

Clearwater Underground Water Conservation District Meeting
700 Kennedy Court
Belton, TX
Wednesday, May 11, 2022
Minutes

The Clearwater Underground Water Conservation District (CUWCD) held a Workshop at 10:00 a.m. and the Regular Board meeting at 1:30 p.m. on Wednesday, May 11, 2022, at the Clearwater UWCD Building, located at 700 Kennedy Court, Belton, Texas.

Board Members Present:

Leland Gersbach, President, Pct 1
David Cole, Vice President, At Large
Gary Young, Secretary, Pct 2
Jody Williams, Director, Pct 3
Scott Brooks, Director, Pct 4

Absent:

Staff:

Dirk Aaron, General Manager
Shelly Chapman, Admin Manager

Guest:

Cole Ruiz – Lloyd Gosselink
William Gamblin – Gamblin Eng.

Mike Keester – RWH&A
Trish Davis - Applicant

J.T. Kelley - Applicant

Workshop convened with President, Leland Gersbach, at 10:00 a.m.

Workshop Item #1: Discuss the process for implementing management zones within Bell County and potential rule changes.

The Board discussed questions related to amending the rules, affirmed purposes, reviewed the “redlined” changes, discussed administrative fees, and discussed the date for the final rulemaking hearing on August 24th.

Leland noted for the record that the Board would enter Executive Session with the legal team for attorney/client privilege to discuss presentation from Texas A&M School of Law, Environmental and Natural Resources Systems Law Clinic.

Executive Session convened with President, Leland Gersbach at 12:35 p.m.

Executive Session closed and Workshop reconvened with President, Leland Gersbach, at 12:58 p.m.

Workshop Item #1 (cont.)

The Board continued discussions regarding amending rules, administrative fees and expenses, and stakeholder groups.

Final rulemaking hearing to be held on August 24th. Time and location TBD.

Workshop Item #2: Discuss items of interest related to the Development of the RHCP with Karst Coalition.

Dirk to discuss workshop item #2 during the General Manager’s report.

Workshop Item #3: Receive information related to Groundwater Management Area 8, per the Joint Planning and Development of the Round 3 Desired Future Conditions.

Dirk to discuss workshop item #3 during the General Manager’s report.

Workshop closed at 1:30 p.m. and Regular Board meeting convened with President, Leland Gersbach at 1:37 p.m.

1. Invocation and Pledge of Allegiance.

Vice President, David Cole, gave the invocation.
Secretary, Gary Young, led the Pledge of Allegiance.

2. Public Comment.

None.

3. Approve minutes of April 13, 2022, Board meeting.

Board members received the minutes of the April 13, 2022, Board meeting and workshop in their Board packet to review prior to the meeting.

Secretary, Gary Young, moved to approve the minutes of April 13, 2022, Board meeting and Workshop. Vice President, David Cole, seconded the motion.

Motion carried 5-0.

4. Discuss, consider, and take appropriate action if necessary, to accept the monthly financial report for April 2022 (FY22) as presented.

Board members received the monthly financial report for April 2022 in their Board packet to review prior to the meeting.

Vice President, David Cole, moved to accept the monthly financial report for April 2022 as presented. Director, Jody Williams, seconded the motion.

Motion carried 5-0.

5. Discuss, consider, and take appropriate action if necessary, to accept the monthly Investment Fund Account report for April 2022 (FY22) as presented.

Board members received the monthly investment fund account report for April 2022 in their Board packet to review prior to the meeting.

Director, Scott Brooks, moved to accept the monthly investment fund account report for April 2022 as presented. Vice President, David Cole, seconded the motion.

Motion carried 5-0.

6. Discuss, consider, and take appropriate action if necessary, to approve the FY22 line-item budget amendments as requested.

Shelly Chapman presented the request for line-item budget amendments for the purpose of:

1. Paying for legal counsel from Lloyd Gosselink related to general rules and accountability, finalizing GM employment contract, and working with the City of Belton on real estate transaction/contract.

2. Paying consulting fees to RW Harden related to line item 53130.2 (evaluation of rules) for work on management zones and rules.

3. Increase budget amount for line item 53790 (vehicle expense) related to increased fuel expense and vehicle tire replacement. There were unexpected expenses for this line item related to the minor vehicle accident earlier in the year.

4. Increase budget amount for line item 53010 (bank service charges) related to increased ACH transactions.

The requests are simple adjustments between line items as listed.

Vendor	Line Item	Invoice Amount	Available Funds	Amount Requested	New Balance	From	Available Funds	New Balance
BancorpSouth	53010-Bank service char	\$19.73	(\$11.03)	\$150.00	\$138.97	53720-office supplies	\$2,371.27	\$2,221.27
McQuire Tire (Credit card)	53790-vehicle exp	\$211.63	\$80.79	\$2,000.00	\$2,080.79	50250-contingency fund	\$53,176.23	\$51,176.23
Lloyd Gosseli	5373-rules/accountability	\$9,878.50	\$0.00	\$9,878.50	\$9,878.50	50250-contingency fund	\$51,176.23	\$41,297.73
RW Harden	53130.2 -Eval of Rules	\$1,550.00	\$0.00	\$1,550.00	\$1,550.00	50250-contingency fund	\$41,297.73	\$39,747.73
RW Harden	53130.2 -Eval of Rules	\$2,100.00	\$0.00	\$2,100.00	\$1,550.00	50250-contingency fund	\$39,747.73	\$37,647.73

Director, Scott Brooks, moved to approve line-item budget amendments as presented. Director, Jody Williams seconded the motion.

Motion carried 5-0.

Public Hearing called to order with President, Leland Gersbach at 1:46 p.m.

7. Hold Public Hearing on the following applications:

a) Discuss, consider, and take appropriate action if necessary, on an application submitted by William Gamblin, Gamblin Engineering Group LLC, on March 17, 2022, on behalf of Greg & Trisha Davis, owners of the proposed Big Elm RV Resort, for a drilling permit to complete a new well (N2-22-003P) for a proposed future operating permit of 23.0 acre-feet/yr. or 7,391,250 gallons per year. This permit will only authorize the drilling and completion of the well in the Hensell Layer (Middle) of the Trinity aquifer with a maximum 3-inch column pipe, not to exceed 80 gmp, on a 19-acre tract located in northeastern Bell County on the Southwest Corner of West Big Elm Road and Interstate 35, Troy, Texas, Latitude 31.235356/Longitude -97.289406.

b.) Discuss, consider, and take appropriate action if necessary, on an application submitted by Bjorn Dahl on March 24, 2022 for a combination drilling and operating permit to authorize drilling and withdrawal from a proposed new well (N1-22-001P) to be completed in the Middle Trinity Aquifer with a 1 ¼ inch column pipe to produce water for domestic use in a proposed annual quantity not to exceed 0.75 acre-feet or 244,388 gallons per year total on a 6-acre tract located at 13115 State Hwy 317, Temple, Texas Latitude 31.17488/Longitude -97.41298

As presiding officer of the hearing, President, Leland Gersbach, called to order the public hearings at 1:46 p.m.

Item 7(a) Leland gave a summary of the first application to be considered and a brief explanation of the procedural issues. He confirmed a quorum of the Board was in attendance to participate in the ruling of the application. Leland stated that the permit applications had undergone administrative and technical review by District staff, consultants, and legal counsel.

Leland reviewed the procedures that would apply to the hearing and noted the meeting had been properly noticed.

Leland stated anyone wishing to participate in the hearing, in support or protest, would need to sign up to speak and should do so while he addressed other procedural issues.

As presiding officer, Leland will take evidence and sworn testimony, and rule on any procedural issues.

Leland noted that the Board would hear testimony and deliberate on the well application submitted by William Gamblin, P.E. on behalf of Trish Davis, Owner of Big Elm RV Resort. Leland will hear testimony by William Gamblin (applicant's representative), Trish Davis (applicant), Dirk Aaron (General Manager - CUWCD), Mike Keester (LRE Water), and Cole Ruiz (Lloyd Gosselink Attorneys at Law), and any qualified party to the case.

Leland invited anyone wishing to make a public comment or protest the application to speak up. There were no public comments or protestants.

Leland administered an oath to all participants (Dirk Aaron, Mike Keester, Cole Ruiz, William Gamblin, and Trish Davis).

William Gamblin addressed the Board and gave a presentation explaining the request for a well. Trish Davis also addressed the Board.

Dirk gave a general explanation of the application and noted that the applicant has been working with William Gamblin. The applicant has met all criteria and has agreed to the special provisions laid out for her. Dirk replied to Leland's questions and stated that the application had been deemed administratively complete, and all fees have been paid. Dirk recommended the Board approve a drilling permit only at this time.

Mike Keesters presented his analysis of the application at hand. Leland addressed questions to Mike pertaining to his findings.

Leland addressed the applicant with questions about her understanding related to the proposed application and the special provisions agreed upon. William Gamblin and Trish Davis replied that they understood all special provisions and requirements as discussed and agreed to.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the application. Hearing none, Leland invited the applicant an opportunity for rebuttal. She had none.

Leland concluded the discussion on the application. Seeing that all parties had an opportunity to make their cases, Leland asked if any parties were interested in submitting additional evidence. There was none.

Leland concluded the evidentiary portion of the application.

Leland asked for a motion to grant/deny/partially grant the applicant's request for a drilling permit for a well to produce from the Hensell Layer of the Trinity Aquifer as described in today's hearing. The drilling permit is being issued for the purposed of completing the required Hydrogeologic Report and pursuing approval by the applicant from TCEQ as a public water supply well.

Leland stressed the fact that the Board will not be issuing an operating permit until the applicant reapplies for said operating permit once the hydrogeologic report is submitted.

Director, Scott Brooks, moved to grant the applicant's request for a drilling permit only authorizing drilling and completion of the well in the Hensell Layer of the Trinity aquifer with a maximum 3-inch column pipe with special provisions and requirements as agreed to, for the purpose of completing the Hydrogeologic Report and pursuing approval by the applicant from TCEQ as a public water supply well. The applicant will have to reapply for an operating permit once the hydrogeologic report is submitted. Vice President, David Cole, seconded the motion.

Motion carried 5-0.

Item 7(b) Leland gave a summary of the second application to be considered and noted that reviewed the procedural issues in the first public hearing. He confirmed a quorum of the Board was in attendance to participate in the ruling of the application. Leland stated that the permit applications had undergone administrative and technical review by District staff, consultants, and legal counsel.

Leland stated anyone wishing to participate in the hearing, in support or protest, would need to sign up to speak and should do so while he addressed other procedural issues.

As presiding officer, Leland will again take evidence and sworn testimony, and rule on any procedural issues.

Leland noted that the Board would hear testimony and deliberate on the well application submitted by Bjorn Dahl.

Leland will hear testimony by JT Kelley (applicant's representative), Dirk Aaron (General Manager - CUWCD), Mike Keester (LRE Water), Cole Ruiz (Lloyd Gosselink Attorneys at Law), and any qualified party to the case.

Leland invited anyone wishing to make a public comment or protest the application to speak up. There were no public comments or protestants.

Leland administered an oath to all participants (Dirk Aaron, Mike Keester, Cole Ruiz, and JT Kelley).

JT Kelley addressed the Board and explained the request and need for a well.

Dirk gave a general explanation of the application. The applicant has met all criteria and has agreed to the special provisions laid out for him. Dirk replied to Leland's questions and stated that the application had been deemed administratively complete, and all fees have been paid. Dirk recommended the Board approve a drilling/operating permit for Mr. Dahl.

Mike Keesters presented his analysis of the application at hand. Leland addressed questions to Mike pertaining to his findings.

Leland addressed the applicant with questions about her understanding related to the proposed application and the special provisions agreed upon. JT Kelley replied that the applicant understood all special provisions and requirements as discussed and agreed to.

Leland gave the Board an opportunity to ask any additional questions they might have concerning the application. Hearing none, Leland invited the applicant an opportunity for rebuttal. He had none.

Leland concluded the discussion on the application. Seeing that all parties had an opportunity to make their cases, Leland asked if any parties were interested in submitting additional evidence. There was none.

Leland concluded the evidentiary portion of the application.

Leland asked for a motion to grant/deny/partially grant the applicant's request for a combination drilling/operating permit of .75 ac-ft/year from the Hensell Layer of the Middle Trinity Aquifer described in the hearing. Leland commented that he would specifically entertain a reduction in the requested amount based on Dirk's testimony and the ability afforded small well production amounts to request a minor amendment if needed.

Director, Scott Brooks, moved to grant the combination drilling/operating permit with a reduction from .75 acre-feet/year to .4 acre-feet/year, to include special provisions as agreed to. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

Public Hearing closed and Board meeting reconvened with President Leland Gersbach at 3:11 p.m.

8. *Discuss, consider, and take appropriate action if necessary, to accept the application for summer internship program candidate Bradford Eckhart.*

Dirk presented Brad Eckhart as the summer intern candidate for FY22. He noted that Brad participated in the TAMU Law School project for the District and desires to work in the groundwater legal arena. Dirk recommends hiring him under the following conditions:

1. 10 weeks @ \$14/hour.
2. Total budget not to exceed \$4,500 for payroll.
3. Will start approximately May 31st – August 12th.
4. Will work under the supervision of the General Manager.

Vice President, David Cole, moved to approve Brad Eckhart for the FY22 Summer Internship Program. Director, Scott Brooks, seconded the motion.

Motion carried 5-0.

9. *Discuss, consider, and take appropriate action if necessary, to set Board meeting calendar dates for June, July, and August 2022 related to the FY23 budget development process and potential rulemaking public hearing.*

Dirk presented calendar dates for June, July, and August 2022 related to the development of the FY23 budget.

May 11 – Wednesday Regular Board Meeting:

Discuss and approve the calendar for the FY23 budget preparation timeline.

June 8 – Wednesday Workshop:

Budget Work Session.

July 13 – Wednesday Workshop:

Budget Work Session

August 5 - Friday:

Voter Approval Rate (former Rollback Rate) calculated and provided to CUWCD by Tax Appraisal District. (estimated date)

August 10 – Wednesday Regular Board meeting:

Finalize budget, Set preliminary tax rate.

Set date for public hearing and adoption of the tax rate.

August 11- Thursday:

Publish Notice in the newspaper announcing Wednesday, August 24, 2022; public hearing on the tax rate and adoption of the FY23 budget (7-day notice required).

Public Notice post with Co. Clerk and on the District Website.

August 24 – Wednesday:

Board Meeting and Conduct Public hearing on the tax rate.

Adopt FY23 budget; adopt tax rate.

File copy of adopted budget and tax rate with the County Clerk's office.

Rule Making Hearing

September 1 – Thursday:

Provide adopted tax rate to the Tax Appraisal District by this date.

Aug 30th – Sept 1st

Board Members attend the Texas Ground Water Summit in San Antonio.

October 1

New budget period starts.

Director, Scott Brooks, moved to approve the calendar dates as presented. Secretary, Gary Young, seconded the motion.

Motion carried 5-0.

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

- Dirk updated the Board on the District truck.
- He gave a brief update on the sale of a portion of the District's property.
- He discussed the upcoming election and requirements for the election.
- He gave an update on hail damage from the recent storm.
- He noted TAGD meeting and PFIA training for Shelly

11. *Review monthly report and possible consideration and Board action on the following:*

- a) *Drought Status Reports*
- b) *Education Outreach Update*
- c) *Monitoring Wells*
- d) *Rainfall Reports*
- e) *Well Registration Update*
- f) *Aquifer Status Report & Non-exempt Monthly Well Production Reports*

(Copiers of the Monthly Staff Reports were given to the Board Members to review. No action is required. Information items only.)

12. *Director's comments and reports.*

- **Leland Gersbach:** None
- **Jody Williams:** Thanked Scott for the time he has put into looking at the rules and fee schedule. Commended the staff for their hard work. Requested we pray for rain!

- **Gary Young:** Agreed with Jody's comments.
- **Scott Brooks:** None
- **David Cole:** Also agreed with Jody's comments

13. Discuss agenda items for the next meeting.

- Show Cause hearing continued
- Election information for Nov 2022 (Precincts 2, 4, and At-Large)
- Budget Development workshop

14. Set time and place of next meeting.

Wednesday, June 8, 2022, at 1:30 p.m. at the CUWCD office.

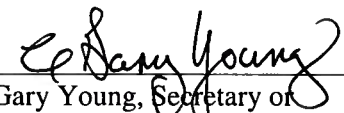
15. Adjourn.

Board Meeting closed with President, Leland Gersbach, at 4:10 p.m.



Leland Gersbach, President

ATTEST:



Gary Young, Secretary or
Dirk Aaron, Assistant Secretary