
POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Public Hearing & Board of Directors Meeting
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
April 18, 2017 – 5:30 p.m.

MINUTES

Directors Present

Nathan Ausley
Sidney Youngblood
Steven Wise
Tommy Tietjen
Bob Wilson
Durwood Tucker
Lee Alford
Kerry Starnes
Bob Wilson
Jay Wilder

Directors Absent

None

Staff Present

Gary Westbrook
Bobby Bazan
Elaine Gerren

Others Present

Bill Graham
Kodi Sawin
James McDaniel
Brenda McDaniel
Florene McDaniel
Gene Canin
Carol Canin
Stanley D. Price
Gene Kleiber
Marjorie Kleiber
Barbara Teinert

Entity

Self/Landowner
Sawin Group
Land & Well Owner
Land & Well owner
Landowner
Landowner
Landowner
Landowner
Landowner
Landowner
Landowner

Ron Martens	League Ind. Voters
Judy Martens	League Ind. Voters
Fred Russell	Landowner
Mary Ann Russell	Landowner
Wayne Wolz	Rancher
Eugene Urbanovsky	Landowner
Bobby Walker	Burleson County Landowner
M.S. Shackelford	Landowner
Margaret Green	Blackland Coalition
W. Scott Carlson	Met Water
Pat Reilly	Blue Water
Paul Terrill	Terrill & Waldrop
Ross Cummings	Blue Water
Amy Jurica Hinnart	Landowner
Judith McGeary	Farm & Ranch Freedom Alliance
Michele Gangnes	Simsboro Aquifer Water Defense League of Ind. Voters
David McLaren	CTS-America
Collene Waring	Landowner
Ronney Coleman	Landowner
Gabbo Goetsch	Landowner
Becky Goetsch	Landowner
Wayne Horkheimer	Citizen
Linda Curtis	Independent Texans
Joyce Conner	Landowner
Mike Conner	Landowner
Steve Young	Intera
Andy Hovorak	Landowner
Barney Knight	The Knight Law Firm
Phillip Robert Brinson	Amy Jurica Hinnart

BOARD MEETING

1. Pledge of Allegiance

2. Invocation

3. **Call to Order and establish quorum**

The meeting was called to order and a quorum established at 5:33 p.m. by Board President, Sidney Youngblood.

4. **Public Comment**

President Sidney Youngblood opened this agenda item and stated that he would appreciate comments being limited to 3 to 5 minutes each to allow time for any and all persons who desire to speak.

Bobby Walker, Jr. Burlison County Resident thanked the Board and staff for their efforts and dedication. He stated that he was pleased with the questions submitted by Judith McGeary. He asked how many letters had been received, how many of those were form letters and how many were from residents that actually live in the county. He voiced his concerns with the well spacing rules and the pressure that these wells will have on infrastructure. He stated that a minimal % of land owners had signed leases and stated that the leases were obtained by Scott Carlson and wondered how many were actually vetted. He asked the Board to vote their conscience and if you do you will vote against the request.

Lauren Ice with Save our Springs thanked the Board for having them back. She stated that Save our Springs has been participating through public process by making public comment. She would like to know which leases are affected and has the original application been updated. She asked that this information be made available before the Board makes their decision.

Judith McGeary, Landowner in Milam County and is also an Attorney, expressed her appreciation to the Board and for the open process. She stated that the burden is on the applicant to meet the Rules. She stated that the applicant has not met that and that they have not produced a GAM simulation. The moving of the wells will exceed the limits of the 8% limit at the property line that is set in the rules. She has an issue with the vetting of the original application.

James "Jim" McDaniel stated that he grew up in South Milam County. He is currently from Fairfax Virginia. He was concerned with relocating the wells on landowner property. He stated the wells are not drilled yet and he wanted to know if this will be a budget issue for the District. He is concerned with the District Budget and stated that the Vista Ridge applications do not directly affect him.

Lois Schelenberger said she applauds the board for the process and stated that the landowners can not allow themselves to be pushed around.

5. **Consider Vista Ridge's application to amend Drilling and Operating Permit No. POS D&O/A&M-000lc 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.**

Board President, Sidney Youngblood stated that he appreciated the efforts by Lauren Ice and Judith McGeary for compiling the questions and concerns. Director Nathan Ausley let the Board know he would abstain from discussion and voting on this Agenda item. President Youngblood called for comment from Philip Brinson who represents Amy Hinnant. Mr. Brinson requested the Board to take the language of the notice into account. He stated that Rule 7.5.3 gives opportunity for a person to make written request without having a five (5) day prior notice. He stated that Ms. Hinnant did present evidence prior to the hearing. He said he did understand the requirements of rule Rule 14 and

the five (5) day notice. He asked the Board to set a preliminary hearing to determine whether Ms. Hinnant is an affected party and can have a contested case hearing. He requested a formal Board action on this determination. President Youngblood asked for questions from the Board. Director Steven Wise asked Mr. Brinson if he desires action and he stated that he did. President Youngblood thanked Mr. Brinson for his presentation and asked Barney Knight, Legal Counsel for the district if he had any comments. Mr. Knight stated that if he were representing this citizen group he would have taken the same approach as they have taken so far. He advised the Board that his opinion was that Ms. Hinnant had not filed her request in time for a contested case hearing, but he did not make that decision and it was up to the Board if it wanted to grant a waiver. He also restated that if this should go to court that it was his opinion the Board would win any litigation presented and under general rules of applying amendments his opinion is that Rule 14 is the more controlling rule.

Mr. Brinson expressed his appreciation to Mr. Knight and stated that Rule 7 is applicable to this situation. Mr. Knight stated that if the Board accepted Mr. Brinson's interpretation of the Rules, the Board must waive the 5 day rule in rule 14.

President Youngblood stated that he stood by his previous decision made on March 28, 2017 to determine the application was not contested, and he asked the Board for discussion on that topic. Director Ware stated he supported the decision of President Youngblood on March 28, 2017. President Youngblood stated he felt that we had fully vetted this issue. Paul Terrill approached the Board and asked to speak concerning Rule 14. He stated that Ms. Hinnant had been given ample time to respond and that sufficient notice had been given to her.

Legal counsel, Barney Knight said given the circumstances he recommended the Board take action. President Youngblood asked for additional comment. Director Steven Wise asked for clarification that this vote was to decide to support the previous decision that a contested case hearing would not be granted. Mr. Knight affirmed. A motion was made by Bob Wilson to invoke the five (5) day rule and to deny a contested case hearing requested by Ms. Hinnant. The motion was 2nd by Director Steven Wise. The motion carried 9 to 0 with Director Nathan Ausley abstaining.

President Youngblood invited Paul Terrell to speak on behalf of the applicant outlining the location of the permitted well sites and the proposed new well locations.

Mr. Terrill gave a presentation in which he addressed all written, and most oral comments received by the Board at the public hearing of March 29 and Board meeting of April 4, 2017, pertaining to the applications.

At 7:00 pm Director Lee Alford had to leave the meeting.

Mr. Brinson addressed the Board and called for point of order stating that Ms. Hinnant had not been given the opportunity to respond to part of Mr. Terrill's presentation concerning her land. He stated that she should either be given the opportunity to respond or that all information concerning Ms. Hinnant should be stricken from the records. Mr. Knight then suggested it be addressed by simply inserting into the record that Mr. Brinson objected and was not bound by any such comments.

President Youngblood asked for comment from Steve Young, the District's hydrologist, concerning the applicant's statement that the hydrology for GAM simulations for the project do not change with the new locations. Dr. Young stated that Intera had performed their due diligence and he agreed with that statement. President Youngblood asked for comment from James Bene, hydrologist for the applicant with him agreeing with Dr. Young and stating that their studies had determined the same

results as Dr. Young's. GM Gary Westbrook clarified that Intera and the DFC Committee's recommendation to approve the requests included a variance which was only to last for the life of the permit.

Judith McGeary brought up questions concerning Rule 4.1 spacing. Barney Knight noted that the District had been consistent with the interpretation of this rule. Paul Terrill stated Judith McGeary has an incorrect interpretation of this rule.

President Youngblood stated that this process has been very engaging and that the Directors have been extremely diligent in getting this right and staying consistent with the District's rules. He applauded everyone's participation in the 3 meetings. He then clarified the 3 options that the Board has. They can approve the request as presented, approve it or amend in part, or the board can deny this request. Director Wise commented that this request boils down to the applicant requesting to move the locations of already permitted wells. There will be no affected wells and the GAM simulations do not change. Director Wise stated that under the Rules of the District, the gpm of the 3 wells in questions can be reduced to satisfy the spacing variance. Comment was made by Director Tommy Tietjen and Director Bob Wilson in agreement with Director Wise. Barney Knight stated the Board has that authority, and could allow the applicant the option to move the wells or not move the wells or move the wells and reduce the gpm.

President Youngblood stated that this had been an extraordinary set of meetings and that the process had been fully vetted and that he called for a vote to approve, deny, or approve with amendments. He asked the Board if anyone desired further discussion. No further discussion was heard.

A motion was made by Director Tommy Tietjen to approve the request to move the 11 wells, with the reduced production of the 3 wells requesting a variance, in order to comply with the spacing requirement, and to also allow the applicant the option to keep their current production on those 3 wells if the 3 wells are left at their current permitted locations. The motion was 2nd by Director Durwood Tucker. The motion carried 8- 0 with Director Nathan Ausley abstaining from voting.

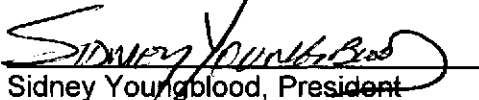
6. Dates, locations, and times of future meetings.

President Sidney Youngblood announced the next regularly scheduled meeting would be May 3, 2017 at 5:30 pm located at the District Office.


7. Adjourn the Hearing and Board Meeting

President Youngblood adjourned the meeting at 7:39 p.m.

THE ABOVE MINUTES OF THE HEARING & MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON APRIL 18, 2017 WERE APPROVED AND ADOPTED BY THAT BOARD ON MAY 3, 2017.


Sidney Youngblood, President

Attest:



Tommy Tietjen, Secretary/Treasurer

Date _____