

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, TX
Wednesday, July 12, 2023
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a Workshop at 11:00 a.m. and its regular Board meeting at 1:30 p.m. on Wednesday, July 12, 2023, at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

Board Members Present:

Leland Gersbach, President, Pct 1
Gary Young, Secretary, Pct 2
Jody Williams, Vice President, Pct 3
Scott Brooks, Director, Pct 4
James Brown, Director, At-Large

Absent:

Staff:

Dirk Aaron, General Manager
Shelly Chapman, Admin. Manager

Guests

Philip Webster – RW Harden
Sandra Blankenship – WCID#1
Dan Keesee – Salado, TX
Cheryl Walker – East Bell WSC
Marvin Green
Spencer Smith – Harker Heights, TX
Scott Dodd – UMHB
Kelly Snook – Applicant
Rick Kasberg – KPA
Thomas Valle – KPA

Mike Keester – RW Harden
Vince Clause – LRE Water
William Gamblin – Gamblin Eng.
John Asbury
Mate Bates – City of Belton
Neil Deeds – Intera
Marv Ee – UMHB
Joel Zemanek
Don Bond – City of Temple
James Beach – AGS (virtual)

Cole Ruiz – Lloyd Gosselink
Patrick Wagner – MTGCD
Murray McCarley – Temple, TX
Randy Frei – Frei Enterprises
Pete George – Collier Consulting
Ken Baumgardner – Applicant
Steve Theodore – UMHB
Richard Wilson – City of Temple
Brynn Myers – City of Temple

Workshop opened with President, Leland Gersbach at 11:02 p.m.

Leland noted for the record that Scott Brooks has recused himself from Workshop items 1-3.

Workshop item #1: Receive update related to the TCEQ-TPDES Permit WQ0016294001 by Mustang Springs Utility LLC.

Dirk updated the Board on items related to the TCEQ-TPDES permit submitted by Mustang Springs Utility to discharge wastewater into Salado Creek. CUWCD has submitted comments to TCEQ to preserve the right for a contested case hearing and establish position and standing. He noted that Representative Buckley has requested public meetings be held on this permit. Mustang Springs has chosen not to engage with CUWCD at this time.

Workshop item #2: Receive update related to the TCEQ-TPDES Permit WQ0016310001 by South Central Water Company for The Reserve at Salado Creek.

Dirk updated the Board on items of interest related to the TCEQ-TPDES permit submitted by South Central Water Company for the Reserve at Salado Creek to discharge wastewater into Salado Creek. Representative Buckley has requested public meetings be held regarding this permit. The district's attorney, Cole Ruiz, has submitted comments on behalf of CUWCD.

Workshop item #3: Receive update related to the TCEQ-TPDES Permit WQ0016330001 by South Central Water Company for the "050 Salado Creek".

Dirk updated the Board on items of interest related to the TCEQ-TPDES permit submitted by South Central Water Company for the "050 Salado Creek" to discharge wastewater into Salado Creek. The discharge run will be more than a mile. They have agreed to a geologic assessment of the run.

Workshop item #4: Receive update from Mike Keester and James Beach related to the development of the CUWCD Groundwater Management Model.

Mike Keester (RW Harden) and James Beach (AGS) presented an update on items related to the development of the district Groundwater Management Model. They presented the scope of work, structure, parameters, pump test, boundary conditions, faulting, etc. The next steps will be adjustments and improvements.

Mike also introduced his co-worker, Phillip.

Workshop item #5: Receive update from Vince Clause, LRE Water, related to DMS water levels and water quality analytics efforts for FY23 and proposed task orders for FY24.

Vince Clause (LRE Water) presented an overview and update related to the DMS water levels and water quality analytics efforts for FY23. He also presented proposed task orders for FY24.

(1:23 p.m. - President, Leland Gersbach suggested Workshop items 6-9 be continued following the Regular Board meeting.)

Workshop paused at 1:23 p.m. and Regular Board meeting opened with President, Leland Gersbach, at 1:30 p.m.

1. *Invocation and Pledge of Allegiance.*

Director, Jody Williams, gave the invocation.

Secretary, Gary Young, led the Pledge of Allegiance.

2. *Public Comment.*

John Asbury addressed the Board. He commented that according to ERCOT's website, 47% of electricity in Texas is being generated by wind and solar. He commented on the importance of water resources in Texas and the District's responsibility to make good decisions on how best to utilize those resources.

3. *Approve minutes of the June 13, 2023, Board meeting.*

Board members received the minutes of the June 13, 2023, 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 13, 2023, Board meeting and Workshop as presented. Vice President, Jody Williams, seconded the motion.

Motion carried 5-0.

4. *Discuss, consider, and take appropriate action, if necessary, to accept the monthly Financial Report for June 2023 (FY23) as presented.*

Board members received the monthly financial report for June 2023 in their Board packet to review prior to the meeting.

Director, Jim Brown, moved to accept the June 2023 financial report 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 June 2023 (FY23) as presented.*

Board members received the monthly investment Fund account report for June 2023 in their Board packet to review prior to the meeting.

Vice President, Jody Williams, moved to accept the monthly Investment Fund account report for June 2023 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 Quarterly report in their Board packet to review prior to the meeting.

Director, Scott Brooks, moved to accept the quarterly report as presented. Vice President, Jody Williams, seconded the motion.

Motion carried 5-0.

(Move to agenda item #9 per President, Leland Gersbach)

9. *Discuss, consider, and take appropriate action, if necessary, to approve both an encumbrance agreement and shared well agreement between Mr. James Boger and adjacent property owners Mr. James & Mrs. Raynesa Jonas in order that Mr. Boger can pursue a future permit application for a non-exempt Combination Drilling/Operating permit for a new well on a tract of land less than 2-acres.*

Dirk presented the request for an encumbrance and shared well agreement between Mr. Boger and the adjacent property owner Mr. & Mrs. Jonas so Mr. Boger can pursue a future permit application for a non-exempt drilling and operating permit on a tract of land less than 2-acres. Dirk presented the details of the request and recommended the Board approve the request.

Director, Scott Brooks, moved to accept both the encumbrance and shared well agreement as requested. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

10. *Conduct Public Hearing on the following application:*

Discuss, consider, and take appropriate action, if necessary, on a proposed combination drilling/operating permit for a new well for Kelly Snook submitted on May 5, 2022, not to exceed 0.3 acre-feet or 97,755 gallons per year for domestic use, completed in the Alluvial formation and located in the Eastern Management Zone described in District Rule 7.1 and limited to a maximum 1.25-inch column pipe on a 3.37-acre tract in accordance with District Rule 9.5 and located at Latitude 31.00191° /Longitude -97.443311° at 4817 FM 1123, Belton, TX.

President, Leland Gersbach opened the public hearing at 1:41 and 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.

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 Kelly Snook. Leland will hear testimony from Kelly Snook (applicant), Dirk Aaron (General Manager - CUWCD), Mike Keester (LRE Water), and Cole Ruiz (Lloyd Gosselink Attorneys at Law), and any qualified party to the case.

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

Leland administered an oath to all participants (Dirk Aaron, Mike Keester, Cole Ruiz, and Kelly Snook).

Kelly Snook addressed the Board and gave an explanation for her request for a well.

Dirk gave a general explanation of the application. He noted that the applicant has met all criteria and has agreed to the special provisions laid out for her. Dirk replied to Leland's questions and stated that the

application had been deemed administratively complete, and all fees have been paid. Dirk recommended the Board approve a drilling/operating permit at this time.

Mike Keesters presented his analysis of the application at hand. Leland addressed questions to Mike pertaining to his findings.

Leland addressed the applicant with questions about her understanding related to the proposed application and the special provisions agreed upon. Kelly Snook replied that she understood all special provisions and requirements as discussed and agreed to.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the application. Hearing none, Leland invited the applicant an opportunity for rebuttal. She had none.

Leland concluded the discussion on the application. Seeing that all parties had an opportunity to make their cases, Leland asked if any parties were interested in submitting additional evidence. There was none.

Leland concluded the evidentiary portion of the application.

Leland asked for a motion to grant/deny/partially grant the applicant's request for a drilling/operating permit not to exceed 0.3 acre-feet or 97,755 gallons per year for domestic use, to be completed in the alluvial formation.

Director, Scott Brooks, moved to grant the applicant's request for a drilling/operating permit not to exceed 0.3 acre-feet or 97,755 gallons per year for domestic use, to be completed in the alluvial formation with special provisions as agreed upon. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

11. *Conduct Public Hearing on the following application:*

Discuss, consider, and take appropriate action, if necessary, on a proposed operating permit for a new non-exempt well for Ken Baumgardner submitted on June 2, 2023, for a combination drilling/operating permit not to exceed 0.38 acre-feet or 123,823 gallons per year for domestic use, completed in the Hosston (Lower) Layer of the Trinity Aquifer and located in the Southwest Management Zone described in District Rule 7.1 and limited to a maximum 1.25-inch column pipe on a 7.271-acre tract in accordance with District Rule 9.5 and located at Latitude 30.90563°/Longitude -97.77624° at 200 Buckeye Road, Killeen, TX.

President, Lelenad Gersbach opened the public hearing at 2:04 p.m. and 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.

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 Ken Baumgardner. Leland will hear testimony from Ken Baumgardner (applicant), Dirk Aaron (General Manager - CUWCD), Mike Keester (LRE Water), and Cole Ruiz (Lloyd Gosselink Attorneys at Law), and any qualified party to the case.

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

Leland administered an oath to all participants (Dirk Aaron, Mike Keester, Cole Ruiz, and Ken Baumgardner).

Ken Baumgardner addressed the Board and gave an explanation for her request for a well.

Dirk gave a general explanation of the application. He noted that the applicant has met all criteria and has agreed to the special provisions laid out for him. Dirk replied to Leland's questions and stated that the application had been deemed administratively complete, and all fees have been paid. Dirk recommended the Board approve a drilling/operating permit at this time.

Mike Keesters presented his analysis of the application at hand. Leland addressed questions to Mike pertaining to his findings.

Leland addressed the applicant with questions about her understanding related to the proposed application and the special provisions agreed upon. Ken replied that he understood all special provisions and requirements as discussed and agreed to.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the application. Hearing none, Leland invited the applicant an opportunity for rebuttal. He had none.

Leland concluded the discussion on the application. Seeing that all parties had an opportunity to make their cases, Leland asked if any parties were interested in submitting additional evidence. There was none.

Leland concluded the evidentiary portion of the application.

Leland asked for a motion to grant/deny/partially grant the applicant's request for a drilling/operating permit not to exceed 0.38 acre-feet or 123,823 gallons per year for domestic use, to be completed in the Hoston (Lower) layer of the Trinity aquifer formation.

Director, Jim Brown, moved to grant the applicant's request for a drilling/operating permit not to exceed 0.38 acre-feet or 123,823 gallons per year for domestic use, to be completed in the Hoston (Lower) layer of the Trinity aquifer formation with special provisions and instructions as agreed upon. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

12. Conduct Public Hearing on the following application:

Discuss, consider, and take appropriate action, if necessary, on a proposed drilling permit for a new well for the University of Mary Hardin Baylor submitted on June 20, 2023, for a proposed amount not to exceed 64.4 acre-feet or 20,984,832 gallons per year for irrigation use only, completed in the Hosston (Lower) Layer of the Trinity Aquifer and located in the Belton Lake Management Zone described in District Rule 7.1 and limited to a maximum 4-inch column pipe on a 28.12-acre tract in accordance with District Rule 9.5 and located at Latitude 31.069169°/Longitude -97.472680° at the N. W. corner of W. Martin Luther King Junior Ave and Nolan Creek, Belton, TX. No groundwater production can be authorized with this proposed permit.

President, Lelenad Gersbach opened the public hearing at 2:45 p.m. and 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.

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

Leland laid out the procedures for the hearing. He noted that the district did receive requests for a contested case hearing in writing prior to today's meeting and have had additional requests by a person appearing before the Board today. Leland stated that the Board will enter a preliminary phase of the contested case hearing in order to determine whether the hearing request meets the requirement of Rules 6.10.9 and 6-10-12, whether the person requesting the hearing qualifies as an affected party, and whether it is appropriate to deem the hearing contested.

Leland took appearance by all individuals signed up wishing to make public comments. Murray McCarthy signed up but left prior to the hearing. John Asbury also signed up to give public comments. John noted his concerns regarding the need for the well and made several suggestions for the applicant to consider.

Leland then asked if there was anyone wishing to be a party to the hearing. Matt Bates with the City of Belton signed up to be a party to the hearing. He spoke with the applicant prior to the meeting and requested a 30-day continuance for more information. He noted that the well would be in Belton's CCN. The representative from UMHB, Dr. Theodore, agreed to the 30-day continuation.

After more discussion and clarification, Leland granted the 30-day continuation (until the next Board meeting).

No action was taken.

13. Conduct Public Hearing on the following application:

Discuss, consider, and take appropriate action, if necessary, on a proposed drilling permit for a new well for the City of Temple submitted on June 19, 2023, for a proposed amount not to exceed 239 acre-feet or 77,822,380 gallons per year for industrial use only, completed in the Hosston (Lower) Layer of the Trinity Aquifer and located in the Belton Lake Management Zone described in District Rule 7.1 and limited to a maximum 4-inch column pipe on a 45.33-acre tract in accordance with District Rule 9.5 and located at Latitude 31.0582°/Longitude -97.3005° at 4331 Tower Rd. Temple, TX. No groundwater production can be authorized with this proposed permit.

President, Leland Gersbach opened the public hearing at 3:12 p.m. and 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.

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 application for a drilling permit submitted by the City of Temple. Leland will hear testimony by representatives of the City of Temple and their consultants (the applicant), Dirk Aaron (General Manager - CUWCD), Mike Keester (LRE Water), and Cole Ruiz (Lloyd Gosselink Attorneys at Law), and any qualified party to the case.

Leland invited anyone wishing to make a public comment to speak up. John Asbury also signed up to give public comments. John noted his concerns regarding the need for the well and made several suggestions for the applicant to consider.

Leland then asked if anyone signed up to be a party to the hearing. Cheryl Walden (East Bell WSC), Marvin Green, and Randy Frei (O & B WSC) signed up to be a party to the hearing. They were concerned about the

effect/drawdown this well would have on their public water supply wells. He allowed each person the opportunity to speak.

Leland administered an oath to all participants (Dirk Aaron, Mike Keester, Cole Ruiz, representatives of the City of Temple – Don Bond, Richard Wilson, Brynn Myers; Neil Deeds – Intera, Rick Kasberg – KPA, Joel Zemanek – Rowan Digital, Billy Gamblin – Gamblin Engineer).

Neil Deeds presented information regarding the application for a drilling permit and laid out the beneficial needs for the well.

Dirk gave a general explanation of the application. He noted that the applicant has met all criteria and has agreed to the special provisions laid out for the drilling permit. Dirk replied to Leland's questions and stated that the application had been deemed administratively complete, and all fees have been paid.

Mike Keesters presented his analysis of the application at hand. Leland addressed questions to Mike pertaining to his findings.

Leland addressed Don Bond and his representatives with questions about their understanding related to the proposed application and the special provisions agreed upon. They understood all special provisions and requirements as discussed and agreed to.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the application. Hearing none, Leland invited the applicant an opportunity for rebuttal. They had none.

Leland concluded the discussion on the application. Seeing that all parties had an opportunity to make their cases, Leland asked if any parties were interested in submitting additional evidence. There was none.

Leland concluded the evidentiary portion of the application.

Leland asked for a motion grant/deny/partially grant applicants request for a proposed drilling permit only for a new well for the City of Temple to be completed in the Hosston (Lower) Layer of the Trinity Aquifer for a proposed amount not to exceed 239 acre-feet per year, limited to a maximum 4-inch column pipe.

Director, Scott Brooks, moved to grant the proposed drilling permit only for a new well in the Hosston layer of the Trinity aquifer formation with special provisions and instructions as agreed to. Director, Jim Brown, seconded the motion.

Motion carried 5-0.

7. *Discuss, consider, and take appropriate action to approve funding and installation of the Eno Scientific Well Watch 700 water level monitoring equipment with Signal Fire on the Armstrong WSC Well N2-10-001P.*

Dirk presented a request for the Board to approve funding and installation of the Eno Scientific water level monitoring equipment with Signal Fire for Armstrong WSC Well N2-10-001P. He explained how the district and Armstrong would benefit from the data provided by this equipment.

Vice President, Jody Williams, moved to approve funding and installation of the Eno Scientific water level monitoring equipment for Armstrong WSC Well N2-10-001P. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

8. *Discuss, consider, and take appropriate action, if necessary, to approve the FY23 line-item budget amendments as requested.*

Shelly presented the request for line-item budget amendments for the following items:

- 1) To cover the cost of additional monthly subscription fees for Austin American Statesman (digital copy), DropBox, and Go To Meeting fees.
- 2) Investigation line item for consulting related to Mustang Springs, BEG Hydro economic model, 050 Salado Creek, and Reserve at Salado Creek.
- 3) Legal fees related to Mustang Springs.
- 4) Monitor well equipment for Armstrong WSC.

Vendor	Line Item	Invoice Amount	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
Subscriptions	53780-Subscriptions	\$102.39	\$23.88	\$78.51	\$0.00	Printing - 53750	\$1,458.88	\$1,380.37
	(Am Statesman, Drop Bx , GoTo Mtg)							
RW Harden	53130-4-Investigation	\$7,245.00	\$1,883.50	\$5,361.50	\$0.00	Contingency - 50250	\$37,597.24	\$32,235.74
Lloyd Gosselink	53703-General Rules	\$3,634.00	\$0.00	\$3,634.00	\$0.00	Contingency - 50250	\$32,235.74	\$28,601.74
Eno Scientific	53140-Monitor Well Exp	\$4,124.00	\$241.10	\$3,882.90	\$0.00	Contingency - 50250	\$28,601.74	\$24,718.84

Director, Jim Brown, moved to approve the line-item budget amendments as requested. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

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

Leland discussed Dirk's annual performance review by the Board. The Board is pleased with the work and commitment he has to his job. The Board members all had positive remarks regarding his position with the district. Leland commented that Dirk is highly respected across the State.

John Asbury submitted a letter/comments commending Dirk and noted that Bell County is fortunate to have Dirk serving the interests of the County and Texas.

No action taken on this item.

15. General Manager's report concerning office management and staffing related to District Management Plan.

- Salado WSC has moved in to Stage 3 Drought restrictions.
- ACA has been in contact with Dirk and would like to talk again.

16. Review 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 is required. Information items only.)

17. Director's comments and reports.

- **Leland Gersbach:** None
- **Jody Williams:** None
- **Gary Young:** None
- **Scott Brooks:** None
- **James Brown:** None

18. Discuss agenda items for the next meeting.

- Continuance of UMHB drilling permit request.

- Set preliminary tax rate and date for adoption of FY24 budget.

19. Set the time and place of the next meeting.

Wednesday, August 9, 2023, 1:30 p.m. CUWCD office.

20. Adjourn.

Board meeting closed and Workshop reconvened with President, Leland Gersbach, at 5:27 p.m.

Workshop item #6: Discuss CUWCD Draft Budget for FY24.

Dirk highlighted areas of interest relating to the development of the FY24 budget. The Board offered their input and guidance.

Workshop item #7: Discuss proposed amendments to the District's rules as required by changes in Chapter 36 Texas Groundwater Code per the 88th Legislative Session.

Dirk commented that he is working with the district's legal team to amend and update the rules as required by changes in Chapter 36 Texas Groundwater Code per the 88th Legislative session.


Workshop item #8: Discuss required updates and amendments to the District's Groundwater Management Plan.

Dirk discussed the required updates and amendments to the district's Groundwater Management Plan. He is working with the district's legal team to make the necessary changes.

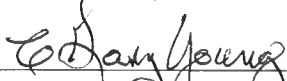
Workshop item #9: Receive information related to Groundwater Management Area 8, per the Joint Planning and Development of the Round 4 Desired Future Conditions.

Dirk, Gary, and Jim attended the GMA8 meeting June 27th. Dirk briefed the Board on information related to the development of Round 4 DFCs.

Workshop closed with President, Leland Gersbach, at 6:07 p.m.


Leland Gersbach, President

ATTEST:



Gary Young, Secretary or
Dirk Aaron, Assistant Secretary