



BOARD MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, September 18, 2024, at 9:30 a.m.

A quorum of the Southwestern Travis County Groundwater Conservation District Board of Directors held a regular called board meeting and public hearings on Wednesday, September 18, 2024, at 9:30 a.m. at the District's office at 8656 W. Highway 71, Building A, Suite 224, Austin, Texas 78735. The meeting was open to the public and a videoconference remote participation option was provided; instructions for accessing the remote videoconference were provided with the Public Notice of Meeting.

1. **Call to order, declare meeting open to the public, take roll and declare quorum status** – Director Davis called the public meeting to order at 9:30 a.m. on Wednesday, September 18, 2024. Five directors were present at the meeting constituting a quorum, including Vice President/Director Davis, Director Van Ackeren, Director Leva, Director Phillips, and Director Huber. Also present were General Manager Lane Cockrell, District Regulatory Compliance Specialist Virginia Smith, District Administrative and Hydrogeology Assistant Barbara Reyes, Cole Ruiz with Lloyd Gosselink, Vito Trupiano with Endeavor Real Estate Group, and Andrew Worsley, P.G., with Wet Rock Groundwater Services, LLC. The following individuals participated remotely by videoconference call: Audrey Cooper with Lloyd Gosselink, Dana Oakes, Rusty Tarver with Tarver Geologic Services, Kyle McDaniel with JPD Backyard Finance, LLC, Tolliver McKinney with Jackson Walker, LLP, and President Scadden participated remotely as a member of the public.
2. **Announcements** – No announcements.
3. **Public Comments** – No public comments were presented.
4. **Discuss and possibly act on approving previous meeting minutes** – Director Davis presented the draft minutes for the August 14, 2024 regular board meeting for review and consideration. A motion was made by Director Huber to approve the minutes for the August 14, 2024 regular board meeting as presented. Motion seconded by Director Van Ackeren. Motion carried 4 Ayes – 0 Nays – 1 Abstaining – 2 Absent. Director Phillips abstained from voting as he was not present at the August 14 meeting.
5. **Public Hearing to receive input regarding proposed Amended Budget for FY 2024** – Director Davis closed the open meeting at 9:35 a.m. and called the public hearing on the proposed amended budget for fiscal year 2024 to order at 9:35 a.m. General Manager Cockrell provided a presentation to the Board of Directors regarding the proposed line-item amendments to the budget for fiscal year 2024. General Manager Cockrell reported that the amendments to the current fiscal year's budget are intended to adjust budget line items for more consistency with the District's actual spending and revenue for fiscal year 2024. General Manager Cockrell presented amendments to budgetary line items for revenues and various expense categories including personnel expenses for the part-time administrative assistant position, legal services, public relations and outreach, and technical

operations. No public comments were offered regarding the proposed amendments to the budget for fiscal year 2024. Director Davis adjourned the public hearing at 9:41 a.m. and reconvened the open meeting.

6. **Discuss and possibly act on matters related to proposed Amended Budget for FY 2024, including resolution to adopt Amended Budget for FY 2024** – There being no further discussion, a motion was made by Director Van Ackeren to adopt the amended budget for fiscal year 2024 by resolution. Motion seconded by Director Leva. Motion carried 5 Ayes – 0 Nays – 2 Absent.
7. **Public Hearing to received input regarding proposed District Fee Schedule for FY 2025** – Director Davis closed the open meeting at 9:44 a.m. and called the public hearing on the proposed District Fee Schedule for fiscal year 2025 to order at 9:45 a.m. General Manager Cockrell provided a presentation to the Board of Directors regarding the proposed District Fee Schedule for fiscal year 2025. General Manager Cockrell reported that the proposed fee schedule is almost identical to the previous fiscal year's, save for an increase in the District's export fee. In accordance with Texas Water Code § 36.112(e-1) and the District Rules, the proposed export fee for fiscal year 2025 is being increased by three (3) percent from \$0.20 per 1,000 gallons of water exported, to \$0.206 per 1,000 gallons of water exported. No public comments were presented regarding the proposed District Fee Schedule for fiscal year 2025. Director Davis adjourned the public hearing at 9:47 a.m. and reconvened the open meeting.
8. **Discuss and possibly act on matters related to proposed District Fee Schedule for FY 2025, including resolution to adopt District Fee Schedule for FY 2025** – There being no further discussion, a motion was made by Director Huber to adopt the proposed District Fee Schedule for fiscal year 2025 by resolution. Motion seconded by Director Phillips. Motion carried 5 Ayes – 0 Nays – 2 Absent.
9. **Public Hearing to received input regarding proposed District Budget for FY 2025** – Director Davis closed the open meeting at 9:49 a.m. and called the public hearing on the proposed District budget for fiscal year 2025 to order at 9:49 a.m. General Manager Cockrell provided a presentation to the Board of Directors regarding the proposed budget for fiscal year 2025. General Manager Cockrell reported that a few changes were made to the draft budget presented to the Board at the August regular meeting. General Manager Cockrell reported that the line item for "analytical tools" was re-named to read as "data management and analysis" in the proposed budget for accuracy, which includes \$15,000.00 allocated for database development. General Manager Cockrell reported that the budget line item for the general manager's salary was also revised as discussed by the Board at the August regular board meeting. No public comments were presented regarding the proposed District budget for fiscal year 2025. Director Davis adjourned the public hearing at 9:54 a.m. and reconvened the open meeting.
10. **Discuss and possibly act on matters related to proposed District Budget for FY 2025, including resolution to adopt District Budget for FY 2025** – There being no further discussion, a motion was made by Director Van Ackeren to adopt the proposed District budget for fiscal year 2025 by resolution. Motion seconded by Director Phillips. Motion carried 5 Ayes – 0 Nays – 2 Absent.
11. **Discuss and possibly act on matters related to Board Committee appointments** – General Manager Cockrell presented a list of the current active committees of the Board, including the Finance,

Legislative, Science & Outreach, and Rules committees. General Manager Cockrell reported that he and President Scadden suggested appointing the current members of the District's Budget committee, President Scadden, Director Van Ackeren, and Director Urie, to serve on the District's permanent Finance committee to facilitate their involvement in the District's financial reports and to eliminate the need to reconvene the Budget committee each year. General Manager Cockrell also suggested possibly splitting the Science & Outreach committee into two separate committees. Director Davis expressed interest in continuing to serve on the Board's Legislative committee. Director Leva and Director Phillips expressed interest in serving on the Science committee. A motion was made by Director Huber to appoint President Scadden, Director Van Ackeren, and Director Urie to the Board Finance Committee. Motion seconded by Director Leva. Motion carried 5 Ayes – 0 Nays – 2 Absent. A motion was made by Director Leva to reappoint Director Davis to the Board Legislative Committee. Motion seconded by Director Van Ackeren. Motion carried 5 Ayes – 0 Nays – 2 Absent. General Manager Cockrell and Director Huber raised the ongoing importance of outreach and education for the District considering the new Hamilton Pool Management Zone. A motion was made by Director Huber to appoint Director Leva and Director Phillips to the Board Science Committee, and to approve the creation of a new Board Outreach Committee and to table the appointment of Directors to the committee until further discussion, and to appoint President Scadden, Director Huber, and Director Davis to the Board Rules Committee. Motion seconded by Director Davis. Motion carried 5 Ayes – 0 Nays – 2 Absent.

12. **Discuss and possibly act on matters related to Hamilton Pool Management Zone stakeholder recommendations** – General Manager Cockrell once again thanked all the stakeholders for their participation in the Hamilton Pool Management Zone stakeholder process, and thanked Christy Muse for her work as the group's facilitator. General Manager Cockrell reported that the stakeholder group's overarching objective was to limit the negative impacts on the Middle Trinity Aquifer in the Hamilton Pool Management Zone, especially during times of drought. General Manager Cockrell reported that many of the recommendations made by the stakeholder group require changes to the District Rules to implement, but not all. Additionally, General Manager Cockrell reported that the stakeholder group's list of recommendations is not exhaustive, and the Board could consider other management strategies in the future, including potential moratoriums or production limits under certain circumstances. General Manager Cockrell suggested a possible framework for prioritizing recommendations for implementation based on potential impacts and benefits, feasibility, implementation challenges and timeframes. Director Huber proposed looking at management strategies used by other groundwater districts with management zones, and exploring potential opportunities for partnerships or data sharing. Director Davis reported that it also may be helpful for the District if the stakeholders who participated in the Hamilton Pool Management Zone process continue to be involved in this process.

General Manager Cockrell provided an overview of the recommendations proposed by the Hamilton Pool Management Zone stakeholder group. General Manager Cockrell reported that the stakeholder group emphasized the importance of education and outreach, expanded groundwater monitoring, and effective drought management for the management zone, and proposed the creation of a new permit category for indoor-only use. General Manager Cockrell also reported that the stakeholder group proposed implementing incentives for conservation efforts, such as financial incentives to offset costs of installing new rainwater harvesting systems. A motion was made by Director Huber to authorize District staff to schedule a workshop on the recommendations for the Hamilton Pool

Management Zone for October 30, 2024, at 9:30 a.m. Motion seconded by Director Phillips. Motion carried 5 Ayes – 0 Nays – 2 Absent.

13. **Discuss and possibly act on matters related to proposed new wells that require Board authorization to reduce required spacing from property lines** – General Manager Cockrell reminded the Board that the District Rules include minimum spacing requirements from surrounding property lines for proposed new wells, but that the District Rules allow the Board to consider granting a reduced set-back under certain circumstances. General Manager Cockrell presented one (1) well drilling authorization that has requested a variance from the District’s standard spacing requirements. The proposed well will be an exempt domestic well located on River Hills Road on a 1.01-acre tract that was platted before the District was created. General Manager Cockrell reported that a significant portion of the property is located within the 100-year floodplain. Virginia Smith reported that the applicant has used water from the Colorado River in the past but has recently experienced issues with water quality. Director Huber expressed concerns regarding approving this variance request due to unknown locations of septic systems on neighboring properties and proposed that the applicant may consider installing a water purification system in order to continue using surface water. General Manager Cockrell reported that the District’s application requires that applicants identify any potential sources of contamination or pollution within 150 feet of the proposed well site, but that it is sometimes challenging for the District to determine locations of septic systems on neighboring properties if that information is not provided on the application. Cole Ruiz reported that the Board’s authority to approve or deny permit applications is clearly outlined under Chapter 36 of the Texas Water Code and reported that the factors that the Board may consider are limited by Chapter 36 and the Texas Department of Licensing and Regulation’s Rules. A motion was made by Director Van Ackeren to approve the well spacing variance for the proposed well to be located on River Hills Road, contingent upon the applicant demonstrating compliance with applicable city and LCRA requirements, and the District’s required spacing from existing wells in the same aquifer and potential contamination sources prior to drilling. Motion seconded by Director Phillips. Motion carried 5 Ayes – 0 Nays – 2 Absent.
14. **Discuss and possibly act on matters related to District drought stage status** – General Manager Cockrell presented a map showing current drought conditions in Travis County and the District as indicated by the U.S. Drought Monitor as of September 10, 2024. General Manager Cockrell reported that the U.S. Drought Monitor indicates the District is currently not experiencing drought conditions, and that District Rules permit the Board to consider other factors when declaring the drought stage, such as climatological outlook, and surface-water and aquifer levels. General Manager Cockrell reported that the District is currently under declared D-2 Severe Drought, which requires a 20% curtailment for permittees in accordance with the District Rules. General Manager Cockrell provided a summary of other factors for consideration. Based on this information, General Manager Cockrell recommended that the Board downgrade the current declared drought stage to D-1 Moderate Drought. A motion was made by Director Van Ackeren to accept General Manager Cockrell’s recommendation and downgrade the declared drought stage to D-1 Moderate Drought. Motion seconded by Director Leva. Motion carried 4 Ayes – 1 Nays – 2 Absent.
15. **Receive, discuss, and possibly act on update regarding contested case hearings** – General Manager Cockrell reported that a preliminary hearing was held by the State Office of Administrative Hearings (“SOAH”) on August 26, 2024, in the Clancy Utility Holdings, LLC contested case. General Manager

Cockrell reported that the administrative law judge in that case granted party status to all individuals and entities who protested Clancy's application, and that the parties coordinated to develop a procedural schedule for the docket. Cole Ruiz reported that he shared a summary of the Clancy Utility Holdings, LLC case so far with the Board's attorney, Mr. Adam Friedman. General Manager Cockrell reported that the hearing on the merits in the Clancy case is currently scheduled for February 24 through 28, 2025 at SOAH. General Manager Cockrell reported that the District received JPD Backyard Finance, LLC's deposit for anticipated SOAH costs, and that the District will coordinate with SOAH to docket the case. No action taken under this agenda item.

16. **Receive, discuss, and possibly act on updates regarding FY 2024 and FY 2025 Interlocal Cooperation Agreements with Travis County** – General Manager Cockrell reported that he submitted an invoice to Travis County at the beginning of September, which is still pending. General Manager Cockrell also reported that Travis County is set to adopt their budget for fiscal year 2025 on September 24, which includes a line item for funding for the District, and that once that budget is approved District staff will work with Travis County to develop an interlocal agreement for fiscal year 2025. General Manager Cockrell provided a summary to the Board of funding categories under the fiscal year 2024 interlocal agreement, showing that only \$3,938.31 of remaining funding is available under the current ILA. No action taken under this agenda item.

17. **Receive, discuss, and take action as necessary on Board Committee Reports:**

- a. **Finance** – General Manager Cockrell provided a report to the Board regarding the financial reports dated August 31, 2024. The balance sheet indicated assets totaling \$176,543.44, and liabilities totaling \$4,811.29. The fiscal year to date profit and loss report indicated expenses totaling \$402,712.21, gross profit totaling \$341,284.42, and net income totaling \$-61,365.59 through August 2024. General Manager Cockrell provided a summary of the checks issued by the District since the last board meeting, a summary of expenses by vendor, a fiscal year to date summary of expenses by budgetary line item, and reconciliation reports for District accounts.
- b. **Legislative** – Cole Ruiz reported that committees in the Texas House and Senate have been holding hearings to discuss their interim charges. Cole Ruiz reported that the Senate Water, Agriculture, and Rural Affairs Committee is focused on the development of new water supplies, including brackish groundwater and desalination. General Manager Cockrell also reported that he, Virginia Smith, and President Scadden met with Rep. Goodwin and her staff about the District's efforts.
- c. **Science & Outreach** – No action taken under this agenda item.
- d. **Rules** – No action taken under this agenda item.

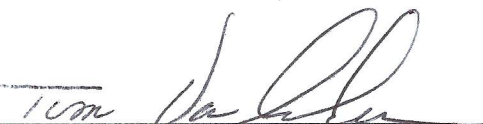
18. **General Manager's Report:**

- a. **Summary of permitting, application, and registration inquiries and submissions** – General Manager Cockrell provided a summary of the permit applications and well registrations received by the District during the month of August. General Manager Cockrell reported that the District received one (1) new well registration, three (3) new well drilling authorization applications, one (1) new general permit application, and three

(3) long-term water utility service connections in August. General Manager Cockrell reported that total reported production for the month of August was 35.1 acre-feet, bringing the fiscal year to date total to 350.0 acre-feet. General Manager Cockrell reported that the District's current Rules state that the District shall issue authorization to begin drilling a new well once the applicant's application is determined to be administratively complete. General Manager Cockrell reported that the District currently has three applications for OP III ATX LedgeStone I, OP III ATX LedgeStone I TH, and OP III ATX LedgeStone II that are currently ready for drilling authorization.

- b. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that GMA 9 representatives met on September 17, 2024, and received presentations regarding factors to consider when developing the next round of Desired Future Conditions (DFCs). General Manager Cockrell reported that the next GMA 9 meeting is currently scheduled for December 17, 2024. General Manager Cockrell reported that the Lower Colorado Regional Water Planning Group K has a meeting scheduled for October 16, 2024.
 - c. **Overview of current District groundwater monitoring program** – General Manager Cockrell presented a hydrograph for the District's Lakeside monitoring well showing water-level data for the Hosston, Cow Creek, and Hensel formations.
 - d. **Other items of interest not requiring Board action** – General Manager Cockrell reported that the District received a draft report for the hydrostratigraphic model of the Trinity Aquifer for Bell, Burnet, Travis, and Williamson counties from LRE Water. General Manager Cockrell reported that LRE staff will present a summary of the report at the Board's October meeting. General Manager Cockrell also noted that the UT Bureau of Economic Geology published a report and model files for a steady-state numerical model of the Hamilton Pool segment of the Middle Trinity Aquifer.
19. **Discuss and establish possible agenda items for future Board Meetings** – General Manager Cockrell reported that the October agenda may need to include an item to consider renewing the District's contract with INTERA for hydrogeologic consulting services.
20. **Discuss and possibly act on setting the date, time, and location for the next Board Meeting** – Director Davis reported that the next regular board meeting will be held on Wednesday, October 9, 2024, at 9:30 a.m. at the District's office.
21. **Adjourn** – A motion was made by Director Van Ackeren to adjourn the open meeting at 12:31 p.m. Motion seconded by Director Phillips. Motion carried 5 Ayes – 0 Nays – 2 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 9th day of October, 2024.


Tim Van Ackeren, Secretary