



ANNUAL REPORT

Fiscal Year 2016

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Purpose and Scope

This Annual Report on the Post Oak Savannah Groundwater Conservation District's (District or POSGCD) performance in regards to achieving management goals and objectives for the fiscal year is being presented to the Board of Directors of the District (the Board) in accordance with Section 14 of the District's Management Plan. Texas Water Code, Chapter 36.1071 requires that a District develop a comprehensive management plan which addresses required management goals. The original Management Plan for the District was adopted in 2004. It has since been amended and readopted as of October 9, 2012 pursuant to State Law.

The District was created in 2001 by the 77th Legislature to operate in the area covered by Milam and Burleson counties. The District was confirmed by an election held in November 2002. The District is governed by a ten (10) member Board of Directors which serves without pay. Five Board members are appointed by the Commissioners Court of each of the counties composing the District. One member from each county is appointed to represent each of the following interests: agricultural, rural water supply, industry, municipal, and one at large.

The format of this report states the goal, the objective of the goal, the performance standard used to meet each goal and the activity or program the District used to achieve the goal as set out in the Management Plan. The Rules and Management Plan of the District, as well as many other valuable resources are available on the District's website at www.posgcd.org.

HB1784, the District's enabling legislation, requires the Board to meet at least quarterly. Listed here are the meetings and hearings of the Board for the year 2016. Additional information such as Agenda and location may be obtained from the District's website at www.posgcd.org.

Date	Meeting Type
1-12-16	Board Meeting
3-08-16	Board Meeting
5-10-16	Board Meeting
7-12-16	Board Meeting and Public Hearings
8-09-16	Board Meeting
8-11-16	Milam & Burleson Counties Groundwater Summit
10-04-16	Board Meeting
11-01-16	Board Meeting and Public Hearings
12-06-16	Board Meeting

Statewide Participation

The District participates from time to time as appropriate, though Board member, staff or consultants, as a resource or member for groups and associations, both local and statewide, where it is beneficial to the District's goals and mission. POSGCD participation in events in 2016 included:

- General Manager's Annual Reports to the Commissioner's Courts of Milam and Burleson Counties.
- The District's General Manager (GM) participated in the Texas Water Conservation Association (TWCA) Interim Groundwater Committee during 2016 in preparation for the 85th legislative session, working on possible legislative remedies to interim charges including groundwater as identified by the Senate Committee on Agriculture, Water, and Rural Affairs, and House Natural Resources Committee. These legislative issues included brackish groundwater production, aquifer storage and recovery, and groundwater regulation of oil and gas industry. The GM continued to serve as a resource to legislators concerning these efforts in preparing for the 85th legislature in 2017.
- The GM attended Written on Water Presentation at the Capitol March 10, 2016
- The GM served as representative from GMA 12 on Brazos G Regional Water Planning Group
- The GM served on the Texas Alliance of Groundwater District's (TAGD) Legislative Committee to offer expertise regarding legislation related to brackish groundwater production, ASR, and long-term permits.
- The GM provided invited testimony to the Senate Committee on Agriculture, Water, and Rural Affairs June 20, 2016, concerning State Water Planning.
- The GM provided invited testimony to the Senate Committee on Agriculture, Water, and Rural Affairs July 25, 2016, concerning POSGCD groundwater management.
- The GM served on a panel at the Milam and Burleson Counties Groundwater Summit, August 11, 2016, to discuss water level monitoring and management in the District.
- The GM and Water Resource Management Specialist attended the Texas Aquifers Conference June 9, 2016
- The GM participated in the Bell County Water Symposium, November 16, 2016, to discuss management of groundwater at POSGCD and in the Central Carrizo-Wilcox.
- The President served as the acting chairman for GMA 12
- POSGCD maintained its total commitment of \$230,000, to TWDB to assist their Groundwater Modeling Availability program to improve the Queen City-Sparta/Carrizo-Wilcox GAM for GMA 12
- The GM participated in educational efforts as lecturer and resource at the Bush Capstone School, Texas A&M University, to discuss regulation of groundwater, property rights, and protection of aquifers
- District staff and consultants attended meetings where networking and discussions of interest were presented at TAGD in January, May, and August, and at TWCA in March, and October.

Requirements of District Management Plan

Section 5. Management Zones

The District will establish and enforce Rules for the spacing of wells, the maximum allowable production of groundwater per acre of land located over an aquifer, require permits for production, regulate drawdown and provide for a reduction in the maximum allowable production and permitted production of groundwater per acre of land based on the different surface and subsurface characteristics and different evaluation and monitoring within the Management Zones.

POSGCD maintains Rules to accomplish the objectives and goals expressed in the Management Plan in Section 1- District Mission, and Section 5 Management Zones. In 2016 POSGCD approved the permits listed in Table 1 after finding the applications to be in accordance with district rules and the management plan based on the findings of the District's staff, general counsel, and hydrogeologist. The District also accepted applications to register wells which are exempt, which were either pre-existing or to be drilled, in accordance with district rules and management plan, and state law. These well registrations are listed in Table 3.

SECTION 6. MANAGEMENT OF GROUNDWATER SUPPLIES

The District will evaluate and monitor groundwater conditions and regulate production consistent with this plan and the District Rules.

The District will adopt rules to regulate groundwater withdrawals by means of well spacing and production limits as appropriate to implement this Plan.

In 2016, POSGCD measured and evaluated water levels in the monitoring wells identified in the District's Well Monitoring Network. These wells provide coverage for all aquifers that are currently being pumped in the District for the purpose of joint planning. At 16 of the monitoring wells, POSGCD used transducers to continuously measure water levels. POSGCD maintains rules to regulate groundwater withdrawals by means of well spacing, measured water levels, and production limits per acre.

Section 7. Desired Future Conditions

The District shall participate in the joint planning process in Groundwater Management Area (GMA) 8 and GMA 12 as defined per TWC § 36.108, including establishment of Desired Future Conditions (DFCs) for management areas within the District. In its evaluation of potential DFCs, the District shall consider results from groundwater availability models, scientific reports, and the conditions of the aquifer within the management zones.

POSGCD participates in joint planning for GMA 8 and GMA 12 as required under Chapter 36.108, Texas Water Code.

During 2016, on the dates of January 22, February 17, March 23, April 1, and September 29, the member districts of GMA 8 met in Cleburne, TX to participate in joint planning as required under Chapter 36.108, Texas Water Code.

During 2016, on the dates of February 4, March 24, April 15, October 11, and December 1, the member districts of GMA 12 met in Milano, TX to participate in joint planning as required under Section 36.108, Texas Water Code. POSGCD continues to host meetings for GMA 12, and serves as the primary contact for GMA 12. The District's General Manager serves as the GMA 12 Representative on the Brazos G Regional Water Planning Group.

Minutes and presentations from the above meetings are available on the District's website, at www.posgcd.org.

SECTION 8. MODELED AVAILABLE GROUNDWATER (MAG)

As referenced in (7) above, Chapter 36 requires the DFCs to be updated every five years.

The requirements and procedures for that process have been increased significantly and meetings of all the Districts within both GMA 8 and GMA 12, respectively, are in progress to accomplish those requirements. Upon the adoption of the DFCs the Executive Administrator of the Texas Water Development Board will establish the MAG and advise the Districts as to the amount of water that may be produced on an average annual basis to achieve each of the DFCs.

SECTION 9. WATER WELL INVENTORY

The District will assign permitted wells to a management zone and to an aquifer based on the location of the well's screen or well depth using the Rules of the District.

POSGCD assigned permitted wells to management zones and documented these assignments in the District well database. POSGCD also began discussions with TWDB to reconcile differences between aquifer identifications for monitoring wells in the two databases. This is an ongoing process.

The District's website, www.posgcd.org, now hosts a web application which allows users to query and visualize the location of wells in the District's Water Well inventory.

SECTION 10. GROUNDWATER MONITORING

The District will maintain a monitoring well network that will be used by the District to obtain measured water levels.

The District shall perform groundwater monitoring. The monitoring of the wells will be performed under the direction of the general manager, by trained personnel using a Standard Operation Procedure adopted by the District.

In 2016, POSGCD measured and evaluated water levels in the monitoring wells identified in the District's Well Monitoring Network. These wells provide coverage for all aquifers declared relevant by the District for the purpose of joint planning. At 14 of the monitoring wells, POSGCD used transducers to continuously measure water levels.

The District also completed the addition of approximately 20 monitoring wells that had previously been part of the Texas Railroad Commission's monitoring network for the Sandow Mine. The District met with owners of the wells and measured water levels in those wells in 2015 and 2016. As a result, the District now has monitoring wells located throughout the District, as listed in Table 4, at locations shown on maps located on the District's website at www.posgcd.org

The District conducted several meetings with the TWDB to discuss and exchange information and ideas regarding a best approach for associating aquifer assignments to monitoring wells. These discussions will continue into 2017.

SECTION 11. THRESHOLD LEVELS AND ANALYSIS OF GROUNDWATER LEVEL DATA

The District shall use threshold levels to help achieve its DFCs and to conserve and preserve groundwater availability and protect groundwater users.

As part of its evaluation of the monitoring network in 2016, District staff, in coordination with the District's hydrogeologists, provided reports to the Board on changes in water levels in monitor wells in the District, and evaluations of those aquifer conditions and compliance with current Desired Future Conditions (DFCs), during public meetings. This topic was revisited at the May 10 Board meeting in a comprehensive evaluation of monitoring results compared to the DFCs and management goals identified in the District's management plan.

SECTION 12. PRODUCTION AND SPACING OF WELLS

Production and spacing of all wells within the District will be regulated by the District according to the Rules of the District. Well spacing and the rate of production of the well will be dependent on the management zone and the aquifer associated with the well, and other factors included in the Rules of the District.

Each application to drill and operate a non-exempt well filed with the District is reviewed for completeness. In conducting this review, the desired spacing and rate of production are considered within the requirements of the Rules and the management zone spacing and production rates for the applicable management zone identified in the District's Management Plan. All applications were reviewed and approved by one or more of the following, as appropriate: District staff, the District's general counsel, and the District's hydrologist.

Section 13. Actions, Procedures, Performance and Avoidance for Plan Implementation.

The District's Management Plan has been reviewed and approved by the Texas Water Development Board. The plan complies with state and federal law, recognized water conservation and management practices, and provides protections for individual property rights. The District has adopted comprehensive rules pursuant to Chapter 36 as provided in the Management Plan, and those rules have been reviewed, updated and amended as needed to provide more specific protection for an individual aquifers, to limit some restrictions on wells that provide water for a household and/or livestock, and to assure consistency with amendments to Chapter 36 and the intent of the

Management Plan. As an example, a 2014 amendment of the rules, in response to economic development interests within the District, enabled the District to maintain all the requirements for permitting and production, eliminate delays and serve the best interests of the landowners, the general public and the taxing authorities within the District.

The District offers groundwater and water conservation educational programs to the school districts within the District, and has established a grant program for public water utilities to fund repairs and improvements to water systems to conserve, and limit the loss of water. The District also continues to work proactively with GMA 8, GMA 12, the Texas Water Development Board, Burlison and Milam counties, the Texas Alliance of Groundwater Districts, the Brazos River Authority and other public organizations and private citizens, to assure the implementation of the Management Plan, and the protection of the groundwater supplies, aquifers, and property rights of all landowners. In this respect, it is noted that no amendment to either the Management Plan or the rules has been required as a result of significant court decisions regarding groundwater, the rights of landowners or groundwater districts.

SECTION 14. METHODOLOGY FOR TRACKING DISTRICT PROGRESS IN ACHIEVING MANAGEMENT GOALS

The general manager of the District will prepare and present to the Board an annual report on the District's performance and accomplishment of the management goals and objectives.

This report satisfies that requirement.

SECTION 15. MANAGEMENT GOALS, OBJECTIVES, & PERFORMANCE STANDARDS

15.1 Efficient Use of Groundwater

Management Objectives:

1. The District will maintain a monitoring well network with at least 50 monitoring wells to provide coverage across management zones and aquifers within the District. The District will measure water levels at the monitoring well locations at least once every calendar year. A written analysis of the water level measurements from the monitoring wells will be made available through a presentation to the Board of the District at least once every three years.
2. The District will provide educational leadership to citizens within the District concerning this subject. The activity will be accomplished annually through at least one printed publication, such as a brochure, and public speaking at service organizations and public schools as provided for in the District's Public Education Program.

Performance Standards:

1. Maintain a monitoring well network and its criteria, and measure at least 50 monitoring wells at least once every calendar year.

Table 4 lists 83 wells that were a part of POSGCD monitoring well network in 2016, for which water levels were recorded at least once during that year. At 16 of these wells, data loggers coupled with transducers were used to obtain continuous water level measurements. The POSGCD monitoring well network includes 27 additional wells which either did not yield useful measurements or were not available for measurement during 2016. In July 2015, the District assumed monitoring efforts from RW Harden & Associates for monitoring wells associated with ALCOA's Sandow mining efforts. Those wells are included in our count of 110 monitoring wells.

2. Number of monitoring wells measured annually by the District.

Written report presented to the Board to document that water levels at these monitoring wells have been measured a minimum of once each year.

Table 4 lists wells that were a part of POSGCD monitoring well network in 2016 for which water levels were recorded at least once during that year. A report on this monitoring was presented to the Board on May 10, 2016 and on October 4, 2016 in a comprehensive evaluation of monitoring results compared to DFCs and management goals as identified in the District's management plan.

3. The number of publications and speaking appearances by the District each year under the District's Public Education Program.

Table 5 lists the instances and publications where this topic was addressed.

15.2 Controlling and Preventing Waste of Groundwater.

Management Objectives:

The District will provide educational leadership to citizens within the District concerning this subject. The activity will be accomplished annually through at least one printed publication, such as a brochure, and public speaking at service organizations and public schools as provided for in the District's Public Education Program. During years when District revenues are sufficient, the District will consider funding a grant to obtain a review, study, or report of pertinent groundwater issues, or to sponsor the attendance of students at summer camps/seminars that place emphasis on the conservation of water resources.

Performance Standards:

The number of publications and speaking appearances by the District each year, and the number of grants considered and students actually accepting and attending an educational summer camp or seminar.

Table 5 lists the instances and publications where this topic was addressed.

15.3 Control and Prevent Subsidence

Management Objectives:

The District will monitor drawdowns with due consideration to the potential for land subsidence. At least once every three years, the District will report projected land subsidence for areas where water levels will decrease more than 300 feet (over a 50 year period from the year 2000 baseline condition) based on GAM simulations used for the joint planning process.

Performance Standards:

The number of reports that provide estimates of projected land subsidence.

POSGCD evaluated water level measurements from over 75 monitoring wells and did not find any evidence of drawdown that would be sufficient to cause land subsidence has occurred during the last few years or will occur in the next few years.

15.4 Conservation of Groundwater including Rainwater Harvesting, Precipitation Enhancement, Brush Control, Conjunctive Use, and/or Recharge Enhancement of Groundwater Resources in the District

Management Objectives:

1. The District will provide educational leadership to citizens within the District concerning this subject. The educational efforts will be through at least one printed publication, such as a brochure, and at least one public speaking program at a service organization and/or public school as provided for in the District's Public Education Program. Each of the following topics will be addressed in that program:
 - A. Conservation
 - B. Rainwater Harvesting
 - C. Brush Control
 - D. Recharge Enhancement
 - E. Conjunctive Use
 - F. Precipitation Enhancement
2. During years when District revenues are sufficient, the District will consider sponsoring the attendance of students and/or teachers at summer camps/seminars that place emphasis on the conservation of groundwater, rainwater harvesting, brush control, groundwater recharge enhancement, conjunctive use, precipitation enhancement of water resources, or a combination of such groundwater management programs.
3. The District will encourage and support projects and programs to conserve and/or preserve groundwater, and/or enhance groundwater recharge, by annually funding the District's Groundwater Conservation and Enhancement Grant Program, during years when the District's revenues remain at a level sufficient to fund the program. The objective of this program is to obtain the active participation and cooperation of local water utilities, fire departments and public agencies in the funding and successful completion of programs and projects that will result in the conservation of

groundwater and the protection or enhancement of the aquifers in the District. The qualifying water conservation projects and programs will include, as appropriate, projects that: result in the conservation of groundwater, reduce the loss or waste of groundwater, recharge enhancement, rainwater harvesting, precipitation enhancement, brush control, or any combination thereof. The District's objective is to benefit the existing and future users of groundwater in the District by providing for the more efficient use of water, increasing recharge to aquifers, reducing waste, limiting groundwater level declines, and maintaining or increasing the amount of groundwater available, by awarding at least one grant under the program in each county annually.

Performance Standards:

1. The number of publications and speaking appearances by the District each year under the District's Public Education Program.

Table 5 lists the instances and publications where this topic was addressed.

2. The number of students sponsored to attend a summer camp/seminar emphasizing the conservation of water.

The District offered the opportunity to students and youth through schools in the District but no applications were received.

3. Annual funding, when applicable, for the District's Groundwater Conservation and Enhancement Grant Program, and the number of projects and programs reviewed, approved, and funded under that program. A written report providing estimated benefit of the amount of groundwater conserved, of the recharge enhancement, and/or of addition groundwater protection provided by the program.

Table 6 lists the successful applications awarded District funds for this purpose.

4. The number and content of reports submitted regarding sponsored programs.

The report regarding Table 6 was given at the Board meeting at which Grant Awards were made on May 12, 2015. The 2014-15 Water Wise report was presented to the Board on August 8, 2015, to the Burleson County Commissioner's Court in January 2016, and to the Milam County Commissioners Court in November 2015. This report is available on the District's website at www.posgcd.org and upon request from the District.

The District also provided funding for groundwater conservation efforts by fire departments within the District during 2015, in the total amount of \$6378.

15.5 Conjunctive Use of Surface and Groundwater

Management Objective:

The District will confer annually with the Brazos River Authority (BRA) on cooperative opportunities for conjunctive resource management.

Performance Standard:

1. The number of conferences with the BRA on conjunctive resource management.
2. The number of times each year in which the applicant, general manager or the Board considers conjunctive use in the permitting process.

The District's General Manager discussed this item several times during 2015, with representatives of the Brazos River Authority at BRA's offices, during trips to Region G during 2015.

15.6 Drought Management Strategy

The aquifers within the District are substantially resistant to water level declines during drought conditions. As a result, the District does not have a drought management strategy based on precipitation metrics such as the Palmer Drought Index. The District management strategy is to review and to enforce Drought Management Plans adopted by District permit holders and entities that contract to purchase water transported out of the District.

Management Objective:

When permits or contracts are issued, as applicable, the District will confirm that all entities have an approved Drought Management Plan.

Performance Standard:

Documentation of District review of the State approved Drought Management Plans.

The District hydrogeologists have reviewed the monitoring well data during the last ten years and have confirmed that the aquifers of the Districts are substantially resistant to water level declines during drought. The District's Rules require that all permit holders with Drought Plans or Management Strategies are required to abide by those plans and strategies.

15.7 Natural Resource Issues That Impact the Use and Availability of Groundwater and Which are Impacted By the Use of Groundwater

The District reviewed applications and approved issuance of 80 permits for non-exempt wells in 2015 (see Tables 1 and 2), of which 51 were limited term permits for Oil and Gas fracturing (see Table 2). None of these permits were deemed to have sufficient pumping to potentially cause significant water level change.

Management Objective:

1. The District will confer at least once every two years with appropriate agencies on the impact of groundwater resources in the District.
2. The District will evaluate permit applications for new wells and the information submitted by the applicants on those wells prior to drilling. The District will assess the impact of these wells on the groundwater resources in the District.
3. The District will implement the POSGCD Well Closure Program. The objective of the well closure program is to obtain the closure and plugging of derelict and abandoned wells in a manner that is consistent with state law, for the protection of the aquifers, the environment, and the public safety. The District will conduct a program to identify, inspect, categorize and cause abandoned and derelict water, oil and gas wells to be closed and plugged, by annually funding the program or segments or phases of the program appropriate to be funded in such fiscal year. The District will fund the closure of at least one abandoned well during years when the District's revenues remain at a level sufficient to fund the program.

Performance Standard:

1. The number of conferences with a representative of appropriate agencies.

The General Manager (GM) met with representatives of the Railroad Commission of Texas in Milano, TX on October 29, 2015 to discuss these issues. The GM also participated on TAGD and TWCA committees to discuss oil and gas uses of groundwater, and District regulation of the same.

2. Reports to the Board on the number of new well permit applications filed, and the possible impacts of those new wells on the groundwater resources in the District.

These reports are given at the regular meetings of the Board and are available in the District's meeting minutes, which may be found on the District's website at www.posgcd.org.

3. Annual funding, when applicable, for the District's Well Closure Program, and the number of wells closed and plugged as a result of the Well Closure Program.

The District funded well plugging for 2 qualified wells, one each in February and September.

15.8. Mitigation

Management Objective:

Within one year of adoption of this Plan, the District will review mitigation plans prepared by other agencies in Texas regarding impacts caused by groundwater pumping. Based upon this review and estimated impacts to groundwater levels caused by future pumping within and outside of the District, the District will determine whether or not to develop a mitigation plan. If appropriate, the District will develop a draft mitigation plan within three years after the adoption of this Plan and will seek public comment, hold appropriate hearings and adopt a plan. The plan will be reviewed on an annual basis thereafter.

Performance Standard:

1. The number of mitigation plans reviewed.

During 2013, ALCOA's mitigation plan, required by the Railroad Commission of Texas (TRRC) in conjunction with mining permits from TRRC, and the mitigation plan adopted by Gonzalez Co. UWCD were reviewed by District staff, attorneys, and hydrogeologists.

At the November 10, 2015 Board Meeting a presentation was given to the Board by Mr. Fred Russell, of Gause, TX, concerning the benefits of a District mitigation program. At this time, the District maintains successful management under current District Rules and management strategies negates this need, however, to address this request from citizens, the District has discussed development of a Groundwater Well Assistance Plan during 2016, and will continue to develop this plan in 2017.

The District will continue to review mitigation plans prepared by other agencies.

2. Reports and presentations that document the anticipated impacts of pumping within and outside of the District on groundwater resources in the District.

District staff presented reports and/or discussion on this topic as follows:

Date Meeting- Purpose

1-12-16 DFC Committee/Board Meeting- DFC Discussions

1-22-16 GMA 8- DFC Discussions

2-4-16 GMA 12- DFC Discussions

2-17-16 GMA 8- DFC Discussions

3-8-16 Board Meeting- update on GMA/DFC Process

3-23-16 GMA 8- DFC Discussions

3-24-16 GMA 12- DFC Discussions

3-24-16 DFC Committee- DFC Discussions

4-1-16 GMA 8- DFC Discussions

4-15-16 GMA 12- DFC Discussions

5-10-16 DFC Committee/Board Meeting- DFC Discussions

6-20-16 Testimony before Senate Committee on Agriculture, Water, and Rural Affairs- Discussions/State Water Plan Need

7-12-16 Board Meeting- update on GMA/DFC Process

7-25-16 Testimony before Senate Committee on Agriculture, Water, and Rural Affairs- District Management of resources

8-9-16 DFC Committee/Board Meeting- DFC Discussions

8-11-16 Milam & Burleson GW Summit- District Management of resources

9-29-16 GMA 8- DFC Discussions

10-4-16 Board Meeting- update on GMA/DFC Process

10-11-16 GMA 12- DFC Discussions

10-17-16 Milam County Farm Bureau- District Management of resources

11-1-16 DFC Committee/Board Meeting- DFC Discussions

11-16-16 Bell County Water Symposium- District Management of resources

12-1-16 GMA 12- DFC Discussions

12-6-16 Board Meeting- update on GMA/DFC Process

12-16-16 DFC Committee- DFC Discussions

15.9 Desired Future Conditions (DFCs)

Management Objective:

1. At least once every three years, the District will monitor water levels and evaluate whether the change in water levels is in conformance with the DFCs adopted by the District. The District will estimate total annual groundwater production for each aquifer based on the water use reports, estimated

exempted use, and other relevant information, and compare these production estimates to the MAGs listed in Table 8-1.

Performance Standard:

1. At least once every three years, the general manager will report to the Board the measured water levels obtained from the monitoring wells within each Management Zone, the average measured drawdown for each Management Zone calculated from the measured water levels of the monitoring wells within the Management Zone, a comparison of the average measured drawdowns for each Management Zone with the DFCs for each Management Zone, and the District's progress in conforming with the DFCs.
2. At least once every three years, the general manager will report to the Board the total permitted production and the estimated total annual production for each aquifer and compare these amounts to the MAGs listed in Table 8-1 for each aquifer.

The District's staff and hydrologist covered this topic at the May Board meeting in a comprehensive evaluation of monitoring results compared to the DFCs and management goals identified in the District's management plan, and the results indicate that, at present, the District is in conformance with the DFCs adopted by the District in 2010 as part of the joint planning process. The District will continue this process by developing additional methodologies to evaluate these items. The District's Staff will also continue ongoing reports to the Board during public Board Meetings covering all of these factors.

Financial Reports and Annual Financial Audit

Financial reports are given at each meeting of the District's Board of Directors. The Financial Audit of the District for FY 2014 was presented to the Board at the April 14, 2015 Board Meeting.

Fines levied by the District in 2015

No fines were levied by the District during 2016.

Table 1: Production Permits issued during 2016 Calendar Year

Owner	Use	Aquifer	Permit Type	Permit #	Annual ac-ft
Carl W. Homeyer	Poultry	Sparta	D&O	POS-D&O-0222	10
John R. Pagach	Irrigation	Simsboro	D&O	POS-D&O-0223	400
BRL Ranches	Livestock	Simsboro	D&O	POS-D&O-0224	10
P & JY Livestock Farms, LLC	Irrigation	Little River Alluvium	D&O	POS-D&O-0225	200
John & William Pagach	Irrigation	Little River Alluvium	D&O	POS-D&O-0226	15.8
James Cross	Livestock	Queen City	D&O	POS-D&O-0227	15
Brett C. Moody	Domestic & Livestock	Yegua-Jackson	D&O	POS-D&O-0228	1.5
Dominic Izzo	Irrigation	Hooper	D&O	POS-D&O-0229	1
Paul A. Zimmerman	Irrigation	Alluvium	D&O	POS-D&O-0230	40
Jimmy Morton	Livestock	Calvert Bluff	Operating	POS-O-0038	16.66
Jimmy Morton	Livestock	Calvert Bluff	Operating	POS-O-0039	16.67
Jimmy Morton	Livestock	Calvert Bluff	Operating	POS-O-0040	16.67

Table 2: Oil & Gas Permits issued during the 2016 Calendar Year. (Note: All permits were 365 day term permits)

Operator	Lease	Permit Type	Permit #	Permitted (ac-ft)
Halcon Resources	Muleshoe 1-H	Frac	O&G-0214	32.22
Halcon Resources	Muleshoe 2-H	Frac	O&G-0215	32.22
Burleson Water Resources, LLC	Cooper A-1H	Frac	O&G-0216	50.64
Burleson Water Resources, LLC	Copper B-1H	Frac	O&G-0217	50.64

Table 3: Exempt Well Registrations issued during the 2016 Calendar Year.

Registration ID	Owner	County
POS-EW-3428	Art Sullens	Milam
POS-EW-3429	Judson L. Brown	Milam
POS-EW-3430	Marvin B. Jones	Burleson
POS-EW-3431	Henry Magee	Burleson
POS-EW-3432	Deric Lozona	Burleson
POS-EW-3433	Jeffery Wayne Barker	Burleson
POS-EW-3434	Charles Hiney	Milam
POS-EW-3435	Kathleen C. Winn	Burleson
POS-EW-3436	Rhonda Dick	Burleson
POS-EW-3437	Mark & Daisha Patranella	Burleson
POS-EW-3438	Angel E. Maldonado	Burleson
POS-EW-3439	George Sears	Burleson
POS-EW-3440	Harvey M. Radtke	Burleson
POS-EW-3441	Lucio M. Hernandez	Burleson
POS-EW-3442	Fred A. Orem	Burleson
POS-EW-3443	David & Betty Feldmann	Burleson
POS-EW-3444	Petromax Operating	Burleson
POS-EW-3445	Peter M. Cook	Burleson
POS-EW-3446	Andrew Scamardo	Burleson
POS-EW-3447	Jorge Zermeno	Burleson
POS-EW-3448	Rebekka M. Dudensing	Burleson
POS-EW-3449	Justin M. Albright	Burleson
POS-EW-3450	Ronnie R. Surovik	Milam
POS-EW-3451	Clint P. Chapman	Milam
POS-EW-3452	Jose Requena	Milam
POS-EW-3453	Herbert Madison Walker III	Milam
POS-EW-3454	Lucio M. Hernandez	Burleson
POS-EW-3455	Ronald F. Coleman	Milam
POS-EW-3456	Janelle Jackson	Milam
POS-EW-3457	Janelle Jackson	Milam
POS-EW-3458	Janelle Jackson	Milam
POS-EW-3459	Janelle Jackson	Milam
POS-EW-3460	Glen Parker	Milam
POS-EW-3461	Thomas Allen Byrd	Burleson
POS-EW-3462	Vergil N. Tyra	Burleson
POS-EW-3463	Richard A. Clark Family Properties LTD	Burleson
POS-EW-3464	Samuel M. McClendon	Burleson
POS-EW-3465	Victoria M. Smejkal	Burleson
POS-EW-3466	Mark Townsend	Burleson
POS-EW-3467	John Skrabanek	Burleson
POS-EW-3468	Jeff M. Partin	Burleson
POS-EW-3469	Charles J. Loehr	Burleson
POS-EW-3470	Cristian Munson	Milam
POS-EW-3471	Carmen Flores	Burleson
POS-EW-3472	Joseph T. Christian	Burleson
POS-EW-3473	Joseph L. Paul	Burleson
POS-EW-3474	John Miller	Milam
POS-EW-3475	David A. Knesek	Milam
POS-EW-3476	Edward Kuykendall	Milam
POS-EW-3477	Leroy R. Stavinoha	Burleson
POS-EW-3478	Ryan W. Sterman	Burleson
POS-EW-3479	Mark K. Hull	Milam
POS-EW-3480	L. Joseph Parkinson	Milam
POS-EW-3481	Ricky Palasota	Milam

Table 4: District Monitoring Wells measured in early Spring 2016 for and reported to TWDB.

SWN	WID	Owner	DTW (ft)	Date	Method
5917409	25	City of Rockdale (Belton)	169.3	4/6/2016	transducer
5917103	26	Ralph Summers- Mary Jane Boyd	76.9	2/26/2016	tape
5909901	53	Richard Frock	114.5	2/2/2016	eline
5911402	59	Harold Lange	149.1	2/5/2016	tape
5910907	73	Willard Kornegay	No Reading		
5919103	77	Charles Hoppe	No Reading		
5919302	84	James Ayers	41	2/2/2016	eline
5925508	99	Larry Sexton	59.3	5/13/2016	tape
5925102	107	Noack Family Partnership, Ltd.	122.2	2/10/2016	tape
5917715	115	L.B. Kubiak	No Reading		
5917714	121	City of Rockdale (Texas)	139	3/22/2016	tape
5917713	138	City of Rockdale (Tracy)	150.2	3/22/2016	tape
5824914	170	Rockdale ISD	129.1	3/22/2016	tape
5909605	221	Marlow WSC	135.5	2/5/2016	eline
5902706	223	North Milam WSC	37	3/15/2016	tape
5902309	234	Wendy Breck	37.1	2/5/2016	transducer
5902307	236	Jared & Heather Campbell	No Reading		
5902901	256	North Milam WSC	113.8	3/15/2016	tape
5832101	268	Wayne Diver	No Reading		
5927716	308	R. B. Wilkens	114.9	2/2/2016	tape
5927606	341	Rudy Steck	98.5	2/2/2016	tape
5920410	433	Milano WSC- Rita Test	25.3	2/2/2016	eline
5920409	434	L. C. Hall, Sr.	44.6	2/2/2016	tape
5919502	457	Milano WSC - Well 4	No Reading		
5927204	518	Dale Hill	25	2/2/2016	tape
5937611	579	Camilla J. Godfrey	32.9	2/11/2016	eline
5937329	596	Finley Company	No Reading		
5937101	638	Snook well #1	34.5	2/11/2016	transducer
5936802	661	Lyons Water Supply	132.5	2/8/2016	tape
5943608	698	Birch Creek Recreation	55.1	2/8/2016	transducer
5938701	787	Burnside Services, Inc.	11	2/11/2016	eline
5935208	791	Juanita Amidon	70.8	2/10/2016	tape
5929456	859	Marion Malazzo	10.4	2/8/2016	tape
5929457	860	Marion Malazzo	9.9	2/8/2016	tape
5928619	877	Tunis Water Supply	61.5	2/8/2016	transducer
5928601	894	P. G. Haines	18.7	2/8/2016	eline
5928702	894	Sarah Engleman	93.8	2/10/2016	tape
5934106	893	Nathan Ausley	141.3	2/2/2016	tape
5929537	1023	Texas A & M University	No Reading		
5934607	1061	Deanville Water Supply Corporation 2	No Reading		
5918101	1062	Milano WSC - Well # 1	298.1	2/15/2016	tape
5918104	1063	Milano WSC - Well # 2	278.8	2/15/2016	tape
5918908	1064	Milano WSC - Well # 3	316.4	2/15/2016	tape
5918705	1066	Milano WSC - Buer Well	221.3	5/13/2016	transducer
5911703	1082	Gause Water Supply # 1	170	3/15/2016	tape
5824611	1110	Southwest Milam Water Supply Corp.	146.7	4/5/2016	tape
5917712	1117	City of Rockdale (runway)	149.8	3/23/2016	tape
5917711	1118	City of Rockdale (airport)	155.9	3/23/2016	tape
5929410	1166	Holland Porter	No Reading		
5934107	1197	Nathan C. Ausley	97.4	2/2/2016	tape
5934601	1573	Deanville Water Supply Corporation 1	No Reading		
5927718	1575	Deanville Water Supply Corporation 4	No Reading		
	1789	Terry & Sheryl Hall	213	2/5/2016	tape
5832704	1883	Martin Hobbs	92.9	3/21/2016	tape
5925409	2152	Glynn Phillips	172.8	5/13/2016	tape
5917716	2191	L.B. Kubiak	No Reading		
5902904	2423	Gary & Deryl Emola	No Reading		
5927611	6145	Alvin J. Kutach	113.5	2/3/2016	tape
5925502	6243	Birdie Kristoff	77.8	5/13/2016	tape
5832908	6305	Charles Lee McDaniel	No Reading		
5927309	6586	Francis Joseph Landry, Jr.	113.8	2/3/2016	tape
5926402	6621	Frederick A. Jackson	276.1	2/10/2016	transducer
5926403	6910	Charles & Jacquilin Stone Revocable Living Trust	288	2/2/2016	eline
5824612	7364	Richard H. Griffith	58.4	2/26/2016	tape
5824610	7506	Southwest Milam Water Supply Corp.	144.6	4/5/2016	tape
5910705	7774	Jay Wise	No Reading		
5925103	7793	Noack Family Partnership, Ltd.	110.2	2/10/2016	tape
	7965	Heirs of Mary Anne oliver	No Reading		
	7998	Walter D. Fischer	261.5	2/5/2016	tape
	8172	Norbert B. Zeschke	110.2	3/21/2016	tape
5928804	8239	Providence Baptist Church	28.5	2/8/2016	eline
5943104	8388	Wayne Edwards	No Reading		
5929433	8415	Portee FLP	No Reading		
5925408	8451	Antonio E. Cantu	93	2/10/2016	eline
5910706	8658	Randal C. Leo	183.3	4/28/2016	tape
5934108	8767	Terry Ausley	197.7	2/2/2016	transducer
5901904	8935	Donald R. Schuerman	39.4	2/5/2016	tape
	8959	John Pruet	173.7	3/16/2016	tape
	9064	Royalty Pecan Farms	91.7	3/16/2016	eline
5910707	9095	Randal C. Leo	154.3	4/28/2016	tape
5928342	9104	David L. Hodges	No Reading		
5936809	9157	Burleson County Pct. 4	78	2/8/2016	eline
5918108	9166	Post Oak Savannah	260.3	6/30/2016	eline
5918109	9167	Post Oak Savannah	58.6	6/30/2016	tape
	9215	Linda Garrison	No Reading		
	9230	David Pawlowski	No Reading		
	9327	Naomi White	32.6	2/5/2016	tape
	9346	David L. Hancock	No Reading		
	9372	David Hancock	No Reading		
	9445	Burleson County Pct. 1	48.6	2/2/2016	eline
	9446	Walter Wentzel	No Reading		
		Rodgers	135.7	3/14/2016	tape
		Bocenegra (Simmons)	126.8	2/26/2016	tape
		Ansley	113.4	3/21/2016	tape
		Hirt	129.4	3/21/2016	tape
		Young	123.2	3/14/2016	tape
		R. Crump	97.6	3/15/2016	tape
		K. Biehle	104.9	3/21/2016	tape
		Smith	94	3/15/2016	tape
		Jordan	106.7	3/21/2016	tape
		L. Warren	141.5	5/13/2016	eline
		J. Denio	No Reading		
		Caywood	58.4	2/26/2016	tape
		Ed Garner	98.5	5/13/2016	tape
		Keys	169	3/1/2016	tape
		Brahm	No Reading		
		Wiggins	64.1	3/1/2016	tape
		David Cork	149.6	5/13/2016	tape
		E. Crump	116.3	5/13/2016	tape
		Hobbs	71.4	3/21/2016	tape

Table 5: District Education

Date	Group	Location
January 11, 2016	Burleson County Commissioners Court	Caldwell, TX
January 12, 2016	Evergreen UWCD Committee	Pleasanton, TX
January 27, 2016	Texas Alliance of Groundwater Districts	Austin, TX
February 9, 2015	City of Somerville City Council	Somerville, TX
March 14, 2016	City of Rockdale City Council	Rockdale, TX
April 18, 2016	Bush School	Col. Station, TX
April 22, 2016	League of Independent Voters Meeting	Caldwell, TX
April xx, 2016	Burleson County Tribune Article	Caldwell, TX
June 3, 2016	Municipal Development District	Rockdale, TX
August 11, 2016	POSGCD Milam and Burleson Counties Groundwater Summit	Caldwell, TX
August 24, 2016	Texas Alliance of Groundwater Districts Groundwater Summit	San Marcos, TX
September 9, 2016	Kennedy County GCD Board	Sarita, TX
March 10, 2015	Texas Water Conservation Assoc.	Austin, TX
March 18, 2018	Little River Master Gardeners	Cameron, TX
May 19, 2016	Milam County Farm Bureau Ag in the Classroom	Cameron, TX
June 20, 2016	Testimony- Senate Com. on Ag, Water, and Rural Affairs	Austin, TX
July 25, 2016	Testimony- Senate Com. on Ag, Water, and Rural Affairs	Austin, TX
January-December	Facebook and Twitter posts	

Table 6: District Conservation Grants awarded for Calendar Year 2016 on May 10, 2016

<u>Applicant</u>	<u>Amount Awarded</u>	<u>Use</u>
North Milam WSC	\$151,247.60	Replace Obsolete Water Lines and Meters
City of Rockdale	\$285,000.00	Replace Obsolete Water Lines
City of Snook	\$118,750.00	Replace Obsolete Water Meters
Enchanted Oaks WSC	\$288,307.90	Replace Obsolete Water Lines and Meters
City of Somerville	\$205,200.00	Replace Obsolete Water Lines
Totals	\$1,048,505.50	

During 2016 the District reimbursed fire departments which used groundwater and located in the District for purchases of foam and foam dispersement equipment in the amount of \$9812.50.