

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting
Milano Community Center
120 West Avenue J
Milano, Texas 76556
July 14, 2009 – 5:30 p.m.
MINUTES

Members Present

Carroll Glaser
Jim Hodson
Jay Tumlinson
Robert Ware
Kerry Starnes
Lee Alford III
Nathan Ausley

Entity

POSGCD
POSGCD
POSGCD
POSGCD
POSGCD
POSGCD
POSGCD

Gary Westbrook
Elaine Gerren
Drew Gholson
Barney Knight
Steve Young

POSGCD
POSGCD
POSGCD
Knight & Partners
U.R.S.

Board Members Absent

Dwayne Jekel
Jay Wilder
Andy Hovorak

POSGCD
POSGCD
POSGCD

Others Present

Jackie Scott
Dwight Mahoney
Scott Carlson
Paul Terrill
Ross Cummings
Ken Hall
James Miller
Erin Zoch
Bill Graham
Bob Barrie
Dick Burns
Colleen Waring

Entity

BRA
BRA
Metropolitan Water
The Terrill Firm
Blue Water System L.P.
Southwest Milam WSC
City of Bastrop
Aqua WSC
Landowner
BVWA
ALCOA
Berry Hill Farms

BOARD MEETING

1. Call to Order

Board President, Nathan Ausley called the meeting to order @ 5:30 p.m.

2. Public Comment

Board President, Nathan Ausley asked for public comment, but no public comment was offered.

3. Minutes of May 12, 2009 Board Meeting

General Manager Gary Westbrook offered one correction in typing to the minutes mailed out to the Directors. A motion was made by Director Jim Hodson to approve the minutes of the May 12, 2009 Meeting with that correction. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.

4. Blue Water Systems, L.P. Drilling and Operating Permit and Transport Permit

Board President Nathan Ausley recused himself and the meeting was turned over to Board Secretary, Kerry Starnes who opened this item. General Manager, Gary Westbrook reported that a check was received from Strategic Water Group, LLC (SWG), to pay fees owed by Blue Water System (BWS) to bring their account current through the end of July. Mr. Westbrook also informed the Board that Ross Cummings had verified to him that SWG is not a customer of BWS, but rather a financing partner of the BWS projects. District General Counsel Barney Knight stated that subject to the check from SWG clearing the bank BWS would currently be compliant and recommended two actions: (1) that the Board continue this item and public hearing until the next regular Board meeting; and (2) that the Board direct and authorize the General Manager to end this particular proceeding and terminate the hearing when the check from SWG clears the bank and the funds are good and to notify the Board and BWS by memorandum that the enforcement proceedings and hearings are terminated. A motion was made by Director Robert Ware to grant a continuance of the hearing until the next scheduled meeting. The motion was 2nd by Director Lee Alford. The motion carried 6 to 0 with Nathan Ausley abstaining. A motion was made by Director Jay Tumlinson to direct and authorize the General Manager to end this particular proceeding and terminate the hearing when the check from SWG clears the bank and the funds are good and to notify the Board and BWS by memorandum that the enforcement proceedings and hearings are terminated. The motion was 2nd by Director Jim Hodson. The motion carried 6 to 0 with Nathan Ausley abstaining. Discussion ensued concerning clarification of requests and statements from BWS in a recent letter from Paul Terrill to Barney Knight. When discussions were completed Secretary, Kerry Starnes turned the meeting back over to President, Nathan Ausley.

5. Enforcement actions and direction to the general manager regarding violations of the District Rules by James Eugene Luce: (a) drilling water wells without a license; (b) drilling water wells for persons without appropriate Certificates to Proceed with Drilling; and (c) failing to file well logs and completion forms with the District.

President Nathan Ausley opened Items # 5, 6, & 7 together.

6. Request for waiver of spacing under District Rule 4.1.1 from Willie Newton

7. Enforcement actions and direction to the general manager regarding violations of the District Rules by Willie Newton and James Eugene Luce for drilling a water well in violation of state Law and District Rules pertaining to minimum spacing from the owner's property line.

General Manager updated the Board on these items, including Mr. Luce's affidavit and offer to self impose a fine against himself for violations of District Rules and the refusal of Mr. Newton's

neighbor to grant permission for a waiver of spacing. After discussion and a recommendation from the General Manager, a motion was made by President Nathan Ausley to: (1) deny the request for waiver of spacing; (2) direct Mr. Newton to plug his well which was drilled in violation of State Law and District Rules within 30 days; and (3) to accept the affidavit and offer to fine himself \$200 of James Eugene Luce, subject to Mr. Luce assisting Mr. Newton, without compensation, in plugging Mr. Newton's well according to State and District standards. The motion was 2nd by Director Carroll Glaser. The motion passed unanimously.

8. Enforcement actions and direction to the general manager regarding violations of the District Rules by J&S Water Wells, HDU Services, L.L.C., and Yegua WSC, serving Enchanted Oaks and Wilderness Sound subdivisions, Burleson County, Texas, for drilling a water well without a Permit from the District

General Manager briefed the Board on the details of this item. After brief discussion and clarification, a motion was made by President Nathan Ausley to direct the General Manager to notify J & S Water Services of their first offense for violation of the District Rules with a letter from the District and the consequences of further violations, and to put a copy of that letter in their file as had been done with other drillers in their first offense. The motion was 2nd by Director Robert Ware. The motion carried unanimously.

9. Drilling and Operating Permit Application for Yegua WSC and David Lozano (HDU Services, LLC); well located near the intersection of Little Berry Road and Park Road 57, on lots 86, 87, and 88, in the Enchanted Oaks Subdivision in Burleson County, Texas, to produce less than or equal to 100 gallons per minute at this well (in aggregate not to exceed 35,000 gallons per day and less than or equal to 40 acre feet per year with other existing Yegua WSC wells) for municipal use in the Enchanted Oaks and Wilderness Sound subdivisions, Burleson County, Texas.

General Manager advised the Board of the details of this application. The General Manager, the District's hydrologist, and the District's General Counsel agreed that the application satisfied all requirements of the current District Rules and Management Plan to be granted.

A motion was made by Director Jay Tumlinson to approve the Drilling and Operating Permit Application for Yegua WSC and David Lozano (HDU Services, LLC); well located near the intersection of Little Berry Road and Park Road 57, on lots 86, 87, and 88, in the Enchanted Oaks Subdivision in Burleson County, Texas, to Produce less than or equal to 100 gallons per minute at this well (in aggregate not to exceed 35,000 gallons per day and less than or equal to 40 acre feet per year with other existing Yegua WSC wells) for municipal use in the Enchanted Oaks and Wilderness Sound subdivisions, Burleson County, Texas. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.

10. 2006 Grant award to Birch Creek Rec., Inc.

Director Robert Ware recused himself from this discussion.

After brief discussion a motion was made by Director Lee Alford to extend the 2006 Grant Award to Birch Creek Rec., Inc. to complete final work in the grant. The motion was 2nd by Director Jim Hodson. The motion carried 6 to 0 with Director Robert Ware abstaining from the vote.

11. Bank Debit Card for District staff For District expenses

A motion was made by Director Robert Ware to approve the resolution to acquire a Bank Debit Card for District Water Resource Management Specialist Drew Gholson for District expenses. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

12. GMA 12 joint planning process and preliminary DFCs, groundwater resources in the

District, and future process for evaluating District preliminary DFCs and DFCs

President Nathan Ausley opened items # 12 & 13 together.

13. Report from District Water Resource Management Specialist on District well inventory database and District Well Monitoring Network

The Board received a presentation from the General Manager on the current status of the District's and GMA's Preliminary DFC's which were presented at the recent GMA 12 meeting. The Board then received a presentation from the District Hydrologist, Steve Young of URS with recommendations for future District work. The Board then received a report from the District Water Resource Management Specialist on District well inventory database and District Well Monitoring Network. After discussion President Ausley directed the DFC Committee to meet to consider next steps for the District within the GMA and joint planning process.

14. Received report from District Manager Report on recent District activities and take appropriate actions.

A. Permit applications filed with the District and possible Hearing Dates for those applications

No permits were filed that required hearings.

B. Emergency Permits Granted, well recordings, & new well applications and completions

District GM Gary Westbrook reported no emergency permits issued, 42 wells recorded, 9 new applications for exempt wells, and 10 exempt wells completed.

C. Recent and future District presentations and activities

1. Investigation of water quality in Ed Smotek well, Lyons, Texas

General Manager and Steve Young of URS briefed the Board on this investigation.

General Manager advised the Board that he would be meeting with a field rep of the Texas Railroad Commission to discuss their investigation of this occurrence to attempt to discover the reason behind the dramatic change in water quality in this well.

2. Brazos Region G Regional Water Planning Group Groundwater District Voting Member Vacancy

General Manager Gary Westbrook gave an update on the Voting Member vacancy. There were two people that applied including General Manager, Gary Westbrook. A decision will be made by the Region G Board later in July or August.

3. Texas Water Conservation Association conference June 17-19, 2009

General Manager, Gary Westbrook reported on his presentation at the Texas Water Conservation Association conference June 17-19, 2009.

4. Texas Alliance of Groundwater Districts meetings in Corpus Christi, July 27-29, 2009

General Manager, Gary Westbrook reported that he will attend the Texas Alliance of Groundwater Districts quarterly meetings in Corpus Christi, July 27-29, 2009

13. Bills received and current financial status.

A motion was made by Director Jim Hodson to approve payment of the bills as presented. The motion was 2nd by President Nathan Ausley. The motion passed unanimously.

14. Dates, locations, and times of future meetings.

President Nathan Ausley announced that the next regularly scheduled meeting would be August 11, 2009, at the District's offices at 5:30 p.m.

15. Adjourn Board Meeting

President Nathan Ausley adjourned the meeting at 6:43 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON JULY 14, 2008 WERE APPROVED AND ADOPTED BY THAT BOARD ON AUGUST 11, 2009.

Nathan Ausley, President

Attest:

Kerry Starnes, Secretary/Treasurer

Date_____

A meeting recording of this meeting is available on CD.