

**POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting
POSGCD District Offices
310 East Avenue C
Milano, TX 76556
February 13, 2024 – 5:30 p.m.**

MINUTES

POSGCD Board Members Present

Buster Evers
Jay Wilder
Ed Savage
Lee Pelzel
Becky Goetsch
Kit Worley
John Redington
Jeffrey Zgabay
Robert Jekel

Board Members Absent

Ward Roddam

POSGCD Staff Present

Gary Westbrook
Courtney Gentry
Michael Redman
Kelli Timmerman
Jaclyn Wise
Gregory Perry
Jeff Fisher – online

POSGCD Consultants Present

Barabara Boulware-Wells The Knight Law Firm

Public Attendance

Alan Gardenhire	SLR
Scott Carlson	MetWater
Collier & Peggy Perry	Landowners
Stefan Schuster	EPCOR

Public Attendance via online

Andy Wier	SAWDF
Amy Ochello	
Blaire Parker	SAWS

Board Meeting

1. Pledge of Allegiance

Director John Redington led the pledges to the flags of the United States and Texas.

2. Invocation

General Manager Gary Westbrook gave the invocation.

3. Oath of Office for Appointed Directors

Director Redington administered the Oath of Office for re-appointed Director Ed Savage.

4. Call to Order and establish quorum

Director Redington called the Board Meeting to order at 5:36 p.m.

5. Public Comment

There were no public comments offered.

6. Consent Agenda – *All of the following items on the Consent Agenda are considered to be self-explanatory by the Board and will be enacted with one motion. There will be no separate discussion of these items unless a Board Member requests.*

a) Minutes of January 9, 2024 Board Meeting

b) Amend Board Policies, Section 8.K

c) Resolution naming the District's bank account signatories

d) Draft 2023 Annual Report

e) Update on Aquifer Conservancy Program (ACP) Enrollments

f) Water Well Monitoring Update: Number of wells and frequency of measurements

g) Groundwater Well Assistance Program (GWAP) Update: investigations and corrective actions taken

h) Report on property inspections received under Interlocal Agreement with Milam and Burleson Counties

i) Bills received, current financial status, Investment Officer Report

j) Review of recent education efforts and activities

k) Receive reports from General manager on recent District activities and take appropriate actions

1. Permit applications filed with the District ad hearing dates; emergency permits granted

2. Well drilling activities: registrations, applications, completions, plugging, inspections

3. Recent and future District presentations and activities

a. Brazos G Regional Water Planning Group Groundwater Committee meeting of January 17, 2024

b. Presentation to 22 Hills area landowners of February 3, 2024

Chairman Redington passed the meeting to Director Wilder who noted that Agenda Item 6c pertained to a resolution naming three directors as bank signatories and these directors had recused themselves from discussion and voting on this item. GM Westbrook explained that in the past, the Board had appointed directors to serve as signatories for the District's accounts, and this resolution would serve that purpose and be consistent with draft amendments to the Board Policies to be considered at this meeting. This resolution would provide that Board Officers and Financial Officers will be the directors assigned as signatories on the District's bank accounts. Director Ed Savage moved to approve Agenda Item 6c, designating Directors Redington, Goetsch and Jekel as the bank signatories. He was seconded by Director Jeffrey Zgabay. The motion passed with 5 out of 8 Directors voting to approve the resolution. Directors Redington, Goetsch and Jekel abstained from discussion and voting on this item.

Vice-President Redington assumed the gavel and asked GM Westbrook to elaborate on agenda item 6.k)3.b. GM Westbrook provided a brief report on the presentation he provided with Education Coordinator Jaclyn Wise to the landowners in the 22 Hills area.

After further brief discussion on the Consent Agenda, Director Wilder moved to approve the Consent Agenda as presented and was seconded by Director Goetsch. The motion passed unanimously of all present.

7. Regular Agenda

Vice-President Redington moved to agenda item 8.a. to accommodate general counsel to the Board on that item. Upon reconvening from executive session Vice-President Redington resumed the agenda.

a) Report from EPCOR on recent events and activities concerning Vista Ridge Pipeline and Permits

Stefan Schuster, EPCOR, overviewed a spreadsheet that summarized events that Vista Ridge has encountered where water was discharged or lost outside of their system. On 5/21/2020, Kinder Morgan Puncture, 60,000 gallons lost. On 7/11/2020, flushing of lines into Mud Creek, 600,000,000 gallons lost. On 7/8/2022, corroded flange bolt incident, 3,000,000 gallons lost. On 4/14/2023, failed gasket incident, 30,400,000 gallons lost. On 1/25/2024, boring machine hit 42" main on SAWS Integration side, 682,000 gallons lost. He stated that there was an incident in San Antonio Water System's (SAWS) distribution system on

January 25th of this year. A main line from AquaVista was hit and SAWS requested that Vista Ridge delivery of water be shut down for 5 days. There was no discharged water on Vista Ridge's end, but they did stop their system. As of yesterday, February 12th, 2024, Vista Ridge shut down at 6 a.m. for a two-week annual maintenance and repair period. They will be repairing locations of previous incidents and issues and will drain approximately 3 million gallons of water outside of New Braunfels. The District was made aware of this event prior to its occurrence. Mr. Schuster stated that Vista Ridge will provide the total number of gallons of water discharged when they've completed their maintenance and repairs. They are currently conducting a hydrology experiment on the discharged water and will report those findings back to the Board as well.

Director Evers added that these amounts did not include water discharged for cleaning the towers. Mr. Schuster noted that the amount of water discharged for cleaning the towers was approximately 156,000 gallons. Mr. Schuster answered questions from the Board.

b) Update on application from Vista Ridge to reduce production from Carrizo aquifer and increase production in Simsboro aquifer

On October 31, 2023, Vista Ridge submitted an application to make their temporary amendment become permanent. This amendment would reduce pumping in the Carrizo aquifer and increase pumping in the Simsboro aquifer. On January 31st, the District responded with further information that would make the application administratively complete. Vista Ridge anticipates having a response to this request by the end of February.

Mr. Schuster also noted the success of the temporary amendment in reducing the amount of Carrizo water produced from 15,000 acre-feet per year to 12,600 acre-feet during 2023, with the overall goal to reduce further in the future. He answered additional questions from the Board.

c) District investigation into violation of Rules by unknown water provider on Big Creek Forrest Drive, Somerville, TX

Michael Redman, POSGCD Regulatory Compliance Specialist, gave an overview of the timeline of the District's investigation and the area in which the investigation is taking place. He then updated the Board as to the District's actions to date which included General Counsel Barbara Boulware-Wells forwarding the information obtained in the investigations to the Texas Commission on Environmental Quality. He then answered additional questions from the Board. No action was taken at this time.

d) Update from Staff concerning the new tool to review monitoring information

GM Westbrook stated that he has had discussions with the District's Hydrologist, Dr. Steve Young, regarding the creation of a tool that would be useful for the Board to be able to stay up-to-date with monitoring trends. There have also been two in-depth conversations with WellIntel, Inc. and Halff Associates, Inc. WellnTell, Inc. and Halff Associates, Inc. would work with the District to make this information available to Directors on the District website. He will attempt to have a presentation prepared for the next DFC Committee meeting. Once the DFC Committee has provided their feedback, a presentation will be given to the Board that will include costs. GM Westbrook stated that there is a concern that this tool will be very costly but may not be useful in making management decisions but that it could be beneficial to look at trends in certain areas of the District.

e) Report from Rules Committee on pending work

GM Westbrook stated that the Rules Committee has an ongoing list of things they would like to address and about 2/3 of that list has been successfully addressed over the last year and a half. He noted that the Rules Committee will continue to evaluate opportunities to continue to improve.

f) Brief overview of District management strategies for groundwater resources

The Rules Committee discussed a summary of the Rules and Management Strategies at the most recent Rules Committee workshop. A handout regarding these topics was provided and posted to the District website, and a full discussion was provided by GM Westbrook.

g) Update from Staff on the progress of the bid process for the District Education Center and offices

GM Westbrook reported the Board previously approved posting notice to receive proposals. The District published the request for proposals in local newspapers. Proposals must be submitted to the District by 3 p.m. on March 12th. He reported the public opening of the sealed proposals is set for 4 p.m. on March 12th.

8. EXECUTIVE SESSION: Pursuant to Section 551.071, Texas Government Code, the Board of Directors only will consider receiving legal advice on the following matters:

a) Pending SOAH Docket Nos. 965-23-21218 and 965-23-21219, Application of SLR Property I, LP for a new 9,000 acre-foot per year Simsboro and

Hooper Drilling and Operating Permit and Application of SLR Property I, LP for a new 15,000 acre-foot per year Simsboro Operating Permit – Discussions with the Board only

Director Redington recessed the Board into Executive Session to discuss Agenda Item 8a at 5:52 p.m.

b) Construction of District Education Center and Offices on Holdiness Lane in Milano, TX

Director Redington recessed the Board into Executive Session to discuss Agenda Item 8b at 7:56 p.m.

9. RECONVENE FROM EXECUTIVE SESSION: Pursuant to Section 551.071, Texas Government Code, the Board of Directors only will consider receiving legal advice on the following matters:

- a) Pending SOAH Docket Nos. 965-23-21218 and 965-23-21219, Application of SLR Property I, LP for a new 9,000 acre-foot per year Simsboro and Hooper Drilling and Operating Permit and Application of SLR Property I, LP for a new 15,000 acre-foot per year Simsboro Operating Permit – Discussions with the Board only**

The Board reconvened into Regular Session at 6:56 p.m. No action on this Agenda Item was taken.

b) Construction of District Education Center and Offices on Holdiness Lane in Milano, TX

The Board reconvened into Regular Session at 9:05 p.m. Director Worley moved to suspend any further action regarding the construction of a new District Education Center and Offices. He was seconded by Director Redington. A roll call vote was requested. Directors Worley, Goetsch, Zgabay, Redington, and Evers voted in favor of the motion. Directors Wilder, Savage, Pelzel, and Jekel voted against. The motion passed with a 5-4 vote.

10. Dates, locations, and times of future meetings

The next Board Meeting is scheduled to be held on March 12th, 2024 at 5:30 p.m.

11. Adjourn Board Meeting

The Board Meeting was adjourned at 9:07 p.m.

THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON FEBRUARY 13, 2024 WERE APPROVED AND ADOPTED BY THAT BOARD ON _____, 2024

Ward Roddam, President

Attest:

Gary Westbrook, General Manager

Date_____

DRAFT