

MINUTES

for the
2:00 PM Tuesday, May 24, 2022

Permit Hearing on Operating Permits, Proposed Amendments to District Rules, and Regular Board Meeting

of the

Board of Directors

for

Northern Trinity Groundwater Conservation District

IN-PERSON MEETING LOCATION:

Board Room located at 1100 Circle Drive, Fort Worth, TX 76119

Permit Hearing on Operating Permits

Notice is hereby given that the Board of Directors of the Northern Trinity Groundwater Conservation District (District) will hold a Permit Hearing and may discuss, consider, and take all necessary action regarding the subject matters of the hearing, including but not limited to approving the application(s) listed below.

Agenda:

1. Call to order; establish a quorum; declare the meeting open to the public; introduction of Board.

President Laughlin called the meeting to order at 2:03 P.M. A quorum was established, and the meeting was opened to the public.

Board Members present: President Laughlin
Vice President Cozart
Secretary Merritt
Director Gladbach

Board Member absent: Director Haster

Staff Present: Corey Jones
Hi Newby
Laura Schumacher

Ty Embrey, Attorney for the District with Lloyd Gosselink

Wade Oliver, Hydrologist for Intera, Inc.

Members of the Public Present: Kimberly Knox, Auditor for Boucher, Morgan & Young
Craig Schkade, a representative for Independence Water
Chris Hamilton, a representative for Independence Water
Dale Chepulis, a representative for Double D Drilling
John Delin, a representative for Integrity Group, LLC

Lauren Swientek, hydrogeologist Collier Consulting
Peter Schulmeyer, hydrogeologist for Collier Consulting, Inc.
Representing Independence Water, L.P.
Patricia Shell, member of the public

President Laughlin is an officer for Independence Water, L. P. therefore, he recused himself from acting on the Independence Water Operating Permits. Additionally, a Conflict of Interest Disclosure Affidavit was filed with the Board of Directors.

Vice President Cozart resumed the meeting. He requested General Manager Corey Jones to review the permits.

2. Review the Operating Permit Application(s) of:

Applicant: Independence Water, L.P.

Location of Well: 2451 Westlake Parkway Westlake, TX 76262- Well IWCT # 1P

Latitude: 32°59' 9.90" N Longitude: -97°11' 49.73" W

District Registration Number: N-2022-0098

Purpose of Use: Golf Course Irrigation from pond

Requested Amount of Use Annually: 9,700,000 gallons

Production Capacity of Well: 75 gallons per minute

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Applicant: Independence Water, L.P.

Location of Well: 2451 Westlake Parkway Westlake, TX 76262- Well IWCT # 1T

Latitude: 32°59' 19.11" N Longitude: -97°12' 11.68" W

District Registration Number: N-2022-0099

Purpose of Use: Lake Make-up Water

Requested Amount of Use Annually: 61,000,000 gallons

Production Capacity of Well: 400 gallons per minute

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Applicant: Independence Water, L.P.

Location of Well: 2451 Westlake Parkway Westlake, TX 76262- Well IWCT # 2P

Latitude: 32°59' 18.93" N Longitude: -97°12' 11.69" W

District Registration Number: N-2022-0097

Purpose of Use: Golf Course Irrigation from pond

Requested Amount of Use Annually: 9,700,000 gallons

Production Capacity of Well: 75 gallons per minute

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GM Jones presented the Independence Water L.P. Permits in a group. The Permits were previously approved and expired before drilling was started. New applications were submitted, and the permits are being presented to the Board for a second time for review.

The GM reviewed the three permits for Independence Water Circle T for the Board to review and comment.

VP Cozart made the motion to approve the group of three (3) permit applications for Independence Water as presented. He called for a second.

Secretary Merritt seconded the motion.

VP Cozart called for a board vote. Vote was unanimous to approve the three (3) Independence Water, LP operating permits.

President Laughlin resumed chairing the meeting.

President Laughlin called for GM Jones to present the MR Ladera, LLC-Integrity Groups permit.

Applicant: MR Ladera, LLC- Integrity Groups- Ladera Reserve Mansfield

Location of Well: 2498 River Birch Dr, Mansfield, TX 76063

Latitude: 32° 32' 58.2" N Longitude: -97° 05' 55.6" W

District Registration Number: N-2022-0113

Purpose of Use: Irrigation and Pond

Requested Amount of Use Annually: 6,500,000 gallons

Production Capacity of Well: 59 gallons per minute

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GM Jones recapped the location, usage and well information for the requested permit.

Board discussed future well usage and the possibility of amending the gallons per minute in the future.

Board President called for a motion.

VP Cozart made the motion to accept the Permit as presented.

Secretary Merritt seconded the motion.

President Laughlin called for a Board vote. Board vote was unanimous to approve the MR Ladera, LLC-Integrity Groups permit.

3. Public Comment on the Operating Permit Application(s).

Public comment was taken during the presentation of each permit.

4. Consider and act upon the Operating Permit Applications, including the designation of parties and/or granting or denying the Operating Permit Application in whole or in part, as applicable.

Each permit was considered and acted upon during each Operating Permit Application Hearing.

5. Adjourn or continue Operating Permit Application(s) hearing.

President Laughlin adjourned the Operating Permit Hearing at 2:13 P.M.

NOTICE OF PUBLIC HEARING ON PROPOSED AMENDMENTS TO DISTRICT RULES

The Northern Trinity Groundwater Conservation District, Board of Directors will hold a Public Hearing on Proposed Amendments To District Rules on Tuesday, May 24, 2022 at 2:00 p.m. at 1100 Circle Drive, Suite 300, Fort Worth, Texas 76119. All interested parties are invited to attend.

AGENDA

The following items of business will be discussed, considered, and potentially acted upon by the Board of Directors of the Northern Trinity Groundwater Conservation District (NTGCD):

1. Call hearing to order and establish a quorum.

President Laughlin called the Public Hearing on Proposed Amendments to the District Rules to order and established a quorum at 2:13 P.M. He opened the District Rules Hearing to the public.

President Laughlin called for GM Jones and Attorney Embry to summarize the updates and proposed amendments to the District Rules.

2. Public hearing on Proposed Amendments to District Rules. The proposed amendments to the District Rules would amend the District Rules relating to several definitions, including the terms “existing well,” “new well,” “variable frequency drive,” and “well system;” well spacing requirements for closed loop geothermal wells; well report filing and well completion requirements; expiration of well permit applications; well registration requirements for aggregated wells; vertical well spacing requirements; exceptions to well spacing requirements; extent of the Grandfathered Use Verification Period; pre-application meeting requirements; hydrogeologic report requirements; water use fee payment requirements; excess groundwater production penalties; rules enforcement process; and the District Civil Penalty Schedule.

GM Jones presented a summary of the proposed rule amendments to the Board and those in attendance.

President Laughlin requested Wade Oliver to summarize his Memo addressing the increased pumping rate amendment that proposed a revised requirement for a Hydrogeological Report in the District rules.

President Laughlin requested Mr. Oliver to address the time required to re-evaluate the GPM rule threshold. Mr. Oliver stated that a 2-year period should yield the monitoring data to review the hydrogeologic question.

GM Jones presented the updated permits, permit amendments, revised hydrogeologic report guidelines, and revised District Fee Schedule.

President Laughlin asked the Board if they had questions. No questions at this time.

President Laughlin reviewed the amendments and asked about completion data for wells. GM Jones said some older wells do not have completion data available. President Laughlin asked about the method for meeting with the landowner. GM responded that meetings will be in person or by zoom if needed.

3. Receive public comments on Proposed Amendments to District Rules. Any person who desires to appear at the hearing and present comment or other information on the proposed Amendments to District Rules may do so in person, by counsel, or both. Comments may be presented verbally or in written form. Limits may be placed on the amount of time that each person is allowed to present verbal comments. The hearing posted in this notice may be recessed from day to day or continued where appropriate.

President Laughlin asked GM Jones to address the public comments from Collier Consulting. All comments were presented and discussed by the Board. Board addressed each comment in relation to the proposed amendments to the rules.

Wade Oliver addressed the Hydrogeological Report Guideline comments from Collier Consulting. President conferred with Peter Schulmeyer, representing Collier Consulting, that the comments were addressed.

GM Jones addressed the public comment relating to Grandfathered Use Permits and requiring hydrogeologic reports. Ty Embrey, attorney, recommended to the Board to retain the requirement for the Hydrogeologic Report for qualifying Grandfathered Use Permits as stated in the current rules. Board consensus is to leave the existing rule in place.

President Laughlin called an Executive Session for consultation concerning attorney-client matters (§551.071).

No action taken during Executive Session.

Discuss, consider, and/or act on Proposed Amendments to District Rules. Changes may be made to the proposed District Rules based upon comments received or made at the hearing, and the rules may be adopted with or without such changes without further notice or hearing.

President Laughlin called for additional comments from the Board. There were none.

President Laughlin called for a Board motion.

VP Cozart made the motion to accept the proposed redline amendments in addition to the following amendments to reflect the changes discussed and agreed to during the open session to the District Rules as documented.

- Proposed Amendment Rule 4.2a.2 – Spacing: add horizontal spacing and (ft.) for clarification to the rule; and add language for wells without completion data that allows applicants to demonstrate an existing wells completion using methods including but not limited to well logs and video surveillance.

- Proposed Amendment 4.3e-VFD Pump: add reference that VFD pumps must be installed per manufacturer specifications
- Proposed Amendment 4.3f (1) Exception to Spacing Requirements: amend proposed language to reference District spacing requirements in 4.2(a)(2) in 4.3 (f)(1)
- Proposed Amendment Sect. 1, Rule 1.1(qq): add reference to Ch.36 of the Texas Water Code
- Proposed Amendment Sect. 1, Rule 1.1 (rr) 1, 3, & 4:: add reference to Ch.36 of the Texas Water Code
- Proposed Amendment Sect. 1, Rule 1.1 (rr) 9: add reference to Texas Administrative Code 76.10

Director Gladbach seconded the motion.

President Laughlin called for a vote. Vote was unanimous to accept the proposed amendments discussed and agreed to during the open session to the District Rules as documented.

4. Adjourn, recess, or continue rulemaking public hearing; written record may be left open for a limited time.

Public Hearing was adjourned at 4:02 P.M.

Regular Board Meeting

The Regular Board Meeting will begin upon adjournment of the previously noticed Hearing on Proposed Amendments to District Rules which will begin immediately upon adjournment of Permit Hearing noticed above.

All interested parties are invited to attend.

The Board may consider, discuss, and take action, including expending funds, on any of the following agenda items:

AGENDA:

1. Call to order; establish a quorum; and declare meeting open to the public.

Northern Trinity GCD Regular Board Meeting was called to order, a quorum was established, and the meeting was open to the Public at 4:02 P.M.

2. Public Comment.

No public comment.

3. **Consent Agenda:** Each of these items is recommended by the Staff, and approval thereof will be strictly on the basis of the Staff's recommendations. Approval for the Consent Agenda authorizes the General Manager or his designee to implement each item in accordance with the Staff recommendations. The Consent Agenda will be approved as a block. Any Board member that has questions regarding any item on the Consent Agenda may have the item pulled and considered as a regular item on the

agenda. Any items so pulled for separate discussion will be considered as the first items following approval of the Consent Agenda.

- A. Approval of minutes from Board meeting on March 22, 2022.
- B. Approval of Current Budget Performance - Operating and Investment account statements.
- C. Payment of bills/invoices received.
- D. Reimburse General Manager, Field Tech, and/or Office Manager for invoices/bills paid on behalf of the District.

President Laughlin asked GM Jones to review the Profit and Loss statement:

- Brief update on the status of the new vehicle-no updates from dealership
- Advertising and Public Relations-contact has been made with a person that will be updating website, addressing public relations and public education.
- Salaries- the budget was approved with different staffing.
- Database –the majority of updates were funded in 2021.

Board President requested staff to add explanatory notes to the budget presentation.

President Laughlin called for a motion to approve the consent agenda.

VP Cozart made the motion to approve the consent agenda as presented.

Secretary Merritt seconded the motion to approve as presented.

President Laughlin called for a vote. Vote was unanimous to approve the consent agenda as presented.

4. Any items from Consent Agenda that were pulled for further discussion.

No items were pulled for further discussion.

5. Presentation of the 2021 Draft Audit for Board approval.

Ms. Kim Knox with Boucher, Morgan, and Young presented 2021.Draft Audit.

President Laughlin called for a motion to approve 2021.Draft Audit as presented.

VP Cozart made the motion to approve 2021.Draft Audit. Director Gladbach seconded the motion.

President Laughlin called for a vote. Vote was unanimous to approve 2021.Draft Audit as presented.

The Board instructed Ms. Knox to finalize the 2021.Audit.

6. Board will consider and possibly approve the District's 2021 Annual Report.

GM Jones presented highlights of 2021. Annual Report.

President Laughlin called for a motion to approve.

VP Cozart made the motion to approve 2021. Annual Report. Director Gladbach seconded the motion.

President Laughlin called for a vote. Vote was unanimous to approve 2021. Annual Report.

President Laughlin requested staff to provide the Tarrant County Commissioners and County Judge a copy of the Board approved 2021. Annual Report.

7. Consider and possibly act on Samantha Springs, LP/ Joe McCombs

President Laughlin introduced Agenda Item 7 and called for an Executive Session under consultation concerning attorney-client matters (§551.071).

No action was taken during Executive Session.

President Laughlin called for a motion from the Board which would include a follow-up letter from the attorney delivered to Samantha Springs requesting compliance with District Rules.

Secretary Merritt made the motion to provide communication to Samantha Springs, LP/ Joe McCombs requesting compliance with District Authority and Rules.

Director Gladbach seconded the motion.

President Laughlin called for a vote. Vote was unanimous to provide communication to Samantha Springs, LP/ Joe McCombs requesting compliance with District Authority and Rules.

8. G M Report

GM Jones gave his report to the Board.

9. Board Reports

No action taken.

10. Other Business / Setting of next meeting


Next Board meeting was scheduled for June 30, 2022 at 2:00 P.M. in the Board Room at 1100 Circle Drive Fort Worth, Texas.

11. Adjourn.

President Laughlin adjourned the meeting at 5:07 P.M.

PASSED, APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS this

30th day of June 2022.

Attest: , Secretary of NTGCD Board