

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting & Public Hearing
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
December 4, 2018 – 4:00 p.m.

MINUTES

Directors Present

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

Directors Absent

Bob Wilson

Staff Present

Gary Westbrook
Bobby Bazan
Elaine Gerren
Ralph Sifuentes
Doug Box

Others Present

Barbara Boulware-Wells
Pat Reilly
Dan Fischer
Shan Rutherford
Amy Hennard
Jacklyn Robertson
Scott Carlson
Ed Savage
Mike Robin
Mary Ann Russell
Fred Russell
Amy Hinnant

Entity

The Knight Law Firm, LLP
Blue Water System
Landowner
Terrill & Waldrop
Jones & Carter/Cooks Point WSC
Self
Met Water
POSGCD Director Elect 2019
R.W. Hardin
Landowner
Landowner
Burleson County Land Owner

BOARD MEETING

1. Pledge of Allegiance

President Sidney Youngblood asked Dan Fischer to lead the pledges to the flags of the United States and Texas and he did so.

2. Invocation

President Sidney Youngblood lead the invocation.

3. Call to Order and establish quorum

The meeting was called to order and a quorum established at 4:07 p.m. by President Sidney Youngblood.

4. Resignation of Mr. Robert Ware as Burleson County Rural WSC Representative

President Sidney Youngblood thanked Director Ware for his 18 years of service on the Board. General Manager Gary Westbrook also thanked Director Ware for his service and support while on the Board, and gave a brief summary of the committees and offices on which Mr. Ware had served, as well as the accomplishments of the District during that time. Director Lee Alford thanked Director Ware for his knowledge and participation on the Board. President Youngblood read a letter from Burleson County Judge Mike Sutherland recognizing Director Ware's service since the District's inception in 2001, and noted Mr. Ed Savage had been appointed to assume this position on the Board effective January 1, 2019.

5. Minutes of November 6, 2018

After brief discussion a motion was made by Director Steven Wise to approve the minutes of the November 6, 2018 board meeting as presented. The motion to approve the board meeting minutes was 2nd by Director Jay Wilder. The motion carried unanimously.

6. Amend District 2018 Budget

A slideshow presentation and summary of the 2018 Budget amendments was presented to the Board by General Manager Gary Westbrook. After discussion by the Board a motion was made by Director Durwood Tucker to approve the amendments as recommended. The motion was 2nd by Director Tommy Tietjen. The motion carried unanimously.

7. District 2019 Budget

President Sidney Youngblood opened agenda items 7-10 simultaneously, and invited General Manger Westbrook to present the recommended 2019 Budget, Production Fees, Transport Fees, and District Fee Schedule. Mr. Westbrook gave a presentation in which he walked through all budget items and associated production and transport fees to fund the proposed 2019 Budget. He noted any differences between the original draft presented at both the October and November Board meetings, and stated the only recommended change to the District Fee Schedule would be the listing of Production Fees and Transport Fees. Mr. Westbrook stated this proposed and draft 2019 Budget and associated fees had been properly noticed and public hearings had been held by the Board at the November Board Meeting. He further stated that no action had been taken at that time, and these items were now properly before the Board for action. President Youngblood invited questions or comment from the public at this time. None was offered. After discussion by the Board a motion was made by Director Tommy Tietjen to adopt the 2019 Budget, Production Fees, Transport Fees, and District Fee Schedule as recommended and presented at this meeting under agenda items 7-10. The motion was 2nd by Director Lee Alford. The motion passed unanimously.

8. Public Hearing on District Production Fees

See above item 7.

9. Public Hearing on District Transport Fees

See above item 7.

10. Public Hearing on District Fee Schedule

See above item 7.

11. Amend Board Policy

General Manager Gary Westbrook gave an overview of the amendment as recommended to Section 12 (E) by the Advisory Committee. After discussion by the Board a motion was made by Director Steven Wise to amend the Board Policy as recommended and presented. The motion was 2nd by Director Becky Goetsch. The motion carried unanimously.

12. Engagement Letter for Auditing Services for 2018 with Alton Thiele

General Manager Gary Westbrook presented a Letter of Engagement for Auditing Services for 2018 with Alton Thiele. After discussion by the Board a motion was made by Steven Wise to approve execution of the letter for auditing services for the 2018 year with Alton Thiele. The motion was 2nd by Director Tommy Tietjen. The motion carried unanimously.

13. Public Hearings on Post Oak Savannah Conservancy Program

President Sidney Youngblood opened the Public Hearing at 4:35 pm and noted there had been two written submissions providing comments that had been received by the District. President Youngblood invited Dan Fisher to discuss his written comments, and Mr. Fischer responded he would be glad to answer questions, but otherwise would allow his comments to stand as written. Next President Youngblood invited anyone who wished to discuss comments received from Terrill & Waldrop on behalf of Blue Water Systems. Mr. Shan Rutherford stated that they had not taken a position of opposition or in favor of the program, and they wished to let their submitted comments stand as written. Next President Youngblood recognized Mr. Fred Russell who had asked to provide comment. Mr. Russell read from a prepared statement, generally opposing the program for various reasons. President Youngblood invited additional comment from anyone present. No further comment was offered. President Youngblood closed the Public Hearing at 4:49 p.m.

14. Review and discussion of Draft Post Oak Savannah Aquifer Conservancy Program (PACP)

GM Gary Westbrook gave a review of the PACP Guidance Document, and the Board discussed the comments received. During discussion, GM Westbrook and General Counsel Barbara Boulware-Wells asked questions of clarification of the Board and commenters with the intent to revise the PACP Guidance Document and return to the Advisory Committee for consideration, with intent to present to the Board for consideration at the January Board meeting. No further action was taken.

15. Board Dashboard and updates from Committee Chairs on task for 2018, and Projected Task for 2019

Updates were given by each of the Committee Chairs. No further action was taken.

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

General Manager Gary Westbrook advised the Board that after reviewing the initial findings and recommendations on this application, he was in agreement with Matt Uliana of Intera and Barbara Boulware-Wells of The Knight Law Firm, LLP, that the District's concerns had not been addressed to

their satisfaction, and he had instructed Ms. Boulware-Wells to file another brief on behalf of the District requesting those concerns be addressed. He and Ms. Boulware-Wells then discussed the contents of that filing and the timeline ahead. No further action was taken.

17. Requests from Cooks Point WSC for supplemental funding to replace water supply well

President Youngblood invited Amy Hennard, Engineer for the Cooks Point WSC to provide discussion on this item. She explained the situation and the well problems, as well as the request submitted by her on behalf of Cooks Point WSC. Discussion was held by the Board and all agreed this request was outside of the scope of authority of the District. A motion was made by Director Chris Whittaker to deny the request from Cook Point WSC. The motion was 2nd by Director Steven Wise. The motion carried unanimously.

18. Well Monitoring Network and Water Level Well Monitoring Work, including the work with Deenville WSC on water level monitoring

Bobby Bazan Water Resource Manager provided an update on recent monitoring activities and stated that he would let his report from the November meeting stand as the report for the 2018 year. He then stated the District is seeking additional locations for shallow monitor wells in the minor aquifers, and presented a map of those desired locations. He also presented the District staff's plans to obtain wells in these areas.

19. Education Update

A handout and update was given by Doug Box and Jacklyn Wise, with discussion of recent results of surveys obtained from the public.

20. 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 Gary Westbrook advised the Board that GMA 8 had met on November 30th at the Hilco Event Center in Itasca Texas and that he attended this meeting. He also noted GMA 8 had selected WSP, formerly LBG-Guyton, as consultant to prepare the next GMA 8 Explanatory Report. He stated that the next GMA 12 meeting will be in mid to late January 2019. He noted both GMAs would be engaged in work of the next round of joint planning.

21. 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 no emergency permits had been granted.

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

GM Gary Westbrook reported 14 registrations, 5 new applications, 3 completions, 0 plugging, 2 wells inspected since the last meeting.

C. Recent and future District presentations and activities

1. Texas Water Conservation Association Interim Groundwater Committee

GM Gary Westbrook advised the Board of recent activities of this committee and stated that he had been advised by the District's Legislative Committee on voting on specific draft legislation.

2. Bell County Water Symposium of November 15, 2018

GM Gary Westbrook reported he and Doug Box had attended this meeting.

3. Workshop for public on plant selection and conservation of November 16, 2018

GM Gary Westbrook reported the workshop was a success.

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

After discussion by the board, a motion was made by Director Jay Wilder to approve payment of bills and accept the financial report. The motion was 2nd by Director Lee Alford. The motion passed unanimously.

23. Public Comment

President Sidney Youngblood invited public comment.
No Public Comment was offered.

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

The Board agreed that since the first Tuesday in January falls on January 1, the next scheduled regular meeting will be on January 8, 2019 at the District Office at 5:30 pm.

25. EXECUTIVE SESSION: In accordance with Texas Government Code, Section 551.071 (Advice of Counsel) and Section 1.05 Texas Disciplinary Rules of Professional Conduct, the Board shall enter into Executive Session to discuss the following: Review and discuss Board Rules, Policies, Process and Procedures

President Youngblood thanked all for their attendance, and invited any who would care to stay to enjoy refreshments while the Board retired into executive session. The Board entered into executive session at 6:30 pm.

26. Reconvene into open session to take action as deemed appropriate in the Board's discretion pursuant to Section 551.071, Texas Government Code.

The Board reconvened from executive session at 8:02 pm and no action was taken.

27. Adjourn Board Meeting

President Sidney Youngblood adjourned the meeting at 8:02 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON DECEMBER 4, 2018 WERE APPROVED AND ADOPTED BY THAT BOARD ON JANUARY 8, 2019.

Sidney Youngblood, President

Attest:

Tommy Tietjen, Secretary/Treasurer

Date _____