



BOARD MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Tuesday, July 18, 2023, at 9:00 a.m.

A quorum of the Southwestern Travis County Groundwater Conservation District Board of Directors held a regular board meeting on Tuesday, July 18, 2023, at 9:00 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 9:01 a.m. on Tuesday, July 18, 2023. Five directors were present at the meeting constituting a quorum, including President Scadden, Director Van Ackeren, Director Davis, Director Hunt, and Director Urie. Also present were General Manager Lane Cockrell and District staff member Virginia Smith, District volunteer Pete Golde, Charlie Flatten, General Manager of Hays Trinity Groundwater Conservation District ("Hays Trinity GCD"), Micah Shaw, leadership intern at Hays Trinity GCD, Jodi Haskins, Michael Leva, and Lew Adams. The following individuals participated remotely by videoconference call: Cole Ruiz, Ty Embrey, and Audrey Cooper with Lloyd Gosselink, CJ Bennett with Bullock, Bennett & Associates, LLC as a representative of Mirasol Capital, Kira Dell, and Tom "Smitty" Smith, and Director Hennings and Director Norton participated remotely as members of the public.
- 2. Announcements** – President Scadden reminded the public and the Board that any members of the Board who participate remotely may not vote on items that come before the Board for action in accordance with the Texas Open Meetings Act.
- 3. Public Comments** – Charlie Flatten, General Manager of Hays Trinity GCD, introduced himself and Micah Shaw, a leadership intern with Hays Trinity GCD. Jodi Haskins introduced herself and provided public comments to the Board regarding the natural springs near the Mirasol Springs Development. Jodi Haskins provided background information to the Board regarding Roy Creek and thanked the Board for their service and implored the Board to protect the groundwater resources and springs feeding Roy Creek. Lew Adams submitted public comments to the Board in writing and requested that the Board consider the potential impact to springs flows and the Pedernales River when making decisions regarding permits pending before the Board. Lew Adams reported that Roy Creek stopped flowing around July 4, 2023 due to drought conditions. Lew Adams reported that students from the University of Texas at Austin visit Roy Creek to conduct research, and that Roy Creek is a vital educational resource. President Scadden reminded the public that the Mirasol Springs permit application is still under review by District staff and has not come before the Board for a hearing yet. Tom Smith provided public comments to the Board and requested that the Board consider the impact of climate change and prolonged drought on the groundwater resources and spring flows when making permitting decisions. Tom Smith additionally urged the Board to consider any protected or endangered species present in Roy Creek Canyon when making decisions regarding permit applications in the area. Lew Adams reported that U.S. Fish and Wildlife Service has identified one



endangered species in the Roy Creek Canyon area, two threatened species, and another species that is currently under petition to be listed under the Endangered Species Act. Lew Adams reported that staff from the U.S. Fish and Wildlife Service recently conducted a study of the Pedernales River and Roy Creek, and found a threatened species living in a portion of Roy Creek. General Manager Cockrell reported that Rick Reed and Richard King submitted written public comments to the District regarding the Clancy Utility Holdings, LLC, permit application, and that the District received written public comments from the Save Our Springs Alliance regarding the INTERA report. General Manager Cockrell reported that all written public comments will be incorporated into the meeting minutes and have been distributed to the Board for review.

4. **Discuss and possibly act on matters related to Director vacancy** – Director Hennings reported that, because her travel prevents her from attending several board meetings in person each year, she has decided to submit her resignation from the Board of Directors. Director Hennings recommended that the Board appoint Michael Leva to serve the remainder of her current term, and reported that the Mayor Linda Anthony of the City of West Lake Hills also recommended Mr. Leva, who previously ran a water-quality laboratory. President Scadden thanked Director Hennings for her service to the Board and reported that Director Hennings was instrumental to the creation of the District. A motion was made by Director Van Ackeren to accept Director Juli Hennings’ written resignation from the Board of Directors. Motion seconded by Director Urie. Motion carried 5 Ayes – 0 Nays – 2 Absent. President Scadden reported that Director Hennings met with Michael Leva and that he has agreed to serve on the Board. Ty Embrey reported that Michael Leva must take the Oath of Office and complete a Statement of Officer before he can begin fulfilling his duties on the Board after appointment. General Manager Cockrell reported that Mr. Leva completed the Statement of Officer, Oath of Office, and has a directors bond in place. General Manager Cockrell also reported that he confirmed that Director Leva meets the requirements to hold public office in the State of Texas. A motion was made by Director Davis to appoint Michael Leva to the position on the Board of Directors representing the City of West Lake Hills for the term expiring on November 7, 2023. Motion seconded by Director Hunt. Motion carried 5 Ayes – 0 Nays – 1 Absent. President Scadden welcomed Director Leva to the Board.
5. **Discuss and possibly act on approving previous meeting minutes** – President Scadden presented the minutes for the June 14, 2023 regular board meeting. A motion was made by President Scadden to approve the minutes of the June 14, 2023 regular board meeting as amended. Motion seconded by Director Davis. Motion carried 5 Ayes – 0 Nays – 1 Abstaining – 1 Absent. Director Leva abstained from voting as he was not present at the June 14 meeting.
6. **Discuss and possibly act on matters related to Directors’ Elections on November 7, 2023** – General Manager Cockrell reported that four positions on the Board of Directors are up for re-election this year, including the Director representing the City of Bee Cave, the Director representing the City of West Lake Hills, and the two at-large positions. General Manager Cockrell reported that interested applicants may submit an *Application for A Place on the Ballot* beginning on July 22, 2023 for the November 2023 directors election. General Manager Cockrell reported that the Board must enter into an Election Services Agreement with Travis County for the administration of the District’s November 7, 2023 election. General Manager Cockrell reported that the last day to submit a candidate application is August 21, 2023, and that the Board must adopt an order calling the



November 2023 directors election. Additionally, General Manager Cockrell reported that the Board must appoint an agent for the November 7, 2023 election. A motion was made by President Scadden to appoint General Manager Cockrell as the agent for the November 7, 2023 election. Motion seconded by Director Urie. Motion carried 6 Ayes – 0 Nays – 1 Absent. A motion was made by Director Hunt to adopt the Order Calling Election of Directors on November 7, 2023. Motion seconded by Director Van Ackeren. Motion carried 6 Ayes – 0 Nays – 1 Absent. General Manager Cockrell reported that the Board must also adopt two agreements with Travis County, including an Election Services Agreement and a Joint Election Agreement. A motion was made by Director Davis to approve the Election Services Agreement between Travis County and the District, and the Joint Election Agreement for November 7, 2023. Motion seconded by Director Urie. Motion carried 6 Ayes – 0 Nays – 1 Absent.

7. **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 June 30, 2023. The balance sheet indicated assets totaling \$192,477.31 and liabilities totaling \$3,181.69. The fiscal year to date profit and loss report indicated expenses totaling \$176,511.79, gross profit totaling \$174,354.89, and net income totaling \$-2,156.90 through June 2023. Pete Golde provided a summary of the checks issued by the District since the last board meeting, a summary of expenses by vendor, a fiscal year to date summary of expenses by budgetary line item, and the reconciliation change report for the District’s general fund and escrow account. Pete Golde presented the budget versus actual for fiscal year 2023, showing projected budgeted revenue for 2023 compared to actual revenue through June 30, 2023.
- b. **Legislative** – Director Davis reported that a number of bills passed the Texas Legislature that impact the District, and she provided a copy of the Texas Alliance of Groundwater District’s (“TAGD’s”) legislative tracking report to the Board for their review. Ty Embrey reported that a petition for rulemaking process was added to Chapter 36 of the Texas Water Code through an effort by the Texas Farm Bureau, and the District’s Rules will need to be amended accordingly. Ty Embrey reported that HB 3059 raised the cap on groundwater export fees that districts may charge and that the District’s fee schedule will need to be revised to account for that change. Ty Embrey reported that Rep. Tracy King, Chairman of the House Natural Resources Committee, has announced that he will not seek re-election. Ty Embrey also reported that a bill passed prohibiting governmental employees from downloading or using TikTok on any government issued electronic devices. Ty Embrey reported that any changes to the District’s Rules must be adopted before the associated legislation takes effect on September 1, 2023.
- c. **Science & Outreach** – General Manager Cockrell reported that the District’s website received 744 unique website visits during the month of June. Director Hunt reported that the UT Bureau of Economic Geology is continuing to work on their study of the Hamilton Pool area. Director Hunt raised the possibility of appointing Director Leva to the science and outreach committee following Director Hennings’ resignation.



- d. **Rules** – No action taken under this agenda item.
8. **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 registrations submitted to the District during the month of June. General Manager Cockrell reported that the District received one (1) new well registration during the month of June, and one (1) new well drilling authorization application. General Manager Cockrell reported that the District did not receive any new operating or general permit applications in June. General Manager Cockrell reported that meter readings submitted by reporting well owners for the month of June show total production of 48.2 acre-feet (15,710,240 gallons). General Manager Cockrell reported that the District received twelve (12) new water utility service connections in June.
 - b. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that the Texas Water Development Board (“TWDB”) recently provided an update on the Groundwater Availability Model (“GAM”) for the southern portion of the Trinity Aquifer. General Manager Cockrell reported that the next GMA 9 meeting is scheduled for July 25, 2023 at the Cow Creek GCD offices in Boerne, Texas. General Manager Cockrell reported that TAGD is holding their 2023 Texas Groundwater Summit from August 29 to 31 in San Antonio, Texas. General Manager Cockrell reported that the District’s email accounts have seen an uptick in phishing and scam emails over the last month, and reminded the Board to complete their mandatory cybersecurity awareness training.
 - c. **Overview of current District groundwater monitoring program** – General Manager Cockrell presented a graph of water level measurements taken from the District’s St. Stephen’s Monitor Well, showing that water levels have decreased approximately ten feet over the last thirty days.
 - d. **Other items of interest not requiring Board action** – General Manager Cockrell reported that he has not yet posted the job description for the District’s new office admin position, but that he and Virginia Smith are working to have the job posted soon.
9. **Discuss and possibly act on matters related to District drought stage status** – General Manager Cockrell presented a map of Travis County prepared by Virginia Smith showing the drought conditions throughout the District and County. The map showed 100% of the District under D2 drought stage, and roughly 49.33% of Travis County under D2 drought. President Scadden asked Charlie Flatten whether Hays County is experiencing intense drought as well. Charlie Flatten reported that Hays Trinity GCD is under the highest drought stage and is currently not accepting new production applications as a result. General Manager Cockrell reported that drought conditions for central Texas are expected to worsen throughout the remainder of the summer months.



10. **Discuss and possibly act on matters related to District budget and fee schedule for FY 2024** – General Manager Cockrell reported that the Board must adopt a new budget and fee schedule for fiscal year 2024 in time for the beginning of the fiscal year on October 1, 2023. General Manager Cockrell recommended that the Board consider adopting final versions of the budget and fee schedule at the September regular meeting, and that the Board create a budget subcommittee. General Manager Cockrell reported that the Board’s previous budget subcommittee for fiscal year 2023 consisted of President Scadden, Director Urie, and Director Van Ackeren. The Board’s consensus was to continue the budget subcommittee with the same membership as the previous fiscal year. No action taken.

11. **Discuss and possibly act on matters related to implementing District rules** – General Manager Cockrell provided an update to the Board regarding an application the District received for an irrigation well submitted by The Pearl at Bee Cave, and reported that the applicant notified him that the project is currently on hold. General Manager Cockrell reported that he and Charlie Flatten both submitted requests for information to Clancy Utility Holdings, LLC, for additional information that was missing from their initial permit applications. General Manager Cockrell reported that counsel for Clancy Utility Holdings, LLC, responded to his request and requested a waiver from some of the District’s requirements. General Manager Cockrell reported that counsel for Clancy Utility Holdings contacted the District’s legal counsel to schedule a meeting regarding Clancy Utility Holdings’ waiver requests. Ty Embrey reported that he spoke with Greg Ellis, counsel for Hays Trinity GCD, regarding the process of holding permit hearings at both districts for the Clancy Utility Holdings, LLC, applications. Cole Ruiz reported that the attorney representing Clancy Utility Holdings, LLC, reached out to him about the application status and variance requested, and President Scadden asked that the District’s counsel direct any future communications to the District General Manager.

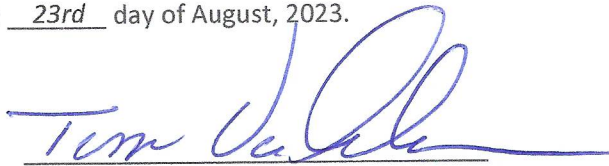
Director Hunt provided a presentation to the Board and an update regarding the Board Rules Subcommittee activities. Director Hunt reported that in May the Board began the process of looking into amending the District Rules to establish a management zone in the Hamilton Pool area. Director Hunt reported that the Board may implement spacing requirements specific to a management zone to reduce drawdown in that area. Director Hunt reported that the Board could implement more targeted drought restrictions for the proposed groundwater management zone. President Scadden raised the question of whether or not the Board is authorized under the District Rules or general law to issue a moratorium on new permits under certain drought conditions. Cole Ruiz reported that the District Rules do not currently allow for a general permit moratorium. Director Hunt reported that the overall goal of the management zone would be to minimize unreasonable impacts to the Middle Trinity Aquifer within the management zone. Director Hunt displayed a map of proposed boundaries for the management zone, including the watersheds of Hamilton, Pouge, Reimers, and Lick creeks. Director Hunt raised the possibility of establishing more stringent drought curtailments for the area within the management zone, such as curtailing use of the Middle Trinity Aquifer up to 50% during extreme drought conditions. Director Hunt raised the possibility allowing Aquifer Storage and Recovery (“ASR”) projects to be exempt from the District’s drought curtailments, as ASR projects contribute to aquifer recharge. Director Hunt raised the possibility of requiring new wells drilled in the proposed management zone to be grouted through the Hammett Shale under the District’s well



construction requirements. Director Hunt additionally suggested restricting vanity ponds and the use of irrigation wells under certain conditions within the District's management zone. General Manager Cockrell reminded the Board that Chapter 36 of the Texas Water Code does not allow the District to target or restrict specific beneficial use types. General Manager Cockrell and Director Hunt emphasized the importance of stakeholder engagement and involvement in the process of creating a groundwater management zone, and conducting additional public outreach on the importance of the topic. No action taken.

12. **Discuss and possibly act on matters related to FY 2023 Interlocal Agreement with Travis County** – General Manager Cockrell reported that the last invoice the District submitted to Travis County for payment under the fiscal year 2023 Interlocal Agreement was paid. General Manager Cockrell reported that he is scheduled to meet with LRE Water regarding the regional hydrogeologic study to be funded by the Interlocal Agreement with Travis County. Additionally, General Manager Cockrell reported that the District may submit a special funding request to Travis County under the Interlocal Agreement for costs related to the regional study and the monitoring well the District plans to drill under the agreement. No action taken under this agenda item.
13. **Discuss and establish possible agenda items for future Board Meetings** – General Manager Cockrell reported that the Board will need to hold a public hearing on the proposed amendments to District Rules in August.
14. **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 August 23, 2023, at 9:00 a.m. at the District's office.
15. **Adjourn** – A motion was made by Director Leva to adjourn the meeting at 11:31 a.m. Motion seconded by Director Van Ackeren. Motion carried 6 Ayes – 0 Nays – 1 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 23rd day of August, 2023.


Tim Van Ackeren, Secretary