

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
MONDAY, SEPTEMBER 16, 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 Public Hearing and Board Meeting to order; declare them open to the public.
Directors Present: Jarrod Reynolds, Brent Wilson, Tracy Mesler, Tim Watts, Don Majka, Shannon Nave, and Richard English
Director Absent: Mike Berkley
3. Pledges of allegiance to the flags were recited.
4. There were no public comments.

PUBLIC HEARING

1. Director Watts moved to approve the new well applications and applications for exception to spacing requirements submitted by City of Newark in Wise County with the following conditions: (1) once selected, the well drilling contractor must complete and sign the portion of the application related to well driller, (2) the applicants must submit a copy of TCEQ's preliminary approval related to the 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, and (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 Wilson seconded the motion. The motion passed unanimously.
2. President Mesler adjourned the Public Hearing for City of Newark at 5:06 p.m.

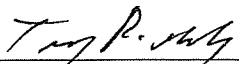
REGULAR BOARD MEETING

1. Director Majka moved to approve the Consent Agenda, including minutes from Public Hearing and Regular Board Meeting on August 19, 2019; approval of bank statement ending August 30, 2019, and current financial reports of the District; approval of Investment Report; approve payment of bills/invoices received through September 16, 2019; and reimbursements for expenses incurred on behalf of the District through September 16, 2019. Director Reynolds seconded the motion. The motion passed unanimously.
2. No items were pulled from consent agenda for further discussion.
3. Discussion was held regarding ongoing enforcement issues with Wallace Hardie, aka "Butch" Hardie; Castle Water, Inc. D/B/A Horseshoe Bend Water Works; Texas Rain Holdings Company, Inc.; TRV Services, LLC; Texas Rain Utility Management, LLC; Zach Allen; and any other owners, operators, corporate subsidiaries or affiliates associated with the Horseshoe Bend public water system for past and continued violations of District Rules including the initiation of a lawsuit. Director Watts moved to authorize/direct the District's Legal Counsel and GM to initiate and prosecute lawsuits in the name of the District 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; Zach Allen; and any other owners, operators, corporate subsidiaries or affiliates associated with the Horseshoe Bend public water system, for continued violations of District Rules, including failure to pay water use fees for the reporting periods from January 1, 2018 through June 30, 2019. In addition to the collection of fees due to the District, the motion also directed Legal Counsel and GM to include: (1) 25% late payment penalty, (2) \$1,000 penalty fee for each reporting period (\$3,000 total), and (3) all attorney's fees and costs associated with the lawsuit. Director Wilson seconded the motion. The motion passed unanimously.

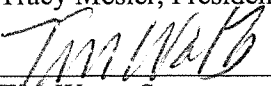
4. Director English moved to find that Richard F. Young, committed a first major violation of District Rules for Well ID 12745 at 124 Aurora Vista Trail, Aurora, TX (Lot 12 Block A in the Aurora Vista Subdivision, PH 1) in Wise County. As part of the Motion, a settlement was offered in lieu of litigation; the settlement included a \$250 penalty. Director Nave seconded the motion. The motion passed unanimously.
5. GM Shaw gave an update regarding the activities of Groundwater Management Area 8 including the following factors that must be considered prior to the adoption of DFCs: (1) Hydrologic Conditions, and (2) Environmental impacts; no comments were received, and no action was taken. Discussion will resume in the next Regular Board meeting.
6. Director Majka moved to approve the Annual Report for year ending December 31, 2018 as presented. Director Reynolds seconded the motion. The motion passed unanimously.
7. No formal action was taken in the update from the Policy and Personnel Committee regarding staff salaries in preparation for the development of fiscal year 2020 Draft Budget. However, the Board directed the GM to proceed forward with the development of the Budget with the recommended changes presented during executive session.
8. No formal action was taken in the discussion regarding property development project to address the erosion issue at District's office. The Board directed the GM to move forward with the purchases and work necessary to increase the storage capacity to the rainwater collection system for the west side of the office.
9. **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
10. Review line item expenditures and adopt budget amendment(s) as necessary; no action was taken.
11. Attorney Brian Sledge of SledgeLaw Group gave no updates on pertinent legal issues and developments impacting the District since the last regular Board meeting.
 At 5:41 p.m., the Board went into Executive Session under Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, concerning personnel matters (§551.074).
 President Mesler called the Regular Board meeting back into open session at 6:36 p.m.
12. The next Regular Board Meeting is scheduled for Monday, October 21, 2019 at the District's office at 5:00 p.m.
13. Items to discuss in the next Regular Board Meeting were mentioned above.
14. President Mesler adjourned the meeting at 6:37 p.m.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this 21 day of October 2019.

Attest:



 Tracy Mesler, President



 Tim Watts, Secretary