



## BOARD MEETING MINUTES

### SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, June 15, 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, June 15, 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, June 15, 2022. Four directors were present at the meeting constituting a quorum, including Director Davis, Director Van Ackeren, Director Hunt, and President Scadden. Also present were General Manager Lane Cockrell, Pete Golde, Nick Soto-Kerans, Virginia Smith, and Tom Griffith. The following individuals participated remotely by videoconference call: Audrey Cooper and Cole Ruiz with Lloyd Gosselink, holdover Director Jim Dower, Ian Norton, Lew Adams, Constance Marshall, Darren Proppe, Vicky Kennedy with Travis County, Secretary-Treasurer John Worrall for the Hays Trinity Groundwater Conservation District ("Hays Trinity GCD"), and Director Hennings 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** – President Scadden presented the minutes for the May 11, 2022 regular board meeting for the Board's consideration. A motion was made by Director Hunt to approve the minutes of the May 11, 2022 regular board meeting. Motion seconded by Director Van Ackeren. Motion carried 4 Ayes – 0 Nays – 3 Absent.
4. **General Manager's Report:**
  - a. **Summary of permitting, application, and registration inquiries and submissions** – This agenda item was taken out of order due to time constraints. 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 two (2) new well registrations during the month of May. General Manager Cockrell reported that the District received six (6) new well drilling authorization applications during the month of May, and that the District has received a total of forty-five (45) applications this fiscal year. General Manager Cockrell reported that the District only received one (1) new production authorization operating permit application during the month of May, and the District did not receive any new general permit applications. General Manager Cockrell reported that meter readings for the month of May show a total production of 9,218,550 gallons. General Manager Cockrell reported that the District received one (1) new water service connection in May. President Scadden reported that he and General Manager Cockrell discussed developing a process for District staff to periodically follow up with water utilities in the District regarding new service connections.



- b. **Drought stage status and outlook** – General Manager Cockrell reported that drought conditions in Travis County have worsened over the last month. General Manager Cockrell reported that the U.S. Drought Monitor shows that roughly 40% of Travis County is under D-2 drought stage. General Manager Cockrell reported that NOAA has reported that due to La Niña drought conditions are expected to persist through the end of August.
  - c. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that the next GMA 9 meeting will be held on June 21, 2022, at the Cow Creek GCD office in Boerne, Texas. General Manager Cockrell reported that the Texas Alliance of Groundwater Districts (“TAGD”) plans to launch a new GCD Index with information on all the groundwater district members of TAGD throughout the state. General Manager Cockrell reported that the deadline for members of the Board to complete the required 2022 cybersecurity awareness training is August 31, 2022. General Manager Cockrell reported that he has registered each director for the cybersecurity training offered by TAGD. General Manager Cockrell reported that the 2022 Texas Groundwater Summit will be held from August 30 to September 1 in San Antonio, Texas. General Manager Cockrell reported that the 2023 Water for Texas conference will be held January 23 to January 25 in Austin.
  - d. **Other items of interest not requiring Board action** – No action taken under this agenda item.
5. **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 May 31, 2022 in Director Urie’s absence. The balance sheet indicated assets totaling \$80,501.36 and liabilities totaling \$3,035.46. The fiscal year to date profit and loss report indicated expenses totaling \$143,226.65, gross profit totaling \$137,059.31, and net income totaling \$-6,167.31 through May 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.
  - b. **Legislative** – Director Davis reported that there had been no recent legislative activity on groundwater related matters, but that legislative activity will likely pick up again in September.
  - c. **Science & Outreach** – President Scadden reported that the District held a community open house on June 1, 2022, at the Bee Cave City Hall, and that Director Hunt provided a presentation regarding hydrogeological conditions in the District. President Scadden reported that information on the presentation was published in the Community Impact local newspaper. President Scadden proposed putting on a similar community open house for the City of Westlake in the future. General Manager Cockrell reported that the District’s website received 709 unique visits over the last thirty days. General Manager



Cockrell reported that he updated the District's website to include relevant articles regarding groundwater. General Manager Cockrell reported that the West Lake National Night Out will be held on October 4, 2022, and the District has put together a booth for the event in the past.

6. **Discuss and possibly act on matters related to Director Dower's resignation and appointing a replacement to fill Director Dower's vacancy** – President Scadden reported that Mr. Ian Norton has presented himself as a candidate to fill the vacancy on the Board created by Director Dower's resignation. President Scadden reported that he and General Manager Cockrell spoke with the District's legal counsel regarding the criteria to appoint Mr. Norton to the Board, and confirmed that Mr. Norton meets all the relevant criteria. A motion was made by Director Davis to accept Director Dower's resignation from the Board and to appoint Ian Norton to the Board of Directors to fill the vacancy. Motion seconded by Director Van Ackeren. Motion carried 4 Ayes – 0 Nays – 3 Absent. President Scadden thanked Director Dower for his previous service, and Director Norton for his willingness to serve on the Board of Directors.
7. **Discuss and possibly act on matters related to District financial audits** – General Manager Cockrell reported that Keith Neffendorf and Spencer Neffendorf of Neffendorf & Blocker, P.C., planned to attend this meeting to provide a presentation regarding the results of the District's financial audits, however they had not joined the meeting yet. President Scadden reported that he and General Manager Cockrell will follow up with the District's auditor. No action taken.
8. **Discuss and possibly act on matters related to an Interlocal Agreement with Hays Trinity GCD** – This agenda item was taken out of order due to time constraints. President Scadden reported that the Board reviewed a draft version of the proposed Interlocal Agreement ("ILA") with Hays Trinity GCD for the collaborative engagement of hydrogeologic consulting services. President Scadden reported that the Hays Trinity GCD Board of Directors reviewed the draft ILA and made one revision, which he found acceptable. A motion was made by Director Hunt to approve the revised Interlocal Agreement with the Hays Trinity Groundwater Conservation District. Motion seconded by Director Davis. Motion carried 4 Ayes – 0 Nays – 3 Absent.
9. **Discuss and possibly act on matters related to engaging a hydrogeologic consultant** – President Scadden reported that the Board reviewed the draft contract for hydrogeologic consulting services from Intera, and the District's general counsel also reviewed and proposed revisions to the draft contract. President Scadden reported that Intera is currently reviewing the District's proposed revisions to the contract, and that he and General Manager Cockrell expect to have the contract finalized next month. Director Davis requested that a copy of the final contract with Intera be distributed to the Board for their records. No action taken.
10. **Discuss and possibly act on matters related to drought status** – General Manager Cockrell reported that drought conditions in Travis County have crossed the threshold for the D-2 Severe Drought Stage, and that the Board previously authorized him to issue future press releases regarding the current drought stage. Director Hunt reported that the Board empowered General Manager Cockrell to declare future drought stages for the District based on the criteria established in the District Rules.



General Manager Cockrell reported that he will issue a press release on the D-2 Drought Stage this afternoon. General Manager Cockrell reported that the D-2 Severe Drought Stage includes a 20% voluntary reduction in groundwater use for exempt wells and general permits, and a 20% mandatory curtailment of quarterly permitted-use for operating permits. General Manager Cockrell reported that lake levels in Travis County are down, which has led to other water restrictions in Travis County. General Manager Cockrell confirmed that well owners and permittees would need to meet applicable groundwater-use reduction measures and restrictions effectively immediately. No action taken.

11. **Discuss and possibly act on matters related to obtaining bonding for District staff and bookkeeper** – Director Van Ackeren reported that he spoke with the District’s insurance provider on the cost to obtain financial surety bonds for District staff and the District’s bookkeeper. Director Van Ackeren provided a breakdown of the bond amounts available and the cost to obtain each bond. Director Van Ackeren reported that the District’s insurance provider offers a \$10,000 bond at a cost of \$130 to the District, a \$25,000 bond at a cost of \$260, and a \$75,000 at a cost of \$780. Director Van Ackeren reported that the bonds would be good for three-year terms. President Scadden raised the question of which staff members should be required to obtain bonding. After some discussion, a motion was made by Director Van Ackeren to secure financial bonds in the amount of \$10,000.00 for General Manager Cockrell and staff member Virginia Smith with a three-year term each. Motion seconded by Director Hunt. Motion carried 4 Ayes – 0 Nays – 3 Absent.
12. **Discuss and possibly act on matters related to engaging a CPA** – General Manager Cockrell reported that he executed an engagement letter with Montoya & Monzingo, LLP, for as-needed bookkeeping services. General Manager Cockrell reported that Montoya & Monzingo, LLP, provide bookkeeping services to Belvedere MUD, and have experience providing CPA services to water districts. Pete Golde reported that he will give the District’s CPA access to the District’s financial records and books in QuickBooks. No action taken.
13. **Discuss and possibly act on matters related to District staffing and contractors** – General Manager Cockrell reported that the District hired a summer intern who started working with the District on June 1, 2022, and will be performing aquifer testing on wells throughout the District with Director Hunt. General Manager Cockrell reported that Nakul is studying Environmental Science at the University of Texas at Austin with a concentration in hydrogeology. General Manager Cockrell reported that this internship is funded by the District’s ILA with Travis County. No action taken.
14. **Discuss and possibly act on matters related to implementing District Rules** – This agenda item was taken out of order due to time constraints. President Scadden reported that several members of the public in attendance at the meeting would like to present public comments regarding the Mirasol Development on Hamilton Pool Road. Tom Griffith presented public comments in opposition to Clancy Utility Holdings, LLC’s production authorization permit application. Tom Griffith reported that local residents are concerned that groundwater pumping associated with the Mirasol Development may dry up or negatively impact spring flows at Hamilton Pool. Lew Adams presented public comments and reported that residents along Hamilton Pool Road are greatly concerned about the Mirasol Development negatively impacting local existing domestic groundwater wells and potentially negatively impacting Hamilton Pool. President Scadden reported that it would be premature for the



Board to discuss the Mirasol Development permit application at this point in time since the permit application is currently under staff review. President Scadden reported that at the April regular board meeting, the Board voted to move forward with engaging Intera as a hydrogeologic consultant to review permit applications, including the permit application filed by Clancy Utility Holdings, LLC, for the Mirasol Development. President Scadden reported that the District is also working to enter into an interlocal agreement with Hays Trinity GCD for the collaborative engagement of a hydrogeologic consultant to review permit applications that may impact groundwater in both Hays and Travis Counties. Director Hunt reported that the University of Texas at Austin Bureau of Economic Geology is very interested in studying spring flows at Hamilton Pool and Reimers Ranch to establish scientific data and gain a better understanding of how the aquifer functions in that area. Director Hunt reported that many stakeholders in Travis County are focused on the study of spring flows at Hamilton Pool and Reimers Ranch. Director Hunt reported that Constance Marshall, an undergraduate environmental science student at UT, is currently studying spring flows and aquifer conditions in the Hamilton Pool area.

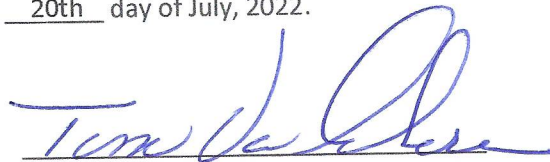
General Manager Cockrell reported that he spoke with and has made progress with two of the non-compliant entities in the District, Lakecliff on Lake Travis and Barton Creek Lakeside. General Manager Cockrell reported that both public water systems have submitted all their outstanding meter readings and monthly production reports in an effort to gain compliance with the District Rules. General Manager Cockrell reported that the District is still waiting to receive production fees and water service connection fees from both entities. General Manager Cockrell reported that Bentree RV submitted their permit application and meter readings dating back to September 2021 to the District, and that Bentree RV has submitted payment for their outstanding production fees. General Manager Cockrell reported that Bentree RV must still submit water service connection fees to the District. General Manager Cockrell reported that he and Virginia Smith have developed a method using existing datasets and GIS mapping to track groundwater wells drilled in the District without prior authorization. General Manager Cockrell reported that he and Virginia Smith have found thirty (30) wells drilled in the District without authorization, of those wells twenty-four (24) are dedicated monitoring wells or environmental soil borings. General Manager Cockrell reported that only six (6) of those wells are domestic production wells, and that he and Virginia Smith will move forward with contacting each well owner. No action taken.

15. **Discuss and possibly act on matters related to FY2022 Interlocal Agreement with Travis County** – General Manager Cockrell provided a summary to the Board regarding the funding allocations and funds remaining under the District’s ILA with Travis County. General Manager Cockrell reported that the groundwater monitoring line-item included in the ILA still includes roughly \$29,206.40 remaining to be spent. General Manager Cockrell reported that the District submitted invoice #2 to Travis County for expenses incurred from January 1, 2022, to March 15, 2022. Vicky Kennedy with Travis County reported that the Travis County Commissioners Court is set to vote on the budget for the next fiscal year at the end of July, but that she doesn’t have any exact numbers for the budget. President Scadden reported that he may contact the Travis County Commissioners Court regarding whether or not the District’s FY2022 ILA request is included in the Travis County budget for next fiscal year. No action taken.



16. **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 scheduled for July 20, 2022, at 9:00 a.m. at the District's office.
  
17. **Adjourn** – A motion was made by Director Hunt to adjourn the meeting at 10:47 a.m. Motion seconded by Director Van Ackeren. Motion carried 4 Ayes – 0 Nays – 3 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 20th day of July, 2022.

  
Tim Van Ackeren, Secretary