

POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT
Board of Directors Meeting with Public Hearings
Post Oak Savannah Ground Water District Offices
310 East Avenue C
Milano, Texas 76556
July 12, 2005 – 5:30 p.m.

MINUTES

Entity

Members Present

President /Nathan Ausley
 Secretary/Treasurer Jerry Starnes
 John Malazzo
 Jim Hodson
 Jay Tumlinson
 Robert Ware
 Carroll Glaser
 Andy Hovorak

POSGCD
 POSGCD
 POSGCD
 POSGCD
 POSGCD
 POSGCD
 POSGCD
 POSGCD

Gary Westbrook
 Elaine Gerren
 Barney Knight
 Larry French
 Steve Young

District Manager POSGCD
 District Administrative Assistant POSGCD
 Barney Knight & Associates – Legal Counsel
 URS – District Hydrologist
 URS – District Hydrologist

Members Absent

Jay Wilder
 Vice President/Dwayne Jekel

POSGCD
 POSGCD

Others Present

Jackie Scott
 Scott Carlson
 Bill Graham
 Ross Cummings
 Dick Burns
 Kodi E. Sawin
 Ridge Kaiser
 Arnold Proctor
 Eddie Zapata
 Mari & Duke Turner
 Ron Freeman
 Russell Johnson
 James Kowis
 Robert Smith
 Harry Vowell
 Grady Baskin, Jr.
 Grady Baskin, Sr.
 Roger Nevola
 John Houchins
 Robert Stem
 Rick Jamison
 Gene Savage
 Eldon Ball
 Crystal Gray

Brazos River Authority
 Metropolitan Water Co., L.P.
 Landowner
 Layne Water Development of Texas
 Alcoa
 Water Texas
 R.W. Harden
 Rockdale ISD
 City of Rockdale
 Land Owners
 Layne Water Development of Texas
 Bracewell & Giuliani
 Alcoa
 Landowner
 Landowner
 Self
 Self
 Alcoa
 Fisher McClain Interest
 Milam County Judge
 Self
 Self
 Self
 Freeman & Corbett, LLP

PUBLIC HEARING

1. Call to Order.

Board President Nathan Ausley called the Public Hearings to order at 5:35 p.m.

2. Public Comment

Public comment was heard from Roger Nevola of Alcoa, Eddie Zapata from The City of Rockdale, and Arnold Proctor from Rockdale ISD.

3. Public Hearing on the Drought Management Strategy Plan of the Post Oak Savannah Groundwater Conservation District. The Drought Management Strategy Plans to be considered are as follows: Management Objectives, Performance Standards, Drought Planning, Strategy Elements, Response Goals and Plan Revisions.

No comment was presented.

4. Public Hearing on Amendments to the Management Plan of the Post Oak Savannah Groundwater Conservation District. The entire Management Plan is to be considered.

Comment was presented by General Manager Gary Westbrook, for the District, and Barney Knight, Legal Counsel for the District.

5. Public Hearing on Amendments to the Rules of the Post Oak Savannah Groundwater Conservation District. The Rules to be considered include, but are not limited to as follows: Section 1- Definitions, Section 4- Spacing Requirements, Section 5- Production Limitations, Section 12- Well Locations, the possible addition of Section 16, and discussion of Rules to be considered for amendment at a subsequent meeting.

Comment was presented by Barney Knight, Legal Counsel for the District and Gray Westbrook, General Manager for the District.

6. Adjourn Public Hearing

Public Hearing adjourned at 5:42 p.m.

BOARD MEETING

1. Call to Order

Board President Nathan Ausley called the Board Meeting to order at 5:43 p.m.

2. Public Comment

No Public Comment was heard.

3. Approve Minutes of:

May 10, 2005 Board Meeting

May 24, 2005 Public Hearings and Rules Committee Meeting

May 31, 2005 Rules Committee Meeting

June 14, 2005 Public Hearings and Board Meeting

June 21, 2005 Rules Committee Meeting

A motion was made by Director Jim Hodson to approve the minutes for all above listed meetings. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.

Items 4 through 6 were opened simultaneously

4. Amendments to the Management Plan

General Manager Gary Westbrook presented changes to be considered. Comment was heard from Barney Knight, Legal Counsel for the District. A motion was made by Board President Nathan Ausley to accept the amendments to the management Plan as presented. The motion was 2nd by director Robert Ware. The motion carried 7 to 1 with Director Jim Hodson opposed.

5. Drought Management Strategy Plan. The Drought Management Strategy Plans to be considered are as follows: Management Objectives, Performance Standards, Drought Planning, Strategy Elements, Response Goals and Plan Revisions.

Comment was heard from General Manager, Gary Westbrook for the District. This item was tabled for further consideration.

6. Amendments to the Rules. The Rules to be considered include, but are not limited to as follows: Section 1- Definitions, Section 4- Spacing Requirements, Section 5- Production Limitations, Section 12- Well Locations, the possible addition of Section 16

Comment was heard from John Houchins representing, Fisher/McClain Interest, and comment was heard from Barney Knight, Legal Counsel for the District. A motion was made by Director Robert Ware to approve amendments to the District Rules. The motion was 2nd by Director Andy Hovorak. The motion carried unanimously.

7. Groundwater Well Monitoring Network

Comment was heard from Gary Westbrook, General Manager for the District. A motion was made by Secretary/Treasurer Kerry Starnes to approve the Well Monitoring Network with amendments to be made in the future at the discretion of the District General Manager and the District Hydrologist. The motion was 2nd by Director John Malazzo. The motion carried unanimously.

8. Historic Use Applications filed prior to, and posted by the District March 24, 2005

Motion was made by Director Jay Tumlinson to approve the Historical use permits posted on March 24, 2005. The motion was 2nd by Director Kerry Starnes. The motion carried unanimously.

Items 9 through 14 were opened simultaneously

9. Consider Amendment to Current Permit for Layne Water Development of Texas, Well designated PW-3 to move the location of the well and to produce an additional amount of groundwater from the well field consisting of PW-1, PW-2, PW-3, PW-4 and W-5, equal to 1,627,200 gallons per day or an additional 1,824 acre-feet per year to be transported out of the district.

Comment was heard from Ron Freeman of Layne Water Development of Texas, with request to table this item until the next scheduled meeting. A motion was made by Director Robert Ware to table this item. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

10. Consider Drilling and Operation Permit for Layne Water Development of Texas, L.L.C., well designated PW-6 to produce less than or equal to 4,033,440 gallons per day.

Comment was heard from Ron Freeman of Layne Water Development of Texas, with request to table this item until the next scheduled meeting. A motion was made by Director Robert Ware to table this item. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

11. Consider Drilling and Operation Permit for Layne Water Development of Texas, L.L.C., well designated PW-7 to produce less than or equal to 3,996,000 gallons per day.

Comment was heard from Ron Freeman of Layne Water Development of Texas, with request to table this item until the next scheduled meeting. A motion was made by Director Robert Ware to table this item. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

12. Consider Drilling and Operation Permit for Layne Water Development of Texas, L.L.C., well designated PW-8 to produce less than or equal to 4,180,320 gallons per day.

Comment was heard from Ron Freeman of Layne Water Development of Texas, with request to table this item until the next scheduled meeting. A motion was made by Director Robert Ware to table this item. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

13. Consider amendment to current permit that PW-1, PW-2, PW-3, PW-4, PW-5, PW-6, PW-7 and PW-8 be aggregated into a total pumpage amount to produce less than or equal to 30,993 acre-feet per year from all of such wells.

Comment was heard from Ron Freeman of Layne Water Development of Texas, with request to table this item until the next scheduled meeting. A motion was made by Director Robert Ware to table this item. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

14. Consider amendment to Existing Transport Permit for Layne Water Development of Texas, L.L. C. to its existing Transport Permit for the transport of an additional amount of less than or equal to 15,505 acre feet per year resulting in a total transport amount of 30,993 acre-feet per year from wells PW-1, PW-2, PW-3, PW-4, PW-5, PW-6, PW-7 and PW-8 and to add Bastrop County as an additional place of use, and to seek to authorize that all 30,993 acre-feet of water per year be allowed to be transported to one or more of Travis, Hays, Williamson Caldwell and Bastrop Counties for Municipal Water Use.

Comment was heard from Ron Freeman of Layne Water Development of Texas, with request to table this item until the next scheduled meeting. A motion was made by Director Robert Ware to table this item. The motion was 2nd by Director Jay Tumlinson. The motion carried unanimously.

15. Receive report from District investment Officer

General Manager, Gary Westbrook presented letters from Dwayne Jekel, Investment Officer for the District, and J. Dohnalik, Vice President of Citizens National Bank. Mr. Jekel advised the Board that the District assets are secure and the board discussed protection provided by the FDIC and also added protection provided by Citizen's

Nation Bank, the financial institution for the District.

16. Receive report from District Manager on recent District activities and take appropriate actions.

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

No Permit Applications requiring hearings have been filed.

B. Emergency Permits Granted, well recordings, & new well applications

There was (0) Emergency Permit granted, (11) new well applications, (8) new well applications completed, and (69) exempt well registrations submitted.

C. Recent and future District presentations and activities

1. New District Toll Free Phone Number 800/231-8196

2. Consider Letter from URS concerning Groundwater Recharge projects in the District

A motion was made by Director Kerry Starnes to accept the letter from URS concerning Groundwater Recharge projects in the District. The motion was 2nd by Director John Malazzo. The motion carried unanimously.

17. Bills received and current financial status

A motion was made by Director Jim Hodson to pay all bills. The motion was 2nd by Director Robert Ware. The motion carried unanimously.

18. Dates, locations, and times of future meetings

The next scheduled Board Meeting and Hearing will be August 9, 2005 at the District office in Milano, Texas at 5:30 p.m.

19. Adjourn

The meeting adjourned 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 JULY 12, 2005 WERE APPROVED AND ADOPTED BY THAT BOARD ON AUGUST 9TH, 2005.

Nathan Ausley, President

Attest:

Kerry Starnes, Secretary/Treasurer _____ Date _____

A meeting recording of this meeting is available on CD.