



Every drop counts!

Board Meeting
&
Workshop

Clearwater Underground Water Conservation District
640 Kennedy Court
Belton, Texas

Wednesday
April 10, 2024
1:30 p.m.

Clearwater Underground Water Conservation District Board Members

Leland Gersbach, Director Pct. 1

President

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Gary Young, Director Pct. 2

Secretary

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Jody Williams, Director Pct. 3

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Scott Brooks, Director Pct. 4

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Jim Brown, Director At-Large

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Salado, TX 76571
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Agenda

**NOTICE OF THE MEETING OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
April 10, 2024**

Notice is hereby given that the above-named Board will hold a Workshop and Board meeting on Wednesday, April 10, 2024, at 1:30 p.m. in the Clearwater UWCD Board Room located at 640 Kennedy Court, Belton, Texas. The following items of business will be discussed¹.

Board Meeting:

1. Invocation and Pledge of Allegiance.
2. Public comment.²
3. Approve minutes of the **March 13, 2024**, Board meeting.
4. Discuss, consider, and take appropriate action, if necessary, to accept the monthly Financial Report for **March 2024** (FY24) as presented.
5. Discuss, consider, and take appropriate action, if necessary, to accept the monthly Investment Fund account report for **March 2024** (FY24) as presented.
6. Discuss, consider, and take appropriate action, if necessary, to accept the Quarterly Deferred Compensation Employee Retirement Program account report as presented.
7. Discuss, consider, and take appropriate action, if necessary, to approve the FY24 line-item budget amendments as requested.
8. Continue show cause hearing on the following violation:
 - a.) Discuss, consider, and take appropriate action necessary upon receiving testimony related to second violation and ignoring Order #1 per District Rule 6.5 by drilling & completing a well on January 22, 2022, without a formal CUWCD permit on a tract of land less than 10-acres and great than or equal to 2-acres, Latitude 30.930066 °/ Longitude -97.701384° by both Raul Zavala ("Driller") (TDLR License #54363) officed at 1910 S. Wheeler St., Jasper TX 76951 and Mr. Tomas Reynoso ("Property Owner"), located at 15731 Cedar Valley Rd, Salado TX.
9. Hold a public hearing on the following applications:
 - a.) Discuss, consider, and take appropriate action, if necessary, on an application submitted by William Gamblin, Gamblin Engineering Group LLC, on behalf of Seven Custom Homes, owner of the proposed Lake Thomas RV Resort, on February 20, 2024, for a drilling permit to complete a new well (N3-24-002P) for a proposed future operating permit of 16.8 ac-ft/year or 5,474,297 gallons per year. This permit will only authorize the drilling and completion of the well in the Lower Trinity Aquifer (Hosston Layer) in the Eastern Management Zone with a maximum 4-inch column pipe, not to exceed 50-gpm, on a 33-acre tract located in northeastern Bell County near Lower Troy Rd. and HK Dodgen Loop between Temple and Troy, Texas, Latitude 31.140158°/Longitude -97.316438° (well# N3-24-002P). This well will produce groundwater for a TCEQ-approved public water supply system in the proposed RV park. Upon completion of the well, a formal hydrogeologic report must be submitted to CUWCD to support a future operating permit. This drilling permit will not authorize any production of groundwater other than what is necessary for the prescribed aquifer pumping test.
 - b.) Discuss, consider, and take appropriate action, if necessary, on an application submitted by Victory Rock Texas LLC, c/o Jon Taliaferro as Senior Consultant with Trinity Consultants, on March 8, 2024, for an amendment to their current operating permit for a proposed additional beneficial use to include a Concrete Batch Plant Facility known as Five Star, Concrete, LLC. CUWCD well #N2-21-001P is located in the Stillhouse Hollow Management Zone screened in the Hosston Layer of the Trinity Aquifer at approximately 1056 to 1160 feet below land surface. The well is currently equipped with a maximum 1 1/4 -inch column pipe equipped with a 7 1/2 HP submersible pump rated at 16 gallons per minute on the 283-acre tract located at 7170 Solana Ranch Rd, Salado TX, 76571, Latitude 30.878055°, Longitude -97.609444° currently producing groundwater for the sole purpose of mining and crushing aggregates and dust suppression.
10. General Manager's Report concerning office management and staffing related to District Management Plan³.
11. Receive monthly reports and possible consideration and Board action on the following³:
 - a) Drought Status Reports, b) Education Outreach Update, c) Monitoring Wells, d) Rainfall Report, e) Well Registration Update, f) Aquifer Status Report & Non-Exempt Monthly Well Production Reports
12. Director comments and reports.
13. Discuss agenda items for the next meeting.
14. Set time and place for the next meeting.
15. Adjourn.

Workshop:

1. Discuss items related to potential rule changes.
2. Receive information related to Cyber Security Training required for 2024.
3. Receive updates related to GMA8 DFC determination, per TWC section 36.108, and plans for the next round.
4. Receive presentation from KT Groundwater related to the new Edwards BFZ GAM.
5. Brief Board on the potential removal of Salado Rest Stop monitor well & TexMesonet weather station.
6. Discuss the naming and signage of the new Board Room.

Dated the 5th day of April, 2024.

Leland Gersbach, Board President

By: 
Dirk Aaron, Assistant Secretary

Agenda items may be considered, deliberated, and/or acted upon in a different order than set forth above.
CUWCD is committed to compliance with the Americans with Disabilities Act (ADA). Reasonable accommodations and equal opportunity for effective communications will be provided upon request. Please contact CUWCD's office at 254-933-0120 at least 24 hours in advance if accommodation is needed.
¹ During the meeting, the Board reserves the right to go into executive session for any of the purposes authorized under Chapter 551 of the Texas Government Code, for any item on the above agenda, or as otherwise authorized by law.
² Please limit comments to 3 minutes. The Board is not allowed to take action on any subject presented that is not on the agenda, nor is the Board required to provide a response; any substantive consideration and action by the Board will be conducted under a specific item on a future agenda.
³ No formal action will be taken by the Board on these agenda items. These items are on the agenda to provide CUWCD's staff, Stakeholder Committees, and Directors with an opportunity to bring to the public and each other's attention important activities and issues pertinent to the management of groundwater within the District, including, but not limited to, current events in the District involving groundwater, wells, or CUWCD permittees, state or regional developments related to water management, and activities of the staff, and Directors. Substantive deliberation and formal action on any of these issues will be conducted pursuant to a specific item on a future agenda.

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DO CLERK BELTON TEXAS

**NOTICE OF PERMIT HEARING OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**

Notice is hereby given that the Board of Directors for the Clearwater Underground Water Conservation District will conduct a hearing on four Applications for Permits as described below at 1:30 p.m. on Wednesday, April 10, 2024, in the Clearwater UWCD Board Room located at 640 Kennedy Court, Belton, Texas, in compliance with the Texas Open Meetings Act.

The hearing will be conducted on the following application:

Applicant's File Number/Name	Permit Applicant/Holder and Landowner	Location of Well/Wells	Proposed Annual Groundwater Withdrawal Amount & Purpose of Use
Drilling Permit Hearing related to: Well # N3-24-002P	Seven Custom Homes c/o: William Gamblin, P.E. 19125 Adrian Way, Ste 100 Jonestown, TX 78645 (512) 851-8740	The proposed Drilling permit is for one public water supply well to serve a future new RV Resort on a 33-acre tract. <u>Well #1</u> Latitude 31.140158° Longitude -97.316438° The new well will be completed in the Hosston Layer of the Trinity Aquifer known as the Lower Trinity Aquifer and geographically in the CUWCD Eastern Management Zone. This application is for a Drilling Permit only and no production is to be authorized.	The proposed well is for proposed future production of groundwater for a future public water supply entity at an annual quantity not to exceed 16.8 acre-feet or 5,474,297 total gallons per year at a maximum pumping rate not to exceed 50 gallons per minute per well from the Lower Trinity Aquifer (Hosston Layer) <u>No production will be issued with this drilling permit application</u> other than that necessary for drilling and completing the well and the prescribed elements of the required Well Completion Report per District Rule 6.9.2(f)(1-8) for a future operating permit.
Amendment to an Existing Operating Permit Hearing related to: Well # N2-21-001P Existing Well	Victory Rock Texas LLC c/o Jon Taliaferro 9737 Great Hills Trail, Ste 340 Austin, TX 78759 (361) 215-9994	The proposed amendment is for an existing well located at: <u>Well #1</u> Latitude 30.878055° Longitude -97.609444° The existing well is completed in the Hosston Layer of the Trinity Aquifer known as the Lower Trinity Aquifer and geographically in the CUWCD Stillhouse Hollow Management Zone. Well #N2-21-001P is equipped with a 1 ¼ -inch column pipe with a submersible pump rated at 16 gallons per minute on the 283-acre tract located at the 7170 Solana Ranch Rd, Salado, TX 76571.	The current operating permit is to produce groundwater for a defined beneficial use for a dual purpose specifically for dust suppression and mining/crushing aggregates on contiguous tracts of land known as <u>PID: 41910</u> and <u>PID: 41912</u> of approximately 283-acres. Victory Rock Texas LLC is proposing an amendment to the permit to add an additional tract of land PID: 41920 totaling 110.73-acres to their contiguous property leased from Byron Goode. The proposed additional beneficial use is to include a <u>Concrete Batch Plant</u> Facility known as Five Star, Concrete, LLC. The current operating permit does authorize production of groundwater not to exceed 30-ac-ft (9,775,000 gallons) per year from a well (N2-21-001P) completed in the Hosston Layer of Trinity aquifer. <u>This application does not contemplate any additional groundwater production beyond the current operating amount of 30-ac-ft/year.</u>

The Applications for Permit and Permit Amendments, if granted, would authorize the permit holders to operate wells within the Clearwater Underground Water Conservation District according to the terms and conditions set forth in the permit. A person wishing to submit a Contested Case Hearing Request under District Rule 6.10.15(d) who is unable to appear at the hearing on the date and time set forth above must also file a motion for continuance with CUWCD demonstrating good cause for the inability to not appear.

For additional information about this application or the permitting process, or to request information on what MUST be included for a Contested Case Hearing Request to be valid, please contact CUWCD at 700 Kennedy Court (PO Box 1989) Belton, Texas, 76513, 254-933-0120.

ISSUED this 28th day of March 2024 in Belton, Texas, on the recommendation of the General Manager.

I, the undersigned authority, do hereby certify that the above NOTICE OF PERMIT HEARING of the Board of Directors of the Clearwater Underground Water Conservation District is a true and correct copy of said Notice. I have posted a true and correct copy of said Notice at the District office located in Belton, Texas, and said Notice was posted on March 28, 2024, and remained posted continuously for at least 10 (ten) days immediately preceding the day of said hearing; a true and correct copy of said Notice was furnished to the Bell County Clerk, in which the above-named political subdivision is located.

Dated 3/28/2024

Clearwater Underground Water Conservation District

By: Dirk Aaron
Dirk Aaron, General Manager

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Minutes - Item #3

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, TX
Wednesday, March 13, 2024
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a Workshop and Board meeting at 1:30 p.m. on Wednesday, March 13, 2024, at the Bell County Historic Courthouse, 2nd-floor Commissioners Court Chambers, located at 101 Central Avenue, 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
Whitney Ingram, Assist General Mgr
Shelly Chapman, Administrative Mgr
Tristin Smith, Education & Compliance

Guests

Cole Ruiz – Lloyd Gosselink	Tomas Reynoso	Bryan Neaves – Bell County Eng.
Patrick Wagner – Middle Trinity GCD	Peter DiLillo	Mike Keester – KT Groundwater
Gail Peek – Region G	Derek Spann	Elliot Hemstreet – TDT
Daniel Champeau – Bee Cave Drilling		

Board meeting convened with President, Leland Gersbach, at 1:35 p.m.

1. Invocation and Pledge of Allegiance.

Vice President, Jody Williams, gave the invocation.
Secretary, Gary Young, led the Pledge of Allegiance.

2. Public Comment.

There were none.

3. Approve minutes of the February 14, 2024, Board meeting.

Board members received the minutes of the February 14, 2024, Board meeting and workshop in their Board packet to review prior to the meeting.

Secretary, Gary Young, moved to approve the minutes of the February 14, 2024, Board meeting and Workshop as presented. 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 February 2024 (FY24) as presented.

Board members received the monthly financial report for February 2024 in their Board packet to review prior to the meeting.

Director, Jim Brown, moved to accept the February 2024 financial report as presented. Vice President, 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 February 2024 (FY24) as presented.

Board members received the monthly investment Fund account report for February 2024 in their Board packet to review prior to the meeting.

Secretary, Gary Young, moved to accept the monthly Investment Fund account report for February 2024 as presented. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

6. *Discuss, consider, and take appropriate action, if necessary, to approve the FY24 line-item budget amendments as requested.*

Shelly presented the request for a line-item budget amendment to cover expenses to rent the Harris Community Center for a public hearing related to the ACA petition for possible annexation of portions of Williamson County to the CUWCD jurisdiction.

Shelly commented that the district should be receiving a deposit refund of \$200.

Vice President, Jody Williams, moved to approve the line-item budget amendment as requested. Director, Jim Brown, seconded the motion.

Motion carried 5-0.

7. *Discuss, consider, and take appropriate action, if necessary, to approve the Annual Report for 2023.*

Dirk presented the final version of the 2023 Annual Report. The report is based on performance standards set forth by TCEQ and TWDB. He noted for the record that Pete Diaz with US Fish had submitted his yearly salamander assessment report but needed to add something to it. Once Dirk receives the corrected report, he will send it out to the all agencies required.

Dirk commented that several people have recommended that the district develop a simpler version of the report that the layperson could understand better. He stated that with Whitney now on board, he would like her to develop a more “user-friendly” version of this report with more specificity and visuals that the general public would understand.

Director, Scott Brooks, moved to approve the Annual Report for 2023 presented contingent on receiving final report from Pete Diaz. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

8. *Discuss, consider, and take appropriate action, if necessary, to approve by resolution, support of Williamson County groundwater investigation and studies.*

Dirk reminded the Board that Scott Brooks asked to have a resolution of support for Williamson County related to groundwater investigations and studies on the agenda for this month. Dirk, Scott, Cole Ruiz developed the resolution. Dirk recapped the timeline of events related to the petition from the ACA and comments of Williamson County. Dirk asked Scott to read the resolution into the record. Scott read a portion of the resolution and highlighted what was resolved.

Secretary, Gary Young, moved to approve by resolution, support of Williamson County groundwater investigations and studies. Vice President, Jody Williams, seconded the motion.

Motion carried 5-0.

9. *Hold a show-cause hearing on the following violation:*

a.) Discuss, consider, and take appropriate action necessary upon receiving testimony related to the second violation and ignoring Order #1 per District Rule 6.5 by drilling and completing a well on January 22, 2022, without a formal CUWCD permit on a tract of land less than 10-acres and greater than or equal to 2-acres, Latitude 30.930066/Longitude -97.701384 by both Raul Zavala (“Driller”) (TDLR License #54363)office at 1910 S Wheeler St, Jasper, TX 76951 and Mr. Tomas Reynoso (“Property Owner”), located at 15731 Cedar Valley Rd, Salado, TX.

President Leland Gersbach called the show-cause hearing to order at 1:50 p.m.

Leland gave a brief history of the events leading up to today’s hearing. He reminded the Board that several 90-day continuances were afforded Tomas Reynoso, but the previous hearing on February 15, 2023, was closed seeing that Tomas had hired legal counsel to help him resolve the problems with his home site. Tomas agreed under oath in his testimony that he would not reconnect the well until receiving an operating permit from the district. Leland noted that the violations and findings were specific to Order #1 issued on March 9, 2022, at the initial show-cause hearing.

Leland stated that the continued show cause hearing today had undergone administrative and legal review by district staff and General Counsel.

Leland laid out the procedures for the hearing and stated that this hearing is to address a second violation by Tomas for reconnecting and using the well without the prescribed permit.

Leland asked if there was anyone wishing to make public comment on this matter. There was none.

Leland asked all parties speaking in the hearing to stand and take an oath. Leland administered the oath to Dirk Aaron – CUWCD General Manager, Bryan Neaves – Bell County Engineer's Office, and Tomas Reynoso – property owner.

Dirk summarized the 1st violation and actions taken. Tomas was ordered to pay a civil penalty of \$1,000 and get his property in compliance with Bell County subdivision regulations. The well driller, Raul Zaval, received a civil penalty of \$1,000. The well can be reconnected once all violations have been resolved. The Board extended several 90-day continuances in good faith that Tomas was working to get his property in compliance before he could apply for an operating permit.

Dirk summarized the 2nd violation for the Board. He stated that Tomas appeared at the district office on January 8, 2024, with a new survey, filled out the necessary application for an operating permit, and paid a \$150 application fee. Dirk sent district field tech, Corey Dawson, to do a site visit and verify that the well was still sealed and had not been in use. Upon arrival, Corey found the well unsealed and operational. This is a direct violation of Order #1. Dirk reviewed the documents Tomas submitted and found them to be a simple survey and not a recorded plat. Dirk verified this information with the Bell County Engineer's office and the surveyor. Dirk stated that he then contacted Tomas' son and he confirmed the well was in use and the terms of the agreement had been violated.

Dirk sent Tomas a formal notice of a repeat show-cause hearing and a notice to appear before the Board at the March 2024 Board meeting. Dirk informed Tomas that this was a serious violation, and he could receive additional fines and also be required to have Raul Zavala plug the well.

Dirk spoke to the well driller regarding the potential plugging of the well and stated that the cost would fall on the well driller. Raul agreed to return and plug the well if he was so ordered.

Next, Leland addressed Bryan Neaves from the Bell County Engineers office. Bryan explained the problems with Tomas' property not being an approved plat and what the MOU is between the district and the County. Dirk and Bryan have been communicating on the issue for a while. He stated that Tomas is trying to resolve the platting issues but has not been able to do so yet.

Leland asked Tomas to come forward to address questions as they related to the second violation laid out by the General Manager. Tomas commented that he was not using the well. He gets water, puts it in his storage tank, and pumps it to the house. The pictures Corey took show that the well is connected. He claimed that Corey came in and removed the insulation and did not ask him any questions. Leland asked if the well was connected and operational. Tomas replied that it is not connected or operational. He hooked up the wires to pump water from his storage tanks to the house. Raul Zavala unhooked the PVC from the well to the tanks. Leland asked if Tomas hired someone to connect the pump and unseal the well to make it operational. He replied that he did connect the wiring himself but not the PVC pipes. Leland asked Dirk if he had verified that the PVC pipes were connected. Dirk replied that this was verified and explained what the Board was seeing in the pictures related to the PVC pipes and seals in the original pictures and the pictures taken after the well had been unsealed. Dirk explained that neighbors observed Tomas was no longer hauling water. Dirk explained that Tomas had threatened staff after he had been questioned regarding the violation. Based on the district's assessment, the well is operational, and Tomas is in violation. Scott Brooks asked Tomas if he threatened staff. Tomas replied no. He told staff to be sure to let him know if someone was coming to his property so he could make sure his dogs were not out. Scott asked Tomas where he was getting his water. He replied he was using bottled water. When asked if the faucets in his house worked, he said no. Scott asked how they showered. He replied that he gets water from SWSC and puts it in his tanks. Scott asked if Tomas had receipts for the water. He replied no. Dirk asked Tristin Smith to call SWSC and verify with them that Tomas does get water from them for his tanks. Dirk again explained that the sealed stickers had been removed for the PVC pipe that sealed the well. When asked where the stickers were he replied they were under the insulation. According to the pictures, the seal/sticker was removed and lying on the ground.

Dirk commented that this is a he said/she said conversation and the Board could grant another 30-day continuance and go back out to investigate further.

Dirk asked Tristin Smith to come forward with information from SWSC. Leland administered an oath to Tristin. Tristin testified that SWSC sells water to individuals on an as-needed basis for \$4/1,000 gallons – cash pay only and they do not give receipts or track it. They only give receipts and track water used by construction companies. SWSC reminds the individuals the water is not potable.

Leland asked if there were any other questions from the Board. There were none.

Leland concluded the discussion on the 2nd violation. He asked Dirk, based on the status of order #1 and the 2nd violation if he still held to the recommendations listed related to the enforcement order #2. Dirk replied that he does not hold to those recommendations at this time. Because Tomas failed to communicate that his connections were misinterpreted by staff, and claims he did not threaten staff, Dirk recommended the Board grant a 30-day continuance and allow Dirk and 2 Board members to view the well with Tomas present, and see that the home is not connected to the well. Based on the findings Dirk said he would stand down. Leland asked if there would be a need for security. Dirk suggested they have a constable on-site at the time of the investigation. Tomas agreed with Dirk's suggestions. Scott instructed Tomas not to tamper with anything on the well before the reinspection. Tomas agreed.

Director, Scott Brooks, moved to stay the hearing for 30 days continue the show cause hearing it at the April meeting. Director, Jim Brown seconded the motion.

Motion carried 5-0.

10. Hold a public hearing on the following application:

a.) NS Retail Holdings, LLC has submitted an application to the Clearwater Underground Water Conservation District (CUWCD) on February 22, 2024, for a combination drilling and operating permit to authorize drilling and withdrawal from a proposed new well. This permit will authorize the withdrawal from a new well completed in the Lower Trinity Aquifer with a 1 ¼ inch column pipe on a 2.39-acre tract located on State Highway 195 approximately ¼ mile north of the Lampasas River, Killeen, Texas, latitude 30.97562/longitude -97.77514 (well# N3-24-001P), to produce water for public water supply to proposed Dollar General in a proposed annual quantity not to exceed 0.12 acre-feet or 39,102 gallons per year total.

President, Leland Gersbach opened the public hearing at 2:52 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 NS Retail Holdings. Leland will hear testimony from Derek Spann (Developer), Dirk Aaron (General Manager - CUWCD), Mike Keesler (LRE Water), Cole Ruiz (Lloyd Gosselink Attorneys at Law), and Daniel Champeau (Bee Cave Drilling).

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 Keesler, Cole Ruiz, Derek Spann, and Daniel Champeau).

Daniel Champeau addressed the Board and explained the 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. Dirk replied to Leland's questions and stated that the application had been deemed administratively complete, and all fees had 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 their understanding related to the proposed application and the special provisions agreed upon. Daniel Champeau 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. They had none.

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 combination drilling/operating for .12 acre-feet per year of groundwater from the Hosston Layer of the Trinity Aquifer.

Director, Jim Brown, moved to grant the applicant's request for a combination drilling/operating permit for .12 acre-feet per year from the Hosston Layer of the Trinity Aquifer, to include all special provisions as agreed upon. Vice President, Jody Williams, seconded the motion.

Motion carried 5-0.

11. Discuss, consider, and take appropriate action, if necessary, to approve the set-back waiver for PID #42479 as related to well # E-20-029GU.

Dirk presented the request for a set-back waiver explaining that the applicant is requesting an exception to the 75 ft setback from property lines. Staff conducted a site inspection and found the existing well does not meet the required setback. The applicant provided the required waiver from the adjacent property owner. Dirk noted that this is a low-producing well and serves the ranch house that the Mustang Springs Development caretaker lives in. The fact that the home was occupied was not originally made known in previous meetings with the landowner. The well will be located 53.46 feet from the western property line. The well satisfies all requirements for an exempt well and no permit is needed.

Dirk recommended approving the request and noted that all requirements had been met.

Director, Scott Brooks, moved to approve the set-back waiver for PID #42479 as related to well #E-20-029GU. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

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

- Received an update on the new Board Room. Should be finished and ready to go for the April meeting.
- 2010 F250 will be sold at auction this month.
- Received an update on exempt test well permits (Cude Engineers/7KX & Victory Rock).
- Received an update on approved and active drilling permits.
- Upcoming Educational events: Staff will be taking the mobile classroom to the Cadence Bank Center for the BCMGA plant sale on 3/23 and participating in the Native Plant Society Sale in Salado on 4/20.
- Received an update on BelCor RHCP.
- Pending permits: American Rock Wool Plant, Victory Rock amendment, and Lake Thomas RV Resort.

13. Review monthly report and possible consideration and Board action on the following:

- a) **Drought Status Reports** – Dirk discussed drought status issues and concerns.
- 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.)

14. Director's comments and reports.

- **Leland Gersbach:** None
- **Jody Williams:** None
- **Gary Young:** None
- **Scott Brooks:** None
- **James Brown:** Just completed his first year on the Board. It's been a great year. Learning a lot.

15. Discuss agenda items for the next meeting.

- Jaffe encumbrance
- Permit hearings
- Security Benefit Qtr. Report
- Show-cause hearing continuance

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

Wednesday, March 10th, 1:30 – New Board Room – 640 Kennedy Court, Belton

17. Adjourn.

Board meeting closed and Workshop convened with President, Leland Gersbach, at 4:01 p.m.

Workshop:

Workshop Item #1: Discuss the need for potential rule changes related to transport fees.

Dirk discussed the need for potential rule changes related to transport fees and what it will look like for the district's local water supply companies.

Workshop Item #2: Receive information related to the Texas Alliance of Groundwater Districts 2024 Groundwater Summit.

Dirk presented the dates for the 2024 TAGD Groundwater Summit. This year's summit will be Aug 20-22 in San Antonio. The district will sponsor the printed program again this year. Jody asked if we would be coming to the Board with a budget amendment request for the sponsorship. Dirk commented that the event had been included in the original budget. Shelly asked Board members to let her know as soon as possible if they would be attending.

Workshop Item #3: Receive updates related to GMA8 DFC determination, per TWC section 36.108, and plans for the next round.

Had a 2nd technical meeting with all parties. Still moving forward. Working with Intera on questions regarding the calibration of the models.

Leland Gersbach, President

ATTEST:

**Gary Young, Secretary or
Dirk Aaron, Assistant Secretary**

Financial Reports - Item #4

Clearwater Underground Water Conservation Balance Sheet As of March 31, 2024

	Mar 31, 24
ASSETS	
Current Assets	
Checking/Savings	
10005 · Cash-Reg Operating	12,893.08
10500 · Cash-TexPool Prime	709,532.08
10505 · Cash - TexPool	700,576.02
Total Checking/Savings	1,423,001.18
Accounts Receivable	
11000 · Accounts Receivable	1,384.68
Total Accounts Receivable	1,384.68
Other Current Assets	
11005 · Accounts Receivable - Taxes	17,804.11
Total Other Current Assets	17,804.11
Total Current Assets	1,442,189.97
Fixed Assets	
15005 · Land	29,059.21
15010 · Leasehold Improvements	19,000.00
15015 · Building	306,734.08
15016 · Storage Building	104,382.03
15018 · Monitor Wells	92,938.18
15019 · Mobile Classroom Trailer	90,688.85
15020 · Field Equipment	17,243.55
15023 · Vehicles	6,920.00
15025 · Office Equipment	71,574.04
15030 · Accumulated Depreciation	-269,388.11
Total Fixed Assets	469,151.83
TOTAL ASSETS	1,911,341.80
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
21000 · Deferred Tax Revenue	17,804.11
21050 · Compensated Absences Accrued	19,128.60
24000 · Payroll Liabilities	
24005 · Retirement Acct	2,481.12
24010 · TWC	554.45
Total 24000 · Payroll Liabilities	3,035.57
Total Other Current Liabilities	39,968.28
Total Current Liabilities	39,968.28
Total Liabilities	39,968.28
Equity	
31000 · Unappropriated Fund Balance	928,746.29
32000 · *Retained Earnings	76,701.74
33000 · Investment in Fixed Assets	469,151.83
34000 · Fund Balance	-50,000.00
Net Income	446,773.66
Total Equity	1,871,373.52
TOTAL LIABILITIES & EQUITY	1,911,341.80

Clearwater Underground Water Conservation
Profit & Loss Budget vs. Actual
 October 2023 through March 2024

9:09 AM
 04/04/2024
 Accrual Basis

	Mar '24	Oct '24 thru Mar '24	FY24 Original Budget	FY24 Amended Budget	\$ Over Budget
Ordinary Income/Expense					
Income					
40005 · Application Fee Income	1,702.00	6,249.00	50,000.00	50,000.00	-43,751.00
40007 · Administrative Fees	0.00	300.00	500.00	500.00	-200.00
40010 · Bell CAD Current Year Tax	49,353.05	779,770.32	837,331.00	837,331.00	-57,560.68
40015 · Bell CAD Deliquent Tax	1,125.44	5,388.49	10,000.00	10,000.00	-4,611.51
40020 · Interest Income	6,441.39	32,637.04	60,000.00	60,000.00	-27,362.96
40030 · Transport Fee Income	0.00	1,090.67	1,500.00	1,500.00	-409.33
40035 · Civil Penalties	0.00	0.00	0.00	0.00	0.00
Total Income	58,621.88	825,435.52	959,331.00	959,331.00	-133,895.48
Gross Profit	58,621.88	825,435.52	959,331.00	959,331.00	-133,895.48
Expense					
50000 · Administrative Expenses					
50100 · Audit	8,169.00	8,169.00	8,200.00	8,200.00	-31.00
50200 · Conferences & Prof Development	525.00	1,335.00	6,500.00	6,500.00	-5,165.00
50250 · Contingency Fund	0.00	0.00	47,175.00	39,175.00	-39,175.00
50300 · Director Expenses					
50305 · At Large	56.95	85.47	1,500.00	1,500.00	-1,414.53
50310 · Pct. 1	0.00	28.52	1,500.00	1,500.00	-1,471.48
50315 · Pct. 2	37.34	140.86	1,500.00	1,500.00	-1,359.14
50320 · Pct. 3	0.00	28.52	1,500.00	1,500.00	-1,471.48
50325 · Pct. 4	0.00	28.52	1,500.00	1,500.00	-1,471.48
Total 50300 · Director Expenses	94.29	311.89	7,500.00	7,500.00	-7,188.11
50400 · Director Fees					
50405 · At Large	600.00	1,200.00	2,550.00	2,550.00	-1,350.00
50410 · Pct. 1	0.00	0.00	2,550.00	2,550.00	-2,550.00
50415 · Pct. 2	600.00	1,200.00	2,550.00	2,550.00	-1,350.00
50420 · Pct. 3	600.00	1,050.00	2,550.00	2,550.00	-1,500.00
50425 · Pct. 4	0.00	0.00	2,550.00	2,550.00	-2,550.00
Total 50400 · Director Fees	1,800.00	3,450.00	12,750.00	12,750.00	-9,300.00
50500 · Dues & Memberships	0.00	2,816.00	5,000.00	5,000.00	-2,184.00
50550 · Election Expense	0.00	0.00	0.00	0.00	0.00
50600 · GMA 8 Expenses					
50605 · Technical Committee	0.00	0.00	5,000.00	5,000.00	-5,000.00
50610 · Administration	0.00	0.00	2,500.00	2,500.00	-2,500.00
50615 · GAM Development	0.00	24,441.03	22,000.00	22,000.00	2,441.03
Total 50600 · GMA 8 Expenses	0.00	24,441.03	29,500.00	29,500.00	-5,058.97
50700 · Meals	161.52	261.79	1,000.00	1,000.00	-738.21
50800 · Mileage Reimbursements	609.15	747.17	5,000.00	5,000.00	-4,252.83

	Mar '24	Oct '24 thru Mar '24	FY24 Original Budget	FY24 Amended Budget	\$ Over Budget
50900 · Travel & Hotel	173.85	1,008.84	5,175.00	5,175.00	-4,166.16
Total 50000 · Administrative Expenses	11,532.81	42,540.72	127,800.00	119,800.00	-77,259.28
52000 · Salary Costs					
52005 · Administrative Assistant	4,999.08	29,994.48	59,989.00	59,989.00	-29,994.52
52010 · Educational Coord/Support Tech	4,463.42	26,780.52	53,561.00	53,561.00	-26,780.48
52015 · Manager	8,926.92	53,561.52	107,123.00	107,123.00	-53,561.48
52016 · Assistant General Manager	6,000.00	6,000.00	75,000.00	75,000.00	-69,000.00
52020 · Part Time/Intern	0.00	0.00	4,500.00	4,500.00	-4,500.00
52025 · Office Assistant/Field Tech	4,195.67	25,174.02	50,348.00	50,348.00	-25,173.98
52040 · Health Insurance	3,594.62	19,962.34	45,204.00	45,204.00	-25,241.66
52045 · Payroll Taxes & Work Comp	2,530.48	12,026.46	27,552.00	27,552.00	-15,525.54
52050 · Retirement	1,132.39	5,796.84	12,399.00	12,399.00	-6,602.16
52055 · Payroll Expenses	50.98	275.57	565.00	565.00	-289.43
52060 · Freshbenies	44.00	264.00	792.00	792.00	-528.00
Total 52000 · Salary Costs	35,937.56	179,835.75	437,033.00	437,033.00	-257,197.25
53000 · Operating Expenses					
53010 · Bank Service Charges	0.00	0.00	350.00	350.00	-350.00
53020 · Advertisement	0.00	2,067.85	4,000.00	4,000.00	-1,932.15
53030 · Appraisal District	0.00	4,459.00	9,000.00	9,000.00	-4,541.00
53100 · Clearwater Studies					
53105 · Trinity Studies					
53105.1 · Pumping Distribution	0.00	0.00	0.00	0.00	0.00
53105.2 · Pumping Test	0.00	0.00	0.00	0.00	0.00
53105.3 · Synoptic	0.00	0.00	0.00	0.00	0.00
53105.4 · GAM Run	0.00	0.00	0.00	0.00	0.00
53105.5 · Mgmt Options	0.00	0.00	0.00	0.00	0.00
53105.6 · Water Quality Studies	0.00	0.00	0.00	0.00	0.00
Total 53105 · Trinity Studies	0.00	0.00	0.00	0.00	0.00
53110 · Edwards BFZ Studies					
53110.1 · Pumping Distribution	0.00	0.00	0.00	0.00	0.00
53110.2 · Pumping Test	0.00	0.00	0.00	0.00	0.00
53110.3 · Synoptic	0.00	0.00	0.00	0.00	0.00
53110.4 · Spring Shed (Baylor)	0.00	0.00	36,675.00	36,675.00	-36,675.00
53110.5 · Water Quality Studies	0.00	0.00	0.00	0.00	0.00
53110.6 · GAM Calibration	0.00	0.00	0.00	0.00	0.00
Total 53110 · Edwards BFZ Studies	0.00	0.00	36,675.00	36,675.00	-36,675.00
53115 · Drought Contingency Plan	0.00	0.00	0.00	0.00	0.00
53120 · Endangered Species					
53120.1 · Coalition	0.00	17,355.00	17,355.00	17,355.00	0.00
53120.2 · Reimburseable Order	0.00	0.00	0.00	0.00	0.00
53120.3 · 4(d) rule	0.00	0.00	0.00	0.00	0.00
53120.4 · DPS Petition	0.00	0.00	0.00	0.00	0.00
Total 53120 · Endangered Species	0.00	17,355.00	17,355.00	17,355.00	0.00

	Mar '24	Oct '24 thru Mar '24	FY24 Original Budget	FY24 Amended Budget	\$ Over Budget
53125 · Environmental Flows	0.00	0.00	0.00	0.00	0.00
53130 · General Consulting					
53130.1 · DFC Process	0.00	0.00	7,500.00	7,500.00	-7,500.00
53130.2 · Eval of Rules	0.00	0.00	0.00	0.00	0.00
53130.3 · Eval. Hydrogeologic Report	0.00	0.00	0.00	0.00	0.00
53130.4 · Investigations	0.00	4,143.50	8,000.00	8,000.00	-3,856.50
53130.5 · Geo Logging	0.00	0.00	5,000.00	5,000.00	-5,000.00
53130.6 · Aquifer Monitor Well Tool	0.00	0.00	0.00	0.00	0.00
53130.7 · ASR Study	0.00	0.00	0.00	0.00	0.00
53130.8 · Data Release	0.00	0.00	0.00	0.00	0.00
Total 53130 · General Consulting	0.00	4,143.50	20,500.00	20,500.00	-16,356.50
53135 · Monitor Well Construction	0.00	8,534.00	20,000.00	20,000.00	-11,466.00
53140 · Monitor Wells Expenses	87.87	5,432.82	10,000.00	10,000.00	-4,567.18
53141 · Weather Station Expense	32.38	32.38	2,000.00	2,000.00	-1,967.62
53145 · Spring Flow Gauge	0.00	0.00	0.00	0.00	0.00
53150 · Water Quality	820.62	1,072.38	4,500.00	4,500.00	-3,427.62
53155 · 3-D Visualization	0.00	0.00	5,000.00	5,000.00	-5,000.00
Total 53100 · Clearwater Studies	940.87	36,570.08	116,030.00	116,030.00	-79,459.92
53200 · Spring Flow Gage System					
53205 · Op. & Maintenance	0.00	0.00	16,377.00	16,377.00	-16,377.00
53210 · Installation	0.00	0.00	0.00	0.00	0.00
Total 53200 · Spring Flow Gage System	0.00	0.00	16,377.00	16,377.00	-16,377.00
53300 · GIS Managemet/Analytics					
53305 · Enhancements - Data Base	0.00	0.00	20,500.00	20,500.00	-20,500.00
53306 · Hosting - Data Base	0.00	0.00	500.00	500.00	-500.00
53310 · Hosting - PDI	0.00	0.00	0.00	0.00	0.00
53311 · Hosting - Website	25.00	150.00	300.00	300.00	-150.00
53312 · Enhancements - Website	0.00	0.00	0.00	0.00	0.00
53315 · IT Network Sustainment	650.00	3,900.00	7,800.00	7,800.00	-3,900.00
53317 · Management Tool Sustainment	0.00	0.00	2,200.00	2,200.00	-2,200.00
Total 53300 · GIS Managemet/Analytics	675.00	4,050.00	31,300.00	31,300.00	-27,250.00
53400 · Computer Licenses/Virus Prctn	178.00	992.00	1,908.00	1,908.00	-916.00
53450 · Computer Repairs and Supplies	0.00	490.00	2,000.00	2,000.00	-1,510.00
53500 · Computer Software & Hardware	869.78	1,465.16	5,000.00	5,000.00	-3,534.84
53550 · Copier/Scanner/Plotter	527.82	2,639.10	6,350.00	6,350.00	-3,710.90
53600 · Educational Outreach/Marketing					
53603 · Sponsorships	3,500.00	7,200.00	8,000.00	8,000.00	-800.00
53605 · Event Cost	-200.00	5,535.86	5,000.00	5,735.86	-200.00
53615 · Promotional Items	0.00	0.00	5,000.00	5,000.00	-5,000.00
53620 · Supplies & Equipment	0.00	0.00	2,500.00	1,764.14	-1,764.14
53625 · Curriculum	0.00	0.00	0.00	0.00	0.00
Total 53600 · Educational Outreach/Marketing	3,300.00	12,735.86	20,500.00	20,500.00	-7,764.14
53650 · Furniture & Equipment	205.66	2,449.92	2,500.00	2,500.00	-50.08

	Mar '24	Oct '24 thru Mar '24	FY24 Original Budget	FY24 Amended Budget	\$ Over Budget
53700 · Legal					
53701 · Drought Contingency Plan	0.00	0.00	0.00	0.00	0.00
53702 · Endangered Species	0.00	0.00	15,000.00	15,000.00	-15,000.00
53703 · General (rules/accountability)	0.00	1,880.00	10,000.00	10,000.00	-8,120.00
53704 · Legislative Research/Analysis	0.00	3,200.50	5,000.00	5,000.00	-1,799.50
53705 · Legislative Services	0.00	0.00	0.00	0.00	0.00
53706 · GMA/DFC/MAG support	0.00	0.00	10,000.00	10,000.00	-10,000.00
Total 53700 · Legal	0.00	5,080.50	40,000.00	40,000.00	-34,919.50
53720 · Office Supplies	300.65	2,360.23	4,500.00	4,500.00	-2,139.77
53730 · Permit Reviews					
53731 · Geoscience	1,657.55	13,235.80	25,000.00	25,000.00	-11,764.20
53732 · Legal Evaluation	3,665.20	18,294.20	25,000.00	25,000.00	-6,705.80
Total 53730 · Permit Reviews	5,322.75	31,530.00	50,000.00	50,000.00	-18,470.00
53740 · Postage	94.73	1,794.11	2,875.00	2,875.00	-1,080.89
53750 · Printing	0.00	527.60	2,500.00	2,500.00	-1,972.40
53760 · Reserve for Uncollected Taxes	0.00	0.00	20,000.00	20,000.00	-20,000.00
53780 · Subscriptions	33.01	165.05	1,200.00	1,200.00	-1,034.95
53785 · Mobile Classroom Expense	0.00	0.00	2,000.00	2,000.00	-2,000.00
53790 · Vehicle Expense	-2,175.67	2,951.47	5,600.00	5,600.00	-2,648.53
Total 53000 · Operating Expenses	10,272.60	112,327.93	343,990.00	343,990.00	-231,662.07
54000 · Facility Costs					
54100 · Insurance					
54101 · Liability	0.00	2,382.38	2,431.00	2,431.00	-48.62
54102 · Property	0.00	2,444.12	2,494.00	2,494.00	-49.88
54103 · Surety Bonds	0.00	200.00	1,300.00	1,300.00	-1,100.00
54104 · Worker's Comp	0.00	958.00	1,000.00	1,000.00	-42.00
54105 · Liability - Vehicle	0.00	1,100.54	1,123.00	1,123.00	-22.46
54106 · Liability - Cyber Security	0.00	171.50	175.00	175.00	-3.50
Total 54100 · Insurance	0.00	7,256.54	8,523.00	8,523.00	-1,266.46
54200 · Building Repairs/Maintenance	259.38	26,718.51	23,000.00	31,000.00	-4,281.49
54300 · Janitorial Service	450.00	2,900.00	6,000.00	6,000.00	-3,100.00
54400 · Janitorial Supplies	316.83	630.14	1,000.00	1,000.00	-369.86
54500 · Lawn Maintenance/Service	225.00	1,350.00	3,000.00	3,000.00	-1,650.00
54600 · Security	29.95	329.65	375.00	375.00	-45.35
Total 54000 · Facility Costs	1,281.16	39,184.84	41,898.00	49,898.00	-10,713.16
55000 · Utilities					
55200 · Electricity	269.64	1,701.28	2,500.00	2,500.00	-798.72
55300 · Internet	300.13	862.37	1,350.00	1,350.00	-487.63
55400 · Phone	576.38	1,602.93	2,460.00	2,460.00	-857.07
55500 · Water/Garbage	227.41	606.04	2,300.00	2,300.00	-1,693.96
Total 55000 · Utilities	1,373.56	4,772.62	8,610.00	8,610.00	-3,837.38
Total Expense	60,397.69	378,661.86	959,331.00	959,331.00	-580,669.14
Net Ordinary Income	-1,775.81	446,773.66	0.00	0.00	446,773.66

	Mar '24	Oct '24 thru Mar '24	FY24 Original Budget	FY24 Amended Budget	\$ Over Budget
Other Income/Expense					
Other Income					
61000 · Reserve Funds-Special Projects	0.00	50,000.00	0.00	50,000.00	0.00
61110 · Reserve funds ASR Project WCID1	0.00	0.00	0.00	0.00	0.00
Total Other Income	0.00	50,000.00	0.00	50,000.00	0.00
Other Expense					
65102 · Bell County Boardroom	0.00	50,000.00	0.00	50,000.00	0.00
Total Other Expense	0.00	50,000.00	0.00	50,000.00	0.00
Net Other Income	0.00	0.00	0.00	0.00	0.00
Net Income	-1,775.81	446,773.66	0.00	0.00	446,773.66

Clearwater Underground Water Conservation Profit & Loss Detail March 2024

04/04/24

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
Ordinary Income/Expense						
Income						
40005 · Application Fee Income						
Invoice	03/11/2024	224	Vicory Companies, LLC	Permit Applic...	1,125.00	1,125.00
Invoice	03/28/2024	225	Lake Thomas RV Resort	Permit Applic...	577.00	1,702.00
Total 40005 · Application Fee Income					1,702.00	1,702.00
40010 · Bell CAD Current Year Tax						
Deposit	03/08/2024			Deposit	51,145.60	51,145.60
Deposit	03/08/2024			Deposit	-1,797.53	49,348.07
Deposit	03/08/2024			Deposit	-0.02	49,348.05
Deposit	03/08/2024			Deposit	5.00	49,353.05
Total 40010 · Bell CAD Current Year Tax					49,353.05	49,353.05
40015 · Bell CAD Delinquent Tax						
Deposit	03/08/2024			Deposit	1,273.34	1,273.34
Deposit	03/08/2024			Deposit	39.19	1,312.53
Deposit	03/08/2024			Deposit	-187.09	1,125.44
Total 40015 · Bell CAD Delinquent Tax					1,125.44	1,125.44
40020 · Interest Income						
Deposit	03/29/2024			Deposit	3,292.49	3,292.49
Deposit	03/29/2024			Deposit	3,148.90	6,441.39
Total 40020 · Interest Income					6,441.39	6,441.39
Total Income					58,621.88	58,621.88
Gross Profit					58,621.88	58,621.88
Expense						
50000 · Administrative Expenses						
50100 · Audit						
Bill	03/28/2024	Inv 2000129...	Ludwick, Montgomery &...	Annual Audit	8,169.00	8,169.00
Total 50100 · Audit					8,169.00	8,169.00
50200 · Conferences & Prof Development						
Bill	03/05/2024		Card Service Center	TWCA - Whit...	525.00	525.00
Total 50200 · Conferences & Prof Development					525.00	525.00
50300 · Director Expenses						
50305 · At Large						
Bill	03/28/2024	March 2024	James Brown	Mileage Rei...	56.95	56.95
Total 50305 · At Large					56.95	56.95
50315 · Pct. 2						
Bill	03/05/2024		Card Service Center	TAGD meal	37.34	37.34
Total 50315 · Pct. 2					37.34	37.34
Total 50300 · Director Expenses					94.29	94.29
50400 · Director Fees						
50405 · At Large						
Bill	03/05/2024	Feb2024	James Brown	Feb 2024 Bo...	450.00	450.00
Bill	03/28/2024	March 2024	James Brown	Board Meetin...	150.00	600.00
Total 50405 · At Large					600.00	600.00
50415 · Pct. 2						
Bill	03/05/2024	Feb2024	Gary Young	Feb Board m...	450.00	450.00
Bill	03/28/2024	Mar2024	Gary Young	Board Mtg M...	150.00	600.00
Total 50415 · Pct. 2					600.00	600.00

Clearwater Underground Water Conservation Profit & Loss Detail March 2024

04/04/24

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
50420 - Pct. 3						
Bill	03/05/2024	Feb 2024	Jody Williams	Feb Board Mt...	450.00	450.00
Bill	03/28/2024	March 2024	Jody Williams	Board Mtg M...	150.00	600.00
Total 50420 - Pct. 3					600.00	600.00
Total 50400 - Director Fees					1,800.00	1,800.00
50700 - Meals						
Bill	03/05/2024		Card Service Center	TAGD - Dirk	61.36	61.36
Bill	03/05/2024		Card Service Center	Extended Bo...	100.16	161.52
Total 50700 - Meals					161.52	161.52
50800 - Mileage Reimbursements						
Bill	03/28/2024	Mileage Rei...	Dirk Aaron (R)	Oct 2023	283.62	283.62
Bill	03/28/2024	Mileage Rei...	Dirk Aaron (R)	Nov 2023	275.10	558.72
Bill	03/28/2024	Mileage Rei...	Dirk Aaron (R)	Dec 2023	50.43	609.15
Total 50800 - Mileage Reimbursements					609.15	609.15
50900 - Travel & Hotel						
Bill	03/05/2024		Card Service Center	TAGD - Dirk	173.85	173.85
Total 50900 - Travel & Hotel					173.85	173.85
Total 50000 - Administrative Expenses					11,532.81	11,532.81
52000 - Salary Costs						
52005 - Administrative Assistant						
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	4,880.05	4,880.05
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	119.03	4,999.08
Total 52005 - Administrative Assistant					4,999.08	4,999.08
52010 - Educational Coord/Support Tech						
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	4,038.33	4,038.33
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	425.09	4,463.42
Total 52010 - Educational Coord/Support Tech					4,463.42	4,463.42
52015 - Manager						
Paycheck	03/28/2024	DD1429	Richard E Aaron	Direct Deposit	8,926.92	8,926.92
Total 52015 - Manager					8,926.92	8,926.92
52016 - Assistant General Manager						
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	6,000.00	6,000.00
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	0.00	6,000.00
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	0.00	6,000.00
Total 52016 - Assistant General Manager					6,000.00	6,000.00
52025 - Office Assistant/Field Tech						
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	4,195.67	4,195.67
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	0.00	4,195.67
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	0.00	4,195.67
Total 52025 - Office Assistant/Field Tech					4,195.67	4,195.67

Clearwater Underground Water Conservation Profit & Loss Detail March 2024

04/04/24

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
52040 · Health Insurance						
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	650.00	650.00
Paycheck	03/28/2024	DD1429	Richard E Aaron	Direct Deposit	650.00	1,300.00
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	0.00	1,300.00
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	822.31	2,122.31
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	-822.31	1,300.00
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	0.00	1,300.00
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	822.31	2,122.31
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	-822.31	1,300.00
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	650.00	1,950.00
Check	03/28/2024	SWHP-Apr24	Scott & White Health Pl...		1,644.62	3,594.62
Total 52040 · Health Insurance					3,594.62	3,594.62
52045 · Payroll Taxes & Work Comp						
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	300.43	300.43
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	70.27	370.70
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	0.00	370.70
Paycheck	03/28/2024	DD1429	Richard E Aaron	Direct Deposit	593.77	964.47
Paycheck	03/28/2024	DD1429	Richard E Aaron	Direct Deposit	138.87	1,103.34
Paycheck	03/28/2024	DD1429	Richard E Aaron	Direct Deposit	0.00	1,103.34
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	309.94	1,413.28
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	72.49	1,485.77
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	0.00	1,485.77
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	276.74	1,762.51
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	64.72	1,827.23
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	108.07	1,935.30
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	412.30	2,347.60
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	96.43	2,444.03
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	86.45	2,530.48
Total 52045 · Payroll Taxes & Work Comp					2,530.48	2,530.48
52050 · Retirement						
Paycheck	03/28/2024	DD1428	Corey C Dawson	Direct Deposit	218.06	218.06
Paycheck	03/28/2024	DD1429	Richard E Aaron	Direct Deposit	430.96	649.02
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	149.97	798.99
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	133.90	932.89
Paycheck	03/28/2024	DD1432	Whitney Ingram	Direct Deposit	199.50	1,132.39
Total 52050 · Retirement					1,132.39	1,132.39
52055 · Payroll Expenses						
Bill	03/05/2024		Card Service Center		25.98	25.98
Check	03/25/2024	HSAfeeMar24	Wex		25.00	50.98
Total 52055 · Payroll Expenses					50.98	50.98
52060 · Freshbenies						
Check	03/25/2024	Mar24-TS	New Benefits Ltd - Fres...		22.00	22.00
Check	03/25/2024	Mar24-SC	New Benefits Ltd - Fres...		22.00	44.00
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	22.00	66.00
Paycheck	03/28/2024	DD1430	Shelly Chapman	Direct Deposit	-22.00	44.00
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	22.00	66.00
Paycheck	03/28/2024	DD1431	Tristin S Smith	Direct Deposit	-22.00	44.00
Total 52060 · Freshbenies					44.00	44.00
Total 52000 · Salary Costs					35,937.56	35,937.56
53000 · Operating Expenses						
53100 · Clearwater Studies						
53140 · Monitor Wells Expenses						
Bill	03/05/2024		Card Service Center		87.87	87.87
Total 53140 · Monitor Wells Expenses					87.87	87.87

Clearwater Underground Water Conservation Profit & Loss Detail March 2024

Type	Date	Num	Name	Memo	Amount	Balance
		53141 · Weather Station Expense				
Bill	03/28/2024		Corey Dawson (R)	(Baird)	32.38	32.38
		Total 53141 · Weather Station Expense				32.38
		53150 · Water Quality				
Bill	03/28/2024	Inv 13955162	HACH Company	Inv 13955162	820.62	820.62
		Total 53150 · Water Quality				820.62
		Total 53100 · Clearwater Studies				940.87
		53300 · GIS Managemet/Analytics				
		53311 · Hosting - Website				
Bill	03/05/2024	Inv 21540	Engineer Austin, LLC	Inv 21540	25.00	25.00
		Total 53311 · Hosting - Website				25.00
		53315 · IT Network Sustainment				
Bill	03/05/2024	Inv 21540	Engineer Austin, LLC	Inv 21540	650.00	650.00
		Total 53315 · IT Network Sustainment				650.00
		Total 53300 · GIS Managemet/Analytics				675.00
		53400 · Computer Licenses/Virus Prtctn				
Bill	03/05/2024	Inv 21540	Engineer Austin, LLC	Inv 21540	178.00	178.00
		Total 53400 · Computer Licenses/Virus Prtctn				178.00
		53500 · Computer Software & Hardware				
Bill	03/05/2024		Card Service Center	TV Monitor fo...	447.00	447.00
Bill	03/05/2024		Card Service Center	2 monitors & ...	422.78	869.78
		Total 53500 · Computer Software & Hardware				869.78
		53550 · Copier/Scanner/Plotter				
Bill	03/13/2024	Inv 0208273...	Xerox	Inv 020827330	527.82	527.82
		Total 53550 · Copier/Scanner/Plotter				527.82
		53600 · Educational Outreach/Marketing				
		53603 · Sponsorships				
Bill	03/13/2024	Inv 03253	Texas Alliance of Groun...	TAGD Water ...	3,500.00	3,500.00
		Total 53603 · Sponsorships				3,500.00
		53605 · Event Cost				
Deposit	03/28/2024			Refund of De...	-200.00	-200.00
		Total 53605 · Event Cost				-200.00
		Total 53600 · Educational Outreach/Marketing				3,300.00
		53650 · Furniture & Equipment				
Bill	03/05/2024		Card Service Center	Adjustable m...	205.66	205.66
		Total 53650 · Furniture & Equipment				205.66
		53720 · Office Supplies				
Bill	03/05/2024		Card Service Center		182.25	182.25
Bill	03/28/2024	Inv 03283	Texas Alliance of Groun...	Inv 03283	118.40	300.65
		Total 53720 · Office Supplies				300.65
		53730 · Permit Reviews				
		53731 · Geoscience				
Bill	03/13/2024	4027CUW11	Mustang Creek	Mustang Spri...	1,657.55	1,657.55
		Total 53731 · Geoscience				1,657.55

Clearwater Underground Water Conservation Profit & Loss Detail March 2024

04/04/24

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
53732 - Legal Evaluation						
Bill	03/05/2024	Inv 97548516	Tomas Reynosa	Reynoso	432.00	432.00
Bill	03/05/2024	Inv 97548516	Victory Rock Texas, LLC	Vicotry Rock	112.00	544.00
Bill	03/05/2024	Inv 97548516	Mustang Creek	Mustang Spri...	1,921.20	2,465.20
Bill	03/05/2024	Inv 298926	Texas Tour Gear	Required Au...	1,200.00	3,665.20
Total 53732 - Legal Evaluation					3,665.20	3,665.20
Total 53730 - Permit Reviews					5,322.75	5,322.75
53740 - Postage						
Bill	03/05/2024		Card Service Center		94.73	94.73
Total 53740 - Postage					94.73	94.73
53780 - Subscriptions						
Bill	03/05/2024		Card Service Center	American Sta...	33.01	33.01
Total 53780 - Subscriptions					33.01	33.01
53790 - Vehicle Expense						
Check	03/18/2024	Cefco-Feb24	CEFCO	fuel	94.70	94.70
Deposit	03/28/2024			Proceeds fro...	-3,690.00	-3,595.30
Bill	03/29/2024	Inv 106229	M & B Auto Repair, Inc	F350 Repair	1,419.63	-2,175.67
Total 53790 - Vehicle Expense					-2,175.67	-2,175.67
Total 53000 - Operating Expenses					10,272.60	10,272.60
54000 - Facility Costs						
54200 - Building Repairs/Maintenance						
Bill	03/05/2024		Card Service Center		259.38	259.38
Total 54200 - Building Repairs/Maintenance					259.38	259.38
54300 - Janitorial Service						
Bill	03/05/2024	Inv 3238-10...	Fish Window Cleaning	Inv 3238-10403	50.00	50.00
Bill	03/29/2024	Mar2024	Veronica Torres	March 2024	400.00	450.00
Total 54300 - Janitorial Service					450.00	450.00
54400 - Janitorial Supplies						
Bill	03/05/2024		Card Service Center		316.83	316.83
Total 54400 - Janitorial Supplies					316.83	316.83
54500 - Lawn Maintenance/Service						
Bill	03/28/2024	Inv 24059	Greeson Lawn Services...	Inv 24059	225.00	225.00
Total 54500 - Lawn Maintenance/Service					225.00	225.00
54600 - Security						
Bill	03/28/2024	Inv 118662	Progressive Protection	Inv 118662	29.95	29.95
Total 54600 - Security					29.95	29.95
Total 54000 - Facility Costs					1,281.16	1,281.16
55000 - Utilities						
55200 - Electricity						
Check	03/28/2024	FreePtMar24	Freepoint Energy Soluti...		269.64	269.64
Total 55200 - Electricity					269.64	269.64
55300 - Internet						
Check	03/28/2024	Spect-Feb24	Spectrum (Charter Com...		145.59	145.59
Check	03/28/2024	Spect-Mar24	Spectrum (Charter Com...		154.54	300.13
Total 55300 - Internet					300.13	300.13

Clearwater Underground Water Conservation Profit & Loss Detail March 2024

Type	Date	Num	Name	Memo	Amount	Balance
55400 · Phone						
Bill	03/05/2024	Inv 139293	Renaissance Systems, ...	Inv 139293	203.90	203.90
Bill	03/13/2024	Inv 139466	Renaissance Systems, ...	Inv 139466	372.48	576.38
Total 55400 · Phone					576.38	576.38
55500 · Water/Garbage						
Bill	03/05/2024		City of Belton		93.41	93.41
Bill	03/28/2024		City of Belton		134.00	227.41
Total 55500 · Water/Garbage					227.41	227.41
Total 55000 · Utilities					1,373.56	1,373.56
Total Expense					60,397.69	60,397.69
Net Ordinary Income					-1,775.81	-1,775.81
Net Income					-1,775.81	-1,775.81

Clearwater Underground Water Conservation
A/P Aging Detail
As of April 1, 2024

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Due Date</u>	<u>Aging</u>	<u>Open Balance</u>
Current						
Total Current						
1 - 30						
Total 1 - 30						
31 - 60						
Total 31 - 60						
61 - 90						
Total 61 - 90						
> 90						
Total > 90						
TOTAL						

Investment Fund - Item #5

TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77022



Summary Statement

CLEARWATER UNDERGROUND WCD
ATTN DIRK AARON
PO BOX 1989
BELTON TX 76513-5989

Statement Period 03/01/2024 - 03/31/2024
Customer Service 1-866-TEX-POOL
Location ID 000079358

GENERAL FUND - 07935800001

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance	Average Balance
TexPool	\$697,427.12	\$0.00	\$0.00	\$3,148.90	\$700,576.02	\$697,833.43
TexPool Prime	\$706,239.59	\$0.00	\$0.00	\$3,292.49	\$709,532.08	\$706,664.43
Total Dollar Value	\$1,403,666.71	\$0.00	\$0.00	\$6,441.39	\$1,410,108.10	

ACCOUNT TOTALS

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance
TexPool	\$697,427.12 ✓	\$0.00 ✓	\$0.00 ✓	\$3,148.90 ✓	\$700,576.02 ✓
TexPool Prime	\$706,239.59 ✓	\$0.00 ✓	\$0.00 ✓	\$3,292.49 ✓	\$709,532.08 ✓
Total Dollar Value	\$1,403,666.71	\$0.00	\$0.00	\$6,441.39	\$1,410,108.10

4/3/2024
 SEC

1:49 PM

04/03/24

**Clearwater Underground Water Conservation
Reconciliation Summary
10505 · Cash - TexPool, Period Ending 03/31/2024**

	Mar 31, 24
Beginning Balance	697,427.12
Cleared Transactions	
Deposits and Credits - 1 item	3,148.90
Total Cleared Transactions	3,148.90
Cleared Balance	<u>700,576.02</u>
Register Balance as of 03/31/2024	700,576.02
Ending Balance	700,576.02

1:48 PM

04/03/24

Clearwater Underground Water Conservation
Reconciliation Summary
10500 · Cash-TexPool Prime, Period Ending 03/31/2024

	Mar 31, 24
Beginning Balance	706,239.59
Cleared Transactions	
Deposits and Credits - 1 item	3,292.49
Total Cleared Transactions	3,292.49
Cleared Balance	709,532.08
Register Balance as of 03/31/2024	709,532.08
Ending Balance	709,532.08

Employee Retirement - Item #6



TO AND THROUGH RETIREMENT

Plan Administration

Reporting

Communications

Plan Name:

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT 457 PLAN

As of 04/03/2024

Participant Search:

Search by last name

Plan ID: 613759000

Plan Type: 457

Summary

Calendar

Payroll

Participants

Loans

Withdrawals

Financials

Plan Information

As of:

04/03/2024

Balances:

\$248,342.37

YTD Contributions:

\$6,246.36

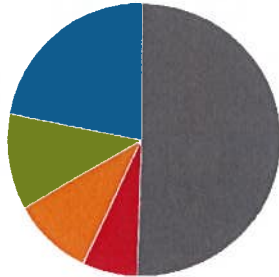
Participants

5

Plan Assets

Participation In Plan

View: Asset Class



Asset Class

- Large Cap
21.91%
- Small Cap
11.40%
- Mid Cap
9.80%
- Other
6.49%
- Other
50.40%

Total Balance:
\$248,342.37

Clearwater Underground Water Conservation
All Payments Issued for Security Benefit
January through February 2024

Type	Num	Date	Amount
Jan - Feb 24			
Liability Check	5064	01/10/2024	2,082.12
Liability Check	5085	02/13/2024	2,082.12
Liability Check	5099	02/29/2024	2,082.12
Jan - Feb 24			6,246.36

Show Cause Hearing - Item #8
Tomas Reynoso

**Board Meeting
April 10, 2024**

Agenda Item #8: Continuing Show Cause Hearing

Agenda Item #8:

Continue show cause hearing on the following repeat violation:

- a) Discuss, consider, and take appropriate action necessary upon receiving testimony related to the second violation and ignoring Order #1 per District Rule 6.5 by drilling & completing a well on January 22, 2022, without a formal CUWCD permit on a tract of land less than 10-acres and greater than or equal to 2-acres, Latitude 30.930066°/ Longitude -97.701384° by both Raul Zavala (“Driller”) (TDLR License #54363) officed at 1910 S. Wheeler St., Jasper, TX 76951 and Mr. Tomas Reynoso (“Property Owner”), located at 15731 Cedar Valley Rd, Salado, TX.

April 10, 2024

Show Cause Hearing Continued:

- ✓ Following the recommendation of the Board, a site visit was conducted on Thursday, March 14, 2024, at 6:00 PM to assess the status of the well. The following parties met on-site: Dirk Aaron, Corey Dawson, Raul Zavala, and Tomas Reynosa
- ✓ Receive Testimony of all parties related to the history and facts related to the violation.
 1. Dirk Aaron, CUWCD General Manager
 2. Raul Zavala, Water Well Driller and Pump Installer
 3. Corey Dawson, CUWCD Field Technician
 4. Tristin Smith, CUWCD Compliance Coordinator
 5. Tomas Reynosa, Property Owner

Staff Recommendations:

- ✓ Finding minimal evidence to confirm or deny that the pump has been operational;
- ✓ Ordering Mr. Reynoso to pay a civil penalty of no less than \$1,000 to the District; and
- ✓ Ordering Mr. Zavala, as the original driller and pump installer to return to the property and pull the pump by April 19, 2024; and
- ✓ Ordering Mr. Reynoso to obtain appropriate permits and approvals as applicable, evidencing that the Property is in compliance with applicable Bell County subdivision regulations, and Texas Commission on Environmental Quality and Bell County Health District on-site sewage facilities rules and regulations before returning to the District for a new non-exempt well for domestic use; and
- ✓ Ordering Mr. Reynoso to submit an administratively complete application for an operating permit, together with requisite fees, to the District.

**Board Meeting
March 13, 2024**

Agenda Item #9: Show Cause Hearing

Agenda Item #9:

COPY

Hold a show cause hearing on the following repeat violation:

- a) Discuss, consider, and take appropriate action necessary upon receiving testimony related to the second violation and ignoring Order #1 per District Rule 6.5 by drilling & completing a well on January 22, 2022, without a formal CUWCD permit on a tract of land less than 10-acres and greater than or equal to 2-acres, Latitude 30.930066°/ Longitude -97.701384° by both Raul Zavala (“Driller”) (TDLR License #54363) officed at 1910 S. Wheeler St., Jasper, TX 76951 and Mr. Tomas Reynoso (“Property Owner”), located at 15731 Cedar Valley Rd, Salado, TX.

Summary First Violation:

- 1) **February 14, 2022**, the District received a call from adjacent property owners and a County Commissioner stating that a drilling rig was on the property of Mr. Reynoso.
- 2) GM sent Field Technician to the site in question on February 14, 2022, at 10:30 am and GM was on site by 3:45 pm to meet with Mr. Zavala and Mr. Reynoso.
- 3) GM discussed options with both men. GM gave verbal notice, per “District Rule 12.3.1 Informal Notice” that this was a serious violation, and both individuals could potentially be issued fines. In addition, they may be required to plug the well.
- 4) GM reviewed the District Rules and contacted both men to meet them on-site, for a *Compliance Meeting* on Saturday, February 19, 2022, per “District Rule 12.3.1(c)”.
- 5) GM required both parties to uncover the wellhead, disconnect the electricity to the well, and break loose the 2-inch dresser coupling so that the GM could seal the wellhead in accordance with “District Rule 12.4 Sealing of Wells”.
- 6) GM conducted a second *Compliance Meeting* with Mr. Tomas Reynoso Sr. and Mr. Tomas Reynoso Jr. at the District Office on Tuesday, February 22, 2022, at 11:00 am in accordance with “District Rule 12.3.1(c)”. GM and two staff members witnessed the discussion by the GM and his direction for potential compliance.
 1. Meet with the Bell County Public Health District to get a site-specific plan and engineered design of the On-site Septic Facility (OSSF) so that the district could evaluate if proper setbacks from the well can be attained.
 2. Meet with Mike Kriegel, Mitchell & Associates to get a proper subdivision to the home in accordance with Bell County Plating Rules.

3. Prepare to attend a Show Cause Hearing on March 9, 2022, at the Regular Board of Directors meeting per "District Rule 12.3.2". Mr. Reynosa was informally notified at that time of the pending hearing.
- 7) GM prepared a formal notice per "District Rule 12.3.2 (a)(b)" and sent said order on February 24, 2022, to both parties to appear before the Board on March 9, 2022, by Certified Mail, Return Receipt, and by email, meeting the 10-day notice requirements of the district.
- 8) February 14, 2022, the District received a call from adjacent property owners and a County Commissioner stating that a drilling rig was on the property of Mr. Reynoso.

Summary of Second Violation:

- 1) Mr. Reynoso, on January 8, 2024, at approximately 1:00 pm, arrived at the District Headquarters and offered a new survey and filled out the necessary application for an operating permit on the well N2-20-003P with the \$150.00 application fee per board instruction should he get the property platted for Bell County.
- 2) GM immediately had our field technician, Mr. Corey Dawson, make the required site visit to confirm that the well was still sealed and not in use. Upon arriving at the property, and with Mr. Reynoso witnessing, Mr. Dawson found that the well was unsealed and fully operational thus in violation of the agreement with our Board of Directors, memorialized in the minutes and his testimony that he would not reconnect the well until the property was correctly subdivided and affirmed with Bell County.
- 3) GM reviewed the document submitted by Mr. Reynoso on January 8, 2024. The document (Signed & Sealed by Stephen Rodriguez, License number 5325) was a simple survey, not a recorded plat.
- 4) GM contacted Bell County Engineers Office and they stated that they have not approved a plat for said property.
- 5) GM contacted Mr. Rodriguez (professional surveyor) to confirm that the survey was not a proposed plat. He further explained and confirmed that he told Mr. Reynoso, at the time he surveyed the property that it was not a plat. Mr. Rodriguez is based out of the Houston area and agreed that a survey is never a formal plat.
- 6) GM called Tomas Reynoso Jr. (Mr. Reynoso's son) and he confirmed that the well was in use and concurred that his father had violated the terms of the agreement.
- 7) GM sent formal notice of a repeat Show Cause Hearing and notice to appear to Mr. Reynoso on:
 - a. January 15, 2024, by regular mail, certified and by email.

- b. February 14, 2024, Certified Letter returned to District as unclaimed.
- c. Renotified Mr. Reynoso on March 1, 2024, by regular mail, email and hand-delivered thus met and exceeded efforts per "District Rule 12.3.1 Informal Notice". With this serious violation, Mr. Reynoso most likely will face additional fines as well as be required to plug the well.
- d. GM has discussed the necessary plugging of the well with Mr. Raul Zavala and specifically stated the cost of the dismantling and plugging of the well would be a cost to him. He stated he would return to plug the well if ordered by the District should the Board require that. He only requested that a Sheriff's Deputy and a member of Clearwater's Staff be on site for safety reasons and to witness the plugging.

Staff Recommendations First Violation:

Board did issue an enforcement Order #1 Findings & Orders & Resolution & Instructions:

- ✓ Finding that Tomas Reynoso, Sr. is the record owner of an approximately 5 acre tract in Bell County, Texas, the physical address of which is 15731 Cedar Valley Road, Salado, Texas 76571 (the "Property");
- ✓ Finding that Mr. Reynoso, by and through a Water Well Driller and Pump Installer licensed by the State of Texas, Mr. Raul Zavala, Sr. (License No. 54363), drilled a new water well on the Property (the "Well") without prior authorization by the District, in violation of District Rules 6.5.1 and 6.5.2;
- ✓ Finding that Mr. Reynoso failed to file a completed operating permit application within 14 days after completion of the Well, in violation of District Rule 6.6.1;
- ✓ Finding that Mr. Reynoso failed to obtain an operating permit prior to operating the Well, in violation of District Rule 6.6.2;
- ✓ Finding that Mr. Zavala, drilled the Well without prior authorization by the District, in violation of District Rules 6.5.1 and 6.5.2;
- ✓ Ordering Mr. Reynoso to pay a civil penalty of no less than \$1,000 to the District;
- ✓ Ordering Mr. Reynoso to obtain appropriate permits and approvals as applicable, evidencing that the Property is in compliance with applicable Bell County subdivision regulations, and Texas Commission on Environmental Quality and Bell County Health District on-site sewage facilities rules and regulations;
- ✓ Ordering Mr. Reynoso to submit an administratively complete application for an operating permit, together with requisite fees, to the District;

- ✓ Ordering that Mr. Reynoso must comply with each ordering paragraph herein defined within 90 days of the order, which deadline may only be extended for good cause shown;
- ✓ Ordering Mr. Zavala to pay a civil penalty of no less than \$1,000 to the District;
- ✓ Ordering Mr. Zavala to equip the Well with a meter prescribed by the District for monthly reporting of groundwater production;
- ✓ Ordering Mr. Zavala to install a measuring tube alongside the column pipe to allow for measurement of the water level;
- ✓ Ordering that Mr. Zavala must comply with each ordering paragraph herein defined within 90 days of the order, which deadline may only be extended for good cause shown; and
- ✓ Ordering Mr. Reynoso and Mr. Zavala to re-appear before the Board on June 8, 2022, at 1:30 p.m. in order to continue this Hearing; and
- ✓ Ordering Mr. Reynoso to re-appear before the Board on August 10, 2022, at 1:30 p.m. in order to continue this Hearing; and
- ✓ Ordering Mr. Reynoso to re-appear before the Board on November 9, 2022, at 1:30 p.m. in order to continue this Hearing; and
- ✓ Ordering Mr. Reynoso to re-appear before the Board on February 15, 2023, at 1:30 p.m. in order to continue this Hearing.
 - The Hearing was officially closed with specific instructions to Mr. Reynoso, stating that he would not use the well until the land issue was resolved to satisfy Bell County as a legal plat. Mr. Reynoso, under oath, agreed.
 - He was then instructed not to use the well until he returned to the district for an operating permit once the tract was a legal subdivision under the County's authority.
- ✓ The Board closed the Show Cause Hearing officially at 2:16 pm per a Motion to Close the Hearing by Scott Brooks, 2nd by Gary Young.

March 13, 2024

Show Cause Hearing Process:

- ✓ Receive Testimony of all parties related to the history and facts related to the violation.
- ✓ Per “*District Rule 12.3.3 Remedies*”
 - (a) The Board shall consider the appropriate remedies to pursue against an alleged violator during the show cause hearing, including assessment of a civil penalty, injunctive relief, or assessment of a civil penalty and injunctive relief. In assessing civil penalties, the Board may determine that each day that a violation continues shall be considered a separate violation. The civil penalty for a violation of any District rule is hereby set at the lower of \$10,000.00 per violation or a lesser amount determined after consideration, during the enforcement hearing, of the criteria in subsection (b) of this rule.
 - (b) In determining the amount of a civil penalty, the Board of Directors shall consider the following factors:
 - (1) compliance history; and
 - (2) efforts to correct the violation and whether the violator makes a good faith effort to cooperate with the district; and
 - (3) the penalty amount necessary to ensure future compliance and deter any future non-compliance; and
 - (4) any enforcement costs related to the violation; and
 - any other matters deemed necessary by the Board.

Staff Recommendation on Second Violation:

Issue Order #2 Findings & Orders & Resolution & Instructions:

- ✓ Finding that Tomas Reynoso, Sr. is the record owner of an approximately 5-acre tract in Bell County, Texas, the physical address of which is 15731 Cedar Valley Road, Salado, Texas 76571 (the “Property”); and
- ✓ Finding that Mr. Reynoso, by and through a Water Well Driller and Pump Installer licensed by the State of Texas, Mr. Raul Zavala, Sr. (License No. 54363), drilled a new water well on the Property (the “Well”) without prior authorization by the District, in violation of District Rules 6.5.1 and 6.5.2; and
- ✓ Finding that Mr. Reynoso failed to file a completed operating permit application within 14 days after completion of the Well, in violation of District Rule 6.6.1; and
- ✓ Finding that Mr. Reynoso failed to obtain an operating permit prior to operating the Well, in violation of District Rule 6.6.2; and
- ✓ Finding that Mr. Zavala, drilled the Well without prior authorization by the district, in violation of District Rules 6.5.1 and 6.5.2; and

- ✓ Ordering Mr. Reynoso to pay a civil penalty of no less than \$10,000 to the District for this second major violation of district rules and agreements with the Board of Directors; and
- ✓ Ordering Mr. Zavala, as the original driller and pump installer to return to the property and plug the well in accordance with TDLR and district Rules for plugging by March 22, 2024; and
- ✓ Ordering Mr. Reynoso to obtain appropriate permits and approvals as applicable, evidencing that the Property is in compliance with applicable Bell County subdivision regulations, and Texas Commission on Environmental Quality and Bell County Health District on-site sewage facilities rules and regulations before returning to the District for a new non-exempt well for domestic use; and
- ✓ Ordering Mr. Reynoso to submit an administratively complete application for an operating permit, together with requisite fees, to the District; and
- ✓ Ordering that Mr. Reynoso must comply with each ordering paragraph herein defined within 90 days of the order, which deadline may only be extended for good cause shown.

**NOTICE OF SHOW CAUSE HEARING OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**

Notice is hereby given that the Board of Directors for the Clearwater Underground Water Conservation District will conduct a Show Cause hearing as it relates to the **ALLEGATIONS CONCERNING THE ILLEGAL** drilling of a well as described below at 1:30 p.m. on Wednesday, March 13, 2024, at the Bell County Historic Courthouse at 101 Central Avenue, 2nd floor Commissioners Court Chambers, Belton, Texas, in compliance with the Texas Open Meetings Act.

The hearing will be conducted on the following applications:

Landowner's File Number	District Rule Violation by Landowner	Location of illegally Drilled Well	Date of alleged Violation/s of the District Rules
N1-20-003P Combination Drilling/Operating Permit	Tomas Reynoso 15731 Cedar Valley Rd Salado, TX 76571	5.00-acre tract of land located at 15731 Cedar Valley Rd, Salado, Texas Latitude 30.930063° Longitude -97.701384°	<u>January 22, 2022</u> Illegal drilling of a domestic well <u>January 8, 2024</u> Violation of District Order NO. 1 issued by the Board of Directors on March 9, 2022

The Show Cause Hearing is to address allegations, receive testimony by all parties, and apply findings of fact necessary before fines and remedies as it relates to a landowner violation of District Rule related to permits required on tracts of land subdivided less than 10-acres and greater than or equal to 2-acres requiring a landowner to attain a permit to drill and operate a well within the Clearwater Underground Water Conservation District according to the terms and conditions set forth in the permit.

Upon recommendation of the General Manager to the Board or upon the Board's own initiative, the District may order any Person that it believes has violated or is violating any provision of the District's Rules thus per District Rule 12.3.2 (a-d) ordered to appear before the Board at this public meeting, held in accordance with the Texas Open Meetings Act, and called for such purpose and to show cause of the reasons an enforcement action, including the assessment of penalties and initiation of a suit in a court of competent jurisdiction in Bell County, should not be pursued against the Person made the subject of the show cause hearing. The Presiding Officer may employ the procedural Rules in Section 6 of the District's Rules. For more information, please contact the CUWCD at 700 Kennedy Court (PO Box 1989) Belton, Texas, 76513, 254-933-0120.

ISSUED this 1st day of March 2024 in Belton, Texas, on the recommendation of the General Manager.

I, the undersigned authority, do hereby certify that the above NOTICE OF SHOW CAUSE HEARING of the Board of Directors of the Clearwater Underground Water Conservation District is a true and correct copy of said Notice. I have posted a true and correct copy of said Notice at the District office located in Belton, Texas, and said Notice was posted on March 1, 2024, and remained posted continuously for at least 10 (ten) days immediately preceding the day of said hearing; a true and correct copy of said Notice was furnished to the Bell County Clerk, in which the above named political subdivision is located.

Dated 03/01/2024

Clearwater Underground Water Conservation District

By: 
Dirk Aaron, General Manager

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