

# UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT

MONDAY, AUGUST 15, 2016

## MINUTES OF MEETINGS OF THE BOARD OF DIRECTORS

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### INTRODUCTORY MATTERS

1. Welcome guests and members of the public. The Public Hearing convened at 5:00 p.m.
  2. Roll call; establish a quorum; call Public Hearing to order; declare it open to the public.  
Directors Present: Dan Caudle, Mike Berkley, Tracy Mesler, Mike Massey, Don Majka, and Richard English  
Directors Absent: Tim Watts and Billy Stout
  3. Pledges of allegiance to the flags.
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### PUBLIC HEARING

1. Terry Benton represented Southwest Water Company. Public Comments were made by Lance Sears and Tom Sanderson, who own residences near the well site. Director Majka moved that the Board approve the application for a new well and exception to District Spacing Requirements as they are submitted by the Applicant. Director Berkley seconded the motion. The motion carried unanimously.  
  
Director Massey moved that UTGCD finds both Ni America (now owned by Southwest Water) and Central Texas Water Well have committed a first major violation of District Rules and hereby accepts the payment of the penalty assessed, pursuant to District Rules, in the settlement offer (offer includes a payment of a \$250 penalty by Central Texas Water Well. Plus, Ni America must pay a \$250 penalty, and submit a New Well application with a \$175 application fee, a \$100 (non-refundable) deposit and a \$50 exception fee) as appropriate settlement, in lieu of litigation, for this violation. Director Majka seconded the motion. The motion carried unanimously.
  2. The Public Hearing concluded at 5:28 pm.
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### 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. Public comment was made during the Public Hearing and General Manager's report.
2. Director Massey moved to approve the consent agenda, including minutes from Board meeting on July 18, 2016; bank statement ending July 31, 2016, and current financial reports of the District; approve payment of all bills/invoices received through August 15, 2016 (except for Invoice 20160630 from North Texas Groundwater Conservation District); ratify bills paid through August 15, 2016; reimburse staff for invoices/bills paid on behalf of the District through August 15, 2016; accept the Investment Report. Director English seconded the motion. The motion passed unanimously.

3. Director Berkley moved to pay 1/10<sup>th</sup> of the total cost for LBG Guyton Model Run 10 in Invoice 20160630 from North Texas Groundwater Conservation District. Director Caudle seconded the motion. The motion carried unanimously.
4. Board consideration and possible approval of Annual Report for year ending December 31, 2015 will be discussed during the next Regular Board Meeting.
5. Director Berkley moved to adopt Resolution 16-002 Setting Water Use Fees for 2017, which set the water usage fees at \$0.22 per thousand gallons. Director Majka seconded the motion. The motion carried unanimously. Staff will mail a notice to all non-exempt well owners.
6. Director Majka moved to accept the submittal of summarized comments and other necessary documentation to Groundwater Management Area 8 (GMA 8) with minor grammatical corrections. Director Caudle seconded the motion. The motion carried unanimously.
7. Director Massey moved adopt Resolution 16-003 Amending and Adopting District Bylaws to make the changes to the District's Bylaws as presented to the Board. Director English seconded the motion. Motion carried unanimously.

**8. Management Report on Administrative and Operational Issues:** The General Manager and staff will brief 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.

A. General Manager's report

- Echols residence at 2900 Mineral Wells Highway, Weatherford, TX will possibly need a Public Hearing in September 2016.
  - Yes Communities has failed to report groundwater production or pay water usage fees. The Board instructed staff to set a Show Cause hearing if the non-exempt well owner has not submitted production data by August 31, 2016.
  - Director Massey moved to assess Tricycle Lane with a 10% late payment penalty and offer a settlement agreement which includes a first major violation of District rules and a \$250.00 penalty. Director Majka seconded the motion. The motion carried unanimously.
  - Director Massey moved that the UTGCD finds Aruba Petroleum, EnerVest Operating and Fuse Energy have all committed a first major violation of District Rules and hereby accept the payment of the penalty assessed, pursuant to District Rules, in the settlement offer as appropriate settlement, in lieu of litigation, for these violations. Director Majka seconded the motion. The motion carried unanimously.
- 1) Director Massey moved that the UTGCD finds Bill Prater has committed a second major violation of District Rules and hereby accept the payment of the penalty assessed, pursuant to District Rules, in the settlement offer as appropriate settlement, in lieu of litigation, for this violation. Director Majka seconded the motion. The motion carried unanimously.
  - 2) Director Berkley moved to approve a second extension for an approved well application submitted by White Water Wells, thereby extending the expiration date 120 days. Director Caudle seconded the motion. The motion carried unanimously.

B. Adam Lambert, Public Works Director, represented City of Boyd. Director Berkley moved that the Board finds that City of Boyd committed a first major violation of District rules and offered a settlement proposal of a \$250 civil penalty so long as the penalty is paid within 15 days. Director Majka seconded the motion. The motion carried unanimously.

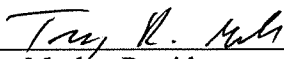
C. Public Information Act Requests none reported.

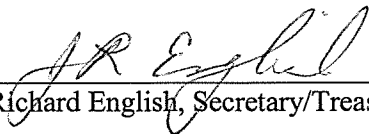
- D. GM Shaw reported that one injection well application filed with the Railroad Commission is under legal review.
  - E. Well Registration and Groundwater Production Reports
9. No budget amendments were necessary.
  10. The District's Hydrogeologist was not present to brief the Board regarding activities and work it has performed on behalf of the District.
  11. 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: amendments to the District's Bylaws, groundwater-related legislative activities, and joint planning and desired future conditions development activities. No action was taken.
  12. During the discussion regarding the logistics of developing permanent rules, it was decided that staff would work with hydrogeologists and legal counsel. The Rules and Bylaws committee will work on some of the revisions, but consult the Board for larger decisions. It was also suggested that the District should also hold some stakeholder meetings leading into and throughout the process. The next discussion will take place in the November Regular Board Meeting.
  13. The next Regular Board meeting will be Monday, September 19, 2016, in the Springtown office at 5:00 p.m.
  14. In addition to topics already mentioned, no new topics were added.
  15. President Mesler adjourned the meeting at 6:42 p.m.

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

19th day of September, 2016.

Attest:

  
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Tracy Mesler, President

  
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Richard English, Secretary/Treasurer