



## BOARD MEETING MINUTES

### SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, August 14, 2024, at 9:30 a.m.

A quorum of the Southwestern Travis County Groundwater Conservation District Board of Directors held a regular board meeting on Wednesday, August 14, 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** – President Scadden called the public meeting to order at 9:30 a.m. on Wednesday, August 14, 2024. Four directors were present at the meeting constituting a quorum, including President Scadden, Director Davis, Director Leva, and Director Urie. Also present were General Manager Lane Cockrell, District Regulatory Compliance Specialist Virginia Smith, District Administrative and Hydrogeology Assistant Barbara Reyes, Pete Golde, Mike Thering, and Karen Huber. The following individuals participated remotely by videoconference call: Audrey Cooper and Cole Ruiz with Lloyd Gosselink, Director Tim Van Ackeren participated remotely as a member of the public, and CJ Bennett with Mirasol Capital.
2. **Announcements** – No announcements.
3. **Public Comments** – No public comments were presented.
4. **Discuss and possibly act on matters related to Director vacancy** – President Scadden reminded the Board that Mr. Ian Norton resigned from the Board of Directors after he moved to a new property and was no longer eligible to serve on the Board. The Board has yet to fill his vacancy. President Scadden recommended that the Board appoint Karen Huber to fill the vacancy on the Board of Directors and reported that General Manager Cockrell has already confirmed that she meets eligibility requirements to hold the position. A motion was made by President Scadden to appoint Karen Huber to fill the vacant at-large position on the Board of Directors for the remaining term. Motion seconded by Director Leva. Motion carried 4 Ayes – 0 Nays – 2 Absent. Karen Huber thanked the Board for their consideration.
5. **Discuss and possibly act on approving previous meeting minutes** – President Scadden presented the draft minutes for the July 17, 2024 regular board meeting for consideration. A motion was made by Director Davis to approve the minutes for the July 17, 2024 regular board meeting as presented. Motion seconded by Director Urie. Motion carried 4 Ayes – 0 Nays – 2 Absent – 1 Abstaining. Director Karen Huber abstained from voting on the motion.
6. **Discuss and possibly act on matters related to Hamilton Pool Management Zone stakeholder process and final report** – General Manager Cockrell presented the final version of the Hamilton Pool Management Zone Stakeholder Process Report to the Board for review and consideration. General

Manager Cockrell thanked the stakeholders for their active participation and involvement in the stakeholder group process. President Scadden also thanked Christy Muse for her leadership and effort coordinating the stakeholder group and recommended that the District send a thank you letter to each stakeholder. A motion was made by Director Davis to accept the final Hamilton Pool Management Zone Stakeholder Process Report. Motion seconded by Director Leva. Motion carried 5 Ayes – 0 Nays – 2 Absent. General Manager Cockrell reported that the final version of the report will be made available on the District’s website and will be distributed to the stakeholders. General Manager Cockrell reported that the next step in the process will be for the Board Rules Subcommittee to consider the recommendations contained in the final report and begin developing draft revisions to the District Rules to potentially implement recommendations from the stakeholder group. Director Davis recommended that the full Board take the time to review the District’s Rules to ensure that they are aware of what rules are currently in place for the Hamilton Pool area, and what would change if recommendations from the stakeholder group were implemented. General Manager Cockrell offered to hold a rulemaking workshop if needed to discuss what rules are currently in place and what would potentially change if the Board implemented the stakeholder group’s recommendations.

7. **Discuss and possibly act on update regarding contested case hearings** – General Manager Cockrell provided an update to the Board regarding the ongoing contested case hearings referred to the State Office of Administrative Hearings (“SOAH”) for Clancy Utility Holdings, LLC and JPD Backyard Finance, LLC. General Manager Cockrell reported that the administrative law judge in the Clancy Utility Holdings, LLC case scheduled a preliminary hearing for Monday, August 26, 2024, at 10:00 a.m. by Zoom videoconference to discuss preliminary matters and set a procedural schedule. For the JPD Backyard Finance, LLC case, General Manager Cockrell reported that the District is waiting to receive JPD Backyard Finance, LLC’s SOAH deposit before submitting the necessary paperwork to docket the case with SOAH. No action taken under this agenda item.
8. **Discuss and possibly act on matters related to District budget** – This agenda item was taken out of number order due to time constraints. General Manager Cockrell presented the draft budget for fiscal year 2025 to the Board for review and consideration. General Manager Cockrell provided a presentation to the Board regarding the revenue line items described in the draft fiscal year 2025 budget, including the anticipated permitting fees, production fees, water utility service connection fees, and anticipated funding from Travis County. President Scadden then provided a summary of the expenses listed in the proposed fiscal year 2025 budget, including personnel expenses, contract and professional services, office and administrative expenses, technical operations expenses, and vehicle expenses. General Manager Cockrell reported that this draft version of the budget is subject to change and requested that the Board provide any feedback or requested edits to District staff, so that the final version of the draft budget can be considered at a public hearing in September. Director Huber expressed concerns regarding the funding sources described in the draft fiscal year 2025 budget, and the reliance on funding from Travis County. Pete Golde reported that he conducted a cash flow analysis of the District’s general fund, and reported that if the District encountered additional funding issues in the future the District’s general fund would quickly be drawn down. Director Huber and Director Davis discussed the possibility of the District applying for grant funds from the Texas Water Development Board (“TWDB”) or another source, however General Manager Cockrell reported that most TWDB grants are geared toward water infrastructure. President Scadden reported that the draft budget includes a few changes to staff salaries, including changes in hours for

Virginia Smith and Barbara Reyes. Additionally, President Scadden reported that the Board Budget Subcommittee discussed and reviewed the salaries that other comparable groundwater districts in Texas pay their general manager, and that the Budget Subcommittee recommended increasing General Manager Cockrell's salary to be in line and competitive with the compensation offered by other similar districts. No action taken under this agenda item.

President Scadden adjourned the open meeting at 11:33 a.m. for a temporary break. President Scadden reconvened the open meeting at 11:38 a.m., a quorum of five directors remained present, including President Scadden, Director Davis, Director Leva, Director Huber and Director Urie.

9. **Discuss and possibly act on matters related to proposed new wells that require Board authorization to reduce required spacing from property lines** – This agenda item was taken out of number order due to time constraints. General Manager Cockrell again 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 variance from this requirement for good cause. General Manager Cockrell presented a list of five (5) new well drilling authorization applications that have requested variances from the District's spacing requirements. The five (5) new well drilling authorization applications are as follows: 1) the first application was for a new domestic well to be located on Hazy Hollow Drive on a 10.16 acre tract that was platted before the District was created; 2) the second application was for a new domestic well to be located on Siesta Shores Drive on a 0.2681 acre tract that was platted before the District was created; 3) the next application was for a new domestic well to be located on Pace Bend Road on a 2 acre tract that was platted before the District was created; 4) the next application was for a new domestic well to be located on Las Entradas Drive on a 1.762 acre tract that was platted before the District was created; and 5) the final application was for a new domestic well to be located on Timberline Drive on a 0.3398 acre tract that was platted before the District was created. General Manager Cockrell reported that the first well drilling authorization application was previously brought before the Board for consideration in July, and that staff previously recommended against approving the variance. However, General Manager Cockrell reported that staff received additional information about the location of existing power lines and storage tanks on the property, and that District staff now recommend that the Board approve the variance for the proposed well to be located on Hazy Hollow Drive. Mike Thering provided public comments regarding this well drilling authorization application, and reported that he is the owner of the property at Hazy Hollow Drive, and reported that his property is actually outside the service area for Hazy Hills WSC, and that his property includes two rainwater collection tanks. Director Huber expressed concerns regarding the location of septic systems on the properties requesting variances from the District's spacing rules, and suggested that applicants be required to report the location of any surrounding septic systems due to contamination concerns. A motion was made by Director Davis to approve the well spacing variances requested for all five (5) well drilling authorization applications in accordance with District staff's recommendation. Motion seconded by Director Urie. Motion carried 5 Ayes – 0 Nays – 2 Absent.
10. **Discuss and possibly act on matters related to District drought stage status** – General Manager Cockrell presented the U.S. Drought Monitor drought map for Travis County and the District dated August 6, 2024, showing that 100% of the District is out of drought conditions. General Manager Cockrell reported that the current declared drought stage in the District is D-2 Severe Drought, and General Manager Cockrell provided a week-by-week summary of drought conditions in the District

from May 7, 2024 to present day. General Manager Cockrell reported that Barton Springs-Edwards Aquifer Conservation District is currently at Stage II drought, Hays Trinity GCD as currently under critical drought, and that Austin Water and the West Travis County PUA have not downgraded their declared drought stages. Based on this information and local groundwater monitoring data, General Manager Cockrell recommended against downgrading the District's current drought status. No action taken under this agenda item.

11. **Discuss and possibly act on update regarding Interlocal Cooperation Agreement with Travis County** – General Manager Cockrell provided an update to the Board regarding the status of the 2024 Interlocal Agreement with Travis County. General Manager Cockrell reported that he submitted the District's most recent invoice to Travis County on July 1, 2024, for June 2024 expenses, but that Travis County has not remitted payment yet. General Manager Cockrell provided a summary of the funding categories under the 2024 Interlocal Agreement, and the amount of funding remaining under each category. No action taken under this agenda item.
12. **Discuss and possibly act on matters related to District office closure August 20-22 during the Texas Groundwater Summit** – General Manager Cockrell reported that District staff will be attending the 2024 Texas Groundwater Summit hosted by the Texas Alliance of Groundwater Districts in San Antonio, Texas from August 20 to 22, and reported that there won't be any staff at the District's office during that time. General Manager Cockrell reported that notice will be posted on the District's webpage to inform the public. General Manger Cockrell reported that the District Rules allow individuals who require emergency repairs to their groundwater well to do those emergency repairs without the need to immediately contact the District. No action taken under this agenda item.
13. **Receive, discuss, and take action as necessary on Board Committee Reports:**
  - a. **Finance** – Pete Golde provided a report to the Board regarding the financial reports dated July 31, 2024. The balance sheet indicated assets totaling \$185,871.89, and liabilities totaling \$4,388.60. The fiscal year to date profit and loss report indicated expenses totaling \$378,005.45, gross profit totaling \$326,128.80, and net income totaling \$-51,814.45 through July 2024. Pete Golde provided a summary of the checks issued by the District since the last board meeting, a summary of expenses by vendor, and a fiscal year to date summary of expenses by budgetary line item.
  - b. **Legislative** – Cole Ruiz reported that next legislative session will likely focus on funding additional water supply sources, including looking at brackish groundwater. Cole Ruiz also reported that if the District wants to consider amending its enabling act, the Board will need to be conscious of legislative deadlines.
  - c. **Science & Outreach** – General Manager Cockrell provided an update on the ongoing dye trace study being conducted by Brian Hunt at the UT Bureau of Economic Geology. General Manager Cockrell reported that he and Barbara Reyes coordinated with a graduate student at the University of Texas at Austin to collect water-quality samples from several wells in the District. General Manager Cockrell reported that the District's website received 629 unique visits during the month of July. General Manager Cockrell reported that Barbara Reyes is also working to further develop the District's social media presence as part of the District's outreach efforts.

d. **Rules** – No action taken under this agenda item.

14. **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 July. General Manager Cockrell reported that the District received six (6) new well registrations, seven (7) new well drilling authorization applications, two (2) applications to plug or cap an existing well, and six (6) long-term water utility service connections. General Manager Cockrell reported that total groundwater production reported by permittees for the month of July was 39.2 acre-feet.
- b. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that the next GMA 9 joint planning meeting is scheduled for September 17, 2024, at 10:00 a.m. at the Cow Creek GCD office in Boerne, Texas, and that a videoconference option will be available for those unable to attend in person. General Manager Cockrell reported that the next Lower Colorado Regional Water Planning Group meeting will be held on October 16, 2024, at 10:00 a.m. at the LCRA office in Austin, Texas.
- c. **Overview of current District groundwater monitoring program** – General Manager Cockrell presented hydrographs for the Johannsen, St. Stephen's School, and H-E-B monitoring wells.
- d. **Other items of interest not requiring Board action** – General Manager Cockrell reminded the Board that August 1, 2024 is the deadline to complete their mandatory cybersecurity awareness training. General Manager Cockrell reported that he and President Scadden are set to meet with Rep. Goodwin on August 28 to discuss groundwater policy.

15. **Discuss and establish possible agenda items for future Board Meetings** – General Manager Cockrell reported that the Board will need to consider adopting an agreement with the District's auditor for the fiscal year 2024 financial audit, and that the Board may discuss renewing its engagement with INTERA for participation in the Clancy Utility Holdings, LLC contested case hearing if necessary.

16. **Discuss and possibly act on setting the date, time, and location for the next Board Meeting** – President Scadden reported that the next regular board meeting will be held on Wednesday, September 18, 2024, at 9:30 a.m. at the District's office.

17. **Adjourn** – A motion was made by Director Davis to adjourn the open meeting at 12:18 p.m. Motion seconded by Director Leva. Motion carried 5 Ayes – 0 Nays – 2 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 18<sup>th</sup> day of September, 2024.

  
Tim Van Ackeren, Secretary