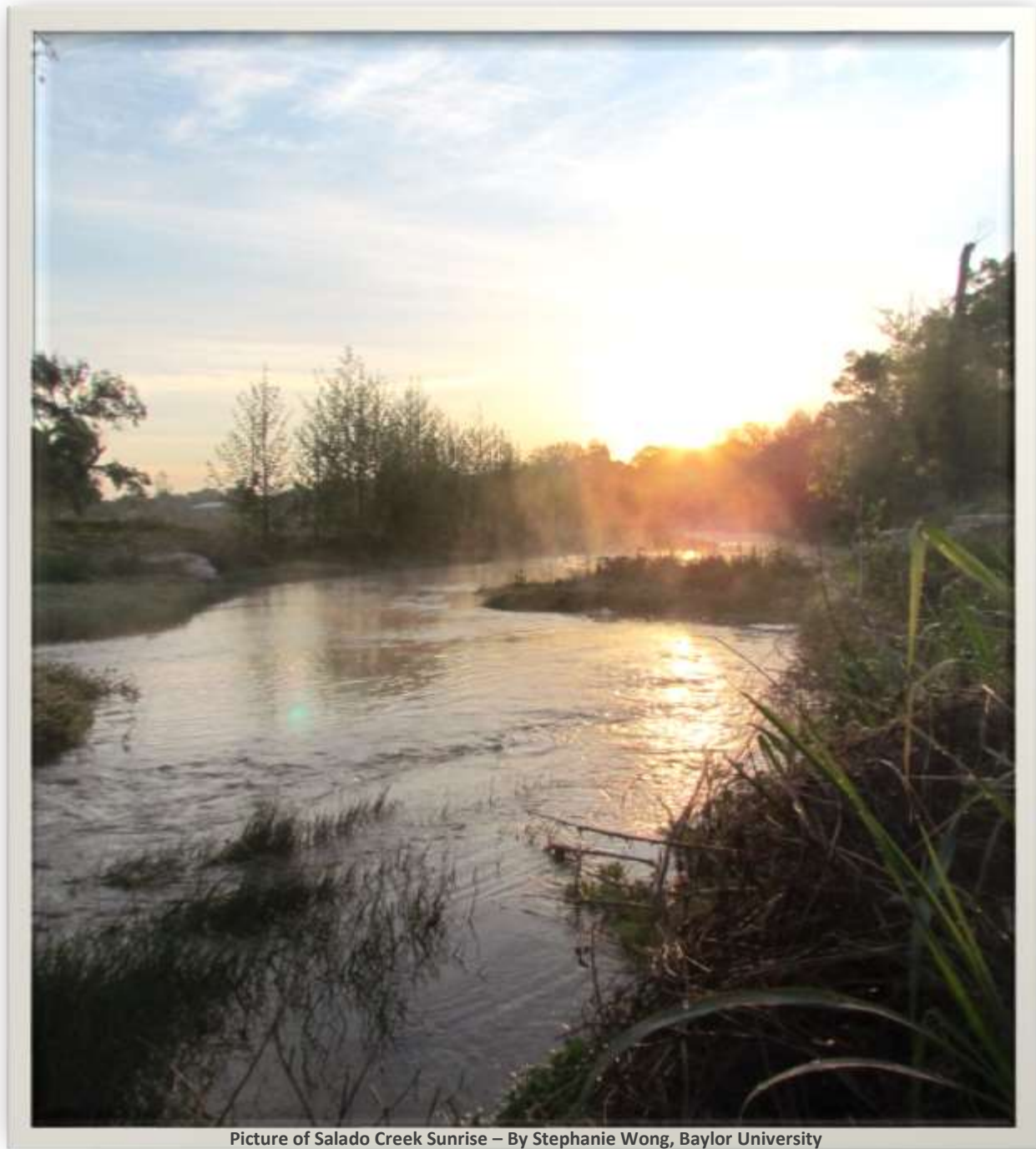


2014 ANNUAL REPORT



Picture of Salado Creek Sunrise – By Stephanie Wong, Baylor University

Clearwater UWCD

Belton, Texas

www.cuwcd.org





District Mission Statement

Develop and Implement an efficient, economical and environmentally sound groundwater management program to protect and enhance the water resources of the District.

Clearwater Underground Water Conservation District

Annual Report - Fiscal Year 2014

The Annual Report for Fiscal Year 2014 (FY14) is presented to the Directors of the Clearwater Underground Water Conservation District (CUWCD or District) by May of the following Fiscal Year (May 2015). This report summarizes the activities and accomplishments of the District during FY14 focusing on administrative tasks, management plan requirements, and miscellaneous activities. Most activities are based on the District's fiscal year; however, information dealing with well registration, permitting, and production are based on the 2014 calendar year.



2013-2014 Board of Directors

Wallace Biskup
Precinct 3

Bill Bartlett
Precinct 2

Leland Gersbach
Precinct 1

Judy Parker
Precinct 4

David Cole
At-Large

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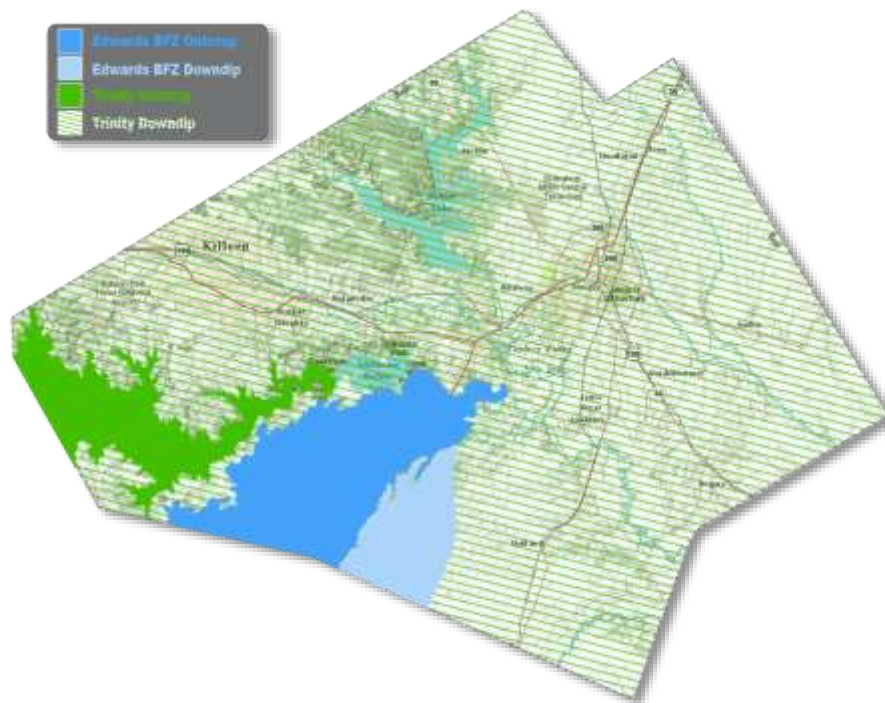
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1. Introduction

The Clearwater Underground Water Conservation District was created by the State legislature in 1989 to manage the groundwater resources of Bell County. The District was approved by the voters of Bell County in August 1999 and opened its doors for business in February 2002. Clearwater's fiscal year runs from October 1st through September 30th. This report summarizes the accomplishments and activities of the District during FY14; but reflects registration, permitting, and production figures for the calendar year 2014.

The District manages the groundwater resources from two major aquifers: The Trinity and The Edwards (BFZ) in Bell County, TX. The Trinity aquifer underlies all of Bell County and is below the Edwards (BFZ), while the Edwards (BFZ) is located just in the southern part of the county.



The Trinity aquifer is comprised of three water bearing layers within the boundaries of Bell County. These layers are the Upper Trinity (Glen Rose), Middle Trinity (Hensell), and Lower Trinity (Hosston). Other water bearing formations in Bell County are Alluvium, Austin Chalk, Buda, Edwards Equivalent, Kemp, Lake Waco, Ozan, and Pecan Gap.

2. Administrative Tasks

Administrative tasks include internal administrative activities necessary for a groundwater district to function effectively. Management Plan requirements include the required tasks and activities identified in the District's Management Plan. Miscellaneous activities include other activities and programs that have been an integral part of the District but are not required by the Management Plan.

A. Contracts / Agreements

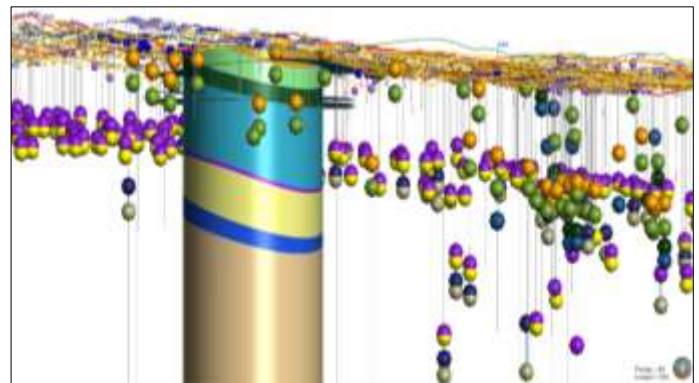
1. Technical Consulting Services

LBG-Guyton Associates

Clearwater UWCD entered a professional services contract for general consulting with LBG Guyton Associates for calendar year 2014 which included fiscal years FY14 and FY15. The firm provided administrative and technical reviews of drilling and operating permits along with investigative analysis of aquifer conditions and well construction complaints. LBG Guyton Associates has also provided technical representation of the district in GMA 8 relating to development of desired future conditions associated with required joint planning.

Allan R. Standen, LLC

Clearwater UWCD entered into a professional services contract with Allan R. Standen LLC for general consulting services and the development of a 3D model. This model encompassed the geographical boundaries of the district and all known geological formations associated with the Edwards BFZ and the Trinity Aquifer along with their water bearing layers. The model will provide the district staff, consulting Hydrogeologist, and landowners a virtual tool for well



Virtual Core Sample for Bell County Groundwater Model

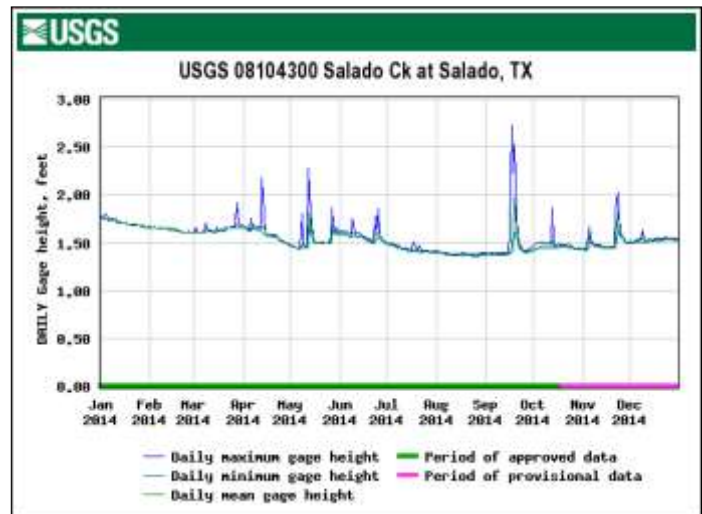
development and prognosis of the aquifer depths prior to drilling. The tool also assists the district in source aquifer determination of newly drilled wells.

Halff Associates, Inc

Halff Associates, Inc. created and manages the District's online GIS website. This GIS platform allows the district web based access to the entire database of wells that has been compiled through the years. All well information is available online both to staff and the public as well. Some of the information available includes well latitude and longitude along with ground level elevation of the well head and total depth of well. Moving forward, the District has the flexibility to add new functionality like online production reporting.

U. S. Geological Survey, Texas Water Science Survey

During the spring of 2013 the gauging system was installed and the process of analyzing the data and recalibrating the system began. Through 2014 the system was continuously fine-tuned to ensure accuracy of the data collected. The new gauging system and relationship with the USGS have proved to be an important step forward in monitoring spring flow both now and well into the future. The image to the right shows the 2014 stream flow data taken by the gauging system in Salado Creek.



Baylor University, Department of Geology

Clearwater UWCD has contracted with the Department of Geology at Baylor University to conduct some research projects. The overall goal for the proposed research is to gain a deeper understanding of the Northern Segment of the Edwards Aquifer. Specifically, knowledge of how much recharge occurs and the pathways that recharge takes to the aquifer will greatly assist groundwater resource management. An enhanced scientific understanding of the Northern Segment of the Edwards aquifer will provide insight to CUWCD and community stakeholders, as well as support collaboration between the district and community in future decision-making processes that will be impacted by the Endangered Species Act.

The proposed body of research consists of three parts: 1) analysis of LiDAR data, 2) groundwater tracing, and 3) hydrograph analysis. The objective of the LiDAR analysis is to identify potential recharge features using remotely-sensed, high-resolution elevation data. Groundwater tracing will allow for the confirmation of groundwater flow paths between known recharge features as well as potential recharge features identified using LiDAR data. Analyzing and correlating groundwater and surface water hydrographs will provide insight into aquifer response to recharge events.

2. Legal Services

The District requests legal consulting services on an as-needed basis and utilizes Lloyd, Gosselink, Rochelle & Townsend, P.C. (LGRT) for consultation. LGRT was the District's sole advisor during FY14 which included the following issues:

- Research and guidance on permitting issues, spacing issues, rule interpretation, public hearing notices, meeting cancellation notices, conservation easements and topics allowed for discussion in closed session.

- Representation of groundwater districts at Texas Water Conservation Association Groundwater Sub-Committee on Desired Future Conditions.
- Research and guidance on the listing of the Salado Salamander, the process for comments and support of CUWCD as they engaged as a stakeholder with the Bell County Adaptive Management Coalition.

3. Other Services

Bell County Adaptive Management Coalition

The Board entered into an interlocal agreement in fiscal year 2012 that will continue into fiscal year 2015 with the Bell County Commissioners Court, Village of Salado, Salado Water Supply Corporation, Jarrell Schwertner Water Supply Corporation, Texas Home Builders Association, Texas A&M AgriLife Extension Institute of Renewable and Natural Resources, Baylor University Geologist - Dr. Joe Yelderman, U. S. Geological Survey - Texas Water Science Survey, and U.S.F.W.S. - Texas Fish and Wildlife Conservation Office. The Stakeholders group collectively contributed \$60,000 through FY15 to evaluate current science and to develop new science regarding the Edwards (BFZ) aquifer and the Salado Salamander habitat. The District defends the position that regulating mechanisms are in place (by CUWCD) on spring flow to protect the specie.

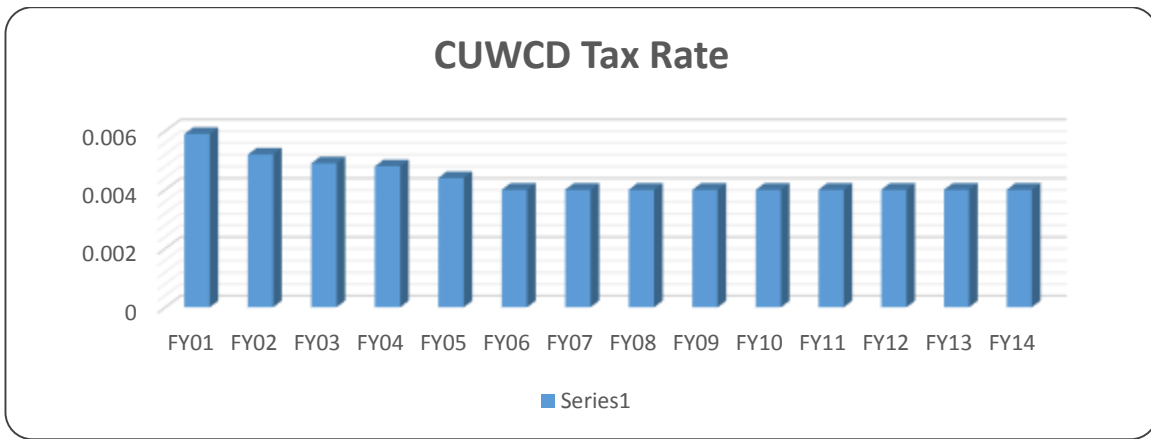
Alton D. Thiele, P.C.

An annual audit of the District's finances is required by Chapter 36.153 of the Texas Water Code to determine the financial condition of the district. Alton D. Thiele, P.C., Certified Public Accountant located in Belton Texas provides the annual financial audit for the District. For more information, see section "B.2 Financial Audit" later in this report.

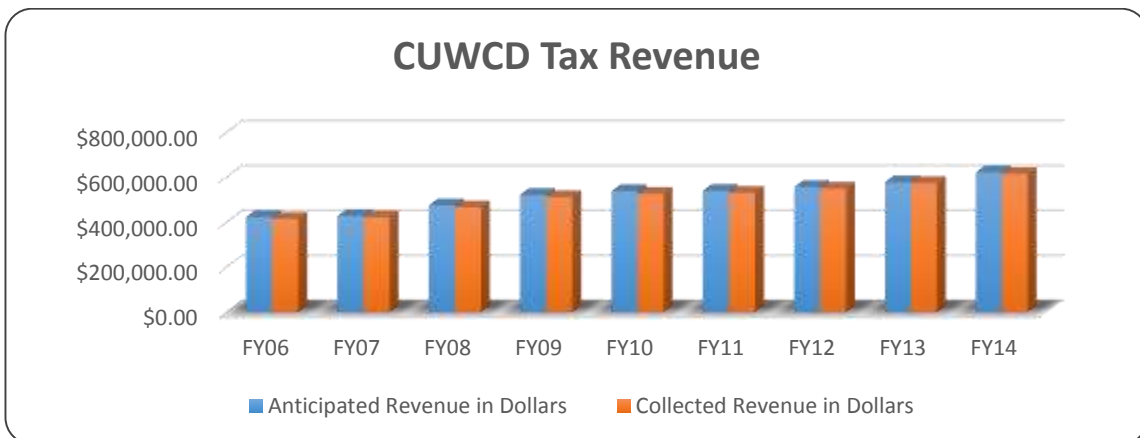
B. Financial Items

1. Budget and Tax Rate

The District held three workshops (June, July and August 2014) to develop an operating budget for the upcoming fiscal year (FY15) and to set the corresponding ad valorem tax rate. The District has consistently lowered or kept the same tax rate since it began assessing taxes. The adopted tax rate for FY14-15 was \$0.0040/\$100 valuation, the same rate as the previous nine fiscal years.



The Budget for FY14 was \$737,039.00 and ended with the adjusted income of \$729,988.51. The total expenditures were \$596,393.03 and the district was able to end the year under budget by \$133,595.48. The Board prescribed closing the year with \$133,595.48 being returned to the Reserve Fund.



The approved budget for FY14, along with the schedule of revenues and expenditures is attached as Appendix A.

2. Financial Audit

An annual audit of the District's finances is required by Chapter 36.153 of the Texas Water Code to determine the financial condition of the district. Alton D. Thiele, P.C., Certified Public Accountant located in Belton Texas provided the 2014 annual financial audit for the District. The audit began immediately at the closing of FY14 on September 30, 2014 and they concluded their audit and submitted their findings to the District in February 2015.

See Appendix B for FY14 Financial Audit.

Online: <http://www.cuwcd.org/public-records/audits/>

C. Miscellaneous Policies / Issues

1. Administrative Fee Schedule Revised

The Board revised the Administrative Fee Schedule effective October 1, 2013 to incorporate costs associated with processing permit applications. These fees cover administrative review, technical review, and legal consultation on behalf of the Applicant and the District.

See Appendix C for revised Fee Schedule.

2. District Travel and Subsistence Policy Amended

The Board revised the District Travel and Subsistence Policy effective November 12, 2013 to further clarify both reimbursable travel expenses and those that are unallowable expenses. This covers all scopes of travel to include mileage, meals, and lodging expenditures.

See Appendix D for Board Resolution Amending District Travel and Subsistence Policy.

3. District Rule Amendments

The Board amended the District Rules in January 2014, in accordance with Chapter 36 requiring public notice, a public hearing, and approval by resolution. These suggestions are were based on previous discussions, well owner concerns about construction standards, and enforcement rules associated with improper construction and plugging. The amended sections have been listed below.

a) Section 8. General Permitting Policies and Procedures

Rule 8.3: Permit exclusions and exemptions to address the need for an amendment allowing 50 foot setback from the center of a public road to meet the minimum setback from adjacent property lines per spacing requirements.

b) Section 11. Well Location and Completion

Rule 11.1 Responsibilities of Landowners, Licensed Well Drillers and Pump Installers Requirement for Well Drillers and Pump Installers to be in good standing with TDLR, and the district so that expectations of the district to conduct all work in accordance with the district rules.

Rule 11.3 Standards of Completion for Domestic, Industrial, Injection and Irrigation Wells

11.3.1 Special Standards of Completion for the nine grids associated with the Hidden Springs area of the District.

Rule 11.3.2 Special Standards in accordance with TDLR standards and expectations by the district when encountering Undesirable Water or Constituents.

c) Section 13. Rule Making and other Hearings

Rule 13.5 add the DFC enforcement statement

d) *Section 14. Investigations and Enforcement*

Rule 14.3 Rule Enforcement

Rule 14.3.1 Rule Enforcement provide clarity and options for resolution

- a) Informal notice
- b) Written notice
- c) Compliance meeting

Rule 14.3.2 Show Cause Hearing

- a) b) c) d) are all associated with the procedural method of the hearing

Rule 14.3.3 Remedies (related to Board findings)

Rule 14.3.4 fees and civil penalties

Rule 14.3.5 District options to afford a cure of violation and settle the matter

Rule 14.3.6 District option to commence suit

Rule 14.5 Capping and Plugging of Wells

Rule 14.5.2 Special provisions for prior and/or after-the fact variances.

See our website for complete rules: <http://www.cuwcd.org/regulatory-program/district-rules/>

See Appendix E for Board Resolution Amending District Rules.

4. Capitalization Policy

In April of 2014 the District Board of Directors adopted a new Capitalization Policy to establish the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in both monthly and annual financial statements. The District established \$2,500.00 as the threshold amount for minimum capitalization. Any items costing below this amount will be expensed in the District financial statements.

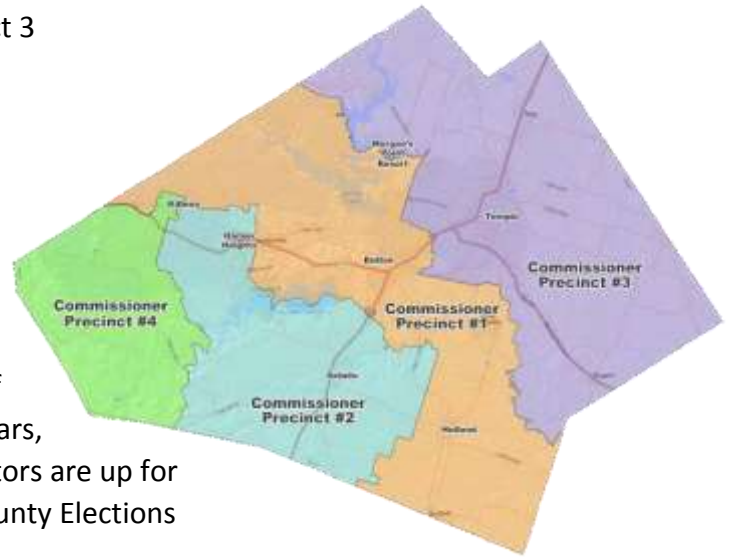
See Appendix F for Board Resolution regarding the Capitalization Policy.

D. Board of Directors

1. District Officers

The FY 2014 Officers are identified below, along with the office they held and precinct they represent. The map to the right is a map of the Bell County Commissioner Precincts which also serves as the precinct boundaries for the District.

Leland Gersbach, President – Precinct 1
Wallace Biskup, Vice President – Precinct 3
Judy Parker, Secretary – Precinct 4
Bill Bartlett, Director – Precinct 2
David Cole, Director – At Large



The General Election, held November 4, 2014 is the standard election of Directors of Clearwater UWCD. On the even number years, precinct 2, precinct 4 and the at-large directors are up for election. The district contracts with Bell County Elections department to conduct the election.

In accordance with section 2.051-2.053, of the Texas Election Code the General Manager, Dirk Aaron, certified on September 9, 2014 that the candidates for the At-large District Director and Precinct 2 District Director were unopposed and that the Board of Directors could by order cancel the election for those directors. The board by resolution canceled the elections for Precinct 2 and the At-large district Directorships, in accordance with Texas Election Code. The District Director Position for Precinct 4 did have three candidates, and the district moved election forward for that position.

The district canvassed the election on November 18, 2014 and swore the three directors into office on November 20, 2014. Per the election, district director for At-large is R. David Cole, precinct 2 is C. Gary Young, and precinct 4 is Judy Parker. On December 10, 2014, the board approved the officers for the next calendar year to be as follows:

Leland Gersbach, President - Precinct 1
Wallace Biskup - Vice President, Precinct 3
Judy Parker - Secretary, Precinct 4
C. Gary Young - Precinct 2
David Cole - At Large



2. Meetings - FY14 (Oct 2013-Sept 2014)

The Board of Directors held 13 Board meetings, 10 Workshops, and 1 informational meeting in FY14. The Workshops and regular Board meeting agendas included discussion and presentations on the topics listed below.

- Presentations by USGS Water Science Group
- Presentations by Baylor University regarding current status of the Edwards (BFZ) Aquifer
- Legislative updates
- Conduct hearings on drilling and operating permits
- Salado Salamander issues as it pertains to CUWCD's governance of groundwater
- Reviewed effectiveness of voluntary drought contingency plan

All board meeting agendas, minutes, and financial reports can be viewed online by visiting <http://www.cuwcd.org/public-records/>

3. Public Advisory Committee

The Public Advisory Committee (PAC) serves as a liaison between the Clearwater Board and the residents of Bell County. Each Board member selects one person to serve for a one year term. The public advisory members meet as needed, and regularly attend the monthly Board meetings.

No PAC meetings were held during FY14. Throughout FY14, most PAC members regularly attended the Clearwater Board meetings. The PAC has provided valuable comments to the Board members at these meetings and they continue to value the input from the PAC. The Board will assign tasks to them as needed.

Tom Madden	-	Precinct 1
Henry Bunke	-	Precinct 2
Marvin Green, PAC Chair	-	Precinct 3
Bradley Ware	-	Precinct 4
Bill Schumann	-	At-Large

E. Management Plan

Texas Water Code, Chapter 36.1071--36.1073, states the District Management Plan must be reviewed and readopted every 5 years. The plan is then subject to approval by the Texas Water Development Board (TWDB). Clearwater's management plan was due to the TWDB by March 6, 2011. Proposed revisions for the 5 year update to the District Management Plan went through two preliminary reviews by the Texas Water Development Board (TWDB). The revised Management Plan was accepted by the Board following the public hearing on the revised Management Plan, which was held at Tuesday February 8, 2011 meeting. Afterwards, the Board adopted the revised plan. The Management Plan was sent to TWDB for approval prior to the due date, March 6, 2011. The district received approval from TWDB on April 13, 2011.

3. Management Plan Requirements

The District Management Plan identifies the goals and objectives of the District and provides performance standards and tracking methods to measure the District's effectiveness in meeting these goals. The District goals are mandated by Texas Water Code Chapter 36, Section 36.1071. Although all groundwater conservation districts are subject to these goals, each district chooses how to best implement the goals within their district by establishing their own objectives and performance standards.

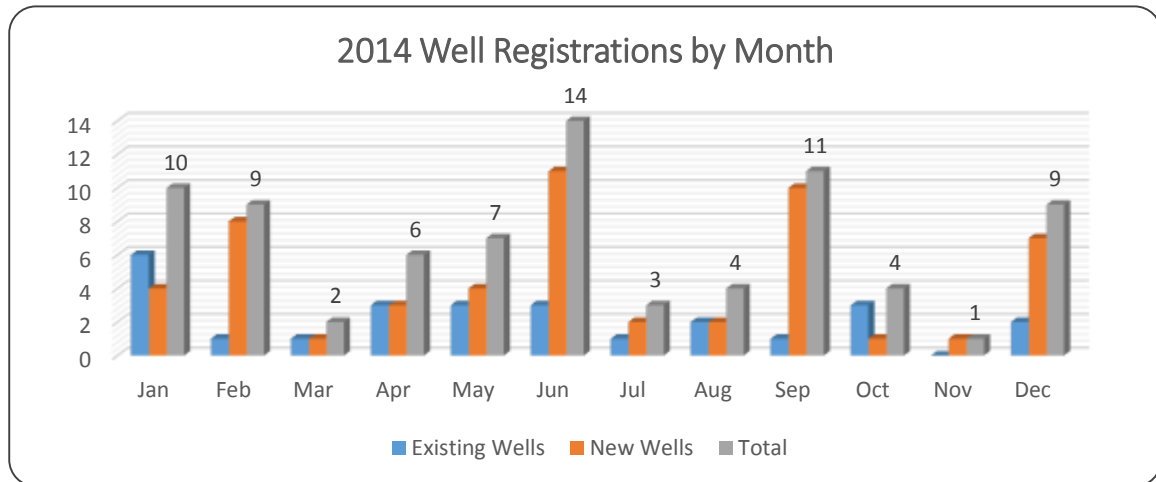
A. Providing the Most Efficient Use of Groundwater

1. Well Registrations

Objective: Each year, the District will require the registration of all wells within the District's jurisdiction.

Objective Satisfied

During calendar year 2014, 80 wells were registered. The tables below summarize well registration and permitting activity from January 1, 2014 through December 31, 2014.



Appendix G for Master Registration Table

2. Permitted Well Applications

Objective: Each year, the District will require permits for all non-exempt use of groundwater in the District as defined in the District rules, in accordance with adopted procedures.

Objective Satisfied

Of the 80 wells registered in 2014, only 6 of those were classified as non-exempt. The Table below summarizes the non-exempt wells that were registered during 2014 and the corresponding permits that were issued where applicable.

Non-Exempt Permitted Well Registrations for 2014 Calendar Year

Well #	Land Owner	Ac-Ft / Year	Aquifer	Use	Permit Type
N1-14-001P	Karen Duerr	.27	Edwards (BFZ)	Domestic	Drilling & Operating
N2-14-001G	Dean Mikeska	100.0	Alluvium	Ag/Irrigation	Operating
N2-14-002P	Dean Mikeska	100	Lower Trinity	Ag/Irrigation	Drilling

N2-14-003P	Rock Solid Stone	0	Lower Trinity	Industrial	Drilling & Operating
N2-14-004P	Central Texas WSC	726	Lower Trinity	Public Supply	Drilling
N2-14-005P	Central Texas WSC	1,695	Lower Trinity	Public Supply	Drilling

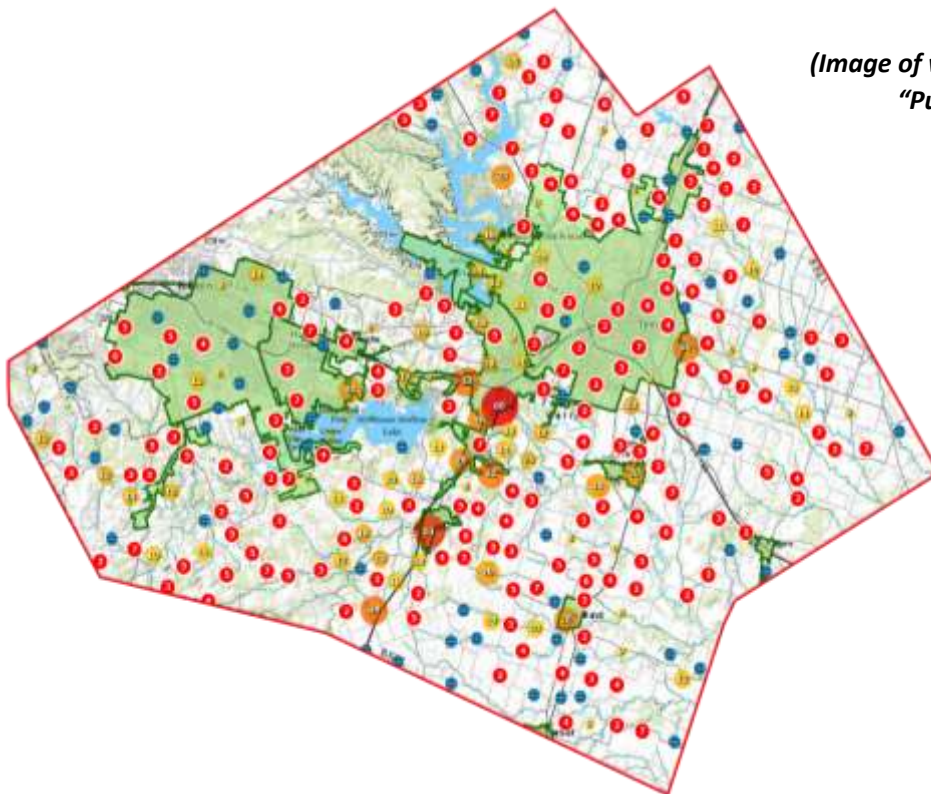
3. Groundwater Database

Objective: Each year, the District will maintain a groundwater database to include information relating to well location, production volume, and other pertinent information deemed necessary by the District to enable effective monitoring of groundwater in Bell County.

Objective Satisfied

District GIS Database

The District maintains an online GIS system and works closely with Halff Associates, Inc. to provide web based access to our ever growing database of well information. Every well registered in the District is available in our database with latitude and longitude and also the elevation of the land surface at the well head. With the well information, the District has the ability to attach production and permit information along with other pertinent data. The public maps are available on the District website's homepage, or by going to the following web address and click on Public Access Maps: <http://www.cuwcd.org/>



*(Image of wells taken from CUWCD
"Public Access Site")*

Non-exempt Well Production

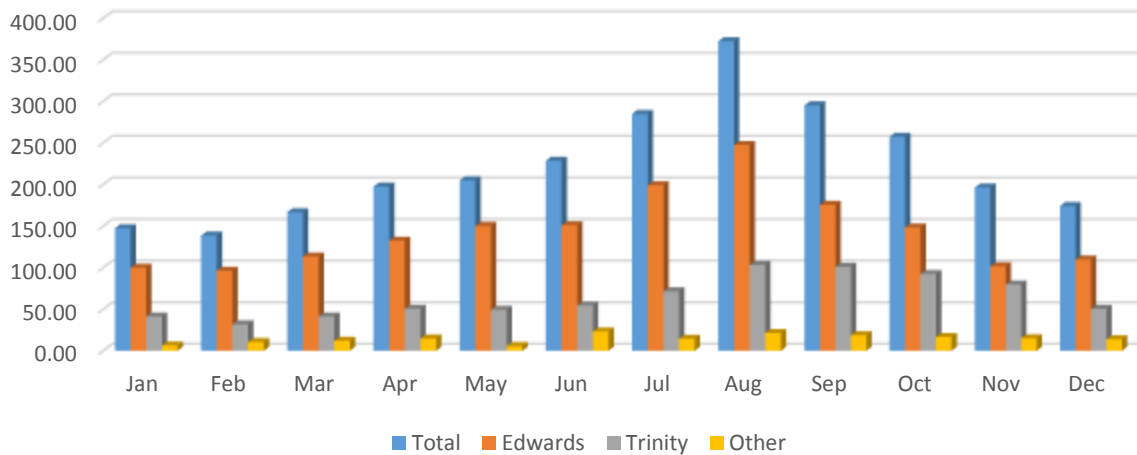
The District continued collecting data from non-exempt wells during 2014. Monthly production reports are required by the 5th day of the following month for all wells with operating permits. The tables below show the total permitted amount for the non-exempt wells and their total production. In 2014, actual water production figures were significantly lower than the amount permitted. Part of this is due to the issuance of Historic and Existing Use Permits (HEUP). The HEUPs are issued for the full permit amount, regardless of whether the permittee will be using this amount during the year.

2014 Permitted Wells

	Permitted Ac-Ft	# Wells	Actual Use Ac-Ft	# Wells	% Usage
Edwards (BFZ)	2,502.66	44	1,725.01	41	68.93%
Trinity (total)	2,676.57	51	766.64	42	28.64%
Glen Rose	182.05	6	74.70	5	41.03%
Hensell	462.98	24	87.10	22	18.82%
Hosston	2,189.94	21	604.84	16	27.55%
Other Aquifers	577.54	17	172.75	15	29.91%
Total	7,756.77	112	2,664.40	98	46.28%

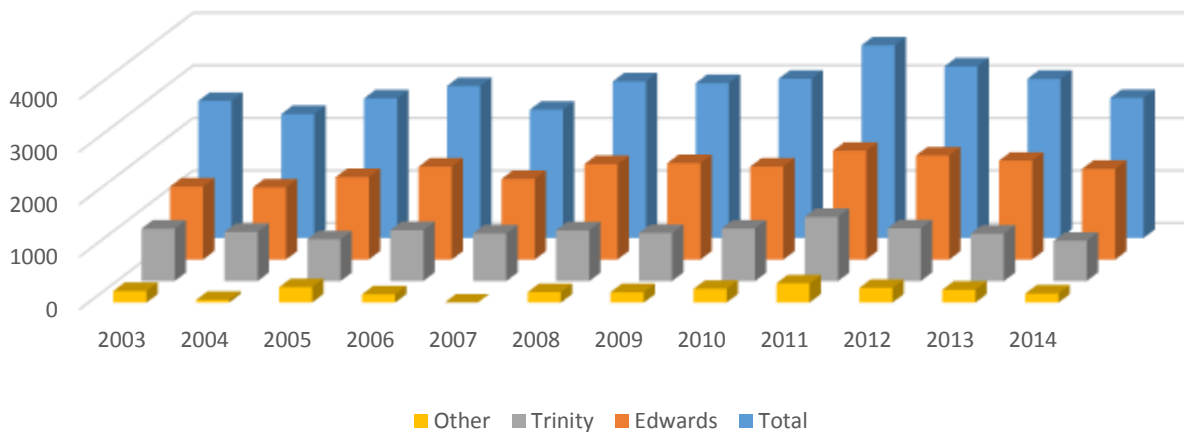
The following chart shows 2014 production by month and aquifer. Production was at its highest level during the month of August with a monthly withdrawal of 372.33 ac-ft. Throughout the year, withdrawals from the Edwards BFZ were consistently higher than from the Trinity aquifer. Production from other source formations was minimal throughout the year. Production from other source formations is higher during May and June which reflects agriculture irrigation necessary at that time of year.

Production From Non-Exempt Wells in 2014



In the following graph, production from 2014 (98 wells) is shown compared to production in years 2003 through 2014. Overall production in 2014 was 2,664.40 ac-ft. This number has been decreasing from the previous years with production from all sources continually declining since the drought of 2011. The Edwards (BFZ) had a total production for 2014 of 1,725.01 ac-ft, total Trinity aquifer production was 766.64 ac-ft, and other formations produced 172.75 ac-ft of water.

Production From Non-Exempt Wells 2003 - 2014



See Appendix H for 2014 Well Production Report

Groundwater Transport

During 2014, five entities in Bell County transported groundwater outside the District. A total transport of 25.26 ac-ft. occurred from the Edwards BFZ aquifer and 115.95 ac-ft. from the Trinity aquifer. The District is allowed by state law to charge a transport fee of \$0.025/\$1,000 gallons transported. This generated total revenue of \$493.94 for 2014.

Entity	Aquifer	County	Ac-Ft	Gallons	Fee
Bell-Milam-Falls WSC	Lower Trinity	Falls, Milam, Williamson	95.77	31,208,300	\$265.27
East Bell WSC	Lower Trinity	Falls	11.66	3,800,000	\$4.50
Jarrell Schwertner WSC	Edwards (BFZ)	Williamson	25.26	8,229,885	\$205.75
Little Elm Valley WSC	Lower Trinity	Falls	4.67	1,520,500	\$11.40
O&B WSC	Lower Trinity	Falls	3.85	1,253,000	\$7.02
		TOTAL	141.21	46,011,685	\$493.94

Water Loss in Public Water Systems

The District tracks water loss of all public water supply systems in Bell County that utilize groundwater. Real Losses, also referred to as physical losses, are actual losses of water from the system and consist of leakage from transmission and distribution mains, leakage and overflows from the water system's storage tanks and leakage from service connections up to and including the meter.



Water leaking from a supply line

Bell County Water Loss 2010-2014

Entity	2014 Loss (% of water)	2013 Loss (% of water)	2012 Loss (% of water)	2011 Loss (% of water)	2010 Loss (% of water)
Armstrong WSC.	13	N/R*	N/R*	N/R*	21.4
Bell Co. WCID #2	9	12.54	13.80	12.60	4.56
Bell Co. WCID #5	15	9.00	12.00	13.65	10.49
Bell-Milam-Falls WSC.	34	26.45	22.00	7.00	41.07
City of Troy	24.5	33.00	8.07	N/R*	6.64
East Bell WSC.	13.71	17.04	18.00	22.01	25.17
Jarrell-Schwertner WSC.	54.25	48.72	38.00	30.20	38.41
Little Elm Valley WSC.	27	23.75	21.00	22.51	18.55
Moffat WSC.	6.37	4.16	6.90	5.70	3.05
Oenaville/Bellfalls WSC.	14.47	9.64	11.46	9.97	4.92
Pendleton WSC.	22.73	23.18	18.00	14.78	18.02
Salado WSC.	9.6	14.47	8.00	5.73	7.06

* Not Reported

Exempt Well Production

Each year, the exempt wells that have been registered are evaluated. The aquifer from which they are producing is determined and an estimate of their total annual production is calculated. The results are shown below for exempt wells registered through December 31, 2014. Most of the exempt wells in Bell County are used for domestic purposes and their use estimate assumes 176.94 gallons/person per day (TWDB estimate of domestic use outside of a municipal water system) and 2.90 persons/household (U.S. Census - Bell County Average 2008-12). Exempt well use estimate factors out all plugged, capped, monitor and inactive wells in the database.

2014 Exempt Well Production

	Reserved	Estimated Use*	# Wells
Edwards (BFZ)	825 ac-ft	385 ac-ft	641
Trinity	1,419 ac-ft	929 ac-ft	1,562
Other Aquifers	N/A	751 ac-ft	1,209
Total	2,244 ac-ft	2,065 ac-ft	3,412

** Domestic use estimate assumes 176.94 gallons/person per day (TWDB estimate of domestic use outside of a municipal water system) and 2.90 persons/household (U.S. Census - Bell County average 2008-12)*

See Appendix I for 2014 Exempt Well Use

Combined Well Production Data

Combining the production from the non-exempt wells with the estimated production from the exempt wells, the following production figures result:

Aquifer	Non-Exempt Well Production (Ac-Ft / Year)	% of Total	Estimated Exempt Well Production (Ac-Ft / Year)	% of Total	Total Production (Ac-Ft / Year)	% of Total
Edwards (BFZ)	1,725.01	81.75	385	18.25	2,110.01	44.61
Trinity	766.64	45.21	929	54.79	1,695.64	35.85
Other Aquifers	172.75	18.70	751	81.30	923.75	19.53
Total	2,664.40	56.34	2,065	43.66	4,729.40	100%

The chart above shows that overall, exempt wells account for 43.66% of all the groundwater produced in Bell County. In the Trinity, 54.79% of production is attributed to exempt wells; however, in the Edwards BFZ, exempt wells only account for 18.25% of groundwater production, with the vast majority coming from non-exempt wells. During 2014, 81.30% of the production from wells producing from other groundwater sources is attributed to exempt wells.

Overall, production from the Edwards BFZ aquifer accounts for 44.61% of total groundwater used in Bell County, with the Trinity aquifer accounting for 35.85%, and other aquifers accounting for 19.53%.

Modeled Available Groundwater - Analysis of Permits and Exempt Use Reserves (in acre feet)

Aquifer	MAG Modeled *	Reserved for Exempt	Managed	HEU Permit	Operating Permit	Remaining MAG
Edwards (BFZ)	6,469	825	5,644	2,209.70	292.96	3,141.34
Trinity	7,068	1,419	5,649	1,502.60	1,173.97**	2,972.43
Glen Rose (Upper)	992	693	299	61.90	120.15	116.95
Hensell (Middle)	1,076	548	528	259.30	203.68	65.02
Hosston (Lower)	5000	178	4,822	1,181.40	850.14	2,790.46

** The Modeled Available Groundwater (MAG) is the estimated amount of water available for permitting assigned to Clearwater UWCD by the Executive Administrator of TWDB.*

*** Drilling permits to Central Texas WSC, in the Lower Trinity are in place. Operating permits will be reviewed upon completion of the wells. Drilling permit does not guarantee production amounts.*

See Appendix J for the 2014 Edwards and Trinity Aquifer Status Reports

4. Annual Newsletter

Objective: Each year, the District will disseminate educational information on groundwater through publication of a District newsletter.

Objective Satisfied

Annually, the District publishes a newsletter and mails it to registered well owners in Bell County. In 2014 the total number of newsletters printed were 3,300 with over 3,000 copies directly mailed to well owners. The others are handed out to people that come into the office and electronic copies are emailed out to permit holders and other interested parties.

See Appendix K for Annual Newsletter.

B. Controlling and Preventing Waste of Groundwater

Outreach and Education

Objective: Each year, the District will disseminate educational information on controlling and preventing the waste of groundwater focusing on water quality protection through at least one classroom or public presentation.

Objective Satisfied

District staff is available to speak to any group within our geographical boundaries. In 2014, District staff reached over 2,887 adults and children in Bell County directly through giving presentations and making contact at event booths. This number increased by over 400 people from the previous year. We often give power point presentations to adult groups



explaining the District and how we function along with covering important water topics like conservation and watershed management. Each year the District sponsors the Major Rivers Water Education Program. This program is geared toward 4th and 5th grade students. Materials are distributed as requested by teachers. One kit includes: teacher's binder and transparencies, CD-Rom, Introductory DVD video, 30 student workbooks, and 30 take home leaflets.

In the classroom, we provide the Major Rivers curriculum and give supporting presentations with an Enviroscape watershed model and rainfall simulator. We make sure to always have handouts for the kids like color changing pencils, rulers and cups that change color when cold water is poured in. All handouts are branded with district information and most items have water conservation tips printed on them.

See Appendix L for Education and Outreach Events.

C. Addressing Conjunctive Surface Water Management Issues

Regional Planning Process Participation

Objective: Each year, the District will participate in the regional planning process by attending a minimum of two meetings of the Brazos G Regional Water Planning Group per fiscal year.

Objective Satisfied

During FY14, District Representative Judy Parker and District General Manager Dirk Aaron attended all scheduled meetings. Judy Parker was also elected by the GMA8 Membership to represent the Groundwater Management Area as and appointed member of Region G. Below is a list of the FY14 Brazos G Regional Water Planning Group



October 17, 2013	Attended
February 26, 2014	Attended
April 2, 2014	Attended
May 7, 2014	Attended

June 4, 2014	Attended
August 6, 2014	Attended
September 3, 2014	Attended

D. Addressing Natural Resource Issues which Impact the Use and Availability of Groundwater, and which are impacted by the Use of Groundwater

Monitoring Water Quality

Objective: Each year the District will monitor water quality within the District by obtaining water samples from wells and testing the water quality of at least 6 wells.

Objective Satisfied

The District has an in-house water quality lab and offers a free screening service to registered well owners. Testing parameters include coliform bacteria; alkalinity; conductivity / total dissolved solids; fluoride; hardness; nitrate; nitrite; pH; phosphate; and sulfate. During FY14, the staff conducted screening on 32 groundwater samples brought in by well owners. Six samples tested were from the Edwards (BFZ) aquifer, four samples from the Upper Trinity, eighteen samples from the Middle Trinity, two samples from the Lower Trinity, and two samples from alluvial formations.

The District's lab is intended to provide a general water quality screening only. When a certified test is needed, the District sends properly collected well samples to BioChem located in West, Texas. During FY14, 5 samples were sent out for certified testing.

A summary of the well screening results are shown in Appendix M.

E. Addressing Drought Conditions

The District's Management Plan requires that the General Manager, Staff and Board of Directors review the District's drought status on a monthly basis. The decisions to declare drought levels per the District's Drought Management Plan approved December 17th, 2009, are reviewed weekly by the General Manager. The Drought Management plans are designed to reflect conditions of the Trinity and Edwards (BFZ) Aquifers independently of each other based on the specified triggers (PDI and/or Spring Flow).

1. Monitor Drought Conditions in the Edwards Aquifer

Objective: Each year, the District will monitor drought conditions in the Edwards aquifer through the process established in the drought management plan for the Edwards aquifer adopted by the Board of Directors.

Objective Satisfied

Under the Edwards BFZ Drought Management Plan, a drought stage is triggered when either the Precipitation Deficit Index (PDI) is less than a drought state trigger condition exceeding for a period of 28 consecutive days and shall be reduced or terminated when the PDI is greater than the trigger condition exceeding for a period of 42 consecutive days, or the average spring discharge measured via stream flow gauges in Salado Creek fall below the trigger level for the periods described time.

Below are the declared stages during the fiscal year.

EDWARDS BFZ AQUIFER DROUGHT STATUS



Date	Declared Drought Stage	Salado Creek Acre ft/Month	Salado Creek CFS	PDI Total	PDI % Total
12/18/2013	Stage 1 – Awareness	1,436	24.1	28.72	87.04
2/10/14	Stage 1 – Awareness	1,035	17.4	27.46	83.21
5/19/14	Stage 1 – Awareness	601	10.1	28.48	86.29
7/8/14	Stage 1 – Awareness	467.7	7.85	34.46	104.43
8/12/14	Stage 2 – Concern	294.2	4.94	30.77	93.24
9/8/14	Stage 2 – Concern	280.9	4.72	30.05	91.06
10/1/14	Stage 2 – Concern	372.5	6.26	29.85	90.45

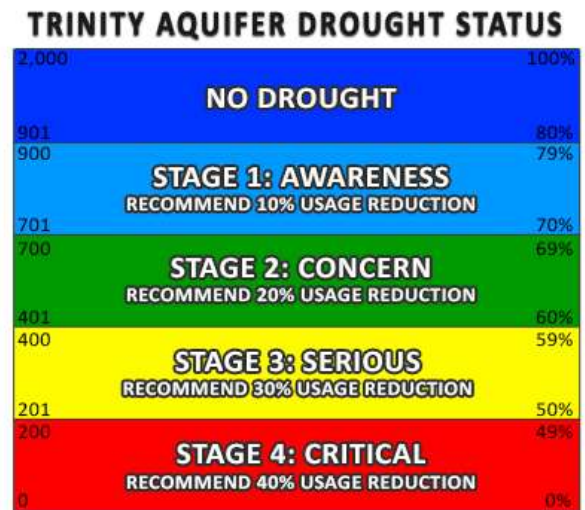
2. Monitor Drought Conditions in the Trinity Aquifer

Objective: Each year, the District will monitor drought conditions in the Trinity aquifer through the process established in the drought management plan for the Trinity aquifer adopted by the Board of Directors.

Objective Satisfied

Under the Trinity Aquifer Drought Management Plan, a drought stage is only be triggered when the Precipitation Deficit Index (PDI) is less than a drought state trigger condition exceeding for a period of 28 consecutive days and shall be reduced or terminated when the PDI is greater than the trigger condition exceeding for a period of 42 consecutive days.

Below are the declared stages during the fiscal year.



Date	Declared Drought Stage	PDI Total	PDI % Total
11/11/2013	Stage 1 – Awareness	27.33	82.83
12/18/13	No Drought	29.60	89.69
2/10/14	No Drought	28.09	85.13
5/19/14	Stage 1 – Awareness	27.12	82.17
7/8/14	Stage 1 – Awareness	38.48	116.62
8/7/14	Stage 1 – Awareness	31.54	95.57
9/3/14	Stage 2 – Concern	31.13	94.32
10/1/14	Stage 2 – Concern	30.33	91.92

F. Addressing Conservation, Recharge Enhancement, Rainwater Harvesting, Precipitation Enhancement, and Brush Control, Where Appropriate and Cost-Effective

1. Conservation

Objective: Each year, the District will promote conservation by conducting an annual scholastic contest on water conservation or; distributing conservation brochures/literature to the public.

Objective Satisfied

The District's Management Plan requires promotion of conservation by one outreach method/activity. During 2014, the District exceeded this requirement by aggressive outreach through classroom presentations, District's website, and other public presentations such as the

annual Water Symposium. District staff reached over 2,887 adults and children in Bell County directly through giving presentations and making contact at event booths where conservation materials were both discussed and handed out. This number represents an increase of over 400 people from the previous year.

See Appendix L for Education and Outreach Events.

2. Rainwater Harvesting

Objective: Each year, the District will promote rainwater harvesting by posting information on rainwater harvesting on the District web site.

Objective Satisfied

The District's Management Plan requires promotion of rainwater harvesting by posting information on the District website. The District satisfied this requirement by including a segment on rainwater harvesting on its website under the Education menu tab along with a link to the Texas A&M AgriLife Extension website and their Rainwater Harvesting Manual. Also included are links to Rainwater Harvesting Contacts and Suppliers and to the Texas A&M AgriLife Extension manual on Rainwater Harvesting Landscape Methods. The District's office has a rainwater harvesting setup for demonstration purposes.

<http://www.cuwcd.org/education/rainwater-harvesting/>

A copy of the posted information is included under Appendix N.

3. Brush Control

Objective: Each year, the District will provide information relating to brush control on the District web site.

Objective Satisfied

The District's Management Plan requires promotion of conservation by providing information relating to brush control on the District website. The District satisfied this requirement by including a segment on brush control on its website under the Education menu tab. For additional information on brush control, links to the Texas A&M AgriLife Extension website are provided. Also included is a link to the Brush Management Fact Sheet produced by Environmental Defense.

<http://www.cuwcd.org/education/brush-control/>

A copy of the posted information is included under Appendix O.

4. Recharge Enhancement

Objective: Each year, the District will provide information relating to recharge enhancement on the District web site.

Objective Satisfied

The District's Management Plan requires promotion of conservation by providing information relating to recharge enhancement, and the District satisfied this requirement by including a segment on recharge enhancement on its website under the Education menu tab. For additional information on recharge enhancement, links to the Texas State Soil and Water Conservation website, and the Leon River Restoration Project website are provided. In addition, the District has contracted with Baylor University to help gain a better scientific understanding of the Edwards (BFZ) and its recharge zone.

<http://www.cuwcd.org/education/recharge-enhancement/>

A copy of the posted information is included under Appendix P.

G. Addressing in a Quantitative Manner the Desired Future Conditions of the Groundwater Resources

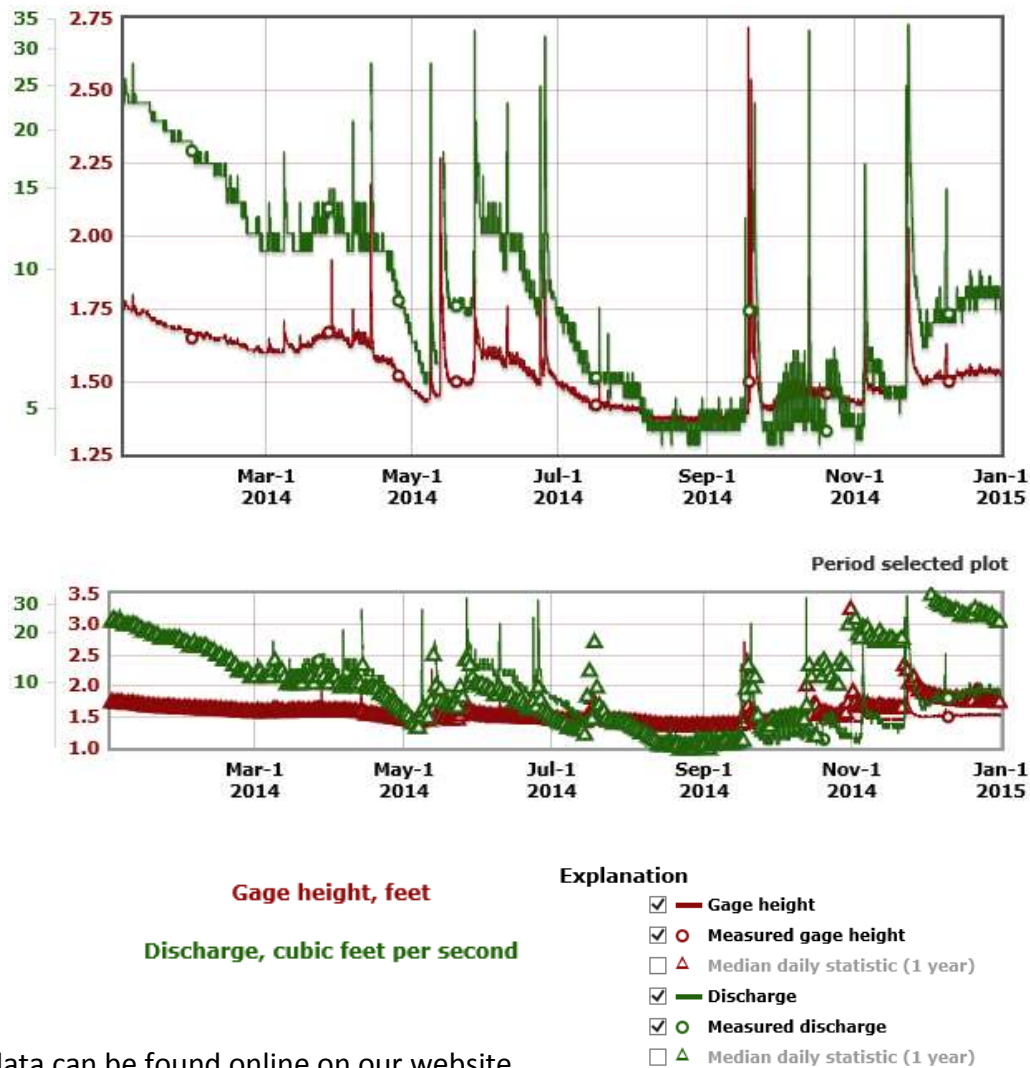
1. Salado Springs

Objective: Each year, the District will include a summary of the monthly average discharge rate of Salado Springs and a discussion of the conservation measures implemented (if any are necessary) to avoid impairment of the Desired Future Conditions for the Edwards aquifer established by GMA-8, in the Annual Report to the Board of Directors.

Objective Satisfied

The gauges in the Salado Creek have been an important mechanism to protect spring flow. The District began collecting data from the Salado Creek stream flow gauges during FY08 with the assistance of multiple contractors. During the spring of 2013 an upgraded gauge package by the USGS Water Science Group was installed and the process of analyzing the data and recalibrating the system began. This process was lengthy, but essential to ensure accuracy of the data collected. The new gauges and relationship with the USGS have proved to be an important step forward in monitoring spring flow. Below is a screen shot of the spring flow data for the calendar year 2014.

Salado Creek – USGS 08104300



The live data can be found online on our website.

<http://www.cuwcd.org/salado-springs/salado-creek-gauges/>

2. (a) Static Water Level Measurements

Objective: Each year, the District will collect at least 5 water-level measurements from the Trinity aquifer monitor wells located in the District.

Objective Satisfied

The Texas Water Development Board (TWDB) typically measures water levels in selected wells in January each year. Clearwater measures water levels in selected wells four times annually to collect more comprehensive data on water levels in Bell County.

Comparing the water level measurements taken by the District with those taken by the TWDB is sometimes difficult due to differences in measurement procedures and equipment. Clearwater primarily uses a Sonic Wave Meter and only utilizes an e-line if necessary. Large producers are asked to turn the pump off at least one hour prior to the measurement to allow the aquifer levels

time to stabilize. The TWDB typically uses a steel tape or an airline and does not request the pump to be turned off.

The District has been increasing monitor well locations throughout Bell County, thus some wells have very little historical information. Adding these wells is essential to have a broader spectrum of data to analyze in future years.

A copy of the measurements is included under Appendix Q.

2. (b) Changes in Water Levels

Objective: Each year, the Annual Report to the Board of Directors will include a discussion of the change in water-levels in each Trinity aquifer subdivision for which a Desired Future Condition is established by GMA-8.

Objective Satisfied

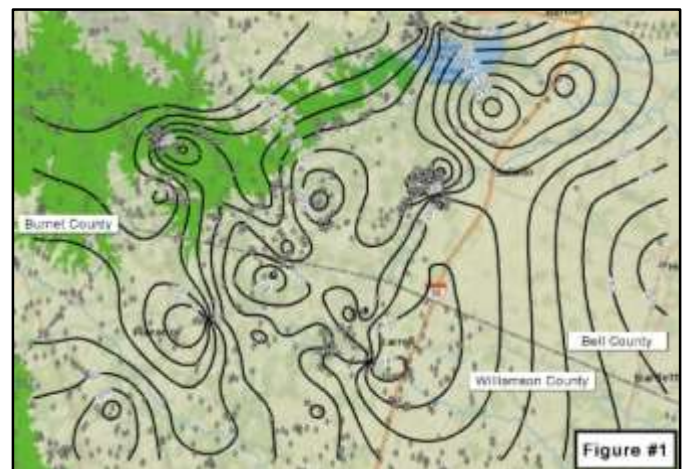
The District prepares a status report (Appendix J – Trinity Aquifer Status Report 2014) that explains the status of the Trinity aquifers by layer at any given time. The DFC analysis from 2000 to present compares DFC adopted drawdown to actual drawdown figures for Bell County. In addition, potential production from both permitted wells and exempt wells is compared to MAG with figures showing how much actual water is available for permitting.

4. Miscellaneous Activities

In addition to the Management Plan requirements, Clearwater is involved in several miscellaneous activities as follows:

A. Middle Trinity Groundwater Study

During the late summer in 2014, Clearwater UWCD received numerous reports from property owners and local well drillers that indicated water levels within the Middle Trinity aquifer in the southwest region of Bell County, were declining at a rapid rate. These reported declines are creating a burden on well owners, because many have had to lowering or replace of pumps in order to continue obtaining needed water supplies. To quantify the amount of water level decline and determine where declines were the greatest, Clearwater UWCD hired LBG-Guyton & Associates to conduct an evaluation of the water levels



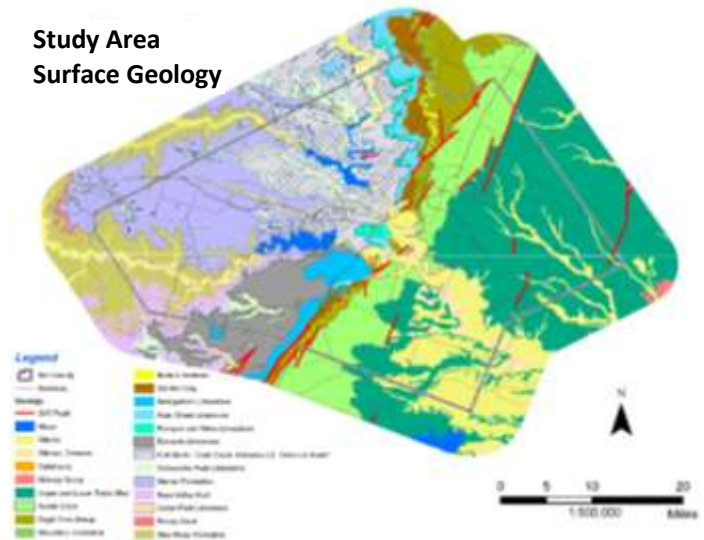
collected from wells drilled to the Middle Trinity aquifer during 2006, 2010, and 2013 to gain a historical perspective.

The Middle Trinity Study and Power Point can be viewed online at:
<http://www.cuwcd.org/aquifer-science/trinity-aquifer/>

B. Bell County Groundwater 3D Model

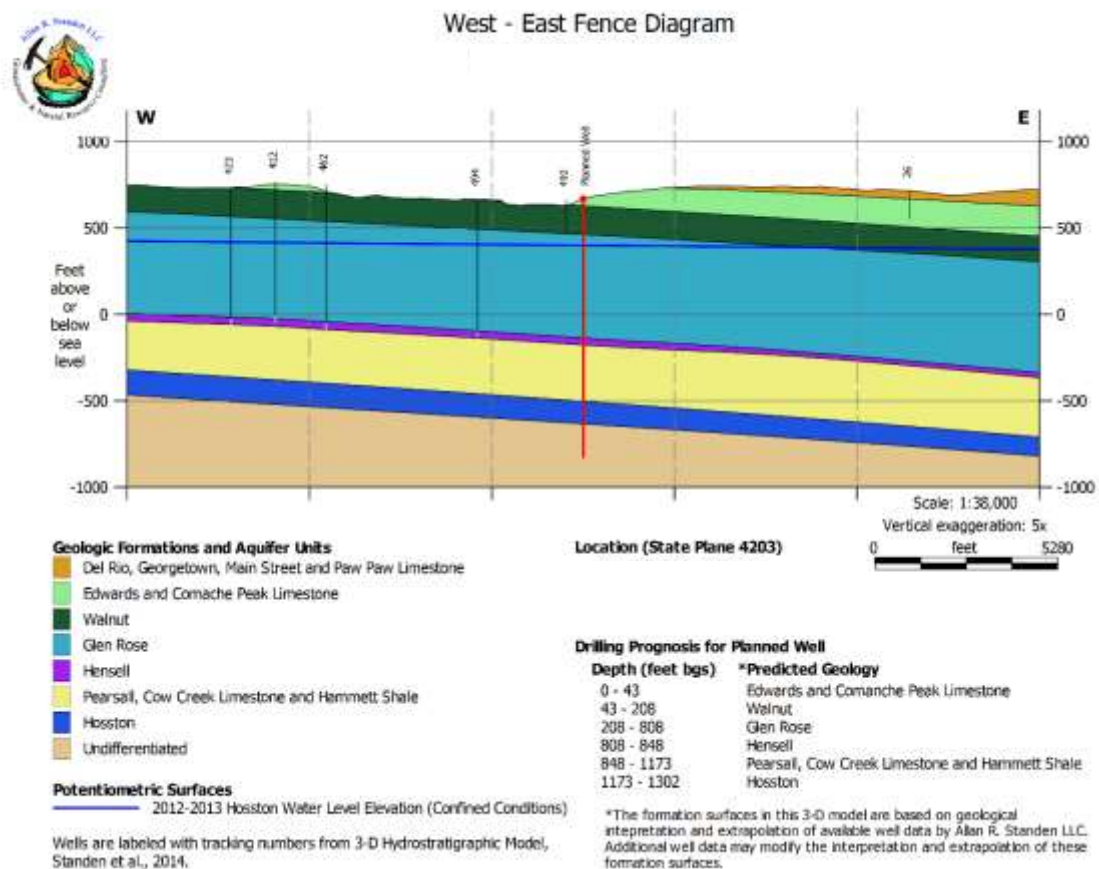
Clearwater UWCD entered into a professional services contract with Allan R. Standen LLC in 2014 to develop a 3D model. This model encompassed the geographical boundaries of the district and all known geological formations associated with the Edwards BFZ and the Trinity Aquifer along with their water bearing layers. The model provides the district staff, consulting Hydrogeologist, and landowners a virtual tool for well development and prognosis of the aquifer depths prior to drilling. Below are a few highlights of the benefits the 3D model provides.

**Study Area
Surface Geology**



- Distribution of well data visible in final output
- Evaluate local geology for permit applications
- Identify correct aquifer for each of the District's wells
- Create cross-sections at any orientation
- Measure estimated distance between land surface to formation tops or water levels
- Determine aquifer thickness
- Visual geospatial status of DFC's or compare historical water level surfaces
- Predictive drilling and groundwater exploration
- Interpret complex geologic structures

Fence Diagram at a Specific Location



Initially, over 2,000 wells were reviewed and only wells with the best locations, well information, and geologic descriptions (picks) were utilized to ensure the best results. A total of 487 wells were selected to construct the 3D Model. The selected wells were based off of CUWCD water well driller's reports and TDLR water well driller's reports (339 wells), BEG driller's reports (cable tool), oil, gas and water, scout tickets and TCEQ water well driller's reports (78 wells), BEG geophysical logs (37 wells), and TWDB water well driller's reports (33 wells). Source data is tied to the model and is easily updateable. The District will continue to update this model and "fine-tune" it to enhance the accuracy for future efforts.

C. Abandoned Wells

The District continues to coordinate with the Texas Department of Licensing and Regulation (TDLR) to identify and investigate reports of abandoned wells. After initial investigation, staff refers abandoned wells to TDLR for further investigation, determination of corrective action, and enforcement. The District did not refer any abandoned wells to TDLR during the calendar year 2014.

The District continues to work with the Bell County Public Health District for assistance in locating abandoned wells when septic systems are inspected. The District promotes the plugging of abandoned wells by distributing educational information at various conferences and events and hosting well plugging demonstrations with the Texas A&M AgriLife Extension. According to records from the Texas Department of Licensing and Regulation, during 2014 a total of 52 wells were

plugged in Bell County.

D. Bell County Water Symposium

Clearwater sponsored its fourteenth annual water symposium on November 18, 2014 at the Central Texas Council of Governments Building. Event partners included Bell County, HALFF Associates, Lloyd Gosselink Attorneys at Law, and Texas A&M AgriLife Extension-Bell County.

Topics that were discussed:

- Drought of Record? (2011-2014) - Dr. John Nielsen-Gammon, State Climatologist at Texas A&M University
- Groundwater Issues in the Upcoming Legislative Session and Texas Alliance of Groundwater Districts Overview - Stacey Steinbach, Executive Director, Texas Alliance of Groundwater Districts and Carolyn Cadena, Program Director, Texas Alliance of Groundwater
- Groundwater Law Today and Tomorrow (Court Decisions and their Impact) - Ty Embrey, Attorney, Lloyd Gosselink Rochelle and Townsend
- State Water Planning and the Process - Brenner Brown, Manager Brazos Region, State Water Planning Team, Texas Water Development Board
- Water and Energy Nexus - Michael J. Nasi, Partner, Jackson Walker L.L.P.
- Who Supplies to Who to Get to You? and Status of Surface Water Supply in Central Texas and Future Water Plans - Trey Buzbee, Regional Customer Relations Business Manager, Central & Lower Basin, Brazos River Authority
- 3-D Groundwater Modeling of Bell County - Michelle Southerland & Allan R. Standen, LLC, Groundwater & Natural Resources Consulting
- Status of the Trinity Aquifer and It's Many Layers in Bell County - James Beach, Vice President, LBG-Guyton Associates and Mike Keester, Senior Hydrogeologist, LBG-Guyton Associates
- New Understanding of the Northern Segment of the Edwards BFZ - Dr. Joe Yelderman, Hydrogeologist, Baylor University Hydrogeology Department and Ms. Stephanie Wong, Graduate Assistant, Baylor University Hydrogeology Department
- Understanding the Geochemistry of the Edwards BFZ - Dr. Marylynn Musgrove, Research Hydrologist, U.S. Geological Survey

The District set up a display booth and distributed water conservation packets as well as other information on water quality protection and information on the aquifers in Bell County. Approximately 145 people attended the symposium.

Refer to Appendix R for an agenda of the meeting.

E. Internet Site

The District's web site continues to grow on a monthly basis. The web site contains general information about the District and Board of Directors along with a calendar of events and meeting

agendas. Press releases and other water related articles are posted to continually provide water related resources to the residents of Bell County.

Below are some highlights of the new website available to the public:

- Current Drought Status
- Rainfall Maps
- Texas Drought Monitor
- Salado Creek Gauges
- District Rules and Management Plan
- Educational Resources
- Access to online GIS Maps
- Link to TWDB Groundwater Levels
- Link to TWDB Texas Reservoir Levels
- Public Records
- District Forms and Documents

The website can be viewed at <http://www.cuwcd.org>

5. Summary

Based on the leadership of the Board of Directors and management under the executive direction of the General Manager, district staff continued expanding their efforts in developing in-depth aquifer science, enhancing educational outreach to public schools and civic organizations, and refining data base management for the District records.

The district staff has expanded the educational efforts in a partnership with Texas A&M AgriLife Extension, Master Naturalist, and Master Gardener programs. Strategies include; classroom curriculum, science day events, field days, Earth Day events, and informative presentations for civic organizations.

Clearwater UWCD has maintained the relationships with Bell County, the Village of Salado, USGS, and Baylor University to continue efforts to better understand the Edwards BFZ Aquifer and its complex of springs and recharge features. Knowing that the Salado Salamander is designated as threatened by USFWS, validated the continued need to better understand the habitat and identified threats. Maintaining the regulatory system of protecting the spring flow has been validated by the USFWS decision to list the salamander as threatened rather than endangered.

The district is also committed to continuing our efforts to enhance the network of monitor wells in the three layers of the Trinity Aquifer in order to measure drawdown relative to pumping. This allows the board to manage the aquifers to the DFC rather than simply to the MAG. The District continues to monitor over 60 wells in both the Trinity and Edwards (BFZ) Aquifers.

Appendix A

**Clearwater Underground Water Conservation District
Adopted Budget FY14**

REVENUE

Application Fee Income	\$20,000.00
Bell CAD Current Year Tax	\$594,939.00
Bell CAD Delinquent Tax	\$5,000.00
Interest Income	\$1,000.00
Transport Fee Income	\$1,000.00
Total Income	\$621,939.00

EXPENDITURES

Administrative Expenses

Audit	\$5,000.00
Conferences & Prof Development	\$3,000.00
Contingency Fund	\$77,017.00
Director Expenses	\$7,500.00
Director Fees	\$12,000.00
Dues & Memberships	\$1,500.00
Election Expense	\$0.00
GMA 8 Expenses	\$8,000.00
Meals	\$1,000.00
Mileage Reimbursements	\$7,000.00
Travel & Hotel	\$3,000.00

Total Administrative Expenses **\$125,017.00**

Salary Costs

Educational Coord/Support Tech	\$35,000.00
Part Time/Intern	\$0.00
Payroll Expenses	\$100.00
Manager	\$67,000.00
Administrative Assistant	\$40,000.00
Health Insurance	\$18,000.00
Payroll Taxes & Work Comp	\$15,000.00
Retirement	\$6,390.00

Total Salary Costs **\$181,490.00**

Operating Expenses

Advertisement	\$3,500.00
Appraisal District	\$6,300.00
Clearwater Studies	\$136,000.00
Computer Consulting	\$12,000.00
Computer Licenses/Virus Prctn	\$1,500.00
Computer Repairs and Supplies	\$1,000.00
Computer Software & Hardware	\$2,500.00
Copier/Scanner/Plotter	\$8,000.00
Educational Outreach/Marketing	\$15,500.00
Legal	\$41,000.00
Office Supplies	\$3,000.00
Permit Reviews	\$20,000.00
Postage	\$2,000.00
Printing	\$3,900.00
Reserve for Uncollected Taxes	\$20,000.00
Spring Flow Gage System	\$13,500.00
Storage Unit	\$650.00
Subscriptions	\$750.00

Total Operating Expenses **\$291,100.00**

Facility Costs **\$12,132.00**

Utilities **\$12,200.00**

TOTAL EXPENDITURES **\$621,939.00**

For a detailed copy of the FY14 Budget, please contact CUWCD at 254-933-0120

9/4/13

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Appendix B

**CLEARWATER UNDERGROUND
WATER CONSERVATION DISTRICT**

**BASIC FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2014

ALTON D. THIELE, P.C.

CERTIFIED PUBLIC ACCOUNTANT

300 E. AVENUE C

P.O. BOX 808

BELTON, TX 76513-0808

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
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ALTON D. THIELE, P.C.

CERTIFIED PUBLIC ACCOUNTANT

300 EAST AVENUE C

P.O. BOX 808

BELTON, TX 76513-0808

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Clearwater Underground Water Conservation District
Belton, Texas

We have audited the accompanying financial statements for the governmental activities and the aggregate remaining fund information of the Clearwater Underground Water Conservation District (the District), as of and for the year ended September 30, 2014, which collectively comprise the District's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the governmental activities and the aggregate remaining fund information of Clearwater Underground Water Conservation District, as of September 30, 2014, and the respective changes in fund balances in conformity with accounting principles generally accepted in the United States of America.

Report Issued In Accordance with *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 03, 2015, on our consideration of the District's internal control over financial reporting (internal control) and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Emphasis of Matter

As described in Note 1.D.5, the District has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources and Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended September 30, 2014.


Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5 and budgetary comparison information on page 17 be presented to supplement the financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Texas Supplementary Information, on pages 18 through 21, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.



Belton, Texas
February 03, 2015

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2014**

The management of the Clearwater Underground Water Conservation District (the District), offers readers of the District's annual financial report this narrative overview and analysis of the District's financial performance during the fiscal year ended September 30, 2014. This discussion and analysis is intended to be an easily readable analysis of the District's financial activities based on currently known facts, decisions, and conditions. Please read it in conjunction with the Independent Auditors' Report and the District's basic financial statements and the related notes.

FINANCIAL HIGHLIGHTS

** The District's total net position,	\$ 989,632
** Cash and investments,	\$ 524,268
** The District's liabilities,	\$ -0-
** Deferred Inflows of Resources	\$ 20,564
** Total tax revenues,	\$ 583,194
** Capital expenditures,	\$ 45,061
** Operational expenditures,	\$ 569,414

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of but is not limited to the following: Management's Discussion and Analysis (this section, which is intended to serve as an introduction to the basic financial statements), the basic financial statements, and the related notes to the financial statements. The District is a governmental entity and follows the accrual basis of fund accounting for a governmental entity. The District is funded primarily by property tax revenue from within the District's boundaries to provide a means by which underground water is controlled and monitored throughout the District.

REPORT LAYOUT

In addition to the Management's Discussion and Analysis (MD&A) (pages 3-5), the report consists of basic financial statements, notes to the financial statements, and supplementary information. The basic financial statements are highly condensed and present a government-wide view of the District's finances.

These *government-wide financial statements* (pages 6–9) are designed to be more corporate-like in that all activities are consolidated into a total for the District. The totals represent the *Statement of Net Position*, which presents the assets, liabilities, with the difference of the two reported as net position and the *Statement of Activities* that presents information on how the District's net position changed during the year.

The *notes to the financial statements* (pages 10-14) provide additional information that is essential to a full understanding of the data provided in the government-wide basic financial statements.

Required and other supplemental information (pages 16-21) is also provided for additional information and analysis.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2014**

FINANCIAL ANALYSIS OF THE DISTRICT

Statement of Net Position: The following table summarizes the net position of the District

	2014	2013
Current Assets	\$ 544,940	\$ 532,134
Capital Assets (Net of Accumulated Depreciation)	465,256	438,197
Liabilities	-0-	(5,073)
Deferred Inflows of Resources	(20,564)	(21,101)
Net Position: Unreserved	(524,376)	(505,960)
Net Investment in Capital Assets	(465,256)	(438,197)
Total Net Position	<u>\$ (989,632)</u>	<u>\$ (944,157)</u>

Statement of Activities: The following table summarizes the changes in net position

	2014	2013
Tax Revenue	\$ 583,194	\$ 557,111
Interest and Other Revenues	31,695	16,888
Expenditures	(569,414)	(453,396)
Change in Net Position	<u>\$ 45,475</u>	<u>\$ 120,603</u>

As shown in the above information, the District improved financially, overall. However, the District's change in net position decreased by \$(75,128). In addition to the operational expenditures, the District expended \$45,061 in the construction of a new monitor well and addition of office and field equipment, with accumulated depreciation of \$(18,002) creating an additional increase in net investment in capital assets of \$27,059.

BUDGETARY HIGHLIGHTS

Actual tax revenues were less than the expected tax revenues by \$(16,745) or 3%. However, actual operational expenditures were 17% less than budgeted expenditures. This resulted in an increase in net position of \$45,475. The budget was legally adopted according to established guidelines and the Board of Directors legally adopted amendments to individual budget items during the fiscal year. (See page 17 for details)

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2014**

CAPITAL ASSETS

During the year, new monitor wells were constructed and both office and field equipment was purchased so that at September 30, 2014, the District had a net increase in Capital Assets of \$27,058. The Net investment in Capital Assets at fiscal year-end was \$465,256.

Additional information regarding Capital Assets can be found in the notes to the financial statements. (Note-3, page 13)

DEBT OUTSTANDING

The District has no long term debt as of the fiscal year ended September 30, 2014.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's property tax rate for the 2014/2015 fiscal year (FY15) remains \$0.004 per \$100 valuation. The estimated taxable property value is 15,586,408,000 for total expected tax revenue of \$623,456. Other Income and delinquent property taxes is estimated at \$26,500. The District's budgeted expenditures for FY15 are \$649,956.

FINANCIAL CONTACT

The District's financial statements are designed to present users (citizens, taxpayers, creditors, and regulatory agencies) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, please contact the District Manager at 700 Kennedy Ct., PO Box 1989, Belton, TX 76513.

UNIVERSITY OF MICHIGAN LIBRARY DISTRICT
MANAGEMENT'S DISCLOSURE AND ANALYSIS
SEPTEMBER 30, 2014

STATEMENT OF ASSETS

Management's Statement of Assets is presented in the accompanying financial statements. Management's Statement of Assets is presented in the accompanying financial statements. Management's Statement of Assets is presented in the accompanying financial statements.

Management's Statement of Assets is presented in the accompanying financial statements. Management's Statement of Assets is presented in the accompanying financial statements. Management's Statement of Assets is presented in the accompanying financial statements.

STATEMENT OF LIABILITIES

Management's Statement of Liabilities is presented in the accompanying financial statements. Management's Statement of Liabilities is presented in the accompanying financial statements. Management's Statement of Liabilities is presented in the accompanying financial statements.

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BASIC FINANCIAL STATEMENTS

AND RELATED NOTES

AS OF SEPTEMBER 30, 2014

Management's Statement of Assets is presented in the accompanying financial statements. Management's Statement of Assets is presented in the accompanying financial statements. Management's Statement of Assets is presented in the accompanying financial statements.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET

SEPTEMBER 30, 2014

	<u>Governmental Funds</u>		<u>Statement of</u>
	<u>General Fund</u>	<u>Adjustments</u>	<u>Net Position</u>
<u>ASSETS</u>			
Cash in Banks	\$ 5,014		\$ 5,014
Invested Funds	519,254		519,254
Receivables			
Taxes	20,564		20,564
Fees	108		108
Capital Assets (net of accumulated depreciation)			
Infrastructure		465,256	465,256
Total Assets	<u>\$ 544,940</u>	<u>\$ 465,256</u>	<u>\$ 1,010,196</u>
<u>LIABILITIES</u>			
Liabilities			
Accounts Payable	\$ -		\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Property Tax Revenue	20,564		20,564
<u>FUND EQUITY</u>			
Fund Balances			
Unreserved	524,376	(524,376)	
Total Fund Equity	<u>524,376</u>	<u>(524,376)</u>	
Total Liabilities and Fund Equity	<u>\$ 544,940</u>		
<u>NET POSITION</u>			
Net Investment in Capital Assets		465,256	465,256
Unreserved		524,376	524,376
Total Net Position		<u>\$ 989,632</u>	<u>\$ 989,632</u>

The accompanying notes are an integral part of these financial statements.
See Independent Auditors' Report.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

Total Fund Balances for Governmental Funds (Page 6)	\$ 524,376
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Total Net Position Reported for Governmental Activities in the
Statement of Net Position is Different Because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported in the funds.
Those assets consist of:

Land and Easements	<u>\$ 465,256</u>
--------------------	-------------------

Total Capital Assets (See p10, Note 1.B.2 and p13 Note 3)	465,256
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Total Net Position of Governmental Activities (Page 6)	<u>\$ 989,632</u>
--	-------------------

The accompanying notes are an integral part of these financial statements.
See Independent Auditors' Report.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE AND NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<u>EXPENDITURES</u>			
Operations			
Director Fees	\$ 8,100		\$ 8,100
Administrative	21,583		21,583
Compensation and Benefits	176,576		176,576
Depreciation		18,002	18,002
Facilities Costs	19,047		19,047
Clearwater Studies	173,197		173,197
Legal and Professional	73,800		73,800
Collection Fees	6,485		6,485
Advertising	2,162		2,162
Other Operating Expenditures	70,383		70,383
Net Loss of Capital Assets	79		79
Capital Outlay	45,061	(45,061)	-
Total Expenditures	<u>596,473</u>	<u>(27,059)</u>	<u>569,414</u>
<u>REVENUES</u>			
General Revenues			
Property Taxes	583,194		583,194
Permits, Licenses, and Other Fees	31,336		31,336
Interest and Other Income	359		359
Total Revenues	<u>614,889</u>		<u>614,889</u>
Excess (Deficiency) of Revenues over Expenditures	18,416	27,059	45,475
Change in Fund Balance/Net Position	<u>18,416</u>	<u>27,059</u>	<u>45,475</u>
<u>NET POSITION</u>			
Beginning of Year	<u>505,960</u>	<u>438,197</u>	<u>944,157</u>
End of Year	<u>\$ 524,376</u>	<u>\$ 465,256</u>	<u>\$ 989,632</u>

The accompanying notes are an integral part of these financial statements.
See Independent Auditors' Report.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE AND NET POSITION TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

Net Change in Fund Balance - Total Governmental Funds (Page 8) \$ 18,416

The Change in Net Position Reported for Governmental Activities in the Statement of Activities is Different Because:

Governmental funds report capital outlays as expenditures. In the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital assets reported as capital outlay in governmental fund statements:	45,061	
Depreciation expense reported in statement of activities:	<u>(18,002)</u>	
Amount by which capital outlays are greater (less) than depreciation in current period:		27,059

Change in Net Position of Governmental Activities (Page 8) \$ 45,475

The accompanying notes are an integral part of these financial statements.
See Independent Auditors' Report.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2014

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING

The basic financial statements of Clearwater Underground Water Conservation District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the acceptable standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

A. Reporting Entity

The District was created in 1989 by resolution of the Commissioners Court of Bell County, Texas, pursuant to H.B. 3172, Chapter 524, Acts of the 71st Legislature (1989 Session)(the "Act"). The District is a governmental agency and a body politic and corporate, created by and acting pursuant to the Act as amended by S.B. 404, Chapter 22, Act of the 77th Legislature (2001 Session), S.B. 1755, Chapter 64, Act of the 81st Legislature (2009 Session), and by applicable law including the provisions of Chapters 36 and 49 of the *Texas Water Code*. A five member group, which constitutes the Board of Directors, is the level of government which has responsibility over all related activities within the jurisdiction of the Clearwater Underground Water Conservation District. The District receives funding from local property taxes; certain well, pump, and transmission fees; and interest resulting from investments of excess funds.

The District is not included in any other governmental reporting entity. The taxpayers within the jurisdiction of the District elect the Board members. The Directors have decision-making authority, the power to designate management, the responsibility of operations, and the primary accountability of fiscal and fiduciary matters.

B. Government-wide and Fund Financial Statements

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate. The government-wide financial statements report all the activities of the District. These activities are primarily supported by property taxes, license, registration, and other fees. The following are descriptions of the fund types and account groups used by the District.

1. Governmental funds

General Fund – All unrestricted financial resources except those required to be accounted for in another fund are recorded in the general fund. It is the District's general operating fund. Taxes and fees are the major sources of revenue. Expenditures include all costs associated with the daily operations of the District. There are no other governmental funds at this time.

2. Account groups

Capital Assets, account group – All capital assets of the District are accounted for in this group. The account group is not a fund. It only measures financial position and is not involved with measurement of results of activities.

C. Basis of Accounting

All funds of the District use the accrual basis of accounting. Under this method, revenues are recorded when susceptible to accrual (i.e., both measurable and available). Funds are considered available when they are collectible in the current period or soon enough thereafter to pay current liabilities. All revenues of the District are susceptible to accrual. Expenditures, if measurable, are recognized as incurred.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2014

2. Budgets and Budgetary Accounting

The adoption of an annual budget, for the general fund, is required prior to the beginning of each fiscal year on a basis consistent with accounting principles generally accepted in the United States of America. Thirty to sixty days prior to the beginning of each fiscal year, District management will submit a proposed budget for the fiscal year beginning on the following October 1st. The operating budget includes proposed expenditures and the means of financing them. After consideration the Board of Directors will adopt the budget by appropriate board action. Any revisions that alter the budget must also be considered and approved by board action.

3. Accounts Receivable

Accounts receivable are recorded at gross amount with uncollectable amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Capital Assets

Capital Assets have been acquired for general governmental purposes. Assets purchased or constructed are recorded as expenditures in the applicable governmental fund type and capitalized at historical cost in the Capital Asset, account group. Contributed capital assets are recorded at estimated fair market value at the time received. Infrastructure assets are also included in the Capital Asset account group.

The full depreciation of the applicable capital assets is being recognized in compliance with the implementation of GASB Statement 34. Depreciation is calculated on the straight-line basis according to the following useful lives:

Building and Improvements	20 – 40 years
Office and Field Equipment	5 - 15 years

5. Deferred Outflows/Inflows of Resources

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended September 30, 2014. In addition to assets, the statement of net position will sometimes report a section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditures) until then. The District currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one type of item that qualifies for reporting in this category; delinquent property taxes. The amount of this item is deferred and will be recognized as an inflow of resources in the period the amount is collected and remitted to the District.

6. Equity Classifications

In the government-wide financial statements, equity is shown as net position and classified into three components; Net Investment in Capital Assets, Restricted, and Unrestricted. The District uses two of these classifications.

- a. *Net Investment in Capital Assets* – Capital Assets, net of accumulated depreciation and reduced by any outstanding debt that poses an encumbrance.
- b. *Unrestricted* – All other assets that do not meet the definition of net investment in capital assets.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2014

The District reports the governmental fund balance as, unassigned; not previously classed as:

Non-spendable – Amounts that cannot be spent because they are either not in a spendable form or, legally or contractually required to be maintained intact.

Restricted – Amounts with restrictions imposed externally by creditors, grantors, contributors, or laws or regulations of other governments, constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes and imposed by formal action of the board of directors.

Assigned – Amounts informally constrained by District management but not formally restricted by the board of directors.

7. Risks, uncertainties, and use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – PROPERTY TAXES

Property taxes are levied October 1 on the assessed value of the prior January 1 for all real and business personal property located in the district in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. The District's property taxes are billed and collected by the Tax Appraisal District of Bell County. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period at the close of the District's fiscal year.

The net assessed value after adjustments, based on 100 percent of the assessed valuation of real and personal property within the District on the 2013 tax roll, was \$14,848,548,113. The 2013 tax rate of \$0.004 per \$100 valuation was assessed and allocated to the General Fund. The resulting tax levy was \$ 593,957.

Deferred tax revenue is reported as deferred inflows of resources (Note 1.D.5 para 2) by the District on its General Fund balance sheet and arises when potential revenue does not meet the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for the deferred tax revenue is removed from the balance sheet and the revenue is recognized. The current Deferred Tax Revenue is \$20,564.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2014

NOTE 3 – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets is as follows:

2014	Primary Government			Ending Investment
	Beginning investment	Increase	Retirements	
Capital Assets not Depreciated				
Land	\$ 55,366			\$ 55,366
Total not Depreciated Capital Assets	55,366			55,366
Depreciated				
Land Improvements	19,000			19,000
Building	304,470			304,470
Monitor Wells	23,815	26,423		50,238
Field Equipment	11,223	6,021		17,244
Office Equipment	47,322	12,617		59,939
Total Depreciated	405,830	45,061		450,891
Total Capital Assets	461,196			506,257
Accumulated Depreciation	(22,999)	(18,002)		(41,001)
Net Investment in Capital Assets	\$ 438,197	\$ 27,059		\$ 465,256

NOTE 4 – CASH DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS

The District's checking deposits and Texas Treasury Safekeeping Trust Company (TexPool) investments at September 30, 2014, were fully covered by federal depository insurance and/or pledged securities. In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the District reports all investments at fair value.

The District's cash and invested funds at September 30, 2014, were as follows:

	General Fund
First State Bank of Central Texas	
Operating account	\$ 5,014
TexPool Accounts	
LGI Pool	259,746
Prime	259,508
Total TexPool accounts	519,254
Total cash and invested funds	\$ 524,268

The market value for the above listed accounts is not materially different from the carrying value of the accounts.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2014

Policies, Governing Deposits and Investments

The District has implemented an investment policy and is authorized, according to the *Public Funds Investment Act* (PFIA) (Government Code Chapter 2256), to invest any and all of its funds in certificates of deposit, direct debt securities of the United States of America or the State of Texas, fully collateralized repurchase agreements, certain types of commercial paper, certain types of municipal bonds and local government investment pools created under the Interlocal Cooperation Act, wherein all funds were invested as listed above.

In compliance with the Public Funds Investments Act, the District has adopted a deposit and investment policy where that policy addresses the following risks:

Custodial Credit Risk – Deposits: This is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District was not exposed to custodial credit risk, since its deposits at year-end and during the year ended September 30, 2014 were covered by depository insurance or by pledged collateral held by the District's agent bank in the District's name.

Custodial Credit Risk – Investments: This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

NOTE 5 – EMPLOYEE BENEFITS

A. Annual Leave

Annual leave (vacation) is a benefit provided to eligible, full-time, employees of the District. A full-time employee is one who is regularly scheduled to work thirty to forty hours per week. Annual leave is accrued at eight hours per pay period immediately upon employment but cannot be taken until the employee has reached the one hundred eighty (180) day probationary period. The accrual maximum is twelve days for an employee with up to five years of continuous service. After five years, an employee is entitled to accrue an additional three days for a total of fifteen days per year. An employee may carry-over leave up to a maximum of twenty-four days per fiscal year. Remaining accrued leave is payable upon termination. Accrual at fiscal year-end was not material to these financial statements.

B. Sick Leave

A full-time employee, as previously defined, is entitled to six days per year. Accrual of sick leave is at four hours per pay period and a full-time employee can accumulate up to twelve days with carry-over. Upon termination of employment, no accumulated sick leave will be paid.

C. Retirement Plan

The District has established a Governmental 457 Deferred Compensation Plan as their retirement plan for full-time eligible employees. UMB Bank, N.A. is designated as trustee and Security Financial Resources, Inc. is the plan service provider. The District agrees to match employee contributions at 100% of the first 3% and 50% of the next 3% for a maximum match of up to 4.5% depending on the contribution of the employee. As of September 30, 2014, the employer match was \$ 5,558.

NOTE 6 - SUBSEQUENT EVENTS

District management has evaluated subsequent events through February 3, 2014; the date the financial statements were available to be issued. No change to the financial statements for the fiscal year ending September 30, 2014 is deemed necessary as a result of this evaluation.

ALTON D. THIELE, P.C.

CERTIFIED PUBLIC ACCOUNTANT

300 E. AVENUE C

P.O. BOX 808

BELTON, TX 76513-0808

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Clearwater Underground Water Conservation District
700 Kennedy Ct.
Belton, TX, 76513

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities and the aggregate remaining fund balance information of Clearwater Underground Water Conservation District (the District) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated February 3, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

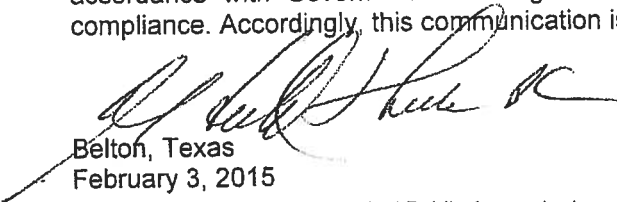
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Belton, Texas
February 3, 2015

Member Texas Society of Certified Public Accountants
Member American Institute of Certified Public Accountants

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INDEX OF SUPPLEMENTAL SCHEDULES INCLUDED IN THIS REPORT
REVISION 2014
CLEARWAY UNDERGROUND WASH CONSTRUCTION DISTRICT

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Investigation

Supplemental Schedule 2: Public Outreach

Supplemental Schedule 3: Wetlands

Supplemental Schedule 4: Wetlands

SUPPLEMENTAL INFORMATION

Supplemental Schedule 5: Wetlands

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
INDEX OF SUPPLEMENTAL SCHEDULES INCLUDED IN THIS REPORT
SEPTEMBER 30, 2014**

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Schedule of Temporary Investments	19
Analysis of Taxes Levied and Receivable	20
Schedule of Board Members, Key Personnel, and Consultants	21

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET TO
ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General Fund			VARIANCE
	ADOPTED	AMEND-	FINAL	Positive
	BUDGET	MENTS	BUDGET	(Negative)
REVENUES				
Property taxes	\$ 599,939	-	\$ 599,939	\$ (16,745)
Application fee	20,000	-	20,000	10,200
Transport fee	1,000	-	1,000	136
Interest	1,000	-	1,000	(641)
Other income (expense)	-	115,100	115,100	(115,100)
Total revenues	621,939	115,100	737,039	(122,150)
EXPENDITURES				
Administrative expenses	125,017	33,366	158,383	123,900
Compensation and benefits	181,490	(4,914)	176,576	-
Clearwater studies	136,000	69,641	205,641	32,444
Educational outreach/marketing	15,500	(7,158)	8,342	-
Spring flow gage	13,500	(3,252)	10,248	-
Computer systems	19,000	295	19,295	-
Legal fees	41,000	16,553	57,553	(11,447)
Reserve for uncollected taxes*	20,000	(3,255)	16,745	16,745
Other operating expenses	46,100	6,492	52,592	11,447
Depreciation	-	-	-	(18,002)
Capital expenditures*	-	-	-	-
Net loss of capital assets	-	-	-	79
Facility costs	12,132	10,978	23,110	12,617
Utilities	12,200	(3,646)	8,554	-
Total expenditures	621,939	115,100	737,039	167,625
Excess (deficiency) of revenues over expenditures	-	-	-	45,475
Change in net position			45,475	
NET POSITION				
Beginning of fiscal year			944,157	
End of fiscal year			989,632	
* Budget reserves for balance sheet items				
Reserve for uncollected taxes*	20,000	(3,255)	16,745	20,564
Capital expenditures*	-	45,061	45,061	45,061

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
SCHEDULE OF GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Current		
Compensation and benefits	\$	176,576
(Number of persons employed by the District: 2 -		
Full-time and 1 - Part-time)		
Professional Services		
Auditing		4,800
Legal		69,000
Clearwater studies		173,197
Utilities		8,554
Facility costs		10,493
Administrative expenses		29,683
Capital outlay		
Acquisition of capital assets		45,061
Net loss of capital assets (theft)		79
Educational outreach/marketing		8,342
Computer systems		19,295
Other operating expenses		41,145
Other expenditures		<u>10,248</u>
TOTAL	\$	<u><u>596,473</u></u> (see page 8)

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
SCHEDULE OF TEMPORARY INVESTMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Governmental Funds	Pool / Type	Interest Rate	Maturity Date	Balance at End of Year
General Fund				
Local Government				
Investment Pools				
TexPool	449	0.0281%	Demand	\$ 259,746
TexPool - Prime	590	0.0476%	Demand	<u>259,508</u>
	TOTAL			<u>519,254</u>
Other accounts				
First State Bank of Central				
Texas -				
Operations Account	Transaction	N/A	Demand	<u>5,014</u>
	TOTAL			<u>5,014</u>
TOTAL ALL ACCOUNTS				<u><u>\$ 524,268</u></u>

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
ANALYSIS OF TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Maintenance Taxes			
Taxes receivable at October 1, 2013	\$ 21,101			
2013 Original tax roll, net	582,657			
Total to be accounted for	603,758			
Tax Collections:				
Current year	(574,892)			
Prior years	(8,302)			
Total collections	(583,194)			
Taxes receivable, September 30, 2014	\$ 20,564			
Taxes receivable by years:				
2007 and years prior to	\$ 4,450			
2008	1,167			
2009	1,419			
2010	1,789			
2011	2,146			
2012	3,017			
2013	6,576			
Taxes receivable, September 30, 2014	\$ 20,564			
	2013	2012	2011	
Property Valuations	\$ 14,848,548,113	\$ 14,184,232,178	\$ 13,905,864,198	
Tax rates per \$100 valuation:				
Debt service tax rates	N/A	N/A	N/A	
Maintenance tax rates	0.004	0.004	0.004	
Total tax rates per \$100 valuation:	0.004	0.004	0.004	
Gross Original tax levy	\$ 593,957	\$ 567,384	\$ 556,235	
Percent of taxes collected to taxes levied**	98.19%	102.79%	98.92%	

** Calculated as taxes collected from current and previous years divided by the original tax levy.

**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
SCHEDULE OF BOARD MEMBERS, CONSULTANTS, AND KEY PERSONNEL
SEPTEMBER 30, 2014**

Complete District Mailing Address: PO Box 1989, Belton, TX 76513

District Business Telephone Number: (254) 933-0120

Submission Date of the most recent District Registration Form: N/A

(TWC Sections 36.054 and 49.054)

Limit on Fees of Office that a Director may receive during a fiscal year: \$9,000

(TWC Section 36.060) Fee: \$150 per day while on District business

Name and addresses	Precinct and Terms of Office 4-year terms	Fees Paid as of 09/30/2014	Expense Reimbursement	Title as of 09/30/2014	Property owner within the District
<u>Board Members</u>					
Leland Gersbach 7872 Hackberry Holland, TX 76534	Precinct 1 2012 to 2016	Waived	\$164	President	Yes
Bill Bartlett 1530 Rose Lane PO Box 183 Salado, TX 76571	Precinct 2 2014 to 2018	\$2,100	\$0	Director	Yes
Wallace Biskup PO Box 265 Troy, TX 76579	Precinct 3 2012 to 2016	\$1,950	\$0	Vice President	Yes
Judy Parker 1235 River Ridge Ranch Road Killeen, TX	Precinct 4 2014 to 2018	\$4,050	\$84	Secretary	Yes
David Cole 2401 Brown Circle Killeen, TX 76543	At-Large 2014 to 2018	Waived	\$0	Director	Yes
<u>Consultants</u>					
Lloyd Gosselink Attorneys at Law 816 Congress Ave Suite 1900 Austin, TX 78701- 4071	N/A	\$69,000	N/A	Attorney	N/A
Alton D Thiele, P.C. P.O. Box 808 Belton, TX 76513	N/A	\$4,800	N/A	Auditor	N/A
<u>Key Personnel</u>					
Dirk Aaron	N/A	\$67,000		District Manager	
Shelly Chapman	N/A	\$40,000		District Administrative Assistant	
Todd Strait	N/A	\$41,000		District Education Coordinator and Support Tech	

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

SEPTEMBER 30, 2014

ALTON D. THIELE, P.C.

CERTIFIED PUBLIC ACCOUNTANT

300 E. AVENUE C

P.O. BOX 808

BELTON, TX 76513-0808

ALTON D. THIELE, P.C.

Certified Public Accountant

300 East Avenue C

P. O. Box 808

Belton, Texas 76513-0808

February 3, 2015

To the Board of Directors
Clearwater Underground Water Conservation District
700 Kennedy Ct.
PO Box 1989
Belton, TX 76513

We have audited the basic financial statements of Clearwater Underground Water Conservation District (the District) as of and for the year ended September 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated February 3, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clearwater Underground Water Conservation District are described in NOTE 1 to the financial statements. Two new accounting policies (Note – 1.D.5) were adopted and the application of existing policies was not changed during the fiscal year ended September 30, 2014. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the useful lives of its capital assets is significant due to the very nature of determining how long an item might last. We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the expense of the compensation and benefits since this expense is estimated to be over one third of the total annual budget comparatively.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the Management Representation Letter dated February 3, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

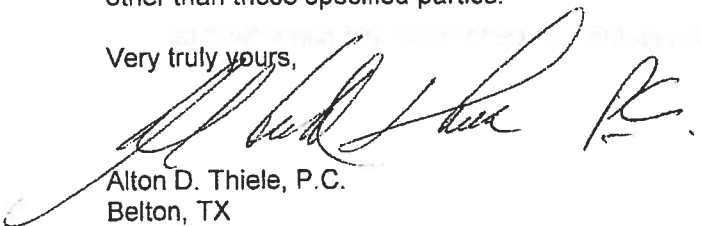
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of retention. For three issues discussed, we refer to "other control matters for board consideration" discussed in the *Communication of Significant Deficiencies and Material Weaknesses as Required by Statements on Auditing Standards No. 115*.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and Management of Clearwater Underground Water Conservation District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Alton D. Thiele, P.C.
Belton, TX

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

**COMMUNICATION OF SIGNIFICANT DEFICIENCIES
AND MATERIAL WEAKNESSES AS REQUIRED BY
STATEMENT ON AUDITING STANDARDS NO. 115**

SEPTEMBER 30, 2014

ALTON D. THIELE, P.C.
CERTIFIED PUBLIC ACCOUNTANT
300 E. AVENUE C
P.O. BOX 808
BELTON, TX 76513-0808

ALTON D. THIELE, P.C.
CERTIFIED PUBLIC ACCOUNTANT
300 E. AVENUE C
P.O. BOX 808
BELTON, TX 76513-0808

Clearwater Underground Water Conservation District
700 Kennedy Ct.
PO Box 1989
Belton, TX 76513

In planning and performing our audit of the basic financial statements of Clearwater Underground Water Conservation District (the District) as of and for the year ended September 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility a material misstatement of the District's financial statements will not be prevented, or detected and corrected, in a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses and other deficiencies may exist that have not been identified.

This communication is intended solely for the information and use of management, the Board of Directors and others within the District, and is not intended to be and should not be used by anyone other than these specified parties.

Other Control Matters for Board Consideration

While the following issue(s) did not rise to the level of a material weakness or significant deficiency, the following are issues in standard procedure presented to the Board for approval.

Capital Expenditures

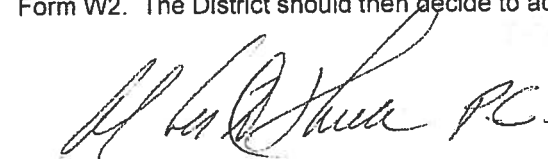
In order to facilitate Budget evaluation and analysis during the fiscal year, the Board has indicated that Capital Expenditures remain an expense rather than being class as Capital Assets at the time of acquisition. This will require substantive and material adjustments at fiscal year-end once final analysis reports have been printed.

Deposits and Undeposited Funds

The subject of the "Undeposited Funds" balance that QuickBooks will present in the event cash receipts are entered to the accounting system and the deposit is made at a later date was questioned at the June 17, 2014 board meeting. The dates of the deposit(s) made subsequent to the cash receipts posting in question were changed to match. Changing transaction dates from what actually occurred misrepresents control procedures. We recommend that any cash receipts entered should also be deposited the same day so any reports that need to be run for the board will not show an undeposited funds balance thereby preserving the integrity of the process.

Healthcare Reimbursements

The *Affordable Health Care Act* was passed and went into effect, as of January 1, 2014. As a result, the District's healthcare policy of reimbursement was affected. This essentially became a non-qualified plan under these guidelines. The District is going to reissue the 2014 W2's and W3 to show the remuneration as additional income on the employee Form W2. The District should then decide to adopt a qualified healthcare policy for the employees going forward.


ALTON D. THIELE, P.C.
Belton, Texas
February 3, 2015



Every drop counts!

Clearwater Underground Water Conservation District

P.O. Box 1989, Belton, Texas 76513

Phone: 254/933-0120 Fax: 254/933-8396

www.clearwaterdistrict.org

Leland Gersbach, President

Wallace Biskup

Judy Parker

David Cole

Bill Bartlett

February 3, 2015

Alton D. Thiele, P.C.

300 E. Ave. C

Belton, Texas 76513

We are providing this letter in connection with your audit of the basic financial statements of Clearwater Underground Water Conservation District (the District) as of September 30, 2014 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities of the general fund, debt service fund, capital projects fund, the aggregate remaining fund balance of the District, and the respective change in net position of the District in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned basic financial statements in conformity with U.S. generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of February 3, 2015, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 11, 2014.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which Clearwater Underground Water Conservation District is contingently liable, if any, have been properly recorded or disclosed.


Information Provided

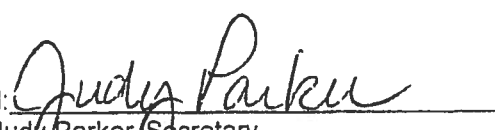
- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of directors and committees of directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have disclosed to you all known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) We have made available to you all financial records and related data.
- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) Clearwater Underground Water Conservation District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 23) Except as made known to you, there are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

- 24) As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 25) Clearwater Underground Water Conservation District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) Clearwater Underground Water Conservation District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 27) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 28) The financial statements properly classify all funds and activities.
- 29) All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 30) Components of net assets (net investment in capital assets and unreserved) and equity amounts are properly classified and, if applicable, approved.
- 31) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 32) Provisions for uncollectible receivables have been properly identified and recorded.
- 33) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 34) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 35) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 36) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 37) The government meets the GASB-established requirements for accounting for eligible infrastructure assets using the modified approach.
- 38) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 39) We acknowledge we are not required to disclose the Texas Supplementary Information (TSI), however we present some of the schedules for additional information and analysis. The TSI is measured and presented within prescribed guidelines as outlined in the *TCEQ Water District Financial Management Guide* and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the TSI.

Signed: 
Title: Leland Gersbach, President

Signed: 
Title: Judy Parker, Secretary

Appendix C



**Clearwater Underground Water
Conservation District**
P.O. Box 1989, Belton, TX 76513
Phone: 254/933-0120 Fax: 254/770-2360

**ADMINISTRATIVE FEE
SCHEDULE**
Effective October 01, 2013

DESCRIPTION	FEES
Well Registration	No Fee
Application for Permit¹	N1: \$200 N2 < 10 ac-ft/year: \$1,000 N2 from 10 to 37 ac-ft/year: \$3,500 N2 > 37 ac-ft/year: \$5,000
Transport Surcharge²	\$0.025/1,000 Gallons of Water
District Documents³	1 st Copy—No Fee Additional copies provided at cost See Miscellaneous Copying
Miscellaneous Copying	Provided at Cost \$0.09/black & white; 1 st ten—no fee \$0.23/color; 1 st four—no fee
Maps (Printing & Copying)	\$3.00 - \$17.00 Based on Size

¹ Fees Shown are for administrative review, technical review, and legal consultation on behalf of the Applicant and the District. Full payment of all fees is required before permit may be issued. See back of this sheet for a description of N1 and N2 permits. (No fee is required for a change in well ownership.)

² As allowed in Texas Water Code, Chapter 36.122.

³ Includes documents such as Rules, Management Plan, Bylaws, Annual Report, etc. This does not include studies such as *Groundwater Resources Management Information*. Studies are available at cost.

NOTE:

- Several documents are available on the District's web site—www.clearwaterdistrict.org.
- Technical and legal expenses often exceed the flat rate fee established by Clearwater UWCD. All additional costs over the established fee for administrative, technical, and legal review will be covered by Clearwater UWCD.

Printing & Copying Fees Maps

Map Size	Prices per Map	
	Color	B&W
8.5" x 11"	\$5	\$3
11" x 17"	\$7	\$5
17" x 22"	\$9	\$7
22" x 34"	\$11	\$9
28" x 40"	\$13	\$11
34" x 44"	\$15	\$13
Larger—up to 36" wide	\$17	\$15

N1: A NON-EXEMPT WELL, CLASSIFICATION 1, is a well that satisfies the following conditions:

A water well used for domestic purposes or for watering livestock or poultry that is drilled, equipped or completed so that it is incapable of producing more than 25,000 gallons per day, and is located on a tract of land consisting of less than 10 acres as of March 1, 2004.

Any water well used for other purposes or that is capable of producing more than 25,000 gallons per day, is a Non-Exempt Well, Classification 2 (N2).

N1 wells meet all of the criteria for an exempt well except for the minimum tract size of 10 acres or more.

N2: A NON-EXEMPT WELL, CLASSIFICATION 2 is a well that satisfies the following conditions:

- 1) A water well used for purposes other than domestic, livestock or poultry; or
- 2) A water well that is drilled, equipped or completed so that it is capable of producing more than 25,000 gallons/day.

Appendix D

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
MEETING HELD NOVEMBER 12, 2013**

A RESOLUTION AMENDING THE DISTRICT TRAVEL AND SUBSISTENCE POLICY

WHEREAS, the Clearwater Underground Water Conservation District (the "District") is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, § 59, of the Texas Constitution, and a groundwater conservation district acting under Chapters 36 and 49 of the Texas Water Code and the District's enabling act, Act of the 71st Legislature, Regular Session, Chapter 524, 1989, as amended by Act of the 77th Legislature, Regular Session, Chapter 22, 2001, and by Act of the 81st Legislature, Regular Session, Chapter 64, 2009;

WHEREAS, the District is a governmental agency and a body politic and corporate;

WHEREAS, Texas Water Code § 36.057(f) authorizes groundwater conservation districts to adopt policies to govern the affairs of the districts to perform their purposes;

WHEREAS, the Board of Directors (the "Board") of the District believes it is necessary for the District to establish policy (Travel and Subsistence Policy) pursuant to such authority as the District carries out its authorized purposes, including the governance of its own affairs in managing the groundwater resources of Bell County, Texas;

WHEREAS, the Board initially adopted District policy on December 19, 2000 and has amended its policy three (3) times since the initial adoption;

WHEREAS, Article IX, Section 1, of the District Bylaws provides that the Board may amend the District policies by the affirmative vote of a majority of the Directors;

WHEREAS, the Board and staff of the District have identified an amendment that needs to be made to the District policies to remove language retroactive to District confirmation election, and language identifying District office location, IRS Standards, and clarify out of state travel policy.

WHEREAS, the Board finds that the attached amendments to the District policies meet the requirements of Chapter 36, Water Code, and other applicable laws; and

WHEREAS, the Board of Directors of the District met in a public meeting, noticed properly in accordance with applicable law, and considered adoption of the attached amendments to the District's policies an approval of this resolution.

NOW THEREFORE BE IT RESOVED THAT:

The above recitals are true and correct;

The Board of Directors for the District hereby adopts the attached amended policies for the District;

The Board of Directors, its officers, and the District employees are further authorized to take any and all actions necessary to implement this resolution; and

The amended policies attached hereto and adopted by the Board of Directors shall be effective on **November 12, 2013**.

AND IT IS SO ORDERED.

Upon motion duly made by Director Wallace Bishop, and seconded by Director Bill Bartlett, and upon discussion, the Board voted 5 in favor and 0 opposed, 0 abstained, and 0 absent, and the motion thereby PASSED on this the 12th day of November, 2013

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

By: Leland Gersbach
Leland Gersbach,
Board President

ATTEST:

Judy Parker
Judy Parker
Board Secretary

Appendix E

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
MEETING HELD JANUARY 14, 2014**

**A RESOLUTION ADOPTING, REPEALING, AND AMENDING
CERTAIN DISTRICT RULES**

WHEREAS, the Clearwater Underground Water Conservation District (the "District") is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, Chapter 59, of the Texas Constitution, and a groundwater conservation district acting under Chapter 36 of the Texas Water Code and the District's enabling act, Act of the 71st Legislature, Regular Session, Chapter 525, 1989, as amended by Act of the 81st Legislature, Regular Session, Chapter 64, 2009;

WHEREAS, there are currently rules of the District in effect establishing procedural and substantive regulations governing activities within the jurisdiction of the District;

WHEREAS, the District Board of Directors (the "Board") determined that further review, amendment, repeal, and adoption of the District's rules is necessary to implement the requirements of the District's enabling act, Texas Water Code Chapter 36, and the laws of the State of Texas, and to accomplish the objectives of the District;

WHEREAS, the Board directed the District's staff and legal counsel to prepare proposed amendments to the District's rules that address the District's Permit exclusions, exemptions, and exceptions to spacing requirements; responsibility of landowners, licensed well drillers & pump installers; standards of completion and expectations to prevent commingling of undesirable water with desirable water; hearings and other matters addressing desired future conditions and enforcement; and rules addressing methods to ensure due process of rule enforcement including but not limited to language related to the responsibility of landowners, licensed well drillers & pump installers, the well completion standards and expectations to prevent commingling, the hearings and other matters related to desired future conditions, the rule enforcement methods to ensure due process, and the special provisions of the district to limit improper variances alternative methods of capping and or plugging of wells in the District;

WHEREAS, it is recognized that the state's preferred method of groundwater management is through rules developed, adopted, and promulgated by groundwater conservation districts, in order to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions; that the District shall adopt and enforce rules to implement Texas Water Code Chapter 36; and that District rules may limit or alter ownership and rights in groundwater, as specifically provided by Texas Water Code §§ 36.0015, 36.002, 36.066, 36.101, and 36.102, and other provisions of Chapter 36 of the Texas Water Code;

WHEREAS, the notice and hearing requirements set forth pursuant to Texas Water Code § 36.101 have been met, specifically, wherein the District Board conducted a rulemaking hearing on January 14, 2014; the District published notice in a newspaper of general circulation, posted notice in a place readily accessible to the public at the District office, provided notice to the Bell County Clerk, and made a copy of the proposed rules available both during and after the normal business hours of the District at least 20 days before the rulemaking hearing held January 14, 2014;

WHEREAS, the Board reviewed and considered public comments during its deliberations at the District's rulemaking hearing;

WHEREAS, during its review and deliberation of the proposed rules amendments, the District has taken into consideration all groundwater uses and needs within the District, and has worked to develop rules which are fair and impartial, pursuant to Texas Water Code § 36.101(a);

WHEREAS, Texas Water Code § 36.101 provides the District with the authority to make and enforce rules, including rules limiting groundwater production based on tract size or the spacing of wells, to provide for conserving, preserving, protecting, and recharging of the groundwater or of a groundwater reservoir or its subdivisions in order to control subsidence, prevent degradation of water quality, or prevent waste of groundwater and to carry out the powers and duties provided by this Chapter 36 of the Texas Water Code and the District's enabling act; and

WHEREAS, the Board finds that the adoption, repeal, and amendment of certain District rules are merited to support the District's efforts to manage the groundwater located within the District, and that the adoption, repeal, and amendment of rules are supportable under Texas law.

NOW THEREFORE BE IT RESOLVED THAT:

The above recitals are true and correct.

The attached rules of the District are incorporated herein by reference and hereby approved to reflect the adoption of new rules and repeal and amendment of existing rules, as reflected in the attachment subject only to those modifications described in the motion adopting this resolution. These rules shall be used to expeditiously and effectively implement the provisions of the District's enabling act, Texas Water Code Chapter 36, and other applicable laws, and to govern procedures and other activities within the jurisdiction of the District. Any conflicting provisions in any District policy, order, or bylaw, as may be recognized and determined by the Board, are hereby repealed.

The Board instructs its District General Manager to finalize the rules to conform to the Board's motion to adopt the resolution, and hereby authorizes and directs the District's General Manager to compile and publish these rules and make them available for use and inspection at the District's office and provide copies to any person or persons upon request.

The Board and General Manager are further authorized to take any and all action necessary to implement this resolution.

This adoption of new rules and repeal and amendment of existing rules shall be effective beginning on February 1, 2014.

AND IT IS SO ORDERED.

Upon motion duly made by Director Bill Bartlett, and seconded by Director David Cole, and upon discussion, the Board voted 5 in favor and 0 opposed, 0 abstained, and 0 absent, and the motion thereby PASSED on this 14th day of January, 2014.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

By: Leland Gersbach
Leland Gersbach
Board President

ATTEST:

Judy Parker
Judy Parker
Board Secretary

Appendix F

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT
MEETING HELD April 8, 2014**

A RESOLUTION ADOPTING A DISTRICT CAPITALIZATION POLICY

WHEREAS, the Clearwater Underground Water Conservation District (the "District") is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, § 59, of the Texas Constitution, and a groundwater conservation district acting under Chapters 36 and 49 of the Texas Water Code and the District's enabling act, Act of the 71st Legislature, Regular Session, Chapter 524, 1989, as amended by Act of the 77th Legislature, Regular Session, Chapter 22, 2001, and by Act of the 81st Legislature, Regular Session, Chapter 64, 2009;

WHEREAS, the District is a governmental agency and a body politic and corporate;

WHEREAS, Section 36.061 of the Texas Water Code requires the District to adopt policies that ensure a better use of management information, including uniform reporting requirements that use "Audits of State and Local Governmental Units" as a guide on audit working papers and that uses "Governmental Accounting and Financial Reporting Standards"; and

WHEREAS, A Capitalization Policy under "Governmental Accounting and Financial Reporting Standards" that establishes the minimum cost that shall be used to determine the capital assets that are to be recorded in the District's annual and monthly financial statements; and

WHEREAS, the Board of Directors of the District has determined that the attached Capitalization Policy is necessary and appropriate and shall replace all previous Capitalization Policies adopted by the District; and

WHEREAS, the Board of Directors of the District met in a public meeting, noticed properly in accordance with applicable law, and considered adoption of the attached Capitalization Policy and approval of this resolution.

NOW THEREFORE BE IT RESOLVED THAT:

The above recitals are true and correct;

The Board of Directors of the District hereby adopts the attached Capitalization Policy as a policy for the District;

The Board of Directors, its officers, and District employees are further authorized to take any and all actions necessary to implement this resolution;

The Capitalization Policy so adopted shall be effective from the date of adoption and continue in effect until modified by the Board of Directors;

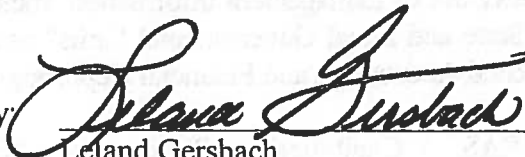
The General Manager of the District is designated as the financial officer directed to implement this policy for the District;

This resolution shall take effect immediately upon adoption.

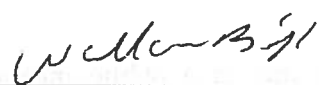
AND IT IS SO ORDERED.

Upon motion duly made by Director Bill Bartlett, and seconded by Director David Cole, and upon discussion, the Board voted 4 in favor and 0 opposed, 0 abstained, and 1 absent, and the motion thereby PASSED on this 8th day of April, 2014.

CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT

By: 
Leland Gersbach
Board President

ATTEST:


~~Judy Parker~~ Wallace Biskup
Board Secretary Vice President

Appendix G

Well Registration Totals

Year	Exempt Wells		Non-Exempt Wells			Monitor Wells		Total
	Grandfathered	New	Grandfathered	Class 1	Class 2	Water	Envr	
2002-2013	4035	756	107	16	27	14	35	4990
2014-Jan	5	3	1	0	1	0	0	10
Feb	1	6	0	0	0	2	0	9
Mar	1	0	0	0	1	0	0	2
Apr	3	3	0	0	0	0	0	6
May	3	4	0	0	0	0	0	7
June	3	9	0	0	2	0	0	14
July	1	2	0	0	0	0	0	3
Aug	2	2	0	0	0	0	0	4
Sept	1	9	0	1	0	0	0	11
Oct	3	1	0	0	0	0	0	4
Nov	0	1	0	0	0	0	0	1
Dec	2	7	0	0	0	0	0	9
Total 2014	25	47	1	1	4	2	0	80
Totals	4060	803	108	17	31	16	35	5070

Adjustments

Adjustment Type	Exempt Wells		Non-Exempt Wells			Monitor Wells		Total
	Grandfathered	New	Grandfathered	Class 1	Class 2	Water	Envr	
2002-Present	4060	803	108	17	31	16	35	5070
Never Drilled	N/A	-22	N/A	0	-3	0	0	-25
Plugged	-115	-23	-13	-1	-1	0	-15	-168
Totals	3945	758	95	16	27	16	20	4877

Appendix H

Clearwater Production Report 2014

Non-Exempt Wells--Edwards BFZ

2014 Monthly Production (gallons)																					
File No.	State #	Name	Hst. Permit	Over. Permit	Total Permit	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ac-ft	% Permit	
N2-06-001G		Chick Landscaping	0.00	2.28	2.28	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	28,522	0.83	3.45%	
N2-06-002G		Chick Landscaping Well #1				1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	0.84	1.75%	
N2-06-003G		Chick Landscaping Well #2				1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	0.84	1.75%	
N2-02-041G	5904008	JSWSC (Prairie Dell 2)	307.20	185.00	492.20	6,023,437	5,405,300	6,885,345	6,590,484	7,916,346	7,930,307	9,085,933	10,482,670	8,352,000	10,501,661	8,654,633	8,571,274	84,086,537	208.68	65.45%	
N2-02-042G	5904011	JSWSC (Prairie Dell 5)				2,868,600	2,403,656	3,147,419	2,777,706	2,929,480	2,808,831	3,471,910	4,734,867	3,440,031	2,401,444	1,401,340	1,025,146	2,859,925	38,023,290	109.87	23.82%
N2-02-005P	5904611	JSWSC (Prairie Dell 8)				1,705,300	1,459,528	1,731,695	2,046,749	2,686,061	2,550,110	2,622,513	3,363,630	1,762,546	2,518,658	3,008,591	2,719,658		28,488,461	87.46	18.26%
N2-02-016G		Not Accredited	72.00	18.61	90.61	229,833	227,738	285,644	285,007	312,892	316,338	337,837	384,027	313,878	313,897	335,658	248,432	3,341,483	11.18		
N2-02-016G		Arthur W. Cappa	70.50			90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,000	3.31	4.79%	
N2-02-016G		Bloomer Mfg	2.07			1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	0.03	22.71%	
N2-10-002P	5904631	Charm, Michael	0.36			10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	123,896	0.38	100.00%	
N2-10-002P		Darr, Karen	0.27			0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%	
N2-10-007P		Goode Towing	0.05			453	453	464	920	593	593	594	730	0	0	0	0	7,120	0.02	40.80%	
N2-07-003P		Hedden, Jimmie	0.38			10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	10,333	123,998	0.38	100.00%	
N2-11-005P		James & Terry Boston	1.66			1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	0.83	1.81%	
N2-08-004P		James Construction	0.96			1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	17,760	0.65	5.21%	
N2-08-004P		Lennie Sherman	1.14			4	4	4	4	4	4	4	4	4	4	4	4	48	0.01	0.81%	
N2-08-002P		O. W. Lowery	0.53			1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	1,140	13,680	0.41	3.60%	
N2-08-002P		PLF Sales Office (Offices)	3.91			14,416	14,416	14,416	14,416	14,416	14,416	14,416	14,416	14,416	14,416	14,416	14,416	172,992	0.53	30.43%	
N2-02-004G	5904627	Salido ISD (MS)	1.50			9,720	9,720	9,720	9,720	9,720	9,720	9,720	9,720	9,720	9,720	9,720	9,720	116,640	0.16	4.09%	
N2-06-004G		Salido UNC	1.86			7,835	7,835	35,270	37,600	43,300	35,305	35,305	37,560	37,560	37,560	37,560	37,560	487,440	1.53	82.28%	
N2-07-001G		Schwimer, James	1.84			50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000	1.84	100.00%	
N2-04-017G		Serie of Salido	0.86			8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	8,232	99,584	0.18	20.93%	
N2-10-001P		Stone, Janet	0.34			9,232	9,232	9,232	9,232	9,232	9,232	9,232	9,232	9,232	9,232	9,232	9,232	101,552	0.31	81.18%	
N2-10-001P		Stone, Kenneth	0.57			15,445	15,445	15,445	15,445	15,445	15,445	15,445	15,445	15,445	15,445	15,445	15,445	185,340	0.57	100.00%	
N2-02-010G		Salido WSC	1,472.30	38.68	1,510.98	20,813,000	20,434,000	24,434,000	28,760,000	34,242,000	33,748,000	47,873,000	81,884,000	41,081,000	33,385,000	23,833,000	21,238,000	597,530,000	1,200.57	79.85%	
N2-02-010G		71X Ranch (#6)				5,799,000	5,206,000	5,674,000	5,411,000	5,940,000	5,444,000	10,755,000	4,318,000	0	7,000	3,598,000	5,799,000	32,848,000	76.08	8.04%	
N2-02-010G		Salido WSC (#1)				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
N2-02-004G	5904604	Salido WSC (#2)	2,659,000	0	0	2,744,000	2,744,000	3,414,000	4,895,000	4,782,000	4,778,000	6,550,000	8,025,000	5,174,000	3,279,000	866,000	0	42,117,000	144.69	9.85%	
N2-02-006G	5904621	Salido WSC (#3)	2,000	0	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000	0.07	0.33%	
N2-02-006G	5904621	Salido WSC (#4)	282,000	0	0	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	282,000	3,384,000	10.23	2.44%	
N2-02-007G	5904509	Salido WSC (#5)	12,192,000	0	0	12,487,000	12,487,000	15,129,000	17,487,000	12,598,000	11,892,000	13,686,000	19,099,000	11,779,000	9,517,000	4,504,000	3,589,000	76,034,000	233.34	16.46%	
N2-02-006G	5904510	Salido WSC (#6)				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
N2-02-006G	5904510	Salido WSC (#7)				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
N2-04-005G		Schwimer Farms	124.90	74.06	198.96	6,163,313	4,794,546	6,800,242	6,833,588	8,978,677	6,703,404	7,885,743	7,824,516	6,850,183	6,222,922	0	4,581,448	65,773,155	260.23	60.03%	
N2-04-005G		Schwimer Farms Buckle				217,175	220,262	248,744	330,990	353,695	329,970	450,099	432,768	271,320	276,930	0	282,168	2,414,228	37.46	6.34%	
N2-04-001G		Schwimer Farms CCL #1				1,018,267	919,731	911,130	1,116,371	971,407	1,279,908	1,482,390	1,420,919	1,298,657	1,124,990	0	726,089	12,589,858	37.65	9.34%	
N2-04-002G		Schwimer Farms CCL #2				1,018,267	919,730	911,130	1,116,371	971,407	1,279,908	1,482,390	1,420,919	1,298,657	1,124,990	0	726,089	12,589,858	37.65	9.34%	
N2-04-003G		Schwimer Farms Esland W				300,085	282,740	302,740	302,740	302,740	302,740	302,740	302,740	302,740	302,740	302,740	302,740	3,632,880	10.23	2.44%	
N2-04-006G		Schwimer Farms ES #1				728,876	716,542	827,860	776,594	1,152,218	1,059,050	1,224,247	1,205,700	1,039,848	1,048,831	0	88,212	1,384,160	3.89	0.97%	
N2-04-007G		Schwimer Farms ES #2				394,230	412,267	462,264	587,350	650,250	596,700	737,096	824,795	708,679	692,590	0	655,537	8,791,768	20.81	5.18%	
N2-04-008G		Schwimer Farms ES #3				340,086	293,080	345,457	412,369	471,750	446,148	341,867	475,069	537,540	394,332	0	401,574	4,489,304	13.89	3.40%	
N2-10-005P		Schwimer Farms LHM																			
N2-02-002G	5904623	F Stagecoach (lm)	38.30	7.02	45.32	450,800	452,405	474,700	378,800	500,800	478,400	678,400	604,400	516,400	460,800	0	469,200	5,881,600	18.97	44.83%	
N2-02-003G	5904622	F Stagecoach (deep)				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
N2-02-003G	5904622	F Stagecoach (spring)																	0	0.00%	
Totals:			2,229.70	292.96	2,522.66	32,543,343	31,401,191	38,914,631	43,120,757	48,951,844	49,179,246	64,872,893	80,675,543	57,177,464	43,346,949	33,193,654	35,765,744	552,131,690	1,728.01	68.93%	

Acre-Feel

File No.	State #	Name	High Parent	Oper. Parent	Total Parent	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD as of % Parent
N2-02-024G	5065262	Armstrong WSC #1	154.50	333.00	487.00	31,450	63,600	0	165,470	140,600	98,300	2,154,400	3,240,160	3,240,160	1,776,000	1,655,100	1,442,600	12,331,000	40.61
N2-10-001P		Armstrong WSC #2		63,700		0	63,700	0	165,400	150,300	98,200	2,154,400	3,240,160	3,240,160	1,776,000	1,655,100	1,442,600	12,331,000	38.79
N2-02-046G	5014402	Bel-Maine-Folk WSC (Burdick)	261.20	0.00	261.20	3,180,000	2,047,600	1,648,800	2,649,000	2,649,000	3,366,000	4,313,210	6,148,670	8,948,600	8,948,600	7,233,800	3,897,160	48,898,000	12.63
N2-02-046G	5005801	Bel-Maine-Folk WSC (Rogers)		2,045,000	1,548,000	3,180,000	2,045,000	1,548,000	2,649,000	2,649,000	3,366,000	4,313,210	6,148,670	8,948,600	8,948,600	7,233,800	3,897,160	48,898,000	27.48
N2-02-024G	400101	City of Holland	155.40	0.00	155.40	0	2,000	1,500	0	0	211	20,571	2,996,471	4,372,000	4,016,300	3,778,500	3,311,000	18,581,553	58.78
N2-02-013G	5005901	East Bell WSC	69.70	114.85	184.55	623,000	419,000	445,000	440,000	440,000	478,000	544,000	620,000	2,078,000	907,000	433,000	338,000	7,723,000	0.00
N2-02-034G	4003501	East Bell WSC #1		360,000	292,000	3,336,000	292,000	291,000	275,000	291,000	294,000	338,000	620,000	1,292,000	709,000	236,000	117,000	4,718,000	14.47
N2-04-010P	5063301	East Bell WSC #2		156,000	127,000	1,150,000	127,000	152,000	185,000	185,000	191,000	205,000	360,000	787,000	296,000	196,000	171,000	3,876,000	9.23
N2-02-045G	5065403	Leon River Turkey	60.00	0.00	60.00	183,000	170,500	307,000	237,000	389,000	191,600	183,000	137,600	50,000	24,500	23,500	55,000	1,941,100	5.76
N2-02-045G	4005301	Leon River Turkey (East)		18,000	22,000	125,000	22,000	26,000	24,000	17,000	15,000	48,000	35,000	47,000	21,000	18,000	26,000	317,000	0.97
N2-02-045G	4005302	Leon River Turkey (West)		127,600	137,500	12,500	137,500	130,000	200,000	340,000	168,000	130,000	100,000	1,000	1,900	1,500	2,000	1,324,100	4.88
N2-02-024G	400101	Leon River Turkey (West)	60.00	0.00	60.00	183,000	163,000	163,000	163,000	163,000	163,000	183,000	2,000	3,000	2,000	2,000	1,000	2,133,000	0.97
N2-02-024G	400101	Leon River Turkey (West)		160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	180,000	2,000	3,000	2,000	2,000	1,000	2,133,000	0.97
N2-02-030G	4005403	Medford WSC #1	170.00	118.88	288.88	516,000	212,000	170,000	520,000	520,000	181,000	1,723,000	1,880,000	4,187,000	4,281,000	6,884,000	6,884,000	20,316,000	87.33
N2-02-022G	4005406	Medford WSC #2		43,000	17,000	516,000	43,000	17,000	160,000	154,000	181,000	1,723,000	1,880,000	4,187,000	4,281,000	6,884,000	6,884,000	20,316,000	87.33
N2-06-008P	4005507	Medford WSC #2		169,000	0	0	169,000	0	360,000	154,000	181,000	1,723,000	1,880,000	4,187,000	4,281,000	6,884,000	6,884,000	20,316,000	87.33
N2-07-006G		Anchor Stone	633.30	816.77	1,244.27	8,886,300	7,251,850	10,672,955	12,637,955	11,342,835	12,188,940	13,583,573	17,876,930	11,177,724	10,676,121	6,708,835	6,918,688	130,054,768	139.12
N2-02-001G	5006102	Bel Co. WCID #1	184.20	21.60	205.80	3,336,000	2,949,000	3,184,000	3,682,000	4,157,000	4,171,000	4,745,000	5,333,000	3,724,000	3,541,000	3,124,000	2,900,000	45,386,000	138.27
N2-02-040G	4062801	Bel Co. WCID #5	20.70	8.00	28.70	267,300	470,400	362,500	212,333	468,467	274,200	341,800	453,400	330,300	170,000	172,600	93,900	3,821,100	11.11
N2-03-001G	4062401	Gen. TX Vet. Hospital	60.00	69.96		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
N2-04-011P		Central Texas Shelter Zone	1.30	1.36		0	0	0	0	3,219	3,219	0	0	0	0	22,792	0	32,460	0.76
N2-05-003G	5007701	City of Palmer Heights	1.16	1.16		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
N2-02-036G	4056503	City of Troy #2	139.40	139.40		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
N2-02-036G		City of Troy #2	119.90	100.60	219.50	377,500	827,200	1,312,000	1,305,200	1,269,500	975,300	700,900	800,500	89,000	87,700	111,000	822,300	5,899,100	26.70
N2-02-011G	5804624	Feaster Stagecoach Prop. (Sign)		1.59	1.59	43,120	43,120	43,120	43,120	43,120	43,120	43,120	43,120	43,120	43,120	43,120	43,120	517,440	1.59
N2-07-006P		Gehring, Laurie	0.05	0.65	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00
N2-08-002P		Haffington, Larry	0.34	0.34	0	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	110,822	0.34
N2-10-002P	5006201	Jack Helard Diner and Materials	73.20	73.20		2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	2,987	33,444	0.11
N2-10-003P		Jacks Construction	13.00	13.00		0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
N2-02-001G	4065701	Marshall's Building Store	36.00	36.00		137,300	717,300	965,460	995,460	995,460	629,750	629,750	877,700	0	628,951	464,100	464,100	8,219,251	20.53
N2-06-001P		Kirby Stone	19.00	19.00		331,000	290,000	205,000	193,000	228,000	340,000	336,000	369,000	193,000	915,000	107,000	107,000	68,844	10.73
N2-05-001P		Kuzyniec, John	0.67	0.67		18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	18,250	219,000	0.67
N2-09-001P		Langston, Kimberly	12.32	12.32		0	0	258	38,620	74,140	265,960	462,360	576,320	164	258	0	0	870	0.00
N2-02-036G	4054051	Little Elm Valley WSC	91.20	2,031,500	1,323,000	2,062,000	1,654,350	1,529,050	1,907,400	1,907,400	1,971,400	2,672,300	2,215,000	1,718,800	1,348,350	36,100	36,100	20,384,050	4.34
N2-07-006G		Marshall County Church	0.16	0.16		1,170	7,630	3,770	889	5,010	20,600	20,600	2,250	1,493	2,500	2,080	920	28,800	62.25
N2-07-006P		McAndrew, Kevin	0.88	0.88		24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	288,000	0.88
N2-02-014G		Miller Springs Materials	50.00	50.00		65,110	62,500	42,770	47,770	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	0.15
N2-02-001G		Owensville Falls WSC	16.20	16.20		117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	1,170,000	1.17
N2-02-001G		Period Kids Ministries	13.80	13.80		67,990	24,100	37,180	51,330	31,500	31,500	468,100	575,000	427,000	250,800	261,000	154,900	3,533,000	1.32
N2-07-007G		Period Kids Ministries	0.01	0.01		8,91	0	0	80	50	300	250	0	150	2,862	781	781	723,668	22
N2-09-005G		R S Materials Group	16.67	16.67		393,480	0	391,346	206,070	179,210	151,250	146,460	226,040	261,980	182,220	307,500	307,500	2,760,338	8.29
N2-11-002P		Robertson, Andrew	0.59	0.59		16,021	16,021	16,021	16,021	16,021	16,021	16,021	16,021	16,021	16,021	16,021	16,021	182,252	0.59
N2-05-004P		Salado B P / Ronnie Tyne	11.05	11.05		0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00
N2-07-002P		Schultz ISD (HS)	20.40	20.40		42,766	42,766	42,766	42,766	42,766	42,766	42,766	42,766	42,766	42,766	42,766	42,766	427,666	0.11
N2-07-002P		Smith, Ingo	1.57	1.57		18,800	18,800	18,800	18,800	18,800	18,800	18,800	18,800	18,800	18,800	18,800	18,800	211,182	0.17
N2-02-001G		St. Joseph's Creek Inn	9.90	9.90		68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	68,000	680,000	0.90
N2-02-003P	402589	Stevens Land Board	36.80	36.80		0	0	0	0	0	0	0	0	0	0	0	0	1,318,340	38.37%
N2-11-003G		UVAHS	7.50	7.50		121,200	49,970	82,650	94,250	305,341	320,248	10,908	11,353	8,142	15,965	4,155	4,821	1,032,974	3.17
N2-06-008P		VanDeSalle / John Henderson	3.13	3.13		6,000	6,000	6,000	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	74,500	0.33
N2-02-047G	4054461	Pendleton WSC (#1)	75.30	47.07	122.37	0	0	0	0	0	0	0	2,853,000	3,347,300	3,021,100	2,766,500	2,495,300	14,182,800	35.45%
N2-02-046G	4054502	Pendleton WSC (#2)	1,502.60	1,173.97	2,676.57	10,343,820	13,489,195	16,449,120	16,050,353	17,756,351	23,271,544	33,693,480	32,892,024	30,030,021	25,954,985	16,434,83	249,030,531	788.64	28.64%
Totals:																			

Non-Exempt Wells--Other

2014 Monthly Production (gallons)																			
File No.	State #	Name	Acre-Feet												YTD	YTD ac-ft	% Permit		
			Hrft. Permit	Over. Permit	Total Permit	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep				Oct	Nov
N2-11-001G		Bradley Mine	1,394,869	1,394,869	1,394,869	3,519,195	3,519,195	3,519,195	4,741,131	4,741,131	4,741,131	4,741,131	4,741,131	4,741,131	4,741,131	4,741,131	49,897,829	181.13	94.11%
N2-11-002G		Bradley B. Mine	596,533	596,533	596,533	1,221,943	1,221,943	1,221,943	1,488,917	1,488,917	1,488,917	1,488,917	1,488,917	1,488,917	1,488,917	1,488,917	38,114,113	118.83	88.27%
N2-11-003G		Bradley S. Mine				684,288	684,288	684,288	684,288	684,288	684,288	684,288	684,288	684,288	684,288	684,288	13,783,516	42.30	26.44%
N2-07-014P		Not Applicable				78,287	78,287	78,287	78,287	78,287	78,287	78,287	78,287	78,287	78,287	78,287	961,433	3.55	98.83%
N2-08-005G		Berkley Oaks				6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	18,445	0.18	28.83%
N2-14-001G		Bruce Golden				710	710	710	710	710	710	710	710	710	710	710	5,873	0.06	5.81%
N2-05-007G		Mikaska				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-06-007G		Misty Creek HOA				17,050	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	178,650	0.53	100.00%
N1-11-001P		Rodriguez, Roy				15,207	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000	0.56	100.00%
N1-04-001P		Sprins, Stephen				15,207	15,207	15,207	15,207	15,207	15,207	15,207	15,207	15,207	15,207	15,207	182,484	0.56	100.00%
N2-07-013G		Temple TAG				24,750	26,348	25,233	27,224	23,033	20,033	18,259	19,157	43,780	68,055	52,692	387,296	1.13	48.79%
N2-06-007G		Trio Investments				200	200	300	300	400	400	700	500	800	200	200	5,000	0.02	11.11%
N2-02-030G		Strasburger Farms (#10)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-02-031G		Strasburger Farms (#11)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-02-032G		Strasburger Farms (#15)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-02-033G		Strasburger Farms (#16)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-02-026G		Strasburger Farms (#2)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-02-027G		Strasburger Farms (#4)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
N2-02-025G		Strasburger Farms (#5)				0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00%
Totals:			271,800	355,740	577,540	4,819,869	4,819,869	4,819,869	4,698,427	4,698,427	4,698,427	4,698,427	4,698,427	4,698,427	4,698,427	4,698,427	56,289,162	172.75	29.91%

Appendix I

Clearwater UWCD Summary of Exempt Well Use Through December 2014

Aquifer	Total Number of Registered Exempt Wells	Registered Number of Domestic Wells	Estimated Domestic Use Gallons/Day	Estimated Domestic Use Ac-ft/Year	Registered Number of Stock Wells	Estimated Stock Use Gallons/Day	Estimated Stock Use Ac-ft/Year	Total Estimated Use Gallons/Day	Total Estimated Exempt Well Use Ac-ft/Year
Glen Rose (Upper Trinity)	819	677	347,308	389	142	90,880	102	438,188	491
Hensell (Middle Trinity)	656	594	304,728	341	62	39,680	44	344,408	386
Hosston (Lower Trinity)	87	73	37,450	42	14	8,960	10	46,410	52
Trinity (Total)	1,562	1,344	689,485	772	218	139,520	156	829,005	929
Edwards BFZ	641	526	269,843	302	115	73,600	82	343,443	385
Edwards Equivalent	211	150	76,952	86	61	39,040	44	115,992	130
Buda	38	22	11,286	13	16	10,240	11	21,526	24
Lake Waco	8	3	1,539	2	5	3,200	4	4,739	5
Austin Chalk	166	101	51,814	58	65	41,600	47	93,414	105
Ozan	163	123	63,100	71	40	25,600	29	88,700	99
Pecan Gap	67	44	22,572	25	23	14,720	16	37,292	42
Kemp	15	11	5,643	6	4	2,560	3	8,203	9
Alluvium	541	357	183,145	205	184	117,760	132	300,905	337
Other	1,209	811	416,051	466	398	254,720	285	670,771	751
CUWCD Total	3,412	2,681	1,375,380	1,541	731	467,840	524	1,843,220	2,065

Domestic use estimate assumes 176.94 gallons/person per day (TWD8 estimate of domestic use outside of a municipal water system) and 2.90 persons/household (U.S. Census - Bell County average 2008-12)

Exempt well use estimate factors out all plugged, capped, monitor and inactive wells in the database.

Source of stock water estimates is Texas Agrilife Extension @ 18 gallons water per day per cow.

Livestock water use estimates are based on the 2011 TWD8 Water Use Survey Historical Summary Estimates by County as of 12/26/13.

Trinity Aquifer wells registered with unknown depth are assigned to the Middle Trinity per Board decision.

The total registered exempt wells include all domestic wells, livestock wells, inactive wells and monitor wells with exempt status.

The other designation is the total of minor aquifer and alluvium source designation of the exempt wells.



Appendix J

Trinity Aquifer Status Report – January 2015

<u>DFC analysis over time (2000-Present)</u> Modeled Available Groundwater				<u>HEUP and OP Permit Analysis</u> Relative to the Modeled Available Groundwater				<u>2014 Actual</u> <u>Prod. Jan-Dec</u> <u>766.64 ac-ft</u> <u>28.64%</u>		<u>Pending</u> <u>Applications</u>		<u>Exempt Well</u> <u>Reservations</u>	
Trinity Aquifer (by layer)	<u>DFC Adopted</u> <u>Average drawdown *</u> (by layer)	<u>Status of</u> <u>DFC **</u> Drawdown ft/year	<u>MAG</u> Ac/ft***	HEUP Ac/ft	OP Acre ft	<u>Total</u> <u>Permitted</u> <u>Ac/ft</u> (by layer)	<u>Exempt Well</u> <u>Reservation</u> <u>Ac/ft</u> (by layer)	<u>Available</u> <u>for Permitting</u> <u>Ac/ft</u> (by layer)	Pending Applications Acre ft (by layer)	Exempt Well Reservation by layer	2013 Exempt Well Use Estimation	Available Exempt Use	
Glen Rose (upper)	3.1 ft/yr 155 ft/50 yrs	1.80 ft 2000-14	992	61.90	120.15	182.05	693	116.95	0	693	494	199	
Hensell (Middle)	5.72 ft/yr 286 ft/50 yrs	4.15 ft 2000-14	1,076	259.30	203.68	462.98	548	65.02	0	548	384	164	
Hosston (Lower)	6.38 ft/yr 319 ft/50 yrs	2.92 ft 2000-14	5000	1181.40	850.14	2031.54	178	2790.46	2,421.00****	178	54	124	
Total			7068	1502.60	1173.97	2676.57	1419	2972.43	2,421.00				

*Desired Future Conditions (DFC) is the description of how the aquifer should look in the future (50 years).

**Status of the DFC is the estimated drawdown of each Layer of the Trinity Aquifer, by Clearwater UWCD Staff, based on the years 2000 -2014 and expressed as feet per year per layer.

***The Modeled Available Groundwater (MAG) is the estimated amount of water available for permitting assigned to Clearwater UWCD by the Executive Administrator of TWDB.

****Pending applications in the Hosston Layer (Lower) of the Trinity Aquifer (2421 acre feet)

Central Texas WSC Drilling Permit Well #1 (726 ac/ft).

Central Texas WSC Drilling Permit Well #2 (1695 ac/ft)

Edwards (BFZ) Aquifer Status Report – January 2015

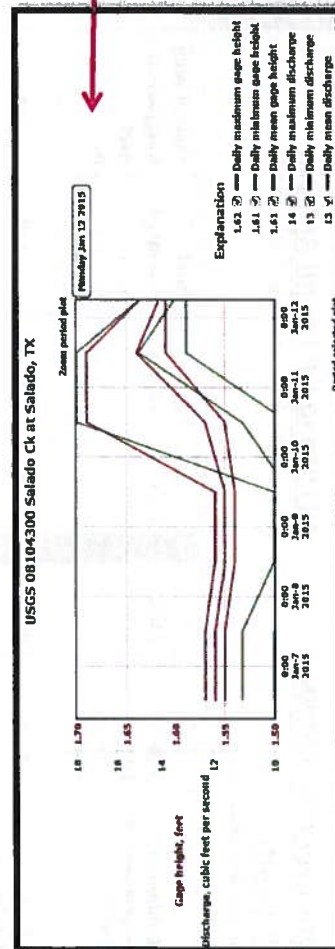
<u>DFC analysis over time (2000- Present)</u> Modeled Available Groundwater			<u>HEUP and OP Permit Analysis</u> Relative to the Modeled Available Groundwater					<u>2014 Prod.</u> <u>Jan-Dec</u> <u>1,721.05 ac-ft</u> <u>68.93%</u>		<u>Pending</u> <u>Applications</u>	<u>Exempt Well</u> <u>Reservations</u>		
<u>DFC Adopted *</u> <u>Minimum Spring Flow</u>	<u>Status of</u> <u>DFC **</u> High / Low	<u>MAG</u> Ac/ft***	<u>HEUP</u> ac-ft	<u>OP</u> ac-ft	<u>Total</u> <u>Permitted</u> ac-ft	<u>Exempt Well</u> <u>Reservation</u> ac-ft	<u>Available</u> <u>for Permitting</u> ac-ft	****Pending Applications ac-ft	<u>Exempt Well</u> <u>Reservation</u> by layer	<u>Exempt</u> <u>Well Use</u> <u>Estimation</u>	<u>Available</u> <u>Exempt</u> <u>Use</u>		
Edwards (BFZ) Aquifer	100 ac-ft or 1.68 cfs per month	1,665 ac-ft 1/4/2014 286 ac-ft 11/15/2014	6,469	2,209.70	292.62	2,502.32	825	3,141.68	825	384	441		

*Desired Future Conditions (DFC) established by Clearwater UWCD and approved by GMA8 and TWBD, is the description of how the aquifer should look in the future (50 years based on maintaining the Salado Spring Complex discharge during a repeat of drought conditions similar to the drought of record in the 1950's. Under drought of record drought, a five day average of discharge amounting to 200 ac-ft-month is preferred and 100 ac-ft-month is the minimum acceptable spring flow. Spring flow is measured and estimated by the USGS Gage in Salado Creek located below the Salado Creek Spring Complex.

**Status of the DFC is the estimated spring flow over a five day average from the springs releasing artesian pressure from the Edwards BFZ Aquifer expressed as acre feet per month of spring flow into Salado Creek.

***The Modeled Available Groundwater (MAG) is the estimated amount of water available for permitting assigned to Clearwater UWCD by the Executive Administrator of TWDB, based on the desired future conditions.

****NO Pending applications in the Edwards BFZ Karst Aquifer.



CFS is measured continuously at the downstream gage with USGS developing the rating curve according to industry standards and maintaining the information for public access on the USGS website.

Five day average for Jan 8th – Jan 12th is 14.2 CFS = 845 ac-ft/year

Appendix K

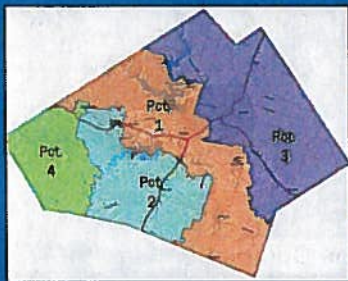
Clearwater Source

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Clearwater Precincts >>>



DIRECTORS & TERMS:

Leland Gersbach—Precinct 1
2013-2016 (President)

Bill Bartlett—Precinct 2
2011-2014 (Director)

Wallace Biskup—Precinct
2013-2016 (Vice President)

Judy Parker—Precinct 4
2011-2014 (Secretary)

David Cole—At Large
2013-2014 (Director)

BELL COUNTY WATER SYMPOSIUM

November 18, 2014
CTCOG Building,
2180 N. Main St
Belton, Texas

Preregistration request-
ed, please call the office
now to reserve a seat!

Call 254-933-0120

A MESSAGE FROM THE PRESIDENT

The last six months have seen your District continue to obtain information to manage our underground water. While Bell County has received timely rains for our farmers to produce above average crops, we have still not had enough to fill our aquifers, local lakes, and ponds. The rains have been very spotty where some areas of the county are in good shape and other areas are still lacking. The problem with a drought is that you never know when you are entering into one or getting out of one. Only time will tell. It is reported that we may be entering a slight El Nino which should give us an above normal winter rainfall. Even with the additional rainfall, we are continuing to see our aquifers decline, more in some areas than others which causes us concern. The District has drilled some new site specific monitor wells in these identified areas to help us better monitor the drawdown and to help us determine if there is a specific reason. We have also been blessed by citizens and municipalities who have let us use the wells on their property to help monitor

these water levels and draw downs. To these citizens, we say thank you since you are giving us needed access to science and saving the District much needed funds to do additional needed research projects.



The District has again entered into contracts with Baylor University and the U.S.G.S. to perform specific projects to help us understand the aquifers and their recharge. Some of this science will assist us in providing additional information to the U.S. Fish and Wildlife Service for the continued monitoring of the Salado Salamander which was listed as "threatened" during 2014. We will continue to obtain the science needed to better understand the aquifers that are under our county as our budget allows. We have also had our hydrogeologist build the District a 3-D model of the aquifers from well data in our

(Continued on page 3)

PRELIMINARY REPORT SHOWS "MIDDLE TRINITY AQUIFER WATER LEVEL CONCERN"

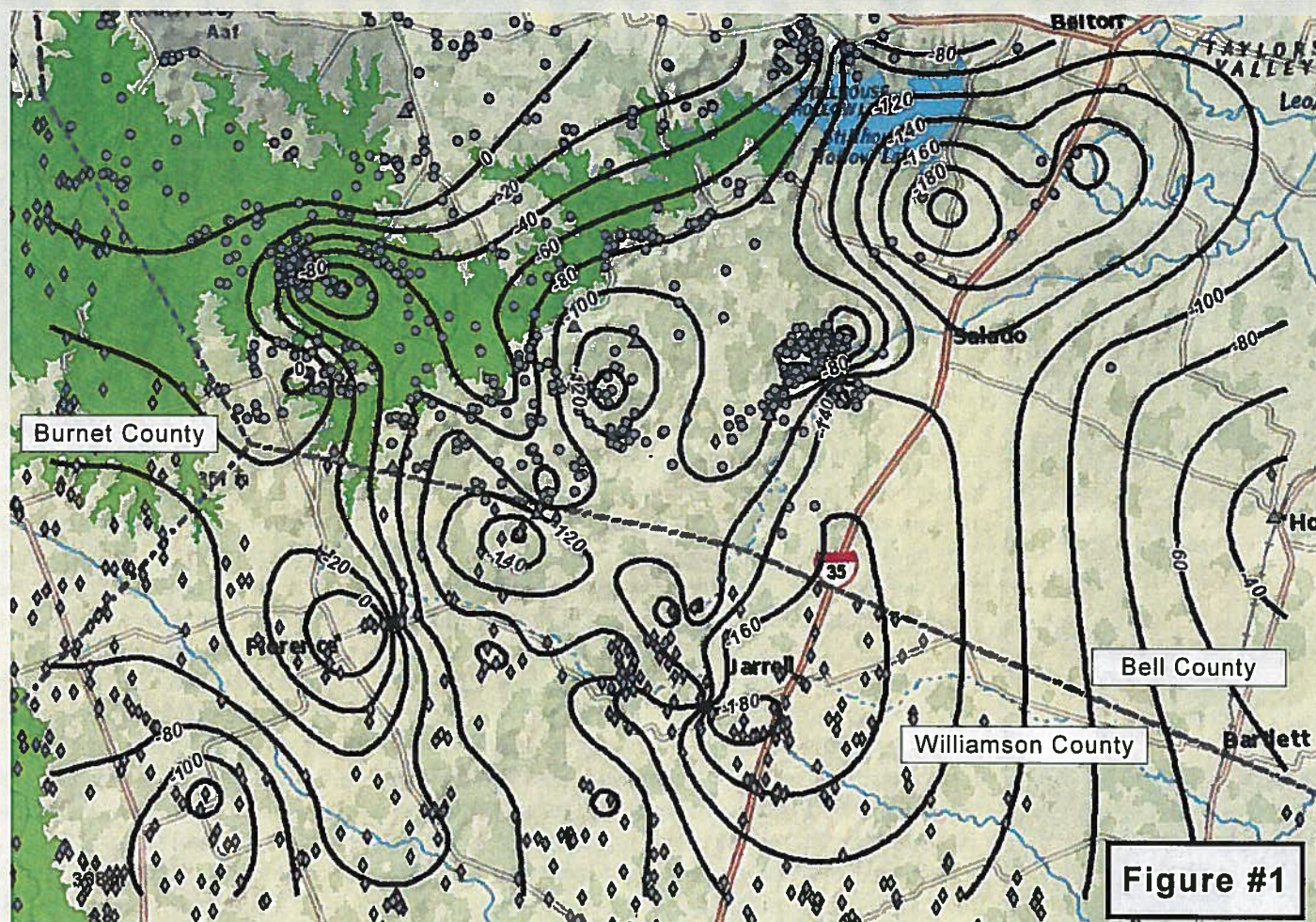
During this year's late summer, Clearwater UWCD received numerous reports from property owners and local well drillers that indicated water levels within the Middle Trinity aquifer in the southwest region of Bell County, were declining at a rapid rate. These reported declines are creating a burden on well owners, because many have had to lowering or replace of pumps in order to continue obtaining needed water supplies. To quantify the amount of water level decline and determine where declines were the greatest, Clearwater UWCD hired LBG-Guyton & Associates to conducted an evaluation of the water levels collected

from wells drilled to the Middle Trinity aquifer during 2006, 2010, and 2013 to gain a historical perspective.

Figure #1 illustrates the concentration of those wells in Bell County and parts of Williamson County where the location of the cone of depression associated with water use in those areas. The preliminary report illustrates that the causes of the recent decline in the Middle Trinity are from the drought of 2011 thru 2014, new home construction in rural areas dependent on groundwater, rural well owners using groundwater for excessive

(Continued on page 2)

"MIDDLE TRINITY AQUIFER WATER LEVEL CONCERN" (CONT.)



(Continued from page 1)

landscapes, and a regional drawdown from large ground-water production south of the Bell County line. Figure #1 illustrates the location of multiple cones of depression with extreme water level declines of up to 180 feet over a six year period.

The available water level data indicates that groundwater in the Middle Trinity is flowing primarily from the southwest (City of Florence) to the northeast (Village of Salado). However, recent measurements also indicate the development of a cone of depression south of Belton and a local cone of depression developing around the cluster of wells located west of Salado (domestic wells in Hidden Springs). A similar cone of depression is also forming in the Jarrell area where water levels declined about 140 feet between 2010 and 2013. Extreme use of groundwater from the Middle Trinity aquifer (Hensell Layer) is evident in the rural northwest region of Williamson County.

As new wells are completed in the aquifer, the cumulative production from these new wells, along with existing wells, can cause the area wide aquifer water levels to decline faster than they did in the past. The rapid declines are evident near Jarrell and between Salado and Belton. In

recent years, we can often blame these declines on industrial use but in this case we must also blame these declines on extreme use of groundwater in rural subdivisions that have new home owners who are excessive in their landscape choices, ultimately watering outside plants and grass. In addition, concentrated production from many exempt small wells, such as those west of Salado, are creating localized long-term drawdown and significant water level fluctuations throughout the year. Clearwater UWCD has continued to urge local exempt well owners to reduce their use of groundwater for large lawns and excessive landscapes. Exempt well ownership prevents any governmental entity, including Clearwater UWCD, from stopping the use of your groundwater, but if you don't, mother nature will show wells owners what happens when the aquifer is depleted. Most of the area with these declines are also in the CCN of the Chisholm Trail Special Utility District, located in Florence Texas.

Clearwater is continuing to gather more information and will post updates on our District website as needed to keep the well owners in Bell County updated. It is important for well owners to take action and help reduce the impact by implementing conservation measures. The District staff is always available to discuss these topics in-depth.

PRESIDENT'S MESSAGE (CONT.)*(Continued from page 1)*

database. This will soon be available to the public to look at and analyze. However, this model is not an exact science model since it is only made with the best available information and will continue to be updated as additional wells and data are obtained.

We are again having our annual water symposium on November 18th. I would encourage all interested citizens to attend this free symposium for the full day or any part as your schedule will allow. Your District is here to help you. If you have a need for a program, speaker or information, please contact the District office.

If you have not used our website, please do so. Besides our District information, which we strive to be fully transparent, we have a mapping section that is the best available to the public. As a parting comment, please be conscious and conserve our water resources. What you use today may be the water you or your children may be needing to drink in the future.

Leland Gersbach, President
Clearwater UWCD

WELL REGISTRATION REPORT**Well Registration-Summary '02 through '14**

Period	Exempts Wells		Non-Exempt Wells		Total
	Existing	New	Existing	New	
2002-2013	4,084	756	107	40	4,987
2014	20	38	1	5	64
Total	4,104	794	108	45	5,051

Well Registration: Since the District's opening in 2002, a total of 5,051 wells have been registered through October 2014. 153 of these wells are non-exempt and 4,898 are exempt. Well registration for 2014 through October is reported at 64.

Aquifer	Non-Exempt Well Production (Ac-Ft/Year)	Estimated Exempt Well Production (Ac-Ft / Year)
Edwards (BFZ)	1,879.34	384
Trinity	902.88	932
Other Aquifers	245.64	749
Total	3,027.86	2,065

Join the District for the 14th Annual Bell County Water Symposium

Central Texas Council of Governments Building
2180 N. Main Street (old Walmart) Belton, Texas
November 18, 2014 8:30 A.M. — 3:30 P.M.

Key Topics and Speakers**Drought of Record? (2011 — 2014)**

Dr. John Nielsen-Gammon, State Climatologist, Texas A&M University

**Groundwater Issues in the Upcoming Legislative Session and
Texas Alliance of Groundwater Districts Overview**

Stacey Steinbach, Executive Director, TAGD
Carolyn Cadena, Program Director, TAGD

**Groundwater Law Today and Tomorrow (Court Decisions and
their Impact)**

Ty Embrey, Attorney, Lloyd Gosselink Rochelle and Townsend

State Water Planning — The Process

Brenner Brown, Manager Brazos Region, State Water Planning Team,
Texas Water Development Board

Water — Energy Nexus

Michael J. Nasi, Partner, Jackson Walker L.L.P.

**Who Supplies to Who to Get to You? Status of Surface Water
Supply in Central Texas and Future Water Plans**

David Collingsworth, Basin Manager, Central & Lower Regions,
Brazos River Authority

3-D Groundwater Modeling of Bell County

Allan R. Standen, LLC, Groundwater & Natural Resources Consulting

Status of the Trinity Aquifer and It's Many Layers in Bell County

James Beach, Vice President, LBG-Guyton Associates
Mike Keester, Senior Hydrogeologist, LBG-Guyton Associates

New Understanding of the Northern Segment of the Edwards BFZ

Dr. Joe Yelderman, Hydrogeologist, Baylor University
Ms. Stephanie Wong, Graduate Assistant, Baylor University

Understanding the Geochemistry of the Edwards BFZ

Dr. Marylynn Musgrove, Research Hydrologist, U.S.G.S.

**This event is free but requires RSVP
call by November 14th 5:00 p.m.**

----- Event Sponsors -----

Clearwater UWCD
LBG-Guyton Associates
HALFF Associates

Lloyd-Gosselink Attorneys at Law
Bell County Engineers Office
Texas AgriLife Extension Service

Mission Statement >>>

To implement an efficient, economical, and environmentally sound groundwater management program to protect and enhance the water resources of the District.

PUBLIC ADVISORY COMMITTEE

Tom Madden—Precinct 1

Henry Bunke—Precinct 2

Marvin Green—Precinct 3
(Committee chair)

Bradley Ware—Precinct 4

Bill Schumann —At Large

WATER QUALITY TEST

The District's in house lab offers registered well owners free testing for common constituents and bacteria. Testing bottles are available in our office. Annual testing is recommended.

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fan page

E-MAIL CONTACT LIST

Contact the District office if you would like to be included in our e-mail list for agendas and press releases.



Clearwater District
P.O. Box 1989
700 Kennedy Court
Belton TX 76513

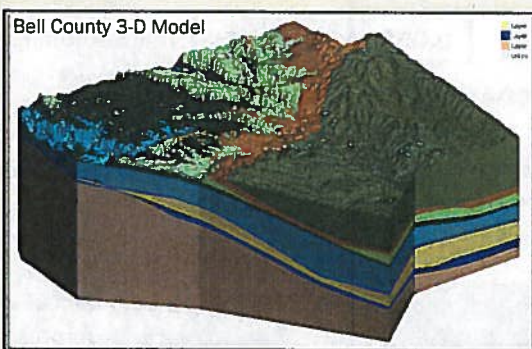
Ph: 254-933-0120
Fax: 254-770-2360
www.cuwcd.org

THE MANAGER'S COMMENTS

The Clearwater Underground Water Conservation District has moved into the new fiscal year (October 1, 2014–September 30, 2015) with continued emphasis on the original expectations of the citizens of Bell County. Our District was created under Article XVI, § 59 of the Texas Constitution and operates pursuant to its enabling legislation and Chapters 36 and 49 of the "Texas Water Code". The District was created to manage and protect the groundwater resources of Bell County, Texas.

The guiding principles of the District are stated and confirmed by the Board of Directors in the District's Management Plan as well as the District Rules. This puts me (General Manager) on a defensible course to implement a staffing effort that meets the goals, objectives, and performance standards described in the management plan. The current board directives and decisions are conservative in nature, yet accomplish the day to day responsibilities with a full-time staff of three, which includes the General Manager, Administrative Assistant, Education Coordinator/Field Technician, and one part-time employee to support digitizing district data.

In 2014 the Board had Mr. Allan Standen prepare and develop a 3-D Model of the District and its aquifers. The finished model



is complete and available for our Staff to assist landowners evaluate options for groundwater production in a given location. Models are not perfect thus this model will require ongoing calibration and updating as new information becomes available. Upon request, we are willing to assist landowners who need information on their land and its groundwater resources.

I also encourage well owners to make sure that our files are complete on their respective wells. We also acknowledge that a well is a tremendous financial asset when properly registered and constructed in accordance with the Texas Department of Licensing and Regulations. Clearwater UWCD communicates with local and region wide well drillers and pump installers on the State rules of construction and completion of wells and demands that those rules are adhered to on behalf of the well owner. Constructing and maintaining a well of any kind is very expensive and a huge liability if unregistered and improperly completed.

Please feel free to call our staff at any time for assistance. We pride ourselves on accurate and efficient response to your needs.

Dirk Aaron, General Manager
Clearwater UWCD

(POSTAGE STAMP)

(NAME)
(STREET)
(CITY)

Appendix L

CUWCD Education and Outreach Events



Date	People	Event Information	Presentation	Booth
1/20/14	35	Moffat Water Supply Annual Meeting	Y	
1/30/14	19	Belton Lions Club	Y	
2/4/14	25	Belton Rotary Club	Y	
3/26/14	28	Bell County Master Gardener Class	Y	
3/27/14	300	Bell County Livestock Conference		Y
4/4/14	18	Killeen Girl Scouts	Y	
4/12/14	200	Bell County Earth Day	Y	Y
4/25/14	180	Fort Hood Earth Day	Y	
5/16/14	150	Bell County Ag Day	Y	
6/16/14	40	City of Temple Summer Camp	Y	
6/19/14	20	CTCOG Leadership Central Texas	Y	
6/30/14	40	Extension 4-H Water Day	Y	
7/2/14	40	City of Temple Summer Camp	Y	
7/22/14	18	Teacher In-service	Y	
7/22/14	60	Military 4-H Summer STEM Camp	Y	
8/20/14	75	Military 4-H 2 nd Annual Water Boot Camp	Y	
9/26/14	160	Renewable Energy Expo	Y	
10/1/14	38	Rogers Afterschool Program	Y	
10/9/14	46	Texas Ag Industries Association	Y	
10/18/14	600	2014 Nature Fest		Y
11/18/14	145	Annual Water Symposium	Y	Y
11/19/14	450	City of Killeen Annual GIS Day		Y
11/20/14	200	Lamar Middle School (Temple ISD)	Y	
Total reach	2,887			

Appendix M

Water Quality Sampling 2014

Test Date	CUWCD #	Name	Aquifer ²	Depth (ft)	Coliform Bacteria ³	Fecal Matter	Alkalinity (mg/L)	Conductivity (µs/cm)	Total Dissolved Solids (mg/L)	Fluoride ⁴ (mg/L)	Hardness (mg/L)	Nitrate (mg/L)	Nitrite (mg/L)	pH	Phosphate (mg/L)	Sulfate ⁵ (mg/L)
2/12/2014	E-13-015P	Prestigiasomo	Middle Trinity	640	absense	absense	460	2260.00	1167	*2.3 (limit)	100	1.0	0.006	8.1	0.20	
2/19/2014	E-05-107G	Hurt	Upper Trinity	400	absense	absense	360	1463	726	1.90	320	7.0	0.004	7.5	0.16	*80 (limit)
2/24/2014	E-02-2660G	Ryan	Upper Trinity	200	absense	absense	300	666	330	0.10	0	2.8	0.000	7.6	0.08	0
3/6/2014	E-04-008P	Keeling	Middle Trinity	870	absense	absense	320	1438	726	2.1	100	2.6	0.375	8.3	0.11	*80 (limit)
3/25/2014	E-02-315G	Harler	Middle Trinity	940	Not Tested	Not Tested	500	6180	3280	*2.3 (limit)	360	0.6	0.006	8.0	0.20	*80 (limit)
3/25/2014	N2-09-001P	Langston	Middle Trinity	1000	Not Tested	Not Tested	480	6070	3220	*2.3 (limit)	340	0.9	0.006	7.9	0.20	*80 (limit)
3/26/2014	E-13-020P	Capps	Middle Trinity	870	Not Tested	Not Tested	400	3310	1699	2.20	200	0.6	0.003	8.0	0.22	*80 (limit)
3/27/2014	E-02-3349G	Binion	Upper Trinity	450	Not Tested	Not Tested	420	3490	1802	2.20	200	1.2	0.003	8.0	0.13	*80 (limit)
3/27/2014	E-11-002P	Almsted	Middle Trinity	900	Not Tested	Not Tested	360	2520	1285	2.20	120	0.7	0.312	8.4	0.16	*80 (limit)
3/27/2014	E-13-031P	Thomas	Middle Trinity	880	Not Tested	Not Tested	400	2750	1388	2.20	120	0.6	0.051	8.0	0.15	*80 (limit)
4/4/2014	M14-002P	Monitor Well Gault #2	Middle Trinity	884	Not Tested	Not Tested	320	1168.00	575	2.00	140	1.20	0.000	8.1	0.17	135
4/4/2014	M-14-001P	Monitor Well Gault #1	Edwards	110	Not Tested	Not Tested	320	600	292	0.20	340	0.70	0.000	7.50	0.11	3
4/4/2014	M-14-001P	Monitor Well Gault #1	Edwards	110	Not Tested	Not Tested	320	612	297	0.20	340	6.20	0.008	7.4	0.11	6.00
4/10/2014	E-02-348G	Splitterber	Edwards	207	presence	presence	440	2190	1102	2.30	60	4.60	0.003	8.00	0.20	370
4/11/2014	M14-002P	Monitor Well Gault #2	Middle Trinity	884	Not Tested	Not Tested	340	610	286	0.20	300	3.10	0.003	7.6	0.10	4
4/17/2014	E-14-014P	Gault Site-House Well #3	Edwards	90	Not Tested	Not Tested	280	530	280	0.00	260	2.30	0.003	7.6	0.08	2
5/20/2014	E-14-027P	Les Shelley	Middle Trinity		Not Tested	Not Tested	not tested	5490	2880	-	-	-	-	-	-	-
5/20/2014	N1-08-002P	Merle Shelley	Middle Trinity		Not Tested	Not Tested	not tested	6070	3210	-	-	-	-	-	-	-
6/6/2014	E-14-044P	Les Shelley (500ft)	Middle Trinity		Not Tested	Not Tested	not tested	5970	3120	-	-	-	-	-	-	1092
6/5/2014	E-14-044P	Les Shelley (900ft)	Middle Trinity		Not Tested	Not Tested	not tested	2210	1116	-	-	-	-	-	-	203
6/9/2014	E-02-3141G (well head)	Northen	Alluvium	30	presence	absense	360	755	370	0.30	260	5.20	0.003	7.70	0.35	24
6/9/2014	E-02-3141G (kitchen sink)	Northen	Alluvium	30	presence	absense	340	971	479	0.30	0	3.60	0.003	7.20	0.28	22
7/31/2014	E-13-008P	Thaler	Edwards	210	presence	presence	360	2240	1098	2.20	120	3.10	0.002	7.90	0.20	234
8/14/2014	E-14-048G	Howton	Edwards	?	absense	absense	360	1303	654	2.10	120	1.00	0.004	7.90	0.16	90
8/19/2014	E-13-030P	Pedigo	Middle Trinity		Not Tested	Not Tested	-	4890	2510	-	-	-	-	-	-	-
8/19/2014	E-13-030P	Pedigo	Middle Trinity		Not Tested	Not Tested	-	4890	2560	-	-	-	-	-	-	-
8/25/2014	N2-10-003P	James Construction	Middle Trinity		Not Tested	Not Tested	320	1658	824	2.20	100	2.20	0.003	7.90	0.19	170
9/18/2014	E-14-053P	Pedigo	Middle Trinity	980	Not Tested	Not Tested	-	1506	751	-	-	-	-	-	-	-
9/30/2014	M-13-007G	Pea Ridge	Lower Trinity		Not Tested	Not Tested	320	3310	1701	2.00	80	0.00	0.002	8.00	0.37	110
11/12/2014	E-03-334G	Fulton	Upper Trinity	?	absense	absense	320	611	301	0.04	320	4.00	0.004	7.40	0.01	11
12/12/2014	E-12-046P	Mahler	Middle Trinity	725	Not Tested	Not Tested	400	4030	2120	*2.3 (limit)	260	0.60	0.000	7.60	0.11	41


Appendix N



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Rainwater Harvesting



Rainwater harvesting is an innovative alternative water supply approach anyone can use. Rainwater harvesting captures, diverts, and stores rainwater for later use.


Implementing rainwater harvesting is beneficial because it reduces demand on existing water supply, and reduces run-off, erosion, and contamination of surface water.

Rainwater can be used for nearly any purpose that requires water. These include landscape use, stormwater control, wildlife and livestock watering, in-home use, and fire protection.


A rainwater harvesting system can range in size and complexity. All systems have basic components, which include a catchment surface, conveyance system, storage, distribution, and treatment.

For more information, please visit the [Texas A&M AgriLife Extension - Rainwater Harvesting website](#)

Related Resources




Rainwater Harvesting Book: Homeowners and landowners can construct systems to capture, store and use rainwater to water their landscape plants



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Appendix O



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Brush Control

Brush Busters is a cooperative program of the Texas AgriLife Research and Extension Service to expedite the adoption of Tactical Brush Management Systems (TBMS) technology

Brush Busters methods are easily understood, even by those with little or no previous experience in brush control. We recommend only "select" treatments capable of killing at least 7 out of 10 of the plants treated. Brush Busters methods make every attempt to keep equipment costs and complexity to a minimum, and whenever possible, to use non-restricted herbicides. One-page pamphlets are available from most County Extension offices that describe, in a simple 3-step process, the Brush Busters control methods for mesquite, pricklypear and cedar. Videos are available for checkout through most County Extension offices that demonstrate the Brush Busters control methods. For those who are computer literate, a CD-ROM Brush Busters program is available that uses interactive video, audio and graphics to teach the use of Brush Buster methods for mesquite control.

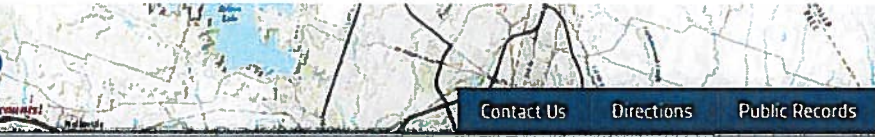

- Cedar
 - Leaf Spray Method
 - Spot Spray Method
 - Top Removal Method
 - How to Estimate Costs for Controlling Small Cedar
- Cut Stumps
 - Cut Stump Spray for Hardwood Species
 - Cut Stump Spray for Redberry Cedar
- Huisache
 - Leaf Spray Method
 - Stem Spray Method
- Macartney Rose
 - Leaf Spray Method
- Mesquite
 - Leaf Spray Method
 - Stem Spray Method
 - How to Estimate Cost for Controlling Mesquite
- Pricklypear
 - Pad or Stem Spray Method
 - Top Removal Method
 - How to Estimate Costs for Controlling Pricklypear
- Saltcedar
 - Leaf Spray Method
 - Stem Spray Method
- Tallowtrees
 - Leaf Spray Method
 - Stem Spray Method
- Yucca
 - Herbicide + Oil Whorl Spray
 - Undiluted Whorl Spray
- Equipment



SEARCH CUWCD

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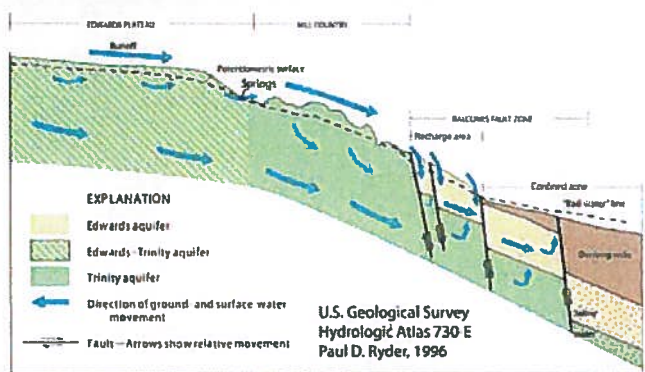
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Recharge Enhancement



EXPLANATION

- Edwards aquifer
- Edwards - Trinity aquifer
- Trinity aquifer
- Direction of ground and surface water movement
- Faults — Arrows show relative movement

U.S. Geological Survey
Hydrologic Atlas 730-E
Paul D. Ryder, 1996



[CLICK HERE](#)

SEARCH CUWCD

Submit

Recharge enhancement is an important tool to help encourage recharge of our groundwater. Urban development decreases direct recharge from precipitation but introduces new sources of water which, in most instances, can increase groundwater recharge if applied properly.

Best Management Practices for Recharge Enhancement

- [Onion Creek Recharge Enhancement](#)
- [Urban-Enhanced Groundwater Recharge](#)
- [Appendix C Technical Evaluation Procedures for Edwards Aquifer Recharge Enhancement](#)
- [Fact Sheet 4C.4 Edwards Recharge \(L-18a\)](#)
- [Fact Sheet 4C.4 Edwards Recharge \(L-18c\)](#)

Appendix Q



State #	40-57-902	40-57-903		E-02-804G	40-58-201
CUWCD #	E-02-721G	E-02-722G	Dobson	N2-09-006P	
Well Name	McCallum #1	McCallum #2		CTC Campus	
Highest	-132.42	-131.92	-306.15	-77.83	
Lowest	-173.83	-174.07	-386.05	-87.59	
Nov-06	-143.33	-143.25			
Jan-07	-145.50	-145.00			
Jul-07	-132.42	-131.92	-324.50		
Jan-08	-135.67	-135.17	-328.71		
Jul-08	-153.00	-152.25	-338.92		
Jan-09	-146.59	-145.83	-356.42		
Jul-09	-160.84	-160.25	-359.83		
Jan-10	-153.27	-152.83	-381.65	-87.59	
Jul-10	-151.83	-152.07		-77.83	
Jan-11	-150.90	-150.80	-382.40	-79.64	
Jul-11	-168.03	-166.50	-375.31	-80.53	
Sep-11	-171.33	-171.67	-385.35	-81.01	
Nov-11	-165.03	-165.10	-381.65	-80.28	
Jan-12	-157.73	-158.07	-378.05	-79.72	
May-12	-157.63	-158.37	-376.65	-78.99	
Jan-13	-156.23	-158.07	-374.40	-81.66	
May-13	-162.03	-162.07	-386.05	-82.13	
Aug-13	-173.83	-174.07	-307.15	-82.70	
Nov-13	-160.43	-160.77	-306.45	-82.35	
Feb-14	-158.03	-158.47	-306.75	-82.68	
May-14	-164.17	-163.73	-309.05	-83.07	
Aug-14	-170.93	-168.47	-309.15	-83.56	
Nov-14	-166.28	-167.37	-308.48	-83.42	
Jan-15	-158.83	-159.17	-306.15	-83.54	
Since Last	7.45	8.20	2.33	-0.12	
Historic	-15.50	-15.92	29.60	4.05	
The desired future conditions established by Clearwater Underground Water Conservation District for the Upper Trinity					
is no more than 155 feet of drawdown after 50 years.					
The average drawdown goal per year is -3.1 feet.					
Minimum Number of Measurements:					
5					
Average Drawdown					
Drawdown of Water Level					
Increase of Water Level					



Clearwater UWCD - Middle Trinity Monitor Wells

Staff measures wells quarterly in order to closely monitor the aquifer levels as part of our statutory responsibility. The Texas Water Development Board conducted some of the measurements, shown in red. The measurements in blue were taken by the Clearwater staff. The Texas Water Development Board provides information through publication of continuous monitoring data on the measurements of the TxDOT wells and an additional well in Salado, shown in red.

State #	58-04-104	58-02-103	40-58-903	58-03-503	58-05-901	40-57-601	58-02-302	58-03-504	58-02-901	58-04-405	58-04-514	58-04-407	58-04-406	58-03-701
CWCD #	E-08-005P	E-02-1299G	E-06-063G	N2-07-003G	N-02-013G	N2-09-007P	N2-05-010G	E-10-003P	M-13-001P	E-05-083P	E-02-1409G	E-02-1407G	E-02-1406G	M-14-002P
Well Name	Stephenson	Mayer	Tex Vet	Crushed Stone	Holland	Copperas Cove	River Ridge	Christian	Stillman	Murphy	H.Spring Park	Reavis	H. Springs	Gault Site #2
Highest	-369.54	-172.89	-361.40	-344.42	1.20	-295.47	-219.33	-557.40	-467.50	-282.63	-323.35	-388.80	-385.00	-630.00
Lowest	-433.63	-266.45	-442.33	-447.63	-56.00	-319.94	-344.72	-586.40	-482.40	-417.44	-364.65	-426.40	-422.60	-655.90
Jan-06		-200.62			-25.96									
Jul-06		-227.18			-28.30									
Sep-06		-208.70			-27.96									
Oct-06		-209.86			-21.46									
Nov-06		-187.91	-399.41		-27.13		-219.33			-313.83				
Jan-07		-183.29	-375.25		-26.10		-266.88			-282.63				
Jul-07		-217.94	-379.58		-27.04		-256.25			-288.42				
Jan-08		-204.08	-382.50	-344.42	-28.80		-261.92			-291.92				
Jul-08		-229.49	-442.33	-376.17	-30.79		-280.17			-334.42				
Jan-09	-369.54	-266.45	-389.58	-377.92	-34.04		-284.25			-323.76				
Jul-09	-378.46	-201.77	-370.17	-377.25	-36.63		-293.58			-368.58				
Jan-10	-372.54	-241.04	-362.93	-383.50	-36.63	-306.94	-281.48			-326.54				
Jul-10	-378.38	-192.53	-378.53	-375.55	-38.83	-295.47	-287.33			-345.24				
Jan-11	-381.23	-185.60	-380.93	-381.23	-39.90	-308.10	-286.78			-335.00				
Jul-11	-405.56	-197.15	-362.35	-414.48	-41.13	-313.40	-312.02			-403.38				
Sep-11	-412.08	-204.08	-362.18	-424.33	-41.73	-319.94	-325.18			-404.70				
Nov-11	-413.38	-204.80	-364.70	-416.48	-42.13	-316.65	-319.40			-386.04				
Jan-12	-403.38	-199.46	-362.73	-409.97	-43.13	-311.90	-308.38			-357.34				
May-12	-399.68	-201.77	-362.33	-404.97	-44.13	-309.74	-304.18			-376.80				
Jan-13	-401.58	-204.28	-361.40	-406.98	-42.10	-312.56	-303.08			-370.60				
May-13	-412.28	-206.39	-367.53	-422.08	-50.40	-311.45	-312.78	-557.40	-479.00	-388.94	-364.65	-426.40	-422.60	
Aug-13	-423.28	-216.78	-371.53	-431.48	-50.00	-317.87	-325.18	-570.20	-481.20	-417.44	-336.35	-396.10	-392.20	
Nov-13	-422.78	-209.85	-371.13	-432.18	-51.30	-314.73	-326.88	-574.40	-475.00	-386.24	-323.35	-388.80	-385.00	-630.00
Feb-14	-417.18	-172.89	-370.23	-439.28	-51.30	-311.78	-321.88	-567.80	-467.50	-374.84	-335.65	-407.80	-403.20	-645.00
May-14	-418.93		-375.07	-441.33	-56.00	-313.33	-331.62	-574.70	-476.30	-390.46				
Aug-14	-426.63	-219.09	-375.17	-446.93	-55.30	-314.87	-338.32	-583.20	-479.70	-412.16	-352.35	-415.40	-410.90	-655.90
Nov-14	-433.63	-216.80	-377.57	-447.63	-55.40	-316.99	-344.72	-586.40	-482.40	-406.66	-349.25	-417.40	-412.40	-650.98
Jan-15	-421.68	-213.18	-372.33	-445.93	-45.00	-312.52	-329.28	-570.70	-470.90	-375.64	-324.75	-390.80	-387.20	-648.91
Since Last	11.95	3.62	5.24	1.70	10.40	4.47	15.44	15.70	11.50	31.02	27.60	25.20	25.20	
Historic	-52.14	-31.08	27.08	-101.51	-46.20	-5.58	-109.95	-13.30	8.10	-61.81	39.90	35.60	35.40	
Minimum Number of Measurements:														5
Average Drawdown														-3.82 ft/yr

E line Measurement
Sonic Measurement
TWDB Measurement
Air line Measurement

The desired future conditions established by Clearwater Underground Water Conservation District for the Middle Trinity is no more than 286 feet of drawdown after 50 years.
The average drawdown goal per year is -5.72 feet.

Drawdown of Water Level
Increase of Water Level



Clearwater staff. The Texas Water Development Board provides information through publication of continuous monitoring data on the measurements of the TxDOT wells and an additional well in Salado, shown in red.

State #	40-53-406	40-63-501	58-06-301	40-57-602	58-05-202															
CUWCD #	N2-02-022G	N2-02-034G	N2-04-010P	N-02-008P	N2-02-024G	N2-10-001P														
Well Name	Moffat #1	East Bell #1	East Bell #2	Copperas Cove	Armstrong #1	Armstrong #2														
Highest	-332.00	-230.00	-268.00	-290.13	-246.70	-327.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Lowest	-475.39	-235.00	-378.00	-296.91	-247.90	-329.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Jan-06																				
Jul-06																				
Jan-07	-333.00																			
Jul-07	-381.26																			
Jan-08	-332.00																			
Jul-08	-358.16																			
Jan-09	-436.70																			
Jul-09	-358.16																			
Jan-10	-399.74																			
Jul-10	-408.98																			
Jan-11	-362.78																			
Jul-11	-348.82																			
Sep-11	-459.36																			
Nov-11	-457.05																			
Jan-12	-455.49																			
May-12	-458.80																			
Jan-13	-471.09																			
May-13	-468.59																			
Aug-13	-475.39																			
Nov-13	-468.89																			
Feb-14	-468.50																			
May-14	-471.81																			
Aug-14	-474.01																			
Nov-14	-472.68																			
Jan-15	-467.39																			
Since Last Historic	1.33 -137.68	0.00 485.70	0.00 -22.00	-0.74 -4.69	0.00 247.90	329.83 329.83	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00				
E-line Measurement																				
The desired future conditions established by Clearwater Underground Water Conservation District for the Lower Trinity is no more than 319 feet of drawdown after 50 years.																				
The average drawdown goal per year is -6.38 feet.																				
Minimum Number of Measurements: 3																				
Average Drawdown																				
Drawdown of Water Level																				
Increase of Water Level																				
-2.78 ft/yr																				

The desired future conditions established by Clearwater Underground Water Conservation District for the

Lower Trinity is no more than 319 feet of drawdown after 50 years.

The average drawdown goal per year is -6.38 feet.



Clearwater UWCD - Edwards BFZ Monitor Wells

water staff. The Texas Water Development Board provides information through publication of continuous monitoring data on the measurements of the TxDOT wells and an additional well in Salado, shown in red.

State #	58-13-502	58-04-627	58-04-502	58-04-623	58-04-602	58-04-628	58-04-702	58-04-816	E-10-005P	E-04-077P	N2-11-005P	M-14-001P	E-14-014P	
CUWCD #	M-12-014G	N-03-004G	N-02-050G	N-02-002G	N-02-003G	N2-08-008G	N2-04-005G	N2-05-002G	Coplin	Peters	Broeker	Gault #1		
Well Name	Barlett #1	Salado ISD #1	Salado ISD #2	Stagecoach	Salado WSC#1	Cemetery	Patterson	Rest Stop						
Highest	-40.13	-36.17	-41.32	-67.67	-27.12	-30.01	-69.82	-118.18	-60.00	-31.00	-68.70	-57.20	-52.30	
Lowest	-76.79	-52.33	-56.14	-95.25	-63.20	-89.10	-78.25	-129.44	-74.95	-40.40	-79.70	-59.10	-56.20	
Jan-06	-50.29	-43.34	-51.79	-83.00	-36.50		-72.83							
Jul-06	-52.29	-43.58	-52.08	-95.25	-41.84		-72.73							
Sep-06	-55.92	-43.09	-53.08	-82.75	-34.09		-72.87							
Oct-06	-60.37	-44.55	-52.96	-85.75	-33.21		-72.95							
Nov-06	-65.12	-43.75	-52.33	-81.00	-30.09		-73.05							
Jan-07	-60.79	-40.84	-49.50	-80.30	-27.55		-72.08							
Jul-07	-49.45	-36.17	-44.83	-72.34	-31.50		-69.87							
Jan-08	-41.92	-41.92	-49.83	-86.51	-31.42		-72.07							
Jul-08	-46.46	-43.59	-52.16	-72.34	-40.17		-69.82	-124.80						
Jan-09	-61.04	-43.42	-51.58	-88.75	-38.92	-71.91	-72.88	-125.47						
Jul-09	-63.33	-51.50	-53.66	-85.67	-34.92	-83.61	-73.19	-128.15	-60.00					
Jan-10		-39.62	-48.38	-67.67	-27.12	-39.81	-70.43	-118.18						
Jul-10	-58.04	-42.12	-50.73	-81.67	-31.53	-72.83		-120.46						
Jan-11	-58.80	-43.00	-49.35	-82.64	-31.43	-64.63	-72.05	-121.76						
Jul-11	-61.21	-44.46	-53.49	-87.21	-35.52	-81.51	-71.05	-125.39						
Sep-11	-68.59	-45.82	-54.03	-89.22	-37.83	-89.10	-71.15	-126.41						
Nov-11	-76.79	-44.42	-52.83	-83.62	-32.53	-80.97	-72.08	-126.09			-78.00			
Jan-12	-75.99	-46.22	-50.23	-79.72	-30.73	-64.78	-74.20	-125.18						
May-12	-67.39	-41.82	-50.83	-81.92	-31.20	-79.17	-73.83	-123.57						
Jan-13	-68.90	-42.22	-49.83	-85.40	-32.40	-71.54	-71.20	-125.18						
May-13	-63.00	-42.02	-50.03	-86.52	-31.57	-64.79	-73.57	-126.78						
Aug-13	-64.70	-44.42	-52.53	-84.12	-32.17	-84.93	-73.70	-129.44	-74.95		-68.70			
Nov-13		-43.70	-49.73	-81.12	-29.37	-53.35	-73.60	-125.05	-68.55					
Feb-14	-62.20	-42.22	-49.93	-80.02	-30.17	-67.54	-73.64	-124.22	-68.65	-35.00	-74.40	-59.10	-52.30	
May-14	-64.40	-46.88	-52.17	-90.28	-30.97	-72.25	-73.98	-125.66	-72.35	-40.20	-78.60	-57.20	-56.20	
Aug-14	-65.80	-47.08	-52.67	-91.78	-33.77	-82.71	-74.24	-128.09	-72.55	-40.40		-57.30	-55.80	
Nov-14	-59.80	-52.33	-43.92	-88.62	-31.17	-77.79	-74.33	-127.60	-69.25	-35.40	-79.70	-58.58	-52.60	
Jan-15	-62.00	-49.13	-41.32	-79.32	-29.57	-30.01	-73.77	-125.52	-69.05	-35.70	-74.30	-59.01	-52.50	
Since Last	-2.20	3.20	2.60	9.30	1.60	47.78	0.56	2.08	0.20	-0.30	5.40	-0.43	0.10	
Historic	-19.38	-9.33	9.18	6.07	-0.30	41.90	-2.77	-0.72	-9.05	-4.70	3.70	0.09	-0.20	
E-line Measurement	Keep in mind that the Edwards (BFZ) is a Karst aquifer and static water levels are a measurement of aquifer health in conjunction with spring flow.													Minimum Number of Measurements: 5
Sonic Measurement	The desired future conditions established by Clearwater for the Edwards (BFZ) aquifer are based on maintaining Salado Spring discharge into Salado Creek during a repeat of conditions similar to the 1950's drought of record. Under the drought of record conditions, a spring discharge of 200 acre-feet per month is preferred and 100 acre-feet per month is the minimum acceptable spring flow.													Average Drawdown
TWDB Measurement														Drawdown of Water Level
No Reading Available														Increase of Water Level

Keep in mind that the Edwards (BFZ) is a Karst aquifer and static water levels are a measurement of aquifer health in conjunction with spring flow. The desired future conditions established by Clearwater for the Edwards (BFZ) aquifer are based on maintaining Salado Spring discharge into Salado Creek during a repeat of conditions similar to the 1950's drought of record. Under the drought of record conditions, a spring discharge of 200 acre-feet per month is preferred and 100 acre-feet per month is the minimum acceptable spring flow.

Appendix R

14th Annual Bell County Water Symposium

November 18, 2014

8.30 a.m.—4:30 p.m.

Location: Central Texas Council of Governments 2180 N Main Belton, TX

AGENDA

8:30 a.m. Registration

9:00 a.m. Welcome & Overview of Clearwater UWCD Activities
Judy Parker, Clearwater UWCD Board Secretary
Clearwater UWCD Staff Update

9:30 a.m. Drought of Record? (2011-2014)
Dr. John Nielsen-Gammon, State Climatologist at Texas A&M University

10:00 a.m. Groundwater Issues in the Upcoming Legislative Session?
Texas Alliance of Groundwater Districts Overview?
Stacey Steinbach, Executive Director, Texas Alliance of Groundwater Districts
Carolyn Cadena, Program Director, Texas Alliance of Groundwater

10:30 a.m. Break

10:45 p.m. Groundwater Law Today and Tomorrow (Court Decisions and their Impact)
Ty Embrey, Attorney, Lloyd Gosselink Rochelle and Townsend

11:20 a.m. State Water Planning-The Process?
Brenner Brown, Manager Brazos Region, State Water Planning Team
Texas Water Development Board

12:00 Lunch (Noon-Keynote Address)
Water-Energy Nexus
Michael J. Nasi, Partner, Jackson Walker L.L.P.

1:00 p.m. Who Supplies to Who to Get to You?
Status of Surface Water Supply in Central Texas and Future Water Plans?
Trey Buzbee, Regional Customer Relations Business Manager, Central & Lower Basin
Brazos River Authority

1:40 p.m. 3-D Groundwater Modeling of Bell County
Michelle Southerland & Allan R. Standen, LLC, Groundwater & Natural Resources Consulting

2:15 p.m. Status of the Trinity Aquifer and It's Many Layers in Bell County?
James Beach, Vice President, LBG-Guyton Associates
Mike Keester, Senior Hydrogeologist, LBG-Guyton Associates

2:45 p.m. Break

3:00 p.m. New Understanding of the Northern Segment of the Edwards BFZ
Dr. Joe Yelderman, Hydrogeologist, Baylor University Hydrogeology Department
Ms. Stephanie Wong, Graduate Assistant, Baylor University Hydrogeology Department

3:45 p.m. Understanding the Geochemistry of the Edwards BFZ
Dr. Marylynn Musgrove, Research Hydrologist, U.S. Geological Survey

Symposium sponsored
by the following:

Clearwater UWCD
LBG-Guyton Associates
HALFF Associates

Lloyd Gosselink Attorneys at Law
Bell County Engineers Office
Texas AgriLife Extension Service

For more information or to RSVP please contact Clearwater at 254-933-0120

