

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
MONDAY, SEPTEMBER 17, 2018
MINUTES OF MEETINGS
OF THE
BOARD OF DIRECTORS

INTRODUCTORY MATTERS

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

Directors Present: Tracy Mesler, Mike Massey, Don Majka, Richard English, Shannon Nave, Brent Wilson (arrived at 5:06 p.m.), and Mike Berkley

Director Absent: Tim Watts
3. Pledges of allegiance to the flags were recited.

PUBLIC HEARING

1. Matt Van Hattem of Collier Consulting and Nola Farris of Aqua Texas spoke on behalf of Aqua Texas. Michelle Smith represented herself in the discussion regarding a new well application and an application for exception to spacing requirements submitted by Aqua Texas, for the purpose of providing additional water to the Canyon Creek subdivision in Hood County. The board and staff heard and answered questions and comments from the public about the applications.

Director Massey moved to approve the new well application and application for exception to spacing requirements with the following conditions: (1) once selected, the well drilling contractor must complete and sign the applicable portion of the application; (2) the applicant must submit a copy of TCEQ's preliminary approval related to the engineering and design of the well; (3) the applicant is required to complete some form of geophysical/electric/gamma log of the boreholes and provide those logs to the District; (4) the applicant agrees to enter into an agreement with the District to allow for the ongoing measurement of water levels in the well. Director Berkley seconded the motion. Director English abstained. The motion passed.
2. President Mesler adjourned the Public Hearing for Aqua Texas at 5:09 p.m.

REGULAR BOARD MEETING

1. Director Massey moved to approve the Consent Agenda, including minutes from Public Hearing and Regular Board Meeting on August 20, 2018; approval of the bank statement ending August 31, 2018, and current financial reports of the District; approval of Investment Report; approve payment of all bills/invoices received through September 17, 2018; and reimbursements for expenses incurred on behalf of the District through September 17, 2018 (including additions from Directors Majka and Nave). Director English seconded the motion. The motion passed unanimously.
2. No items were pulled from consent agenda for further discussion.

At 5:10 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 Regular Board Meeting back into open session at 5:45 p.m.

3. Greg Hager, Scotty Ross, and Gerald Epperson represented themselves in the discussion regarding a new well application and an application for exception to spacing requirements in the Highland Hills subdivision in Wise County. Director Massey stated that since we have been advised by Wise County officials that the drilling of individual private wells in the Highland Hills subdivision is inconsistent with the plat that was approved by the County for that subdivision, and approval by this District of this application for exception to the minimum tract size requirements would run afoul of the County's rules. Director Massey then made the following motion, "I recommend and move that this application be denied. And, because this only recently came to our attention and is an unusual circumstance, I would add to my motion that we authorize the General Manager to refund the application fee." Director Berkley seconded the motion. The motion passed unanimously.
4. Director Berkley moved to approve a request from Randal Peck for a second extension to drill an approved exempt replacement well in Parker County (Well ID 10606). Director Nave seconded the motion. The motion passed unanimously.
5. Deionne Miles represented herself in the discussion regarding potential violation of District Rules by Kelvin's Water Wells. Director Massey moved to offer a settlement to Deionne Miles of Kelvin's Water Wells that includes a 2nd major violation of District Rules, a \$1,000 civil penalty and the requirement to submit a registration application and pay all associated fees related to the application, \$600 application fee and \$100 well report deposit (to be forfeited). The motion failed due to lack of a second.

Director Berkley moved to offer a settlement to Deionne Miles of Kelvin's Water Wells that includes a 2nd major violation of District Rules, a \$100 civil penalty and the requirement to submit a registration application and pay all associated fees related to the application, \$600 application fee and \$100 well report deposit (to be forfeited). The motion failed due to lack of a second.

Director English moved to offer a settlement to Deionne Miles of Kelvin's Water Wells that includes a 2nd major violation of District Rules, a \$300 civil penalty and the requirement to submit a registration application and pay all associated fees related to the application, \$600 application fee and \$100 well report deposit (to be forfeited). Director Berkley seconded the motion. The motion passed Aye-6 Nay-1.

6. Director Majka moved to approve the Annual Report for year ending December 31, 2017 as presented. Director Massey seconded the motion. The motion passed unanimously.
7. **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 was submitted to the Board of Directors in advance of the Regular Board meeting; no action was taken.
 - B. Report on delinquent customers; no action was taken.
 - 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.
8. Director Massey moved to adopt 2018 budget amendments, as presented by staff:

- Move \$51,000 from Property Development to Legal Fees (\$50,000) and Credit Card Processing (\$1,000)
- Move \$2,500 from Health Reimbursement Arrangement to Workers' Compensation

Director Nave seconded the motion. The motion passed unanimously.

9. Discussion and possible action to renew:

- A. Director English moved to accept the proposal for renewal of Medical Coverage for District employees for 2019 including the Health Reimbursement Arrangement (HRA) as presented. Director Berkley seconded the motion. The motion passed unanimously.
- B. Director Massey moved to accept Crime policy renewal quote issued by Travelers Casualty & Surety Company of America, in an amount not to exceed \$3,299.00. Director Majka seconded the motion. The motion passed unanimously.

10. Discussion regarding the development of District Rules was held in the executive session.

11. Attorney Brian Sledge of SledgeLaw Group provided updates on pertinent legal issues and developments impacting the District since the last Regular Board Meeting in executive session.

At 6:10 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 Regular Board Meeting back into open session at 8:09 p.m. No action was taken as a result of the Executive Session.

12. The next Regular Board Meeting is scheduled for Monday, October 15, 2018 at the District's office at 5:00 p.m.

13. The next meeting agenda will include discussion and possible action on a Public Hearing for Town of Annetta, update to the District's Management Plan, draft of the 2019 Budget, and setting the Water Use Fees.

14. Public comments were made during the Public Hearing and previous agenda items.

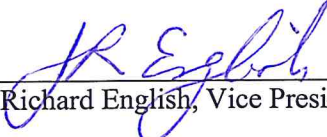
15. President Mesler adjourned the meeting at 8:10 p.m.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this 15 day of October, 2018.

Attest:



 Tracy Mesler, President



 Richard English, Vice President