

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT

MONDAY, JULY 18, 2016

MINUTES OF MEETING OF THE BOARD OF DIRECTORS

REGULAR BOARD MEETING

The Board may discuss, consider, and take appropriate action, including expenditure of funds as necessary or appropriate, on any item listed on this agenda:

1. Welcome guests and members of the public. The meeting convened at 5:00 p.m.
2. Roll call; establish a quorum; call Regular Board Meeting to order; declare the board meeting open to the public.

Directors Present: Richard English, Dan Caudle, Tracy Mesler, Mike Massey, Don Majka (left at 7:47 pm), and Tim Watts

Directors Absent: Mike Berkley and Billy Stout
3. No public comment was made.
4. Director Massey moved to approve the consent agenda, including minutes from the Public Hearing and Regular Board Meeting on June 20, 2016; approval of bank statement ending June 30, 2016, and current financial reports of the District; payment of bills/invoices received through July 18, 2016; ratify bills paid through July 18, 2016; and reimbursements to staff for invoices/bills paid on behalf of the District through July 18, 2016. Director Majka seconded the motion. The motion carried unanimously.
5. No items were pulled from the consent agenda for further discussion.
6. Director Majka moved to accept the 2015 Annual Audit as presented by Kim Knox of Boucher Morgan and Young. Director English seconded the motion. The motion carried unanimously.
7. Wade Oliver of INTERA Inc. presented draft results from the spacing study performed on behalf of the District, for the Trinity and Paleozoic Aquifers. No action was taken.

President Mesler called for a brief recess at 6:31 p.m. The board reconvened at 6:43 p.m.

8. General Manager Doug Shaw discussed the comments received during the 90-day public comment period relating to Proposed Desired Future Conditions. The Board directed GM Shaw to revise the Draft version of the District's submittal of summarized comments and recommendations to GMA 8 to capture the items discussed and have the revised submittal ready for the Board to take action at their August meeting. Director Massey moved to authorize Intera Inc. to perform Model Run 10.2 in an amount not to exceed \$15,000 by the next GMA 8 meeting. The motion died due to lack of a second.
9. Brian Sledge, the District's legal counsel, briefed the Board on pertinent legal issues and developments impacting the District since the last regular Board meeting, and legal counsel's activities on behalf of the District, including: groundwater-related legislative activities and joint planning and desired future conditions development activities; no action was taken.

10. **Management Report on Administrative and Operational Issues:** The General Manager and staff briefed the Board on the following and any other items included in the General Manager's written report, which may be discussed, considered, and acted upon by the Board, including authorizing the initiation of, managing, or resolving enforcement action or litigation where applicable.

- Earlier, District staff identified well owners who removed meters from non-exempt wells. Aruba has been working diligently to assess the wells in their name and get the ownership transferred to the landowners.
- Several District staff members and Director Caudle met with Dr. McLendon and Dr. Rainwater from Texas Tech University and staff from the Texas State Soil and Water Conservation Board to discuss the potential of the District partnering with TSSWCB to sponsor a feasibility study regarding surface management. This will be considered in the development of the District's 2017 Budget.
- A representative from Monarch utilities, which apparently purchased a Public Water System from Ni America, contacted the District requested a public hearing in conjunction with the August 15 Regular Board meeting.

A. General Manager's report

1) Director Massey moved to find Prater Water Wells in violation of Rule 3.5(a) of the District's Temporary Rules in regards to a well drilled at 506 Roberts Cutoff, in Montague County. The motion instructed GM Shaw to attempt to settle this major violation. The motion assessed a penalty of \$500; requires Prater Water Wells to submit a \$50 Exception Fee; forfeit the \$100 Driller Deposit; and the owner to submit the property's survey to the District by July 29, 2016. By August 5, 2016, Prater Water Wells must submit Consent to Request for Exception forms that have been signed by all necessary property owners. If Prater Water Wells disagrees with this settlement offer, they have the option to request, in writing, a Show Cause hearing which could be scheduled for the August 15, 2016 Regular Board meeting. Director English seconded the motion. The motion carried unanimously.

2) Discussion regarding the potential purchase of real estate was held in Executive Session.

B. Report on delinquent customers of the District and take any necessary action for collection of delinquent fees.

C. Public Information Act Requests

D. Report on injection well applications filed with the Railroad Commission

E. Well Registration and Groundwater Production reports

11. No budget amendments were necessary.

12. Director English moved to approve the Investment Officer's Quarterly report as presented. Director Watts seconded the motion. The motion carried unanimously.

13. The next Regular Board meeting will be August 15, 2016, in the District's office at 5:00 p.m.

14. The District's Annual Report, Bylaws and Water Usage Fees will be discussed in the next Regular Board meeting.

At 8:05 p.m., the Board went into Executive Session under Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, deliberation regarding real property (§551.072).

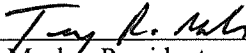
President Mesler called the meeting back into open session at 8:18 p.m. and announced no action would be taken as a result of the executive session.

15. President Mesler adjourned the meeting at 8:19 p.m.

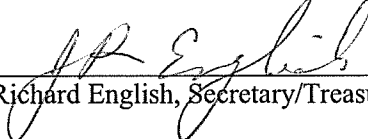
PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this

15 day of August, 2016.

Attest:



Tracy Mesler, President



Richard English, Secretary/Treasurer