

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting & Public Hearing
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
July 10, 2018 – 5:30 p.m.

MINUTES

Directors Present

Becky Goetsch
Durwood Tucker
Steven Wise
Lee Alford
Sidney Youngblood
Bob Wilson
Chris Whittaker
Bob Ware
Jay Wilder

Directors Absent

Tommy Tietjen

Staff Present

Gary Westbrook
Bobby Bazan
Elaine Gerren
Ralph Sifuentes
Doug Box

Others Present

Barbara Boulware-Wells
Pat Riley
Fred Russell
Mary Ann Russel
John Fisher
Steve Young
Judith McGeary
Dan Fisher
Drew Gholson
Blair Parker
Shaun Rutherford
Chris Vaughn
Ralph Dizzine
James Birkhead
James Bene'
Mike Conner
Keith Kiesling
Larry Drabek

Entity

The Knight Law Firm, LLP
Blue Water System
22 Hills
22 Hills
Milam County PCT 3
Intera
Landowner
Landowner
Texas A&M Agrilife
SAWS
Terrill & Waldrop
Land Owner
Land Owner
Land Owner S. Milam Co.
R.W. Hardin
Land Owner
City of Thorndale
Self

Frank Summers	Self
Henry Bonorden	Self
Dan Oberts	Land Owner
Nathan Ausley	Land Owner
Mike Kornegay	Land Owner

BOARD MEETING

1. Pledge of Allegiance

President Youngblood brought the meeting to order at 5:35 pm and asked GM Gary Westbrook to lead the meeting in the pledges to the flags of the United States and Texas, and he did so.

2. Invocation

President Sidney Youngblood asked Director Becky Goetsch to lead the invocation and she did so.

3. Call to Order and establish quorum

The meeting was called to order and a quorum established at 5:39 p.m. by Board President, Sidney Youngblood.

4. Minutes of May 1, 2018

After brief discussion, a motion was made by Director Jay Wilder to approve the minutes of the June 5, 2018 board meeting as presented. The motion to approve the board meeting minutes was 2nd by Director Lee Alford. The motion carried unanimously.

5. Review and discussion of the Post Oak Savannah Aquifer Conservancy Program

A slide show presentation on the new program was given by Director Steven Wise with assistance from GM Westbrook. Questions and comments were received and discussion was held ranging from topics of conservation to timing of payments. GM Westbrook requested all in attendance to submit written comment on the PCAP so they might become part of the permanent record and be summarized with other comments received for consideration by the Board. He also reminded all the intent is to have a final draft by October to bring to the Board for consideration. No action was taken.

6. Review and action on Application to Dispose of Oil and Gas Waste by Injection, number 1186984, filed by Wildhorse Resources Management Company, LLC

GM Gary Westbrook noted that he had received information from Director Becky Goetsch concerning this application. He then summarized this application and noted restrictions for opportunities under state law for the District to oppose any applications for disposal wells. He reported he had concerns about protection of aquifers in the District and landowners in the area, and had tasked the District's hydrogeologist, Intera, to fully evaluate the application and supporting documentation to assess any threats to water quality in the aquifers of the District. GM Westbrook asked Steve Young with Intera to discuss this application and well. Mr. Young summarized the report of their evaluation, and stated that the water was being injected into the Edwards formation, at a depth of over 7000 feet, which put the injection more than 4000 feet below usable aquifers in the District, and which also provided excellent protection from migration of the injected fluids into the District's aquifers due to several thick impermeable formations between the injection formation and those aquifers. He noted concern that Intera discovered there was no evidence of a cement bond log included in the available documents acquired from the Railroad Commission of Texas. This log

would provide evidence that migration of the injected fluids could not travel up the side of the well into more shallow formations, and the log should have been part of the original application. Since the log was absent, Intera had recommended the District ask for copies of that cement bond log be presented.

GM Westbrook noted that after receiving this information from Intera, he then tasked Barbara Boulware-Wells, the District's general counsel to represent him and the District in a pre-hearing on the application in Austin on July 9. After Ms. Boulware-Wells had asked for the bond logs to be made available, the presiding judge agreed to allow the District's request. Due to this request and other concerns raised by local landowners in the vicinity of the proposed well's location, the judge delayed approval of the applicant's permit and set a hearing for August 3. After discussion, the Board was in agreement with the general manager's concern, and all voiced support for the general manager's handling of this event. GM Westbrook advised that he would continue to pursue the necessary information through the District's general counsel and hydrogeologist, and report back to the Board. He also stated that if the applicant could not produce a valid cement bond log which assured protection of the District's aquifers he would formally protest the application on behalf of the District.

GM Westbrook then described the process whereby the District obtains information on future applications for disposal wells in the District. He reminded there are no requirements in state law requiring an applicant for an injection well to notify an groundwater conservation district of an application being filed. The only requirement is that a notice be posted in the newspaper, and he discussed the delay of receiving newspapers. He then requested the Board allow him to obtain estimates for engagement of a professional firm to obtain from the Railroad Commission of Texas notice of applications in a more timely manner which would allow the District more time to properly evaluate future applications. After discussion, a motion was made by Director Goetsch and seconded by Director Alford to approve this request. The motion carried unanimously.

7. Resolution to add Sidney Youngblood as signator for the District's account

GM Gary Westbrook stated that adding Director Youngblood would be a benefit for District Staff when needing signed checks. After discussion by the Board a motion was made by Vice President Steven Wise to add President Sidney Youngblood to the signator card at the bank. The motion was 2nd by Director Lee Alford. The motion passed unanimously.

8. Agreement with Texas A&M Agri-life and Drew Gholson

Drew Gholson with the Texas A&M Agri-life gave a presentation and an overview of the program for the past year stating that 5 workshops had been completed. He stated that the district participated at a \$ 35,000 level last year and that the Texas A&M Agri-life would provide continued education for a \$30,000 participation this year. He also stated that they would to add water quality to the program this next year. GM Gary Westbrook stated that the Education Committee had discussed this in a previous meeting and that their recommendation was to move forward with this agreement. After discussion by the Board a motion was made by Director Bob Ware to approve the agreement with Texas A&M Agri-life and Drew Gholson. The motion was 2nd by Director Durwood Tucker. The motion passed unanimously.

9. Agreement with Howard Sander for website maintenance and service

GM Westbrook introduced the need for this service and discussed a proposed six month contact totaling \$750. Doug Box, District Education Coordinator stated that Howard Sander had helped him previously with the District website and that he had personally worked with him for about 6 years on his personal business. Mr. Sander will be able to perform maintenance on the Website and aid in creation of future programs for the District Site. GM Gary Westbrook stated that the Education Committee had discussed this in a previous meeting and that their recommendation was to move

forward with this agreement. After discussion by the Board a motion was made by Director Chris Whittaker to approve the agreement with Howard Sander. The motion was 2nd by Director Becky Goetsch. The motion passed unanimously.

10. Approve addition to scope of work on District database by Halff and Associates

Bobby Bazan, District Water Resource Manager gave a report on progress by Halff on the District's database and stated that there were additional items identified by District Staff that are needed that were not in the original scope of work. These items are needed to complete the well database and provide additional transparencies to the public. Discussion was held by the Board with concern timing of completion of this program. Mr. Bazan assured the District that clarification will be done prior to the start of this additional agreement to assure completion of the well database and implantation onto our website in a timely fashion. After discussion by the Board a motion was made by Director Steven Wise to approve the agreement with Halff and Associates. The motion was 2nd by Director Durwood Tucker. The motion passed unanimously

11. Nominations to the Board of Trustees of the Texas Municipal League Intergovernmental Risk Pool

Discussion was held by the Board. Director Bob Wilson stated that he would be interested in being nominated for this position. A motion was made by Director Chris Whittaker to nominate Bob Wilson for consideration for this position. The motion was 2nd by Director Becky Goetsch. The motion passed unanimously

12. Board Member Dashboard and Update on Committee Charges for 2018

GM Gary Westbrook provided an update on the Dashboard and stated that the Dashboard was on the website and all items are up to date. No action was taken.

13. Review of Education Efforts and Activities

Doug Box, District Education Coordinator provided a handout and an overview of the educational program for the District. He noted an increase in use of the District's website and social media. He also gave a brief presentation on additional videos which had been added to the website for the public's use. No action was taken.

14. Well Monitoring Network and Water Level Monitoring Network

A. Work with Deanville WSC on water level monitoring

Bobby Bazan, Water Resource Manager for the District stated that this is a continuation from discussion at previous meetings and reported that additional wells in the area were being evaluated. He further stated the Deanville well would receive a continuous water level monitoring device from a company named Wellintel, and this device should be installed and operational by the end of August.

B. Update on availability of public interface for monitoring information

Bobby Bazan stated that Ralph Sifuentes was actively seeking new wells for the monitoring network. He stated that we are focusing on the Shallow Carrizo-Wilcox wells. He stated that he is working with Wellintel to purchase monitoring instruments for well monitoring in these wells also. No action was taken.

15. 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)

GM Westbrook stated that the GMA 12 had not met since his last report. He then reported that GMA 8 had met and that they are comparing rules from all of the Districts. No action was taken.

16. 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 Gary Westbrook reported no applications were filed which require a hearing and 1 emergency permit had been granted.

B. Well Drilling activities: registrations, applications, completions, plugging, inspections

GM Gary Westbrook reported 18 registrations, 14 new applications, 11 completions, 3 plugging, 0 wells inspected since the last meeting.

C. Recent and future District presentations and activities

1. District Rainwater Harvesting Classes of July 27, 2018

GM Gary Westbrook stated that there would be another Rainwater Harvesting class on July 27, 2018 from 1 to 4 pm.

2. Milam and Burleson Counties Groundwater Summit of August 15, 2018

GM Gary Westbrook stated that preparations were being finalized and all is on schedule. He stated that George King had been added as a speaker for discussion on Frac/Injection Wells. No action was taken.

3. Texas Groundwater Summit August 28-30, 2018

GM Westbrook stated that staff and several directors had been registered for this conference and advised the Board that we had 1 extra room available if any others wanted to attend.

4. Texas Water Conservation Association Conference of June 12-15, 2018

GM Westbrook stated that the presentation he gave on our POSGCD Aquifer Conservancy Program was well received by water professionals at TWCA.

5. Texas Groundwater Association Driller's CEU Classes July 24, 2018

GM Westbrook advised the Board that we will Host the Texas Groundwater Association Driller's CEU Classes July 24, 2018 at the District Offices from noon to 5 p.m.

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

After discussion by the board, a motion was made by Director Durwood Tucker to approve payment of bills and accept the financial report. The motion was 2nd by Director Becky Goetsch. The motion passed unanimously.

18. Public Comment

President Youngblood invited public comment.

1. Public comment was heard from Nathan Ausley concerning the Conservancy Program and the possibility of adding a signing Bonus.

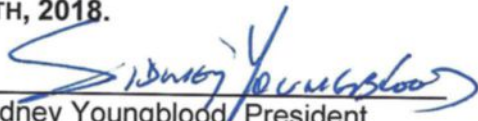
19. Dates, locations, and times of future meetings.

President Youngblood announced the next regularly scheduled meeting would be August 7, 2018 at 5:30 pm located at the District Office.

17. Adjourn Board Meeting

President Youngblood adjourned the meeting at 8:11 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON JULY 10, 2018 WERE APPROVED AND ADOPTED BY THAT BOARD ON AUGUST 7TH, 2018.


Sidney Youngblood, President

Attest:


Tommy Tietjen, Secretary/Treasurer

Date 8/7/2018 PM