



## BOARD MEETING MINUTES

### SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT

Wednesday, October 12, 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, October 12, 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 9:02 a.m. on Wednesday, October 12, 2022. Four directors were present at the meeting constituting a quorum, including President Scadden, Director Norton, Director Hennings, and Director Van Ackeren. Also present were General Manager Lane Cockrell, Pete Golde, Virginia Smith, and Tom Griffith. The following individuals participated remotely by videoconference call: Audrey Cooper and Cole Ruiz with Lloyd Gosselink, Lew Adams, Joe Vickers, and Peter Buenz.
2. **Announcements** – No announcements were presented.
3. **Public Comments** – Tom Griffith presented public comments and thanked the Board for the District's presentation during the Groundwater Roundtable event at the Westcave Outdoor Discovery Center on September 22, 2022.
4. **Discuss and possibly act on approving previous meeting minutes** – President Scadden presented the minutes for the September 7, 2022 regular board meeting for the Board's consideration. A motion was made by Director Van Ackeren to approve the minutes of the September 7, 2022 regular board meeting. Motion seconded by Director Hennings. Motion carried 4 Ayes – 0 Nays – 3 Absent.
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 October 1, 2022. The balance sheet indicated assets totaling \$198,959.48 and liabilities totaling \$3,598.27. The fiscal year to date profit and loss report indicated expenses totaling \$205,290.30, gross profit totaling \$312,214.88, and net income totaling \$106,924.58 through October 1, 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. Director Hennings raised the possibility of transferring additional funds to the District's reserve fund. President Scadden reported that the District's current net income will need to support District operations until the fiscal year 2023 interlocal agreement ("ILA") with Travis County takes effect, and stated that he is supportive



of transferring additional funds to the District's reserve fund after the fiscal year 2023 ILA takes effect. Pete Golde raised the possibility of the Board discussing and instituting a policy regarding the use of reserve funds.

Director Davis joined the open meeting at 9:12 a.m. President Scadden reported that a quorum of five Directors remained present at the meeting.

- b. **Legislative** – Cole Ruiz reported that the Texas House Environmental Regulation Committee will hold a hearing in Odessa, Texas, to discuss abandoned oil and gas wells impacting groundwater in that area of the state. Director Davis reported that she had no additional legislative updates for October.
- c. **Science & Outreach** – Director Hennings presented pictures from the District's outreach events at the Westcave Groundwater Roundtable held on September 22, and the West Lake Hills National Night Out on October 4. President Scadden reported that the Westcave Groundwater Roundtable had good public turnout and participation. General Manager Cockrell reported that the District's webpage received 454 visits during the month of September. General Manager Cockrell reported that the District is still receiving new well registrations submitted through the District's online well registration form.

6. **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 during the month of September. General Manager Cockrell reported that the District received five (5) new well registrations during the month of September, and eleven (11) new well drilling authorization applications for new wells. General Manager Cockrell reported that the District did not receive any new general permit or operating permit applications during the month of September. General Manager Cockrell reported that meter readings for the month of September show production of 49.6 acre-feet. General Manager Cockrell reported that the District received one (1) new water utility service connection during the month of September, for a total of seventy-nine (79) service connections reported during fiscal year 2022.
- b. **Drought stage status and outlook** – General Manager Cockrell reported that drought conditions have stabilized in Travis County, and that most of the county is under the D-2 Drought Stage. General Manager Cockrell reported that the National Weather Service is forecasting a drier October than normal for Central Texas, which may prolong drought conditions.
- c. **Regulatory items and updates related to TWDB, TCEQ, GMAs, and other organizations** – General Manager Cockrell reported that the next GMA 9 joint planning meeting will be held



on October 17, 2022 at the Cow Creek GCD offices in Boerne, Texas, and that a remote participation option will be provided. General Manager Cockrell reported that the Texas Water Development Board (“TWDB”) published a study of brackish groundwater in the Hill Country Trinity Aquifer and Trinity Group Formations. General Manager Cockrell reported that the Hays Trinity Groundwater Conservation District (“Hays Trinity GCD”) adopted rules amendments in October to limit the use of groundwater during drought conditions, and to limit applications for new operating permits and new wells being drilled during severe drought.

- d. **Overview of current District groundwater monitoring program** – General Manager Cockrell presented a graph of water level data from the District’s St. Stephen’s Monitor Well showing changes in water level due to seasonal groundwater use and data regarding daily precipitation. Director Hennings asked if any of the District’s monitoring wells are equipped with telemetry equipment to transmit data remotely. General Manager Cockrell reported that most of the wells require manual data collection or retrieval, but the District has telemetry equipment installed at the St. Stephen’s Monitor Well, on a well owned by Travis County, and on a monitor well at Reimers Ranch. Director Norton raised the possibility of publishing the District’s monitor well data to the District’s website.
  - e. **Other items of interest not requiring Board action** – General Manager Cockrell reported that Clancy Utility Holdings, LLC, submitted an application amendment to the District for the Mirasol development on September 7, and reduced their requested annual volume. General Manager Cockrell reported that he plans to meet with representatives from Clancy Utility Holdings, LLC, to discuss the application amendment.
7. **Discuss and possibly act on matters related to District drought stage status** – General Manager Cockrell reported that the District reached the threshold to decrease the drought stage from the D-3 Drought Stage to the D-2 Drought Stage. General Manager Cockrell reported that the District Rules require that at least 25% of Travis County must be at a lower drought stage, as indicated by the US Drought Monitor, for at least four consecutive weeks before the Board may declare a lower drought stage, and that the Board must determine that conditions warrant the declaration of a lower drought stage. General Manager Cockrell reported that Travis County has been under D-2 level drought for four consecutive weeks since September 6, 2022, and recommended that the Board decrease the drought stage to D-2. Director Davis stated that she was against lowering the drought stage as a portion of southwestern Travis County is still under D-3 drought conditions. Director Norton raised concerns about the higher intensity drought in the southwestern part of Travis County. A motion was made by Director Hennings to decrease the District’s declared drought stage to the D-2 Drought Stage. Motion seconded by Director Van Ackeren. Motion carried 3 Ayes – 2 Nays – 2 Absent.

President Scadden raised the question of whether permittees in the District are complying with the District’s drought restrictions under the District Rules. General Manager Cockrell reported that yes,



permittees are reporting compliance with their individual drought contingency plans consistent with the District Rules and are complying with drought restrictions. President Scadden requested that the November general manager's report include an item regarding compliance with the District's drought restrictions. Director Hennings raised the possibility of the Board looking at monitoring well data and spring flows in addition to reports from the U.S. Drought Monitor when making decisions on declaring drought stages.

8. **Discuss and possibly act on matters related to implementing District Rules** – General Manager Cockrell reported that District staff's priority for the first quarter of this fiscal year is to focus on processing permit applications received by the District. Virginia Smith reported that she noticed a potential problem with the District Rules regarding requirements for groundwater wells located in flood-prone areas. Virginia Smith reported that District Rule 4.2(B)(4) requires steel casing for new wells located in 100-year floodplains to extend a minimum of thirty-six (36) inches above the 100-year floodplain level. In contrast, 16 Texas Administrative Code § 76.100(a)(3) requires steel casing on such wells to extend thirty-six (36) inches above ground level. Virginia Smith reported that the District has received an application for a well to be drilled in the 100-year floodplain and that the proposed well's casing would need to extend 25-30 feet above ground in order to meet the requirements of District Rule 4.2(B)(4). Virginia Smith reported that neighboring groundwater districts follow the standard established under the Texas Administrative Code for wells located in 100-year floodplains. President Scadden raised the question of whether or not modern wells are constructed to prevent the contamination of flood waters into the aquifer. General Manager Cockrell reported that new wells in the District must be completed with a watertight sanitary seal, but that components of older wells may degrade over time and may not be watertight. Director Davis raised the possibility of amending the District Rules to require well owners located in the 100-year floodplain to undertake regular inspections and maintenance of their wells to ensure they remain watertight, instead of requiring casing to reach thirty-six (36) inches above the floodplain. A motion was made by Director Davis to allow a waiver from District Rule 4.2(B)(4) to allow the requesting applicant to follow 16 Texas Administrative Code § 76.100(a)(3) regarding the required height of casing for wells located in flood-prone areas, and to require the applicant to have a qualified well driller or pump installer conduct an inspection of their well every five years and to provide documentation of such inspections to the District. Motion seconded by Director Van Ackeren. Motion carried 5 Ayes – 0 Nays – 2 Absent. President Scadden reported that the Board should consider amending the District Rules to address this issue in the future.
  
9. **Discuss and possibly act on matters related to possible visit to Roy Creek Canyon** – President Scadden reported that Mr. Lew Adams is the owner of Roy Creek Canyon and that Mr. Adams invited the Board to take a tour of the Roy Creek Canyon property. President Scadden reported that Roy Creek Canyon is located in both Hays County and Travis County. President Scadden reported that the Roy Creek Canyon property is located in proximity to proposed Mirasol Springs development, and that if the Board decides to visit Roy Creek Canyon that the Board in no way intends to show preference to a particular landowner or preference in permitting decisions. The site visit is intended to familiarize the District Directors and



staff with the area. President Scadden requested that General Manager Cockrell coordinate with Mr. Lew Adams to schedule a date for a potential tour of Roy Creek Canyon. No action taken.

10. **Discuss and possibly act on matters related to Interlocal Agreement with GMA 9 member GCDs for the fourth GMA 9 planning cycle** – General Manager Cockrell presented a draft ILA from GMA 9 for cost sharing for hydrogeological consulting services for the next round of joint planning. General Manager Cockrell reported that each member district in GMA 9 is asked to help fund the consulting services needed for joint planning, and that each member district will be given the opportunity to provide input on the selection of the hydrogeologic consultant. A motion was made by Director Hennings to approve the Interlocal Agreement with GMA 9 for governmental functions and services related to the development of the Desired Future Conditions of the aquifers for the fourth planning cycle. Motion seconded by Director Davis. Motion carried 5 Ayes – 0 Nays – 2 Absent.

President Scadden adjourned the open meeting at 10:49 a.m. for a temporary break. President Scadden reconvened the meeting at 10:58 a.m. A quorum of five directors remained present.

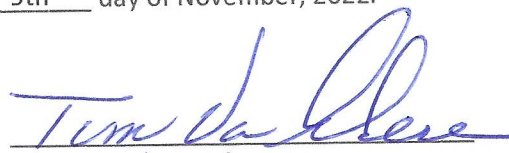
11. **Discuss and possibly act on matters related to FY2022 and FY2023 Interlocal Agreements with Travis County** – General Manager Cockrell reported that funding for the fiscal year 2023 ILA with Travis County was approved by the Travis County Commissioners Court in their fiscal year 2023 budget. General Manager Cockrell reported that he is working with staff at Travis County to wrap up the fiscal year 2022 ILA so that any leftover funds may be rolled over into the fiscal year 2023 ILA. General Manager Cockrell presented a draft resolution to authorize the Board officers to execute any necessary documentation for the fiscal year 2023 ILA with Travis County. General Manager Cockrell provided a report and summary regarding the line items included in the 2022 ILA with Travis County, showing the amount spent and the amount remaining in each category. A motion was made by Director Davis to approve Resolution No. 2022-10-01 to authorize board officers to coordinate with Travis County regarding the District FY 2023 budget and approve all documents required by Travis County to secure funding. Motion seconded by Director Van Ackeren. Motion carried 5 Ayes – 0 Nays – 2 Absent.
12. **Discuss and possibly act on matters related to annual audits for FY 2021 and FY 2022** – General Manager Cockrell provided quotes from two auditing firms, Ludwick, Montgomery, & Stapp, P.C., and Montemayor Britton Bender, P.C., for the District’s fiscal year 2021 and 2022 financial audits. General Manager Cockrell reported that both auditing firms have experience working with groundwater conservation districts and have the capacity to conduct the District’s financial audits. General Manager Cockrell presented cost estimates and estimated completion dates from both auditing firms for the Board’s consideration. General Manager Cockrell reported that Ludwick, Montgomery, & Stapp, P.C., have a main office in Temple, Texas, and that Montemayor Britton Bender, P.C., are located in Austin, Texas. After some discussion, a motion was made by President Scadden to move forward with engaging Montemayor Britton Bender, P.C., to conduct the District’s fiscal year 2021 and 2022 financial audits. Motion seconded by Director Van Ackeren. Motion carried 5 Ayes – 0 Nays – 2 Absent.





13. **Discuss and possibly act on matters related to adopting District policies** – President Scadden reported that Chapter 36 of the Texas Water Code requires the District to put in place an ethics policy, a travel expenditure policy, a professional services policy, a management information policy, and an investments policy as pointed out in the Districts recent audit results. General Manager Cockrell distributed copies of draft policies to the Board for review. President Scadden proposed that the Board review the draft policies prepared by General Manager Cockrell and provide him with any feedback by October 26, 2022, for the Board to act on this matter in November. No action taken.
14. **Discuss and possibly act on matters related to District staffing, including annual performance reviews and compensation** – President Scadden reported that he met with General Manager Cockrell and conducted an annual performance review for him based on feedback received from the Board of Directors. General Manager Cockrell reported that he met with District staff to conduct an annual performance review for each staff member. General Manager Cockrell reported that the approved budget for fiscal year 2023 includes a 5% increase in salary for full-time staff. No action taken.
15. **Discuss and possibly act on matters related to District hydrogeologic consultant** – General Manager Cockrell provided an update to the Board regarding INTERA’s activities. General Manager Cockrell reported that he met with staff from Hays Trinity GCD and INTERA regarding INTERA’s technical evaluation of the Clancy Utility Holdings, LLC permit applications. General Manager Cockrell reported that INTERA estimates that their technical review of both permit applications will take roughly six to eight weeks to complete. General Manager Cockrell reported that the end result of INTERA’s review will be a technical memo from INTERA staff evaluating Clancy Utility Holdings, LLC’s permit application and evaluating any potential impacts. No action taken.
16. **Discuss and establish possible agenda items for future Board Meetings** – No action taken under this agenda item.
17. **Discuss and possibly act on setting the date, time, and location for the next Board Meeting** – President Scadden stated that the next regular board meeting will be held on Wednesday, November 9, 2022, at 9:00 a.m. at the District office.
18. **Adjourn** – A motion was made by Director Hennings to adjourn the open meeting at 11:27 a.m. Motion seconded by Director Davis. Motion carried 5 Ayes – 0 Nays – 2 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 9th day of November, 2022.

  
Tim Van Ackeren, Secretary