

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
MONDAY, APRIL 15, 2019
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 Show Cause Hearing and Board Meeting to order; declare them open to the public.

Directors Present: Brent Wilson, Tim Watts, Tracy Mesler, Mike Massey, Don Majka, Shannon Nave, Richard English and Mike Berkley

Director Absent: None

3. Pledges of allegiance to the flags were recited.
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SHOW CAUSE HEARING

1. Discussion regarding enforcement action against Wallace Hardie, aka "Butch" Hardie; Castle Water, Inc. D/B/A Horseshoe Bend Water Works; Texas Rain Holdings Company, Inc.; TRV Services, LLC; and Texas Rain Utility Management, LLC, for continued violations of District Rules, including failure to pay water use fees since January 1, 2018, to present, as required by District Rules 7.3 and 7.4 occurred in Executive Session.

At 5:02 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 5:09 p.m.

Director Majka moved to authorize GM Shaw to offer a settlement in regard to a potential violation of Rule 7.3(a). This violation is in regard to Water Use Fees for the reporting period of January 1, 2018 (18SA1) through December 31, 2018 (18SA2). The motion instructed General Manager Doug Shaw to attempt to settle this issue. The settlement includes \$7,925.40 (unpaid balance of water usage fees) and a 20% late payment penalty. If Wallace Hardie, aka "Butch" Hardie does not accept the offer and pay the water usage and late payment fees by the close of business on Friday, June 14, 2019, the motion authorizes District's Legal counsel and General Manager to initiate a lawsuit in order to recover the water usage fees, additional penalties, and legal fees incurred to collect the fees and penalties. Director Massey seconded the motion. The motion passed unanimously.

2. President Mesler adjourned the Show Cause Hearing for Wallace Hardie, aka "Butch" Hardie; Castle Water, Inc. D/B/A Horseshoe Bend Water Works; Texas Rain Holdings Company, Inc.; TRV Services, LLC; and Texas Rain Utility Management, LLC. At 5:11 p.m.
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REGULAR BOARD MEETING

1. Director Massey moved to approve the Consent Agenda, including minutes from the Regular Board Meeting on March 18, 2019; approval of bank statement ending March 29, 2019, and current financial reports of the District; approve payment of bills/invoices received through April 15, 2019; and reimbursements for expenses incurred on behalf of the District through April 15, 2019. Director Nave seconded the motion. The motion passed unanimously.

2. No items were pulled from consent agenda for further discussion.
3. Director Massey moved to approve the quarterly Investment Report as presented. Director English seconded the motion. The motion passed unanimously.
4. Josh Cowie, homeowner, participated in the discussion pertaining to a presentation from District Staff regarding UTGCD Report 19-001: Water Quality Issues, Las Brisas Subdivision in Wise County. No action was taken. The Board gave direction to District staff on how to proceed with the issue including that staff be on site to witness the next water well being drilled in the Las Brisas Subdivision in Wise County.
5. Matt Van Hattem represented Aqua Texas in the discussion which continued from March 18, 2019 regarding a request by Aqua Texas for a second extension to drill two approved public water supply wells (Well IDs 10319 and 10321) located in Wise County. Director Massey moved to approve a 240-day extension to drill two approved public water supply wells located in Wise County. If the wells are not completed by then, Aqua Texas must resubmit New Well Applications for each well not yet complete. Director Berkley seconded the motion. The motion passed unanimously.
6. Director Wilson moved to approve a request by Mr. Daniel (Jason) Neese for a second extension of 120 days to drill an approved domestic well (Well ID 11363) located in Wise County. Director Majka seconded the motion. The motion passed unanimously.
7. Director Massey moved to find that Deionne Miles of Kelvin's Water Wells committed two (2) violations of District Rule 4.4(a) (Well ID's 11796 and 11999) and assessed a \$250.00 civil penalty for each well and to bring both wells up to standards set forth in Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code within 60 days of April 15, 2019. Director English seconded the motion. The motion passed unanimously.
8. Karin Malone represented Malone's Well Service in the discussion regarding an application for a new domestic water well submitted by Victor Torres (Well ID 12179) in Parker County. Director Massey moved to find that Karin Malone of Malone's Well Service committed a first major violation of District Rule 3.5(a) and assessed a \$100 civil penalty for drilling a water well without District approval. Director English seconded the motion. The motion passed unanimously.
9. Rodney Brown, homeowner in Parker County, participated in the discussion regarding an application for a new domestic water well (Well ID 12232). Director Nave moved to approve an application for a new domestic water well submitted by Mr. Brown, contingent upon Mr. Brown maintaining a minimum of 2 acres surrounding the well, as required by District Rules. Director Majka seconded the motion. Aye-7 Nay-1. Motion passed.
10. Director Massey moved to approve an application for a new domestic water well (Well ID 12298) submitted by Robert Adair in Hood County, contingent upon the well capacity not exceeding 10 gallons per minute (gpm) and that all minimum spacing requirements are met, including minimum spacing from any source of contamination, including any on-site septic system. Director English seconded the motion. Aye-7 Nay-1. Motion passed.
11. No action was taken in the discussion regarding the Scope of Work and Cost Estimate for GMA 8 development and adoption of DFCs.
12. **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 of the District; 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.
13. Director Watts moved to authorize GM Shaw to move forward with the purchase a vehicle and logging equipment as discussed. Director Nave seconded the motion. Legal counsel advised the district did not need to go out for competitive bids on the purchase. The motion passed unanimously.
 14. Director Majka moved to adopt 2019 budget amendments, as presented by staff:
 - Move \$15,000 from “New Truck” to “Geophysical Logging Rig”
 - Move \$15,000 from “Monitoring Well Program” to “Geophysical Logging Rig”

Director Watts seconded the motion. The motion passed unanimously.

15. Attorney Brian Sledge of SledgeLaw Group gave updates on pertinent legal issues and developments impacting the District during the Executive Session.
16. Hood County Commissioners Dave Eagle and Bruce White provided comments in regard to the Development of District Rules requesting the district allow time for their court, legal counsel and technical counsel to review the proposed rules. Further discussion occurred, with the District’s Legal Counsel, during Executive Session.

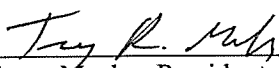
At 6:38 p.m., the Board went into Executive Session under Texas Open Meetings Act, Chapter 551, Government Code, Vernon’s Texas Codes, Annotated, concerning attorney-client matters (§551.071).

President Mesler called the Regular Board Meeting back into open session at 7:40 p.m.

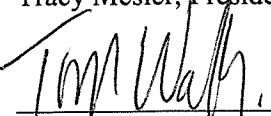
16. Director Massey made a motion, in deference to requests made by the Hood County Commissioners, to postpone the Rules Hearing, previously scheduled in conjunction with the regularly scheduled May Board Meeting, until June 17, 2019 at 4:00 p.m. The motion also included authorization for the General Manager to post the revised Rules and notice in accordance with all posting requirements. Director English seconded the motion. The motion passed unanimously.
17. The next Regular Board Meeting is scheduled for Monday, May 20, 2019 at the District’s office at 5:00 p.m.
18. No new business was placed on the next meeting agenda.
19. Public comment was heard where noted above.
20. President Mesler adjourned the meeting at 7:43 p.m.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this 20 day of May 2019.

Attest:



 Tracy Mesler, President



 Tim Watts, Secretary