



BOARD MEETING MINUTES

OF THE

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Via Telephone Conference

In accordance with the order of the Office of the Governor issued March 16, 2020, the SWTCGCD Board of Directors conducted the June Board Meeting as a remote access only meeting in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). The meeting was open to the public and instructions for accessing the conference call were provided with the Notice of Meeting

Wednesday, March 10, 2021 at 10:00 am

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

Director and Board Vice President Davis called the meeting of the Southwestern Travis County Groundwater Conservation District (SWTCGCD or District) Board of Directors to order at 10:00 AM on Wednesday March 10, 2021. Six District Directors were present on the conference call constituting a quorum, including Directors Hennings, Dower, Scadden, Hunt, Davis, and Van Ackeren. Director Urie was absent. Also present were General Manager Sawin, Kirk Holland, General Counsel Embrey and Cole Ruiz with Lloyd Gosselink, Robert Bonham with Commissioner Howard’s office, Chase Lewis, Bryce D., Charlie Flatten, Lane Cockrell, and Pete Golde.

At the request of Director Scadden all present introduced themselves.

2. Public comments

Director Davis called for public comments.

Mr. Chase Lewis said he is looking at a 0.3 Acre lot that is 50 Ft. wide at the front, 85 Ft. wide at the back, and 200 Ft. deep. He explained that he cannot meet the 100 FT. setback from property lines or the 50 Ft. setback with pressure cementing of the well, so he has no options under the SWTCGCD rules. He added, under State rules the well can be 5 Ft. from the property line. Mr. Lewis said there is no public water supply available for this lot and he needs approval from the SWTCGCD to use State rules because there are 5 days left on his option to buy the lot. Director Davis advised Mr. Lewis that the Board cannot respond during Public Comments and she asked if this topic is on today’s meeting agenda for further discussion later in the meeting. General Manager Sawin said that it is not on the agenda. Director Scadden asked if the Board could talk about this under the Implementation of the Rules agenda Item, and General Manager Sawin agreed that would be acceptable. Director Hunt suggested that the Board do that and move the agenda item up so Mr. Lewis does not have to wait.



Director Davis asked if there were any other public comments.

Mr. Bryce D. said he has a property line setback problem like Mr. Lewis's on a different lot in that area.

Agenda Item 6. Discuss and possibly act on matters related to implementing District Rules, including but not limited to plans, forms, guidelines, templates, and possible future Rules changes was now taken up out of order.

General Manager Sawin pointed out that we are past the February 28th deadline and coming up on the April 1st deadline which triggers implementation of the Rules. She said that the staff has received requests from Bars, Camps, Restaurants, and others, especially those impacted by Covid 19, for relief from these deadlines. This includes some people with older wells who are having issues with those wells which will have to be addressed also. She said that the Staff asks the Directors if there is a willingness to provide them the discretion to work with Existing Non-Exempt well owners who have a demonstrated hardship and who have provided written documentation of such hardship. In other words, work with entities that can provide verifiable proof of PPP Loans, mandatory business closures, physical constraints associated with metering older wells, or wells in need of repair, etc. and give them until June 30, 2021 to work through those individual issues only if they can provide some written documentation or that we can verify out in the field. These are smaller operators, for the most part under one million gallons per year. All Retail Water Supply entities have submitted applications, so the larger users have come in and are receiving their Temporary Operating Permits as we speak. This will not impact, at all, our Existing Non-Exempt well owners who are Retail Water Suppliers. We will be making some Rule changes, and this does provide the Staff with some breathing space also. It will provide stakeholders, Directors, and Staff with additional time to evaluate and address recommended Rule changes such as: domestic definition, small lot sizes, and non-exempt wells with low production.

Director Davis asked for comments from the Board. Director Hunt said he thought he had heard General Counsel Embrey, at past meetings, say that the Board can choose to not enforce District Rules to a point. Given the circumstances is it necessary to go in and change the Rules or can the Board just say given the extenuating circumstances we will just choose not to enforce a Rules until a later time, and he asked if that was acceptable. General Counsel Embrey responded yes that is what he has said and that is a general option for the Board. Director Hunt said he thinks this relates to the issues that Chase and Bryce have spoken about also.

An extensive discussion ensued regarding the intent of the setback rules and the many reasons they cannot be met on small lots, specifically the lots discussed by the public comment speakers. After the discussion, Director Davis said that she did not know if the Board could decide on this today at this meeting and she asked General Council Embrey for direction acknowledging the short time frame the speakers had and the difficulty of granting individual variances. General Counsel Embrey opined that this is the difficult part of being a regulatory entity and your options are to grant a variance, find a way for the applicant to come into compliance with the Rules, or you make a Rules change knowing that every other person who comes in with this issue gets the same relief. Director Hunt said that, in his experience, this is a constant issue with septic versus



well siting and small lots. Further discussion of the specifics of the speaker's lot situations ensued, including discussion of rainwater collection as a possible alternative. Director Scadden said that the Rules as developed cannot anticipate every situation and the Board has always said that the need to be flexible to help people out and he said he would be willing to provide flexibility administratively or through policy but not through Rules changes. He said the changing the District Rules is too cumbersome a process to do every time a new situation comes up. He went on to say that he did not want to take a vote today on this because it has not been posted for this meeting but if they are meeting State standards and we need to give them some flexibility from the District rules that is something he would support. Director Davis said she hoped that, in this critical time for water, groundwater would be treated with as much respect as rainwater, and she asked General Counsel Embrey for comments. General Counsel Embrey said, if Mr. Lewis needs to know something today then the Board can provide some direction to the Staff to work with Mr. Lewis and others on this and then you can look to amend your Rules later. He went on to say if the Board is going to work with people like Mr. Lewis and let them drill wells, you need to amend your Rules to reflect that they are in compliance. Director Hunt reiterated that at BSEACD this was such a common issue that what they did was to change their rules to allow decreasing setbacks by increasing grouting of the well by a formula, for example you could get something like a 10 Ft reduction in a setback if you added 20 Ft of grouting to the well. He said he would be willing to direct Staff to work with these folks and we should address this in the Rules with a Rule change. General Counsel Embrey said that sounded great to him and that is the kind of solution, especially where another GCD has done this, that you work through in a Rule making process. General Manager Sawin said this is an issue we discussed during the rulemaking process and are aware that this small lot issue is something we must watch out for.

Director Dower asked General Manager Sawin what sorts of discretion she is asking the Board to grant the staff, what are some examples? General Manager Sawin said we are talking about two different classes of wells here; the public speakers today are talking about new wells which do not exist yet and the second is existing non-exempt wells where the owners have applied for permits but are needing relief from the dates for compliance. Director Dower said that he remembers during the rulemaking process General Counsel Embrey warned against granting variances. General Counsel Embrey responded that General Manager Sawin's request has to do with non-exempt wells that have had hard times and the District is trying not to hammer them because they didn't meet a deadline, that is the discretion she is talking about and it does not extend to Mr. Lewis's situation. Regarding that situation, you can grant a variance knowing that you will have to grant the same to everyone who comes after with the same issue, or you can amend your rules. Director Dower said he did not see how the Board can give Mr. Lewis an answer today. General Counsel Embrey advised that the only answer is that what Mr. Lewis is proposing does not meet the District Rules and there is no guarantee that the District will amend the Rules later. Director Dower said he agreed and asked if the other Directors had an opinion. Director Scadden said he felt that the Board could not take any action until the request is documented and all the facts are presented, and it is posted as an actual agenda item. Director Dower said he agreed. Director Davis said the Board can't say what rule changes might be made or how long it will take. She added that we are concerned about the aquifer for everyone and that is why the SWTCGCD was formed.



Director Davis then asked General Manager Sawin to finish up her original request regarding Staff discretion. General Manager Sawin reiterated that we have existing non-exempt well owners that are fairly small entities such as church camps, etc. who have submitted their applications and who have some concerns about their ability to execute what the rules require, and she is just asking for more time to work with them to understand what common issues they all have. She said she was just asking for some breathing room through the April 1, 2021 implementation deadline to be able to work with people and confirm their concerns and their requests for relief. Director Dower said the Board is not asking for immediate enforcement action and he felt that was pretty clear. It was the unanimous consensus of the Board that the Staff should proceed with the discretion requested, being careful to document everything and to keep the Board informed about how it is going.

3. Discuss, consider, and possibly act on approving the previous meeting minutes

January 13, 2021 Minutes
February 10, 2021 Minutes

Director Davis asked if there were any comments or questions on the minutes presented for approval and there were no comments or questions from the Directors.

On a motion by Director Van Ackeren and a second by Director Hunt, the Board approved the minutes from the January 13, 2021 meeting – 6 Ayes to 0 Nays

A copy of the Minutes for January 13, 2021 is attached as Exhibit A

Action on approval of the February 10, 2021 minutes, which were not ready in time for this meeting, was deferred until the April meeting.

4. General Manager's Report

General Manager Sawin presented the General Manager's report covering the following topics:

- Stakeholder communication and public inquiries
- Application and registration inquiries and status
- Drought stage status and outlook
- Regulatory Items and Updates
 - TWDB
 - TCEQ
 - GMA 9
 - Others
- Other Items of Interest not requiring Board action

5. Receive, discuss, and take action as necessary for Board Committee Reports.



- a. Finance – In Director Urie’s absence General Manager Sawin asked Mr. Golde to present the Financial Report. Mr. Golde reviewed the District’s P&L Statement which covers from the beginning of the Fiscal Year and the Balance Sheet as of the previous Friday March 5th. Mr. Golde pointed out that there are two columns, one for the General Fund and a second for the Travis County Escrow Fund, and these are completely separate. They are added together in the last column. Director Scadden asked how the \$9,000 in loans is accounted for, isn’t it income? Mr. Golde explained that item is a liability, and not income, and it is shown on the Balance Sheet. Director Scadden then asked for an explanation of the Equity item of a negative \$7,635.61 on the Balance Sheet. Mr. Golde said the simplest explanation that it is all of your income since the start of the organization minus all of your expenses over the same time. The significance of the negative value is that you have spent more than you have gotten in income. You could do that because of the loans.

Mr. Golde went on to review the Check Detail report which is a list of all of the checks that were written during the past month, the Bill Payment List showing all of the individual bills that have been paid, the Expenses by Vendor Summary report which totals all of the bills for each vendor for the month, the Unpaid Bills report, and Budget versus Actual spreadsheet as of March 5th showing the budgeted amounts, actual amounts and the percent of budget for each budget item. Director Scadden said he had a question on the \$50,000 line-item Funding from Travis County (4) which is set aside in the ILA for research projects, including Groundwater Monitoring, but shows no expenditures as of March 5th, has Mr. Cockrell not charged any time to Groundwater Monitoring? Mr. Cockrell pointed out that the P&L does show that he has charged \$505 to Groundwater Monitoring and Mr. Golde said he must have missed that when he entered the actuals in the Budget spreadsheet. Director Hunt said he would like to see how much is left of the \$50,000 research project budget. Mr. Golde explained that is provided to Travis County every month with the District invoice and could be included in this financial report as well. Director Hunt said that would be good to know in managing Mr. Cockrell’s time. Mr. Golde summarized the Budget v. Actual spreadsheet saying that the District is 50% through Fiscal Year 2021 but has only expensed 20.6% of budgeted funds which is good but there is a danger of leaving money on the table with regard to the Travis County ILA.

A copy of the February Financial Report is attached as Exhibit B

- b. Legislative – Director Davis said that the Legislature is moving very fast now, and she has a conference call later today that has to do with water issues and GCDs, but she doesn’t have any details right now.
- c. Science-Outreach – Director Hunt advised that the ILA for the study he discussed last month that Travis County and the BEG are going to start is on the March 20th Commissioner’s Court agenda for approval and work on the project will probably begin in April. Director Dower advised that the website page views last month were 387 v. 139 the previous month. This is a good indication that there continues to be public interest and people are trying to figure out what is going on and trying to comply with the rules.



6. **Discuss and possibly act on matters related to implementing District Rules, including but not limited to plans, forms, guidelines, templates, and possible future Rules changes.**

This Agenda Item was taken up out of order earlier in the meeting.

7. **Discuss and possibly act on matters related to bookkeeping company and auditor.**

Director Davis advised that the Bookkeeping/Audi committee has sent out financial information provided by Director Urie to three different audit companies so it looks like we will be able to make a recommendation so the Board can approve an auditor at the April Board meeting. Director Van Ackeren said the one of the firms McCall Gibson did indicate an estimated cost for the prior year audit of \$8,000 to \$10,000. Director Davis said there have been questions about the need to do audits for all three years 2018, 2019, and 2020 since the beginning of the GCD and she asked for advice from General Counsel. Mr. Ruiz said the in his conversations General Counsel Embrey indicated that it would be best in terms of comprehensiveness and compliance to audit the full time the GCD has been in existence. Director Van Ackeren advised that the financial information the committee provided to the audit firms was from the beginning of the GCD.

8. **Discuss, and possibly act on matters related to signatory authority for banking purposes.**

Director Van Ackeren explained the proposed resolution to add the newer Directors (Hunt and Van Ackeren) to the list of authorized signatories for the bank accounts. Mr. Golde advised that he had requested this change and in that he strongly recommends two signatures on all checks and this will facilitate his getting two signatures since Director Van Ackeren lives just a couple of minutes away from him. Directors Urie and Scadden are also relatively close and among those three Directors he should be able to get two signatures easily.

On a motion by Director Scadden and a second by Director Van Ackeren, the Board approved Resolution 2021-3-1 regarding signatory authority for banking purposes – 6 Ayes to 0 Nays

9. **Discuss and possibly act on matters related to the staffing and management for the SWTCGCD.**

Director Dower provided a quick update on the search for a new General Manager. He said the committee has spoken to a couple of potential applicants and we are now down to one applicant and hope to meet with him next week for an in-depth interview after a brief Zoom call with him a few days ago.

Director Hennings said the committee had discussed putting together an administrative position description and wanted to mention that to the Board. Director Dower asked General Manager Sawin and Director Scadden if they want the committee to start looking for an administrative person, or is that something they had a handle on? General Manager Sawin said she could define what she thinks is needed and send that over to the committee. Director Dower asked if she would and added that it takes time to get these things positions posted, get applicants reviewed, and make a recommendation to the Board so the quicker the better.



10. Discuss and possibly act on matters related to the SWTCGCD Annual Budget

Director Dower said that Mr. Golde brought the Board up to date regarding the status of the budget in the Financial Report. He said we are halfway through the fiscal year at this time and that is probably a good time to look at your budget and see if there are any changes that need to be made. We are not over in any of the categories, so it does not look like we are in any danger there. He asked for General Counsel advice on whether the budget needs to be amended in advance of any expected overruns or if it can be amended at the end of the fiscal year and if a public hearing is required to amend the budget. Mr. Ruiz said that it probably is prudent to amend the budget earlier given the startup nature of the District and the challenges the go with that, but it is a call within the discretion of the Board, and it is within your authority to make that call. Director Dower asked that a potential budget amendment item be added to the agenda for next month's meeting, and he will make a recommendation if he thinks an amendment is necessary at the time.

11. Discuss and possibly act on agenda items for future Board meetings.

- Budget Amendment
- Audit Firm Selection
- Rules Implementation
- Small Lot Setback Issues

Director Dower suggested setting a date for a Rules Committee meeting next month, and Director Scadden suggested a full Board Workshop meeting to get everyone up to speed quickly. The Board agreed to schedule a Special Board Meeting Workshop for March 31st at 10:00 AM to work on Rules issues/changes.

12. Discuss and possibly act on setting the date, time, and location for next Board meeting

Regular Board meeting on April 14, 2021 at 10:00 AM, remote access only

Director Van Ackeren reminded the Board that Cybersecurity training is due by June 14th.

13. Adjourn

On a motion by Director Scadden and a second by Director Hunt, the Board voted to adjourn the meeting – 6 Ayes to 0 Nays. The meeting was adjourned at 12:11 PM.

PASSED, APPROVED AND ADOPTED THIS 12th day of May 2021.



Tim Van Ackeren, Secretary



Exhibit A

Minutes for January 13, 2021



BOARD MEETING MINUTES

OF THE

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Via Telephone Conference

In accordance with the order of the Office of the Governor issued March 16, 2020, the SWTCGCD Board of Directors conducted the June Board Meeting as a remote access only meeting in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). The meeting was open to the public and instructions for accessing the conference call were provided with the Notice of Meeting

Wednesday, January 13, 2021 at 10:00 am

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

Director and Board President Scadden called the meeting of the Southwestern Travis County Groundwater Conservation District (SWTCGCD or District) Board of Directors to order at 10:03 AM on Wednesday January 13, 2021. Seven District Directors were present on the conference call constituting a quorum, including Directors Hennings, Dower, Scadden, Hunt, Davis, Urie and Van Ackeren. Also present were Kodi Sawin, Kirk Holland, Ty Embrey, and Cole Ruiz with Lloyd Gosselink, Charlie Flatten, hydrogeologist Andy Donnelly, Lane Cockrell, and Pete Golde.

At the request of Director Scadden all present introduced themselves.

2. Public comments

Director Scadden called for public comments and there were no public comments.

3. Discuss, consider, and possibly act on approving the previous meeting minutes

November 11, 2020 Minutes
November 16, 2020 Minutes
December 9, 2020 Minutes

Director Scadden asked if there were any comments or questions on the minutes presented for approval and there were no comments or questions from the Directors.

On a motion by Director Dower and a second by Director Van Ackeren, the Board approved the minutes from the November 11, 2020 and November 16, 2020 meetings – 7 Ayes to 0 Nays

A copy of the Minutes for November 11 and November 16, 2020 are attached as Exhibit A



Action on approval of the December 9th minutes, which were not ready in time for this meeting, was deferred until the February meeting.

4. General Manager's Report

General Manager Sawin presented the General Manager's report covering the following topics:

- Stakeholder communication and public inquiries
- Application and registration inquiries and status
- Drought stage status and outlook
- Regulatory Items and Updates
 - TWDB
 - TCEQ
 - GMA 9
 - Others
- Other Items of Interest not requiring Board action

5. Receive, discuss, and take action as necessary for Board Committee Reports.

- a. Finance – Director Urie reviewed the Financial Report. Currently there is a \$6,110.65 balance in the checking account and there is a total of \$36,853.50 in outstanding bills. He said that the District is waiting on payment of Invoice #7 by Travis County.

Director Scadden presented a spreadsheet showing the outstanding bills and invoices as of January 8th. He went on to explain that because the ILA was not approved until December 22, 2020 not all of the bills that the District included in Invoice #7 to Travis County can be paid and we will need to revise and re-submit Invoice #7. Director Scadden said he feels it is important for the Directors to see these numbers to understand that it is a significant amount of debt and it doesn't include the money loaned to the District by three of the Directors. He said the District has a significant financial challenge in front of it and we need to figure out what to do about it. General Manager Sawin said that the one big area of ILA funding that can be cut is the General Manager position but there would have to be some amendments to the ILA to allow those funds to be applied to other expense categories. Director Scadden asked the other Directors if they had any suggestions for other sources of funding that might be pursued. Director Van Ackeren asked if the District has used all the money from last year's ILA? Director Scadden said there was about \$35,000 left in last year's ILA, but it was rolled over into the new ILA. Director Dower asked if the level of sending for Lloyd Gosselink and Kirk Holland are expected to be reduced now that the rulemaking process is complete? General Manager Sawin said that she expected the Legal expenses to continue to be significant through the permitting process. General Counsel Embrey said that Lloyd Gosselink is very mindful of the need to keep expenses to a minimum and bringing Cole Ruiz on is a way to reduce costs since he is billed at a lower rate. Director Hunt expressed the opinion that the Existing Well permitting process should be more straight forward requiring little legal involvement, but he acknowledged that



the New Well permitting is more complex and may require more assistance from Legal Counsel. Mr. Holland confirmed that his efforts are on hiatus and he does not plan to bill the District any further for the remainder of his current contract which ends March 31st. Director Scadden thanked Mr. Holland and asked the Directors to keep thinking about this financial challenge and possible strategies to address it. Director Hennings said she keeps seeing communications from the Texas Water Development Board talking about all the funding they have provided to other organizations for flood and groundwater projects, and she asked if the District is not eligible for that type of funding. Director Scadden responded that he talked with Larry French at the TWDB and asked for information about this and it has been pretty discouraging. He offered to share the information he got with Director Hennings and she agreed to pursue it further. Director Davis commented that she had worked with some of the folks at TWDB and she was told that the money Director Hennings is referring to has been “frozen up” for a while. She also said she was willing to help to pursue it further.

A copy of the January Financial Report (Including Director Scadden’s Outstanding Bills and Invoices Spreadsheet) is attached as Exhibit B

Legislative – Director Davis said she sent out the 87th Legislative Session Water Report listing relevant water Bills. HB 152 is a TWDB Bill relating to groundwater conditions in certain counties and HB666, 668 and SB 152 are all related to Chairman Perry’s Rule changes. Director Dower commented that SB 668 requires notice to adjacent landowners of permit applications. General Counsel Embrey added that the Applicants are responsible to provide notice. Director Davis advised that some say the intent was for GCDs to be responsible for notice and Director Dower opined that this is a huge problem for this District with so many new regulations of existing wells. General Counsel Embrey suggested that the Board may want to authorize Director Davis to represent the District at the Legislature. Director Scadden said the District will look to Director Davis and General Counsel Embrey for guidance as to when you think you need action from the Board.

- b. Science-Outreach – Director Hunt advised that the Travis County Commissioners are concerned about groundwater pumping around the western side of the District west of the Bee Creek Fault in the vicinity of Hamilton Pool and Reimers Ranch Parks. The County has funded a three-year study with Director Hunt as the lead working with Vicky Kennedy at the County. The first year, hopefully starting in March, will consist of establishing monitoring wells. The end result could be a nascent numerical model that the District can use. He added that this is separate from the \$50K in the ILA for studies. Director Van Ackeren said he thought the County had drilled a monitoring well Near Hamilton Pool and the RV park. Director Hunt said they actually drilled two monitoring wells and those wells will be part of the network. Director Dower advised that the website page views were 139 and there were no downloads last month.

Rules Committee – Director Scadden advised that the Rules Committee met regarding the ability of small non-exempt users to deal with the District permitting process. Director Dower commented that non-domestic or non-exempt users need operating permits and that is a significant burden on small users. General Manager Sawin said that she and the



staff have concentrated on larger users first as directed by the Board. They have gone through all the public water supply user list and are now down to smaller users. She agreed that the permitting process is certainly a burden on some small users. Director Hunt asked Director Dower where he sees the bulk of the burden, is it meters, tests, fees? Director Dower responded saying that it is the ability to comply by February 28th that is his concern. He went on to say that his neighbor's house is an example. It is used as a rental, so it is non-exempt. He said he was not sure that waiting until several hundred users are not in compliance is the best strategy for the District. Director Scadden said that he was not sure the District intended that use as an Air-BNB, or having a small business in a home, is a basis for making a user non-exempt. He said that the District has worked at "warp-speed" to develop Rules is it is not surprising that we need to make small course corrections along the way. Director Dower agreed but said this is a large issue affecting several hundred users.

6. Discuss and possibly act on matters related to implementing District Rules, including but not limited to plans, forms, guidelines, templates, and possible future Rules changes.

Director Scadden asked General Manager Sawin if she had anything to discuss regarding Rules implementation that has not already been discussed earlier. General Manager Sawin responded saying as applications come in, we will continue to evaluate where we do see problems and where we do need to shore up our Rules to make our process as effective as possible for people depending on their scale of production. She suggested a Rules workshop for the Board possibly in March as well as a possible stakeholder workshop. General Manager Sawin said that Lane Cockrell and Director Hunt are working on the Tier 1 Testing Procedure and she is editing "What Property Owners Need to Know" about the Rules document that Kirk Holland developed previously. She asked that Board members who have a well on their property fill out the Well Registration Form and provide any comments they may have regarding possible changes. Director Scadden said that he had filled out the Well Registration Application and there is some information required that may be difficult for some users to provide such as pump data, well depth, latitude and longitude, and distance to septic. General Counsel Embrey said that the huge message for the first phase of this process is to get every well registered. Director Dower asked if a non-exempt user needs to submit a Well Registration Application, a Production Authorization Application and maybe even an Operating Permit Application. General Manager Sawin said commercial users need to submit their Well Registration Application and a Production Authorization Application as the first step. Director Hunt said that this discussion seems to support the idea suggested by Director Dower and General Manager Sawin of having a Rules revision workshop to look at these smaller users and maybe we need a class of users that would need only a General Permit by Rule. Director Dower said that General Manager Sawin does not seem to be as concerned about this, but he is. General Manager Sawin said that we do not know yet what the problems are and is it hard to make changes when you don't know what to fix. Director Scadden opined that the District has always demonstrated responsiveness in the past.



7. Discuss and possibly act on matters related to the funding from Travis County and the new Interlocal Agreement.

Director Scadden advised that the Travis County Commissioner's Court approved the new ILA on December 22, 2020 and it is effective on January 8, 2021 due to a delay in signing by the County Judge so all of our expenses between December 22nd and January 8th are not eligible for reimbursement. He added that the ILA itself is a challenge as well requiring a separate Escrow Account. Director Scadden asked Director Urie if the Escrow Account has been set up and Director Urie responded that it has not since the bank requires a resolution from this Board to open the account and to designate who can sign. Director Dower asked if we could clarify with the County if we need a separate account on our books or an actual separate bank account. Director Scadden and General Manager Sawin said that the County clearly wants a separate bank account and has asked for new direct deposit information. After some brief further discussion, it was agreed to authorize Directors Scadden, Van Ackeren, Urie and General Manager Sawin to pursue setting up the new bank account and signing the required documents.

On a motion by Director Scadden and a second by Director Van Ackeren, the Board authorized Directors Scadden, Van Ackeren, Urie and General Manager Sawin to pursue setting up the new bank account and signing the required documents – 7 Ayes to 0 Nays

8. Discuss, and possibly act on matters related to hiring a bookkeeping company and auditor.

Director Scadden said that he thinks the District needs to be reporting its overall financial condition and we need to start having a monthly update where we show monthly and year-to-date amounts against the budget. He then asked the Bookkeeper/Auditor search committee for an update on their search efforts. Director Davis said the committee had heard back from the Audit firm that performs audits for Hays Trinity GCD and they will provide a quote, but they first need 2020 Balance sheet and P&L. Director Van Ackeren said he spoke to West Davis and Company and they said they were not taking on any new GCD clients and Director Davis said she got a second referral which she is pursuing.

Regarding bookkeeping Director Davis said that Mr. Golde has volunteered to do the bookkeeping. He offered to establish a subscription to QuickBooks online which would allow three users and he will pay the monthly cost of around \$30. Given the current financial constraints and the relatively small number of financial transactions the District has, she felt this would be a good solution. Pete Golde discussed what he felt were the advantages of using the online version of QuickBooks and expressed the opinion that these advantages outweigh the additional cost. Director Scadden asked Mr. Flatten how Hayes Trinity GCD handles bookkeeping and Mr. Flatten shared that until this year they had a contract account doing their bookkeeping but this year they are moving it in house. General Manager Swain said she spoke to Vanessa at BSEACD about the possibility of sharing their bookkeeper part-time, but Vanessa said they did not have the resources to do that and would have to hire another person.

Director Van Ackeren asked if a resolution from the Board was needed to send financial data to potential auditing firms and a discussion ensued regarding how many auditor bids are required and if there is any exception to having to do an audit.



On a motion by Director Van Ackeren and a second by Director Davis, the Board authorized the Bookkeeper/Auditor Committee to share financial data with potential auditors to get proposals for auditing services for the District – 7 Ayes to 0 Nays

Director Scadden asked for a motion to accept Mr. Golde’s offer to setup the Books for the District.

On a motion by Director Davis and a second by Director Hennings, the Board accepted Mr. Golde’s offer to setup the Books for the District at no cost – 7 Ayes to 0 Nays

9. Discuss and possibly act on matters related to Lane Cockrell’s consulting contract with the SWTCGCD.

Director Scadden reminded the Board that Mr. Cockrell has a 3-month contract with the District which expires on February 2nd. He and General Manager Sawin have worked on a draft revised contract which expires at the end of Fiscal Year 2021 (Sept. 30, 2021) which allows more than 40 hours per week which is a limit in the current contract. Director Scadden said he sent this draft contract to the Board. Director Scadden then went on to explain the Mr. Cockrell has asked for an increase from \$28/Hr. in the current contract to \$32/Hr. He expressed the opinion that the District just does not have the money for an increase and that it has nothing to do with Mr. Cockrell’s performance which has been excellent, but he and General Manager Sawin do not recommend an increase at this time, and he asked for a motion to authorize him and General Manager Sawin to negotiate and execute a revised extended contract with Mr. Cockrell. Director Davis said that she did not see \$32/Hr. as a big leap. Director Hunt pointed out that there is \$50K in the ILA for research projects and Mr. Cockrell would perform much of that work. Directors Dower and Hennings, expressed the opinion that Mr. Cockrell was worth \$4/Hr. more and we can find \$160/Wk. Director Dower suggested that if Mr. Cockrell could save us one hour of legal time, he would cover more than the \$160/Wk.

Director Hennings left the meeting at 12:50 PM.

Director Davis reiterated that she didn’t see why we can’t go ahead with an increase for Mr. Cockrell.

On a motion by Director Dower and a second by Director Hunt, the Board accepted the revised contract with Mr. Cockrell and set the rate of compensation at \$32/Hr. – 5 Ayes to 1 Nay (Dir. Scadden)

Director Scadden said he could not support the increase when the District is \$40,000 in debt.

10. Discuss and possibly act on agenda items for future Board meetings.

- Groundwater Study Portion of the ILA
- ILA Meeting with Travis County



11. Discuss and possibly act on setting the date, time, and location for next Board meeting

Regular Board meeting on February 10, 2020 at 10:00 AM, remote access only

12. Adjourn

On a motion by Director Davis and a second by Director Van Ackeren, the Board voted to adjourn the meeting – 6 Ayes to 0 Nays. The meeting was adjourned at 12:59 PM.

PASSED, APPROVED AND ADOPTED THIS 10th day of March 2021.

Tim Van Ackeren, Secretary



Exhibit B

Financial Report

Southwestern Travis County Groundwater Conservation District

Profit and Loss by Division
October 1, 2020 - March 5, 2021

	GENERAL FUND	T.C. ESCROW FUND	TOTAL
Income			
Income from Travis County ILA 2 (OPS)		33,100.00	\$33,100.00
Income from Travis County ILA1	34,631.60		\$34,631.60
Interest Income	2.56		\$2.56
Misc. Income		1.00	\$1.00
Non-Exempt General Permit Well Construction Fee	3,750.00		\$3,750.00
Production Authorization Application Fee (new wells)	100.00		\$100.00
Production Authorization Application Fee (existing Wells)	1,900.00		\$1,900.00
WDA Application Fee	15,400.00		\$15,400.00
Well Capping/Plugging Fee	100.00		\$100.00
Total Income	\$55,884.16	\$33,101.00	\$88,985.16
GROSS PROFIT	\$55,884.16	\$33,101.00	\$88,985.16
Expenses			
Contract and Professional Services			\$0.00
Legal Services	19,389.00	14,580.00	\$33,969.00
Professional Services	4,850.00		\$4,850.00
Total Contract and Professional Services	24,239.00	14,580.00	\$38,819.00
Office and Administrative Expenses			\$0.00
Computer Equipment, Software, and Web Services	1,389.06		\$1,389.06
Office Rent	1.00		\$1.00
PO Box	188.00		\$188.00
Public Relations/Advertising/Public Notices/Signs	673.73		\$673.73
Telephone/Internet	410.05		\$410.05
Total Office and Administrative Expenses	2,661.84		\$2,661.84
Personnel Expenses			\$0.00
Errors and Omissions Insurance	838.70		\$838.70
General Manager	29,221.00	7,500.00	\$36,721.00
Groundwater Technician	7,061.28		\$7,061.28
General Tech Support		443.59	\$443.59
Groundwater Monitoring		505.00	\$505.00
Permit Processing		6,959.15	\$6,959.15
Total Groundwater Technician	7,061.28	7,907.74	\$14,969.02
Professional Development/Licensing/Cont. Edu.	1,080.00		\$1,080.00
Public Officials and Staff Bonding	280.00		\$280.00
Total Personnel Expenses	38,480.98	15,407.74	\$53,888.72
Total Expenses	\$65,381.82	\$29,987.74	\$95,369.56
NET OPERATING INCOME	\$ -9,497.66	\$3,113.26	\$ -6,384.40
NET INCOME	\$ -9,497.66	\$3,113.26	\$ -6,384.40

Southwestern Travis County Groundwater Conservation District

Balance Sheet Summary

As of March 5, 2021

	GENERAL FUND	T.C. ESCROW FUND	TOTAL
ASSETS			
Current Assets			
Bank Accounts	1,364.39	3,113.26	\$4,477.65
Total Current Assets	\$1,364.39	\$3,113.26	\$4,477.65
TOTAL ASSETS	\$1,364.39	\$3,113.26	\$4,477.65
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities	9,000.00		\$9,000.00
Total Current Liabilities	\$9,000.00	\$0.00	\$9,000.00
Total Liabilities	\$9,000.00	\$0.00	\$9,000.00
Equity	-7,635.61	3,113.26	\$ -4,522.35
TOTAL LIABILITIES AND EQUITY	\$1,364.39	\$3,113.26	\$4,477.65

Southwestern Travis County Groundwater Conservation District

Check Detail
February 1 - March 5, 2021

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
General Fund Checking (3546)						
02/02/2021	Bill Payment (Check)	150	Sawin Group		C	-4,500.00
						-4,500.00
02/02/2021	Bill Payment (Check)	151	Travis County (Vendor)		C	-1.00
						-1.00
02/12/2021	Expense	100	GoDaddy.com	Website and email subscriptions POS ATM DEBIT DBT CRD 0835 02/12 POS ATM DEBIT DBT CRD 0835 02/12/21 411269 DNH*GODADDY	C	-198.05
						198.05
02/12/2021	Bill Payment (Check)	152	Holland Groundwater Management Consultants LLC		C	-4,850.00
						-4,850.00
02/19/2021	Expense		Spectrum (Internet)	Internet service POS Recurring Debit - DDA DBT CR POS Recurring Debit - DDA DBT CRD 0858 02/19/21 431252	C	-82.01
						82.01
02/23/2021	Bill Payment (Check)	153	US Postal Service		C	-188.00
						-188.00
02/24/2021	Bill Payment (Check)	1001	Lloyd Gosselink		C	-6,192.00
						-6,192.00
02/24/2021	Check	1000	Lloyd Gosselink	VOID VOID		0.00
						0.00
03/03/2021	Expense		GoDaddy.com	Website and Email subscriptions POS ATM DEBIT DBT CRD 0037 03/03 POS ATM DEBIT DBT CRD 0037 03/03/21 523127 DNH*GODADDY	C	-251.76
						251.76
T.C. Escrow Fund Checking (4755)						
02/07/2021	Bill Payment (Check)	10	Lloyd Gosselink	Inv# 97518932 & 8933	C	-
						11,761.50
						-
						11,761.50
02/07/2021	Bill Payment (Check)	11	Sawin Group	Inv# 18GCDa_v2 & 19GCD	C	-7,500.00
						-7,500.00
02/07/2021	Bill Payment (Check)	12	Lane Cockrell	Inv# LC-20210110 & 0125	C	-4,214.41
						-4,214.41
02/11/2021	Check	13	Lane Cockrell	VOID VOID		0.00
						0.00
02/11/2021	Bill Payment (Check)	14	Lane Cockrell	Inv# LC-20210209	C	-1,912.00
						-1,912.00
02/24/2021	Bill Payment	1000	Lane Cockrell		C	-1,781.33

Southwestern Travis County Groundwater Conservation District

Check Detail

February 1 - March 5, 2021

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
	(Check)					-1,781.33
02/24/2021	Bill Payment (Check)	1001	Lloyd Gosselink		C	-2,818.50
						-2,818.50

Southwestern Travis County Groundwater Conservation District

Bill Payment List

February 1 - March 5, 2021

DATE	NUM	VENDOR	AMOUNT
General Fund			
02/02/2021	150	Sawin Group	-4,500.00
02/12/2021	152	Holland Groundwater Management Consultants LLC	-4,850.00
02/02/2021	151	Travis County (Vendor)	-1.00
02/24/2021	1001	Lloyd Gosselink	-6,192.00
02/23/2021	153	US Postal Service	-188.00
Total for General Fund			\$ -15,731.00
T.C. Escrow Fund			
02/07/2021	10	Lloyd Gosselink	-11,761.50
02/07/2021	11	Sawin Group	-7,500.00
02/07/2021	12	Lane Cockrell	-4,214.41
02/11/2021	14	Lane Cockrell	-1,912.00
02/24/2021	1000	Lane Cockrell	-1,781.33
02/24/2021	1001	Lloyd Gosselink	-2,818.50
Total for T.C. Escrow Fund			\$ -29,987.74

Southwestern Travis County Groundwater Conservation District

Expenses by Vendor Summary

February 1 - March 5, 2021

	GENERAL FUND	T.C. ESCROW FUND	TOTAL
GoDaddy.com	449.81		\$449.81
Holland Groundwater Management Consultants LLC	4,850.00		\$4,850.00
Lane Cockrell		7,907.74	\$7,907.74
Lloyd Gosselink	6,192.00	14,580.00	\$20,772.00
Sawin Group	4,500.00	7,500.00	\$12,000.00
Spectrum (Internet)	82.01		\$82.01
Travis County (Vendor)	1.00		\$1.00
US Postal Service	188.00		\$188.00
TOTAL	\$16,262.82	\$29,987.74	\$46,250.56

Southwestern Travis County Groundwater Conservation District

Unpaid Bills

All Dates

DATE	TRANSACTION TYPE	NUM	DIVISION	DUE DATE	PAST DUE	AMOUNT	OPEN BALANCE
Holland Groundwater Management Consultants LLC							
01/08/2021	Bill	2021-1-01	General Fund	01/08/2021	56	3,050.00	3,050.00
Total for Holland Groundwater Management Consultants LLC						\$3,050.00	\$3,050.00
Lloyd Gosselink							
01/20/2021	Bill	97519330	General Fund	02/19/2021	14	5,145.00	5,145.00
Total for Lloyd Gosselink						\$5,145.00	\$5,145.00
Sawin Group							
03/01/2021	Bill	I-22021-20GCD	T.C. Escrow Fund	03/01/2021	4	6,000.00	6,000.00
Total for Sawin Group						\$6,000.00	\$6,000.00
TOTAL						\$14,195.00	\$14,195.00

Southwestern Travis County Groundwater Conservation District
Fiscal Year 2021
October 1, 2020 - September 30, 2021

Revenues						
				FY 2021 Budget	Actual 3-5-21	%
	Category/Description					
	WDA Application Fee			\$15,000	\$15,400.00	102.7%
	Non Exempt Operating Permit Well Construction Fee			\$5,000	\$0.00	0.0%
	Non Exempt General Permit Well Construction Fee			\$12,500	\$3,750.00	30.0%
	Permit Renewal Application Fees			\$0	\$0.00	N/A
	Water Utility Service Connection Fee			\$90,000	\$0.00	0.0%
	Production Fee			\$33,436	\$0.00	0.0%
	Production Authorization Application Fee (previously installed)			\$132,450	\$1,900.00	1.4%
	Production Authorization Application Fee (new wells)			\$13,750	\$100.00	0.7%
	Well Capping/Plugging Fee			\$1,000	\$100.00	10.0%
	Interest Income			\$100	\$2.56	2.6%
	Misc. Income (Administrative Fees)			\$250	\$1.00	0.4%
	Funding from Travis County (1)			\$0	\$0.00	N/A
	Funding from Travis County (2) ILA			\$8,500	\$34,631.60	407.4%
	Funding from Travis County (3)			\$100,000	\$33,100.00	33.1%
	Funding from Travis County (4)			\$50,000	\$0.00	0.0%
	Enforcement Penalty Income			\$0	\$0.00	N/A
	Technical Projects Cost Sharing Reimbursements			\$0	\$0.00	N/A
	Total Projected Revenues			\$461,986	\$88,985.16	19.3%
Expenses						
	Outstanding Obligations			\$0		N/A
	Personnel Expenses			\$173,175	\$53,888.72	31.1%
	Vehicle Expenses			\$4,000		0.0%
	Contract/Professional Services			\$140,700	\$38,819.00	27.6%
	Office and Administrative Expenses			\$62,801	\$2,661.84	4.2%
	Technical Operations Expenses			\$69,025		0.0%
	Reserve Funds			\$12,285		0.0%
	Total Projected Expenses			\$461,986	\$95,369.56	20.6%
	Fund Balance			\$0		