Clearwater Underground Water Conservation District Meeting 700 Kennedy Court Belton, TX Wednesday, July 14, 2021 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 a regular Board meeting by telephonic conference call and, for redundancy, video conference on Wednesday, July 14, 2021 at 1:30 p.m. The meeting originated from the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

Board Members Present:

Absent:

Staff:

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

Dirk Aaron, General Manager Shelly Chapman, Admin. Manager

Guest: (remote & in person)

Mike Keester – LRE

Erin Atkinson – Halff Assoc.

Brian Smith

Clara Smith-Salgado – Baylor Univ.

Nathan McNeal – Applicant

Danielle McNeal – Applicant

Board meeting convened with President, Leland Gersbach 1:30 p.m.

1. Invocation and Pledge of Allegiance.

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

2. Public Comment.

None

3. Approve minutes of the June 16, 2021 Board meeting and Workshop.

Board members received the minutes of the June 16, 2021 Board meeting and workshop in their Board Packet to review prior to the meeting.

Secretary, Gary Young, moved to approve the minutes of the June 16, 2021 Board meeting and Workshop. Vice President, David Cole, seconded the motion.

Motion carried 5-0.

4. Discuss, consider, and take appropriate action if necessary, to accept the monthly financial report for June 2021 (FY21) as presented.

Board members received the monthly financial report for June 2021 in their Board Packet to review prior to the meeting.

Vice President, David Cole, moved to accept the monthly financial report for June 2021 as presented. Director, Jody Williams, 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 June 2021 (FY21) as presented.

Board members received the monthly investment fund account report for June 2021 in their Board Packet to review prior to the meeting.

Director, Scott Brooks, moved to accept the monthly investment fund account report for June 2021 as presented. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

6. Discuss, consider, and take appropriate action if necessary, to accept the Quarterly Deferred Compensation Employee Retirement Program account report as presented.

Board members received the Employee Retirement Program quarterly report in their Board Packet to review prior to the meeting.

Secretary, Gary Young moved to accept the Employee Retirement Program quarterly report as presented. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

(President, Leland Gersbach requested the Board move to agenda item #8 at this time.)

- 8. Hold public hearing on the following well applications:
 - a) Discuss, consider, and take appropriate action if necessary, on the proposed combination drilling and operating permit of 0.40 ac-ft/yr. for Nathan & Danielle McNeal authorizing production from a proposed new well (N1-21-003P) completed in the Hosston layer of the Trinity Aquifer at 7-gpm to produce groundwater for the purpose of domestic use on a 2-acre tract located at 21152 State Hwy 195, Killeen, Texas 76542.

As Presiding Office of the hearing, President Leland Gersbach, called to order the public hearing at 1:35 p.m. Leland gave a summary of the application to be considered and a brief explanation of the procedural issues. He confirmed a quorum of the Board was in attendance 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 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 the well application submitted by Nathan and Daniella McNeal. Leland will hear testimony by the applicant, Dirk Aaron (General Manager), and Mike Keester (LRE Water).

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

Leland administered an oath to all participants. Parties verbally confirmed they took the oath were: Dirk Aaron, Mike Keester, and Nathan and Daniella McNeal.

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. Mike Keester responded to Leland's questions. He also recommended the Board approve the application with the special provisions as discussed.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the application. 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 at 2:02 p.m.

For the record, Leland read a letter submitted by the applicant's wife expressing their thanks and gratitude to Tristin Smith for all the help she gave and walking them through the entire process.

Leland asked for a motion to grant/deny/partially grant the McNeal's request for an operating permit of 0.40-acre feet per year from the Hosston layer of the Trinity aquifer to include all the special provisions agreed upon by the applicant as outlined by the District General Manager and Consultants.

Director, Scott Brooks, moved to grant the request as presented to include all special provisions as agreed upon by the applicant, and to also require a meter on the well, as outlined by the District General Manager and Consultants. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

Public Hearing Closed and Workshop convened with President, Leland Gersbach, at 2:03 p.m.

Workshop Item #1: Receive presentation from Baylor University Students related to aquifer studies in Bell County.

Received presentations for Dr. Stephanie Wong and Clara Smith-Salgado of Baylor University.

<u>Workshop Item #2:</u> Receive information related to Groundwater Management Area 8, per the Joint Planning and Development of the Round 3 Desired Future Conditions.

Dirk gave a brief update on GMA 8. He informed the Board that the meeting scheduled for July 20th has been cancelled. A new date has not been set.

Workshop Item #3: Receive update on the RFQ process for GIS platform and database enhancements/hosting. Dirk updated the Board on the RFQ process. He noted that he had received RFQs from 4 companies. He is in the process of reviewing these RFQs and will come to the Board with recommendations at the next meeting.

Workshop Item #4: Review items of interest concerning the FY2022 budget development process.

Dirk discussed items of interest concerning the FY22 budget. He reminded the Board of upcoming deadlines and dates related to the budget development process.

Workshop closed and regular Board meeting reconvened with President, Leland Gersbach, at 3:52 p.m.

7. Discuss, consider, and take appropriate action if necessary, to approve the FY21 line-item budget amendments as requested.

Dirk and Shelly presented the request for line-item budget amendments for the purpose of adjusting line item #53732 (Permit Review - Legal) to accommodate additional legal fees for review of permit applications and public hearing for Victory Rock, Trinity Oasis, and Kelly Carter. They also requested adjustments for line item #53731 (Permit Review – Geoscience) to cover funds inadvertently paid above what was available on the line item and to cover additional fees for review of permit applications and public hearing for Victory Rock, Trinity Oasis, and Reaves.

Vendor	Line Item	Invoice Amount	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
Lloyd Gosselink	53732 - Permit Review	\$11,873.92	\$0.00	\$11,873.92	\$11,873.92	53130,7-ASR Study	\$20,000.00	\$8,126.08
	Legal							
LRE	53731-Permit Review	\$648.50	-\$648 .50	\$648 .50	\$0.00	53130.4-Investigation	\$6,010.00	\$5,361.50
	GeoScience							
LRE	53731-Permit Review	\$945.00	\$0.00	\$945.00	\$945.00	53130.4-Investigation	\$5,361.50	\$4, 416.50
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Dirk reminded the Board that these are simple adjustments between line-items.

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

Motion carried 5-0.

9. Discuss, consider, and take appropriate action if necessary, approve an exception to setback requirements per District rule 9.5.5(a)(e) for Magnolia First Baptist Church located at 2027 Connell Street, Belton, Texas.

Dirk explained the applicant's request for an exception to the District's requirement that wells observe a minimum set back of 50 feet from all property lines. The applicant requested a setback reduction of approximately 20 feet from the south property line of an existing well (E-21-008GU). The adjacent tract of land is owned by Rozella Moon. The applicant has obtained a signed waiver from the adjacent property owner, Rozella Moon, agreeing to the setback exception. This waiver will be attached to eh well file and properly recorded at the County Clerk's Office if approved by the Board.

Dirk recommended the Board approve the exception to the set back.

Vice President, David Cole, moved to approve the request for an exception to the setback requirements for the existing well. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

10. Discuss, consider, and take appropriate action if necessary, to select the Auditing Firm based on committee report and recommendations of the SOQs submitted for Auditing Services per District Bylaws Article VII, Section 6.

Dirk explained to the Board that he only received on SOQ for Auditing Services. The SOQ was received from Ludwick, Montgomery & Stapp. David Cole, Gary Young, and Dirk Aaron reviewed the SOQ. They met with Kevin Cowan (representative for Ludwick, Montgomery & Stapp).

The committee gave a recap of the interview and their thoughts on this firm. Upon conclusion, the committee recommended accepting the SOQ from Ludwick, Montgomery & Stapp.

Vice President, David Cole, moved to approve the selection of Ludwick, Montgomery & Stapp for auditing services. Director, Jody Williams, seconded the motion.

Motion carried 4-0-1 (Director, Scott Brooks, abstained from the vote).

11. Discuss, consider, and take appropriate action if necessary, to conduct the annual performance review of the General Manger, in accordance with District Bylaws Article VI, Section 6.

Leland suggested the Board convene to Executive Session to discuss the annual performance review of the General Manager and other staff related items.

Executive Session convened with President, Leland Gersbach, from 4:05 p.m.

Board meeting reconvened with President, Leland Gersbach, at 5:02 p.m.

- 12. General Manager's Report concerning office management and staffing related to District Management Plan³.
 - Educational events are ramping back up. Dirk has been asked to speak at several community forums.
 - Working to confirm location and date of the Bell County Water Symposium. Will have more information next month.
 - There are a couple of permits pending. More information next month
 - RFQ scoring and recommendations on Data Platform in August
- 13. 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

Dirk discussed the drought status report.

(Copies of the Monthly Staff Reports were given to the Board Members to review. No action required. Information items only.)

14. Director comments and reports³.

Jody Williams: Thanked Dirk for putting all the numbers together for the budget review.

Gary Young: Gary has been looking at the budget and crunching numbers. Thanked Dirk for all the hard

work.

David Cole: None

<u>Leland Gersbach</u>: None <u>Scott Brooks</u>: None

- 15. Discuss agenda items for next meeting.
 - Possible Permit hearing
 - RFQ recommendations for GIS platform
 - Set preliminary tax rate
- 16. Set time and place of next meeting.

Wednesday, August 11, 2021 at 1:30 p.m.

17. Adjourn.

Board meeting adjourned with President, Leland Gersbach, at 5:08p.m.

Leland Gersbach, President

ATTEST:

Gary Young, Secretary or

Dirk Aaron, Assistant Secretary