

Clearwater Underground Water Conservation District Meeting
640 Kennedy Court
Belton, TX
Wednesday, August 14, 2024
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a Workshop and Board meeting at 1:30 p.m. on Wednesday, August 14, 2024, in the Clearwater UWCD Board Room located at 640 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
Jim Brown, Director, At-Large

Absent:

Staff:

Dirk Aaron, General Manager
Whitney Ingram, Asst. General Manager
Shelly Chapman, Admin. Manager

Guests

Sandra Blankenship, WCID#1
Mike Keester, KT Groundwater
Mike Linnemann
Jessica Diem, HD54
Randall Schwertner

Brad Cross, Collier
Brian Saathoff
Larry Michaels
Joshua Buse, Hydro Res.
Bill Grace

Hunter King, Collier
Jonathan Dwinell, Presley Design Studio
James Bishop
Bruce Avila
Tere Grace

Workshop convened President, Leland Gersbach, at 1:33 p.m.

(Leland requested the Board begin with Workshop #2)

Workshop Item #2: Receive update from Mustang Springs Development.

Josh Buse (Hydra Resources) presented an update on the Mustang Springs Development project and timeline.

Hunter King (Collier Consulting) presented information related to water quality and challenges of meeting criteria for a public water supply well.

Brian Saathoff (representing James Kirby) answered questions related to the project and possibly coming back to the district for a 3rd well.

Brad Cross (Collier Consulting) presented the district with cuttings they collected while drilling the well.

Workshop paused and Board meeting convened with President, Leland Gersbach, at 2:22 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 July 10, 2024, Board meeting.

Board members received the minutes of the July 10, 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 July 10, 2024, Board meeting and Workshop with corrections as noted. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

(Leland requested the Board move to Agenda Item #7 – Public Hearing)

7. **Hold Public Hearing on the following:**

- a.) *Discuss, consider, and take appropriate action, if necessary, on an application submitted by Michael Linnemann, to the Clearwater Underground Water Conservation District (CUWCD) on March 28, 2024, for a groundwater availability certification (per Title 30 Texas Administrative Code Section 230.4) of a proposed subdivision of an existing tract of land (property ID: 73492) of 17 acres into four tracts to authorize three combination drilling and operating permits in the Edwards BFZ Aquifer and the Edwards BFZ Management Zone. The proposed three wells are located on Royal Street, 2/10 of a mile east of the intersection of Blackberry Road and Royal Street, Salado, Texas (Well # 1: Latitude 30.93679, Longitude -97.49718, Well # 2: Latitude 30.93733, Longitude -97.49698, Well # 3: Latitude 30.93793, Longitude -97.49684). The proposed wells will produce groundwater for a beneficial use described as “domestic use” in a proposed quantity not to exceed (for each well) 0.3 acre-feet per year based on 90 gallons per day per person at an occupancy of 3 people per home, thus 98,550 gallons per year per proposed well.*

Leland Gersbach offered an opportunity for public comment related to agenda item #7a. There was none.

President, Leland Gersbach opened the hearing at 2:26 p.m. and gave a summary of the application submitted by Michael Linnemann to authorize three combination drilling and operating permits in the Edwards BFZ Aquifer and the Edwards BFZ Management Zone and a brief explanation of the procedural issues. He confirmed a quorum of the Board was in attendance to participate in ruling on the application. Leland stated that the application had undergone administrative, legal, and technical review by District Staff, General Counsel and Geoscience Consultants.

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

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

Leland administered an oath to all parties speaking on the application. Taking the oaths were Dirk Aaron – CUWCD General Manager, Mike Keester – KTGW, and Michael Linnemann – applicant.

Leland proceeded to the evidentiary phase of the hearing as related to the combination drilling/operating permits.

Leland addressed Michael Linneman. Michael laid out the application and request for 3 combination drilling and operating permits.

Mike Keester, the district’s geoscience consultant, presented his analysis of the application. He commented that he didn’t foresee any long-term impact on existing wells and that climactic conditions would effect the wells more than pumping. Water supply is adequate.

Dirk Aaron presented the administrative requirements. All criteria/requirements have been met and special provisions agreed to.

Leland asked if there were any additional questions or discussions. There were none.

Leland closed the evidentiary portion of the hearing.

No further discussion from the Board was needed.

Leland asked for a motion that includes all special provisions offered by the Board that should be outlined by the General Manager, district consultant, and affirmed by the district’s legal counsel.

Director, Jim Brown, moved to grant the request for 3 combination drilling and operating permits with standard/special provisions as laid out by the General Manager not to exceed (for each well) 0.3 acre-feet per year from the Edwards BFZ formation. Vice President, Jody Williams, seconded the motion.

Motion carried 5-0.

Public hearing closed at 3:13 p.m. and workshop reconvened at 3:22 p.m. with President, Leland Gersbach.

Workshop Item #3: Receive proposals for potential website changes.

Dirk informed the Board that the district's current website is not in compliance with security protections at this time and other issues with the website. He has reached out to several firms requesting information and proposals. He commented that 2 of the companies are here to present their ideas and proposal to update the current website.

Dirk introduced Jonathan Dwinell with Presley Design Studios. Jonathn gave a presentation on what is firm has to offer and a plan to create a new website with required security protections and a proposal for the work to be done. He stressed that his proposal was an estimate and could be "tweaked" to fit our needs and budget.

Dirk Introduced representatives from McLane Intel. Solutions. They presented a mockup of a website for the district and explained how they would enhance features to the current website.

Workshop Item #4: Discuss and review items of interest concerning the draft FY25 budget.

Dirk presented items of interest concerning the draft FY25 budget. He explained new information related to the Appraisal District's certified totals and the new figures he had received. He discussed changes to the calculations for the draft budget and other items to consider.

Workshop Item #1: Receive update related to GMA8 DFC, per TWC section 36.108, and plans for the next round.

Dirk updated the Board on items related to GMA8 DFC and plans for the next round. He discussed his thoughts on how to reduce the cost share amounts for next year by amending this year's budget and paying a portion from residual funds.

Workshop Item #5: Receive information on 1937 Lower Trinity Well.

Dirk presented information related to the 1937 Lower Trinity Well that was brought to the district's attention. He discussed the details of possibly turning this well into a monitor well.

Workshop closed and Board meeting reconvened with President, Leland Gersbach, at 6:08 p.m.

4. Discuss, consider, and take appropriate action, if necessary, to accept the monthly Financial Report for July (FY24) as presented.

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

Vice President, Jody Williams, moved to accept the July 2024 financial report as presented. Secretary, Gary Young, 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 July 2024 (FY24) as presented.

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

Director, Jim Brown, moved to accept the monthly Investment Fund account report for July 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 Chapman presented the line-item budget amendment requests as follows:

- 1.) 53605 Event Cost – to cover Candence Bank Center (Expo Center) rental deposit for 2024 Bell County Water Symposium.
- 2.) 53731-Permit Review/Geo Science – expenses related to Barns Road MUD, Victory Rock, and Mustang Springs WWTP.
- 3.) 53130.4-Investigations – expenses related to additional work by KTGW.

4.) 54200-Bldg Repair/Maintenance. – Cabinetry for Corey’s office in the new building.

	Line Item	Invoice \$	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
Expo Center	53605-event cost	\$1,400.00	\$0.00	\$1,400.00	\$0.00	53615 - Promotional items	\$2,506.94	\$1,106.94
KTGW	53731-Permit Rev GeoSc	\$1,890.00	\$0.00	\$1,890.00	\$0.00	53130.1-Gen Consult-DFC proce	\$7,500.00	\$5,610.00
KTGW	53731-Permit Rev GeoSc	\$4,725.00	\$0.00	\$4,725.00	\$0.00	53130.1-Gen Consult-DFC proce	\$5,610.00	\$885.00
KTGW	53130.4-Investigation	\$840.00	\$0.00	\$840.00	\$0.00	53130.1-Gen Consult-DFC	\$885.00	\$45.00
Clinton Young	54200-Bldg Repair/Maint	\$2,800.00	\$563.95	\$2,800.00	\$3,363.95	50250-Contingency	\$12,371.56	\$9,571.56

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

Motion carried 5-0.

8. Discuss, consider, and take appropriate action, if necessary, to call for the November 5, 2024, General Election.

Dirk presented information to call for the November 5, 2024, General Election.

Vice President, Jody Williams, moved to call for the November 5, 2024, Election. Director, Jim Brown, seconded the motion.

Motion carried 5-0.

9. Discuss, consider, and take appropriate action, if necessary, to approve that the General Manager execute an election contract with the Bell County Election Department.

Dirk presented information related to the election contract from the Bell County Election Department.

Secretary, Gary Young, moved to direct the General Manager to execute the election contract with the Bell County Election Department for the November 5, 2024, election. Director, Scott Brooks, seconded the motion.

Motion Carried 5-0.

10. Discuss, consider, and take appropriate action, if necessary, to extend auditing services with Ludwick, Montgomery & Stapp, PC.

Dirk informed the Board that the district’s agreement with Ludwick, Montgomery & Stapp had ended. He spoke to Kevin Cowan with their firm, and he submitted a 5-year proposal to extend services with them. Dirk asked the Board to extend auditing services to Ludwick, Montgomery & Stapp.

Director, Scott Brooks, moved to extend auditing services to Ludwick, Montgomery & Stapp. Secretary, Gary Young, seconded the motion/

Motion carried 5-0.

11. Discuss, consider, and take appropriate action, if necessary, to set the preliminary tax rate for tax year 2024 on the proposed budget for FY25.

Based on discussion in workshop item #4 the preliminary tax rate for tax year 2024 will be \$0.00235.

Vice President, Jody Williams, moved to set the preliminary tax rate for tax year 2024 at \$0.00235. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

12. Discuss, consider, and take appropriate action, if necessary, to set the public hearing date and adoption of the FY25 budget.

Dirk presented a timeline and information related to setting the public hearing date for adoption of the FY25 budget and adoption of the tax rate for tax year 2024.

Secretary, Gary Young, moved to set the public hearing date for adoption of the FY25 budget for Wednesday, August 28, 2024, at 1:30 p.m. Director, Jim Brown, seconded the motion.

Motion carried 5-0.

13. Discuss, consider, and take appropriate action, if necessary, to set the date for public hearing and adoption of the tax rate for tax year 2024.

Director, Jim Brown, moved to set the public hearing date for adoption of the tax rate for tax year 2024, for Wednesday, August 28, 2024, at 1:30 p.m. Vice President, Jody Williams, seconded the motion.

Motion carried 5-0.

14. Discuss, consider, and take appropriate action, if necessary, to approve initiating a monitor well agreement with Sanctuary Development Company LLC.

Dirk presented information regarding a possible monitoring agreement with Sanctuary Development Company.

Director, Scott Brooks, moved to initiate a monitor well agreement with Sanctuary Development Company. Director, Jim Brown, seconded the motion.

Motion carried 5-0.

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

- Permit coming soon for Schwertner
- Glad to have Whitney back from maternity leave

16. 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.)

17. Director's comments and reports.

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

18. Discuss agenda items for the next meeting.

- Set tax rate
- Adopt FY25 budget
- FY24 budget amendment
- Presentation from Neil Deeds
- Presentation from AJ/Dr. Yelderman

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

Wednesday, August 28th, 1:30 – CUWCD Board Room – 640 Kennedy Court, Belton

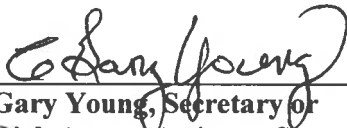
20. *Adjourn.*

Board meeting closed with President, Leland Gersbach, at 6:41 p.m.



Leland Gersbach, President or
Jody Williams, Vice President

ATTEST:



Gary Young, Secretary or
Dirk Aaron, Assistant Secretary