

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Special Meeting for Public Hearings
Post Oak Savannah Groundwater Conservation District
District Offices
310 East Avenue C
Milano, Texas 76556
February 13 ,2020 - 5:30 P.M.

MINUTES

POSGCD Board Members Present

President Sidney Youngblood
Vice President Steven Wise
Secretary Tommy Tietjen
Jay Wilder
Becky Goetsch
Bob Wilson
Dana McClaren
Chris Whittaker
Lee Alford
Ed Savage

Board Members Absent

None

Applicant Representation

Paul Terrill	Terrill & Waldrop
James Bene	R.W. Harden & Associates

POSGCD Representation

Gary Westbrook	POSGCD General Manager
Steve Young	Intera
Barbara Boulware-Wells	The Knight Law Firm

POSGCD Staff Present

Bobby Bazan
Elaine Gerren
Doug Box

Public Attendance

Andy Wier	SAWDF
Michele G. Gangnes	SAWDF
Judith McGeary	Self
Ross Cummings	Blue Water
Janiel Smith	SAWS
Andy Hovorak	Burleson County Landowner
Nathan Ausley	Burleson County Landowner

Clover Cochran
Gabbo Goetsch
Shan Rutherford
Alan Gardenhire
Jaclyn Robertson
Travis Brown
Scott Carlson
Fred Russell
Mike Connor

Landowner
Landowner
Terrill & Waldrop
Public
TWRI
SAWDF
Metropolitan Water
Landowner
Landowner

RECONVENING PUBLIC HEARING

1. Call to Order and Establish a quorum

President Sidney Youngblood called the Public Hearing to order at 5:30, and noted all Board members were in attendance.

a. Pledge of Allegiance

President Youngblood asked Director Steven Wise to lead the Pledge of Allegiance and he did so.

b. Invocation

President Youngblood asked GM Gary Westbrook to give the invocation and he did so.

2. Preliminary/Public Hearing – Recognition and announcement by Presiding Officer as to status of any of the request for affected party status and a contested case hearing.

President Youngblood acting in his capacity as Presiding Officer stated the Preliminary Hearing and Public Hearing that was started on October 3, 2019 is being reconvened in accordance with Section 7, Section 8 and/or Section 14, Post Oak Savannah Groundwater Conservation District Rules concerning four Amendments to Existing Drilling and Operation Permit, POS-D&O/A&M-0001d, by Blue Water Vista Ridge, LLC. He then reminded the Board that the opportunity for Public Comments in accordance with Section 551.007, Texas Government Code, on the Permit have already taken place on October 3, 2019.

President Youngblood then reminded all present that he remains the Presiding Officer for the proceedings and noted all discussions and questions would need to go through him to be recognized.

Presiding Officer Youngblood then recognized representation from the Applicant and the District. He then confirmed with GM Gary Westbrook and Barbara Boulware-Wells, District Legal Counsel, that this continued Public Hearing had been properly noticed as per District Rules. He stated that both applicants to be considered as affected parties, Curtis Chubb & Sidney Zgabay, had withdrawn their requests – Mr. Chubb on October 3, 2019 and Mr. Zgabay in January, 2020, so this

will not be a contested case. Presiding Officer Youngblood then laid out proper protocol for the public in attendance at the hearing.

- 3. Public Hearing on Amendments to Existing Drilling and Operation Permit. Blue Water Vista Ridge LLC, whose address is 3600 N. Capital of Texas Hwy, Suite B180, Austin, Texas 78746, acting as permit administrator for Vista Ridge, LLC, submitted an application on July 1, 2019, for an amendment of Vista Ridge's existing Drilling and Operating Permit (Permit No. POS-D&O/A&M-0001d). The amendment application seeks to relocate the PW-18 permitted well site, increase the annual aggregate Simsboro well field production to 40,835 acre-feet per year, and reinstate the previously authorized 3,000 gpm Instantaneous Well Production rates for wells PW-12, PW-13, and PW-16. The amendment application does not seek to change the point of withdrawal for the remaining 32 permitted well sites. The amendment application does not request a change in the purpose or place of use for the produced water referenced by the Drilling and Operating Permit.**

Paul Terrill, attorney for the Applicant, requested to open items 3 & 4 simultaneously. Presiding Officer Youngblood denied the request to open 3 & 4 simultaneously. Presiding Officer Youngblood recognized Applicant for a motion. Applicant moved to have a letter and reports attached recently e-mailed to the Board members stricken from the record. He stated that the information emailed to the Board had not been e-mailed to him prior to the hearing by the individual and that this was ethically not correct protocol for submission. He stated that any licensed attorney, which the individual is, is obligated to serve the other attorney any information submitted and it should have been known this circumvented the hearing process by incorrectly attempting to introduce evidence. Applicant argued further that the reports included were reports that could have been presented by either Dr. Chubb or Mr. Zgabay were they still parties, but since they weren't that opportunity was closed. President Sidney Youngblood granted his motion to have the information e-mailed to the Board members stricken from the record and instructed that it was not to be considered.

The following process was followed and completed:

- Presentation by Applicant of Direct Case with testimony by James Bene
- Cross Examination of Witnesses from Applicant's Direct Case
- Presentation by District of any Direct Case with testimony by Steve Young and Gary Westbrook
- Cross Examination of Witnesses from District's Direct Case
- Redirect by Applicant of any additional information or witnesses
- Cross Examination by District of any Redirect
- Redirect by District of any additional information or witnesses
- Cross Examination by Applicant of any Redirect
- Oral Arguments and Closing

- 4. Public Hearing on Amendments to Amendments to Existing Transport Permit. Blue Water Vista Ridge LLC, whose address is 3600 N. Capital of Texas Hwy, Suite B180, Austin, Texas 78746, acting as permit administrator for Vista Ridge, LLC, submitted an application on July 1, 2019, for an amendment of**

Vista Ridge's existing Transport Permit (Permit No. POS-T-0001b). The amendment application seeks to make corresponding changes to the annual groundwater withdrawal, instantaneous well production rates, and well locations identified in the requested Amendments to Existing Drilling and Operating Permit. The amendment application does not request a change in the term, place of use, or purpose of use of the transported water.

The following process was followed and completed:

- Presentation by Applicant of Direct Case with additional testimony by James Bene
- Cross Examination of Witnesses from Applicant's Direct Case
- Presentation by District of any Direct Case
- Cross Examination of Witnesses from District's Direct Case
- Redirect by Applicant of any additional information or witnesses
- Cross Examination by District of any Redirect
- Redirect by District of any additional information or witnesses
- Cross Examination by Applicant of any Redirect
- Oral Arguments and Closing

5. Board Officer shall Close the Record

Presiding Officer Youngblood closed the Record at 9:06 P.M.

6. Board to Consider Amendments to Existing Drilling and Operation Permit. Blue Water Vista Ridge LLC, whose address is 3600 N. Capital of Texas Hwy, Suite B180, Austin, Texas 78746, acting as permit administrator for Vista Ridge, LLC, submitted an application on July 1, 2019, for an amendment of Vista Ridge's existing Drilling and Operating Permit (Permit No. POS-D&O/A&M-0001d). The amendment application seeks to relocate the PW-18 permitted well site, increase the annual aggregate Simsboro well field production to 40,835 acre-feet per year, and reinstate the previously authorized 3,000 gpm Instantaneous Well Production rates for wells PW-12, PW-13, and PW-16. The amendment application does not seek to change the point of withdrawal for the remaining 32 permitted well sites. The amendment application does not request a change in the purpose or place of use for the produced water referenced by the Drilling and Operating Permit.

- **grant the Amendments**
- **grant the Amendments with special conditions; or**
- **deny the Amendments**

Presiding Officer Youngblood stated the Board could proceed with consideration of these applications. GM Westbrook asked the Board that if they were inclined to grant the Amendments, the District would like to add the following contingencies to any approval of any of these Applications for Amendment made by the Board:

1. Applicant will reimburse the District for all expenses incurred in processing these Applications;
2. Applicant will forward all monitoring information and data consistent with rules currently being contemplated for adoption dating back to the request for same made back in August;

3. Applicant will file all necessary and appropriate applications and documentations to bring permitted wells PW-17, PW-10 & PW-11 into compliance with the District Rules;
4. Any newly issued permit will include clarification of amounts of groundwater permitted from each aquifer.

After discussion by the Board, a motion was made by Director Jay Wilder to approve the Application amendment to relocate the PW-18 permitted well site with the contingencies cited. The motion was 2nd by Director Tommy Tietjen. The Presiding Officer asked for a vote which carried unanimously.

After discussion by the Board a motion was made by Director Chris Whittaker to approve the Application to increase the annual aggregate Simsboro well field production to 40,835 acre-feet per year with the contingencies cited. The motion was 2nd by Director Jay Wilder. The Presiding Officer asked for a vote and the motion carried unanimously.

After discussion by the Board a motion was made by Director Lee Alford to approve the Application to reinstate the previously authorized 3,000 gpm instantaneous well production rates for wells PW-12, PW-13, and PW-16 with the contingencies cited. The motion was 2nd by Director Jay Wilder. After the Presiding Officer asked for the vote, the motion carried 7 to 3 to approve. Directors Becky Goetsch, Tommy Tietjen & Steven Wise voting against.

7. **Consider Amendments to Existing Transport Permit. Blue Water Vista Ridge LLC, whose address is 3600 N. Capital of Texas Hwy, Suite B180, Austin, Texas 78746, acting as permit administrator for Vista Ridge, LLC, submitted an application on July 1, 2019, for an amendment of Vista Ridge's existing Transport Permit (Permit No. POS-T-0001b). The amendment application seeks to make corresponding changes to the annual groundwater withdrawal, instantaneous well production rates, and well locations identified in the requested Amendments to Existing Drilling and Operating Permit. The amendment application does not request a change in the term, place of use, or purpose of use of the transported water. The Board may:**

- **grant the Amendments**
- **grant the Amendments with special conditions; or**
- **deny the Amendments**

After discussion by the Board a motion was made by Director Chris Whittaker to approve the amendments to the existing Transport Permit. The motion was 2nd by Director Ed Savage. Director Wise stated he would oppose the motion simply because he opposed the restoration of instantaneous production rates and this would be included in this motion as well. The Presiding Officer called for a vote and the motion carried 7 to 3 to approve the amendments to the existing transport permit. Directors Becky Goetsch, Tommy Tietjen & Steven Wise voting against.

8. Adjourn Hearing

A request was made by Judith McGeary to address the Board concerning the statements/comments made by Mr. Terrill during his motion. Presiding Officer Youngblood denied the request citing that the public comment section of the Hearing had already passed.

The Board Officer adjourned the meeting at 9:40 p.m.

THE ABOVE MINUTES OF THE HEARING OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON FEBRUARY 13, 2020 WERE APPROVED AND ADOPTED BY THAT BOARD ON _____.

Sidney Youngblood, President

Attest:

Tommy Tietjen, Secretary/Treasurer

Date

A meeting recording of this meeting is available on tape.