

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
April 4, 2017 – 5:30 p.m.

MINUTES

Directors Present

Nathan Ausley
Sidney Youngblood
Steven Wise
Tommy Tietjen
Bob Wilson
Durwood Tucker
Kerry Starnes
Bob Wilson

Directors Absent

Jay Wilder
Lee Alford

Staff Present

Gary Westbrook
Bobby Bazan
Elaine Gerren

Others Present

Bill Graham
Kodi Sawin
Paul Terrill
Ross Cummings
Amy Jurica Hinnart
Judith McGeary
Michele Gangnes

Entity

Self/Landowner
Sawin Group
Terrill & Waldrop
Blue Water
Landowner
Farm & Ranch Freedom
Alliance
Simsboro Aquifer Water
Defense
League of Ind. Voters

David McLaren	CTS-America
Colleen Waring	Landowner
Linda Curtis	Independent Texans
Naomi White	Landowner
Donny White	Landowner
Lauren Ice	Save our Springs
Mike Kornegay	Self
Steve Young	Intera
Helen Jurica	Self
Andy Hovorak	Landowner
Barney Knight	The Knight Law Firm
Patty Miller	Self
Becky Holmes	Self
Fritz Wolz	Self
Eugene Zulkowski	Self
Mary Ann Russell	Landowner
Jerry Briggs	Self
Bobby Walker	Landowner
Dave Erchinger	Burleson Cty. Resident
Fred Russell	Landowner
Robbie Jekel	Rural Water Systems
T. Barret Lyne	Landowner
John L. Fisher	Milam Cty. Pct. 3
Kay Fisher	Self
AH Sullens	Rancher Gause
Clover Cochran	
Blair Parker	SAWS
Pamela Hornby	Landowner
Stanley D. Price	Landowner
Lois Shellenberger	Self

BOARD MEETING

1. Pledge of Allegiance

President Youngblood asked GM Westbrook to lead the meeting in the pledges to the flags of the United States and Texas, and he did so.

2. Invocation

President Youngblood asked GM Westbrook to offer an invocation, and he did so.

3. Call to Order and establish quorum

The meeting was called to order and a quorum established at 5:35 p.m. by Board President, Sidney Youngblood.

4. Public Comment

President Sidney Youngblood opened this item and stated that the Board would hear public comment from all parties that have signed up to speak.

Public Comment was heard from the below parties:

Judith McGeary, Landowner in Milam County thanked the Board. She stated that she was the only non-GCD person asked to testify on the Bill proposed by Senator Perry. She wanted to see if the Board had any comments or needed any further clarification on the comments that she had submitted last week. President Sidney Youngblood noted that the comments had been received and were opened immediately and at this time there were no further information was needed.

Michele Ganges, Lee County landowner, Attorney and Director of League of Independent Voters. Ms. Ganges thanked the Board for the last meeting and the sincerity to the landowners. She also stated that the District's rules are a mess. She stated that in at least 3 places they say different things about the way notice is to be given. She stated that the notice Vista Ridge provided was insufficient because it never addressed the variances. She also stated that a landowner, Buster Evers, that was in the permit area was not notified and was not on the list of persons notified. She asked the Board to delay ruling on this item until these issues can be looked at.

Amy Hinnant, landowner and school administrator presented a newer version of the map handout that she presented at the Hearing and stated that the CW-3 well was near her property. She thanked the Board for their time given to this and their due diligence. She encouraged the Board to keep the mindset of listening to the public. She also asked the Board to consider her contest to the hearing.

Colleen Waring, landowner in Milam County stated that she wanted to bring to attention 2 bills in the legislature right now. HB 4235 concerning 2 groundwater conservation districts that have said no to water marketers, Lone Star GCD & Middle Pecos GCD. Also, HB3996, Representative Cyrier's Bill to initiate the Sunset process of San Antonio Water Systems. She also commented that the Board was doing a great job.

Fred Russell, Milam County Landowner, provided a handout of his concerns. He felt that the groundwater well assistance program was going no where. He felt the GM Gary Westbrook was not doing anything for the protection of the landowners. He wants the Board to consider replacing Mr. Westbrook as the General Manager.

David Hershing stated that we all want what is right and he does not want the levels of drawn down to become levels that are not sustainable. He stated that we need to address the DFC's so that we have water in the future.

Lois Schelengberger thanked the Board and stated that she knows nothing about the Rules of the Board. She said she moved from Houston to Cameron and that she feels it is wrong to deplete our Aquifers. She asked the Board to not let this happen and put farmers out of business.

T. Barrett Lyne, stated he had performed in front of this board many, many times. He said Brazos Valley GCD is his GCD, and he feels that this District is lacking in their modeling. He stated there is a website that list the top polluters in Brazos County. He said that pumping causes subsidence and that pumping causes pollution and materials to be relocated. He also stated that if the Vista Ridge Project goes through there will be a long line of persons lined to file lawsuits against Blue Water. He also stated there was a rumor that Cullen Mancuso had received \$14 Million from oil companies in Brazos Valley GCD to settle lawsuits he had filed against them due to pumping.

Andy Hovorak stated he was proud to stand alongside the Board tonight. He also commented that he felt the last week meeting was very good. He referenced Ms. Hinnant's land and stated he felt that she had a valid point. He referenced a case where the Board was lenient on a producer that was behind on their fees and how he did not agree with that. He felt there should have been some penalties paid by this producer. He stated that Mr. Evers, who is also affected by this well location move was not notified in writing by the applicant. He also feels the variances should have been included in the notice.

President Sidney Youngblood thanked all the citizens for their comments.

Paul Terrill with Terrill & Waldrop addressed the Board and stated that everyone needed to keep in mind that the applicant represents the landowners who have leased their water rights. He stated that they have rights as an applicant and urged the Board to serve him with whatever information is needed to complete this request.

- 5. Consider Vista Ridge application to amend Drilling and Operating Permit No. POS D&O/A&M-0001c to authorize relocation of the point of withdrawal of the following wells: CW-1, CW-3, CW-5, CW-6, CW-7, CW-9, PW-9, PW-12, PW-14, PW-15 and PW-16.**
Director Nathan Ausley recused himself from discussion and voting. After discussion by the Board, a motion was made by President, Sidney Youngblood to table this motion to gather further information. He also stated that any additional comments or request need to be submitted to the General Manager, Gary Westbrook no later than 4 pm on Friday the 7th of April. The motion was 2nd by Director Durwood Tucker. The motion carried 7 to 0 with Director Nathan Ausley abstaining from voting.
- 6. 2015 and 2016 Audits**
GM Gary Westbrook stated that our current auditor, Alton Thiele, has found issues and deficiencies with the work performed by the previous auditor who performed the 2015 Audit. These issues were outlined in a letter received from Alton Thiele, dated March 29, 2017. He noted the issues were not related to problems with how staff performed, but were limited to how the auditor performed. He said our options were to re-audit 2015 or the make amendments to 2015 in the current years audit with amendments to the 2015 audit. Director Steven Wise made a motion to engage Mr. Thiele to make the amendments to the 2015 audit in accordance with the letter of March 29, 2017 to correct these issues. The motion was 2nd by Director Nathan Ausley. After discussion, the motion carried unanimously.
- 7. Minutes of March 7, 2017 Board Meeting and March 28 Public Hearings and Board Meeting**

After discussion, a motion was made by Director Nathan Ausley to approve the minutes of the March 7, 2017 Board Meeting and March 28 Public Hearings and Board Meeting. The motion was 2nd by Director Tommy Tietjen. The motion carried unanimously.

8. Board Member Dashboard

Discussion was held by the Board and a timeline was discussed. GM Gary Westbrook will advise the Board on a timeline to execute this after talking with the company that is helping to execute this.

9. Report from Rules Committee

President Youngblood asked GM Westbrook to give this report. He noted the Rule Committee met March 29 at the District offices in a posted open meeting, and discussed proposed changes and amendments to the current Rules, and these were reviewed by the Board. Mr. Westbrook advised the Board that during the last Rules amendments a part of Section 4 was accidentally omitted from the final copy that was posted and adopted, and that this need to be put back in. He also noted that most of the amendments covered and recommended were for Section 16, and these were comments from citizens of the District who met with the District's Liaison Committee over concerns. After review of each of the recommended amendments, a motion was made by Nathan Ausley to set a Hearing Date for the Proposed Rule Changes. The motion was 2nd by Director Tommy Tietjen. The motion carried unanimously.

10. Report from DFC Committee

Steve Young commented that he was here to answer any questions anyone may have from the previous DFC Committee Meeting of March 28, 2017. No questions were given. He stated that the new GAM should be complete by February 2018. Bobby Bazan reminded the group of information he had shared at the March 28 meeting, and that the District should have 50 additional monitor wells in the shallow parts of the Carrizo-Wilcox by August, with 25 of those wells having real time monitoring installed by November, and available on the District's website. He also stated that he had met with Texian Geo-spacial about getting to work on the mapping interface to accomplish this task.

11. Report from Grant Committee

GM Westbrook reported the Grant Committee had met March 17, and directed him to develop a process and program for citizens to be able to access funds in the District's adopted 2017 budget for rainwater harvesting. After discussion motion was made by Director Bob Wilson to Approve the minutes from the March 17, 2017 Grant Committee meeting. The motion was 2nd by Director Nathan Ausley. The motion carried unanimously.

12. Groundwater Conservation Grants

Directors Bob Wilson and Robert Ware abstained from discussion and voting. GM Gary Westbrook presented a spreadsheet with the Grant Committee's recommended grant awards for 2017. He noted the total of funding available for 2017 was \$1,300,000, and that the total of all applications received by the District exceeded that amount by approximately \$44,000. He stated that the Cooks Point Grant request was not recommended at this time due to questions about whether the proposed program actually resulting in conservation of groundwater, and the committee recommended giving Cooks Point 90 days to complete evaluations to prove the proposed program would conserve groundwater. At that time the application would be returned to the Board for consideration. Comment by Director Steven Wise was made concerning the amount that is being awarded being over our projected budgeted amount. During discussion it was noted the amount budgeted, less the Cooks Point Grant amount, was within the budgeted amount and that the Board could make a decision on the Cooks Point amount when they completed evaluations. A motion was made by

Director Tommy Tietjen to approve the grant amounts as presented omitting the Cooks Point amount until further information is provided. The motion was 2nd by Director Nathan Ausley. The motion carried 6-0 with Director Wilson and Director Ware abstaining from vote.

13. Additional Staff for Education and Outreach, and Field Tech

GM Westbrook reported the advisory committee met prior to the Board meeting. GM Gary Westbrook advised the board the Advisory Committee had reviewed a job description with responsibilities and salary for the position for Education and Outreach, and this would be a full-time position with the salary competitive with school teaching positions, and would range from \$30,000 to \$35,000 per year for qualified persons with limited to moderate experience, and could go higher if the person had enough experience and were a good long-term fit for the District. President Youngblood added the committee desired to include a 90 day anniversary evaluation to ensure the new person was accomplishing their described job and tasks. A motion was made by Director Durwood Tucker to approve posting to receive applications for the staff position for Education and Outreach. The motion was 2nd by Director Bob Wilson. After discussion, the motion carried unanimously. GM Westbrook also stated that Heather Gholson, wife of past employee Drew Gholson, whom helped create a previous version of the District's website, has offered to help fill the void in this area, left when a previous part time staff person took a full time position elsewhere with the website, until we can get the additional staff hired. After discussion a motion was made by Director Tommy Tietjen to retain Mrs. Gholson's services on an as needed basis until the new staff position is hired. The motion was 2nd by Director Bob Wilson. The motion carried unanimously.

14. Joint planning process and Desired Future Conditions (DFCs), groundwater resources in the District, and future process for evaluating District DFCs for Groundwater Management Area 12 (GMA 12) and Groundwater Management Area 8 (GMA 8)

Steve Young with Intera stated that the explanatory report should be available in the next 2 weeks. GM Gary Westbrook advised the Board that the next GMA 12 meeting was scheduled for April 27th, 2017 at the District's offices.

15. 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
GM Westbrook stated no permit applications had been filed with the District which would require a Hearing and no Emergency Permits had been Granted

B. Well Drilling activities: registrations, applications, completions, plugging, inspections
GM Westbrook stated 3 well registrations, 4 new applications, and 3 wells completed had been completed.

C. Recent and future District presentations and activities

1. Updates and Improvements to Well Monitoring Network

Bobby Bazan gave a brief update as reported at the March 28 Board meeting.

2. Update on Current Water Level Well Monitoring Work

Bobby Bazan noted that he was almost finished with the Spring 2017 monitoring.

3. Texas Alliance of Groundwater Districts Texas Groundwater Summit of August 29-31, 2017

Bobby Bazan reported that the schedule at a glance for this summit is now available to view.

4. Update on Legislation

Received an update from Legal Counsel, and GM Gary Westbrook stated that the list of bills

that we are tracking are on our website.

5. Milam and Burleson Counties Groundwater Summit

GM Gary Westbrook asked the Board for direction on having the Summit again this year. After discussion from the Board a motion was made by Director Durwood Tucker to continue to have the Summit. The motion was 2nd by Director Robert Ware. The motion carried unanimously. GM Gary Westbrook said he would look to have this in the middle of August.

16. Bills received, current financial status, Investment Officer Report.

After discussion, a motion was made by Director Nathan Ausley to approve the bills. The motion was 2nd by Director Tommy Tietjen. The motion carried unanimously.

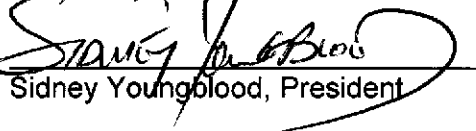
17. Dates, locations, and times of future meetings.

The next scheduled meeting will be May 2, 2017 @ 5:30 at the District Offices.

18. Adjourn Board Meeting

The Board Meeting was adjourned at 7:43

THE ABOVE MINUTES OF THE HEARING & MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON APRIL 4, 2017 WERE APPROVED AND ADOPTED BY THAT BOARD ON ~~MAY~~ MAY 3, 2017.


Sidney Youngblood, President

Attest:


Tommy Tietjen, Secretary/Treasurer

Date 5/3/2017