

UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT
THURSDAY, APRIL 20, 2023
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 Regular Board Meeting to order; declare the Hearing and Meeting open to the public.

Directors Present: Tracy Mesler, Shannon Nave, Mike Berkley, Tim Watts, Brent Wilson, Jarrod Reynolds, and Don Majka

Director Absent: None

3. Pledges of allegiance to the flags.
4. Public comments were made where noted below.

REGULAR BOARD MEETING

President Mesler took agenda item 1, from the Regular Board Meeting, out of order.

1. Hood County Judge Ron Massingill, Mike Scott of United Republicans of Hood County, Christy Massey, Hood County Commissioner Nannette Samuelson, Hood County Commissioner Dave Eagle, Nate Criswell, and Elizabeth Merchant participated in the discussion regarding the appointment of a person to fill the vacancy on the Board of Directors for an unexpired term representing Hood County created by the resignation of Richard English.

At 5:25 p.m., the Board went into executive session, in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, concerning attorney-client matters (§551.071) and personnel matters (§551.074).

President Mesler called the Public Hearing back into open session at 6:31 p.m. No decision was made as a result of the executive session.

Director Watts moved to select Mr. Bob Lusk to fill the vacancy on the District's Board of Directors. Director Nave seconded the motion. Aye-5 Nay-2. Motion passed.

Director Watts moved to adopt Resolution 23-003 Appointing Mr. Bob Lusk to the Board of Directors. Director Nave seconded the motion. Aye-6 Nay-1. Motion passed.

PUBLIC HEARING

1. Receive any public comments, requests to contest, and the General Manager's report and recommendations 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:** City of Chico — 400 S Hovey St., Chico, TX 76431

Type of Application: Operating Permit and Exception to Minimum Well Spacing Requirements
System ID: 013-W

Location of well or proposed well: Park Rd. Adjacent to 400 S Hovey St., Chico, TX 76431

Requested Permit Volume: 23,650,000 gallons/year

General Manager's Recommendation: 14,537,000 gallons/year

Description of Request: The City of Chico 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 public water supply well to supply water for the City of Chico.

- B. **Applicant/Owner:** Outlaw Estates, LLC — 2124 CR 4127, Decatur, TX 76234

Type of Application: Operating Permit

System ID: 199-W

Location of well or proposed well: 2124 CR 4127, Decatur, TX 76234

Requested Permit Volume: 2,000,000 gallons/year

General Manager's Recommendation: 2,000,000 gallons/year

Description of Request: Outlaw Estates, LLC is seeking an operating permit in order to drill and operate one new commercial water well to supply water for the equine facility on the property.

- C. **Applicant/Owner:** Jose Rivas – 208 Clayt Dr., Aurora, TX 76078

Type of Application: Exception to Minimum Tract Size Requirements

Well ID: 19325

Location of well or proposed well: 201 Clayt Dr., Aurora, TX 76078

Description of Request: Jose Rivas is seeking an exception to the District's 2-acre minimum tract size requirement in order to drill a water well on a 1.55 acre tract of land.

2. GM Shaw presented his recommendations for the following projects:

- A. Director Majka made a motion to approve Operating Permit 013-W-OP in the amount of 14,537,000 gallons per year, additionally the motion included an approval of the Application for Exception to Spacing Requirements associated with Well ID 19339. The approval of the exception is contingent on the following stipulations: the applicant must 1) enter into a monitoring well agreement with the District; 2) complete the water well so that the District may install water level monitoring equipment; 3) complete a geophysical log of the borehole and provide that log to the District. Director Wilson seconded the motion. Motion passed unanimously.
- B. Director Wilson made a motion to approve Operating Permit 199-W-OP submitted by Outlaw Estates, LLC., in the amount of 2,000,000 gallons per year. Director Majka seconded the motion. Motion passed unanimously.
- C. Director Wilson made a motion to deny the Application for Exception to Minimum Spacing Requirements, related to the minimum tract-size requirement, associated with Well ID 19325 submitted by Jose Rivas. Director Mesler seconded the motion. Motion passed unanimously.

3. President Mesler adjourned the Public Hearing at 6:56 p.m.


REGULAR BOARD MEETING

2. Director Majka moved to approve the Consent Agenda, including:
- A. Approval of minutes from the Regular Board Meeting and Public Hearing on March 16, 2023.
- B. Approval of bank statement ending March 31, 2023, and current financial reports of the District.
- C. Payment of bills/invoices received through April 20, 2023.
- D. Reimbursements for expenses incurred on behalf of the District through April 20, 2023.
- E. Approval of Request for an Extension Applications submitted through April 20, 2023, including the addition of a mileage reimbursement submitted by Director Majka.
- Director Berkley seconded the motion. Motion passed unanimously.
3. No items were pulled from the consent agenda for further discussion.

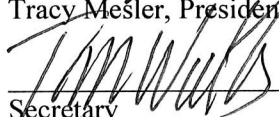
4. Director Berkley moved approve the Quarterly Investment Report as presented. Director Majka seconded the motion. The motion passed unanimously.
5. Simone Kiel from Freese & Nichols presented preliminary findings in the Regional Water Supply and Facilities Planning Study. No action was taken.
6. Mike Massey participated in the discussion regarding the potential bill to be filed by State Representative Glenn Rogers to create the Cross Timbers Regional Utility Authority. Director Nave moved to adopt Resolution 23-002: Support for the Creation for the Cross Timbers Regional Utility Authority. There was no second; motion failed.
7. Discussion regarding the following potential violations of District Rules; take action as necessary.
 - A. Exempt Wells
 - 1) Director Majka moved to offer a settlement to Elmwood Homes, LLC, in lieu of litigation, to include the following: 1) a first major violation for failure to meter the well; 2) a \$500 penalty fee associated with the first major violation; 3) a second major violation for failure to obtain an operating permit prior to commencing operation of a well for which a permit is required; 4) a \$1,000 penalty fee for the second major violation; 5) requirement to submit an estimate of the water produced from the well since September 19, 2022, to the satisfaction of the General Manager; 6) pay the water use fees associated with that production along with a 10% penalty; and 7) cease operation of the well, as it is currently equipped, no later than 11:59 pm April 25, 2023. Director Berkley seconded the motion. Director Reynolds abstained. Aye-6 Nay-0 Abstention-1. Motion passed.
8. **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.
9. District General Counsel from SledgeLaw Group gave no updates regarding activities related to the District.
10. The next Regular Board meeting is scheduled for Thursday, May 18, 2023, 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 8:32 p.m.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this 18 day of May 2023.

Attest:



Tracy Mesler, President



Secretary