

**RESOLUTION  
OF THE BOARD OF DIRECTORS OF THE  
CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT  
MEETING HELD OCTOBER 11, 2023**

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

**WHEREAS**, the Clearwater Underground Water Conservation District (CUWCD) is a political subdivision of the State of Texas and underground water conservation district created and operating under and by virtue of Article XVI, Section 59, of the Texas Constitution; Texas Water Code Chapter 36; the District's enabling act, Act of May 27, 1989, 71st Legislature, Regular Session, Chapter 524 (House Bill 3172), as amended by Act of April 25, 2001, 77th Legislature, Regular Session, Chapter 22 (Senate Bill 404), Act of May 7, 2009, 81st Legislature, Regular Session, Chapter 64 (Senate Bill 1755), and Act of May 27, 2015, 84th Legislature, Regular Session, Chapter 1196, Section 2 (Senate Bill 1336)(omnibus districts bill); and the applicable general laws of the State of Texas;

**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 of Directors of the Clearwater Underground Water Conservation District ("District") instructed the District's General Manager to advertise and post that a public hearing is held on Wednesday, October 11, 2023, 1:30 p.m. at the District Office located at 700 Kennedy Court, Belton, Texas 76513 to discuss, consider, receive public comment, and potentially act on proposed amendments to the District Rules to comply with action by the 88<sup>th</sup> Texas Legislature as it relates to Petitions for Rule Changes and the proposed amendments to the District Rules include changes to (1) the District's procedure for finalizing a decision in a groundwater permit contested case hearing; (2) the list of wells exempt from permitting requirements; (3) the allowable rate at which the District may assess a transport fee; (4) the rulemaking process; and (5) the definition and requirements for a Well Completion Report.

**WHEREAS**, the District will receive, and incorporated suggestions during the Rule Making Hearing on October 11, 2023 related to the proposed rule changes and that (1) provide for minor amendments and (2) provide clarification when the District may and/or shall require all or portions proposed amendments to the District Rules to comply with action by the 88<sup>th</sup> Texas Legislature and the proposed amendments to the District Rules include changes to (1) the District's procedure for finalizing a decision in a groundwater permit contested case hearing; (2) the list of wells exempt from permitting requirements; (3) the allowable rate at which the District may assess a transport fee; (4) the rulemaking process; and (5) the definition and requirements for a Well Completion Report.

**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, and 36.101, 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 October 11, 2023; the District published notices in two newspapers of general circulation, posted notice in 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 October 11, 2023;

**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;

**WHEREAS**, the Board finds it necessary to provide for the regulation of geothermal wells in the District and to provide for greater efficiency in District operations by authorizing the General Manager to approve certain replacement well applications in the District's rules; 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 consultant and legal counsel 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 the date of passage of this resolution reflected on the date of execution below.

**AND IT IS SO ORDERED.**

Upon motion duly made by Director Scott Brooks and seconded by Director Jody Williams, and upon discussion, the Board voted 5 in favor and 0 opposed, 0 abstained, and 0 absent, and the motion thereby passed on the 11<sup>th</sup> day of October, 2023.

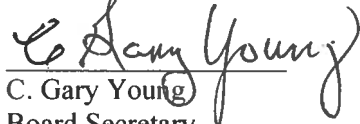
**CLEARWATER UNDERGROUND WATER CONSERVATION DISTRICT**

By:



Leland Gersbach  
Board President

ATTEST:



C. Gary Young  
Board Secretary