

Victoria County Groundwater Conservation District



Directors:

Mark Meek
President

Jerry Hroch
Vice-President

Barbara Dietzel
Secretary

Thurman Clements
Kenneth Eller

THE STATE OF TEXAS VICTORIA COUNTY

Special Note:

The events of the December 18, 2009 meeting are presented in these minutes in chronological order as is normal practice for VCGCD. VCGCD strives to clearly document the activities of the meetings and facilitate the correlation between the meeting minutes and the supporting material used by the board in these activities (i.e. the packet). Unfortunately, due to technical difficulties associated with posting the meeting agenda, the District posted multiple agendas and one hearing notice. The consequence of which is difficulty in clearly and accurately documenting the relationship between the agenda and hearing notice items, the supporting materials, and the minute entries. In response to this situation, special notation is provided in parentheses that indicate the posting under which the board conducted the business and a reference to supporting material.

The Victoria County Groundwater Conservation District Board of Directors' **REGULAR MEETING and PERMIT HEARING** convened in the Dr. Patti Dodson Health Center, Classroom 108A, 2805 N. Navarro St., Victoria, Texas, on **Friday, December 18, 2009, at 9:00 a.m.**

Mr. Mark Meek	President	Precinct No. 4	Absent
Mr. Jerry Hroch	Vice President	Precinct No. 1	Present
Mrs. Barbara Dietzel	Secretary	Precinct No. 3	Present
Mr. Thurman Clements	Director	Precinct No. 2	Present
Mr. Kenneth Eller	Director	At Large	Present
Mr. Tim Andruss	General Manager		Present
Mr. James Allison	Attorney		Present

1) CALL TO ORDER.

Mr. Jerry Hroch, Vice President, called the meeting to order at 9:00 a.m.

2) WELCOME GUESTS.

Mr. Jerry Hroch, Vice President, welcomed guests – Jose E. Vara-Munoz-Landowner, Floyd H. Atkinson-Bernel Neisser Estate, Clarence Littlefield-Southwest Engineers, John Goldman-Landowner, Ralph Wynn-Stripes, Emil Zmeskal-Leeper Water Well Service, James Saski-Leeper W. W., David Oeltjen-Leeper W.W..

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3) PUBLIC COMMENT.

None.

4) PERMIT HEARING ON APPLICATIONS TO DRILL AND OPERATE A WELL FOR NON-EXEMPT USES – APPLICANT MR. JOSE E. VARA-MUNOZ SEEKS APPROVAL OF PERMIT APPLICATIONS TO DRILL AND OPERATE A WATER WELL FOR NON-EXEMPT USE (IRRIGATION USE) ON A 418 ACRE TRACT OF LAND OWNED BY JOSE E. VARA-MUNOZ LOCATED AT 5645 LOWER MISSION VALLEY ROAD, VICTORIA, TEXAS. THE APPLICANT IS REQUESTING A TOTAL ANNUAL PRODUCTION OF 204.5 ACRE-FEET/YEAR.

(Permit Hearing Notice: Item 1; Packet: Item 6)

Mr. Vara-Munoz is seeking authorization to drill and operate a water well for irrigation purposes. The application indicates a request for 204.5 acre-feet/year. However, according to the VCAD GIS data, the tract of land is 390.89 acres in size. Based on the District's ½ ac-ft/year/acre owned or controlled rule, the total annual production should not exceed 195.44 ac-ft/year. Mr. James Allison, Attorney, reviewed the application and the 195.44 ac-ft/year is consistent with the Victoria Central Appraisal District's records. During the past year, Mr. Vara-Munoz has been authorized to drill two new exempt water wells on this tract of land.

Mr. Jerry Hroch, Vice President, OPENED THE PUBLIC HEARING.

PUBLIC COMMENT – NONE.

Mr. Jerry Hroch, Vice President, CLOSED THE PUBLIC HEARING.

5) PERMIT HEARING ON APPLICATIONS TO DRILL AND OPERATE A WELL FOR NON-EXEMPT USES – APPLICANT MR. JOHN W. GOLDMAN SEEKS APPROVAL OF PERMIT APPLICATIONS TO DRILL AND OPERATE A WATER WELL FOR NON-EXEMPT USE (MUNICIPAL USE) ON A 36.75 ACRE TRACT OF LAND OWNED BY JOHN W. GOLDMAN LOCATED AT 3494 SOUTH U. S. HWY. 59, VICTORIA, TEXAS. THE APPLICANT IS REQUESTING A TOTAL ANNUAL PRODUCTION OF 0.5 ACRE-FEET/YEAR.

(Permit Hearing Notice: Item 2; Packet: Item 8)

The circumstances related to these applications are somewhat complicated and will require review of additional information that will likely be provided at the public hearing. Southwest Engineers Inc. (Mr. Littlefield) submitted the applications and has served as the primary contact for the applications. Stripes LLC is identified as the applicant on both the drilling and operating applications. Mr. Goldman owns both properties associated with the applications.

The groundwater produced from the proposed well would be used by both Stripes LLC and Mr. Goldman. The Stripes store is located on property adjacent, but separate, from the property on which the proposed well would be drilled.

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7) APPROVAL OF FINANCIAL REPORTS.

(Posted Agenda 1: Item 5; Packet: Item 5)

MOTION by Mr. Eller and seconded by Mr. Clements, to move to accept and approve the financial reports of VCGCD Monthly Transactions and Operating Budget for November 2009. Motion carried four (4) ayes and zero (0) no.

8) DISTRICT ANNUAL REPORT FOR FY08-09.

(Posted Agenda 1: Item 6; Packet: Item 10)

VCGCD BOARD accepted District's annual report which summarized the District's activities and performance during FY08-09 as a draft only. A further review was tabled until a future meeting for acceptance and adoption by the Board. See meeting packet for details of annual report.

9) GMA 15/DFC STATEMENT AND CONSULTANT SUPPORT.

(Posted Agenda 1: Item 7; Packet: Item 11)

Through the joint planning efforts of GMA 15, VCGCD will set a Desired Future Condition for the Gulf Coast Aquifer within Victoria County. The Managed Available Groundwater estimate that will be provided by TWDB will be based on their evaluation of the CGC-GAM and the submitted DFC. To date, the modeling provided by TWDB for GMA 15 has incorporated an assumption of "average recharge condition."

The District is working with several vendors to develop a proposed scope for additional modeling work which incorporated "reduced recharge conditions."

The TWDB has committed to provide the 2009 GAM request on December 18, 2009.

No action taken, because TWDB results not received in time to evaluate.

10) GROUNDWATER PUMPING/GUADALUPE RIVER FLOWS.

(Posted Agenda 1: Item 8; Packet: Item 12)

No discussion or action taken.

11) AUTHORIZATION TO PAY INVOICES FOR LEGAL SERVICES FROM ALLISON, BASS & ASSOCIATES, L.L.P.

(Posted Agenda 1: Item 9; Packet: Item 13)

Invoice 8870 represents general legal support service provided between September 2, 2009 and August 28, 2009 at a total cost of \$17,930.64.

Invoice 8871 represents legal support service provided related to the Injection Well Contested Case between September 8, 2009 and April 21, 2009 at a total cost of \$13,088.97.

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The applicant is required to drill a new well, and presumably plug the existing well, to comply with TCEQ requirements. Previously, a fuel storage tank located on the Stripes location leaked, and subsurface contamination occurred. In response to this situation, a series of monitoring wells were placed on and around the two subject properties and screened between 10 feet below surface to 30 feet below surface. Long term monitoring has occurred and the information provided indicates the contamination plume extends down below the surface to a depth of approximately 25 feet. The horizontal extent of the plume does not extend to the proposed location of the new well. Several aspects of the application should be considered during the hearing:

1. Applicants plans regarding the existing well including intent to register and validate historic use? Or will the existing well be plugged and abandoned?
2. Who will be the owner of the new well? Who will be responsible for the maintenance of the well in the event of failure or groundwater contamination?
3. How should any resulting permits be structured: permittee, permit term, authorized users, authorized uses?
4. Is the provided use agreement adequate for operating permit purposes?
5. Are there necessary permit restrictions that should be included on subsequent permits, if approved, beyond the normal condition related to water quality sampling and total maximum groundwater production not to exceed ½ ac-ft/ac owned or controlled?

Mr. Hroch, Vice President, OPENED PUBLIC HEARING.

PUBLIC COMMENT - Mr. Clarence Littlefield, Southwest Engineers LLC, gave explanations about the application.

Mr. Hroch, Vice President, CLOSED PUBLIC HEARING.

District Attorney, James Allison, reviewed the application and said permit is responsibility of landowner/agent. He noted application is filed under Stripes LLC, and not as an agent for Mr. John Goldman. Mr. Allison does not recommend approval of this application as filed, need new application. Mr. Allison suggested VCGCD write a memo instructing him to summarize his comments in the form of a memo with issues and solutions for the application. Mr. Allison also recommended action on application be to tabled, reject as not administratively complete or allow to be withdrawn.

MOTION by Mr. Clements and seconded by Mr. Eller, to move to recess the meeting until 11:30 a.m. Motion carried four (4) ayes and zero (0) no.

Mr. Hroch, Vice President, called the reconvened VCGCD Meeting to order at 11:30 a.m.

6) APPROVAL OF MINUTES OF PREVIOUS MEETINGS – November 20, 2009.
(Posted Agenda 1: Item 4; Packet: Item 4)

MOTION by Mr. Eller and seconded by Mr. Clements, to move to accept and approve the minutes of VCGCD Regular Meeting-November 20, 2009.
Motion carried four (4) ayes and zero (0) no.

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2805 N. Navarro St. Suite 210, Victoria, Texas 77901, Phone (361)579-6863, Fax (361)579-0041

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MOTION by Mr. Eller and seconded by Mr. Clements, to move to approve and to increase the funding limit of PBW Task Order 2 by \$5,000.00. Motion carried four (4) ayes and zero (0) no.

15) GENERAL MANAGER REPORT – PERMITTING AND REGISTRATION STATISTICS; DROUGHT MONITORING; CALENDAR OF EVENTS.

(Posted Agenda 1: Item 13; Packet: Item 17)

Registration and Permitting Update:

Year-to-Data Statistics for FY08-09:

Drilling Permit Applications	150
Operating Permit Applications	14
Registration Applications for Grandfathered Wells	148
Registered Wells	251

Drought Monitoring:

See Meeting Packet for details.

Calendar of Events:

See Meeting Packet for details.

16) CLOSED MEETING: PURSUANT TO V.T.C.A. GOVERNMENT CODE 551.071, TO CONDUCT PRIVATE CONSULTATION WITH VCGCD ATTORNEY REGARDING MATTERS PROTECTED BY THE ATTORNEY-CLIENT PRIVILEGE OR V.T.C.A. GOVERNMENT CODE 551.074 REGARDING PERSONNEL.

(Posted Agenda 1: Item 14; Packet: Item 18)

NO CLOSED MEETING.

17) RETURN TO OPEN MEETING: PURSUANT TO V.T.C.A. GOVERNMENT CODE 551.102, RETURN TO OPEN MEETING AND TAKE ANY ACTION DEEMED NECESSARY BASED UPON DISCUSSION IN CLOSED MEETING.

(Posted Agenda 1: Item 15; Packet: Item 19)

NO ACTION TAKEN – because No Closed Meeting.

MOTION by Mr. Hroch and seconded by Mr. Eller, to move to recess the VCGCD meeting until 1:00 p.m. Motion carried four (4) ayes and zero (0) no.

Mr. Hroch, Vice President, called the reconvened VCGCD meeting to order at 1:00 p.m.

18) APPROVAL OF PERMIT HEARING ON APPLICATIONS TO DRILL AND OPERATE A WELL FOR NON-EXEMPT USES – APPLICANT MR. JOSE E. VARA-MUNOZ SEEKS APPROVAL OF PERMIT APPLICATIONS TO DRILL AND OPERATE A WATER WELL FOR NON-EXEMPT USE (IRRIGATION USE) ON A 418

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MOTION by Mr. Eller and seconded by Mr. Clements, to move accept and approve the invoices and to authorize General Manager, Tim Andruss, to pay Allison, Bass & Associates, L.L.P. Invoices 8870 (\$17,930.64) and Invoice 8871 (\$13,088.97) for a total of \$30,939.61 from Account 401 – Legal and Professional Services. Motion carried four (4) ayes and zero (0) no.

12) AUTHORIZATION TO PAY INVOICE FROM VICTORIA CENTRAL APPRAISAL DISTRICT.

(Posted Agenda 1: Item 10; Packet: Item 14)

The services being invoiced are for the 2010 appraisal of properties in Victoria County.

MOTION by Mr. Eller and seconded by Mr. Clements, to move to accept and approve the invoice and to authorize General Manager, Tim Andruss to pay Victoria Central Appraisal District invoice in the amount of \$7,585.00 from Account 411 – Appraisal District. Motion carried four (4) ayes and zero (0) no.

13) AUTHORIZATION TO PAY INVOICE FOR CONSULTING SERVICES FROM DR. UDDAMERI.

(Posted Agenda 1: Item 11; Packet: Item 15)

The Board approved, on March 6, 2009, a task order for Dr. Uddameri to analyze VCGCD well spacing requirements to determine the appropriateness of the spacing requirements as part of the rule revision process completed in September 2009. The Board approved a total amount of \$6,500.00

MOTION by Mr. Eller and seconded by Mrs. Dietzel, to move to accept and approve and to authorize the General Manager, Tim Andruss, to pay the Dr. Venkatesh Uddameri invoice in the amount of \$6,500.00 from Account 405 – Research and Consultation. Motion carried four (4) ayes and zero (0) no.

14) APPROVAL OF A CHANGE ORDER TO PBW TASK ORDER 2 – GENERAL CONSULTING.

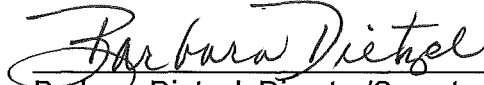
(Posted Agenda 1: Item 12; Packet: Item 16)

From time to time, the District may have a need to request technical support from PBW that is not large enough in scope to be considered a project or must be completed in short period of time. In April 2009, the Board approved PBW Task Order 2 for this purpose.

The authorized funds for this task order have been exhausted. Additional funds must be authorized if the District wishes to continue using PBW for ad hoc technical support.

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adjourn the VCGCD Regular Meeting and Permit Hearing of December 18, 2009, at 1:10 p.m. Motion carried four (4) ayes and zero (0) no.

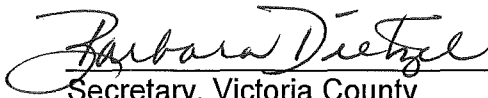


Barbara Dietzel, Director/Secretary of the Victoria
County Groundwater Conservation District
Board of Directors

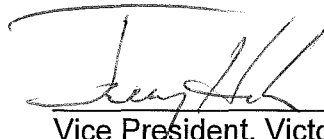
THE ABOVE AND FOREGOING MINUTES WERE READ AND APPROVED ON

THIS THE 19th DAY OF February A.D. 2010.

ATTEST:



Secretary, Victoria County
Groundwater Conservation District



Vice President, Victoria County
Groundwater Conservation District

Victoria County Groundwater Conservation District

ACRE TRACT OF LAND OWNED BY JOSE E. VARA-MUNOZ LOCATED AT 5645 LOWER MISSION VALLEY ROAD, VICTORIA, TEXAS. THE APPLICANT IS REQUESTING A TOTAL ANNUAL PRODUCTION OF 204.5 ACRE-FEET/YEAR. (Public Hearing held at 9:00 a.m.)

(Posted Agenda 2: Item 4; Packet: Item 7)

MOTION by Mr. Eller and seconded by Mr. Clements, to move to approve the drilling application requiring the new well to be offset 200 feet from the nearest property line;

To move to approve the operating application with the following conditions:

- 1. Maximum Rate of Production per Minute: 200 gpm;**
- 2. Maximum Rate of Production per Day: 288,000 gpd;**
- 3. Maximum Rate of Production per Year: 195.44 ac-ft/yr;**
- 4. All existing and future non-exempt wells will be permitted such that the total annual groundwater production rate will not exceed the ½ acre-foot per acre owned or controlled limitation; and**
- 5. The well site shall be accessible to District representatives for the purposes of collecting groundwater samples from the permitted well and the permittee agrees to cooperate fully in any reasonable efforts to collect groundwater samples from the well by the District representatives. Motion carried four (4) ayes and zero (0) no.**

19) APPROVAL OF PERMIT HEARING ON APPLICATIONS TO DRILL AND OPERATE A WELL FOR NON-EXEMPT USES – APPLICANT MR. JOHN W. GOLDMAN SEEKS APPROVAL OF PERMIT APPLICATIONS TO DRILL AND OPERATE A WATER WELL FOR NON-EXEMPT USE (MUNICIPAL USE) ON A 36.75 ACRE TRACT OF LAND OWNED BY JOHN W. GOLDMAN LOCATE AT 3494 SOUTH U.S. HWY. 59, VICTORIA, TEXAS. THE APPLICANT IS REQUESTING A TOTAL ANNUAL PRODUCTION OF 0.5 ACRE-FEET/YEAR. (Public Hearing held at 9:00 a.m.)

(Posted Agenda 2: Item 5; Packet: Item 9)

MOTION by Mr. Hroch and seconded by Mr. Clements, to move to table the approval of Application to Drill and Operate a well for non-exempt use (municipal use) – Applicant Mr. John W. Goldman, to a future VCGCD Meeting. Motion carried four (4) ayes and zero (0) no.

20) ADJOURN.

(Posted Agenda 2: Item 16; Packet: Item 20)

MOTION by Mr. Eller and seconded by Mr. Clements, to move for the Victoria County Groundwater Conservation District Board of Directors to