

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT  
Board of Directors Meeting  
POSGCD District Offices  
310 East Avenue C  
Milano, TX 76556  
November 12, 2013 – 5:30 p.m.

**MINUTES**

**Members Present**

Jay Tumlinson	POSGCD
Tommy Tietjen	POSGCD
Jim Hodson	POSGCD
Nathan Ausley	POSGCD
Dwayne Jekel	POSGCD
Kerry Starnes	POSGCD
Robert Ware	POSGCD

**Entity**

**Board Members Absent**

Jay Wilder	POSGCD
Carroll Glaser	POSGCD
Lee Alford	POSGCD

**POSGCD Staff**

Gary Westbrook	POSGCD
Elaine Gerren	POSGCD
Bobby Bazan	POSGCD

**Others Present**

**Entity**

Dave Barkemeyer	Milam County
Roby Jekel	D&L Services
Ross Cummings	Blue Water
Barney Knight	McKamie, Krueger, Knight
Steve Young	Intera
Jackie Scott	BRA
Paul Terrill	The Terrill Firm
Curtis Donovan	City of Cameron
Scott Carlson	Metropolitan Water
Kodi Sawin	Sawin Group
Dan Fischer	Home Owner
Ken Hall	SW Milam Water
Ann Stanislaw	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 Public Hearing on District 2014 Budget**

President Ausley opened the Public hearing on the District 2014 Budget at 5:30 pm. President Ausley asked for any comments on the District's 2014 Budget. No comment was heard. He closed the public hearing on the District 2014 Budget at 5:31 pm.

### **3 Public Hearing on District Production Fees**

President Ausley opened the public Hearing on the District Production Fees at 5:31 pm. President Ausley asked for any comments on the District's production fees. Public comment was heard from Paul Terrill representing Blue Water Systems concerning the District's 2014 Budget, including the District's Groundwater Conservation Program, as well as the recommended increase in the transport fees with no recommended increase in production fees. Public comment was heard from Ken Hall with Southwest Milam WSC concerning the recommended increase in the transport fee. President Ausley asked for any additional comments on the District's production fees. No further comment was offered. He then closed the public hearing on the District Production Fees at 5:37 pm.

### **4 Public Hearing on District Transport Fees**

President Ausley opened the public Hearing on the District Transport Fees at 5:37 pm. Both Paul Terrill and Ken Hall offered comment again concerning the increase in the transport fee. Both requested that the Board not adopt the recommended 6 cents per 1000 gallons of water authorized by permit to be transported. President Ausley asked for any additional comments on the District's Transport fees. No further comment was offered. He then closed the public hearing on the District Transport Fees at 5:39 pm.

### **5 Public Hearing on District Fee Schedule**

President Ausley opened the public Hearing on the District Fee Schedule at 5:39 pm. General Manager, Gary Westbrook commented the only proposed change to the Fees Schedule, as current and posted, would be the increase of the transport fee as listed on the Fee Schedule, if the increase in the Transport Fees is approved by the Board. President Ausley asked for any additional comments on the District's Fee Schedule. No further comment was offered. He then closed the public hearing on the District Fee Schedule at 5:40 pm.

All Public Hearings were then closed and the regular Board meeting was opened at 5:41 pm.

### **6 Public Comment**

Board President Nathan Ausley asked for public comment. No Public comment was offered.

### **7 District 2014 Budget**

After discussion of this item a motion was made by President, Nathan Ausley to adopt the District 2014 Budget as presented. The motion was 2<sup>nd</sup> by Director Jay Tumlinson. The motion carried unanimously.

### **8 District Production Fees**

After discussion of this item a motion was made by Director Jim Hodson to continue the District Production Fees at 1 cent per 1000 gallons permitted, as recommended. The motion was 2<sup>nd</sup> by Director, Tommy Tietjen. The motion carried unanimously.

#### **9 District Transport Fees**

After discussion of this item, including comment from Paul Terrill, from the Terrill Firm representing Blue Water Systems, a motion was made by Director Robert Ware to set the District Transport Fee to 6 cents per 1000 gallons of water permitted for transport, effective January 1, 2014. The motion was 2<sup>nd</sup> by Director Tommy Tietjen. The motion carried unanimously.

#### **10 District Fee Schedule**

General Manager, Gary Westbrook noted the proposed Fee Schedule would now need to reflect the change in Transport Fees, effective January 1, 2014. After further discussion of this item, a motion was made by President, Nathan Ausley to adopt the District 2014 Fee Schedule, as amended with the change in the District Transport Fee. The motion was 2<sup>nd</sup> by Director Robert Ware. The motion carried unanimously.

#### **11 District 2013 Budget**

General Manager, Gary Westbrook presented a list of recommended amendments to the District's 2013 Budget. After discussion, a motion was made by Director Jim Hodson to amend the District 2013 Budget as presented. The motion was 2<sup>nd</sup> by President Nathan Ausley. The motion carried unanimously.

#### **12 Minutes of August 13, 2013 Meeting**

After brief discussion, a motion was made by Director Tommy Tietjen to approve the minutes of August 13, 2013 Board Meeting. The motion was 2<sup>nd</sup> by Director Robert Ware. The motion carried unanimously.

#### **13 Nomination and letter of support for Industrial Representative to Brazos G Regional Water Planning**

This item was briefly explained by President Ausley. After discussion, a motion was made by President Nathan Ausley to nominate and send a letter of support for Jim Hodson for the Industrial Representative to Brazos G Regional Water Planning. The motion was 2<sup>nd</sup> by Director Robert Ware. The motion carried unanimously.

#### **14 Request from North Milam WSC for amendments to Groundwater Conservation Grant applications, awards, and contracts with the District**

Mr. Jekel announced that he was recusing himself from discussion and voting on this item. General Manager, Gary Westbrook presented a letter from North Milam WSC requesting an amendment to their contract with the District due to the projects that are being jointly funded by the District and the WSC, being under budget. The request was for the Board to reduce the percentage of the WSC's contribution by a percentage amount equal to the percentage amount the project came in under budget. After explanation and discussion, a motion was made by Director Tommy Tietjen to approve this request. The motion was 2<sup>nd</sup> by Director Jim Hodson. The motion carried 6-0, with Director Jekel abstaining.

#### **15 Authorization to maintain Texas County and District Retirement Systems plan provisions**

After brief discussion, a motion was made by Director Tommy Tietjen to maintain the plan provisions at the current rate. The motion was 2<sup>nd</sup> by Director Kerry Starnes. The motion carried unanimously.

**16 Update on recent litigation from General Counsel**

Barney Knight, Legal Counsel for the District updated the Board on recent litigation concerning ground water cases decided at the Texas Supreme Court and the 4<sup>th</sup> Court of Appeals in San Antonio. After discussion it was agreed that the District's current management strategies, Rules, and Management Plan were appropriate for respecting landowners property rights and protection of the aquifers of the District.

**17 Groundwater Management Area 12 (GMA 12) 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**

A presentation was made by Bobby Bazan, Water Resource Manager for the District concerning recent water level monitoring in the District. General Manager Gary Westbrook then gave an update on GMA 12 progress and the District's participation in GMA 12 work. The Board received comment from Dr. Steve Young concerning the District participation in the GMA12 joint Planning Process. Mr. Westbrook then advised the Board that he and Dr. Young had discussed alternate methods to express DFCs and that they would continue that work and report back to the Board when they have that information finalized. No action was taken.

**18 Agreement for Services for General Counsel**

The Board reviewed a new agreement for legal services with the District's General Counsel. After brief discussion, a motion was made by President Nathan Ausley to retain McKamie, Kruger, & Knight as Legal Counsel for the District. The motion was 2<sup>nd</sup> by Director Jim Hodson. The motion passed unanimously.

**19 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 31 wells registered, 35 new well applications, 9 new wells completed, 1 well plugged, and 1 well that required inspection.

**C. Recent and future District presentations and activities**

**1.) Texas Water conservation Association Interim Groundwater Committee**

General Manager Gary Westbrook advised the Board that he had been asked to serve on this committee again to work on possible legislation for the next session to address groundwater issues and possible amendments to Chapter 36, Texas Water Code.

**3.) District Office Repair and Maintenance**

General Manager, Gary Westbrook advised the Board that parts of our building needed painting. Direction was given by the Board to proceed with painting the entire building.

**4.) District Education Programs**

General Manager Gary Westbrook reported that the District held the Annual Local Water Utilities Workshops with app. 50 people in attendance.

**5.) Brazos Region G Water Planning Group**

General Manager Gary Westbrook attended and participated in the Brazos G Regional Water Planning Group meeting and reported that he had been asked to serve on the Projects Prioritization Committee.

**6.) Texas Alliance of Groundwater Districts Groundwater Summit of August 26-29, 2013**

General Manager Westbrook reported that he and Bobby Bazan had attended this summit and that he served as moderator on one of the panels.

**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.

**8.) Blue Water Systems, LP Permits**

General Manager, Gary Westbrook reported that Blue Water Systems, LP is compliant, having filed a non-substantive amendment to existing permits as he had advised the Board previously.

**9.) Annual meeting with Brazos River Authority according to Management Plan section 15.5**

General Manager Gary Westbrook reported that he recently met with representatives of the Brazos River Authority concerning conjunctive use as outlined in the District's Management Plan and provided a summary of that meeting.

**10.) Comments provided to Railroad Commission of Texas concerning 16 TAC Rules**

General Manager Gary Westbrook and Dr. Steve Young with Intera advised the Board of the Draft Rules of the Texas Railroad Commission, set for adoption in January 2014, and concerns they have about sections of the TRRC Draft Rules as they might pertain to exemptions for production of groundwater for use in fracturing operations and the impacts which might occur to wells in the District if all groundwater used for fracturing were exempt from District regulation.

**11.) Nomination to Technical Advisory Committee for Northern Trinity/Woodbine Aquifer Groundwater Availability Model Overhaul Project of Groundwater Management 8**

After brief discussion, motion was made by Director Tommy Tietjen to nominate Bobby Bazan to fill the place that Drew Gholson had previously held on this committee. The motion was 2<sup>nd</sup> by Director Jim Hodson. The motion carried unanimously.

**11. Bills received and current financial status.**

After review and discussion of the report of the District's financial status and current bills, a motion was made by Director Jim Hodson to approve the report and payment of the bills. The motion was 2<sup>nd</sup> Director Tommy Tietjen. The motion carried unanimously.

**12. Dates, locations, and times of future meetings.**

President Nathan Ausley announced the next regularly scheduled meeting, if needed, would be December 10, 2013, at the District Office at 5:30 p.m.

**13. Adjourn Board Meeting**

President Nathan Ausley adjourned the meeting at 6:57 p.m.

**THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON NOVEMBER 12, 2013 WERE APPROVED AND ADOPTED BY THAT BOARD ON DECEMBER 10, 2013.**

\_\_\_\_\_  
Nathan Ausley, President

**Attest:**

\_\_\_\_\_  
Kerry Starnes, Secretary/Treasurer

Date \_\_\_\_\_

A meeting recording of this meeting is available on CD.