



BOARD MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, May 11, 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, May 11, 2022, 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, May 11, 2022. Six directors were present at the meeting constituting a quorum, including President Scadden, Director Dower, Director Hunt, Director Hennings, Director Urie, and Director Van Ackeren. Also present were General Manager Lane Cockrell, Pete Golde, Virginia Smith, and Ian Norton. The following individuals participated remotely by videoconference call: Audrey Cooper and Ty Embrey with Lloyd Gosselink, Wade Oliver and Andrew Osbourne with INTERA, Kodi Sawin, Jordan Furnans with LRE Water, and Charlie Flatten with Hays Trinity Groundwater Conservation District ("Hays Trinity GCD").
2. **Public Comments** – No public comments were presented.

Director Davis joined the open meeting at 9:03 a.m. President Scadden reported that a quorum of seven directors remained present.

3. **Discuss and possibly act on approving previous meeting minutes** – General Manager Cockrell presented the minutes for the April 13, 2022 regular board meeting for the Board's consideration. A motion was made by Director Hennings to approve the minutes of the April 13, 2022 regular board meeting as amended. Motion seconded by Director Dower. Motion carried 7 Ayes – 0 Nays.
4. **General Manager's Report:**
 - a. **Summary of permitting, application, and registration inquiries and submissions** – General Manager Cockrell provided an update on the permit applications and well registrations submitted to the District. General Manager Cockrell reported that the District received a total of seven (7) new well registrations during the month of April, all of which were submitted through the District's online well registration form, and several resulted from the District's recent outreach efforts in Bee Cave. General Manager Cockrell reported that the District received ten (10) new well drilling authorization applications during the month of April. General Manager Cockrell reported that the District did not receive any new general permit or operating permit applications during the month of April. General Manager Cockrell reported that the District issued two new general permits to applicants during the month of April. General Manager Cockrell reported that the District did not receive any new reported water utility service connections during the month of April. General Manager Cockrell reported that meter readings during the month



of April show 7,177,880 gallons or roughly 22 acre-feet of groundwater produced by reporting permittees during the month of April.

- b. **Drought stage status and outlook** – General Manager Cockrell reported that drought conditions have intensified throughout the District since the last Board of Directors meeting, though the District has not exceeded the threshold established in the District Rules to declare D2 drought stage yet. General Manager Cockrell reported that the western side of Travis County is experiencing the most intense drought conditions. General Manager Cockrell reported that the District Rules instruct the Board to consider declaring a drought stage for the District based on the highest level of drought intensity experienced over 25% of the land area in Travis County as reported by the U. S. Drought Monitor if those drought conditions persist for two weeks or longer. Director Hennings raised the question of whether the Board should pre-authorize General Manager Cockrell to issue press releases regarding future drought stages. President Scadden supported pre-emptively authorizing General Manager Cockrell to issue press releases regarding future drought stages and curtailments.

- c. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that Larry French, Director of the Groundwater Division at the Texas Water Development Board (“TWDB”), will soon retire from the TWDB. General Manager Cockrell reported that GMA 9 met on Monday, May 9, 2022, to discuss the next round of joint planning, and Micah Voulgaris, General Manager of Cow Creek GCD, was appointed as Chairman of GMA 9. General Manager Cockrell reported that stakeholder engagement was emphasized as a priority for GMA 9 this planning cycle. Increased public participation across the State is a goal of the TWDB. General Manager Cockrell reported that Natalie Ballew with the TWDB put on a presentation for GMA 9 regarding joint groundwater planning basics, and that Natalie Ballew offered to put this presentation on for the Board in June. Director Hennings reported that it would be beneficial for the Board to hear Natalie Ballew’s presentation regarding joint planning. General Manager Cockrell reported that the updated Groundwater Availability Model (“GAM”) for the Trinity Aquifer will be finalized roughly two years from now, late in the joint planning process. General Manager Cockrell reported that GMA 9 may consider establishing Desired Future Conditions (“DFCs”) that are more localized to specific areas in GMA 9. General Manager Cockrell reported that the next joint planning cycle with GMA 9 will likely be more expensive than last planning cycle due to the need for computer modeling.

- d. **Other items of interest not requiring Board action** – General Manager Cockrell reported that West Travis County PUA has established mandatory watering restrictions effective May 1, 2022, limiting irrigation watering to twice per week. President Scadden reported that West Travis County PUA establishes mandatory water restrictions each summer from May to July. General Manager Cockrell reported that the Texas Alliance of Groundwater Districts (“TAGD”) held its second GCD Boot Camp on April 25, 2022, and that he, President Scadden, Director Hennings, and Virginia Smith attended the training. President



Scadden reported that he attended the Central Texas Water Coalition Water Round Table in Lakeway, Texas on April 28, 2022. President Scadden reported that he met with Rep. Goodwin and other stakeholders at the Water Round Table. President Scadden reported that it would be good for the District to be more involved with the Central Texas Water Coalition as a groundwater stakeholder. General Manager Cockrell presented a water-level snapshot graph showing daily water-level data for Lake Travis and hourly water-level measurements of the Middle Trinity and Lower Trinity Aquifers collected at the District's Lakeside Park Monitoring Well.

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

- a. **Finance** – Director Urie and Pete Golde provided a report to the Board regarding the financial reports dated April 30, 2022. The balance sheet indicated assets totaling \$88,567.21 and liabilities totaling \$2,875.28. The fiscal year to date profit and loss report indicated expenses totaling \$131,608.51, gross profit totaling \$133,667.20, and net income totaling \$2,058.69 through April 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 Travis County deposited \$32,252.57 in the escrow account for the District as part of the fiscal year 2022 Interlocal Agreement (“ILA”) with Travis County. Pete Golde reported that the total revenue received fiscal year to date is only 42% of the expected budgeted amount, however the District's total expenses for the fiscal year to date are equally low, only 41.5% of budget projections. President Scadden reported that the debit card associated with the District's general fund is still under the name of a former District Director, and recommended updating the signatories on the District's bank account. A motion was made by President Scadden to adopt Resolution No. 2022-05-01, regarding signatory authority for banking purposes. Motion seconded by Director Hunt. Motion carried 7 Ayes – 0 Nays.
- b. **Legislative** – Director Davis reported that the Senate Water, Agriculture & Rural Affairs Committee met on Tuesday, May 10, 2022, to hear invited testimony regarding water infrastructure and to discuss the interim charges assigned to the Committee. Ty Embrey reported that the Committee did not discuss any groundwater related interim charges at the hearing on May 10, 2022, but the Committee will likely hold a hearing on groundwater matters in September.
- c. **Science & Outreach** – Director Hennings reported that General Manager Cockrell distributed a press release regarding the current drought stage to the Austin American Statesman and Community Impact local newspapers. Director Hunt reported that the UT Austin Bureau of Economic Geology published a final report for Phase 1 of their Hamilton Pool and Reimers Ranch Source Water Protection Study, which includes detailed hydrographs of spring flows and groundwater levels at Hamilton Pool and Reimers Ranch, and provided an overview of the report to the Board. Director Hunt raised the possibility of the District establishing management zones to help protect local spring flows in certain areas of the District. Ty Embrey reported that Chapter 36 of the Texas Water Code allows



districts to establish management zones that would allow the District to establish protections for spring flows under the District Rules. President Scadden reported that he and General Manager Cockrell attended the Bee Cave Friends of the Parks Earth Day 2022 event on April 23, 2022, and set up a booth regarding the District. President Scadden reported that he and General Manager Cockrell met with the Mayor and City Manager for the City of Bee Cave regarding putting on a joint presentation in June regarding groundwater in southwestern Travis County. Director Dower reported that the District's webpage received 521 unique visits over the last thirty days, which is slightly lower than the previous thirty days. General Manager Cockrell reported that he and Nick Soto-Kerans were able to conduct site visits in April.

6. **Discuss and possibly act on matters related to District financial audits** – General Manager Cockrell reported that the District's auditor Spencer Neffendorf, with Neffendorf & Blocker, P.C., completed the District's fiscal year 2018 and 2019 financial audits, but that the fiscal year 2020 financial audit has not yet been completed. General Manager Cockrell reported that he contacted Neffendorf & Blocker, P.C., regarding the District's concerns on the delay in receiving the 2018, 2019, and 2020 financial audits, and that a partner from Neffendorf & Blocker, P.C., plans to meet with the Board in June regarding the results of the audits. No action taken.

President Scadden adjourned the open meeting at 10:08 a.m. for a temporary break. President Scadden reconvened the open meeting at 10:15 a.m., a quorum of seven directors remained present.

7. **Discuss and possibly act on matters related to engaging a hydrogeologic consultant** – President Scadden reported that the District issued a Request for Proposals ("RFP") for a hydrogeologic consultant for the District on April 1, 2022, the deadline for respondents to submit proposals was April 25, 2022. President Scadden reported that the District Selection Committee, including Director Hunt, Director Van Ackeren, Director Hennings, and General Manager Cockrell, convened to discuss proposals submitted by three firms. General Manager Cockrell reported that the District Selection Committee identified two firms as top candidates based on the proposals submitted in response to the RFP, and the Committee reached out to references included in the proposals and spoke with contacts at each firm. General Manager Cockrell reported that the top candidates based on the Committee's review are INTERA and the joint proposal submitted by Allen Standen and LRE Water. General Manager Cockrell reported that the District Selection Committee selected INTERA as the top candidate based on the experience of the proposed staff and feedback from references, with Allen Standen and LRE Water as the second-choice candidate. Director Hennings reported that the District Selection Committee's decision was unanimous, and that each member of the committee reviewed and individually scored each proposal. General Manager Cockrell reported that he spoke with the District's general counsel at Lloyd Gosselink and they reported that either firm would be a great choice to work with. A motion was made by Director Hennings to move forward with the District Selection Committee's recommendation and enter into negotiations with INTERA for hydrogeologic consulting services; if an agreement cannot be reached with INTERA the Board will move forward with negotiations with Allen Standen and LRE Water. Motion seconded by Director Van Ackeren. Motion carried 6 Ayes – 0 Nays – 1 Abstaining. President Scadden abstained from voting due to his previous connections to INTERA.



President Scadden presented a draft resolution to the Board that would authorize General Manager Cockrell and Board officers to negotiate a contract with INTERA for hydrogeologic consulting services. A motion was made by Director Davis to adopt Resolution No. 2022-05-02, authorizing Board officers and General Manager to negotiate and execute a contract on behalf of the District. Motion seconded by Director Hunt. Motion carried 7 Ayes – 0 Nays. President Scadden proposed that the initial term of the contract be for a term of two years with the option to extend the contract for an initial year up to three times.

8. **Discuss and possibly act on matters related to a potential Interlocal Agreement with Hays Trinity GCD to collaboratively engage a hydrogeologic consultant to evaluate permitting applications that may impact groundwater resources in both Districts** – President Scadden reported that he and General Manager Cockrell are working with Charlie Flatten at Hays Trinity GCD to develop a draft Interlocal Agreement for cost-sharing to collaboratively engage a hydrogeologic consultant to evaluate technical aspects of permitting applications for both districts where their shared groundwater resources are concerned. Director Hennings raised the question of whether the District should enter into collaborative agreements with other neighboring districts as well to collaboratively review applications that may impact groundwater resources in both districts. President Scadden reported that the district must still reach a consensus regarding cost sharing for hydrogeologic consulting services for both districts. No action taken.
9. **Discuss and possibly act on matters related to drought stage status** – General Manager Cockrell presented a table to the Board with data from the U.S. Drought Monitor regarding the drought status in Travis County. General Manager Cockrell reported that District Rule 5.2 B. instructs the Board to consider declaring a drought stage for the District based on the highest level of drought intensity experienced over 25% of the land area in Travis County as reported by the U.S. Drought Monitor if those drought conditions persist for two weeks or longer. General Manager Cockrell reported that the District has not yet crossed the 25% threshold to declare D2 drought stage, though the District will likely enter the D2 stage soon if drought conditions continue. A motion was made by Director Hennings to authorize District staff to publish and release a press release regarding the next drought stage if the District enters the D2, D3, or D4 drought stages in accordance with the guidelines established in the District Rules. Motion seconded by Director Davis. Motion carried 7 Ayes – 0 Nays.
10. **Discuss and possibly act on matters related to obtaining bonding for District bookkeeper** – President Scadden reported that the TAGD GCD Boot Camp brought to his attention the need to obtain bonds for Board Members and staff that handle the District’s financial matters. Director Van Ackeren reported that he spoke with the District’s insurance provider and obtained quotes for the cost to obtain bonds. Director Van Ackeren reported that the quote outlined the cost to obtain a \$10,000 bond with a three-year term as \$150, a \$25,000 bond would cost the District \$260, and a \$75,000 bond would cost the District \$780. Director Van Ackeren recommended obtaining the \$25,000 bookkeeper bond based on the District’s financial assets. Director Hennings reported that Section 36.057(d) of the Texas Water Code requires any officer, employee, or consultant who collects, pays, or handles any funds of the district to obtain a bond payable to the district. Charlie Flatten at Hays Trinity GCD reported that Hays Trinity GCD obtains bonds for any staff or employees



who deal with financial matters. Director Davis reported that each director on the Board already has a \$10,000 public officials bond in place, and raised the question of whether directors who have access to the District's financials also need a separate surety bond. General Manager Cockrell reported that he will reach out to TAGD and neighboring GCDs regarding who they recommend obtain financial surety bonds. No action taken.

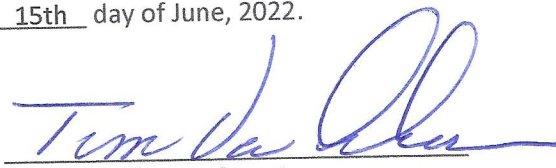
11. **Discuss and possibly act on matters related to engaging a CPA** – Director Dower reported that Pete Golde met with a CPA regarding the District's needs. Pete Golde reported that he spoke with the CPA who provides accounting services to Belvedere MUD, and that he may be willing to assist the District. Pete Golde reported that once the District selects an accountant, he can give them access to the District's QuickBooks records. President Scadden raised the question of whether the CPA can answer questions without having access to sensitive financial records first, and recommended that the District enter into a written contract with the CPA. A motion was made by Director Van Ackeren to authorize President Scadden and General Manager Cockrell to negotiate and enter into a contract with a CPA for accounting services for the District. Motion seconded by Director Urie. Motion carried 7 Ayes – 0 Nays.
12. **Discuss and possibly act on matters related to District staffing and contractors** – General Manager Cockrell reported that the District's fiscal year 2022 budget included the potential to bring on an undergraduate or graduate intern to work with the District on a hydrogeology project. Director Hunt reported that the students at UT Austin are required to complete a capstone project, and establishing a hydrogeology internship at the District would be a good opportunity for local students and would benefit the District's scientific efforts. Director Hennings voiced her support for establishing an internship opportunity at the District. General Manager Cockrell reported that the District will likely have funds leftover for general technical support in the District's current ILA with Travis County, which could be used to fund a paid part-time internship at 20 hours per week at \$15 an hour for a fifteen-week term. A motion was made by President Scadden to authorize General Manager Cockrell to engage a summer intern as a contractor for the District for up to 20 hours per week at \$15 an hour for a term of fifteen weeks. Motion seconded by Director Hennings. Motion carried 7 Ayes – 0 Nays.
13. **Discuss and possibly act on matters related to implementing District Rules** – General Manager Cockrell reported that he sent out two enforcement letters by certified mail to entities within the District last month, and received confirmation that those letters were received by each entity on April 18, 2022. General Manager Cockrell reported that each entity has thirty days to contact the District and take the steps necessary to come into compliance with the District Rules. General Manager Cockrell reported that the District has not received any responses to date from the non-compliant entities. General Manager Cockrell reported that the proposed next steps for addressing violations of the District Rules would be for the District's general counsel to contact each non-compliant entity by certified mail with an alleged notice of violations. General Manager Cockrell reported that if the non-compliant entities still fail to respond and take the steps necessary to come into compliance with the District Rules the Board could hold a show cause hearing regarding the violations. Ty Embrey reported that if the District must take a non-compliant entity to court over violations of the District Rules, the District could re-coup attorney fees, otherwise the District must follow the penalty and fee



schedule outlined in the District Rules. General Manager Cockrell reported that he has reached out to each non-compliant entity by phone and email multiple times with no response. No action taken.

14. **Discuss and possibly act on matters related to FY2022 Interlocal Agreement with Travis County** – President Scadden reported that General Manager Cockrell is working to submit an invoice to Travis County for reimbursement for expenses incurred by the District from January to April 2022. General Manager Cockrell reported that it usually takes Travis County one month after receiving an invoice to remit payment to the District. No action taken.
15. **Discuss and possibly act on matters related to Director Dower's resignation and possible replacement** – President Scadden thanked Director Dower for his service on the Board of Directors, and reported that Director Dower is moving outside the District and will no longer be eligible to serve on the Board. Ty Embrey reported that Director Dower's resignation must be submitted to the Board in writing to be effective. President Scadden reported that the Board may make a formal decision at the June meeting regarding appointing a new director to fill the vacancy resulting from Director Dower's resignation.
16. **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 June 8, 2022 at 9:00 a.m. at the District office. President Scadden requested that an agenda item be included for the Board to hear Natalie Ballew at TWDB's presentation if she is able to attend.
17. **Adjourn** – A motion was made by Director Dower to adjourn the open meeting at 11:51 a.m. Motion seconded by Director Urie. Motion carried 7 Ayes – 0 Nays.

PASSED, APPROVED, AND ADOPTED THIS THE 15th day of June, 2022.


Tim Van Ackeren, Secretary