



BOARD MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, August 23, 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 Wednesday, August 23, 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 9:00 a.m. on Wednesday, August 23, 2023. Six directors were present at the meeting constituting a quorum, including President Scadden, Director Davis, Director Hunt, Director Leva, Director Urie, and Director Van Ackeren. Also present were General Manager Lane Cockrell and District regulatory compliance specialist Virginia Smith, District volunteer Pete Golde, Jim Truitt with Mirasol Capital, and Phil Bullock with Bullock, Bennett & Associates. The following individuals participated remotely by videoconference call: Ty Embrey, Cole Ruiz, and Audrey Cooper with Lloyd Gosselink, CJ Bennett with Bullock, Bennett & Associates, LLC, Tom Smith, Rusty Tarver, Ed McCarthy, and Director Norton participated remotely as a member of the public.
- 2. Announcements** – President Scadden reported that the District received a request to provide a presentation regarding groundwater at an upcoming Lakeway Municipal Utility District ("Lakeway MUD") open house. President Scadden reported that General Manager Cockrell will coordinate with Lakeway MUD to schedule a presentation. President Scadden also reported that the City of Bee Cave is currently working with the Lower Colorado River Authority ("LCRA") to schedule an open house on surface water resources for the public, however a date has not been set yet.
- 3. Public Comments** – No public comments were presented under this agenda item.
- 4. Public Hearing to receive input regarding proposed amendments to District Rules** – General Manager Cockrell provided a presentation to the Board regarding proposed amendments to the District Rules. General Manager Cockrell reported that many of the proposed amendments are required due to recent legislative changes made by the 88th Texas Legislature, and that the proposed edits also include revised drought triggers and changes to definitions of management zones. General Manager Cockrell reported that the revised drought trigger methodology would result in the District drought stage being based on drought conditions in the District territory instead of Travis County at large. General Manager Cockrell reported that the proposed revisions remove definitions for and references to current geographic management zones, "Area 1" and "Area 2" Management Zones, and add a definition for the "Hamilton Pool Management Zone" as the groundwater management zone that includes the Middle Trinity Aquifer at locations within the District bounded by Travis County, the Pedernales River, State Highway 71, and the drainage divide that separates the Bee Creek watershed from the watersheds of Lick Creek, Pogue Creek, and Hamilton Creek. General Manager



Cockrell and Director Hunt reported that specific rules for the Hamilton Pool Management Zone will be proposed and discussed at a later date.

President Scadden adjourned the open meeting and called the public hearing on the proposed amendments to the District Rules to order at 9:19 a.m. Tom Smith provided public comments regarding the proposed amendments to the District Rules and raised questions regarding the proposed revised drought methodology. Tom Smith asked whether or not different portions of the District experience more intense drought conditions than other portions, and questioned the new 50% drought level trigger. General Manager Cockrell reported that the proposed revisions to the District Rules, while raising the drought trigger from 25% to 50%, only focus on conditions within the District's boundaries instead of looking at Travis County in its entirety, making the drought methodology more focused on drought conditions in the District. President Scadden reported that the District has often seen more intense drought conditions in the western portion of Travis County than the eastern part. Additionally, Tom Smith asked whether the Pedernales River will be included in the Hamilton Pool Management Zone. Director Hunt clarified that the Pedernales River is one of the boundaries of the management zone, and that surface water is not intended to be included in the management zone. Jim Truitt provided public comments regarding the proposed amendments to the District Rules, and asked what the Board's intentions and goals are with establishing a management zone and what statutory law authorizes groundwater districts to create management zones. Ty Embrey clarified that Chapter 36 of the Texas Water Code allows groundwater conservation districts to establish management zones. Director Hunt reported that the Board is considering creating a management zone in the Hamilton Pool area to take into consideration the unique hydrogeologic conditions in that area. Director Hunt also reported that the Board will first hold stakeholder meetings with members of the public to discuss the management zone and any proposed rules impacting the management zone. Phil Bullock provided public comments to the Board regarding the proposed revisions to the District Rules, and encouraged the Board to implement incentives in the District Rules for well owners to practice conservation so landowners are more prepared when intense droughts happen. President Scadden adjourned the public hearing on the proposed amendments to the District Rules at 9:48 a.m.

5. **Discuss and possibly act on matters related to proposed amendments to District Rules** – President Scadden reconvened the open meeting at 9:48 a.m., a quorum of six directors remained present, including President Scadden, Director Davis, Director Hunt, Director Leva, Director Urie, and Director Van Ackeren. President Scadden requested that the Board open up discussion and provide feedback on the proposed amendments to the District Rules. President Scadden proposed that the Board also consider establishing a management zone east of the Bee Creek fault zone to replace the former "Area 2 Management Zone" in the District Rules. President Scadden proposed naming the proposed management zone the Western Barton Creek Management Zone. Director Hunt pointed out that defining boundaries for such a management zone would be challenging given current data limitations, and that District Rules will still apply to areas outside a management zone. Director Davis raised the question of whether the District has the scientific data needed to create an additional management zone east of the Bee Creek Fault Zone. After the ensuing discussion, President Scadden withdrew the suggestion to establish an additional groundwater management Zone.



President Scadden additionally raised concerns regarding the proposed added language under District Rule 3.1(B)(7) and requested that the word “permitted” be changed to “authorized”, in order to avoid confusion regarding which wells have been permitted by the Board as opposed to those that have been authorized by District staff to be drilled. Additionally, President Scadden asked whether the Board will need to update the District’s management plan to reflect any changes made to the District Rules. Ty Embrey reported that the Board should consider finalizing any discussions and revisions to the management zones in the District before amending the District’s management plan. A motion was made by Director Davis to approve the proposed amendments to the District Rules, including changing the word “permitted” to “authorized” in Rule 3.1(B)(7), as requested by President Scadden. Motion seconded by Director Hunt. Motion carried 6 Ayes – 0 Nays – 1 Absent.

6. **Discuss and possibly act on approving previous meeting minutes** – President Scadden presented the minutes for the Board workshop on June 7, 2023. A motion was made by Director Davis to approve the minutes of the Board workshop on June 7, 2023. Motion seconded by Director Van Ackeren. Motion carried 3 Ayes – 0 Nays – 1 Absent – 3 Abstaining. President Scadden and Director Urie abstained from voting as they were not present at the June 7, 2023 meeting, and Director Leva abstained from voting as he did not begin serving as a director until the regular Board meeting on July 18, 2023. President Scadden presented the minutes for the regular Board meeting on July 18, 2023. A motion was made by Director Davis to approve the minutes of the regular Board meeting on July 18, 2023. Motion seconded by Director Urie. Motion carried 6 Ayes – 0 Nays – 1 Absent.

7. **Discuss and possibly act on matters related to Directors Elections on November 7, 2023** – General Manager Cockrell reported that Director positions for President Scadden, Director Leva, Director Davis, and Director Norton are all up for election on November 7, 2023. General Manager Cockrell reported that no other candidate applications or declarations of write-in candidacy have been submitted to the District for this election, so the Board will likely be able to cancel the election in September. General Manager Cockrell asked that the Board approve a resolution on new voting equipment for the November 7, 2023 directors election at the request of Travis County under the District’s election services agreement. A motion was made by Director Davis to approve Resolution No. 2023-08-01 on New Voting Equipment for the November 7, 2023 Director Election. Motion seconded by Director Van Ackeren. Motion carried 6 Ayes – 0 Nays – 1 Absent.

General Manager Cockrell reported that at the September Board meeting the Board Secretary may present a Certification of Unopposed Candidates for those candidates that are unopposed, and then the Board may vote on an Order of Cancellation for the election. General Manager Cockrell reported that if the District needed to hold the election, Travis County estimated that the election would cost between \$75,000.00 and \$100,000.00 based on the number of registered voters in the District. General Manager Cockrell recommended that the Board consider creating a budgetary line item for election expenses in the future.

8. **Discuss and possibly act on matters related to Board Committee appointments** – General Manager Cockrell reported that Director Hennings’ resignation from the Board of Directors left a vacancy on the Science and Outreach Committee. General Manager Cockrell suggested that the Board appoint both Director Leva and Director Norton to the Science and Outreach Committee due to their technical



backgrounds and knowledge. A motion was made by President Scadden to nominate Director Norton and Director Leva to the Science and Outreach Committee. Motion seconded by Director Davis. Motion carried 6 Ayes – 0 Nays – 1 Absent.

9. **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, 2023. The balance sheet indicated assets totaling \$177,059.15, and liabilities totaling \$7,990.41. The fiscal year to date profit and loss report indicated expenses totaling \$198,766.21, gross profit totaling \$176,382.43, and net income totaling \$-22,383.78 through July 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. President Scadden questioned why the District’s budget versus actual is lagging for production authorization application fees for previously installed wells, and raised the question on whether the District’s budget for fiscal year 2024 needs to be adjusted.

President Scadden reported that Director Davis left the open meeting at 10:34 a.m., a quorum of five directors remained present, including President Scadden, Director Hunt, Director Leva, Director Urie, and Director Van Ackeren.

- b. **Legislative** – Ty Embrey reported that the Texas Senate is preparing for their impeachment trial for Texas Attorney General Ken Paxton, which is set to begin September 5, 2023. 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 the Texas Legislature allocated one billion dollars for water issues last session and proposed the creation of the Texas Water Fund to oversee the funds.
- c. **Science & Outreach** – Director Hunt provided an update on the UT Bureau of Economic Geology’s (BEG) ongoing Hamilton Pool and Reimers Ranch Source Water Protection Study in western Travis County. Director Hunt reported that he has been working with a few students at UT Austin, and that the students may provide presentations for the Board regarding the results of their research projects. General Manager Cockrell reported that the District participated in UT BEG pilot study to study the economic impact of declining water levels. General Manager Cockrell reported that the District provided water-level and other data for the study, that BEG researchers have completed initial modeling, and that additional modeling may be performed before the study is complete. General Manager Cockrell reported that the District’s website has received 1242 unique visits during the month of August, mostly driven by the District’s most recent drought related press release.
- d. **Rules** – No action taken under this agenda item.



President Scadden adjourned the meeting at 10:48 a.m. for a temporary break. President Scadden reconvened the meeting at 10:56 a.m., a quorum of five directors remained present, including President Scadden, Director Hunt, Director Leva, Director Urie, and Director Van Ackeren.

10. General Manager's Report:

- a. **Summary of permitting, application, and registration inquiries and submissions** – General Manager Cockrell provided a report to the Board regarding the permit applications and registrations submitted to the District during the month of July. General Manager Cockrell reported that the District received four (4) new well drilling authorization applications, and one (1) new water utility service application during the month of July. General Manager Cockrell reported that meter readings submitted by reporting well owners for the month of July show a total production of 38.5 acre-feet (approximately 12.5 million gallons), down from 59.4 acre-feet (approximately 19.3 million gallons) reported in July 2022.
- b. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that the Barton Springs Edwards Aquifer Conservation District may reach Stage IV Exceptional Drought, the highest level of drought they can declare. General Manager Cockrell also reported that Hays Trinity Groundwater Conservation District is currently under Emergency drought, their highest drought stage. General Manager Cockrell reported that the next GMA 9 meeting is currently scheduled for September 26, 2023, at the Cow Creek GCD office in Boerne, Texas.
- c. **Overview of current District groundwater monitoring program** – General Manager Cockrell provided a graph of water-level data for State Well No. 57-47-314 in the southwestern portion of the District, which showed approximately a foot of water-level decline in the Middle Trinity aquifer since November 2022. General Manager Cockrell reported that water levels remained relatively stable in this monitoring well prior to the intense drought conditions this year. General Manager Cockrell also presented data from the District's St. Stephen's monitoring well, showing water levels have steadily declined in this well since 1949, and data from State Well No. 58-50-120, showing water levels have steadily declined since 1984 and are approaching historic lows.
- d. **Other items of interest not requiring Board action** – General Manager Cockrell reported that the District is receiving reports of failing wells around the Spicewood area and in the southern parts of the District. General Manager Cockrell reported that District staff are tracking the location of failing wells throughout the District to help inform the District's decision making process. General Manager Cockrell reported that he and Virginia Smith have prepared a job posting for the administrative assistant position, and that the job posting is ready for distribution. General Manager Cockrell reported that the District's email accounts continue to receive phishing and scam emails. General Manager Cockrell reported that the 2023 Texas Groundwater Summit will be hosted from August 29 to 31 in San Antonio by the Texas Alliance of Groundwater Districts ("TAGD"), that the



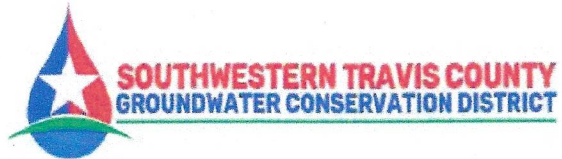
Meadows Center for Water and the Environment at Texas State University will host Climate Science – The Good, The Bad, and The Wicked on September 7, 2023 in San Marcos.

11. **Discuss and possibly act on matters related to District drought stage status** – Director Norton provided an update to the Board regarding the current drought status in the District and data from the U.S. Drought Monitor. Director Norton reported that he attended a meeting hosted by the Texas State Climatologist on suggested modifications to the drought status map for the entire state of Texas. Director Norton reported that the Texas State Climatologist, Dr. John Nielsen-Gammon, after receiving feedback on the draft drought map then sends his recommendations to the U.S. Drought Monitor for inclusion on their national map. Director Norton reported that the Texas State Climatologist has reported that state scientists believe Central Texas should be under D-4 level drought, but the U.S. Drought Monitor’s most recent map from August 15, 2023 still shows much of Central Texas under D-3 drought. Director Norton reported that Dr. Nielsen-Gammon and his staff still believe that portions of Texas are experiencing more intense drought than what has been declared by the U.S. Drought Monitor. Director Norton presented a map of rainfall stations located in Travis County showing little to no precipitation in the District over the last 60 days. No action taken under this agenda item.
12. **Discuss and possibly act on matters related to District budget and fee schedule for FY 2024** – General Manager Cockrell reported that he distributed a draft budget for fiscal year 2024 to the Board for review and comment, and reported that the Board will need to adopt a final budget in September. General Manager requested that the Board provide feedback on the draft budget by Friday, September 1, 2023, to allow District staff enough time to incorporate any edits. President Scadden reported that the fiscal year 2024 budget includes a 10% compensation increase for District staff, based on discussion by the Budget Committee. General Manager Cockrell reported that a few budgetary line items were updated to take into consideration cost increases, including the line item for GMA 9 joint planning. No action taken under this agenda item.
13. **Discuss and possibly act on matters related to registration and travel costs for upcoming groundwater conferences** – President Scadden reported that he and Director Davis plan to attend the 2023 Texas Groundwater Summit hosted by TAGD at the end of the month. General Manager Cockrell reported that In-Situ plans to host an aquifer testing course in Fort Collins, Colorado, that would be helpful for District staff to attend, however General Manager Cockrell reported that he is not available to attend the next training course in September. President Scadden reported that he and Director Davis plan to seek reimbursement for their registration fees and travel costs for the 2023 Texas Groundwater Summit. No action taken under this agenda item.
14. **Discuss and possibly act on matters related to GMA 9 consultant** – General Manager Cockrell presented a scope of work and budget from Advanced Groundwater Solutions, LLC (“AGS”) and Blanton & Associates-ICF (“Blanton”) for the current joint planning round for GMA 9. General Manager Cockrell reported that AGS is providing hydrogeological consulting services for GMA 9 for the current round of joint planning and mistakenly reported that Blanton was not involved in the current planning cycle. Blanton, as subconsultant, will serve as the lead for developing the



explanatory report for this planning cycle. President Scadden reported concerns regarding the sole source nature of GMA 9's contract with AGS, and General Manager Cockrell reported that GMA 9 did put out an RFQ and received responses from two potential consultants. General Manager Cockrell reported that several GMA 9 member districts have expressed interest in establishing district-specific desired future conditions, which will likely result in increased consulting costs for GMA 9. No action taken under this agenda item.

15. **Discuss and possibly act on matters related to implementing District Rules** – General Manager Cockrell provided an update to the Board on the status of the Clancy Utility Holdings, LLC (“Clancy”) permit application. General Manager Cockrell reported that Clancy and their attorney submitted a request to the District for a temporary waiver of District Rule 3.4(A)(5)(k), which requires applicants to submit TCEQ approval documentation for public water supply wells before a permit application can be considered administratively complete. General Manager Cockrell reported that he worked with the District’s general counsel to issue an appropriate response to the waiver request, which granted a conditional waiver of Rule 3.4(A)(5)(k) as it relates to the administrative completeness of the Clancy permit application. President Scadden reported that once the Clancy permit application is determined to be administratively complete, the Board has a deadline to hold a hearing on the application, and questioned when Clancy will provide their TCEQ approval documentation in that process. Cole Ruiz reported that during the permit hearing process, the Board may make a motion for a continuance to allow for additional time for the applicant to submit additional information. CJ Bennet with Mirasol Capital reported that Clancy has submitted their TCEQ public water system application as of August 2, 2023. General Manager Cockrell reported that JPD Backyard Finance, LLC requested an update on the status of their permit application from District staff, and that staff are working to provide them with an update on the administrative completeness of their permit application. No action taken under this agenda item.
16. **Discuss and possibly act on matters related to FY 2023 Interlocal Agreement with Travis County** – General Manager Cockrell reported that the District’s latest invoice for expenses through March 2023 is pending with Travis County under the fiscal year 2023 Interlocal Agreement. General Manager Cockrell reported that staff are working to prepare and submit the next invoice for expenses through July 2023. General Manager Cockrell reported that the invoicing process with Travis County is lengthy, and that it often takes more than thirty days for the District’s invoice to be processed and approved by Travis County. General Manager Cockrell provided a summary to the Board of the funding categories, allocations, dollar amounts spent, and dollar amounts remaining under the fiscal year 2023 agreement. No action taken under this agenda item.
17. **Discuss and establish possible agenda items for future Board Meetings** – President Scadden reported that the Board must take action on the final budget for fiscal year 2024 in September. General Manager Cockrell reported that the Board may act to cancel the November 7, 2023 directors election in September.
18. **Discuss and possibly act on setting the date, time, and location for the next Board Meeting** – President Scadden reported that the next Board meeting will be held on September 13, 2023, at 9:30 a.m. at the District’s office.



19. **Adjourn** – A motion was made by Director Hunt to adjourn the meeting at 12:11 p.m. Motion seconded by Director Leva. Motion carried 5 Ayes – 0 Nays – 2 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 13th day of September, 2023.



Tim Van Ackeren, Secretary