

**POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT**  
**Board of Directors Meeting**  
**POSGCD District Office**  
**310 East Avenue C**  
**Milano, Texas 76556**  
**April 14, 2010 – 5:30 p.m.**

**MINUTES**

**Members Present**

Dwayne Jekel	POSGCD
Carroll Glaser	POSGCD
Jay Tumlinson	POSGCD
Robert Ware	POSGCD
Andy Hovorak	POSGCD
Lee Alford III	POSGCD
Nathan Ausley	POSGCD
Jim Hodson	POSGCD
Kerry Starnes	POSGCD

**Entity**

Gary Westbrook	POSGCD
Elaine Gerren	POSGCD
Drew Gholson	POSGCD
Barney Knight	Knight & Partners
Steve Young	U.R.S.

**Board Members Absent**

Jay Wilder	POSGCD
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**Others Present**

**Entity**

Scott Carlson	Metropolitan Water
Ken Cooke	Rockdale Reporter
Dave Barkemeyer	Citizen
Ross Cummings	Blue Water
Bill Graham	Rancher
Dwight Mahoney	BRA

**BOARD MEETING**

**1. Call to Order**

Board President, Nathan Ausley called the meeting to order @ 5:30 p.m.

**2. Public Comment**

Board President, Nathan Ausley asked for public comment. No public comment was heard.

**3. Approve Minutes of February 9, 2010 Board Meeting**

A motion was made by Director Jay Tumlinson to approve the minutes of the February 9, 2010

Meeting. The motion was 2<sup>nd</sup> by Director Lee Alford. The motion carried unanimously.

**4. District Audit 2009**

Alton Thiele of Alton D. Thiele, P.C. presented and explained the District's audit for 2009, reporting a clean opinion of the Audit. A motion was made by Director Lee Alford to approve the Audit as presented. The motion was 2<sup>nd</sup> by Director Kerry Starnes. The motion carried unanimously.

**5. Report from District Investment Officer**

District Investment Officer, Dwayne Jekel presented a report on the District's investments, showing that all investments are properly invested and protected.

**6. Award 2010 District Groundwater Conservation Grants**

Director Jekel recused himself from this item on the agenda as he serves some of the applicants for this year's grants, and abstained from discussion and voting. After the Grant committee presented recommendations for awards of grant funds for the 2010 Groundwater Conservation Grant Program, a motion was made by Director Jim Hodson to award the 2010 Ground Water Conservation Grants as recommended by the Grant Committee. The motion was 2<sup>nd</sup> by Director Robert Ware. The motion carried 8-0 with Director Jekel abstaining. The grant awards are as follows:

Lyons WSC	208,834.50
Somerville	215,812.00
City of Rockdale	73,795.76
Cade Lakes WSC	53,000.00
Gause WSC	19,012.00
Clay WSC	236,545.74
Marlow WSC	39,000.00
Minerva WSC	39,000.00
Southwest Milam WSC	115,000.00

**7. District Groundwater Conservation Grant Program**

**A. Joint work with United States Department of Agriculture, Natural Resources Conservation Service, to include certain activities to enhance recharge in aquifers in the District and to enhance efficiency of water use in irrigation in the District**

**B. Inclusion of Private Water Utilities servicing a CCN within the District**

The Board received a report from General Manager, Gary Westbrook, on the joint work between the District and the United States Department of Agriculture, Natural Resources Conservation Service towards including brush control in the District's management plan and Groundwater Conservation Grant Program. All is moving ahead on schedule.

**8. Interpretation of District Rules with respect to water wells exempted under Chapter 36.117**

General Manager Gary Westbrook updated the Board on his understanding of the Board's intentions for rules adopted for water produced from water wells used for Oil & Gas drilling and the initial frac jobs which sometimes occur prior to production from the oil and/or gas well. He reported that there was a difference in the way some groundwater conservation district view this use. After research with the Railroad Commission of Texas, it was determined that the generally accepted interpretation of use of groundwater for the frac job associated with the original drilling and exploration of an oil and/or gas well is considered to be exempt from permitting by a groundwater conservation district under Chapter 36.117, Texas Water Code. However, production from a water well that is used for a frac job of an oil and gas well which has previously been in

production would be considered to be not exempt and would require a permit from the groundwater conservation district, and will be charged production fees. After a brief discussion the Board fully agreed with the general manager's interpretations of the intention of the District's Rules.

**9. GMA 12 joint planning process and preliminary DFC's, groundwater resources in the District, and future process for evaluating District preliminary DFC's and DFC's and identification of possible necessary changes to District Rules and District Groundwater Management Plan.**

Steve Young of U.R.S. and General Manager Gary Westbrook gave a brief report to the Board. General Manager, Gary Westbrook reported that the Hydrologist in the GMA were working on the Brazos River Alluvium and the Yegua Jackson formations and will have information that the DFC committee could consider at a meeting soon and then that work could be brought back to the Board. Steve Young also discussed discrepancies of results in the evaluations of some GMA12 models with respect to work done in the Lost Pines GCD and how it affects the DFC's for Lost Pines and Post Oak Savannah. This issue will also be addressed at the committee meeting in the near future.

**10. Received report from District Manager Report on recent District activities and take appropriate actions.**

**A. Permit applications filed with the District and possible Hearing Dates for those applications**

No permits were filed that required hearings.

**B. Emergency Permits Granted, well recordings, & new well applications and completions**

No emergency permits were issued, 19 wells were recorded, 12 new applications for exempt wells were submitted, and 8 exempt wells were completed.

**C. Recent and future District presentations and activities**

**1. Joint Planning meeting for GMA #12 February 11, 2010**

General Manager reported that in addition to the reports given in agenda item 9, all representatives in the GMA were in agreement to improve the models currently being used and that the Hydrologist would be meeting with TWDB to further work on this for considerations at future GMA 12 meeting.

**2. Joint Planning meeting for GMA #8 February 24, 2010**

General Manager reported that he had attended this meeting and that there were 4 new Districts in GMA 8 since the last legislative session, for a total of 12 GCDs in the GMA.

**3. Texas Alliance of Groundwater Districts meeting in Austin March 30-31, 2010**

General Manager reported that he had attended this meeting and that Wier Labatt, who is a member of the Texas Water Development Board, had made a presentation at this meeting.

**4. Annual meeting with Brazos River Authority to discuss cooperative opportunities for conjunctive resource management as required in District Groundwater Management Plan**

General Manager reported that according to the District's management plan the District is to meet annually with the Brazos River Authority on this subject, and that this meeting was held on April 6, 2010 at the District's offices. Dwight Mahoney, representing the Brazos River Authority, gave an update on the \$100 Million grant which was recently received from the Texas Water Development Board and the intended uses of that funding, which will be for the purchase of land in Milam and Lee counties for future use in the production of groundwater to be used to meet the needs of customers of the BRA within the Brazos River Basin.

**5. General Manager Invited Testimony at House Natural Resources Hearing April 15, 2010**

General Manager advised the board that he had been invited to present testimony at House Natural Resources Hearing April 15, 2010. A list of the topics for testimony was presented.

**6. Texas Water Conservation Assoc. Interm Groundwater Committee**

General Manager presented a handout of concerns which had been presented to the TWCA Interim Groundwater Committee and then discussed several of the items on the handout.

**7. Permits issued to Blue Water Systems**

General Manager reported that Blue Water Systems(BWS) had satisfactorily complied with directives from the District to include certain language in their contracts with customers for groundwater to be exported from the District concerning the District's Rules and management strategies, and that BWS had filed all necessary documents with the District in connection with their contract with Manor, and that BWS had paid the fine for violation of the District's Rules in this manner.

**13. Bills received and current financial status.**

A motion was made by Director Jay Tumlinson to approve payment of the bills as presented. The motion was 2<sup>nd</sup> by Director Lee Alford. The motion carried unanimously.

**14. Dates, locations, and times of future meetings.**

President Nathan Ausley announced that the next regularly scheduled meeting would be May 11, 2010, at the POSGCD District Offices at 5:30 p.m.

**15. Adjourn Board Meeting**

President Nathan Ausley adjourned the meeting at 6:33 p.m.

**THE ABOVE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT HELD ON APRIL 13, 2010 WERE APPROVED AND ADOPTED BY THAT BOARD ON MAY 11, 2010**

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Nathan Ausley, President

**Attest:**

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Kerry Starnes, Secretary/Treasurer

Date \_\_\_\_\_

A meeting recording of this meeting is available on CD.