



BOARD MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, March 9, 2022, 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, March 9, 2022, at 9:00 a.m. at the District's office at 8656A W. Highway 71, 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 9:03 a.m. on Wednesday, March 9, 2022. Five directors were present at the meeting constituting a quorum, including Director Dower, Director Hunt, Director Hennings, Director Van Ackeren, and President Scadden. Also present were General Manager Lane Cockrell, Pete Golde, and Virginia Smith. The following individuals participated remotely by videoconference call: Audrey Cooper, Ty Embrey, and Cole Ruiz with Lloyd Gosselink, Christy Muse, and Director Patricia Davis participated remotely as a member of the public.
2. **Public Comments** – No public comments were presented.
3. **Discuss and possibly act on approving previous meeting minutes** – General Manager Cockrell presented the minutes for the February 16, 2022 regular board meeting for the Board's consideration with revisions. A motion was made by Director Hennings to approve the minutes of the February 16, 2022 regular board meeting as amended. Motion seconded by Director Hunt. Motion carried 5 Ayes – 0 Nays – 2 Absent.
4. **General Manager's Report:**
 - a. **Summary of permitting, application, and registration inquiries and submissions** – General Manager Cockrell provided an update on permit applications and well registrations submitted to the District. General Manager Cockrell reported that the District received eight (8) new well registrations during the month of February and has received a total of twenty-five (25) registrations during fiscal year 2022 to date. General Manager Cockrell reported that during the month of February the District received ten (10) new well drilling authorization applications, one (1) new general permit application, and no additional new operating permit applications. General Manager Cockrell reported that the District received seven (7) new reported water utility service connections in February, however the District has only received a total of eleven (11) reported connections during fiscal year 2022 to date, which represents only 18% of the expected connects for fiscal year 2022 based on prior projections. General Manager Cockrell reported that District staff are in the process of reviewing submitted permit applications. General Manager Cockrell reported that meter readings for the month of February show that a total of 4,477,680 gallons was produced by reporting permittees during the month of February, though the District has not received meter readings for February from all



permittees as of the date of this meeting. General Manager Cockrell reported that the District has issued six (6) temporary operating permits to applicants. General Manager Cockrell raised the question of whether the District has the authority to retroactively charge production fees to non-exempt well owners who have not submitted permit applications after the February 2021 deadline established in the District Rules. Ty Embrey reported that the District likely could claw back fees under the District Rules. President Scadden raised the possibility of waiving enforcement fees and penalties against noncompliant entities that agree to pay their unpaid production fees to the District. Cole Ruiz reported that he spoke with General Manager Cockrell about drafting a letter to be sent to noncompliant entities by certified mail regarding the District Rules and possible enforcement actions. President Scadden inquired about staff efforts to contact noncompliant well owners. President Scadden indicated that he and General Manager Cockrell will continue to work on this matter.

- b. **Drought stage status and outlook** – General Manager Cockrell reported that as of March 1, 2022, the majority of Travis County was not in drought, though drought conditions have increased across the state. Director Van Ackeren reported that Travis County currently has a burn ban in place due to wind conditions in the County. Director Hunt reported that the District should consider what steps should be taken to notify constituents when a drought declaration is made by the SWTCGCD Board in the future. General Manager Cockrell reported that he has reached out to staff at the Barton Springs Edwards Aquifer Conservation District regarding their process for contacting permittees and constituents regarding drought conditions.
- c. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – No discussion under this agenda item.
- d. **Other items of interest not requiring Board action** – General Manager Cockrell reported that the District’s office lease was extended by Travis County through February 2023. General Manager Cockrell reported that he backed-up the District’s digital files on solid state drives that are encrypted and password protected. General Manager Cockrell reported that the Texas Alliance of Groundwater Districts (“TAGD”) is working to develop a communications toolkit for members to use for outreach initiatives with constituents. General Manager Cockrell reported that the District has received multiple requests for information under the Texas Public Information Act for copies of the Clancy Utility Holdings, LLC permit application (a.k.a. Mirasol Springs Development), and that the District has responded to these requests in accordance with the Act. General Manager Cockrell reported that March 6 through 12 is National Groundwater Awareness Week.

5. **Receive, discuss, and take action as necessary on Board Committee Reports:**

- a. **Finance** – This agenda item was taken out of order due to time constraints. Pete Golde provided a report to the Board regarding the financial reports dated February 28, 2022. The balance sheet indicated assets totaling \$49,329.47 and liabilities totaling \$3,457.61. The fiscal year to date profit and loss report indicated expenses totaling \$104,425.06,



gross profit totaling \$66,663.68, and net income totaling \$-37,761.38 through February 2022. Pete Golde provided a summary of the checks issued by the District since the last board meeting, a summary of expenses by vendor, and a fiscal year to date summary of expenses by budgetary line item. Pete Golde reported that the District's revenue from water utility connections is still lagging behind projections in the fiscal year 2022 budget, but the District's expenses have also been lower than expected for some line items. General Manager Cockrell reported that the District received seven (7) water utility service connection fees during the month of February.

- b. **Legislative** – Director Davis reported that there has been no recent legislative activity related to groundwater. Ty Embrey reported that the Texas Legislature is expected to release interim charges soon, but the Texas House Natural Resources Committee is not expected to take up any groundwater related issues.
 - c. **Science & Outreach** – Director Dower reported that the District's website received 125 unique visits during the month of February. Director Dower reported that the Board is required to complete a cybersecurity training program certified by the Texas Department of Information Resources. General Manager Cockrell reported that the deadline for the Board to complete the required cybersecurity training course is August 31, 2022. Director Hunt reported that the Bureau of Economic Geology (BEG) is analyzing core samples collected from the Lakeside Park Monitoring Well, and that the core samples will be stored at the core repository at the BEG. Director Hunt reported that Travis County is evaluating a final draft of a report on the Bee Creek Fault Zone, and that he will distribute a final copy of the report to the Board once it becomes available. Director Hunt raised the possibility of the District posting scientific articles to the District website in the future. Director Hunt reported that he spoke with Dirk Aaron, General Manager of the Clearwater Underground Water Conservation District ("Clearwater UWCD") regarding Clearwater UWCD's research into the Trinity Aquifer and regional hydrogeology. Director Hunt reported that Clearwater UWCD plans to contact Travis County and the District regarding opportunities for collaborative regional hydrogeologic studies. President Scadden reported that he has been asked to present at a Rotary Club meeting for Bee Cave and Lakeway on May 12, 2022, regarding the District's activities (note: this presentation was later rescheduled for March 31, 2022). Director Hennings reported that she would be making a presentation to the Lost Creek Garden Club Meeting on April 12, 2022 (9:30-11:30) regarding water in the District and suggestions for water conservation in the home and garden.
6. **Discuss and possibly act on matters related to implementing District Rules** – General Manager Cockrell distributed a draft outreach letter to the Board regarding the District's registration and permitting requirements. General Manager Cockrell stated that this outreach letter could be mailed to homeowner's associations within the District. Director Hennings raised the possibility of District staff preparing a monthly or weekly newsletter to post online for members of the public that could include updates and information regarding the drought status, changes to the District Rules, and any other important information. President Scadden raised concerns regarding whether District staff



have enough time to prepare a full weekly or monthly newsletter. Director Davis reported that landowners in her area of the District might be interested in receiving a periodic newsletter from the District by email.

General Manager Cockrell reported that he met with Cole Ruiz to discuss drafting a certified mail enforcement letter to noncompliant entities in the District. General Manager Cockrell reported that he has scheduled a meeting with Bintree RV to discuss bringing them into compliance with the District Rules. General Manager Cockrell reported that he has reached out to two other noncompliant entities within the District, but he has not received a response. General Manager Cockrell reported that he is working with the District's legal counsel at Lloyd Gosselink to draft a letter to be sent to noncompliant entities by certified mail regarding the District Rules and possible enforcement actions.

7. **Discuss and possibly act on matters related to District financial audits** – General Manager Cockrell reported that he spoke with the District's auditor Spencer Neffendorf at NKD, P.C., and Mr. Neffendorf will present a summary of the results of the District's financial audits for fiscal years 2018, 2019, and 2020 at the April board meeting. No action taken.
8. **Discuss and possibly act on matters related to District staffing and contractors** – Director Van Ackeren reported that he does not have any updates for the Board regarding engaging a CPA for the District. Director Davis reported that she has spoken with several CPAs regarding the District's misclassification at the IRS, and Director Davis reported that none of the CPAs she spoke to had experience with this kind of issue. General Manager Cockrell reported that he reviewed the requirements from the IRS for submitting a formal request for a letter of ruling, and reported that engaging a CPA to address this issue would be the best course of action.

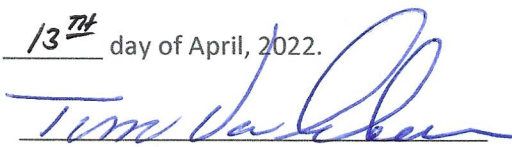
Director Hunt raised the possibility of the District engaging a hydrogeologic consultant or contractor to assist the District. Director Hunt reported that he is aware of several engineering and hydrogeologic consultants that provide services to other groundwater districts in the state that might be interested in working with the District. The Board consensus was to explore the possibility of engaging a hydrogeologic consultant to support the District's permitting and management efforts. Director Hunt raised the question of whether the District could use funds from the Interlocal Agreement with Travis County to cover consultant costs.

General Manager Cockrell reported that he coordinated with the Board Personnel Committee to prepare a draft job description for a part-time hydrogeologic technician position. General Manager Cockrell reported that the Personnel Committee plans to post this job opening on the District's website, with TAGD, and with the University of Texas at Austin to advertise to alumni. General Manager Cockrell reported that the Personnel Committee intends to have the job posting up until March 27, 2022. General Manager Cockrell raised the question of whether or not the part-time hydrogeologic technician position should be classified as an employee or as a contractor. Director Hennings raised the question of what liability the District could face if this part-time employee or contractor is injured while collecting water samples on private property. The Board consensus was for the part-time hydrogeologic technician to be classified as an employee of the District, and not a contractor. No action taken.



9. **Discuss and possibly act on matters related to FY 2022 Interlocal Agreement with Travis County** – General Manager Cockrell reported that Travis County approved the District’s initial two-month estimate of operating expenses on March 3, 2022, and the District is now awaiting payment for those expenses. General Manager Cockrell reported that the District will resume established invoicing procedures to reimburse actual expenses for October/November, December/January, and February/March after the District receives this initial payment from Travis County. General Manager Cockrell reported that he has already prepared invoices for submittal to Travis County for the District’s expenses for October through January. President Scadden raised the question of what steps could be taken to expedite the reimbursement process. General Manager Cockrell reported that he will follow up with staff at Travis County regarding this process. General Manager Cockrell reported that the total authorized dollar amount of the fiscal year 2022 Interlocal Agreement with Travis County is \$150,000. No action taken.
10. **Discuss and possibly act on matters related to establishing an online payment processing option for District Fees** – General Manager Cockrell reported that he contacted TAGD regarding whether any other groundwater districts in the state utilize an online payment system for processing the payment of application fees. General Manager Cockrell reported that TAGD is only aware of a few districts in the state that use online payment methods, and that all of those districts use online payment systems connected to the county they’re located in. General Manager Cockrell reported that he would like to table this agenda item until he can coordinate with TAGD and the District’s legal counsel to determine the District’s authority to establish an online payment processing system. Director Van Ackeren raised the possibility of allowing applicants to remit payment by wire or ACH, and providing applicants with wiring instructions should they wish to submit payment through that method instead of by check. No action taken.
11. **Discuss and establish possible agenda items for future Board Meetings** – Director Dower reported that he will be moving outside the District soon which will create a vacancy on the Board, and that the Board will need to include an item on the next agenda to discuss this matter. General Manager Cockrell reported that the District’s legal counsel is working to evaluate this issue, and that an item to discuss this matter will be included on the next Board Meeting agenda.
12. **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 April 13, 2022 at 9:00 AM at the District’s office.
13. **Adjourn** – A motion was made by Director Dower to adjourn the open meeting at 11:04 a.m. Motion seconded by Director Van Ackeren. Motion carried 5 Ayes – 0 Nays – 2 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 13th day of April, 2022.


Tim Van Ackeren, Secretary