

MINUTES
OF THE
SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT
BOARD MEETING Held Wednesday, May 30, 2018

At the
Bee Cave Schoolhouse
13333-A Highway 71 West
Bee Cave, Texas 78738

1. Call to order, declare meeting open to the public, and take roll.

Director Scadden called the meeting of the Southwestern Travis County Groundwater Conservation District (SWTCGCD or District) Board of Directors to order at 10:02 AM on May 30th, 2018. Four District Directors were present, including Directors Davis, Dower, Scadden, and Urie. Also in attendance were Ty Embrey, Troupe Brewer, and Hannah Ging with Lloyd Gosselink, as well as Ms. Juli Hennings.

The attendance sign in sheet is attached as Exhibit A.

2. Public comments.

The Board received public comment from Mr. Charlie Flatten, Water Policy Manager for the Hill Country Alliance. Mr. Flatten announced a few HCA events, including a public outreach and educational event related to the process that created the SWTCGCD which would occur on June 7th. There was no further public comment.

3. Discuss, consider and take action on previous meeting minutes

a. February 8, 2018

Upon motion by Director Dower, seconded by Director Davis, the Board approved the minutes of the February 8, 2018 Board meeting 5 ayes to 0 nays.

b. February 16, 2018

Upon motion by Director Davis, seconded by Director Urie, the Board approved the minutes of the February 16, 2018 Board meeting 5 ayes to 0 nays.

c. March 21, 2018

Upon motion by Director Dower, seconded by Director Urie, the Board approved the minutes of the March 21, 2018 Board meeting with a vote of 5 ayes to 0 nays.

The approved meeting minutes are attached as Exhibit B for reference.

4. Discuss, consider and act on appointing a new board member to fill the current vacancy.

The appointment of a new Director to fill the vacancy left by former Director Jim Ross was discussed. Director Scadden directed the Board's attention to correspondence from Representative Paul Workman, and stated that Representative Workman recommended that Ms. Juli Hennings be appointed to fill the vacancy on the Board. Director Scadden agreed with this recommendation and mentioned the technical qualifications of Ms. Hennings as well as her ability to represent the City of West Lake Hills. The Board agreed with this recommendation. **A motion was made by Director Urie, seconded by Director Dower, and the Board approved the appointment of Ms. Hennings with a vote of 4 ayes to 0 nays.**

Lloyd Gosselink paralegal Hannah Ging, a notary public, issued the oath of office to Ms. Hennings and assisted Ms. Hennings in completing the necessary paperwork. At that time, Ms. Hennings was sworn into office and became an acting temporary director of the SWTCGCD. Ms. Ging then left the Board meeting. Director Hennings subsequently submitted her paperwork to the Texas Secretary of State and Director Buddin, the SWTCGCD Board Secretary.

The appointment of Director Hennings and her swearing in were conducted as the first order of business for this Board Meeting after the call to order. Therefore, there were 5 Directors voting on other items considered during the meeting.

5. Discuss, consider and act on the current authority of the SWTCGCD and our vision for a path forward including discussion of the letter from Senator Buckingham and Representative Workman regarding their guidance to the Board, and a potential response, if any.

Director Scadden provided a summary of the correspondence from those Legislators for the Board's recollection. Director Scadden recalled the instruction to the Board to not take any action that should be left to the elected Board, specifically mentioning actions such as rulemaking, fee charging/collecting, and other "regulatory" actions. The Legislators did encourage the SWTCGCD and the Board to engage in public outreach and educational efforts, and also encouraged the Board to continue to develop science and data relative the mission of the SWTCGCD. Director Scadden stated to the Board his suggestion was to accept this Legislative guidance.

Discussion ensued, first lead by Director Davis' question about the possibility of receiving fees from the District's constituents on a purely voluntary basis, which would essentially be a donation to the SWTCGCD. Mr. Embrey with Lloyd Gosselink suggested that this be a topic that the Board addresses in a possible reply correspondence to Rep. Workman and Senator Buckingham. Mr. Embrey also suggested avoiding the use of the word "fee" in any way and focus specifically on any such payment being a donation.

Director Dower then requested the Board discuss what its mission should be in the interim period between now and the Director election at some point in the future, specifically mentioning concern over the potential for large wells to be drilled/large amounts of groundwater to be produced while the SWTCGCD is in this interim period. Director Davis suggested including this issue in the District's correspondence to the Legislators and expressed her desire to get a message to the public/the District's constituents that the SWTCGCD would be on the lookout for any such activity going forward.

Mr. Embrey echoed the directive expressed in the Legislative correspondence and cautioned the Board against doing anything that would be binding on the future elected Board. Mr. Embrey also cautioned that, despite the position the Attorney General takes when it issues an opinion in response to the request submitted earlier this year, the Board should let the directives sent from Representative Workman and Senator Buckingham guide their actions, noting that "legal" guidance/opinions are often separate and apart from "political" guidance/opinions.

Director Davis again expressed her desire for the Board to draft a response letter to address several issues and to request clarification from Rep. Workman and Senator Buckingham on the District's path forward. Director Urie reiterated to the Board the important topics to be addressed in the response, specifically mentioning education/outreach, donations and sources of funding, and guidance on how to deal with any "emergency" issues such as any attempted large-scale groundwater production within the District's boundaries. Director Hennings recommended that the Board frame the letter as part of a continued, open dialogue between all interested parties. Director Hennings also mentioned

that the Mayor of West Lake Hills asked Director Hennings to assist with an editorial article for the local newspaper about the District and its activities and mission going forward.

Mr. Embrey stated that it would be important to note in the letter that any potential donations received by the SWTCGCD can and will be used towards outreach and educational efforts and the development of data and science relevant to the District's mission. To that end, Mr. Embrey also suggested requesting clarification in its reply letter as to whether the SWTCGCD could register wells within its jurisdiction and noted that this activity would assist with the District's efforts to develop data on the groundwater under its jurisdiction. Director Scadden voiced support for Mr. Embrey's suggestions.

Upon motion from Director Dower, seconded by Director Davis, the Board approved the drafting of a response letter to Representative Workman and Senator Buckingham as outlined by the Board's discussion, particularly stating that the District understands and agrees with the directives provided by the Legislators, that the District will continue its public outreach and educational efforts, that the District will monitor drilling activities, and that the District will remain in communication with both offices regarding its efforts with a vote of 5 ayes to 0 nays. Director Dower volunteered to make the first draft of the correspondence and indicated he would circulate the draft to the other Directors for their review and input. The Board agreed with this approach.

Director Scadden asked if the attorneys had any parting advice or suggestions to the District. Mr. Embrey reiterated his previous advice for the Board to work as closely as possible with Representative Workman and Senator Buckingham in the coming months leading into the next Legislative Session. Mr. Embrey suggested adding to the District's response letter discussion about the legislation needed to amend the District's Enabling Act, and to begin working on that legislation as soon as possible. Mr. Embrey suggested that the SWTCGCD begin working with Travis County as soon as possible to iron-out the estimated election costs for a November 2019 Director election, as this information will be critical to legislative efforts in the upcoming session.

6. Discuss, consider, and act on scientific data collection, outreach and education.

a. West Lake Hills Mayor – report from April 5, 2018 meeting

Director Hennings discussed the meeting that Director Hennings, Director Scadden and Mr. Kick Holland had with Mayor Anthony. Mayor Anthony accepted the information provided to her and indicated a concern that the SWTCGCD does not have enough authority to be successful. During the meeting, Mayor Anthony agreed to support the formation of the SWTCGCD in the future and indicated that the discussion helped her better understand the intimate relationship between surface and groundwater within the District. Mayor Anthony requested that SWTCGCD Director Hennings and the Board consider guest authorship of one of her columns for local news media.

b. Interlocal agreement between Travis County and BSEACD to provide technical support, education, and outreach to the SWTCGCD

The Barton Springs Edwards Aquifer Conservation District (BSEACG) and Travis County are working to establish an interlocal agreement between them to conduct the Southwestern Travis County Hydrogeology Project. The types of tasks envisioned for this project include, but are not limited to, compiling existing data, inventorying groundwater wells, measuring groundwater levels, estimating groundwater usage, geologic mapping, groundwater sampling, preparing reports and participating in public education. It is anticipated that this agreement will be signed soon and will run through August 31, 2019.

A draft version of the Interlocal Agreement is attached as Exhibit C for reference.

INFORMATIONAL NOTE: It was brought to the attention of Director Scadden in communication with Travis County staff after this Board Meeting, that the hydrogeology project is being performed on behalf of the constituents on Travis County and the BSEACG. Although the results generated from the project will be very useful to the future efforts of the SWTCGCD, the project is not being performed specifically in support of the SWTCGCD.

- c. Future Travis County/BSEACD staff presentation of SWTCGCD existing conditions, well inventory, and revenue estimates

This item was postponed for future consideration.

- d. Groundwater 101 Technical presentation

The Board discussed technical presentations and public outreach. **Director Hennings made a motion to establish a three member, no quorum, Scientific Committee of the Board to work on collecting science and coordinating with Travis County, BSEACD, and other entities. Director Dower seconded the motion, and it passed with 5 ayes and 0 nays.** The Board agreed that Directors Hennings, Davis and Dower would constitute the Science and Outreach Committee.

- e. Workshops with other GCDs and related entities (e.g., Hayes Trinity GCD, BSEACG)

Mr. Holland informed the Board that the BSEACG has named Alicia Reinmund-Martinez as the new General Manager. The Board discussed the value of meeting with representatives from other GCDs and learning from their experiences. Director Scadden was tasked with setting up these types of informal meetings.

7. Discuss, consider and act on information from Travis County staff on their funding support, staff support, and county budget requests.

Mr. Jon White reported that the Travis County attorneys were hesitant to establish an interlocal agreement between Travis County and the SWTCGCD due to a concern about the official or legal status/existence of the SWTCGCD. The Board pointed out that the SWTCGCD has a Federal Tax ID number, a bank account, and conducts regular Board meeting, so we believe that the SWTCGCD does officially exist. The Board asked Mr. White to convey a message to the County that the SWTCGCD requests for Travis County to move forward with the financial and staff support previously approved by County Commissioners.

8. Discuss, consider and act on pro bono letter agreement with Lloyd Gosselink.

Director Dower requested clarification as to whether this approval had already occurred by prior Board action. Director Scadden explained that he signed the pro bono letter on behalf of the District, and this action item was to ratify Director Scadden's actions. Mr. Embrey indicated that this letter was necessary to "paper his file" internally at his firm and was also a request from Lloyd Gosselink's own Board. **Upon motion by Director Dower, seconded by Director Urie, the Board approved the ratification of Director Scadden's action to sign the pro bono letter agreement between the District and Lloyd Gosselink with a vote of 5 ayes to 0 nays.**

9. Discuss, consider and act on payment to Lloyd Gosselink.

Director Scadden informed the Board that he had signed a check on behalf of the SWTCGCD and submitted it to Lloyd Gosselink in accordance with previous Board approvals. **Upon motion by Director Davis, seconded by Director Urie, the Board approved ratification of the \$2,000 flat fee payment by the District to Lloyd Gosselink by a vote of 5 ayes to 0 nays.**

10. Discuss, consider and act on recognition of Lloyd Gosselink’s support of the SWTCGCD

Director Scadden addressed Mr. Embrey and Mr. Brewer and thanked them and Ms. Ging for the work they did on the District’s behalf. Director Scadden recognized that a large majority of the work done by Lloyd Gosselink in the preceding months was done on a pro bono basis, and Director Scadden and the rest of the Board expressed their gratitude. Director Scadden requested approval from the Board to draft a letter on the District’s behalf to Lloyd Gosselink to express those sentiments. **Upon motion by Director Hennings, seconded by Director Dower, the Board approved the drafting and sending of a letter of appreciation to Lloyd Gosselink by a vote of 5 ayes to 0 nays.**

Director Davis asked Mr. Embrey how groundwater districts in general afforded legal representation, acknowledging the benefit and need of such services even in consideration of the costs. Mr. Embrey discussed some of the different funding sources for groundwater districts, including fees, tax revenue, and grants, and also mentioned the difficulty inherent to getting a groundwater district up and running.

11. Discuss, consider and act on setting the official location for Board meetings.

Lloyd Gosselink prepared a resolution for the District to memorialize this action, and Mr. Embrey presented a draft resolution to the Board. Director Scadden suggested that the Board designate the Bee Cave Schoolhouse as the primary meeting location, and that Bee Cave City Hall serve as the alternative location. The Board agreed with Director Scadden’s recommendation. Director Davis asked what would happen if the District decided to meet in a different location other than those designated in the resolution, on an emergency basis for example. Mr. Embrey suggested that in such an instance the District amend its resolution to include any new location where the Board meets. **Upon motion by Director Davis, seconded by Director Hennings, the Board approved the designation of those meeting places and approved the entry of the corresponding resolution by a vote of 5 ayes to 0 nays.** A copy of the resolution is attached – Exhibit D

12. Discuss, consider, and act on requests for additional funding.

The Board discussed ways of gaining additional funding support for the SWTCGCD. This included the potential for accepting gifts or donations from private citizens and interested groups. This discussion included a reminder that the SWTCGCD had already accepted a financial donation from the Hamilton Pool Road Matters group. The Board agreed to include a reference to accepting donations in their letter to the Legislators (item 5 above).

13. Discuss, consider, and act on obtaining bonding and insurance for SWTCGCD Directors.

Director Urie asked Mr. Embrey about the issue of bonding and insurance, asking whether those items were necessary given the District’s unique position and the status of the “temporary” directors. Mr. Embrey replied that he recommended the directors obtain the necessary bonding in an amount of \$10,000 but suggested that if the District were to stick to the directives from the Legislators and not take any “regulatory” action, then insurance might not be necessary. Director Davis suggested that insurance coverage might be a good issue to address in the District’s reply letter to Rep. Workman and Senator Buckingham. The other directors agreed, and Director Dower brought to the Board’s attention the possibility of needing insurance in the event the District is sued for not taking any regulatory action.

14. Discuss, consider and act on setting up a bank account for the SWTCGCD. Bank has question about the correct mailing address.

Director Scadden reported that the bank had a question about the SWTCGCD address. Director Urie agreed to investigate and resolve the matter.

15. Discuss, consider and act on obtaining a sales tax exemption.

This item was postponed to a later date.

16. Discuss, consider and act on the SWTCGCD website and email addresses.

Director Dower indicated that he has the necessary information and access but has not taken over control of the www.swtcgcd.org website that was initially established by Representative Workman and administered by the Travis County staff. Director Dower indicated that he has been reluctant to access the account since it has other matters included in the account. Mr. Wilson Adams from Senator Buckingham's staff indicated that he would look into getting email authorization for Director Dower to take control of the www.swtcgcd.org website.

Director Dower also reiterated a request to get reimbursed for his previous expenditures on the www.swtcgcd.com website as approved by the Board.

17. Discuss and establish agenda items for the next meeting agenda.

The Board agreed to include the following items on the next meeting agenda:

- The response letter to the legislature
- Establishing Board Committees
- Other items that are continued from the previous meeting

18. Discuss, consider, and act on setting the date, time and location for the next Board meeting.

The Board agreed to establish the second Wednesday of each month as a regular meeting date at the time of 10:00 am at the location of the Bee Cave Schoolhouse if possible.

19. Adjourn.

Director Davis moved to adjourn and Director Urie seconded the motion which passed by a vote of 5 ayes and 0 nays.

SWTCGCD Meeting Minutes

Exhibit A

EXHIBIT B

APPROVED MEETING MINUTES

Southwestern Travis County Groundwater Conservation District Board Meeting

Minutes

Thursday, February 8, 2018

Bee Cave City Hall, 4000 Galleria Pkwy, Bee Cave, TX 78738

Temporary Board Members present:

Richard (Rick) Scadden, Jim Dower, Tricia Davis, John O'Malia, Jason Buddin, Jim Urie, Jim Ross

1. Called to order 1:35 PM.
2. Each board member gave a brief introduction
3. Public Comment from Jordan Furnans, Gene Lowenthal, Kirk Holland.
4. Without objection the January 31, 2018 meeting notes were approved.
5. Discuss the May 2018 election process and take action as necessary to put confirmation of creation of the SWTCGCD on the election ballot.

Discuss, Consider, and Act on the May election process: The May election process was discussed and Rick Scadden will draft a letter to Travis County to request financial assistance for the election. Without objection the motion was passed to have Rick Scadden draft the letter.

6. Discuss and take action as necessary on the requirements for compliance with election laws and the need for legal counsel in preparation for the May election.

Tom Nuckols advised that the District will need legal counsel and that the County cannot provide that service as it represents a conflict of interest.

7. Discuss, Consider, and Act on the election deadlines: Thomas Morgan (Travis County elections) gave an overview of the deadlines for election documents to be submitted to Travis County, and provided a breakdown of the election cost estimate.
8. Discuss, Consider, and Act on ballot language: Ron Fieseler and Vicky Kennedy will work together on draft ballot language by the 2/16/2018 deadline. The board will determine the ballot order.
9. Identify and discuss the applicants for elected Director positions. Discuss, Consider, and Act on requirements for permanent directors: Discussion occurred on the qualifications for permanent directors and the process for anyone who

wanted to be considered for permanent director to contact Jon White. Applications to Secretary (Buddin). Subcommittee of Directors Urie, Buddin and Scadden established to assist Secretary in verifying candidates for submitting to the County Clerk.

10. Discuss bonding and insurance for Directors. Ron Fieseler presented to the board requirements for bonding of board members. John OMalia was asked to research entities to provide bonding insurance.
11. Discuss and take action as necessary regarding the logistics for SWTCGCD operations.
 - a. PO Box and telephone – to be monitored by Director Davis
 - b. SWTCGCD website: discussion occurred regarding the logistics with getting information posted to the website that Travis County is helping to maintain. Without objection the motion passed to have Jim Dower work with Travis County IT staff to establish email addresses and post any GCD documents.
 - c. District e-mail – name.swtcgcd@gmail.com
 - d. Office location – Using County facility at 8656 Hwy 71, 2nd Floor, Austin, TX 78735
 - e. Level of support that Travis County would provide: Jon White explained that a formal request would need to be made to Travis County for staff support for the GCD. Jon White also will check to see if meeting space is available at Travis County.
 - f. Potential sources of revenue – Donations welcome, potential for Travis County assistance, others to be determined.
 - g. Establishing a bank account for the GCD: Without objection a motion was passed to have the secretary establish a bank account for the GCD.
12. Discuss previously compiled information on groundwater wells in the SWTCGCD and estimated revenue for SWTCGCD operations
 - a. Previous evaluation of groundwater wells is the SWTCGCD (existing and projected). Jordan Furnans presented a map of wells within the district. (attached)
 - b. Projected annual revenue for the SWTCGCD, discuss future presentation. Jon White & Kirk Holland described past analysis used to support legislative effort. Data mostly from TWDB will require extensive reexamination and analysis before it is appropriate for realistic revenue projections.
13. Discuss outreach and education opportunities. Board members are invited to event at Westcave Preserve on March 7. Managing Groundwater in Travis County: How, Why and Where? by The Meadows Center for Water and the Environment - Texas State University. A possible quorum of the Board may attend. Director Scadden will develop an appropriate posting.

Discussion regarding the need to communicate benefits of the GCD.

14. Discuss future agenda items: Workshop; Subcommittee report regarding election, candidates; Possible cancellation for unopposed candidates; Travis County response to funding request.
15. Discuss and take action to establish future meeting dates. Meeting set for February 16.
16. Adjournment

MEETING MINUTES

OF THE
SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

At the
Bee Cave School House
13333-A Highway 71 West
Bee Cave, Texas 78738

Friday, February 16, 2018 at 10:00 am

Public Meeting

1. The meeting was called to order at 10:02 am. Temporary Directors Davis, Dower, O'Malia, Ross, Scadden, and Urie were in attendance. A quorum was present. Additional attendees are indicated on the attached sign-in sheet. The meeting attendees present at the start of the meeting each introduced themselves.
2. Public comments. There were no formal public comments.
3. No meeting minutes from previous meetings were discussed.
4. The Board discussed an employment agreement with legal counsel, Lloyd Gosselink, to provide legal services to the District through the election period and until the end of May 2018.
 - A motion was made by Jim Dower to approve the agreement with Lloyd Gosselink and authorize Tricia Davis, Board Vice President, to sign on behalf of the Board Secretary along with the Board President
 - The motion was seconded by John O'Malia
 - The motion passed 5-1 with Directors Dower, Urie, Davis, O'Malia and Scadden voting in favor, and Director Ross voting against
5. The Board discussed an Order Calling Election to Confirm Creation of Southwestern Travis County Groundwater Conservation District and Election of Initial Directors' Election
 - A motion was made by Director O'Malia to approve the Order calling the election as presented by legal counsel.
 - The motion was seconded by Director Urie
 - The motion passed 6-0.
6. The Board deferred the agenda item to Discuss, consider and act on Resolutions Adopting Voting Systems for Election to Confirm Creation of Southwestern Travis County Groundwater Conservation District and Election of Initial Directors (Discutir, considerar, y tome medidas en Resoluciones que Adoptan Sistemas de Votación para Elección para Confirmar Creación de Distrito de Conservación de Agua subterránea del Southwestern Travis County e Eleccion para Directores Iniciales).

7. The Board deferred the agenda item to Discuss, consider, and act on Election Services Agreements between the District and Travis County (Discutir, Considerar, y tome medidas en Acuerdos de Servicio de Elección entre el Distrito y los Condados de Travis).
8. The Board discussed a Resolution Authorizing President and Secretary to Execute Election Documents (Discutir, Considerar, y tome medidas en una Resolución que Autoriza al Presidente y Secretario para Ejecutar Documentos de Elección).
 - Director O'Malia made a motion to approve the resolution presented by legal counsel.
 - Director Ross seconded the motion.
 - The motion passed 6-0.
9. The Board deferred the agenda item to Discuss, consider, and act on public education efforts regarding Election to Confirm Creation of Southwestern Travis County Groundwater Conservation District and Election of Initial Directors (Discutir, Considerar, y tome medidas en esfuerzos de educación públicos en cuanto a la Elección para Confirmar la Creación de Distrito de Conservación de Agua subterránea del Southwestern Travis County e Eleccion para Directores Iniciales).
10. The Board discussed items related to Election to Confirm Creation of Southwestern Travis County Groundwater Conservation District and Election of Initial Directors (Discusión / acción Posible en cualquier artículo necesario relacionado con Elección para Confirmar Creación de Distrito de Conservación de Agua subterránea del Southwestern Travis County e Eleccion para Directores Iniciales).
 - The Board discussed the Travis County Commissioners Court agenda item to consider the District request for financial support. This item is to be considered at or about 10:00 am on Tuesday, February 20, 2018. Board President Scadden will attend the Commissioner Court meeting to represent the District Board.
 - The Board discussed ballot applications for the District Board election and the submission deadline of February 16, 2018 (the meeting date). Applications were collected by Director Scadden for consideration by the Election Subcommittee (Directors Buddin, Urie and Scadden)
 - Director O'Malia addressed a question from the public regarding the eligibility requirements for Directors who live outside the municipalities. He explained that the enabling legislation never mentioned "wells". The legislation says that the Director must use groundwater as a source of water supply for a beneficial use at their residence and that the requirement is met if the groundwater is delivered to the property from another location.
 - The Board agreed that an item needed to be added to the February 20, 2018 Board Meeting agenda to discuss and take action as necessary regarding Election related activities and funding. The revised meeting agenda will need to be reposted for Public Notice.
11. The Board discussed applying for a Federal Employer Identification Number (EIN). The EIN is needed to open a bank account and conduct District business.
 - Director O'Malia moved to authorize obtaining an EIN.
 - Director Davis seconded the motion.
 - The motion passed 6-0.
 - Director Ross volunteered to go online and obtain the EIN for the District.
12. The Board discussed appointing a public information officer (PIO) to serve as the main point of contact for information or document requests to the District.

- Director Dower moved to appoint the Board Secretary, Jason Buddin, as the PIO since the Board Secretary is the official keeper of District records and documents. This is subject to acceptance by Director Buddin since he is not present at the meeting.
 - The motion was seconded by Director O'Malia
 - The motion passed 6-0.
13. The next meeting of Board of Directors is Tuesday, February 20th at 1:30 pm. The meeting location is planned for the Bee Cave School House, 13333-A Highway 71 West, Bee Cave, Texas 78738
14. The Board discussed items for future meeting agendas. Potential items include:
- Operation and maintenance of the District website
 - District specific email addresses for Directors such as lastname.swtcgcd@gmail.com
15. The meeting was adjourned at 11:19 am on a motion by Director O'Malia and seconded by Director Dower. The motion passed 6-0.

MINUTES
OF THE
SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT
Board Meeting Held Wednesday, March 21, 2018
Bee Cave School House

1. Call to order, declare meeting open to the public, and take roll.

The Meeting was called to order at 10:03 am by President Rick Scadden, who presided over the meeting. Directors Jason Buddin, Jim Dower, John O'Malia, Jim Ross, Rick Scadden, and Jim Urie attended the meeting. Director Tricia Davis was unable to attend the meeting. Director Jim Ross left the meeting at 11:27 am due to another commitment. The District's legal counsel was also present, Mr. Ty Embrey with Lloyd Gosselink Rochelle & Townsend, P.C.

2. Public comments.

There were no public comments.

3. Discuss consider and take action on previous meeting minutes

- a. February 8, 2018 – County staff is still working on preparation of these minutes.
- b. February 16, 2018 – these draft minutes were tabled pending suggested additional wording from Director O'Malia.
- c. February 20, 2018 – Director O'Malia moved approval, motion seconded by Director Dower, minutes approved by a vote of 6-0.
- d. March 2, 2018 – the draft minutes were edited to accept written comments from Director Davis. Director Buddin moved approval of the revised minutes, motion seconded by Director O'Malia, minutes approved by a vote of 6-0.

4. Discuss, consider, and act on matters pertaining to the SWTCGCD enabling legislation and a future election for confirmation and directors.

The current status was discussed. The Board has cancelled participation in the May 2018 election. Efforts will be undertaken to revise the enabling legislation for the SWTCGCD to allow participation in the November 2019 election.

5. Discuss, consider, and act on establishing an Employee Identification Number.

Director Scadden thanked Director O'Malia for obtaining the EIN which has been provided to Directors Buddin and Urie for establishing the SWTCGCD bank account.

6. Discuss, consider, and act on obtaining bonding for SWTCGCD Directors.

Director O'Malia discussed his efforts to obtain a quote for obtaining bonding for the Directors. He is working with the Texas Municipal League. A form needs to be filled out by each Director. This item will be included on a future meeting agenda for approval after the premium is quoted.

Directors and Officers insurance was also discussed. Director O'Malia will obtain a quote for this coverage also.

7. Discuss, consider and act on setting up a bank account for the SWTCGCD.

Director Urie provided an update on setting up the SWTCGCD bank account. Directors Urie and Buddin have met with representatives at the Independent Bank in Lakeway. The bank officials are working out the procedures and paperwork for establishing an account for a government entity.

The Board also discussed which Directors should have authority to sign checks on behalf of the SWTCGCD. A motion was made by Director Ross and seconded by Director O'Malia to set up the bank account with the three officers of the Board as the authorized signatures for checks. The current officers are President, Rick Scadden; Vice President, Tricia Davis; and Secretary/Treasurer, Jason Buddin.

8. Discuss, consider and act on obtaining a sales tax exemption.

The desire to establish tax exempt status for the SWTCGCD was discussed. This was prompted by Director Dower being charged sales tax when setting up the new website. Apparently, a form needs to be filled out through the Texas Comptroller's Office. Finding no other volunteers, Director Scadden accepted the assignment to investigate this.

9. Discuss, consider and act on the SWTCGCD websites.

a. Discuss new swtcgcd.com website (current site is swtcgcd.org)

Director Scadden thanked Director Dower for his work on setting up the new SWTCGCD.com website. The Board discussed using this new website as the official SWTCGCD website and taking over responsibility for the SWTCGCD.org website that the County staff have been maintaining. Peter Golde agreed to assist Director Dower in maintaining the new website and posting SWTCGCD information and public notices. Director Dower made a motion to make the swtcgcd.com site the official website of the SWTCGCD and to take responsibility for the swtcgcd.org website which will be forwarded to the swtcgcd.com site. The motion was seconded by Director Urie and passed by a vote of 6-0.

b. Authorize reimbursement of costs incurred by Jim Dower

Director Dower incurred a cost of \$191.98 in setting up the new website. Director Buddin made a motion to reimburse Director Dower for \$191.98. The motion was seconded by Director O'Malia and passed by a vote of 6-0.

c. Discuss email addresses tied to new URL

The Board discussed setting up new email addresses that are tied to the new swtcgcd.com domain name. This would provide improved ability to gather and produce SWTCGCD email communications in the future. Director Dower estimated that the annual cost for the email accounts for all the Directors would be about \$150.00 total. Director Buddin moved to establish the new email addresses and move all email communications to the new site. The motion was seconded by Director Urie and passed 6-0.

10. Discuss, consider and act on a summary of the current status of the SWTCGCD and our vision for a path forward (with action items and priorities).

The SWTCGCD attorneys from Lloyd Gosselink prepared a letter summarizing their opinion on the current regulatory status of the SWTCGCD and potential path forward for the SWTCGCD. The letter from Lloyd Gosselink was provided by Director Scadden to the Board. Ty Embrey presented the contents of the letter and the legal provisions on which it is based. Mr. Embrey also informed the Board that he received an email communication from Representative Workman's office. It appears that there is a potential disparity between what some people interpret as the intent of the legislation and the actual wording of the enabling act for SWTCGCD.

The Board, our attorneys, and attendees at the meeting discussed this matter a length. There is agreement that the Board does not want to take actions that could alienate our political sponsors and partners. A decision was made for the temporary Directors to coordinate meetings with our respective sponsors that appointed us to the Board to discuss their perspective on the regulatory authority of the SWTCGCD and our appropriate path forward. Meetings will also be sought with the three municipalities within the SWTCGCD boundary, Bee Cave, Lakeway (including the Hills), and Westlake Hills.

The Board understanding is that we need to address these regulatory/legal and political matters before we can formulate our path forward.

11. Discuss, consider and act on appointing a committee to develop a budget for the SWTCGCD based on the priorities established in item 9 above.

This agenda item was deferred pending the outcome of the action items in item 10.

12. Discuss, consider and act on appointing a committee to begin developing a Management Plan, Policies, Rules, and Regulations for the SWTCGCD

There was discussion about whether the SWTCGCD can start work on a Management Plan prior to a confirmation election with general agreement that a Management Plan cannot be prepared. Scientific data collection and studies may be performed to understand and characterize the hydrogeology within the SWTCGCD boundaries. Jon White from Travis County staff discussed work being performed by the County regarding scientific studies in our area. Further action by the SWTCGCD on this item was deferred pending the outcome of the action items in item 10.

13. Discuss, consider, and act on outreach and education.

a. Bee Cave City Council meeting – report from March 13, 2018 meeting

Director Scadden provided a summary of his attendance at the Bee Cave City Council meeting and discussion with the Mayor and Council. The discussion included background on the SWTCGCD, our current status regarding the decision not to participate in the May 2018 election, and the effort to revise the enabling legislation to authorize a November 2019 election.

b. Reaching out to other entities This agenda item was deferred pending the outcome of the action items in item 10.

c. Facebook page This agenda item was deferred pending the outcome of the action items in item 10.

d. Groundwater 101 Technical presentation This agenda item was deferred pending the outcome of the action items in item 10.

- e. **Workshops with other GCDs and related entities (e.g., Hayes Trinity GCD, Barton Springs Edwards Aquifer Conservation District)** This agenda item was deferred pending the outcome of the action items in item 10.

14. Discuss, consider, and act on requests for additional funding. This agenda item was deferred pending the outcome of the action items in item 10.

15. Discuss, consider and act on information from Travis County staff on their funding support, staff support, and county budget requests.

Mr. Jon White discussed the draft Interlocal Agreement that is under review at the County to establish how the County will provide \$5,000 in funding to the SWTCGCD. Director Scadden mentioned an email that he sent to Mr. White asking that the scope of activities on which the County funds can be spent be broadened to reflect the language of the County Commissioners Court agenda item that approved the funds. Mr. White also discussed studies underway or planned that would help develop the scientific understanding for the SWTCGCD. Mr. White indicated that the County is reviewing staff resources and how they can support the SWTCGCD.

16. Discuss, consider, and act on items for the next meeting agenda.

a. Travis County staff presentation of SWTCGCD revenue estimates

Director Scadden reiterated previous requests for the Board to receive a presentation on the potential revenues that might be generated from operation of the SWTCGCD. Some of the necessary information was developed by the staff at the Barton Springs Edwards Aquifer Conservation District. Kirk Holland and Jon White agreed to work on pulling the requisite information together for a future presentation.

b. Legal representation This item was deferred to a later date.

17. Discuss, consider, and act on setting the date, time and location for the next Board meeting.

The next Board meeting was scheduled for Wednesday, April 11, 2018 at the Bee Cave school house at 10:00 am.

18. Adjourn.

Director Buddin made a motion to adjourn. The motion was seconded by Director O'Malia and passed 5-0.

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time. These public meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting, please call (512) 322-5829 at least 24 hours in advance of the meeting to coordinate any special physical access arrangements.

At any time during the meeting and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Southwestern Travis County Groundwater Conservation District Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gift (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

SWTCGCD Meeting Minutes

Exhibit C

**INTERLOCAL FUNDING AGREEMENT & MEMORANDUM OF UNDERSTANDING
FOR CONDUCTING INVESTIGATIONS AND OFFERING EDUCATIONAL SUPPORT
RELATED TO GROUNDWATER USE IN SOUTHWESTERN TRAVIS COUNTY**

This Interlocal Funding Agreement and Memorandum of Understanding (the "Agreement") is entered into by and between the Barton Springs/Edwards Aquifer Conservation District, a special district created under Chapter 8802 of the Texas Special District Local Laws Code and having authority under Chapter 36 of the Texas Water Code ("BSEACD"), and Travis County, a political subdivision of the State of Texas ("the County") (collectively, the "Parties"), and relates to studies of the Trinity aquifer in Travis County and factors affecting its use.

RECITALS

WHEREAS, the Parties have a history of collaborating to study and better understand the availability of groundwater within Travis County and the region; and

WHEREAS, the southwestern portion of Travis County is located in the Hill Country Priority Groundwater Management Area ("PGMA"), signifying the recognized susceptibility of the area's groundwater to quantity and quality limitations; and

WHEREAS, the Parties recognize that the Trinity Aquifer in this area is a shared aquifer that is of mutual interest to both the County and the BSEACD; and

WHEREAS, the Parties recognize the need and benefit of groundwater investigations and data collection in the Trinity Aquifer, especially in the Travis County portion of the Hill Country PGMA, and that these efforts improve knowledge of how groundwater is currently being used and could be used in the future; and

WHEREAS, the Parties believe that with the uncertainty of the Southwestern Travis County Groundwater Conservation District (SWTCGCD), the continuation of current efforts and collaboration to obtain groundwater data and provide and update educational and outreach programs will be helpful to Travis County residents in understanding the region's groundwater resources and the limitations of those resources;

WHEREAS, the Parties agree that the best way to promote their mutual desire to conduct groundwater-related investigations and offer educational tools and programs to groundwater users in the Travis County portion of the Hill Country PGMA and other members of the public is to collaborate in those endeavors, using the experienced staff resources of BSEACD and the County and certain monetary resources of the County, and

WHEREAS, the Parties desire to and are authorized to enter into this Agreement pursuant to the Texas Interlocal Cooperation Act, § 791.001, et seq. of the Texas Government Code:

NOW, THEREFORE, in consideration of the foregoing and the mutually acceptable terms and conditions of the Parties in this Agreement, the County and BSEACD agree as follows:

ARTICLE 1 PURPOSE

1.1 The purpose of this Agreement is to collaborate in funding and performing the tasks associated with the Southwestern Travis County Hydrogeology Project (the "Project"), which is described in attached Exhibit A and incorporated herein for all purposes.

1.2 The purpose of the Project is to:

- (a) collect hydrogeologic and specific well information in Travis County, especially in the southwest portion, to provide a better understanding of the groundwater resources of the area, to better understand usage of the Trinity Aquifer, and to estimate current and future groundwater demand;
- (b) prepare and assist in presenting educational information about groundwater in the area and its management for the benefit of stakeholders, public officials, and the public, and
- (c) make the collected information available to groundwater managers such as the BSEACD, the County, Groundwater Management Area 9's Joint Planning Committee, and the SWTCGCD, as well as groundwater users in the area.

ARTICLE 2 OBLIGATIONS AND RIGHTS OF BSEACD

2.1 BSEACD hereby agrees to contribute no less than \$61,500.00 in value consisting of in-kind labor and use of equipment under this Agreement.

2.2 BSEACD agrees to perform each of the supporting project tasks in general accord with the schedule and other specifications set forth in Exhibit A and as to be further described in task plans as individual tasks are initiated, and to provide monthly summary activity reports for services rendered.

2.3 BSEACD agrees that it will accept guidance and direction from Travis County to BSEACD in interfacing with the public as required in conducting the tasks.

2.4 BSEACD agrees to collaborate with the County in presenting information to the public and in the sample-inventorying of existing wells in the area.

EXHIBIT A
Southwestern Travis County Hydrogeology Project

Tasks

- A. Timing/Completion of Tasks. The tasks undertaken, their scheduling, and priorities will depend to an extent on the specific capabilities of the newly hired staff (see below), the availability of BSEACD existing staff to provide oversight and participate in certain tasks, and the availability of Travis County staff to participate in certain tasks.
- B. Types of Tasks to be Performed as Part of Project. The following work areas are illustrative of the types of activities that will be undertaken under this Project:
1. Compiling existing data (well information, geology, hydrogeology, water usage, etc.)
 2. Inventorying wells using databases and field visits (with emphasis on larger pumpers)
 3. Estimating groundwater usage in study area
 4. Using GIS to compile and report data obtained for this study
 5. Measuring water levels
 6. Groundwater sampling
 7. Geologic mapping
 8. Installing and/or converting selected wells to monitor wells
 9. Preparing reports of findings, including text of reports, maps, charts, tables and diagrams
 10. Preparing educational materials, including maps, figures, and presentations
 11. Participating in education and outreach activities related to the study area
 12. Other relevant tasks as needed as mutually agreed upon by the Parties

Staffing

- (1) To increase cost-effectiveness and to expand its capacity for undertaking the tasks, BSEACD will hire 1.5 full-time employees ("FTEs") for one year under this Agreement, to work under the direction and with the participation of BSEACD's current staff. The temporary hires will be appropriate, experienced professionals, not interns, with the following qualifications:

Hydrogeologist: One full-time employee (1 FTE) for one year - \$40,300 on appropriately loaded basis; BS in geology or hydrogeology preferred, or within six months of completing degree requirements; GIS experience required.

Water Resources-oriented Education Specialist: One half-time employee for one year - \$25,000 on appropriately loaded basis; BA in water resources, geography, geology, hydrogeology, or related subject with experience in education and community outreach

- (2) Existing BSEACD staff involved in this project will include Aquifer Science team members, for this project under the overall direction of Brian Hunt, P.G., and Education and Outreach team members under the direction of Robin Gary,
- (3) Existing Travis County staff collaborating with BSEACD in this project are anticipated to be directed by hydrogeologist Vicky Kennedy, P.G, C.P.M., and may include other Travis County staff from the Natural Resources and Environmental Quality Division of the Travis County Transportation and Natural Resources Department.

Deliverables

1. Initial report that outlines what is currently known about the area's hydrogeology; completed two months after start of project.
2. "Groundwater 101" presentation for public audience, summarizing the Trinity Aquifer's hydrologic and hydrogeologic characteristics, its usage, and options for its management, completed two months after start of project
3. Other educational materials, as needed during the term of this project
4. Installation of Lower Trinity monitor well, as soon as feasible after start of project
5. Interim progress report at 8 months
6. Draft final report at one year.

Level of Effort and Costs

Estimated in-kind cost-sharing by BSEACD: \$61,500

Existing staff labor: At least \$56,550 (appropriately loaded):

Hydrogeologic Intern, 50%: \$16,800

Hydrogeologic Technician, 15%: \$9,050

Senior Hydrogeologist, 10%: \$19,600

Senior GIS and Outreach Specialist, 10%: \$11,100

Equipment and supplies: \$5,000

Computer and software: \$1500

Use of miscellaneous specialty field equipment: \$3,500

Estimated BSEACD Costs to be defrayed under this Agreement:

Labor: \$65,300 (appropriately loaded)

Hydrogeologist for one year, full-time: \$40,300

Water Resources Outreach Specialist for one year, half-time: \$25,000

Other Expenses: Not to Exceed \$18,500; may include a variable mix of:

Travel \$2,500 (mileage for field visits)

Field equipment \$1,000 (e-line, samplers, etc.)

Laboratory analyses of groundwater samples \$5,000

Geophysical logging \$5,000

Monitor well conversion (pulling pumps, instruments, etc.) \$5,000

thru Aug 31, 2019

SWTCGCD Meeting Minutes

Exhibit D

RESOLUTION REGULAR MEETINGS PLACES FOR DISTRICT BOARD

WHEREAS, Southwestern Travis County Groundwater Conservation District (the "District") has been duly and lawfully created by Senate Bill 922, Acts of the 85th Legislature, and operates pursuant to the terms and provisions of Article XVI, Section 59 of the Texas Constitution, and Chapter 36 of the Texas Water Code;

WHEREAS, the Board of Directors of the District (the "Board") has convened on this date within the boundaries of the District at a meeting open to the public;

WHEREAS, pursuant to Section 36.062 of the Texas Water Code, the Board is required to designate one or more places inside or outside the District's boundaries for conducting the meetings of the Board;

WHEREAS, the Board desires to establish regular meeting places for the Board inside the boundaries of the District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT THAT:

Section 1. That the declarations, findings and facts contained, recited, or repeated in the preamble of this Resolution are made a part hereof and hereby adopted as found and declared to be true and complete.

Section 2. Meeting places of the Board are hereby established at the following locations and such locations are declared to be public places and open to the public:

- (a) Bee Cave Schoolhouse _____ ;
- (b) Bee Cave City Hall _____ ; and

Section 3. The Board invites the public to attend any meeting of the Board.

* * * * *

PASSED AND APPROVED the 30th day of May, 2018.

Richard A Scadden

President, Board of Directors

ATTEST:

Licia D. Quinn Vice President
on behalf of
Secretary, Board of Directors