



## BOARD MEETING MINUTES

### SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, July 20, 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, July 20, 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 9:00 a.m. on Wednesday, July 20, 2022. Six directors were present at the meeting constituting a quorum, including President Scadden, Director Hunt, Director Hennings, Director Van Ackeren, Director Davis, and Director Urie. 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, Doug Wierman, Keith Neffendorff with Neffendorf & Blocker, P.C., and Director Ian Norton participated 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 June 15, 2022 regular board meeting for the Board's consideration. A motion was made by Director Hunt to approve the minutes of the June 15, 2022 regular board meeting. Motion seconded by Director Hennings. Motion carried 6 Ayes – 0 Nays – 1 Absent.
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 eleven (11) new well registrations during the month of June, all of which were submitted through the District's website. General Manager Cockrell reported that the District received twelve (12) new well drilling authorization applications during the month of June, and that the District did not receive any new operating permit applications or general permit applications during the month of June. General Manager Cockrell reported that meter readings for the month of June show a total of 8,978,290 gallons produced by reporting permittees. General Manager Cockrell reported that the District received two (2) new water service connections during the month of June, and that District staff are still working to bring several water utilities located in the District into compliance in regards to reporting water service connections in a timely manner. General Manager Cockrell reported that several of the well drilling authorizations the District has received have been for replacement wells, and that some well owners in the District have



reported issues with wells running dry. President Scadden raised the possibility of tracking which well plugging reports are related to dry wells, and which will be replaced.

- b. **Drought stage status and outlook** – General Manager Cockrell reported that drought conditions have continued to worsen across Travis County. General Manager Cockrell reported that the National Weather Service has reported that it would take more than a foot of rainfall over the next four weeks to end drought conditions in most areas across the county. General Manager Cockrell reported that small portions of Travis County have entered the D-4 Drought Stage.
- 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 August 15, 2022 at the Cow Creek GCD office in Boerne, Texas. General Manager Cockrell reminded the Board that August 31, 2022 is the deadline to complete the required annual cybersecurity awareness training. Director Hunt requested that General Manager Cockrell ask GMA 9 to provide a remote videoconference participation option for future meetings, so that other directors and members of the public can participate or provide public comments without having to travel. General Manager Cockrell reported that the Texas Alliance of Groundwater Districts (“TAGD”) will hold its annual Texas Groundwater Summit on August 30 to September 1 at the Hyatt Regency Hill Country in San Antonio, Texas. General Manager Cockrell reported that he and Director Davis plan to attend the 2022 Texas Groundwater Summit. Director Hennings reported that the City of Westlake National Night Out will be held on October 4, 2022. President Scadden reported that the Hill Country Alliance is holding a leadership summit on September 29, 2022, and that he plans to attend.
- d. **Other items of interest not requiring Board action** – General Manager Cockrell reported that as intense drought conditions continue in Travis County more well owners and constituents have reached out to the District with concerns. General Manager Cockrell reported that he has received several reports of wells drilled into the Lower Trinity Aquifer going dry, both in The Homestead and Saddletree Ranch subdivisions. General Manager Cockrell reported that District staff have made site visits to several of these wells to obtain water level measurements. General Manager Cockrell reported that the District has also received several complaints of individuals using groundwater to fill surface impoundments and the potential waste of groundwater through runoff from irrigation systems. General Manager Cockrell presented a graph of Lower Trinity Aquifer monitoring data collected from the District’s monitoring well and other wells across the District. General Manager Cockrell reported that some wells are showing up to thirty-foot decreases in water level. Director Hunt reported that he has spoken with staff at the Barton Springs Edwards Aquifer Conservation District, and they are also seeing declines in water levels in other areas of Travis County. President Scadden asked whether the Middle Trinity Aquifer is experiencing similar declines. General Manager Cockrell reported that the Middle Trinity is thinner throughout the District’s territory and is also experiencing drawdown but in smaller increments.



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 June 30, 2022. The balance sheet indicated assets totaling \$133,073.31 and liabilities totaling \$6,941.68. The fiscal year to date profit and loss report indicated expenses totaling \$136,669.40, gross profit totaling \$174,364.40, and net income totaling \$37,695.00 through June 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 he met with the District’s CPA at Montoya & Monzingo, LLP, regarding the District’s financial records, and that the District’s CPA recommended preparing the District’s accounting records on an accrual basis instead of a cash basis.
- b. **Legislative** – Director Davis reported that there have been no recent legislative updates. Ty Embrey reported that the Sunset Advisory Commission held a hearing on the Texas Commission on Environmental Quality (“TCEQ”) and there was some discussion regarding the TCEQ providing more clarity regarding the priority groundwater management areas in Texas. Ty Embrey reported that the Sunset Advisory Commission is also holding hearings regarding the Texas Water Development Board (“TWDB”). Ty Embrey reported that the House Natural Resources Committee will hold a hearing on groundwater issues in Austin, Texas on August 23 and 24, 2022.
- c. **Science & Outreach** – Director Hunt reported that District staff plan to install new monitoring equipment near Hamilton Pool to collect water-level data, which will be accessible online. President Scadden requested that General Manager Cockrell include information on the District’s monitoring well program in the August General Manager’s report. President Scadden requested to see a map of the locations throughout Travis County where the District has monitoring equipment. President Scadden and Director Hunt also reported that the District will need to designate a monitoring well or wells to track the District’s compliance with applicable desired future conditions (“DFCs”).

6. **Discuss and possibly act on matters related to District financial audits** – This agenda item was taken out of order due to time constraints. Keith Neffendorff with Neffendorff & Blocker, P.C., provided a presentation to the Board regarding the results of the Board’s financial audits for fiscal years 2018, 2019, and 2020. Director Hunt asked the District’s auditor what the difference between an unqualified opinion and a qualified opinion is in regards to financial audits. Keith Neffendorff responded that an unqualified audit opinion or “clean” opinion is an independent auditor’s judgement that a governmental entity’s financial statements are fairly and appropriately presented in compliance with generally accepted accounting principles. Keith Neffendorff reported that groundwater conservation districts are also required to meet other statutory financial requirements, including having code of ethics and travel expenditure policies in place. General Manager Cockrell reported that the District must submit a copy of its financial audits along with a filing affidavit to the Texas Commission on Environmental Quality. A motion was made by Director Hunt to designate General Manager Cockrell as the authorized agent for filing Southwestern Travis County GCD’s



financial audits and affidavits with the Texas Commission on Environmental Quality. Motion seconded by Director Davis. Motion carried 6 Ayes – 0 Nays – 1 Absent. A motion was made by Director Van Ackeren to approve the financial audits for fiscal years 2018, 2019, and 2020. Motion seconded by Director Urie. Motion carried 6 Ayes – 0 Nays – 1 Absent.

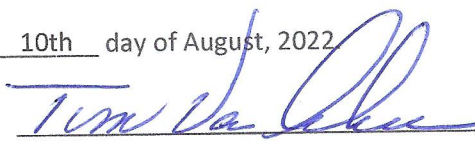
7. **Discuss and possibly act on matters related to engaging a hydrogeologic consultant** – General Manager Cockrell reported that Intera provided a revised contract to him and President Scadden with additional requested edits. General Manager Cockrell reported that he and President Scadden reviewed the additional edits from Intera and believe that they are acceptable. General Manager Cockrell reported that he intends to schedule a meeting with Intera to discuss the District’s first work order once the contract is signed and approved. President Scadden reported that the next meeting agenda should include an agenda item to discuss the first work order for Intera. President Scadden reported that the Board approved the interlocal agreement with Hays Trinity GCD at the June regular board meeting. However, Charlie Flatten with Hays Trinity GCD reached out to request some changes to the interlocal agreement for the engagement of a hydrogeologic consultant. President Scadden reported that he and General Manager Cockrell are reviewing the changes requested by the Hays Trinity GCD Board of Directors to determine if the changes materially impact the terms and conditions of the interlocal agreement. No action taken.
8. **Discuss and possibly act on matters related to drought status** – General Manager Cockrell reported that the District entered the D-3 Drought Stage on June 28, 2022, and that he issued a press release to the public at the beginning of July. General Manager Cockrell reported that the D-3 Drought Stage includes a 30% voluntary reduction in groundwater usage for exempt wells and a 30% mandatory curtailment for permittees. General Manager Cockrell provided the Board with a list of the groundwater usage reduction measures included in the District Rules for the D-3 Drought Stage, which include reductions in outdoor watering and prohibiting the re-filling of swimming pools. General Manager Cockrell reported that the Community Impact newspaper published an article highlighting the drought conditions in Travis County and the District’s drought stage. General Manager Cockrell raised the possibility of including additional drought and conservation resources on the District’s website given the increase in members of the public contacting District staff with questions regarding drought conditions. Director Ian Norton requested that information and graphics showing the District’s monitoring well data be added to the District’s website. No action taken.
9. **Discuss and possibly act on matters related to District budget for FY 2023** – President Scadden reported that it is time for the Board to develop a draft budget for fiscal year 2023. President Scadden proposed creating a budget committee composed of Director Van Ackeren, Director Urie, President Scadden, and General Manager Cockrell to develop a draft budget. The Board’s consensus was to create a budget committee composed of Director Van Ackeren, Director Urie, President Scadden, and General Manager Cockrell. President Scadden reported that he hopes to have a draft budget for the Board to review in August. No action taken.
10. **Discuss and possibly act on matters related to implementing District Rules** – General Manager Cockrell reported that District staff continue to work toward encouraging well owners in the District to register their wells. General Manager Cockrell reported that he is working on a direct mailer to



send out to well owners throughout the District regarding the District Rules. General Manager Cockrell reported that the non-compliant Aqua Texas systems have submitted all outstanding meter readings but are still behind on submitting outstanding production fees and water service connection fees to the District. President Scadden raised the possibility of pursuing enforcement actions against the non-compliant water utilities in the District. General Manager Cockrell reported that the District previously sent a certified mail letter to each of the non-compliant utilities regarding the District Rules and reporting requirements in May. General Manager Cockrell reported that he has had a difficult time getting a response from the non-compliant entities regarding when the District can expect to receive payment for the outstanding production fees. President Scadden requested that General Manager Cockrell work with the District's general counsel to finalize an enforcement letter to the non-compliant entities in the District. General Manager Cockrell also raised the possibility of District staff looking into reported claims of groundwater being wasted in Travis County and reported that District staff will contact well owners in the District regarding the current drought restrictions. No action taken.

11. **Discuss and possibly act on matters related to FY2022 Interlocal Agreement with Travis County** – General Manager Cockrell reported that he submitted an invoice to Travis County for reimbursement for expenses incurred by the District from March 16 through June 30, for a total of \$31,985.61. General Manager Cockrell reported that this invoice will have the District caught up, and that future invoices will be submitted to Travis County on a month-to-month basis. General Manager Cockrell reported that the District has spent all of the money earmarked for general permitting support and the roll-over funds from 2021. General Manager Cockrell reported that he anticipates that the District will likely have money left over under the GW monitoring program technical support staff line item. General Manager Cockrell reported that the District also has money left over under the GW monitoring general line item under the 2022 ILA with Travis County, and that the District could use these funds to purchase additional monitoring equipment. No action taken.
12. **Discuss and establish possible agenda items for future Board Meetings** – General Manager Cockrell reported that Natalie Ballew with the TWDB plans to attend the District's August board meeting to provide a presentation regarding the joint planning process. Cole Ruiz with Lloyd Gosselink reported that if the District would like to take enforcement actions against any non-compliant entities in the future the Board must hold a properly noticed show cause hearing. No action taken.
13. **Discuss and possibly act on setting the date, time, and location for the next Board Meeting** – President Scadden reported that the next meeting will be held on the second Wednesday in August (August 10, 2022), at 9:00 AM at the District's office.
14. **Adjourn** – A motion was made by Director Davis to adjourn the meeting at 11:25 a.m. Motion seconded by Director Hennings. Motion carried 6 Ayes – 0 Nays – 1 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 10th day of August, 2022

  
Tim Van Ackeren, Secretary