

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
MONDAY, MARCH 21, 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: Richard English, Jarrod Reynolds, Don Majka, Tracy Mesler, Shannon Nave, Tim Watts, and Mike Berkley (arrived at 5:11 p.m.)

Director Absent: Brent Wilson
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:** Town of Annetta — PO Box 1150, Aledo, TX 76008

Type of Application: Operating Permit Amendment and Exception to Minimum Well Spacing Requirements

Location of well or proposed well: 105 Aledo Heights Dr., Annetta South, TX, 76008

Requested Permit Volume: 70,080,000 gallons/year

Description of Request: The Town of Annetta is seeking an amendment to an existing operating permit and an exception to the District's water well spacing requirements under District Rule 4.7, in order to drill and operate two new water wells for public water supply. The proposed well locations fail to meet the required spacing from the nearest property line (500 ft.) and other wells (1,750 ft.).

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 Town of Annetta. Grant Reed, residential developer, participated in the discussion. Director Nave made a motion to approve Permit ID 063-P-OP Amendment in the amount of 32,000,000 gallons per year and the exception requests for Well IDs 17031 & 17032 with the following stipulations: (1) applicant is required to enter into agreement with the District for the ongoing measurement of water levels in the proposed wells; and (2) the applicant is required to complete some form of geophysical/electric/gamma log of the borehole and provide those logs to the District.

Director Watts seconded the motion. Directors Reynolds and Berkley abstained. The motion passed – 5 Aye, 0

No.

3. President Mesler adjourned the Public Hearing at 5:19 p.m.

REGULAR BOARD MEETING

1. Director Reynolds moved to approve the Consent Agenda, including:
 - A. Approval of minutes from Public Hearing and Regular Board Meeting on February 28, 2022.
 - B. Approval of bank statement ending February 28, 2022, and current financial reports of the District.
 - C. Approval of Investment Report.
 - D. Payment of bills/invoices received through March 21, 2022.
 - E. Reimbursements for expenses incurred on behalf of the District through March 21, 2022 (including mileage reimbursement for Director Majka).
 - F. Approval of Request for an Extension Applications submitted through March 21, 2022.Director Nave seconded the motion. Motion passed unanimously.

2. No items were pulled from consent agenda for further discussion.
3. 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 will be discussed in the next Regular Board meeting:
 - A. Construction of additional covered parking spaces for the District office,
 - B. Paving of the entryway at the front gate of the District office.

4. Discussion regarding the following potential violations of District Rules; take action as necessary.
 - A. Exempt Wells:
 - 1) Cordelia Holcomb and Heath Harlee participated in the discussion regarding Well ID 14299 at 135 Private Road 4537, Decatur, TX, Wise Co. Director Majka moved to offer Ms. Holcomb a settlement, in lieu of litigation, to include: (1) a first major violation of District Rules, (2) a penalty of \$250, and (3) a requirement that Ms. Holcomb deed additional acreage or groundwater rights to the current owner so that the well to comply with the minimum tract size requirements set forth in District Rules. The motion included a deadline to accept the settlement and comply with the requirements set forth in the offer by May 31, 2022. Failure to comply will result in additional action by the Board, including possible litigation. Director English seconded the motion. Motion passed unanimously.
 - B. Non-Exempt Wells:
 - 1) System ID 028-P in Parker County by Bourland Estates WSC;
 - 2) System ID 054-P in Parker County by Rio Brazos WSC;
 - 3) System ID 042-H in Hood County by Rolling Hills WSC;
 - 4) System ID 043-H in Hood County by Sky Harbour WSC.

Director Nave moved to offer each of the Non-Exempt Wells discussed a separate settlement, in lieu of litigation, to include: (1) a first major violation of District rules for failure to submit accurate groundwater production report within the required period, (2) penalty fee of \$500, and (3) a late payment penalty of 10% of the total amount of groundwater use fees due and owing; this settlement expires at the close of business on April 1, 2022.


If all obligations of that settlement have not been met by the expiration, the motion includes the following updated settlement: (1) a first major violation of District rules for failure to submit accurate groundwater production report within the required period, (2) penalty fee of \$500, (3) a second major violation of District Rules for failure to submit groundwater use fees with sixty (60) days of the date the fees are due, (4) a penalty

fee of \$1,000, and (5) a late payment penalty of 50% of the total amount of groundwater use fees due and owing; this penalty expires at the close of business on May 6, 2022. Failure to comply with this settlement will result in the matter being brought to the Board for consideration of additional action, which may include litigation. Director English seconded the motion. Motion passed unanimously.

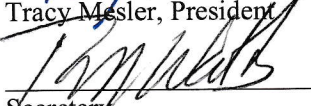
5. Dakota Tawater, General Manager of Parker County Special Utility District (SUD), participated in the discussion regarding a potential project to drill a monitoring well on property owned by Parker County SUD. Director Reynolds moved to authorize GM Shaw to take all necessary action, including the expenditure of District funds not to exceed \$150,000, upon final approval by the Monitoring Well Committee, to complete the monitoring well project as described. Director Watts seconded the motion. Motion passed unanimously.
6. No action was taken in the discussion regarding the possible creation of one or more new committees to consider the following: (1) creation of an annual Rainwater Harvesting Grant Program, and (2) creation of program to support the ongoing efforts of public water systems to conserve groundwater through engineering studies, water loss audits, system rehabilitation, etc.
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.
 - 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.
8. No budget amendments were necessary.
9. Attorney Brian Sledge of SledgeLaw Group gave updates regarding groundwater-related legislative activities related to the District.
10. The next Regular Board meeting is scheduled for Monday, April 18, 2022, at 5:00 p.m. at the District's office.
11. No new business was placed on the next meeting agenda.
12. President Mesler adjourned the meeting at 6:09 p.m.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this 18 day of April 2022.

Attest:



Tracy Mesler, President



Secretary