

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Reconvene Public Hearing
Post Oak Savannah Groundwater Conservation District
District Offices
310 East Avenue C
Milano, Texas 76556
September 14, 2021 – 5:30 P.M.

MINUTES

POSGCD Board Members Present

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

Board Members Absent

None

Applicant Representation (in person)

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

POSGCD Representation

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

POSGCD Staff Present

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

Conditional Party Present

Paul Terrill	- via online	Terrell & Waldrop/Blue Water
Ross Cummings	- via online	Blue Water
James Bene	- via online	R.W. Harden & Associates

Public Attendance (via online unless otherwise noted)

Alton Theile- in person	Thelie, CPA
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Steve Young

Steve Box

Liz Ferry

Amy Jurica Hinnant

Blaire Parker

Paul Brandenburg

Visitor

Ellen Berky

Stefan Schuster

Linda Curtis

Stanley Mitchell

Curtis

Travis Brown

Jeffrey Zgabay- in person

Jaelyn Robertson- in person

Milam County Judge

Environmental Stewardship

RW Harden

Landowner

SAWS

RW Harden

EPCOR

LIV

City of Caldwell

TWRI

PUBLIC HEARINGS

1. Pledge of Allegiance

GM Gary Westbrook led the Pledge of Allegiance to both the United States and Texas flags

2. Invocation

President Sidney Youngblood gave the invocation.

3. Call to Order and establish quorum

President Youngblood established a quorum with 9 Directors present in person and 1 Director present online at 5:41 pm. President Youngblood stated that due to changes in the law, Director Tommy Tietjen will not be allowed to vote since he is not present in person.

President Youngblood stated for the record that all parties that had been previously sworn in are still under oath.

President Youngblood reconvened the hearing at 5:48 pm and opened agenda items 4 and 5 simultaneously.

4. **Reconvene the Public Hearings and reopen the record to hear direct testimony concerning the requested Amendments to the Existing Drilling and Operation Permit No. POS-D&O 0148. Alcoa has requested 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 and Alcoa has requested that the term be extended approximately 9 years, to a date that is 40 years from the date of issuance of the amended permit.

5. Also to hear direct testimony concerning the Application for 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. Alcoa has requested authorization for transport of the water 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 requested 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.

Tommy Hodges for ALCOA presented additional information in response to previous questions from the Board.

The Board and Staff asked questions of ALCOA representatives, and ALCOA representatives answered.

6. Presiding Officer shall Close the Record

President Youngblood asked ALCOA if they had any further questions or comments. Mr. Hodges responded they did not. President Youngblood asked Ross Cummings, Paul Terrill, and James Bene of Blue Water I-130 if they had any further questions or comments. All responded they did not.

President Youngblood closed the record at 6:56 p.m. and stated that the public hearings would stand in recess for ten minutes.

7. **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 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. The Board may:

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

The meeting reconvened at 7:21 p.m. Director Alford asked for the Board to go into Executive Session at 7:22 p.m. President Youngblood granted his request and recessed the hearing into Executive Session in accordance with Section 551.071 Local Government Code at 7:22 pm.

The Board reconvened the hearing into open session at 7:55 pm.

President Youngblood opened this agenda item. After discussion, a motion was made by Director Ward Roddam to grant the application for amendment with the condition to not extend the term of the permit as requested. The motion was 2nd by Director Jay Wilder.

The motion passed 9-0 with Director Tommy Tietjen abstaining from voting.

- 8. 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.**

President Youngblood opened this agenda item. After discussion, a motion was made by Director Steven Wise to grant the application for transport with the condition that the term of the permit match the term of the operating permit just approved. The motion was 2nd by Director Jay Wilder.

The motion passed 9-0 with Director Tommy Tietjen abstaining from voting.

9. Adjourn Public Hearing

A motion was made by Director Lee Alford to adjourn the meeting at 8:08 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON SEPTEMBER 14, 2021, WERE APPROVED AND ADOPTED BY THAT BOARD ON OCTOBER 12, 2021.
