

Capital Area Groundwater Conservation District
Board Meeting
State Capitol - House Committee Room 4
December 10, 2021 10:30 a.m. (Amended)

I. Call to Order

The Capital Area Groundwater Conservation District convened for a regular meeting at 10:30 a.m. on December 10, 2021 at the Louisiana State Legislature in House Room #4. The meeting was called to order by Chairman William Daniel.

II. Roll Call

Gary Beard called the roll. The following members were present: William Daniel, Cyril E. Vetter, Matthew Reonas, Thomas Seagraves, Paul Davidson, Kenneth Dawson, Patrick Engemann, Karen Gautreaux, Patrick Hobbins, Rachel Lambert, Dr. Angela Machen, and Jesse Means. Absent members included:

Todd Talbot, Ryan Scardina, Alvin Broussard and Jens Rummler.

Others attending the meeting were: Gary Beard, Executive Director, Capital Area Groundwater Conservation District; Janet Boles and Catherine Crawford, Boles Law Firm; Dennis McGeehee, former Commissioner; Tara Wicker and Jordan Smith with CAGWCC; Doug Carlson, Geo Survey; Jonathan Leo, Environmental Attorney; Tyler Curuth, concerned citizen; Roy Wagenspack; Blake Stinner, EBR; five members of Together Baton Rouge.

III. Establishment of a Quorum

Chairman William Daniel declared a quorum with 12 members present.

IV. Invocation

Gary Beard, Executive Director – Invocation

V. Pledge of Allegiance

William Daniel – Pledge of Allegiance

VI. Recognition of Guests

Chairman William Daniel recognized CAGWCC new counsel from Boles Law Firm and the audience guests.

VII. Approval of Minutes of Previous Meeting

Mr. Beard asked for an amendment to the minutes of October 28, 2021 under the Agenda item – new well permits. The vote was not unanimous but it was approved. Motion by Mr. Vetter and second by Mr. Seagraves to approve minutes with correction. Motion approved.

VIII. Amendments to the Agenda

No amendments to agenda by Chairman Daniels.

IX. Executive Director's Report -Gary Beard - CAGCD Executive Director

a) Rate increase - (action required)

Executive Director (ED) Beard gave a detailed background of where CAGWCC has been and where it is going since his 1-year installation as the ED. Discussion of rate increase for purposes of monitoring and metering user's wells. Rate increase has gone from \$10 to \$20 per million gallons. The board decided this rate increase funds would go to the Water Institute to complete Phase II of their engineering and scientific analysis, which would also determine the number and locations of the monitoring wells. When Mr. Beard was hired he knew CAGWCC needed to install meters on existing production wells and to construct new monitoring wells along the fault line. He requested \$1.85 million from capital outlay that could fund either of these two projects. He also determined there was a deficit spending, and requested the Board to consider another rate increase. Since there was insufficient funding for either the metering or monitoring projects, the ED issued RFQ for funding, engineering, services, etc. for the metering program. He spoke with 5 companies that either expressed an interest or were involved in this type of business. Sustainability Partners was the only company to respond and with Board acknowledgement, the ED proceeded to negotiate a contract with this company (SP). After numerous public meetings, the Board members voted on "Option A" to be included in the Cooperative Endeavor Agreement (CEA) with Sustainability Partners to monitor/meter all users, with a total project cost capped at \$10.4 million. Mr. Beard requested federal and state grants. During the Session, \$1.8 million was moved to Water Sector from HB 2 but was put back into Capital Outlay in the Senate. Thus, at the time of the vote on Option A, there was no guarantee of state funding and it was noted in Option A that a rate increase of \$32 per million gallons would be needed to cover the yearly cost. This would be approximately 14 cents per month to average household. Money will be due before any state funding could be provided. This rate increase only covered the costs of the metering program, and did not include any of the approved costs in the yearly budget. The Cooperative Endeavor Agreement (CEA) contract was agreed upon between CAGWCC and Sustainability Partners. The Attorney General's office provided opinions about a CEA that had been already approved so that the District could modify the CEA with SP as to be in alignment with the previously approved CEA. CAGWCC included a requirement that a public bid on construction be conducted by SP. LSU (subcontractor for Water Institute) finished first draft of monitoring report, determined there are 23 wells on the south fault line, and costs of construction of the monitoring system was project to be approximately \$25 million versus \$10.4 million for metering. Mr. Beard then issued a letter to the State for the monitoring of flows and chlorides in existing wells and new wells. There was a suggestion by the State that it would be in the best interests of the District to use the funds on "shovel ready" projects such as the monitoring wells on a "pay as you go" format. Mr. Beard requested additional funds; the State stated that the \$25 million monitoring program would be eligible. Mr. Beard asked for another \$3 million in addition to the \$1.8 million from the State. In the meantime, the CEA bids for construction all came in below the cap.

Sustainability Partners will be proceeding as soon as they determine the most responsible and responsive of the three bidders. Mr. Beard gave a five-year projection of costs. Mr. Beard recommended a rate increase of \$45 per million gallons in addition to the current \$20 per million gallons, which would be a combined \$65 per million gallons.

There was a motion to defer for 30 days by Mr. Bergeron. A substitute motion to increase fees by \$45 per million gallons made by Mr. Reonas seconded by Mr. Davidson. The Board was polled. Dawson- YES, Reonas – YES, Davidson – YES, Machen – YES, Gautreaux – YES, Vetter – YES, Engemann – NO, Hobbins – YES, Means- YES, Lambert – NO, Seagraves – YES, Bergeron – NO. The motion passes 9-3.

b) New well permits (action required)

Mr. Beard informed the board of three standby and replacement wells that would not have an impact on the aquifer. Applications submitted by Village of Wilson, the City of Baker, City of Norwood and Exxon well. Each well permit was voted on separately. Village of Norwood vote: motion by Mr. Dawson, seconded by Ms. Gautreaux, no objection, approved. Village of Wilson motion for approval Ms. Gautreaux, Mr. Davidson seconds, no objection, approved. City of Baker motion for approval by Mr. Dawson, second by Mr. Hobbins, approved no objection. Exxon well motion to approve by Mr. Reonas, second by Mr. Davidson. Roll Call: Daniel – YES, Dawson – YES, Reonas – YES, Machen – YES, Gautreaux – YES, Vetter – NO, Engemann – NO, Hobbins – YES, Means – YES, Lambert – YES, Seagraves – YES, Bergeron – YES. Motion approved. 11-2

X. Chairman's report

Nothing additionally to report from Chairman William Daniel.

XI. Member Agenda Items

Bergeron: metering moving forward, contract signed, but I am concerned. Don't think the contract will age well. Not comfortable with nature of the financing agreement. Need to be monitoring the contract along the way.

XII. Old Business

Reonas regarding industrial survey, we need to get 60-70% permit holders to respond. Gary said he will recontact them himself to see what they can do.

XIII. New Business

There was no new business to discuss.

XIV. Commissioner Comments

Engemann questioned when Beard knew that the capital outlay money was going towards the meters now that is not the case. Beard explained the money could go towards metering, it just has to be a pay as you go process. Mr. Beard provided letters in the Board packets that provided the actual dates when the requests were made to the state and the date of their response.

Engemann questioned whether or not CAGWCC can legally go on industries property without complaint. Seagraves said that would not be an issue.

Engemann suggested only installing a few meters as to not use the whole \$25 million. Daniel stated the Commission has the authority to vote on that in the future. Machen asked when expecting to start receiving data from the metering. Beard said mid to late summer 2022.

XV. Announcements

There were no announcements.

XVI. Public Comment (Non-agenda items only)

William Daniel – CAGCD Chairman asked if there were any public comments.

XVII. Adjournment

William Daniel – CAGCD Chairman (**action required**)

Chairman Daniel asked for a motion to adjourn. Motion by Gautreaux and seconded by Mr. Bergeron. No objections.

3535 S. Sherwood Forest Blvd., Suite 137, Baton Rouge, LA 70816-2255
Telephone (225) 293-7370, Website: capitalareagroundwater.com



Gary J. Beard, Executive Director