge of Allegiance.

**2. *Public Comment.***

No public comments.

**3. *Approve minutes of the April 8, 2020 Board meeting and Workshop.***

Board members received the minutes of the April 8, 2020 Board meeting and workshop in their Board Packet to review prior to the meeting.

Secretary, Gary Young, moved to approve the minutes of the April 8, 2020 Board meeting and Workshop. Director, Scott Brooks, seconded the motion.

**Motion carried 5-0.**

**4. *Discuss, consider, and take appropriate action if necessary, to accept the monthly financial report for April 2020 (FY20) as presented.***

Board members received the monthly financial report for April 2020 in their Board Packet to review prior to the meeting.

Secretary, Gary Young, moved to accept the monthly financial report for April 2020 as presented. Director, Scott Brooks, seconded the motion.

**Motion carried 5-0.**

**5. *Discuss, consider, and take appropriate action if necessary, to accept the monthly investment fund account report for April 2020 (FY20) as presented.***

Board members received the monthly investment fund account report for April 2020 in their Board Packet to review prior to the meeting.

Director, Scott Brooks, moved to accept the monthly investment fund account report for April 2020 as presented. Secretary, Gary Young, seconded the motion.

**Motion carried 5-0.**

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

Dirk Aaron presented the request for budget amendments for the purpose of adjusting line item 53703 (Legal - Rules/Accountability) to cover legal expenses accrued during the Covid-19 pandemic related to the Attorney General's suspension of the Texas Open Meetings Act teleconference statues and protocols for virtual meetings. Additional adjustments to line item 53703 (Legal - Rules/Accountability), 53702 (Endangered Species), and 53120 (Endangered Species) were requested in anticipation of additional expenses for the remainder of FY2020.

Dirk suggested forgoing new monitor well construction for the remainder of the year and utilizing the funds from line item 53135 (Monitor Well Construction) to cover the requested budget amendments. Line item 53135 is currently sitting at \$70,000.

Vendor	Line Item	Invoice Amount	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
Lloyd Gosselink	53703 - Legal - Rules/Acct	\$2,430.40	\$1,286.35	\$1,144.05	\$2,430.40	53135-Mon Well Construction	\$70,000.00	\$68,855.95
Lloyd Gosselink	53703 - Legal - Rules/Acct	anticipated	\$0.00	\$10,000.00	\$10,000.00	53135-Mon Well Construction	\$68,855.95	\$58,855.95
Lloyd Gosselink	53702- Legal - End. Specie	\$2,133.60	\$2,860.00	\$7,500.00	\$10,360.00	53135-Mon Well Construction	\$58,855.95	\$51,355.95
TBD	53120-End. Species (BCAMC)	anticipated	\$0.00	\$20,000.00	\$20,000.00	53135-Mon Well Construction	\$51,355.95	\$31,355.95

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

**Motion carried 5-0.**

**7. Discuss, consider and take appropriate action if necessary, to accept the quarterly deferred compensation employee retirement program account report as presented.**

Dirk presented the quarterly report for Security Benefit employees retirement account. The Board members received a copy of the Quarterly Report in their Board Packet to review prior to the meeting.

Secretary, Gary Young, moved to accept the quarterly report as presented. Vice President, David Cole, second the motion.

**Motion carried 5-0.**

**8. Discuss, consider and take appropriate action if necessary, to set Board meeting calendar dates for June, July, and August 2020, related to FY21 budget development process.**

This agenda item was discussed in workshop item 4. Leland asked the Board if they had any questions regarding proposed calendar dates. There were none.

Director, Jody Williams, moved to set the Board meeting calendar dates for June, July, and August 2020 as presented. Director, Scott Brooks, seconded the motion.

**Motion carried 5-0.**

**9. Hold Public Hearing on the following permit applications:**

- a) Discuss, consider, and take appropriate action if necessary, on the proposed operating permit of 4.14 ac-ft/year for Hines Texas, LLC authorizing a combination drilling/operating permit from a proposed well (N2-20-002P) completed in the Hosston Layer of the Trinity Aquifer to produce groundwater for domestic use in a shared well agreement serving a maximum seven homes or maximum 24 persons located at Latitude 30.93011°/ Longitude -97.73762° off of Brooking Road, Florence, TX,
- b) Discuss, consider, and take appropriate action if necessary, on the proposed operating permit of 4.14 ac-ft/year for Hines Texas, LLC authorizing a combination drilling/operating permit from a proposed well (N2-20-003P) completed in the Hosston Layer of the Trinity Aquifer to produce groundwater for domestic use in a shared well agreement serving a maximum seven homes or maximum 24 persons located at Latitude 30.92810°/ Longitude -97.74383° off of Brooking Road, Florence, TX,
- c) Discuss, consider, and take appropriate action if necessary, on the proposed operating permit of 4.14 ac-ft/year for Hines Texas, LLC authorizing a combination drilling/operating permit from a proposed well (N2-20-004P) completed in the Hosston Layer of the Trinity Aquifer to produce groundwater for domestic use in a shared well agreement serving a maximum seven homes or maximum 24 persons located at Latitude 30.92169°/ Longitude -97.74103° off of Stillman Valley Road, Florence, TX,

- d) Discuss, consider, and take appropriate action if necessary, on the proposed operating permit of 4.14 ac-ft/year for Hines Texas, LLC authorizing a combination drilling/operating permit from a proposed well (N2-20-005P) completed in the Hosston Layer of the Trinity Aquifer to produce groundwater for domestic use in a shared well agreement serving a maximum seven homes or maximum 24 persons located at Latitude 30.92325°/ Longitude -97.73594° off of Stillman Valley Road, Florence, TX,

As Presiding Officer of the hearing, President Leland Gersbach, called to order the public hearing at 3:38 p.m.

Leland gave a summary of the items to be considered and a brief explanation of the procedural issues. He confirmed a quorum of the Board was in attendance (remotely) to participate in the ruling of the application. Leland stated that the permit applications had undergone administrative and technical review by District staff, consultants, and legal counsel.

Leland reviewed the procedures that would apply to the hearing and noted the meeting had been properly noticed.

Leland stated anyone wishing to participate in the hearing, in support or protest, would need to sign up to speak and should do so while he addressed other procedural issues. Anyone wishing to speak will need to email [schapman@cuwcd.org](mailto:schapman@cuwcd.org) the online form as noted in the agenda.

As presiding officer, Leland will take evidence and sworn testimony, and rule on any procedural issues.

Leland noted that the Board would hear testimony and deliberate on all 4 of the well application submitted by AW Hines. He will hear from Mr. Hines, as well as the District consulting hydrogeologist, Mike Keester. He will also hear testimony for Dirk Aaron and the District legal counsel, Troupe Brewer.

Leland invited anyone wishing to make a public comment or protest the application to speak up. There were no comments.

Leland administered an oath to all participants. Parties verbally confirmed they took the oath were: Dirk Aaron, Mike Keester, Mike Gershon, Troupe Brewer, and the applicant, A.W. Hines.

Mr. Hines laid out the application and request for the 4 wells on his property.

Dirk gave a general explanation of the application. He replied to Leland's questions and stated that the application had been deemed administratively complete, all fees have been paid, and all criteria had been met.

Leland addressed questions related to Mike Keester's analysis. Based on Mike's report, drawdown will not adversely impact adjacent well owners. Mike agreed the special provisions discussed should be part of the annual permit. He also recommended the Board approve the application with the special provisions as discussed.

Leland addressed legal counsel, Troupe Brewer. Troupe agreed the District had addressed all aspects of the application. He was available to answer any questions the Board might have.

Next, Leland addressed A.W. Hines. He made sure Mr. Hines understood the District does not have the authority to approve or deny the application for shared well agreements per Chapter 36. He asked Mr. Hines to describe the special warranty deed he submitted. Mr. Hines understood and agreed to all the special provision required by the District for the permit. Those special provision include:

- All wells will be metered.
- Must report usage monthly.
- District staff will be allowed access to measure water levels and verify meter readings.
- An observation port will be installed to allow staff to measure drawdown.
- Agree to an aquifer test and geophysical log on one of the wells.

- Each well is to serve no more than 7 homes and 24 people under the shared well agreements.
- Confirm no cross connections for the purpose of having an aggregated system for the subdivision.
- Confirm applicant will install a removable plug in the sanitary seal for clear access into the well for acoustic water level measurements by District staff.
- Confirm that District will have access for the purpose of water quality screening of each well annually.
- Applicant agrees to plug existing exempt wells E-02-1700G and E-02-1699G in accordance to District and TDLR guidelines.

Mr. Hines also understands that these wells will be subject to proportional adjustments should that be necessary to meet the DFC.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the applications. Hearing none, Leland concluded the discussion on the application at hand.

All parties had an opportunity to make their cases. Leland asked if there were any other parties interested in submitting additional evidence. Hearing none, Leland concluded the evidentiary portion of the application.

Leland asked for a motion to grant/deny/partially grant Hines LLC request for combination drilling/operating permits of 4.14 ac-ft/year, from the Hosston (Lower) Layer of the Trinity aquifer on the 4 wells described in today's hearing to include all the special provisions agreed upon by the applicant outlined by the District General Manager, Consultants, and legal counsel.

Director, Scott Brooks, moved to grant the request for combination drilling/operating permits of 4.14 ac-ft/year, from the Hosston Layer of the Trinity aquifer on the 4 wells described in the hearing to include all special provision (A-L) laid out by the District General Manager, Consultants, legal counsel, and agreed to by Mr. Hines. Secretary, Gary Yong, seconded the motion.

**Motion carried 5-0.**

- 10. *Discuss, consider and take appropriate action if necessary, to bring forward the tabled agenda item, to approve construction of a Lower Trinity Monitor Well located at Peaceable Kingdom Road and Stillman Valley Road on property owned by AW Hines.***

Due to budget needs and statewide budget challenges, Dirk recommends the monitor well be withdrawn from the table. No action is required.

- 11. *General Manager's Report concerning office management and staffing related to District Management Plan<sup>3</sup>.***

- 2 Board members are up for re-election in November...Precincts 1 & 3.
- Board was notified that the VA had been violating their permit. The District put an immediate hold on the permit. The well went out of service and the pump burned up. They are going through an RFQ to make repairs and get back into compliance. District will continue to monitor them closely.
- Shelly put together a protocol for re-opening the office. Each employee must remain in their office. Staff does not cross paths in common areas, must maintain social distancing, keep office doors closed, communicate via intercom, disinfect office periodically, set up a barrier and sanitizing station for anyone entering the building, if you are sick stay home. Sanitize often. When visitors leave, wipe down and sanitize the area.
- Shelly needs a head count of those who will be attending the Water Summit this year. It is the first week of September.

- 12. *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*

*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.)

Dirk touched on some of the topics and pointed pertinent information related to the reports.

**13. Director comments and reports<sup>3</sup>.**

- **Jody Williams:** No comments.
- **Gary Young:** Thanked Dirk for the hard work he does. Special thanks to Tristin for helping him set up his iPad so he could participate and use his camera for the meeting. The virtual meetings have been a challenge. Hope we can be back together in June.
- **David Cole:** No comments.
- **Scott Brooks:** Thanked Mike Keester for his work. Also thanked Dirk and Gary for the work they are doing GMA8
- **Leland Gersbach:** No comments.

**14. Discuss agenda items for next meeting.**

- Update/additional information on Endangered Species/Critical Habitat
- Update on GMA8
- Election Information

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

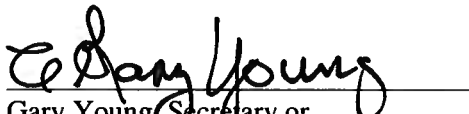
Wednesday, June 10, 2020 via telephonic/video conference

**16. Adjourn.**

**Board meeting adjourned with President, Leland Gersbach, at 4:42 p.m.**

  
Leland Gersbach, President

ATTEST:

  
Gary Young (Secretary or  
Dirk Aaron, Assistant Secretary