

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Public Hearings
Post Oak Savannah Groundwater Conservation District
District Offices
310 East Avenue C
Milano, Texas 76556
July 27, 2021 – 3:00 P.M.

MINUTES

POSGCD Board Members Present

Sidney Youngblood – in person
Steven Wise – in person
Ed Savage – in person
Jay Wilder – in person
Becky Goetsch – in person
Bob Wilson – in person
Ward Roddam – in person
Lee Alford – in person
Dana McClaren – via phone

Board Members Absent

Tommy Tietjen

Applicant Representation (in person)

Tommy Hodges	Alcoa
Roger Nevola	Alcoa/Legal
Alan Gardenhire	Alcoa
Bob Harden	Alcoa/HHE

POSGCD Representation (in person)

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

POSGCD Staff Present

Bobby Bazan – in person
Elaine Gerren – in person
Doug Box – in person
Craig Andrews – via online
Jordan Aldridge – via online

Public Attendance (in person)

Paul Terrill	Terrell & Waldrop/Blue Water
Ross Cummings	Blue Water
James Bene	R.W. Harden & Associates
Barbara Holly	City of Rockdale City Manager

Public Attendance (online or via phone)

Michele G. Gangnes	League of Independent Voters
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Judith McGeary
Linda Curtis
Jim Totten
Jay Davis
Shan Rutherford
Jaclyn Robertson
John Siefert
Zach Holland
Travis Brown
Janiel Smith
e6530
Amy Jurica Hinnant
Andrew Donnelly
GB Neal
John Hofmann
Kathryn Roddam
Amy Muttoni
Stefan Schuster
Michael Irlbeck
12106022220
15124300944
12542394767
15124302830
15124975038
12544820545
12813824141
15124300891
15125600341
15128181979
15129174800
KRXT Radio
Calvin Whitely
Curtis Chubb
Becky Shirley
Blaire Parker
Lyn Clancy
Blodgett, Terry L.
Brian Limoges
Cathy Dominguez
Paul Brandenburg
Suzanne Forsyth
Herbert Cook
Monica Masters
Rob Bear
Tha Blodg
David Wheelock
Mike Connor
Ed McCarthy
Marty Jones
Edward Lewis

Farm & Ranch Freedom Alliance
SAWDF
LPGCD
KMIL Radio
Terrell & Waldrop
TWRI
Brazos Valley GCD
Blue Bonnet GCD
Lee County Landowner

Burleson County Landowner
D.B. Stephens

Milam County Landowner
Brazos River Authority
EPCOR
EPCOR

SAWS
LCRA

Milam County Landowner
BRA

Milam County Landowner
Lost Pines GCD

LCRA
Milam County Landowner
McCarthy & McCarthy
Sprouse Law Firm
Burleson County Landowner

PUBLIC HEARINGS

1. Pledge of Allegiance

Director Jay Wilder led the Pledge of Allegiance to both the United States and Texas flags

2. Invocation

Director Steven Wise gave the invocation.

3. Call to Order and establish quorum

President Youngblood established a quorum with 8 Directors present in person and 1 Director present via phone at 3:11 pm.

4. Preliminary Hearing – Taking up by Presiding Officer any requests for affected party status and a contested case hearing.

President Youngblood stated the purpose for the preliminary hearing, identified himself as the presiding officer, and summarized the process.

President Youngblood swore in representatives from Alcoa USA Corp. (Alcoa), Tommy Hodges, Roger Nevola, Alan Gardenhire, and Bob Harden.

Mr. Hodges presented a Position Statement on the applications which were the subject of the hearings. He then answered questions of clarification from the Board.

President Youngblood identified two parties who had filed for affected party status, Blue Water I-130 Project (BWI) and the City of Rockdale.

President Youngblood swore in representatives from BWI, Ross Cummings, Paul Terrill, and James Bene, and representative from the City of Rockdale, Ms. Barbara Holly.

Mr. Terrill presented the request from Blue Water for party status.

Ms. Holly presented the request from Rockdale for party status.

Mr. Hodges and Mr. Nevola respond on behalf of Alcoa to both requests.

Parties exchange responses.

Barbara Boulware-Wells, District General Counsel, provides clarification on Rules concerning party status.

Mr. Terrill reiterated BWI desire to be named a party but agreed BWI does not contest the application.

Mr. Nevola agrees Alcoa finds it acceptable for BWI to remain a party as long as not allowed to contest.

The Board questions all parties.

President Youngblood convenes into Executive Session at 4:32 p.m.

Reconvene from Executive Session into regular session at 5:21 p.m.

Ms. Holly withdraws request of City of Rockdale for party status.

President Youngblood asks for public comment before making decision on party status concerning BWI.

Ken Forsyth provides comment in support of BWI receiving party status.

Judith McGeary provides comment in support of BWI receiving party status.

No further public comment is offered.

President Youngblood accepts and conditionally approves request from BWI for party status.

- 5. Public Hearing on Amendments to Existing Drilling and Operation Permit. Alcoa USA Corp. (Alcoa), whose address is P.O. Box 1491, Rockdale, TX 76567, submitted an application on May 17, 2021, to amend Alcoa's existing Drilling and Operating Permit No. POS- D&O 0148, as amended (Permit 0148). Permit 0148 currently authorizes Alcoa to produce 25,000 acre-feet of water per year from the Simsboro formation from a system of 56 wells (32 of which are existing dual use historic use wells authorized to be used under both Alcoa's Historic Use Permit and Permit 0148, and 24 of which are permitted but not yet constructed wells authorized to be used under Permit 0148) located on the nearly 25,000 acres of land and groundwater rights overlying the Simsboro that Alcoa owns in Milam County. The water is currently authorized to be used for industrial use on Alcoa's Milam County property. Alcoa requests that Permit 0148 be amended to (1) authorize use of the water for the following purposes: municipal, industrial, manufacturing, and commercial; and (2) authorize use of the water anywhere within Milam County (which is within the District), and anywhere within Williamson County and three counties that are adjacent to Williamson County: Lee, Travis, and Bell Counties (all four of which are outside the District). No change in location or modification of any of the 56 currently authorized wells is requested. No increase in the currently authorized 25,000 acre-feet per year aggregate annual production under Permit 0148 or the currently authorized rate of production from any well is requested. The permit currently has a term that ends November 13, 2052. Alcoa requests that the term be extended approximately 9 years, to a date that is 40 years from the date of issuance of the amended permit.**

 - **Presentation by Applicant of Direct Case**
 - **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**

- 6. Public Hearing on Application for a Transport Permit. Alcoa USA Corp. (Alcoa), whose address is P.O. Box 1491, Rockdale, TX 76567, submitted an application on May 17, 2021, for a Transport Permit to authorize transport from the District of 25,000 acre-feet of water per year produced from the Simsboro formation under Alcoa's Permit 0148, as that permit is requested to be amended, for use anywhere in Williamson County and three counties that are adjacent to Williamson County: Lee, Travis, and Bell Counties (all four of which are outside the District). Less than 25,000 acre-feet of water per year will be transported for use outside the District if a portion of the 25,000 acre-feet per year authorized aggregate annual production under Permit 0148 is committed for use and actually used in Milam County (which is inside the District). Alcoa requests that the term of the Transport Permit be 40 years from the date of issuance of the permit, to match the requested extended term for Alcoa's Permit 0148.**

 - **Presentation by Applicant of Direct Case**
 - **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**

President Youngblood opened both Agenda item 5 and 6 simultaneously.

Applicant noted that they didn't have anything more from what was stated in their Position Statement but would respond to any questions.

District provided information to the Board on the Applications through Mr. Westbrook and Mr. Young as well as responding to questions from the Board.

BWI provided brief information related to the Applications and their position as well as noted comments related to the District.

President Youngblood received questions from the Board for Applicant, District and BWI.

7. Public Comments on Public Hearing

Public Comment was offered by the following persons:

Don Mundine

Jeff Howell

Ken Forsyth

Suzanne Forsyth

Don Shuerman

Calvin Whitely

Curtis Chubb

Brian Limoges

8. Presiding Officer shall Close the Record

President Youngblood closed the record at 8:54 pm

President Youngblood recessed the meeting at 9:15 pm and stated the hearings would be reconvened prior to the next regular Board Meeting of August 10 to take up items 9 and 10.

- 9. Consider Amendments to Existing Drilling and Operation Permit. Alcoa USA Corp. (Alcoa), whose address is P.O. Box 1491, Rockdale, TX 76567, submitted an application on May 17, 2021, to amend Alcoa's existing Drilling and Operating Permit No. POS- D&O 0148, as amended (Permit 0148). Permit 0148 currently authorizes Alcoa to produce 25,000 acre-feet of water per year from the Simsboro formation from a system of 56 wells (32 of which are existing dual use historic use wells authorized to be used under both Alcoa's Historic Use Permit and Permit 0148, and 24 of which are permitted but not yet constructed wells authorized to be used under Permit 0148) located on the nearly 25,000 acres of land and groundwater rights overlying the Simsboro that Alcoa owns in Milam County. The water is currently authorized to be used for industrial use on Alcoa's Milam County property. Alcoa requests that Permit 0148 be amended to (1) authorize use of the water for the following purposes: municipal, industrial, manufacturing, and commercial; and (2) authorize use of the water anywhere within Milam County (which is within the District), and anywhere within Williamson County and three counties that are adjacent to Williamson County: Lee, Travis, and Bell Counties (all four of which are outside the District). No change in location or modification of any of**

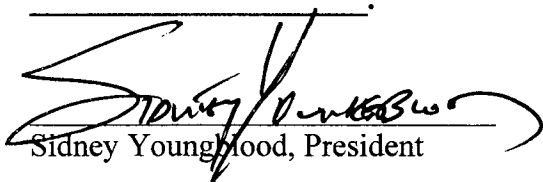
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- grant the Amendment;
- grant the Amendment with special conditions; or
- deny the Amendment.

10. Consider Application for a Transport Permit. Alcoa USA Corp. (Alcoa), whose address is P.O. Box 1491, Rockdale, TX 76567, submitted an application on May 17, 2021, for a Transport Permit to authorize transport from the District of 25,000 acre-feet of water per year produced from the Simsboro formation under Alcoa's Permit 0148, as that permit is requested to be amended, for use anywhere in Williamson County and three counties that are adjacent to Williamson County: Lee, Travis, and Bell Counties (all four of which are outside the District). Less than 25,000 acre-feet of water per year will be transported for use outside the District if a portion of the 25,000 acre-feet per year authorized aggregate annual production under Permit 0148 is committed for use and actually used in Milam County (which is inside the District). Alcoa requests that the term of the Transport Permit be 40 years from the date of issuance of the permit, to match the requested extended term for Alcoa's Permit 0148. The Board may:

- grant the Application;
- grant the Application with special conditions; or
- deny the Application.

THE ABOVE MINUTES OF THE HEARING OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON JULY 27, 2021 WERE APPROVED AND ADOPTED BY THAT BOARD ON

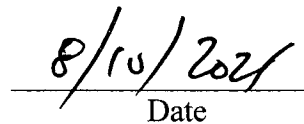

Sidney Youngblood, President

Attest:


Tommy Tietjen, Secretary/Treasurer

Gary Westbrook, Asst. Sec'y

A meeting recording of this meeting is available on tape.


Date