

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
MONDAY, FEBRUARY 28, 2022
MINUTES OF MEETINGS
OF THE
BOARD OF DIRECTORS

INTRODUCTORY MATTERS

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. 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 the hearing and board meeting open to the public.
Directors Present: Brent Wilson, Jarrod Reynolds, Don Majka, Tracy Mesler, Shannon Nave, Tim Watts, and Mike Berkley
Director Absent: Richard English
3. Pledges of allegiance to the flags.
4. Public comment was made where noted below.

PUBLIC HEARING

1. General Manager Shaw presented a report and recommendations to the Board regarding the following applications for permits, permit amendments, and/or requests for exceptions to the District's water well spacing or minimum tract size requirements.

GM Shaw presented the background, specifics, and impact analysis results for the following applications:

- A. **Applicant/Owner:** Barclay Waddell — P.O. Box 1148, Kennedale, TX 76060
Type of Application: Operating Permit and Exception to Minimum Well Spacing Requirements
Location of well or proposed well: E Hwy 377, Cresson, TX 76035
Requested Permit Volume: 2,701,000 gallons/year
Description of Request: Barclay Waddell is seeking an operating permit and an exception to the District's water well spacing requirements under District Rule 4.7, in order to drill and operate one new water well for public water supply. The proposed well location fails to meet the required spacing from the nearest property line (750 ft.).
- B. **Applicant/Owner:** BKV Barnett, LLC — 1209 County Road 1304, Bridgeport, TX 76426
Type of Application: Operating Permit
Location of well or proposed well: CR 4227, Aurora, TX 76078
Requested Permit Volume: 35,000,000 gallons/year
Description of Request: BKV Barnett, LLC is seeking an operating permit in order to operate one existing water well in Wise County in order to provide water for oil and gas operations.
- C. **Applicant/Owner:** Hammett Excavation Inc. — 1545 CR 2917, Dodd City, TX 75438
Type of Application: Operating Permit
Location of well or proposed well: Multiple Locations along Hwy 82, Ringgold, TX 76261
Requested Permit Volume: 75,000,000 gallons/year
Description of Request: Hammett Excavation Inc. is seeking an Operating Permit to drill and operate 3 water wells in Montague County in order to provide water for the highway 82 construction project.

2. Discuss, consider, and possible action by the Board to approve or deny, in whole or in part, the applications for permits, permit amendments, and/or requests for exceptions to the District's water well spacing or minimum tract size requirements set forth above in this agenda.

GM Shaw presented his recommendations for the project proposed by Barclay Waddell; UTGCD Report 22-002 was made available to the Board and the public prior to the hearing. David Ferretti participated in the discussion. Director Berkley made a motion to table/continue the hearing until the matter related to the deed restrictions associated with the property on which the proposed well is to be drilled is settled. Director Majka seconded the motion. The motion passed unanimously.

GM Shaw presented his recommendations for the project proposed by BKV Barnett, LLC; UTGCD Report 22-003 was made available to the Board and the public prior to the hearing. Director Watts made a motion to approve Permit ID 036-W-OP in the amount of 35,000,000 gallons per year. Director Nave seconded the motion. The motion passed – 6 Aye, 1 No.

GM Shaw presented his recommendations for the project proposed by Hammett Excavation Inc.; UTGCD Report 22-004 was made available to the Board and the public prior to the hearing. Director Majka made a motion to approve Permit ID 098-M-OP for 30,000,000 gallons per year. Director Reynolds seconded the motion. The motion passed unanimously.

3. President Mesler adjourned the Public Hearing at 5:35 p.m.

REGULAR BOARD MEETING

1. Director Berkley moved to approve the Consent Agenda, including:
 - A. Approval of minutes from Public Hearing and Regular Board Meeting on January 24, 2022.
 - B. Approval of bank statement ending January 31, 2022, and current financial reports of the District.
 - C. Approval of Investment Report.
 - D. Payment of bills/invoices received through February 28, 2022.
 - E. Reimbursements for expenses incurred on behalf of the District through February 28, 2022.
 - F. Approval of Request for an Extension Applications submitted through February 28, 2022.

Director Watts seconded the motion. Motion passed unanimously.

2. No items were pulled from consent agenda for further discussion.

At 5:39 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 6:05 p.m. No action was taken as a result of the Executive Session.


3. Consider authorizing general manager to take all necessary action as directed by the Board to pursue, and possibly execute, a contract on behalf of the District for the following:
 - A. Director Wilson moved to authorize GM Shaw seek bids, for future Board consideration, for additional covered parking of like kind and quality as exists currently at the District office. Director Berkley seconded the motion. Motion passed unanimously.
 - B. Director Wilson moved to authorize GM Shaw to seek bids, for future Board consideration, for the paving of the driveway at the District's office facility. The motion directed the GM to attain bids for multiple segments of the driveway: (1) from HWY 199 to the front gate, (2) from HWY 199 to the shop (1855 W HWY 199), and (3) from HWY 199 to the office (1859 W HWY 199). Director Majka seconded the motion. Motion passed unanimously.
4. Regarding to fees associated with production from wells owned by the Deaton Revocable Family Trust from calendar years 2009 through 2021, Director Nave moved to authorize GM Shaw (1) to execute "Settlement Agreement between Upper Trinity Groundwater Conservation District and Deaton Revocable Family Trust",

which allows for the full payment of fees due to the District over a 10-year period, or (2) accept payment of fees due to the District in full prior to March 31, 2022. Director Watts seconded the motion. Motion passed unanimously.

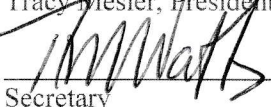
5. **Management Report on Administrative and Operational Issues:** The General Manager and staff will brief the Board on the following and any other items included in the General Manager's written report, which may be discussed, considered, and acted upon by the Board, including authorizing the initiation 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.
 - B. Discussion regarding 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.
6. No budget amendments were necessary.
7. Attorney Brian Sledge of SledgeLaw Group gave no updates regarding pertinent legal issues related to the District.
8. The next Regular Board meeting is scheduled for Monday, March 21, 2022, at 5:00 p.m. at the District's office.
9. No new business was placed on the next meeting agenda.
10. President Mesler adjourned the meeting at 6:21 p.m.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this 21 day of March 2022.

Attest:



Tracy Mesler, President



Secretary