

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT

MONDAY, JUNE 19, 2017

MINUTES OF MEETINGS OF THE BOARD OF DIRECTORS

REGULAR BOARD MEETING

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 it open to the public.
Directors Present: Tracy Mesler, Mike Massey, Don Majka, Richard English, and Jerrod Mowery
Directors Absent: Dan Caudle, Tim Watts, and Mike Berkley. President Mesler introduced Jerrod Mowery as the newest member of the board representing Wise County.
3. Pledges of allegiance to the flags.
4. No public comments were made.
5. Director Majka moved to approve the Consent Agenda, including minutes from Board meeting on May 15, 2017; bank statement ending May 31, 2017, and current financial reports of the District; approve payment of all bills/invoices received through June 19, 2017; reimbursements for expenses incurred on behalf of the District through June 19, 2017; and the Investment Report. Director Massey seconded the motion. The motion passed unanimously.
6. No items were pulled from the Consent Agenda for further discussion.

President Mesler took agenda items 8-10 out of order.

8. Director Majka moved to approve the Annual Financial Report for the year ended December 31, 2016 with minor revisions. Kimberly Knox, CPA of Boucher Morgan and Young presented the Annual Financial Report to the board. Director English seconded the motion. The motion passed unanimously.
9. Director Massey moved to reallocate \$50,000 from the "Assigned" fund Facilities/Building Fund to the budget expense Capital Expenses-RE Purch & Dev. Director Majka seconded the motion. The motion passed unanimously.
10. Director Massey moved to authorize GSBS Architects to prepare construction documents for the District's new facility at 1855 W. Hwy 199, Springtown no later than the week of July 10, 2017. The motion is in accordance with the General Manager's recommendation that construction documents be available by July 12, 2017, and bids for the project publicly opened on July 27, 2017, a date that this Board does not meet. Doug Shaw is delegated as the representative with authority to open the sealed bids on the Board's behalf on July 27, 2017. Director Majka seconded the motion. The motion passed unanimously.

President Mesler called for a brief recess at 6:15 p.m. The board reconvened at 6:27 p.m.

7. Director Massey moved to approve the two new well applications submitted by Palo Duro Service Company for the purpose of providing public water supply to the proposed Aledo Ridge subdivision, subject to the following condition: if the Aledo Ridge subdivision plat is approved by the Parker County Commissioners Court, a real property recordation shall be made in the records of the property proposed to be subdivided stating that the lots in said subdivision do not meet Upper Trinity GCD minimum tract size requirements and that no water well may be drilled by any owner of such lot unless the well is part of the Public Water System responsible for providing water to the subdivision to replace existing capacity or add additional capacity to the Public Water System, and even then subject to compliance with the Upper Trinity GCD rules. Director English seconded the motion. The motion passed unanimously.

- 11. 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 written report was provided to the directors prior to the meeting.
 - B. Report on delinquent customers of the District was discussed in item 12.
 - C. Report on Education and Outreach activities; no action was taken.
 - D. Report on injection well applications filed with the Railroad Commission; no action was taken.
 - E. Well Registration and Groundwater Production reports; no action was taken.

12. Discussion regarding potential violation of District Rules by the following; take action as necessary:
 - A. Director Massey moved that UTGCD finds Horseshoe Bend Water Works committed a second major violation of District Rule 7.3 (a) and accepts 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 English seconded the motion. The motion passed unanimously.
 - B. Director Massey moved that UTGCD finds Sunset Water committed a third major violation of District Rule 7.3 (a) and accepts 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 passed unanimously.

13. Director Majka moved to authorize the General Manager (and Board President, if necessary) to work with the District's Legal Counsel to make any necessary changes to the proposed Warranty Deed, execute any necessary documents and fulfill the requirements set forth in those documents in order to take ownership of a tract of land 75 feet X 75 feet in the Southwestern most corner of Lot 6, Block 4 in Three 77 Sunset Strip, a subdivision located in Hood County, Texas. Director Massey seconded the motion. The motion passed unanimously.

14. No updates were given regarding the development of District Rules.

15. Attorney Brian Sledge of SledgeLaw Group gave the General Counsel's Report in Executive Session.

At 7:30 p.m., the Board went into Executive Session under Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, concerning attorney-client matters (§551.071).

President Mesler called the meeting back into open session at 7:45 p.m. and announced no action would be taken as a result of the executive session.

16. The next Regular Board meeting is scheduled for Monday, July 17 at the District's office at 5:00 p.m.


17. In the next Regular Board meeting, the Board will assign committees and appoint officers of the District.

18. President Mesler adjourned the meeting at 7:46 p.m.

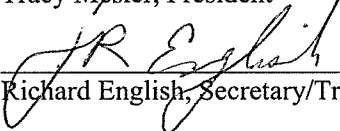
PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this

17 day of July, 2017.

Attest:



Tracy Mesler, President



Richard English, Secretary/Treasurer