

**COASTAL BEND GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING**

AGENDA PREPARED AND POSTED: November 14, 2017
DATE OF MEETING: November 08, 2017
TIME OF MEETING: 8:00 A.M.

PLACE WHERE MEETING WAS HELD: Coastal Bend GCD, 109 E. Milam,
WHARTON, TEXAS 77488.

I. In Attendance:

Ronald Gertson – President CBGCD; L.G. Raun – Vice-President; Edmund Weinheimer – Secretary CBGCD; Daniel Berglund – Director CBGCD; Aland Wittig – Director CBGCD ; Neil Hudgins – Manager CBGCD; Jaime Bosch – Office Manager CBGCD; Greg Ellis.

II. Call to Order:

The meeting was called to order at 8:06 A.M. by President Gertson.

III. Public Comments:

None

IV. Approval of Minutes:

Director Berglund made a motion to accept the meeting, budget hearing, and tax rate hearing minutes for September 26, 2017 as presented. Vice-President Raun seconded. All voted for; motion carried.

V. Manager's Report:

Financial Report – Mr. Hudgins reported a checking account balance of \$206,273.29; a money market balance of \$384,069.03; and CD balance of \$506,797.07. A budget vs. actual and the balance sheet for October was also presented. After discussion and review, Secretary Weinheimer made a motion to approve the financials as presented. Director Berglund seconded. All voted for; motion carried.

Well Monitoring Update – Mr. Hudgins presented the board with the monitor well levels as of November 01, 2017. Report shows an average recovery of 4 feet from the previous month of October. The critical depletion study area monitor wells shows a 4 feet recovery from the previous month of October. Staff will work to identifying index well locations of possible replacement wells.

Upcoming Meetings – Region K

VI. Discussion to Approve Permit Applications: After discussion and review of the permit applications, Director Berglund made a motion to approve the permit application as presented for Allgayers Big Red LLC OP-17103101. Secretary Weinheimer seconded. All voted for; motion carried. After additional discussion and review, Director Berglund made a motion that Mr. Hudgins can approve the permit application for Halyard Energy Wharton, LLC OP-17103102 after Halyard Energy Wharton, LLC shows proof of ownership of proposed well location. Director Wittig seconded. All voted for; motion carried.

VII. Review Requests For Meter Requirement Exemptions: Mr. Hudgins presented the board with the requests for meter exemption from Allgayers Big Red LLC OP-17103101 and David M. Mobley OP-08082702. After review and discussion, Director Berglund made a motion to approve the request for Allgayers Big Red LLC and to take no action for David M. Mobley. Vice-President Raun seconded. All voted for; motion carried.

- VIII. **Discuss Possible Rule Amendments Regarding Information Requested on CBGCD Forms:** The Chairman opened the public hearing on the proposed rules. Mr. Ellis presented the Board with the current draft proposed rule change, see attached. There were no public comments. Following a discussion, Secretary Weinheimer moved to approve the rule amendments as proposed. Director Berglund seconded. All voted for; motion carried.
- IX. **Review 2017 CBGCD Water Use Report Forms:** Staff presented the board with the updated form for review, additions and corrections. Staff will make changes and mail out the forms.
- X. **Discussion of Dividing an Aggregate Permit:** No action
Vice-President Raun Left the meeting
- XI. **Litigation Update a) City of Conroe, et al v. Lone Star Groundwater Conservation District, et al (District Court) b) Fazzino v Brazos Valley Groundwater Conservation District (District Court):** Greg Ellis updated the board on the current status of the cases.
- XII. **Legislative Update:** Greg Ellis updated the board on the current legislative meetings and groundwater issues.
- XIII. **Possible Future Agenda Items:** None.
- XIV. **Public Comments/Announcements:** None.
- XV. **Set Next Meeting Date and Agenda:** Director Berglund made a motion that the next CBGCD board meeting be set for Tuesday, January 09, 2018 at 8:00 am. Secretary Weinheimer Seconded. All voted for; motion carried.
- XVI. **Adjournment:** Meeting adjourned at 10:20 a.m.

201710 CBGCD Rule Amendments

1) Rule 3.10 is amended to read as follows:

§3.10 PREPARATION OF AN APPLICATION

- (a) **Form of Application.** Application for a well registration, permit, permit amendment, or permit renewal shall be made on forms provided by the District. Applications ~~shall~~ **must** be in writing and sworn to.
- (b) **Proper Registrant, Applicant, or Declarant.** The application must be submitted and signed by the well owner or well operator, or an authorized agent of the well owner or well operator. The agent may be required to provide the District with a notarized authorization from the landowner.
- (c) **Completeness of an Application.** An application shall be considered administratively complete if it includes all information required to be included in the application; is properly completed and signed; is accompanied by payment of all applicable fees, including any penalties or past due fees; and includes any maps, documents, or supplementary information **the applicant wants the Board to consider.** ~~requested by the Board or staff.~~ A determination of administrative completeness will be made by the General Manager.
- (d) **Action on Incomplete Applications.** The District will not take action on an application that is not administratively complete or has not proceeded in a manner consistent with District Rules. An application may be rejected as not administratively complete if the District finds that substantive information required by the application or District **Rules** ~~staff~~ is missing, false, or incorrect. Applicants submitting incomplete applications will be notified by the District in writing.

2) Rule 3.11 is amended to read as follows:

§3.11 REQUIREMENTS FOR APPLICATIONS

- (a) A separate application is required for each well.
- (b) **Content Requirements.** An application must contain the following information in sufficient detail to be acceptable to the District:
 - (1) **Minimum Requirements.** ~~All applications shall include~~ **all of the following unless waived by the General Manager:**
 - (A) the name, mailing address, and phone number of the applicant and the owner of the property on which the well is or will be located;
 - (B) if the applicant is other than the owner of the property or authorized agent for the owner of the property, documentation establishing the applicable authority to construct and operate a well for the proposed use;

- (C) a detailed statement of the nature and purpose of the various proposed uses and the amount of groundwater proposed to be used for each purpose, including the anticipated pumpage volumes for each year of the permit term, the number of cultivated acres being irrigated and estimated crop type, if applicable, and any alternative water sources being used by the applicant;
 - (D) the location of the well and the estimated maximum instantaneous rate at which water will be withdrawn from the well; and for a proposed aggregate system, a description of the system and the estimated annual pumpage for the system;
 - (E) the proposed location(s) of use of the water from the well;
 - (F) information related to the proposed casing size and pump capacity well, including:
 - i. total depth of the well;
 - ii. casing size, outside casing diameter, inside casing diameter, proposed screening intervals;
 - iii. type and capacity of the pump;
 - iv. depth to pump setting;
 - v. inside diameter of the pump (discharge);
 - vi. pump (or bowl) diameter; and
 - vii. pump horsepower;
 - (G) evidence that the water withdrawn under the permit will be put to a beneficial, non-wasteful use at all times and that the applicant will comply with all District Rules, orders, and permit provisions;
 - (H) a water well closure plan or a declaration that the applicant will comply with well plugging and capping guidelines set forth in these Rules and will report well closures to the District;
 - (I) water conservation plan, if the applicant is required by law to have a water conservation plan;
 - (J) a drought contingency plan, if the applicant is required by law to have a drought contingency plan; and
 - (K) any other information the applicant wants the Board to consider or believes is deemed necessary for the evaluation of the application by the ~~General Manager of the~~ Board.
- (2) **Additional Requirements.** An administratively complete application for an export permit must ~~shall~~ include the following additional information:
- (A) the location of the proposed receiving area for the water to be transferred and the availability of water in the District and in the proposed receiving area during the period for which the water supply is requested;
 - (B) a detailed statement of the nature and purpose of the various proposed uses in the proposed receiving area and the amount of groundwater to be used for each purpose;

- (C) information describing the projected effect of the proposed exportation of water on aquifer conditions, depletion, subsidence, and existing permit holders or other groundwater users within the District;
 - (D) evidence that the project is included in the current approved regional water plan or State Water Plan; and
 - (E) a technical description of the facilities to be used for transportation of the groundwater and a time schedule for construction thereof.
- (c) **Hydrogeological Assessment and Aquifer Test Report.** An administratively complete application must ~~The following permit applications shall be accompanied by a current~~ hydrogeological assessment of the projected effects of the requested groundwater use and an aquifer test report under the following conditions:
- (1) An application for a new well that involves the production of more than 1800 acre-feet of groundwater annually;
 - (2) An application for a new well that will be aggregated by the District with other new or existing wells that involves the aggregate production of more than 1800 acre-feet of groundwater annually;
 - (3) An application for an amendment to an existing permit that would:
 - (A) ~~increase~~ increase the total authorized withdrawals to an amount greater than has been authorized by any previous permit issued for production from that well or well system; and
 - (B) ~~Increase~~ increase the total or aggregate production to more than 1800 acre-feet of groundwater annually.

The requirements of this subsection do not apply to a permit application for a replacement well.

— (14) The hydrogeological assessment must address the area of influence, drawdown, and other pertinent information required by the District. The assessment must address the ultimate planned use of the well and the impacts of that use. The assessment shall be prepared by a Professional Geoscientist. The assessment shall include hydrogeologic information addressing and specifically related to the proposed water pumpage levels at the proposed pumpage site. Applicants may not rely solely on assessments or reports previously filed with or prepared by the District. The Board shall make the final determination of whether a hydrogeological assessment meets the requirements of this subsection. An application will not be considered administratively complete unless the assessment is approved by the Board.

— (25) An aquifer test report must be submitted within 60 days of the date the well construction is completed. The well must be equipped for the test to produce water at a rate similar to its ultimate planned use, and the report must address the impacts of that use including the area of influence, drawdown, recovery time, and other pertinent information required by the District. The report must address the ultimate planned use of the well and the impacts of that use. The report shall be prepared by a Professional

Geoscientist. Applications may not rely solely on studies or reports previously filed with or prepared by the District. The Board shall make the final determination of whether an aquifer test report meets the requirements of the subsection. Failure to submit an aquifer test report is a violation of these Rules and shall be grounds for cancellation of the permit.

- (d) **Fees Included with Application.** The application must be accompanied by the application processing fee, inspection fee, or other fees as appropriate. Such fees must be paid before an application may be declared administratively complete. Application processing fees are non-refundable.
- (e) **Activities Not Considered Export.** For purposes of this section, the following activities are not considered to be an export of groundwater:
 - (1) the export of groundwater from the District for incidental use as defined in Chapter 2 of these Rules;
 - (2) the export of groundwater for an agricultural operation that overlaps or is adjacent to the District boundary; or
 - (3) the export of groundwater that occurs as a result of the distribution of water within a single, aggregate system of a retail public utility that overlaps the District boundary.

3) Rule 3.14(b) is amended to read as follows:

- (b) An application shall be considered administratively complete if it includes all required information; is signed; is accompanied by payment of all applicable fees, including any penalties or past due fees; and includes any maps, documents, or supplementary information **the applicant wants the Board to consider.** ~~requested by the Rules, Board or staff.~~ A determination of administrative completeness will be made by the General Manager.

4) Rule 3.18(a) is amended to read as follows:

- (a) Well owners or well operators shall make application to renew permits required under these Rules prior to the expiration of the current permit term. A permit expires on the date the permit term ends unless the permit is renewed prior to that date. The Board may continue a permit while considering an application to renew that permit, and an Operating Permit subject to automatic renewal under subsection (b) ~~(c)~~ remains in effect until the final settlement or adjudication on the matter of the substantive violation. An application to renew a permit must be filed on a form provided by the District. The well owner or well operator shall indicate on the renewal application form whether any changes to the well, well operations, purpose of use, or special conditions are requested.