

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
June 6, 2019 – 5:30 p.m.

MINUTES

Directors Present

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

Directors Absent

Tommy Tietjen

Staff Present

Gary Westbrook
Bobby Bazan
Elaine Gerren
Ralph Sifuentes
Doug Box

Others Present

<u>Others Present</u>	<u>Entity</u>
Gabbo Goetsch	Landowner
Pat Reilly	Blue Water System
Paul Terrill	Terrill & Waldrop
Ross Cummings	Blue Water Systems
Barbara Boulware-Wells	The Knight Law Firm, LLP
Jaclyn Robertson	Self
Judith McGeary	Self
Blaire Parker	SAWS
Curtis Chubb	Self
Don Schuerman	Self
Shan Rutherford	Terrill & Waldrop
James Bene	Harden & Assoc

BOARD MEETING

1. Pledge of Allegiance

President Sidney Youngblood asked Becky Goetsch to lead the pledges to the flags of the United States and Texas and she did so.

2. Invocation

President Sidney Youngblood asked Gary Westbrook to lead the invocation and he did so.

3. Call to Order and establish quorum

The public hearing was called to order and a quorum established at 5:37 p.m. by President Sidney Youngblood.

4. Public Hearing on Rules:

The public hearing on the rules was opened at 5:39 p.m.

- a. The Substantive Changes to the Rules to be considered include: Rule 1.1, Definitions and Concepts; Rule 4.2, Exceptions to Spacing Requirements; Rule 7.1, General Permit; Rule 7.4, Applications; Rule 7.5, Notices/Hearing; Rule 7.12, Drilling Permit; Rule 7.13, Drilling/Altering Well; Rule 7.16, Operating Permit; Rule 7.18, Hydraulic Fracturing; Rule 9.8, Accounting Fee; Rule 12, Well Location; Rule 14.2, Hearing Notice; Rule 14.5, Contested Case Hearing; Rule 16.2, Management Zones; 16.3, Monitoring; Rule 16.4, Actions and Rule 16.6, Adjusting.**

GM Gary Westbrook provided an overview of the proposed changes as recommended by the Rules Committee. President Sidney Youngblood opened the hearing up for public comment. Public comment was heard from Curtis Chub, he provided a handout and stated that his concern was for Rule 16.6. He stated that he feels that this is the most important rule and that cut backs should be done based on amount pumped instead of amount permitted. Public comment was heard from Don Schuerman concerning the “affected person” definition. He fears that this will limit who is allowed to speak. Public comment was also heard from Judith McGeary in agreement with Mr. Schuerman with the wording of the “affected person” definition limiting the ability to speak. She stated she had not seen this language used before and asked for clarification of the language.

- b. Non-Substantive Changes within the Rules above are considered to clarify counting of days, Rule references, improve the Rule's clarity; and re-letter or re-number Rule text, and grammatical changes.**

GM Gary Westbrook stated that many of these recommended amendments had been discussed previously.

The Public Hearing was closed at 5:52 pm.

5. Consider Rules:

- a. Substantive Changes to the Rules to be considered include: Rule 1.1, Definitions and Concepts; Rule 4.2, Exceptions to Spacing Requirements; Rule 7.1, General Permit; Rule 7.4, Applications; Rule 7.5, Notices/Hearing; Rule 7.12, Drilling Permit; Rule 7.13, Drilling/Altering Well; Rule 7.16, Operating Permit; Rule 7.18, Hydraulic Fracturing; Rule 9.8, Accounting Fee; Rule 12, Well Location; Rule 14.2, Hearing**

Notice; Rule 14.5, Contested Case Hearing; Rule 16.2, Management Zones; 16.3, Monitoring; Rule 16.4, Actions and Rule 16.6, Adjusting.

GM Gary Westbrook addressed the question raised concerning permitted amounts and amounts actually produced. Director Goetsch requested clarification from Barbara Boulware-Wells, the District's legal counsel, concerning the "affected Person" definition. Mrs. Boulware-Wells addressed the language used and stated that it came from case law and similar entities that had drafted the same language. Ms. Boulware-Wells also clarified this language did not prevent public participation in speaking at a meeting, but rather clarified the question of standing in a contested hearing. After discussion, Director Wise moved to table agenda items 5.a and 5.b until the July Board Meeting. Director Goetsch seconded the motion. The motion carried unanimously.

- b. Non-Substantive Changes within the Rules above are considered to clarify counting of days, Rule references, improve the Rule's clarity; and re-letter or re-number Rule text, and grammatical changes.**

6. Minutes of May 7, 2019 Board Meeting

After brief discussion a motion was made by Director Steven Wise to approve the minutes of the June 6, 2019. The motion was 2nd by Director Jay Wilder. The motion carried unanimously.

7. Milam and Burleson Counties Groundwater Summit of August 14, 2019

GM Gary Westbrook provided an overview of the speakers and the program for the Milam and Burleson County Groundwater Summit of August 14, 2019. After brief discussion by the Board a motion was made by Bob Wilson to approve the program and speakers as presented. The motion was 2nd by Director Ed Savage. The motion passed unanimously.

8. Update on Meetings with Texas Commission on Environmental Quality (TCEQ) and Luminant regarding investigation of deposits of coal ash and possible effects on groundwater resources in the District

GM Gary Westbrook presented a report and update on the current status of this situation, which included information previously presented by Intera at the March 5, 2019 DFC Committee Meeting. He and Bobby Bazan traveled to TCEQ for a meeting concerning TCEQ's responsibilities and oversight of this issue on May 10, 2019. This meeting was attended by 9 different GCDs. Mr. Westbrook reported that TCEQ had 8 staff and 2 attorney's present for the meeting. He also reported TCEQ was actively engaged with all coal burning plants which had been cited in a recent report published by the Environmental Integrity Project, and that all were involved at some level in TCEQ's remediation programs. He reminded all that the only regulatory authority over these plants was TCEQ and the Environmental Protection Agency (EPA), but that the District, along with the other GCDs in attendance at this meeting, were present and actively monitoring the situation to ensure both TCEQ and EPA were pursuing compliance with regulations and rules to protect each GCD's groundwater resources.

Mr. Westbrook then reported he and Mr. Bazan had met with officials from Luminant and 4 other GCDs on May 15, 2019, to receive a progress report from Luminant concerning this report related to Luminant facilities. He and Mr. Bazan specifically discussed the Rockdale operations and their procedures involving TCEQ and EPA at that location. Mr. Westbrook reported Luminant was in compliance with TCEQ and EPA requirements in the process.

Mr. Westbrook closed his report by summarizing that Post Oak Savannah staff and consultants would continue to actively monitor the progress by Luminant at the Rockdale facility to ensure, to the extent

possible, all procedures and processes were being appropriately followed. He further noted information on all of this was available on the TCEQ, Luminant, and EPA websites.

After discussion, the Board congratulated the District's staff and consultants for their good work. No further action was taken.

9. Update on Water Level Monitoring Work and areas of focus

GM Westbrook and Water Resource Manager, Bobby Bazan provided an update. Mr. Bazan stated the District's monitoring network is up to 215 wells. He also noted all annual measurements had been completed on 188 wells and stated that 9 wells have the WellIntel pressure transducers installed.

10. Board Dashboard, Committee Reports and Recommendations

Board President asked for updates from the Committees.

Rules Committee Chair Goetsch requested the DFC Committee to direct Intera to include a review of the curtailment included in District Rule 16.7 in future groundwater availability model runs to ensure it is at its most efficient level. Director Tucker noted the legislative session had ended, and GM Westbrook would give a report under agenda item 14.C.1. No action was taken.

11. Aquifer Conservancy Program Update

General Manager Gary Westbrook stated that the Aquifer Conservancy Program went live on June 1, 2019, and that the forms were online on the District Website. There is a computer in the District Offices for people that do not have a computer and this computer will be taken to the Summit so that people will have access to sign up there. We have a 9000-piece mailout going out next week. We currently have 2 signs installed, 1 in Milano and 1 in Rockdale and we have 6 more to be installed.

12. Review of Recent Education Efforts and Activities

A report was given by Doug Box on all recent efforts of the District. Mr. Box also stated that the new online systems for the ACP is on the Website and ready for use and the mail out materials will be distributed to 9000 homes in the rural areas of the District next week. He has created 3 instructional videos to aid in the completion of forms. No action was taken.

13. Joint planning process and Desired Future Conditions (DFC's), groundwater resources in the District, and future process for evaluating District DFC's for Groundwater Management Area 12 (GMA12) and Groundwater management Area 8 (GMA8)

GM Gary Westbrook presented a discussion of recent GMA meetings. GMA8 had met on May 6, 2019 and entered into an interlocal agreement for professional services. GMA 12 had met on May 30, 2019 and directed GCD consultants to run 6 different groundwater availability model runs for evaluation at the next meeting to be held in late July. No further action was taken.

14. 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

No Emergency Permits were filed, and no applications filed which require hearings.

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

There were 26 wells registered, 5 new well applications, 10 wells completed, 0 wells plugged and 1 well inspection.

C. Recent and future District presentations and activities

1. Legislative Update

GM Westbrook briefly discussed the legislative bills that passed and how the session affected the District. No action was taken.

2. Testimony of General Manager on SB1010 of May 14, 2019

GM Gary Westbrook stated that he had testified on SB 1010 on May 14, 2019 and that the testimony was available on the Texas Legislature Online website. President Yoiungblood and Director Goetsch commended GM Westbrook for representing the District so well.

3. Texas Alliance of Groundwater Districts Meeting of June 3-4, 2019

GM Gary Westbrook stated that he, Bobby Bazan and Doug Box attended this meeting, and gave a brief summary of the events.

4. Texas Aquifer Conference of June 12-13, 2019

GM Gary Westbrook stated that he and Mr. Bazan would be attending this conference next week.

5. Texas Water Conservation Association Conference of June 19-21, 2019

GM Gary Westbrook stated that he will be attending this conference.

6. Southern Region Water Conference of July 23-25, 2019

GM Gary Westbrook stated that he will be attending this conference along with Bobby Bazan, Doug Box, Jaclyn Robertson and 3 directors that have signed up

7. Texas Groundwater Summit of August 20-22, 2019

GM Westbrook stated that he, Bobby Bazan, Doug Box, Ralph Sifuentes, Jaclyn Robertson and several Directors will attend this summit.

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

After review and discussion of the financial report and status 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 Bob Wilson. The motion passed unanimously.

16. Public Comment

President Sidney Youngblood invited public comment.

Public comment was heard from Judith McGearly concerning the District's actions during the recent legislative session.

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

The next scheduled regular meeting will be on July 2, 2019 at the District Office at 5:30 pm.

20. Adjourn Board Meeting

President Sidney Youngblood adjourned the meeting at 7:25 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON JUNE 6, 2019 WERE APPROVED AND ADOPTED BY THAT BOARD ON JULY 2, 2019.

Sidney Youngblood, President

Attest:

Tommy Tietjen, Secretary/Treasurer

Date _____

DRAFT