

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, Texas
Tuesday, April 8, 2014
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a board meeting on Tuesday, April 8, 2014 at 1:30 p.m. at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

Board Members Present:

Leland Gersbach, President
Wallace Biskup, Vice President
David Cole, Director
Bill Bartlett, Director

Public Advisory Committee:

Henry Bunke
Bradley Ware
Tom Madden
Bill Schumann

Staff:

Dirk Aaron
Shelly Chapman

(Absent: Judy Parker)

Guests:

Mike Thornhill – TGI Round Rock
Dr. Joe Yelderman – Baylor
Allan Standen (via phone)

Ty Embrey – Attorney, Lloyd Gosselink
Stephanie Wong - Baylor

Board Meeting called to order with President, Leland Gersbach, at 1:30 p.m.

1. Invocation and Pledge of Allegiance:

Vice President, Wallace Biskup, gave the invocation.
Director, Bill Bartlett, lead the Pledge of Allegiance.

2. Public Comments:

None

3. Approve minutes of the March 11, 2014 Board Meeting and Workshop.

Vice President, Wallace Biskup, moved to approve the Minutes of the March 11, 2014 meeting as presented. Director, David Cole, seconded the motion. **Motion carried 4-0 (1 absent).**

4. Discuss, consider and take appropriate action if necessary to accept the monthly financial report as presented.

Director, Bill Bartlett, moved to accept the monthly financial report as presented. Vice President, Wallace Biskup, seconded the motion. **Motion carried 4-0 (1 absent).**

5. Discuss, consider and take appropriate action if necessary to accept the monthly Investment Fund account report as presented.

Director, David Cole, moved to accept the monthly Investment Fund account reports as presented. Vice President, Wallace Biskup, seconded the motion. **Motion carried 4-0 (1 absent).**

Public Hearing opened with President, Leland Gersbach at 1:35 p.m.

6. Hold public hearing on the following request for an exception to the District's Spacing Requirements on Jack Hilliard Dozer Service & Materials LP, per District Rule 11.5.52 (d).

President, Leland Gersbach, reviewed the procedures for the Public Hearing to include proper posting and notification of the Public Hearing. President Gersbach noted that all posting requirements had been met.

Leland Gersbach opened the Hearing up for public comments and administered oath to all participating parties (Dirk Aaron-General Manager CUWCD, and Mike Thornhill – Thornhill Group representing the applicant). Mr. Gersbach noted that there were no other parties present.

Dirk Aaron re-capped the discussion of the last meeting. Adjacent property owners were notified and a letter sent describing the need for the exception to the spacing requirements. The adjacent property owner did not respond to the request for a waiver regarding the exception to the spacing requirements. Dirk Aaron recommended the board approve the exception to the spacing requirements.

Wallace Biskup asked what would happen if someone purchased the property and divided it. Dirk explained that if the land was purchased a new well would still have to comply with the setbacks according to the District rules.

Bill Bartlett enquired if the property owners had agreed to the exception. Dirk Aaron explained that they had been properly notified and informed and notification had been properly documented. The property owner failed to respond.

David Cole addressed Dirk Aaron stating that in Dirk's written comments and statement today he stated it was very unlikely that anyone else would be drilling into the Lower Trinity. David mentioned that Bell-Milam Falls was 2.5 miles away from that location and he disagrees with Dirk's statement that it would be cost prohibitive for a well to be drilled that deep. David commented that cost may not be the only consideration. He stated that quality of water could be a consideration and the quality water is in the Lower Trinity. Dirk explained that the comment was made in reference to a domestic well.

Dirk reminded the Board that the purpose of this hearing was to approve an 8" column pipe. David asked Dirk to refresh his memory as to why they are looking at an 8" column pipe instead of a 6" column pipe. Dirk explained that sand and gravel is a limited commodity based on construction need. With the investment and cost of drilling a well that deep and that the need for sand and gravel may diminish, JHM hopes to sell the well for public water supply in the future.

David Cole also expressed his concern that the adjacent property owner never responded to the correspondence.

Ty Embry commented that the District and the applicant have followed all rules and have done everything required to contact the property owner. It's up to the property owner to say they have a problem with the permit request. Since the property owner did not respond, it's left to the discretion of the Board.

Leland Gersbach stated that the staff recommends approval of the requested exception to the proposed setback reduction. He asked if there were any other comment to be made.

Mike Thornhill thanked Dirk for his help with this project. He noted that the drawdown is not significant based on the hydro-geologic review.

Mr. Gersbach noted that there were no other interested parties wishing to comment on the hearing.

Public Hearing closed with President, Leland Gersbach at 1:52 p.m.

No further discussion necessary. Mr. Gersbach asked for a motion to approve, grant, or deny the reduction in the 350 ft. setback from property line with 138 ft. reduction on the south property line and a 149 ft. reduction on the east property line thus allowing an 8" column pipe for the new well for industrial purpose.

Director, David Cole, moved to approve the motion as presented. Vice President, Wallace Biskup, seconded the motion. **Motion carried 3-0 (1 absent, 1 abstention-Bill Bartlett).**

Reconvene Public Hearing from March 11, 2014 Board meeting with President, Leland Gersbach at 1:53 p.m.

7. Hold Public Hearing on the following permit application:

Discuss, consider and take appropriate action if necessary on the proposed operating permit, for Jack Hilliard Dozer Service & Materials LP, from the Trinity Aquifer of 73.2 acre-feet for industrial purposes.

President, Leland Gersbach, reminded the Board that the public hearing on this item was stopped due to the fact that the application was not administratively complete. As presiding officer of the public hearing, President Gersbach declared the hearing to be continued at the April 11, 2014 meeting.

Mr. Gersbach stated that all parties have had an opportunity to make their cases. He enquired if there were any parties interested in submitting additional evidence? Mr. Gersbach noted that there were no other parties present.

Mr. Gersbach stated that per the Board's approval of the exception to the setback for an 8" column pipe that this hearing may proceed. He noted that the evidentiary portion of the hearing was concluded.

President, Leland Gersbach, closed the Public Hearing at 1:59 p.m.

No further discussion was necessary. Mr. Gersbach asked for a motion to grant or deny Jack Hilliard Dozier and Materials' application for an operating permit for Well #1 for 73.2 acre feet from the Hosston Layer of the Trinity Aquifer for industrial use with special provisions as described by District GM.

Vice President, Wallace Biskup, moved to approve the motion as presented. Director, David Cole, seconded the motion. **Motion carried 3-0 (1 absent, 1 abstention-Bill Bartlett).**

President, Leland Gersbach, closed the Public Hearing and convened to Workshop at 2:00 p.m.

Workshop #1. Briefing by District Counsel of Texas Legislative Council's upcoming codification of CUWCD's enabling legislation by the 84th Legislative Session (2015-16).

Ty Embry briefed the Board on the upcoming codification of CUWCD's enabling legislation and what it means to the District. Mike Gershon will provide us with an executive summary for the Board to review. They will continue to update the District as needed.

Workshop #2. Briefing by District Counsel and Staff of the Legislative Interim Work underway with TWCA and TAGD.

Ty Embry briefed the board on the Legislative Interim Work underway at this time. TAGD and TWCA have set up subcommittee meetings to discuss issues at hand and be prepared for the next Legislative session.

Workshop #3. Briefing by District Consulting Geoscientist and Staff on the Shelley/Heffington Well Complaint.

Allan Standen, via phone, gave the Board an update of his investigation on the Shelley/Heffington Well.

President, Leland Gersbach, closed the Workshop and reconvened to Regular Board Meeting at 3:45 p.m.

8. Discuss, consider and take appropriate action if necessary to accept 2013 Financial Audit Report as presented from District's contracted auditing firm (tabled item from March 11, 2014).

A clerical error was discovered on the Audit Report at the March Board meeting. The item was tabled until clarification and correction could be made. Auditing firm corrected the error on the Liabilities amount on page 3 and resubmitted corrections.

Vice President, Wallace Biskup, moved to accept the 2013 Financial Audit Report with corrections to the District's liabilities as presented. Director, David Cole, seconded the motion. **Motion carried 4-0 (1 absent).**

9. Discuss, consider and take appropriate action if necessary to adopt by Resolution the District Capitalization Policy.

Dirk Aaron reminded the Board during the financial audit, it was identified that CUWCD did not have a Capitalization Policy on file. The Capitalization Policy the District followed in the past was set by the CTCOG. Since the District is no longer part of the CTCOG, the auditor recommended that the District adopt its own Capitalization Policy by resolution. Leland Gersbach explained what a Capitalization Policy was. Dirk and Leland discussed the policy and suggested that a Capitalization Policy of \$2,500 be adopted for the District.

Bill Bartlett moved to adopt by resolution a Capitalization Policy of \$2,500. Director, David Cole, seconded the motion. **Motion carried 4-0 (1 absent).**

(Secretary, Judy Parker, is not present to attest the signing of the resolution. President, Leland Gersbach, assigned Vice President, Wallace Biskup, the task to attest the signing of the resolution.)

10. Discuss, consider and take appropriate action if necessary on a request for a tax abatement agreement with Wilsonart LLC located at 10501 NW H.K. Dodgen Loop, Temple, Bell County Texas.

Dirk Aaron presented a request for tax abatement agreement for Wilsonart, LLC.

Director, David Cole, moved to deny the request for tax abatement. Vice President, Wallace Biskup, seconded the motion. **Motion carried 4-0 (1 absent).**

11. Discuss, consider and take appropriate action if necessary to approve the FY14 line item budget amendment as requested.

Dirk Aaron requested a line item transfer thus amending the FY14 budget. This transfer is with in account 53700-Legal Services and would be a simple transfer between subcategories 53701 (Drought Contingency) and 53706 (GMA/MAG/DFC).

Staff is requesting to move \$8000 from 53701-Drought Contingency to new subcategory 53706-GMA/MAG/DFC.

Leland Gersbach informed the Board that 53706-GMA/MAG/DFC is a new account. Leland wants to be able to track expenditures closer for Legal fees.

Director, Bill Bartlett, moved to approve the line item transfer of \$8000 from Drought Contingency to new subcategory for GMA/MAG/DFC. Director, David Cole, seconded the motion. **Motion carried 4-0 (1 absent).**

12. Discuss, consider and take appropriate action if necessary in reference to the Ray Severn request for the City of Belton to amend ordinance of the Belton Business Park to Planned Development Multiple Family.

Dirk Aaron informed the Board that the District was notified that Ray Severn's request for the City of Belton to amend the ordinance of the Belton Business Park to Planned Development Multiple Family was being presented to the P&Z committee again. Dirk asked the Board for direction on how to proceed. Dirk informed the Board that he had been contacted by other stakeholders with concerns about the changes. Dirk read a draft of the letter he was prepared to send on the behalf of the Board in protest of the ordinance change to the Business Park.

Director, Bill Bartlett, moved to submit the letter. Director, David Cole, seconded the motion. **Motion carried 4-0 (1 absent).**

13. General Manager's report concerning office management and staffing related to District Management Plan.

- Gault site – still one more pump test to be done on the Edwards well.
- Tax Appraisal District Annual Meeting is April 17th at 9:30 a.m. Dirk invited Board members to attend. Dirk will be attending on their behalf.
- ESA Coalition meeting planned with US Fish and Stakeholders.

- Judy Parker, Dirk Aaron, and James Beach will be attending the upcoming GMA 8 meeting in Cleburne on April 22nd.
- Legislative Update meeting planned for April 30th. This will be an informal meeting with Jimmie Don Aycock and Molly White.
- Dirk gave a recap on the possible upcoming permits in May (Rock Solid Stone, City of Troy, Morgan's Point Resort)

14. Receive monthly report and possible consideration and Board action on the following:

a. Salado Creek stream flow gauges

Dirk presented an update on the stream flow gauges.

b. Education Outreach Update

Dirk presented an update on education outreach and Todd's accomplishments

c. Monitoring wells

Dirk presented the monitor well information to the Board

d. Rainfall/Drought Conditions

Dirk discussed the rainfall totals and drought conditions

e. Well registration

Shelly informed the Board that there was 1 grandfathered exempt well created and registered, and 1 new N2 permitted well in March.

f. Non-exempt Monthly well production

Dirk presented the monthly production report to the Board.

(Copies of the Monthly Staff Reports were given to the Board Members to review. No action required. Informational items only.)

15. Public Advisory Committee comments. ³

None

16. Director comments ³

None

17. Discuss agenda items for next meeting.

Agenda items:


1st Qtr Report for retirement plan
Rock Solid Stone Permit

18. Set time and place of next meeting.

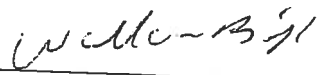
May 13, 2014 @ 1:30

19. Adjourn.

Meeting adjourned by President, Leland Gersbach at 4:42 p.m.


Leland Gersbach, President

ATTEST:



Judy Parker Board Secretary
Wallace Biskup Vice President