

MINUTES

CAPITAL AREA GROUND WATER CONSERVATION COMMISSION

September 15, 2015

The Capital Area Ground Water Conservation Commission met at 9:30 a.m. on September 15, 2015 in the U.S. Geological Survey conference room at 3535 S. Sherwood Forest Blvd., Suite 137. Baton Rouge, Louisiana. The meeting was called to order by the Chairman, Mr. John Jennings.

The following members were present: Trey Argrave, Dale Aucoin, Johan Forsman, Barry Huggins, John Jennings, Amelia Kent, Julius Metz, Jeff Miller, Matthew Reonas, Thomas Stephens, Dan Tomaszewski, and John Westra.

Others attending the meeting were: Anthony Duplechin and Shawn Scallan, Capital Area Ground Water Conservation District; Joey Hebert, Georgia-Pacific; Don Dial, former CAGWCD Director; Dennis McGehee, Baton Rouge Water Company; Frank Tsai, LSU; Henry Graham, Louisiana Chemical Association; Lana Venable and Todd Talbot, ExxonMobil; John Lovelace, U.S. Geological Survey; Tiffani Barth and Greg Langley, Louisiana Department of Environmental Quality; Amy Wold, The Advocate; Randy Hollis and Roy Waggenpack, Owen & White; Bruce Duhe, Layne Christensen and Mark Walton, former Commissioner.

Mr. Miller made a motion that the minutes of June 16, 2015 meeting be approved. Mr. Huggins seconded the motion and it passed unanimously.

I. Report from the Administrative Committee

At the request of the Chairman, John Jennings, Ms. Amelia Kent reported on the meeting that was held September 15, 2015 at 8:30 a.m. Following is a summary of items discussed at the meeting and further discussion and action at the regular Commission meeting at 9:30 a.m.

1. Copies of the Financial Conditions as of August 31, 2015 were distributed for review and comment. Ms. Kent noted that there is one certificate of deposit that will mature in December 2015. The administrative committee authorized the staff to renew the cd.

2. The administrative committee discussed the work of the subcommittee formed to come up with a plan for educational outreach. Mr. Reonas presented a plan which will be presented at the December 2015 meeting. Mr. Reonas gave an update on the progress of the work done on an educational pamphlet for the Commission. He stated that he is still working on a completed draft at this time. He stated that the goal was to have the pamphlet done by the end of the year. Mr. Reonas reported that the subcommittee met in August and began work on a draft along with quotes for the design work and printing. Mr. Reonas asked for some direction with how to proceed on the contractual side. Mr. Reonas reported that he has an estimate that is under \$1,500. Mr. Reonas made a motion for the subcommittee to finish up the details of the design and printing of the pamphlet and then forward it to the Director for final approval of the items and payment. Mr. Aucoin seconded the motion and it passed unanimously. Mr. Reonas stated that once a draft is completed it will be sent to the subcommittee for approval and then sent to the full Commission. Mr. Jennings asked that he be included on the communication with the subcommittee. Mr. Reonas stated that the draft of the pamphlet will hopefully be sent to the full

Commission within a couple of weeks before the December 2015 meeting. Comments will be taken from the Commissioners and addressed.

Mr. Reonas then discussed the issue of the Commission's logo. A new logo was designed for the Commission's website earlier in the year. Mr. Reonas stated that there was some concern about the look of the logo perhaps that it looked too generic. Mr. Reonas stated that before he meets with the graphic designer he would like some feedback from the Commissioners about the logo. Mr. Duplechin asked if the State Capitol in the logo could be more stylized. Mr. Duplechin also added that he asked Mr. Miller to design some logos using the five parishes that could be considered. Mr. Miller offered to talk with the graphic designer and share his ideas. Mr. Reonas questioned the Commission about having to go back to the graphic designer and ask that she redo the logo that there would more than likely be an additional fee for the work. Mr. Jennings stated that the Commission would expect to pay the graphic designer for the additional design work.

II. Report from the Technical Committee

At the request of Mr. Jennings, the report of the Technical Committee was made by Committee Chairman, Johan Forsman and minutes of the meetings were distributed (attached). Following is a summary of topics discussed at the meeting on September 8, 2015 further discussion and action at the regular Commission meeting on September 15, 2015.

1. John Lovelace, USGS, was not present to give an update on the Baton Rouge Model. Mr. Forsman asked Mr. Lovelace to give a progress report at the regular meeting. Mr. Lovelace reported that the report, "Simulation of Groundwater Flow and Chloride Transport in the "1,200-Foot" Sand with Scenarios to Mitigate Saltwater Migration in the "2,000-Foot" Sand in the Baton Rouge Area, Louisiana" was approved and published on-line. Hard copies of the report should be available by the end of September. Mr. Lovelace reported that the USGS is continuing to refine the hydrologic structure used in the model. The multi-node well (MNW) file has been updated. Pumpage data for 2013-2014 has been obtained from the Commission and USGS and is currently being incorporated into the MNW file. A new hypothetical scenario for the "2,000-foot" sand was explored at the request of the Commission's ad-hoc group. Mr. Lovelace reported that plans for the next quarter include: completing construction of GIS surfaces and incorporating them into the revised groundwater flow and transport model, reviewing and revising as needed layer assignments made to pumping wells and observation wells, completing incorporation of withdrawals into the MNW file, updating water-level and chloride-concentration observations specified in the model with data through 2014, and begin to calibrate the model for flow and saltwater transport in the "2,400-foot" and "2,800-foot" sands.

Dan Tomaszewski stated that Dr. Tsai presently has all of the sands mapped out. Mr. Tomaszewski asked Mr. Lovelace if there would be a chance with the huge undertaking of looking at logs which would require lots of man power and resources that the Survey could use the work of Dr. Tsai and incorporate it into the Survey's model results. Mr. Lovelace stated that

Dr. Tsai's hydrologic structural model is impressive, but the Survey prefers to do their own work. Mr. Tomaszewski stated that he made the suggestion because by working with another researcher the Survey could put their resources elsewhere.

2. Dale Aucoin reported that the ad hoc group had several meetings since the June meeting of Technical Committee. The focus of these meetings continues to be the management of saltwater intrusion in the "2,000-foot" sand. He stated that the Director had sent out a memo to all registered users in the District informing them of the Commission's hopes to increase pumpage fees to pay for the installation of exploratory wells in the "2,000-foot" sand as part of the saltwater intrusion mitigation project. Two options were offered: an across the board fee increase for all users and a fee increase target at specific users in the "2,000-foot" sand. Fifty-eight letters were mailed out on July 1, 2015. By the first week in August, only seven responses had been received. A reminder was sent out, and more responses were received, bringing the total to twenty-one. The breakdown of the responses was:

Option #1-6

Option #2-9

Either- 4

Neither-2

Discussion followed on the number of responses and any further follow-up. Representative Barrow's House Study Resolution (HSR 5), which requests the House Committee on Natural Resources and Environment to study the sustainability of the Southern Hills Aquifer System supplying water to the Capital Area Region, and to report its findings to the House of Representatives prior to the convening of the 2016 Regular Session was brought up. Also the question of whether industry would be willing to "foot-the-bill" for salt-water intrusion mitigation in the "2,000-foot" sand. There was also discussion about sampling Baton Rouge Water Company's wells on Lafayette Street. Option 2 would require a change to the existing statute, which would have to be offered by a member of the Louisiana Legislature and would not go into effect for another year. It was suggested that it might be prudent to wait on making a decision on the two options. Director Duplechin reminded the Committee that an attempt to change the statute was made this past session, but no author could be found. Any "on-the-ground" action is still years off, no matter which option is chosen.

It was decided that the Director would draft a resolution for consideration at the full Commission meeting on September 15th for the Commission to work with Baton Rouge Water Company on sampling existing wells and to postpone any action on increasing fees until the HSR 5 report is presented. Mr. Duplechin presented the following three possible resolutions to the full Commission:

RESOLUTION NO. 2015-1

CAPITAL AREA GROUND WATER CONSERVATION DISTRICT

Acting herein through its Board of Commissioners, did on this 15th day of September, 2015, adopt the following resolution:

RESOLUTION

WHEREAS, the Southern Hills Aquifer System underlies the parishes of East and West Baton Rouge, East and West Feliciana, and Pointe Coupee and is the major source of drinking water for the Capital Area Region; and

WHEREAS, the concern about the sustained viability of the aquifer system has been growing recently and has resulted in many activities, discussions, studies, and public hearings; and

WHEREAS, Baton Rouge Water Company has several wells located along Lafayette Street in downtown Baton Rouge that would serve as ideal locations for obtaining water samples, and

WHEREAS a study resolution (HSR 5) was passed by the House of Representatives of the Legislature of Louisiana requesting the House Committee on Natural Resources and Environment to study the sustainability of the Southern Hills Aquifer System supplying water to the Capital Area Region, and to report its findings to the House of Representatives prior to the convening of the 2016 Regular Session.

NOW, THEREFORE, BE IT RESOLVED that the Capital Area Groundwater Conservation District shall work with Baton Rouge Water Company on a plan to sample the Lafayette Street wells, and

BE IT FURTHER RESOLVED that the Capital Area Groundwater Conservation Commission shall wait until the report called for by HSR 5 before proceeding with any fee increase.

RESOLUTION NO. 2015-X

CAPITAL AREA GROUND WATER CONSERVATION DISTRICT

Acting herein through its Board of Commissioners, did on this 15th day of September, 2015, adopt the following resolution:

RESOLUTION

WHEREAS, the Southern Hills Aquifer System underlies the parishes of East and West Baton Rouge, East and West Feliciana, and Pointe Coupee and is the major source of drinking water for the Capital Area Region; and

WHEREAS, the concern about the sustained viability of the aquifer system has been growing recently and has resulted in many activities, discussions, studies, and public hearings; and

WHEREAS, Baton Rouge Water Company has several wells located along Lafayette Street in downtown Baton Rouge that would serve as ideal locations for obtaining water samples, and

NOW, THEREFORE, BE IT RESOLVED that the Capital Area Groundwater Conservation District shall work with Baton Rouge Water Company on a plan to sample the Lafayette Street wells.

RESOLUTION NO. 2015-XX

CAPITAL AREA GROUND WATER CONSERVATION DISTRICT

Acting herein through its Board of Commissioners, did on this 15th day of September, 2015, adopt the following resolution:

RESOLUTION

WHEREAS, the Southern Hills Aquifer System underlies the parishes of East and West Baton Rouge, East and West Feliciana, and Pointe Coupee and is the major source of drinking water for the Capital Area Region; and

WHEREAS, the concern about the sustained viability of the aquifer system has been growing recently and has resulted in many activities, discussions, studies, and public hearings; and

WHEREAS a study resolution (HSR 5) was passed by the House of Representatives of the Legislature of Louisiana requesting the House Committee on Natural Resources and Environment to study the sustainability of the Southern Hills Aquifer System supplying water to the Capital Area Region, and to report its findings to the House of Representatives prior to the convening of the 2016 Regular Session.

NOW, THEREFORE, BE IT RESOLVED that the Capital Area Groundwater Conservation Commission shall wait until the report called for by HSR 5 before proceeding with any fee increase.

After the resolutions were presented, Mr. Aucoin stated that he would like to revisit the funding issue. Mr. Aucoin stated that the Commission approved a plan for management of the Southern Hills Aquifer System in the Baton Rouge area back in April 2014 particularly for the "2,000-foot" sand. He reported that the model states that the best scenario is a reduction in pumpage in the industrial zone by 3.5 million gallons per day along with the installation of scavenger well/wells in the future with test holes needed before any installation can be done. Mr. Aucoin stated that industry has met the required reduction in pumpage. Mr. Aucoin stated that it is time to move forward with the next phase of the plan. He stated that the Commission can at this time raise pumpage rates to all users to collect the additional funding needed for the test wells and eventually the installation of the scavenger well. He stated that the aquifers are meant for all users. Mr. Aucoin also stated that there was also a request made to public water suppliers asking what the rate increase would be for their customers and if that could be made available at this meeting. Mr. Miller responded by asking Mr. Aucoin if he was able to meet with his industrial users group. Mr. Aucoin replied that yes he did meet with them and that the investment to reduce pumpage in the industrial zone has already been done which far exceeds to his knowledge any investment made by a public water supplier which includes the installation of a scavenger well. Mr. Aucoin stated that industry has invested a lot of money in the reduction of pumpage and does not feel that industry should carry the full financial load of the test wells. Mr. Aucoin stated that industry is willing to support their share of the funding which is approximately 70%. Mr. Miller stated that public supply has also been proactive in doing their share to mitigate saltwater intrusion. Mr. Miller stated that it was public supply's hope that industry would entirely fund the test wells. Mr. Miller stated that the fee increase to Baton Rouge Water Company users is very subjective based on pumping rates for one option and customer fee structures for another option. Mr. Miller stated it's like asking industry what is it going to cost your individual customers. Mr. Miller stated it's an overall dispersion of your business. Mr. Miller asked Mr. McGehee if he had any idea of what the fee increase would be for their customers. Mr. McGehee stated that it is difficult to come up with an exact amount per

customer. However, he said option #1 would double the customers ground water fee, and option #2 would be an additional one-third of the customer's present ground water fee. Mr. Aucoin asked Mr. McGehee if he could use the cost of the scavenger well in the "1,500-foot" sand that Baton Rouge Water Company installed as an analogy for the rate increase per household for the possible "2,000-foot" sand investment. Mr. McGehee stated that he was not involved in the structure of the rate increase per household for the cost of the "1,500-foot" sand scavenger well so he could not answer that question. Mr. Tomaszewski stated that his ground water fee on his water bill was 9 cents. Mr. Reonas added that his fee was 3 cents. Mr. Tomaszewski stated that he doesn't believe that even by doubling the ground water fee to the customers will initiate many complaints. Mr. Miller suggested that the resolution state a particular sand and for those who are using that sand and in this case it would be the "2,000-foot" sand. Mr. Aucoin stated that the Commission is presently in the third model study of ten different aquifers. He added that if there is work to be done in other aquifers then everytime this situation comes up, the Commission would need to go back to the legislature to amend their Enabling Act accordingly. He stated that approving an increase today with the present Enabling Act allows the Commission to have funding to manage all aquifers in the future as needed. He urged the Commission to think long term. He stated that the management plan states..."It is the goal of the CAGWCC to effectively reduce and manage this saltwater encroachment in these two affected sands and to manage groundwater withdrawals to assure fresh groundwater availability from all 10 sands for the future."

Ms. Kent asked Mr. McGehee if there were complaints from the Baton Rouge Water Company customers when the Commission raised their fees last time. Mr. McGehee stated it was just a \$1.00/per million gallons pumped increase so they did not have any complaints and that he didn't believe that any of the parishes had any significant complaints. Mr. Miller added that he believes option #2 is the best option based on use. He believes the fee increase should affect the users that are in that particular sand. He suggested that when approaching the legislature with amending the Commission's Enabling Act to word the amendment in a way that states that the rate increase would effect each user for that sand. Mr. Reonas stated that if the Commission goes with an across the board increase that a creative way around this issue would be to rebate the users who do not use that particular sand. Mr. Stephens asked if the Commission went with an across the board increase how much time does it take for the increase to take effect. Mr. Duplechin stated approximately six months.

Mr. Jennings then directed the Commission back to the three resolutions presented. Mr. Tomaszewski then discussed the sampling of Baton Rouge Water Company's wells located along Lafayette Street. He stated that the Commission can use these two existing wells sort of like monitor wells. Both of these wells are located in an area with saltwater encroachment. With the cooperation of Baton Rouge Water Company, the Commission could take discrete samples from these wells. This sampling would require the wells to be out of service with the pumps removed. Baton Rouge Company has agreed to allow the Commission to do the sampling. This

would allow the Commission to get samples that are not composite samples of the entire aquifer. This would allow the Commission to see how salty the water is at the base of the aquifer and intervals of the aquifer. This could possibly allow the Commission to determine where in the aquifer the water has the highest content of salt. This way the entire aquifer would not need to be remediated. There would be a cost involved for this sampling. Mr. Aucoin stated that this would be additional information collected prior to drilling test wells.

Mr. Reonas stated that in regards to Representative Barrow's House Study Resolution (HSR 5) that from the Office of Conservation's conversations that have taken place, that the study may or may not take place. He stated that presently there are no committee hearings scheduled that they are aware of. Mr. Reonas stated that he personally does not believe that it will be completed in time for a study resolution and committee hearing. He stated that that does not mean it will not take place. Mr. Reonas stated that he believes with the study resolution, that the Office of Conservation and the Commission will be asked to testify which he does not feel will develop any new information for the Commission to act on.

Mr. Reonas made a motion accept resolution 2015-X to utilize the Baton Rouge Water Company's wells for sampling. Mr. Jennings seconded this motion and it passed unanimously. Mr. Reonas asked that the Director to keep the Commission updated on the cost of sampling the wells.

Mr. Jennings then brought up the two options for the fee increase. Mr. Jennings stated that after discussion with Mr. Forsman that it was decided that it was time for the Commission to vote on the fee increase. Mr. Aucoin made a motion to move forward with voting on options 1 and 2 for a pumpage fee increase. Mr. Stephens seconded that motion and it passed unanimously.

Mr. Huggins made a motion to vote for option 1 or option 2 by roll call. The options being: Option 1: Fee increase for all water users from \$5.00 per million gallons pumped to \$10.00 per million gallons pumped. Option 2 – Fee increase to affected users in the "2,000-foot" sand and charged proportionately. Mr. Aucoin seconded this motion. Mr. Jennings stated that he will be abstaining from voting on this motion. Mr. Reonas also stated that he would abstain from voting on this motion because of the nature of his position. Ms. Scallan stated that she would call roll and to vote for option 1 or 2. Following is the roll call and voting: Mr. Albritton – absent, Mr. Argrave – abstained, Mr. Aucoin – option 1, Mr. Forsman – option 1, Mr. Hicks – absent, Mr. Huggins – option 2, Ms. Kent – option 1, Mr. Metz – option 1, Mr. Miller – option 2, Mr. Morvant – option 1, Ms. Rummeler – absent, Mr. Stephens – option 1, Mr. Tomaszewski – option 1, and Dr. Westra – option 1. Ms. Scallan reported that the vote was 8 for option 1 and 2 for option 2. Mr. Jennings stated that the vote was in favor of raising fees for all users by an additional \$5.00 per million gallons. Mr. Duplechin reported that he will begin the process and keep the Commission updated on the progress.

3. Mr. Walton presented a recap of pumping rates from the “2,000-foot” and “1,500-foot” sands to monitor compliance with agrees on reductions and/or commitments.

4. Director Duplechin updated the committee on CAGWCC’s funding participation in LSU’s Conjunctive Management study. Our share is \$20,000 per year for three years, with \$10,000 from ExxonMobil and \$5,000 each from Georgia Pacific Corporation and CAGWCC. The Director thanked the two industries for their participation.

5. Dr. Tsai gave a presentation on the updated well log portal website. Dr. Tsai urged the Commissioners to go to the website and view the information that is available.

6. Under public comment, Ms. Wold with The Advocate asked several questions as to why the Commission was going to delay voting on the fee increase. This issue was later dealt with at the full Commission meeting on September 15th.

III. Director’s Report

At the request of the Commission, Mr. Duplechin requested an opinion from the Attorney General’s office concerning ethics issues that had come up during the legislative session. The response stated that anyone who works for industry or public supply cannot serve on the Commission. Mr. Duplechin stated he is aware that the state board that licenses water well drillers that their law specifically states water well drillers will be on their board. Mr. Duplechin reported that he sent this opinion to Boards & Commissions to review approximately a month ago. He stated that he has not received any response and will notify the Commission when he does.

The Director reported that he attended the Water Synergy Project meeting and also coordinated ad-hoc group meetings. At the request of Randy Hollis, the Director contacted the responsible parties at the old Greenwell Springs Hospital to ensure that their water wells are plugged and abandoned.

IV. Chairman’s Report

Mr. Jennings called upon Ms. Kent to report on the Nominating Committee for 2016 officers. The Committee recommended Mr. John Jennings for the office of Chairman; Mr. Barry Huggins for the office of Vice-Chairman and Dr. John Westra for the office of Treasurer. There being no further nominees from the floor, Mr. Tomaszewski made a motion to accept the nominees. Mr. Reonas seconded this motion and it passed unanimously.

Mr. Jennings urged all Commissioners to stay in touch with their constituents and keep them updated.

V. Public Comment

Mr. Walton commented that the test wells are a part of the investigative process much like the USGS modeling study. The study provides the flow, but the Commission does not have enough information about the structure in particular where to put a scavenger well. The test wells will help provide that information. The pumpage fee increase will provide the funding for the test wells. However, the scavenger well will be another step in that process.

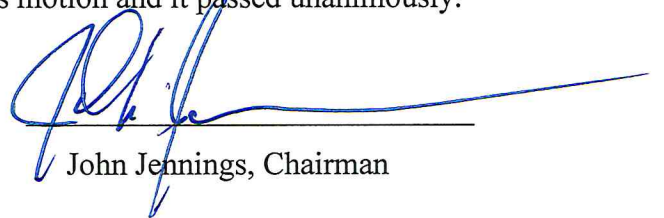
Mr. Hebert asked if it would be six to seven months before the pumpage users will see the rate increase for pumpage fees. Mr. Duplechin confirmed that.

VI. Next Meeting

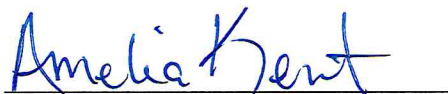
The Chairman reported that the next regular Commission meeting of the Capital Area Ground Water Conservation Commission will be scheduled on Tuesday, December 10, 2015 at 9:30 a.m. in the U.S. Geological Survey conference room. The next Technical Committee meeting will be Tuesday, December 3, 2015 at 1:30 p.m.

VII. Adjournment

There being no further business before the Commission, Mr. Huggins made a motion that the meeting be adjourned. Mr. Morvant seconded this motion and it passed unanimously.



John Jennings, Chairman



Amelia Kent, Treasurer