

Minutes for Meeting/Hearing of the Hays Trinity Groundwater Conservation District

Date: Wednesday, January 16, 2013
Time: 6:00 pm
Place: Dripping Springs City Hall
Located: 511 Mercer Street, Dripping Springs, Texas 78620

6:00 pm: Regular Meeting Opens

Board Present: Jimmy Skipton-President, Mike Cox-Vice President, Mark Hastings-Secretary Treasurer, Greg Nesbitt, Edward Pope
Staff Present: Rick Broun-General Manager, Tressy Gumbert-Administrative Assistant, and Alex Broun-District Geologist, P.G. 4845

The following subjects were considered for discussion and/or action at said meeting:

- **Board Roll Call:**
Rick Broun:
 - Roll Call was taken, a quorum was present
- **General Comments from Board & Staff:**
Rick Broun:
 - The American Association of Petroleum Geologists has named Al Broun the winner of the 2013 Annual Public Service Award.
 - There were 6 new well registrations in December, 109 YTD.
 - There were 5 public water connections in December, 59 YTD.
 - The 37 permits that expired in 2012 have been renewed and updated. Nine additional two and three-year permits will expire in 2013.
 - Request that the Board please inform staff of any meetings, tours, events or lectures you attend concerning groundwater.
 - The District always wants to encourage the use of rainwater collection systems on all new homes, businesses and on existing buildings. We further promote artificial recharge of the aquifer through such means as proper brush management and re-establishing deep rooted native grasses.
 - The Annual Report will be discussed at the February Board Meeting.
 - Spoke with Joyce Cowan and Ray Whisenant in regards to the bill for the 2012 election, the cost will not be adjusted.
 - 22013 Budget needs to be adjusted to reflect future election costs. Recommends increasing budget to \$10,000
 Al Broun:
 - Thank you to all who assisted in the development of the Atlas and to the Groundwater District for allowing me the opportunity to do the work I love doing.
 Jimmy Skipton:
 - According to Joyce Cowan the election costs were more in 2012 because Wimberley ISD did not have an election and early voting had to be extended.
- **Public Comments: Non-Agenda Items**
Jimmy Skipton:
 - Explained meeting protocol to audience
 None Provided

Consent Items:

1. Approval of Bank Reconciliations and Monthly Invoices
2. Approval of Monthly Financial Report and Budget to Actual Report
3. Approval of November 19, 2012, Board Meeting Minutes

Motion

Ed Pope: Approve consent items one through three.
Greg Nesbitt: Seconded motion
Vote: 5-0 in Favor (Jimmy Skipton, Mike Cox, Mark Hastings, Greg Nesbitt & Ed Pope)

Discussion Only Agenda Items:

- 4. The District staff received a \$100 thank you gift card from Brian Walden of Walden Drilling in appreciation of our work.

Board & Staff:

Rick Broun:

- o Spoke with Brian Walden to thank him for his generosity and let him know that the District cannot accept gifts. Brian stated that the District possibly keep it as a contribution.

Jimmy Skipton:

- o Was notified by the General Manager that the District received a gift card. Instructed the General Manager to put it on the meeting agenda as a discussion item.
- o Doesn't see a problem accepting the \$100 as a contribution to help with office supplies.

Ed Pope:

- o Supports keeping the \$100 as a contribution to the District.

Public Comments:

No public comments provided

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- 5. Update on monthly report concerning pending permits, permit applications, renewal applications, or amendment applications.

Board & Staff:

Rick Broun:

- o Presented a status report of possible non-exempt wells that need investigating.
- o Twenty-five of the fifty-five listed have been investigated and do not require a permit.

Jimmy Skipton: ;

- o Remove resolved items from list.

Public Comments:

No public comments provided

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Discussion and Possible Action Agenda Items:

- 6. Discussion and Possible Action on the creation of a monthly water budget report, including projected changes to the budget in the months to follow based on pending permit applications, renewal increases, permit amendments and any other relevant information. Related question to discuss: what are the options for Board action when applicants requesting permits, amending existing permits or permit renewals that will exceed the water budget.

Public Comments:

No public comments provided

Board & Staff:

Ed Pope:

- o Requests that the General Manager present a "Water Budget" to the Board when a change occurs in groundwater allocation amounts.

Al Broun:

- o Suggests using the term "Water Balance" instead of "Water Budget"
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- 7. Discussion and Possible Action on adopting a standard form for submitting agenda items.

Public Comments:

No public comments provided

Board & Staff:

Ed Pope:

- o Each agenda item would have some information about it if a standard form for submitting agenda items was adopted.

Jimmy Skipton:

- o Likes the form the county uses.
 - o Requests that Rick bring an example form for submitting agenda items to the next meeting.
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Agenda Items 8 & 9 were opened at same time for discussion and possible action

8. Item #6 - Discussion and Possible Action on drought production cutbacks reported to the District for the fourth quarter of 2012. Stage Alarm was enacted and approved by Board Order 157 taking effect on September 1, 2012 for all permit holders. Present report to the Board of Directors those permit holders who surpassed the required production cutbacks and associated fees.
9. Discussion and Possible Action relating to report to Board of Directors concerning all permit holders surpassing their allotted 2012 permit production yearly totals and associated fees.

Public Comments:

The following presented: Don Ferguson, Roger Kew, Andrew Backus, Garret Allen, Brent Reeh, Linda Kay Rogers and Bill Davis

Board & Staff:

Rick Broun:

- o Blue Hole Regional Park over produced their permit by 281,391 gallons
- o La Ventana over produced their permit by 659,489 gallons and went over drought cutback amounts for the fourth quarter by 2,246,849 gallons
- o Wimberley VFW over produced their permit by 50,947 gallons
- o Mountain Crest went over drought cutback amounts for the fourth quarter by 188,100 gallons
- o Mountain View Lodge went over drought cutback amounts for the fourth quarter by 27,344 gallons
- o River Oaks Ranch went over drought cutback amounts for the fourth quarter by 278,852 gallons
- o Whisenant & Lyle went over drought cutback amounts for the fourth quarter by 6,700 gallons
- o Wimberley Oaks WSC went over drought cutback amounts for the fourth quarter by 7,776 gallons
- o Wimberley WSC went over drought cutback amounts for the fourth quarter by 1,155,734 gallons
- o Wizard Academy went over drought cutback amounts for the fourth quarter by 79,020 gallons
- o Woodcreek Phase 1 went over drought cutback amounts for the fourth quarter by 2,877,507 gallons
- o Woodcreek Phase 2 went over drought cutback amounts for the fourth quarter by 325,135 gallons

Motion

Jimmy Skipton: To send letters, bills, NOVs to the three (3) users that over pumped their 2012 permit.

Ed Pope:

- o Does not feel a motion is necessary as District Rules state that the District can take enforcement action for exceeding production limit of an operating permit.

Mark Hastings: Seconded motion

Vote: 5-0 In favor (Jimmy Skipton, Mike Cox, Greg Nesbitt, Ed Pope & Mark Hastings)

Motion

Jimmy Skipton: That no fees will be assessed for the 2012 4th quarter cutback 20% reduction.

Greg Nesbitt: Seconded motion

Vote: 5-0 In favor (Jimmy Skipton, Mike Cox, Greg Nesbitt, Ed Pope & Mark Hastings)

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7:34 Break

7:43 Reconvene
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7:43 p.m. Hearing Opens

Hearing Items

1. Discussion and Possible Action to amend the 2013 Budget. Increase request of \$600 on budget line item 401 Retirement.

Public Comments:

The following presented: Andrew Backus

Board & Staff:

Rick Broun:

- o Met with Prudential and JP Morgan Chase in regards to staff starting retirement accounts.
- o Mark Hastings suggested using Fidelity.

Mark Hastings:

- o Fidelity does not require \$2500 to start an account therefore the increase of \$600 to the budget is not necessary.

2. Discussion and Possible Action to review and consider new District Draft B Rules. Update includes a review from District staff.

Public Comments:

The following presented: Terry Tull, Garrett Allen, Andrew Backus, Roger Kew, Brent Reeh and Linda Kay Rogers

Board & Staff:

Jimmy Skipton:

- Owning a registered well within a quarter of a mile to be considered as having standing was put into the rules per Greg Ellis. Rule was meant to guarantee standing for those who own a registered well within a quarter of a mile.
- Distance should be increased to a half mile for those wishing to protest permits requesting more than 200AF
- According to law, if a contested case goes before the State Office of Administrative Hearings (SOAH) the Board must accept the ruling of SOAH.
- The party requesting the case be heard by SOAH is responsible for the cost.
- How should the District address drought cutbacks and enforcement actions?
- Recommends having the District lawyer attend the next Board Meeting to answer questions on revised rules.

Ed Pope:

- If someone has a personal justiciable interest related to a legal right, duty, privilege, power or economic interest. They should have standing regardless of the distance.
- A permit allocating 30% more groundwater than what is needed isn't reasonable, those meet cutbacks without any effort.


Al:

- The Board should use common sense when adjudicating whether or not an individual has standing.

8:42 p.m. Hearing Closed

8:42 p.m. Meeting Adjourned

Approved:  _____, President: 2-20, 2013
Jimmy Skipton

Approved:  _____, Secretary/Treasurer: 2-20, 2013
Mark Hastings