



MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS

Regular Monthly Meeting

Wednesday, July 9, 2025, at 9:00 AM

A quorum of the Southwestern Travis County Groundwater Conservation District Board of Directors held a regular monthly board meeting and public hearing on Wednesday, July 9, 2025 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, July 9, 2025. Five directors were present at the meeting constituting a quorum, including President Scadden, Director Urie, Director Leva, Director Huber, and Director Van Ackeren. Also present were General Manager Lane Cockrell, District Regulatory Compliance Specialist Virginia Smith, District Administrative and Hydrogeology Assistant Barbara Reyes, District Volunteer Pete Golde, Ty Embrey and Cole Ruiz with Lloyd Gosselink, Eddie McCarthy with McCarthy & McCarthy, LLP on behalf of Clancy Utility Holdings, LLC, Austin Cook, Zach Hernandez, Alex Thompson and Lyle Williams with Bee Cave Drilling, and Jenna Pagel with Travis County Commissioner Ann Howard's Office. The following individuals participated remotely by videoconference call: Audrey Cooper with Lloyd Gosselink, Victoria Rose representing Save Our Springs Alliance, Kelly Garcia with Terrill & Waldrop, Grace Dickens with Community Impact Newspaper, Tom Smith, Danna Oakes on behalf of Cypress Ranch WCID No. 1, and Lyn C.

2. Announcements

No announcements were presented.

3. Public Comments

No public comments were presented under this agenda item.

4. Consent Agenda

a. Approve minutes of June 12, 2025 regular board meeting

Director Huber presented a proposed amendment to the minutes of the June 12, 2025 regular board meeting. Director Huber proposed amending the minutes at Agenda Item #6 to clarify her statement to the Board under that agenda item. There being no objections, a motion was made by Director Van Ackeren to approve the minutes of the June 12, 2025 regular board meeting with the amendments proposed by Director Huber. Motion seconded by Director Huber. Motion carried 3 Ayes – 0 Nays – 2 Absent – 2 Abstaining. Director Urie and Director Leva abstained from voting as they were not present at the June 12, 2025 meeting.

b. Approve June 2025 financial report

A motion was made by Director Huber to approve the June 2025 financial report as presented.

Motion seconded by Director Van Ackeren. Motion carried 5 Ayes – 0 Nays – 2 Absent.

5. Public Hearing on Proposed Amendments to District Rules

President Scadden called the public hearing on the proposed amendments to the District Rules to order at 9:38 a.m. A quorum of five directors remained present. General Manager Cockrell provided a presentation to the Board of Directors regarding each proposed amendment to the District Rules. First, General Manager Cockrell reported that the proposed amendments would alter the definition of “recreational use” under the District Rules to exclude amenity ponds and scenic uses not connected to wildlife management. Next, General Manager Cockrell reported that under the proposed rules Non-Exempt Domestic Use (“NDU”) Permits and Limited Production General Permits would have an annual production limit of 500,000 gallons and would require metering and annual reporting to demonstrate continued eligibility for the permit. General Manager Cockrell reported that under the current District Rules the District has received NDU permit applications with production requests greater than some Operating Permits, which does not match the District’s intentions with offering the streamlined NDU permit process. Next, General Manager Cockrell reported that the proposed amended rules would require applicants to obtain a written agreement from any adjacent property owners if they wish to request a reduced property-line setback from 100 feet down to 50 feet, and would allow the Board to consider approving setbacks of less than 50 feet for constrained parcels on a case-by-case basis. Cole Ruiz, District General Counsel, proposed striking some of the proposed language for Rule 4.2(A) and revising the language regarding reviewing setback requests on a case-by-case basis based on the topography and location of any potential surrounding septic systems, which the Board accepted. General Manager Cockrell reported that the proposed revisions also clarify that all new wells must be located on tracts that meet Travis County’s minimum lot size requirements for residential properties using groundwater, which require at least 5 acres for subdivisions with individual wells on each lot and at least 3 acres for subdivisions supplied by a centralized system.

Next, General Manager Cockrell reported that the proposed amended rules would revise requirements in Rule 4.2(B)(4) for proposed wells in flood-prone areas. General Manager Cockrell reported that the proposed amendments to Rule 4.3(B) will also require pressure cementing of wells to the top of the production interval for all new wells to prevent aquifer comingling and contamination. General Manager Cockrell reported that the Hamilton Pool Management Zone Stakeholder group recommended that the District create a new permit category for indoor use only with relaxed drought curtailments. In response to that recommendation, General Manager Cockrell reported that the proposed rules amendments would create a new drought curtailment exemption for permittees who commit to only use groundwater indoors under revised Rule 5.2(A). Finally, General Manager Cockrell reported that another recommendation from the Hamilton Pool Management Zone Stakeholder group was for the District to prohibit the drilling of new non-exempt wells during the most extreme stages of drought. General Manager Cockrell reported that the proposed amended rules would prohibit new non-exempt wells and new operating permit applications during D-3 and D-4 drought stages, with limited exceptions to support public health and safety.

President Scadden thanked General Manager Cockrell for his presentation and announced that the District will take public comments regarding the proposed amendments to the District Rules. Eddie McCarthy provided public comments regarding the proposed amendment of the definition of “recreational use” under the District Rules, and the prohibition on new non-exempt wells during D-3 and D-4 drought stages. Eddie McCarthy reported that the Texas Attorney General recently issued an opinion that specified that special districts do not have the authority to adopt regulations that contradict statutes put in place by the Legislature. Eddie McCarthy expressed concern that the new definition of “recreational use” under the proposed amendments contradicts the beneficial uses described under Chapter 36 of the Texas Water Code. Eddie McCarthy reported that under Chapter 36 of the Texas Water Code, groundwater conservation districts also do not have the authority to establish a moratorium on accepting permits.

Alex Thompson with Bee Cave Drilling presented public comments regarding the proposed amendments to the District Rules and expressed concerns regarding the requirement for wells completed in flood-prone areas to have a “watertight sanitary seal.” Mr. Thompson reported that production wells could collapse if not completed with a vent port or another method that allows them to breathe. No further written or oral public comments were presented. President Scadden temporarily closed the public hearing on the proposed amendments to the District Rules and reconvened the open meeting at 10:06 a.m. A quorum of five directors remained present. President Scadden reported that the public hearing will reconvene at the September regular board meeting.

6. Discussion and Possible Action

a. Adoption of Proposed Amendments to District Rules

Cole Ruiz reported that Chapter 36 of the Texas Water Code does not define the term “recreational use”, it defines the term “beneficial purpose” and includes recreational use under that definition. Cole Ruiz reported that the District’s proposal to change its own definition of “recreational use” to exclude amenity ponds follows its participation in the contested case hearing process with JPD Backyard Finance, LLC, where the District had to balance beneficial use and limiting groundwater production for maintaining amenity ponds in the Hill Country Priority Groundwater Management Area. Cole Ruiz proposed adding language to the definition of “recreational use” to include the language directly from Chapter 36 of the Texas Water Code prohibiting the use of groundwater for maintaining ponds, lakes, or reservoirs to enhance the appearance of landscape in the Hill Country Priority Groundwater Management Area. Cole Ruiz reported that other districts have implemented temporary moratoriums on the issuance of permits during drought, but that there is a risk that an applicant could challenge the moratorium as a taking. President Scadden expressed that the proposed moratorium protects existing users by minimizing further aquifer declines during intense drought. President Scadden expressed support for potentially lowering the annual production limit on NDU and Limited Production General Permits to 250,000 gallons per year. President Scadden expressed concerns regarding the proposed changes to the rules requiring applicants to obtain written consent from adjacent property owners before installing a well with a reduced setback. President Scadden expressed concerns that personal disputes between neighbors could prevent an applicant from being able to drill a well. Instead of

requiring written consent, President Scadden proposed requiring applicants to notify any adjacent property owners by certified mail. Director Huber expressed support for that change while noting concerns for instances where the adjacent property is undeveloped. President Scadden reported that it will take time for the Board to compile feedback and comments on the proposed changes to the District Rules, and that the Board will consider a final draft of the proposed amendments at the September regular board meeting. No action was taken under this agenda item.

b. Update on 89th Texas Legislative Session

Ty Embrey provided a presentation to the Board of Directors regarding relevant bills passed by the 89th Texas Legislature. Mr. Embrey reported that the regular session of the Texas Legislature began on January 14 and ended June 2, 2025, and that Governor Abbot has announced that he intends to call a special session to begin in July. Mr. Embrey also reported that the House Natural Resources Committee is holding a hearing in Austin on July 15, 2025 to discuss a contentious groundwater permitting matter in Anderson County. Mr. Embrey reported that HB 1689 authorizes districts to use export fee funds to establish mitigation funds for wells both within and outside their jurisdiction. Mr. Embrey reported that HB 2078, filed by Rep. Gerdes, will now require districts to include additional information on the achievement and tracking of their Desired Future Conditions in their management plans. Mr. Embrey reported that HB 2080, also filed by Rep. Gerdes, clarifies several parts of the Texas Commission on Environmental Quality ("TCEQ") Petition for Inquiry process involving groundwater districts. Mr. Embrey reported that HB 5560 increases the maximum penalty that groundwater districts may assess for rules violations from \$10,000.00 per day per violation to \$25,000.00. Mr. Embrey reported that two bills involving groundwater were vetoed by the Governor, HB 1690 and SB 1253, and provided a summary of both bills. No action was taken under this agenda item.

c. Renewal of JPD Backyard Finance, LLC Operating Permit

General Manager Cockrell reported that the Board of Directors issued an operating permit last year to JPD Backyard Finance, LLC ("Backyard") for a one-year term ending on June 17, 2025. General Manager Cockrell reported that this permit was the subject of a contested case hearing at the State Office of Administrative Hearings ("SOAH"), which was recently dismissed at the request of the Backyard, and that under District Rule 3.4(D)(3), operating permits are renewable annually by Board action without a hearing if all applicable fees are paid and permit conditions are met. General Manager Cockrell reported that as of June 30, 2025, Backyard has paid all applicable renewal and production fees, and that all applicable requirements for renewal have been met. Upon further discussion, a motion was made by Director Huber to renew Backyard's Operating Permit. Motion seconded by Director Leva. Motion carried 5 Ayes – 0 Nays – 2 Absent.

d. Quote from In-Situ, Inc. for Groundwater Level Monitoring Equipment

General Manager Cockrell reported that the District has unspent funds designated for groundwater monitoring under the FY2025 interlocal agreement (ILA) with Travis County. He presented a \$27,911.55 quote from In-Situ, Inc. for equipment at seven monitoring wells,

which would collect and transmit water-level data remotely, allowing District staff to access data without visiting each site monthly. Mr. Cockrell reported that the total cost is eligible for reimbursement under the ILA. President Scadden noted his prior experience with similar equipment and expressed support but asked about security measures. Mr. Cockrell stated that each well would have a locking cap and that staff would still visit periodically to replace batteries and calibrate equipment. Director Huber asked whether purchasing equipment for the Archangel Catholic School well would set a precedent. President Scadden and Cole Ruiz clarified it would not, and that the District could install the equipment in another monitoring well if needed. Director Huber moved to approve the purchase from In-Situ, Inc.; Director Van Ackeren seconded. Motion carried 5–0, with 2 absent.

e. **Texas Municipal League Cyber Liability and Data Breach Response Interlocal Agreement**

General Manager Cockrell reported that an Interlocal Agreement is required to renew the District's cyber liability coverage with TML Risk Pool. Under the agreement, the District's 2025 contribution is \$1,000, up from \$175 in 2024. He recommended approval due to rising phishing and cyber-attacks against local governments and the benefits of maintaining coverage. Director Huber moved to approve the Cyber Liability and Data Breach Response Interlocal Agreement with TML; Director Urie seconded. Motion carried 5 Ayes – 0 Nays – 2 Absent.

f. **District Drought Stage Update**

General Manager Cockrell presented a map reflecting drought conditions as of July 1, 2025, according to data from the U.S. Drought Monitor. He reported that, despite recent rainfall, the District remains in D-2 Severe Drought, while the District's declared stage is still D-3 Extreme Drought. He noted that the coming week would mark the fourth consecutive week with at least 50% of the District at or below D-2, meeting the threshold to move to D-2 under District Rules. After discussion, the Board agreed to authorize staff to declare a lower drought stage before the next Board meeting if the appropriate drought thresholds are met.

g. **Clancy Utility Holdings, LLC Contested Case Hearing**

General Manager Cockrell reported that there have been no recent updates on the Clancy Utility Holdings, LLC contested case at SOAH, and that Clancy Utility Holdings is still working to negotiate easements for the pipeline to deliver West Travis County PUA water to the Mirasol Development. Eddie McCarthy provided public comments under this agenda item and reported that Clancy Utility Holdings did finalize their settlement agreement with the protestants at their Texas Land Application Permit hearing at TCEQ, and that they are still coordinating with West Travis County PUA. No action was taken under this agenda item.

h. **Requests for Reduced Setbacks for Spacing for Proposed New Wells**

No action was taken under this agenda item.

i. **FY 2025 Interlocal Cooperation Agreement with Travis County**

General Manager Cockrell reported that the District has submitted invoices for reimbursable expenses through May under the FY2025 ILA, with the May invoice still pending payment by

Travis County. He provided a summary of funding categories, noting \$49,857.77 in remaining funds.

7. Discussion Only

a. Preliminary draft amended budget for FY 2025

General Manager Cockrell reported that he will coordinate with the Finance Subcommittee to prepare a preliminary draft amended budget for fiscal year 2025 and a preliminary budget for fiscal year 2026. He reported that drafts will be shared for review and feedback ahead of the next Board meeting, and that revised drafts will be included in the agenda packet for consideration at the September Board meeting.

b. Preliminary draft budget for FY 2026

No action was taken under this agenda item.

8. Board Committee Reports

a. Finance

President Scadden reported that the Board Finance Subcommittee will meet later this afternoon to discuss line items for the fiscal year 2026 budget.

b. Legislative

No action was taken under this agenda item.

c. Science

No action was taken under this agenda item.

d. Outreach

No action was taken under this agenda item.

e. Rules

No action was taken under this agenda item.

f. Administrative

No action was taken under this agenda item.

9. General Manager's Report

a. Permit Applications and Well Registrations

General Manager Cockrell provided an update to the Board regarding well registrations and permit applications received by the District in June 2025. General Manager Cockrell reported that the District received one (1) new well registration, one (1) new well drilling authorization application, and four (4) new long term water utility service connections.

b. Groundwater Science

General Manager Cockrell reported that the UT Bureau of Economic Geology created a story map to compliment the final reports for the source water and dye trace studies at Hamilton

Pool and Reimers Ranch, which have been added to the District's website. General Manager Cockrell presented a graph of water level data collected from the District's Lakeside monitoring well, showing recent increases in Middle Trinity Aquifer levels as Lake Travis levels have increased.

c. Public Outreach and Education

General Manager Cockrell reported that Barbara Reyes prepared two sample yard signs for the District's drought stages and presented them for Board review. He noted that displaying the signs will be a permit condition. He also reported that staff have finalized the District's rainwater harvesting brochure based on Board feedback.

d. Other Informational Items of Board Interest

General Manager Cockrell reported that the next GMA 9 joint planning meeting will be held on September 9, 2025, at 10:00 a.m. at the Cow Creek GCD offices in Boerne, Texas. He reported that the District's revised management plan was submitted to the TWDB for final review and approval, and that the District's fiscal year 2024 financial audit is complete. General Manager Cockrell reminded the Board that four seats on the Board are up for election this year on November 4, 2025, and reported that Applications for a Place on the Ballot will be available for directors interested in running for re-election. General Manager Cockrell reported that the deadline to order the November election is August 18, 2025, so the Board will need to meet to address that action item before then.

10. Future Board Meetings and Agenda Items

a. Regular August Meeting

President Scadden reported that the Board will hold a special called board meeting on July 14, 2025 at 9:00 a.m. to address action items related to the November 4, 2025 directors election. President Scadden reported that the Board will not meet in August.

b. Regular September Meeting

President Scadden reported that the next regularly scheduled board meeting will be held on September 10, 2025 at 9:00 a.m. at the District's office.

11. Adjourn

A motion was made by Director Van Ackeren to adjourn the open meeting at 12:00 p.m. Motion seconded by Director Urie. Motion carried 5 Ayes – 0 Nays – 2 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 10th day of September, 2025.


Tim Van Ackeren, Secretary