

**MINUTES OF
January 25, 2023
BOARD MEETING
CENTRAL TEXAS GROUNDWATER
CONSERVATION DISTRICT**

The Board of Directors of the Central Texas Groundwater Conservation District held a Permit Hearing and a Regular Board Meeting on Wednesday, January 25, 2023 at 9:00 a.m. at the District Office located at 225 S. Pierce Street, Suite 104, Burnet, TX 78611.

Members Present: Ryan Rowney, President Ricky Bindseil, Vice-President
Kathy Griffis-Bailey, Secretary/Treasurer Homer Will, Director Paul King, Director
Staff and/or Consultants Present: Mitchell Sodek, General Manager Shrader Davis, Groundwater Technician Donnita Coats, Office Manager Bill Dugat, District Legal Counsel
Others Present: 18 Members of the Public

President Rowney declared a quorum present and called the Meeting to order at 9:00 a.m.

President Rowney then called for the Invocation and Pledge of Allegiance to the Flags.

President Rowney then called a Permit Hearing to order at 9:01 am. He asked for the General Manager's recommendation on Permit Amendment Applications OP-10092401-A - City of Bertram; OP-16011401-A - Capitol Aggregates, Inc.; and Permit Amendment Application and Spacing Variance Request for OP-12071201-A - Texas Winery Owners Group. The Permit Applications have been determined to be administratively complete and are in accordance with District Rules.

General Manager Sodek presented details of the Permit Amendment request by the City of Bertram and gave the Board his recommendation to approve OP-10092401-A - City of Bertram Permit for 792.58 Acre Feet (366.5 ac-ft of which is grandfathered) of water per year for a term of 5 years with the following Special Condition: Permit Re-Opener. At the discretion of the General Manager, this Permit may be opened, following notice and the opportunity for hearing, and the 426.08 acre feet production authorization is subject to reduction if the Groundwater Lease is terminated, cancelled, amended or otherwise changed resulting in the reduction of the 426.08 acre feet of groundwater rights. The City shall notify the District of any change in the terms of the Groundwater Lease within 30 days of such change.

General Manager Sodek presented details of the Permit Amendment request by Capitol Aggregates, Inc. and gave the Board his recommendation to approve Operating Permit OP-16011401-A for 582 Acre Feet of water per year for a term of 5 years with the following Special Condition: Permit Re-Opener. At the discretion of the General Manager, this Permit may be opened, following notice and the opportunity for hearing, and the 238 acre feet production authorization is subject to reduction if the Groundwater Agreement, Groundwater Lease, or Special Warranty Deed Ownership is terminated, cancelled, amended or otherwise changed resulting in the reduction of the 1,180 acre feet of groundwater rights. The Applicant shall notify the District of any change in the terms of the Groundwater Agreement, Groundwater Lease, or Special Warranty Deed Ownership within 30 days of such change. Two wells, #84 and #6165, are already being used and shall continue to be used, by the District, as monitor wells at the Knife River Quarry site.

General Manager Sodek presented details of the Permit Amendment request and Spacing Variance Request by Texas Winery Owners Group and gave the Board his recommendation to approve Operating Permit OP- OP-12071201-A to remove well #5715 from the permit and replace with a new

well. The location of the new well site is further than 50 ft. away for a standard replacement well and does not meet the spacing requirements from the property line. An Application for Spacing Variance and Absence of Objection to Spacing Variance were received by the District. He gave the Board his recommendation to approve Operating Permit OP-12071201-A to remove well #5715, approval of a replacement well, and approval of a spacing variance.

President Rowney opened the hearing for public comment. Four members of the public made comments.

President Rowney closed the Public Comment portion of the hearing and asked for Board questions and comments.

President Rowney then asked for consideration and/or action on the Permit Amendment Application OP-10092401-A for the City of Bertram. After discussion on the application and special conditions District Legal Counsel Dugat recommended consideration and/or action on the other two permit applications followed by an executive session to consider the agenda item under Texas Open Meetings Act, Chapter 551.071, Government Code, Vernon's Texas Codes, annotated for consultation concerning attorney- client matters.

President Rowney then asked for consideration and/or action on the Permit Amendment Application OP-16011401-A for Capitol Aggregates, Inc. Following discussion on the application and special conditions.

Ryan Rowney moved to:

Approve Capitol Aggregates, Inc. Operating Permit OP-16011401-A as presented with Permit Reopener Special Conditions and verbal agreement with Capitol Aggregates, Inc. to allow access to the District to monitor water levels in the main well.

Second was by Kathy Griffis-Bailey.

Ryan Rowney – voted Aye

Kathy Griffis-Bailey voted Aye

Ricky Bindseil voted Aye

Paul King voted Aye

Homer Will vote Nay

Vote on the motion carried.

President Rowney then asked for consideration and/or action on the Permit Amendment Application and Spacing Variance Request for Texas Winery Owners Group – OP-12071201-A. Following discussion on the application, special conditions and Spacing Variance Request.

Kathy Griffis-Bailey moved to:

Approve Texas Winery Owners Group Permit OP-12071201-A as presented to remove Well # 5715, and add a replacement well and to approve the spacing variance for the replacement well.

Second was by Paul King.

Vote on the motion carried.

President Rowney announced at 10:47 a.m. that after a short recess the Board would go into Executive Session to consider agenda item number 3. a. for OP-10092401-A City of Bertram under Texas Open Meetings Act, Chapter 551.071, Government Code, Vernon's Texas Codes, annotated for consultation concerning attorney- client matters.

President Rowney announced at 10:56 a.m. that the Board would go into Executive Session to consider agenda item number 3. a. for OP-10092401-A City of Bertram under Texas Open Meetings Act,

Chapter 551.071, Government Code, Vernon's Texas Codes, annotated for consultation concerning attorney- client matters.

President Rowney reconvened the Hearing at 11:36 a.m. and asked for consideration and/or action on agenda item number 3. a. Permit Amendment Application for OP-10092401-A City of Bertram.

Paul King moved to:

Approve City of Bertram Operating Permit OP-10092401-A as presented with permit reopener special conditions and that the City will provide historical data, that the two wells will be made available to the District for monitoring the fluid levels, and complete well bore construction be provided within 30 days of issuing of the permit.

Second was by Ricky Bindseil.

Vote on the motion carried.

President Rowney adjourned the Hearing at 11:39 a.m.

President Rowney resumed the regular meeting at 11:39 a.m.

President Rowney then asked for Public Comment. There was one comment from the public regarding suggested future changes to District Rules.

President Rowney then asked for consideration and/or action on a Rule Violation(s) for Failure to Obtain Drilling Authorization by Drilling Company J&J Water Wells for Well Owner Christopher Ingham. General Manager Sodek reported on the rule violation and recommended a \$250.00 Civil Penalty for J&J Water Wells for a first major violation.

Kathy Griffis-Bailed moved to:

Assess a Civil Penalty of \$250.00 to J&J Water Wells for a First Major Rule Violation for Failure to Obtain Drilling Authorization to drill a well for Well Owner Christopher Ingham.

Second was by Ricky Bindseil.

Vote on the motion carried.

President Rowney then asked for consideration and/or action on the Minutes of the Regular Board Meeting held on December 20, 2022.

Kathy Griffis-Bailey moved to:

Approve the Minutes of the Regular Board Meeting held on December 20, 2022.

Second was by Ricky Bindseil.

Vote on the motion carried.

President Rowney then asked for consideration and/or action on Expenditures for December 2022; Budget Line Item Adjustments; Review of 2022-2023 Budget and Quarterly Report on Investments. General Manager Sodek reviewed the financial statements and there were no adjustments.

Ricky Bindseil moved to:

Approve the Expenditures for December 2022.

Second was by Homer Will.

Vote on the motion carried.

President Rowney then asked for consideration and/or action on Determination of the Drought Stage. General Manager Sodek reported that there were no changes to the Palmer Hydrogeological Drought Index or Monitor Well levels. He recommended that no change be made to the current Stage 4 – Critical Drought status at this time.

President Rowney then called on the General Manager for the General Manager and/or Staff Report and Update.

a. Well Registrations & Permitting

The number of applications received is consistently decreasing and probably due to typical end of year slow down and to economic conditions. He expects the trend to continue and noted that land sales is a lagging indicator for decrease in applications

b. Texas Well Owners Network

The Texas Well Owner Network is hosting a “Well Educated” water well screening February 9th & 10th in Burnet to give area residents the opportunity to have their well water screened. The District will contribute budgeted funds to the event and General Manager Sodek will be a presenter at the event.

c. Region K

Met earlier this month and considered a Liberty Hill Waiver of Consistency to waive requirements that a water strategy needs to be included in the State water plan to receive State funding for water from a spring fed pond on the Gandy Tact, Felps property. Very little information was provided to region K and the request was denied. Liberty Hill was encouraged to seek an amendment process for their water strategy to be considered before the planning group.

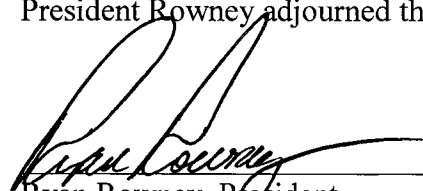
President Rowney then called for Director Comments. There were no Director Comments.

President Rowney then called for agenda items for the next Regular Board Meeting.

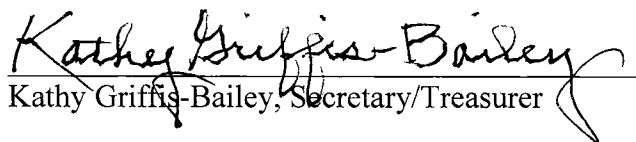
Directors may contact the General Manager or Board President prior to the deadline for posting notice of the next meeting if they have a suggested agenda item.

President Rowney then set the date for the next two Regular Board Meetings for February 17, 2023 and March 17, 2023 at 9:00 a.m. at the District Office.

President Rowney adjourned the meeting at 11:54 a.m.



Ryan Rowney, President



Kathy Griffin-Bailey, Secretary/Treasurer