

**MINUTES
EVERGREEN UNDERGROUND WATER CONSERVATION DISTRICT
FEBRUARY 24, 2017 – REGULARLY SCHEDULED BOARD
MEETING**

The Meeting of the Board of Directors of the Evergreen Underground Water Conservation District, pursuant to notice, at the District Office, 110 Wyoming Blvd., Pleasanton, Atascosa County, Texas.

Directors Present: Steve Snider, President
Clifton L. Stacy, Vice-President
Blaine Schorp, Secretary/ Treasurer
Jason Peeler
Jay Troell
Frank Kruciak
Larry Fox

Directors Absent: Craig Nieschwietz
Diane Savage

Employees Present: Russell Labus, General Manager
Melissa Gonzalez, District Secretary/Bookkeeper
Christopher McFarlane, Assistant Manager
Matthew Pope, Field Technician

Guests Present: Attached
Agenda: Attached.

Declaration of Quorum and Call to Order:

President Snider declared a quorum present and called the meeting to order at 09:04 a.m. The meeting was posted and filed as required by law.

Pledge of Allegiance.

Public Comments, Requests or Discussion by the Public, Limited to 5 Minutes Concerning Agenda Items or Other District Business:

None.

Minutes of the January 27, 2017 Board of Directors' Meeting:

The minutes of the January 27th meeting were presented to the Board. Director Stacy moved to approve the minutes as presented. Director Schorp seconded the motion, and there being no further discussion the motion carried unanimously.

Approval of Report of Bills Paid, Deposits, and Financial Statements for January 2017:

The report of bills paid, deposits, and financial statements for January 2017 were presented to the Board. Director Schorp moved to receive and file the report. Director Fox seconded the motion, and there being no further discussion the motion carried unanimously.

Discussion with Evergreen Attorney on Procedure for Permit Approval and Public Hearing:

General Manager, Russell Labus stated that he wanted our attorney, Monique Norman to clarify our standard procedure for permit approvals. Monique Norman said that as long as the notice is posted correctly that it is up to the board as to when they want to approve the permits, during the public hearing or during the regular meeting. The consensus of the board is to vote on permits during the public hearing.

Approval of Permit Renewals:

The Board was presented with nine production permit renewals for nine existing wells. (See attached permit report). Director Schorp moved to approve nine production permit renewals. Director Troell seconded the motion, and there being no further discussion the motion carried unanimously.

Discussion and Possible Action on Developing Board Positions on Legislation Filed During the 85th Legislative Session with Potential Impact on the District:

Attorney, Monique Norman highlighted several bills that affect groundwater districts and gave her opinion on which bills she feels Evergreen should support. Director Kruciak made the motion to give General Manager, Russell Labus and Attorney, Monique Norman directive to monitor bills filed during the legislative session that will affect groundwater districts and to take any action necessary whether, for or against, and report to the board at the board meetings. Director Troell seconded the motion, and there being no further discussion the motion carried unanimously.

Approval of Evergreen UWCD Royalty Division Orders for Designation of Units Under Oil and Gas Lease for the Transition from Talisman Energy USA. To Repsol Oil and Gas USA, LLC:

Director Troell moved to approve and sign the Division Orders. Director Schorp seconded the motion, and there being no further discussion the motion carried unanimously.

Discussion on the Proposed Frac Sand Processing Plant in Northern Atascosa County:

Director Fox voiced his concerns about potential future contamination of the groundwater in the proposed frac sand processing plant area. Director Fox highlighted the region in Atascosa County that the proposed frac sand processing plant will be located as well as the citizens' wells around the location that may be impacted. Director Fox expressed that he would like for the board to take a position whether for or against the frac sand processing plant. Attorney, Monique Norman said that at this time the district has no jurisdiction, but if the permit gets approved by TCEQ then we would have authority over any wells they may need and at that time get base readings on monitor wells around the plant. Mrs. Norman stated that the board may submit comments or request a public hearing to TCEQ based only on water quality concerns. Director Fox made a motion to write a letter of concern to TCEQ regarding the potential contamination of groundwater by the proposed frac sand processing plant. Director Troell seconded the motion. The board asked attorney, Monique Norman to draw up a letter of concern and for it to be signed by General Manager, Russell Labus and sent to TCEQ. There being no further discussion the motion carried unanimously.

Discussion on Action Needed on Monitor Wells Around Proposed Frac Sand Processing Plant in Northern Atascosa County:

General Manager, Russell Labus mentioned that he received five monitor well applications from the citizens around the proposed frac sand processing plant. Mr. Labus said based on what we have discussed in the previous agenda item he would like to know if he should start collecting water quality samples now and send them to San Antonio River Authority for certified results, and if so to what extent do we want to do the testing? Director Schorp said that he feels right now it would be premature to start taking samples because at this time we do not even know if the permit will be approved by TCEQ. Director Schorp mentioned that he is not opposed to getting base line analysis for these wells but he feels right now we should wait until we know for sure that the frac sand processing plant will move forward. Field Technician, Matthew Pope said that we need to involve Ron Green and Paul Bertetti with SWRI since we do not know exactly what our base line should be and what we need to be testing for. Mr. Pope stated that there is a lot more information we need before we can start getting samples and send off for testing. Mr. Labus said that he will contact Ron Green with SWRI and send them the information we have available for this project and have them start a preliminary study. Mr. Labus said if and when this proposed frac sand processing plant starts to develop we can start collecting samples. Director Schorp made the motion for Russell to engage Ron Green and Paul Bertetti with SWRI to start a preliminary study and if the permit with TCEQ gets approved then start the monitor program under the direction of Ron Green and Paul Bertetti. Director Troell seconded the motion and there being no further discussion the motion carried unanimously.

General Manager’s Annual Report on District Activities for 2016:

General Manager, Russell Labus presented the Board with a summary report of the districts day to day activities. Director Schorp moved to receive and file the General Manager’s annual report. Director Fox seconded the motion and there being no further discussion the motion carried unanimously.

Staff Report on District Activities:

- **Meetings and Conferences Attended and Schedule of Upcoming Meetings:**
There was a Region L meeting on February 2, 2017 and Matthew Pope attended and spoke at an irrigation seminar given by the AG Extension.
A tour of the SAWS Desalination Plant is scheduled for March 10, 2017 and a STWMA meeting is scheduled for March 28, 2017.
- **Legislative Updates:**
Discussed in agenda item #8.
- **Exempt Well Registrations:**
The exempt wells for February were shown on the projector screen to the board.
- **Monitor Well Report and Water Sampling Activity:**
Water levels are constant and there was no water samples for this month.
- **Complaints and Investigations:**
None.

- **Other District Activities:**

None.

Consider and Take Appropriate Action on Items to be Placed on the Next Agenda:

No Action.

Set Date and Time for the Next Board Meeting:

The Board agreed to set the next meeting date for Friday, March 31, 2017 at 09:00 a.m. at the District Office in Pleasanton, TX 78064.

Adjourn:

There being no further business to come before the Board, President Snider declared the meeting adjourned at 11:40 a.m.



Steve Snider, President

ATTEST:



Blaine Schorp, Secretary/Treasurer