

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
THURSDAY, JUNE 23, 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 4:00 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: Jarrod Reynolds (arrived at 5:00 p.m.), Richard English, Tracy Mesler, Shannon Nave, Mike Berkley, and Tim Watts

Directors Absent: Don Majka and Brent Wilson
3. Pledges of allegiance to the flags.
4. Public comment was made where noted below.

PRELIMINARY HEARING ON PROPOSED HISTORIC USE PERMITS

1. District General Manager Doug Shaw was sworn in by Board President Tracy Mesler prior to providing the General Manager's report and recommendations regarding the applications for Historic Use Permits identified in the notice of the Preliminary Hearing on Proposed Historic Use Permits for the hearing ("the Preliminary Hearing Notice"), which was posted separately prior to May 23, 2022, in accordance with the District Rules and which is incorporated herein by reference. The District did not receive any public comments or requests to contest.
2. Director Berkley moved to approve the General Manager's recommendation related to all Historic Use Permit Applications included in the Preliminary Hearing Notice. Director English seconded the motion. Motion passed unanimously.

The entire packet of information provided to the Board on these applications prepared by the General Manager, including the Preliminary Hearing Notice, applications, technical review, recommendations, proposed permits, and all other supporting information, shall be included with these minutes as part of the administrative record for this hearing.
3. President Mesler adjourned the Public Hearing at 4:18 p.m.

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.
 - A. **Applicant/Owner:** Barehide Ranch Inc. — PO Box 4150, Odessa, TX 79760
Type of Application: Operating Permit
Location of well or proposed well: 400 Perkins Rd., Poolville, TX, 76487
Requested Permit Volume: 800,000 gallons/year
General Manager's Recommendation: 800,000 gallons/year
Description of Request: Barehide Ranch, Inc is seeking an operating permit in order to drill and operate one new

public water supply well to supply water for Barehide Ranch. The proposed well meets all of the District's well spacing requirements.

- B. Applicant/Owner:** Gallagher Acquisitions, LLC— 5080 Ben Day Murrin Rd #4, Fort Worth, TX, 76126
Type of Application: Operating Permit and Exception to Minimum Well Spacing Requirements
Location of well or proposed well: 1350 FM 1187, Aledo, TX, 76008
Requested Permit Volume: 3,300,000 gallons/year
General Manager's Recommendation: 2,728,500 gallons/year
Description of Request: Gallagher Acquisitions, LLC 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 commercial water well to supply water for tan RV Park. The proposed well location fails to meet the required spacing from other wells (1,000 ft.) and property line (250 ft.).
- C. Applicant/Owner:** Texas Water Utilities, L.P. — 12535 Reed Road, Sugar Land, TX, 77478
Type of Application: Operating Permit Amendment and Exception to Minimum Well Spacing Requirements
Location of well or proposed well: 4985 Tin Top Road, Weatherford, TX, 76087
Requested Additional Permit Volume: 0 gallons/year
General Manager's Recommendation: Approval of the amendment to add an additional well to the system.
Description of Request: Texas Water Utilities, L.P. is seeking to amend 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 public water supply well to supply water for Elevation Estates. The applicant is seeking to add an additional well to the system. There is no additional volume requested. The proposed well fails to meet the spacing to other wells (3,250 ft.). The applicant is also seeking to amend the capacity of a previously approved water well and is seeking an exception to the District's water well spacing requirements under District Rule 4.7. The proposed well amendment fails to meet spacing to other wells (3,250 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 Barehide Ranch Inc. Director Watts made a motion to approve the Application for Operating Permit 191-P-OP, as presented, in the amount of 800,000 gallons per year. Director Nave seconded the motion. The motion passed unanimously.

GM Shaw presented his recommendations for the project proposed by Gallagher Acquisitions, LLC. Director Nave made a motion to approve Permit ID 193-P-OP in the amount of 2,728,500 gallons per year and the exception requests for Well ID 17274 with the following stipulations: (1) applicant agrees to enter into agreement with the District for the ongoing measurement of water levels in the proposed wells. Director Watts seconded the motion. The motion passed unanimously.

President Mesler declared the hearing for Texas Water Utilities, L.P. will continue Monday, July 18, 2022, at 5:00 p.m. at the District's office.

- 3. President Mesler adjourned the Public Hearing at 4:45 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 May 16, 2022.
 - B. Approval of bank statement ending May 31, 2022, and current financial reports of the District.
 - C. Approval of Investment Report.
 - D. Payment of bills/invoices received through June 23, 2022.
 - E. Reimbursements for expenses incurred on behalf of the District through June 23, 2022.
 - F. Approval of Request for an Extension Applications submitted through June 23, 2022.

Director Watts seconded the motion. Motion passed unanimously.

2. No items were pulled from consent agenda for further discussion.
3. Discussion regarding the following potential violations of District Rules; take action as necessary.
 - A. Regarding multiple non-exempt wells owned by Scout Energy Management, LLC throughout the District, Director English moved to offer a settlement, in lieu of litigation, to Scout Energy Management, LLC that includes the following:
 - 1) a first minor violation of District Rules for failure to conduct a meter reading within the required period,
 - 2) a \$100 penalty fee associated with the 1st minor violation,
 - 3) a first major violation of District Rules for failure to submit accurate groundwater production reports on multiple occasions,
 - 4) a penalty fee of \$250 associated with the 1st major violation,
 - 5) a second major violation of District Rules for failure to notify the District prior to removing a required well meter on two occasions,
 - 6) a penalty fee of \$500 associated with the 2nd major violation,
 - 7) a third major violation of District Rules for failure to provide monthly meter reading logs as required by District Rule 8.4, and
 - 8) a penalty fee of \$1,000 related to the 3rd major violation.

Director Berkley seconded the motion. Motion passed unanimously.


- B. Barney Smith commented in the discussion regarding well ID 13853 at 116 Winners Circle, Weatherford, TX in Parker Co. drilled by James Lindley of Moore's Water Well Service. Director Nave moved to offer Mr. Lindley a settlement, in lieu of litigation, to include the following: (1) a fourth major violation of District rules, (2) a penalty fee of \$1,000, and (3) the requirement to plug the existing well. Additionally, once a Mr. Lindley submits a new well application to replace the well that is being plugged, the well report deposit associated with the new well application be forfeited. Director Watts seconded the motion. Aye-5 Nay-0. Director Reynolds abstained. Motion passed.
4. **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.
 5. No line item expenditures or budget amendments were necessary.
 6. Attorney Brian Sledge of SledgeLaw Group gave a brief update regarding groundwater-related legislative activities related to the District.
 7. The next Public Hearing and Regular Board meeting are scheduled for Monday, July 18, 2022, at 5:00 p.m. at the District's office.
 8. No new business was placed on the next meeting agenda.
 9. President Mesler adjourned the meeting at 5:21 p.m.

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

Attest:



Tracy Mesler, President



Secretary