

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

November 16, 2020

MINUTES OF PUBLIC HEARING TO ADOPT AMENDMENTS TO THE DISTRICT RULES

The Board of Directors of the Prairielands Groundwater Conservation District (“District”) met in special session, open to the public, at 208 Kimberly Dr, Cleburne, TX, within the boundaries of the District on November 16, 2020.

President Charles Beseda presided and called to order the Public Hearing on Amendments to the District Rules at 9:17 a.m.

The roll was called of the members of the Board of Directors, to wit:

Charles Beseda
John Curtis
Randy Kirk
Paul Tischler

Maurice Osborn
Kent Smith
Marty McPherson

All members of the Board were present. Also, in attendance at said meeting were Kathy Turner Jones, General Manager; Brian Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets and video conference attendee list are attached hereto as Exhibit “A” to the November 16, 2020 Regular Board Meeting minutes.*

PRESENTATION BY DISTRICT’ LEGAL COUNSEL, SLEDGELAW GROUP, PLLC ON PROPOSED AMENDMENTS TO THE DISTRICT’S RULES

Mr. Brian Sledge discussed how the rules are intended to be changed and updated as needed. He explained how from an administrative standpoint, as the District staff have worked on processing Historic Use Permit applications, they have identified areas in the District Rules which needed updating. There were also several typographical and non-substantive conforming changes needed as well.

The first amendment discussed by Mr. Sledge pertained to clarifying under Rule 3.10 and 5.11 that well owners under a Historic Use Permit will no longer be regulated by individual wells but as a system as a whole. He explained this amendment will allow for more regulatory flexibility for well system owners, and from an administrative standpoint, it will help District staff with implementation of the permits. The District will still be able to manage the aquifers and know where water is being used and from which wells, since the system owners will still be

required to submit production reports. However, this approach will allow the system owners to shift production among wells in a system.

Another amendment Mr. Sledge discussed was to clarify Rule 4.3 in terms of well spacing rules and how applicants for a new well that must abide by spacing regulations can utilize the values of the hydrogeologic properties of the aquifer either from the Northern Trinity Woodbine Groundwater Availability Model or from real-world test data from another well within a mile of the system. There will also be a requirement for the General Manager to develop a guidance document on how to make the well spacing calculations under the Cooper-Jacob formula in a way that is acceptable for the District yet understandable for applicants and their consultants or representatives.

Mr. Sledge added that language would be clarified in Rule 3.8 defining the definition of Maximum Historic Use relating to wells that fell within the transition period from no permit to requirement of a permit and may not have reached their full production potential by the time they were required to obtain a permit. The proposed revision to this rule would allow these permittees to extrapolate out the full amount they would have produced.

He explained another proposed amendment to District Rule 4.7 and 10.6 to clarify the contested case hearing procedures listed under District Rule 10 to apply to a situation where neighboring landowners could contest the spacing exception application for an exempt well that does not require a permit or a permit hearing.

Another amendment Mr. Sledge discussed related to change of ownership provisions, and situations where a neighboring supply system could utilize a Historic Use Permit or transfer a permit if the system needed to step in to assist in providing water on a temporary or permanent basis. He explained a provision was added to specifically allow this instance to happen as long as the permitted use would remain the same.

Mr. Sledge also noted the proposed changes to discounts through eliminating the early payment incentive and the up to three-percent discount for flushing water lines required of public water system by the Texas Commission on Environmental Quality. Mr. Sledge explained as the District moves into the new calendar year where permittees will now pay based on the permitted amount rather than actual production, there will be a new provision allowing for refund of up to twenty percent of the permitted amount if a permittee conserves that water. He stated the proposed rule amendments would eliminate the early payment incentive and TCEQ flushing for emergency services discount in favor of the refund for up to twenty percent of the permitted water amount that is not used.

He also explained how the District Rules currently list each application fee, exception fee or administrative fee throughout Section 7, and after visiting with the General Manager and the Rules and Bylaws Committee, the proposed amendments would remove the specific fee amounts from the rules and instead have the amounts determined by resolution adopted by the Board once a year. He stated this approach will help save public funds by eliminating the cost of having to hold a public hearing on adopting rule amendments any time a fee needs to be revised.

Lastly, Mr. Sledge discussed meter accuracy under Section 8 of the District Rules and moving it to coincide with permit terms so every five years, which is the standard permit term for Historic Use and Operating Permits, permittees will need to obtain a certificate verifying the accuracy of their meters. He added a reminder that there is a provision in the rules allowing the District's General Manager to request this verification at any time, but the proposed amendments do update the meter accuracy standards to the industry standard of an accuracy measurement of plus or minus one and a half percent, or a range of 98.5 to 101.5, for meter accuracy to determine if a meter is accurately reporting groundwater production.

PUBLIC COMMENT ON PROPOSED AMENDMENTS TO DISTRICT RULES

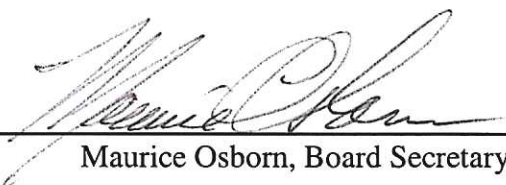
None.

DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION ADOPTING RESOLUTUON #20-008 APPROVING AMENDMENTS TO THE DISTRICT'S RULES FOR GROUNDWATER WELLS IN ELLIS, HILL, JOHNSON, AND SOMERVELL COUNTIES, TEXAS, IN THE FORM ORIGINALLY PUBLISHED OR WITH CHANGES BASED UPON COMMENTS RECEIVED. *Copy of Resolution #20-008 attached hereto as Exhibit "B"*

Director Tischler made a motion to approve Resolution #20-008 approving amendments to the District's rules. Director Smith seconded the motion. The motion passed unanimously.

There being no further discussion, Director McPherson made a motion to adjourn the public hearing. Director Smith seconded the motion. The motion passed unanimously, and the public hearing to adopt amendments to the District Rules was adjourned at 9:37 a.m.

PASSED, APPROVED, AND ADOPTED THIS 21st DAY OF DECEMBER 2020.


Maurice Osborn, Board Secretary