

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting & Public Hearings
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
February 20, 2014 – 5:30 p.m.

MINUTES

Members Present

Jay Wilder	POSGCD
Tommy Tietjen	POSGCD
Lee Alford	POSGCD
Durwood Tucker	POSGCD
Sidney Youngblood	POSGCD
Robert Ware	POSGCD
Nathan Ausley	POSGCD
Dwayne Jekel	POSGCD
Kerry Starnes	POSGCD

Entity

Board Members Absent

Carroll Glaser	POSGCD
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POSGCD Staff

Gary Westbrook	POSGCD
Elaine Gerren	POSGCD
Bobby Bazan	POSGCD

Others Present

Entity

Dave Barkemeyer	Milam County
Roby Jekel	D&L Services
Dan Fischer	Self
Barney Knight	Knight & Partners
Steve Young	Intera
Chris George	AquaTex
Dan Tucker	Yellow Prarie Farm
David Holt	Permiam Basin Petro. Assoc.
Ann Stanislaw	Self
Kathy Johnston	Self

James Bene'	R.W. Harden
Ken Hall	SW Milam Water
Jim Hodson	Self
Curtis Chubb	Self
Rhonda Kaschmitter	Comstock Resources
Henry Bonorden	Self
Gene Bonorden	Self
Bill Graham	Self
David McClaren	Self
Amy Hennard	Jones & Carter
Meredith Earwood	Self

BOARD MEETING & PUBLIC HEARINGS

1. Call to Order and establish quorum

Nathan Ausley, Board President called the Public Hearings and Board Meeting to order and established a quorum at 5:30 p.m.

2. Oath of office for Re-appointed and Appointed Board Members

President Nathan Ausley introduced the new board members and administered the oath of office.

3. Election of Board Officers

A motion was made by Director Robert Ware to nominate the current officers for another term. The motion was 2nd by Director Lee Alford. The motion carried unanimously.

4. Public Hearing on rules applicable to production of groundwater for uses by Oil and Gas Industry

President Ausley opened the Public hearing on the rules applicable to production of groundwater for uses by Oil and Gas Industry at 5:30 pm. President Ausley asked for any comments. Comment was heard from Director Jay Wilder with regard to the 80' calculation on depth of wells in the Brazos Alluvium. President Ausley again asked for comments No further comment was given. The public hearing on the rules applicable to production of groundwater for uses by Oil and Gas Industry was closed at 5:35 pm.

5. Public comment

President Ausley asked for public comment. Public comment was heard from Curtis Chubb concerning the public information request that was made by him in February 2013 and his recent complaint filed with the Attorney General of Texas concerning this request. He presented a handout to the Board and requested that the Board direct the General Manager to create a report for him. President Ausley asked for any further comment. None was offered.

6. Minutes of November 12, 2013

A motion was made by Director Jay Wilder to approve the minutes of the November 12, 2013 Board meeting. The motion was 2nd by Director Tommy Tietjen. The motion passed unanimously.

7 Board Policies

General Manager Gary Westbrook offered recommendations to the Board's Policies concerning Board member attendance and appointment, as well as minor revisions concerning expenses of the District. A motion was made by President Nathan Ausley to accept the second option of Section 5. (D), and all other amendments as presented, and recommended. The motion was 2nd by Director Tommy Tietjen. The motion passed unanimously.

8 Rules applicable to production of groundwater for uses by Oil and Gas Industry

General Manager Gary Westbrook and District hydrologist Steve Young of Intera discussed and explained the recommended changes to several sections of the District's Rules concerning this issue. After discussion, a motion was made by Director Jay Wilder to approve the rules as presented that are applicable to production of groundwater for uses by Oil and Gas Industry. The motion was 2nd by director Lee Alford. The motion carried unanimously.

9 2014 Budget

General Manager Gary Westbrook presented a recommendation to amend the District's Budget by moving \$10,000 from Professional Fees and \$5,000 from Hydrologist to Payroll to employ Meredith Earwood as Intern. He gave a brief background of Miss Earwood's qualifications. He also explained that this move would allow the District to perform some work in house that had originally been planned to be performed by consultants, which would result in enough savings for the District to hire the position and allow for additional staff to deal with the anticipated increase in activity by the oil and gas industry. After discussion a motion was made by President Nathan Ausley to amend the 2014 Budget as presented. The motion was 2nd by Director, Bob Ware. The motion carried unanimously.

10 Engagement Letter with Alton Thiele, CPA for auditing services for 2014

The Board reviewed the letter submitted by Alton Thiele. After brief discussion, a motion was made by Director Robert Ware to approve Alton Thiele, CPA for auditing services for 2014. The motion was 2nd by Director Jay Wilder. The motion carried unanimously.

11 Revised agreement for general counsel

The Board reviewed the agreement presented. After brief discussion, a motion was made by Director Robert Ware to approve the revised agreement for general counsel to retain Knight & Partners as general counsel for 2014. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.

12 Revised agreement for hydrological services

The Board reviewed the agreement between the District and Intera, Inc. General Manager Westbrook advised the Board that the District's general counsel, Barney Knight had made several changes to the original contract and was now satisfied as to the protection of the District. He also noted that Director Youngblood had requested a change in location of venue for certain possible legal proceedings, and that Intera had amended the contract to include all of these amendments. After comment from Steve Young, and discussion by the Board, a motion was made by President Nathan Ausley to approve the revised agreement for hydrological services. The motion was 2nd by Director Dwayne Jekel. The motion carried unanimously.

13 Request from City of Snook for amendments to Groundwater Conservation Grant applications, awards, and contracts with the District.

After discussion of the requested amendments, a motion was made by Director Robert Ware to approve the amendments to the Groundwater Conservation Grant, application, awards, and contracts with the District for the City of Snook. The motion was 2nd by Director Jay Wilder. The motion carried unanimously.

14 Request from Tunis WSC for amendments to Groundwater Conservation Grant applications, awards, and contracts with the District

General Manager Gary Westbrook introduced Amy Hennard of Jones and Carter who was in attendance to answer questions concerning this request. After discussion with Miss Hennard concerning the requested amendments, a motion was made by President Nathan Ausley to approve the amendments to the Groundwater Conservation Grant, application, awards, and contracts with the District for Tunis WSC. The motion was 2nd by Director Tietjen. The motion carried unanimously.

15 Joint planning process and Desired Future Conditions (DFC's), groundwater resources in the District, and future process for evaluating District DFC's and identification of possible necessary changes to District Rules and District Groundwater Management Plan

The Board received a presentation and report from Dr. Steve Young of Intera concerning the District participation in the Joint Planning Process, including recent information received from the Texas Water Development Board on Total Estimated Recoverable Storage (TERS) in the aquifers of the GMA, and comparisons of Modeled Available Groundwater and TERS in counties across the State. General Manager Gary Westbrook also reported that he and Steve Young had been working on new methodology to be used in expressing DFCs in the joint planning process. After discussion, no action was taken.

16 District Education Program-Burleson County Big Spring Clean, Texas Water Conservation Association, Water Wise, and Workshops for Local Water utilities in the District

The board heard from General Manager Gary Westbrook concerning the District Education programs. General Manager Westbrook asked for continued support for the Burleson County Big Spring Clean, workshops for Local Water Utilities, and Water Wise, but not to continue as a sponsor in the Texas Water Conservation Association's newsletter. Discussion was held concerning continued participation in the Texas Water Conservation Association. A report was given on the Water Wise educational program. General Manager Westbrook advised the board that the scheduling of the Local Water Utilities Workshops would be done later this year. A motion was made by Director Robert Ware to continue the participation in the Burleson county Spring Clean, workshops for Local Water Utilities, and Water Wise, and to opt out of the Texas Water Conservation Association participation as sponsor in their newsletter. The motion was 2nd by President Nathan Ausley. The motion carried unanimously.

17 Complaint # 512535 filed with the Attorney General of Texas by Curtis Chubb

General Manager Gary Westbrook reported that a complaint had been filed with the office of the Attorney General of Texas, and presented all documents in the matter. After brief discussion, it was agreed that the District had responded appropriately in the original matter and to the complaint, and that the Attorney General's office was satisfied with the District's response as they were closing this file on this matter.

18 Receive report from District Manager on recent District activities and take appropriate actions

A. Permit applications filed with the District and Hearing Dates; Emergency Permits Granted

General Manger Gary Westbrook reported no application had been filed which would require hearings, and that no emergency permits had been issued.

B. Well recordings and registrations, New well applications and completions, Wells plugged

General Manger Gary Westbrook reported that there were 32 wells registered, 20 new well applications, 25 new wells completed, 1 well plugged, and 0 well that required inspection.

C. Recent and future District presentations and activities

1.) Annual Reports to Commissioners court of Milam and Burleson Counties

General Manager Gary Westbrook advised the Board that he had presented a report in November, 2013 to the Milam County Commissioner's Court and asked for any questions on the materials covered. No questions were asked.

2.) Texas Water conservation Association Interim Groundwater Committee and Legislative Report

General Manager Gary Westbrook advised the Board on recent progress of this committee including his concerns about the direction of discussions concerning possible changes in Chapter 36 Texas Water Code concerning permit terms of groundwater conservation districts (GCDs) and regulation of brackish groundwater by GCDs in the state. He discussed his participation to date, as well as his recommendations to the TWCA Committee and asked if the Board would like to see any changes in his direction of participation or if the Board was satisfied with his direction. After discussion, it was agreed that General Manager Westbrook was acting according to the desires of the Board and that he should continue to participate and stay involved in this committee.

3.) District Office Repair and Maintenance

General Manager, Gary Westbrook advised the Board that the painting of the office was almost complete. He also advised that the entrance ramp and decking was in need of repair. The Board advised him to replace boards that needed replacing on the walkway.

4.) Well Monitoring Network and Water Level Well Monitoring Work

Bobby Bazan Water Resource Manager of the District reported that 3 new wells had been added to the Well Monitoring Network and that the Spring monitoring was underway.

5.) Brazos Region G Water Planning Group

General Manager Gary Westbrook reported that the next meeting was February 26, 2014.

6.) Bell County Water Symposium of November 14, 2013

General Manager Gary Westbrook reported that he and Bobby Bazan had attended this Symposium, and briefly discussed presentations given there.

7.) Texas Alliance of Groundwater Districts quarterly meeting of October 29-30, 2013

General Manager Westbrook reported that he and Bobby Bazan had attended the quarterly meeting and briefly discussed presentations given there.

8.) Meeting with State Representative, Dr. Marsha Farney, and staff November 19, 2013

General Manager Westbrook reported that he had attended a Meeting with State Representative, Dr. Marsha Farney, and staff November 19, 2013

9.) District Groundwater Conservation Grants

General Manager Westbrook reported that the deadline for submitting Groundwater Conservation Grants to the District is March 14, 2014.

10.) Annual Report from General Manager

General Manager Gary Westbrook presented the Annual Report to the directors, and reported that the District had accomplished all goals in the Management Plan.

19 Bills received and current financial status.

General Manager Westbrook advised the Board that one additional bill from Intera in the amount of \$9070.00 had been received and should be added to the list of bills in the Board packet for consideration. After review and discussion of the report of the District's financial status and current bills, a motion was made by President Nathan Ausley to approve the report and payment of the bills. The motion was 2nd Director Robert Ware. The motion carried unanimously.

20 Dates, locations, and times of future meetings.

President Nathan Ausley announced the next regularly scheduled meeting, if needed, would be March 11, 2014 at the District Office at 5:30 p.m.

21 Adjourn Board Meeting

President Nathan Ausley adjourned the meeting at 7:20 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON FEBRUARY 20, 2014 WERE APPROVED AND ADOPTED BY THAT BOARD ON MARCH 11, 2014.

Nathan Ausley, President

Attest:

Kerry Starnes, Secretary/Treasurer

Date _____