

Refugio Groundwater Conservation District

604 E. Commerce St., Refugio, Texas 78377

P.O. Box 116, Refugio, Texas 78377

Phone (361) 526-1483 | Fax (361) 526-1294 | www.rgcd.org

THE STATE OF TEXAS
REFUGIO COUNTY

The Board of Directors of the Refugio Groundwater Conservation District convened a meeting on July 17, 2023, at 6:00 PM at the First Baptist Church of Woodsboro Fellowship Hall, 309 Johnson Street, Woodsboro, Texas 78393

Meeting Attendance:

Precinct 1:	Mr. John Snyder, Treasurer	Present
Precinct 2:	Mr. Carroll Borden, President	Present
Precinct 3:	Vacant	
Precinct 4:	Mr. Fredric Biery, Secretary	Present
At Large:	Mr. Scott Carter, Vice President	Present
General Manager:	Mr. Timothy Andruss	Present
Legal Counsel:	Mr. James Allison	Absent

Agenda Item 1: Call the meeting to order and welcome guests.

Meeting Discussion: Carroll Borden called the meeting to order at approximately 6:00 PM.

Board Action: No action taken.

Agenda Item 2: Receive public comments.

Meeting Discussion: None.

Board Action: None.

Agenda Item 3: Consideration of and possible action on matters related to groundwater management including the efforts and activities of the District regarding permitting, complaints, investigations, violations, and enforcement cases associated with permitting.

3.0 – Report regarding Groundwater Management

Meeting Discussion: Mr. Andruss explained as of July 3, 2023, staff had received 10 well registration applications (ARWs) and 11 Notices of Intent to Drill a Well (NIDWs) since October 1, 2022.

As of July 3, 2023, staff had received 3 production permit renewal requests (ARPs).

Working to Conserve, Preserve, Protect, and Prevent Waste of Groundwater Resources Within Refugio County for the Benefit of Refugio County's Landowners, Citizens, Economy, and Environment.

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As of July 3, 2023, staff had initiated 16 permitting request cases (PRCs) since October 1, 2022, and 4 permitting request cases remain pending.

As of April 13, 2023, staff had processed 26 groundwater production reports (GPRs) for calendar year 2022 reporting 219.1 acre-feet of groundwater production. (TWDB estimated the volume of groundwater produced for rural domestic, livestock, mining, and rig supply exempt uses in Refugio County in Year 2020 was 580 acre-feet.

As of July 3, 2023, staff had 1 open investigation related to groundwater management associated with 4 different entities.

As of July 3, 2023, staff had 3 open enforcement cases related to groundwater management.

Board Action: None.

3.1 – Groundwater Production Reporting for CY2022

Meeting Discussion: Mr. Andruss explained as of July 3, 2023, staff have processed 31 groundwater production reports for calendar year 2022 reporting 298.2 acre-feet of groundwater production.

Board Action: None.

3.2 – Production Permit Renewals for FY2023

Meeting Discussion: Mr. Andruss explained on January 9, 2023, staff identified 5 production permits as candidates for renewal in FY2023.

1. OPW-20180917-01 - Texas Parks and Wildlife Department - Approved - Executed
2. OPW-20180917-02 - Texas Parks and Wildlife Department - Approved - Executed
3. OPW-20180917-03 - Texas Parks and Wildlife Department - Approved - Executed
4. OPW-20190220-01 - Frost Bank (Kathleen Driscoll Roche) - Executed
5. OPW-20190228-01 - Frost Bank (Kathleen Driscoll Roche) - Executed

Staff attempted to assist the permittees with the submittal of permit renewal requests before the expiration of the associated permits.

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As of July 3, 2023, staff had received and processed the applications to renew production permits:

1. PRC-20230314-01 - ARP-20230302-03 - NW-00546 - Texas Parks and Wildlife Department - Pending
2. PRC-20230314-02 - ARP-20230302-02 - NW-00545 - Texas Parks and Wildlife Department - Pending
3. PRC-20230314-03 - ARP-20230302-01 - NW-00544 - Texas Parks and Wildlife Department – Pending

The applications are administratively complete and satisfy the requirements related to production permit renewal established by RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS of the rules of the District.

Board Action: Mr. Borden moved to authorize the general manager to issue production permit renewals for the permits associated with the following renewal requests:

1. PRC-20230314-01 - ARP-20230302-03 - NW-00546 - Texas Parks and Wildlife Department - Pending
2. PRC-20230314-02 - ARP-20230302-02 - NW-00545 - Texas Parks and Wildlife Department - Pending
3. PRC-20230314-03 - ARP-20230302-01 - NW-00544 - Texas Parks and Wildlife Department - Pending

Mr. Biery seconded the motion. The motion passed unanimously.

3.3 – Permit Hearing and Consideration for Permitting Request Case – PRC-20230515-01

Meeting Discussion: Mr. Andruss explained Mr. Ramon Garcia for Refugio County WCID 1 seeks, under permitting request case PRC-20230515-01, a historic-use production permit protecting the historic production of groundwater from a grandfathered well field comprised of grandfathered well GW-00070 and grandfathered well GW-00449 for Public Water Supply uses at rates not to exceed 100 gallons per minute or 60.93 acre-feet per year. The subject well field is located on a 0.14-acre tract of land near the intersection of Main Street and Austwell Rd. in Refugio County, Texas.

The application and supplemental information associated with this permitting request case are considered administratively complete and contain sufficient information to evaluate the request relative to the rules of the district.

The applicant has not submitted a request for a district waiver in connection with the permitting request.

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Based on the review of the information provided within the associated application and supplemental information provided by the applicant, the district has determined that the request is consistent with the policies and rules of the district. Accordingly, the district has not notified the applicant of the intent of the district to contest the permitting request.

The following sequence of administrative tasks were completed in connection with the permitting request case:

On May 15, 2023, the district designated application administratively complete.

On June 30, 2023, the district completed the public notice process for the permitting request case.

The application includes a record of Refugio County WCID 1 titled Schedule of Services and Rates, Continued, Year Ended December 31, 2000. This record indicates that the water system used 19,856,000 gallons during the year. The volume equates to 60.93 acre-feet. The application includes an affidavit titled AFFIDAVIT REGARDING EVIDENCE OF HISTORIC USE from Mr. Garcia.

As of July 10, 2023, the District had received the following notices of intent to contest the permitting request:

- none.

Board Action: Mr. Borden moved to 1) cancel the permit hearing and proceed with the permitting case as an uncontested matter; and 2) issue a production permit for historic use of a well field to Refugio County WCID 1 for the subject well field under permitting request case PRC-20230515-01 with the following parameters and conditions and the requirements established in the rules of the district now in effect:

Permit Identification Number: HUPPWF-20230717-01

Associated Application Number: AVHUWF-20230515-01

Subject Non-Grandfathered Wells: GW-00070, GW-00499

Authorized Groundwater Production Amount: 60.93 acre-feet per year;

Authorized Groundwater Production Purpose: Public Water Supply;

Well Owner: Refugio County WCID 1

Owners of Groundwater Resources: Refugio County WCID 1

Authorized Operator: Refugio County WCID 1

Reporting Requirements: per RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPT-USE WELLS

1. The authorized operator of a permit shall report to the district any monitoring data required under the permit within thirty days (30 days)

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of the close of the relevant reporting period unless specified otherwise within the rules of the district or the permit.

2. The well owner of a non-exempt-use well shall report the volume of groundwater produced from the non-exempt-use well to the district on an annual basis.
3. The well owner, authorized agent, or the authorized operator of a production permit shall measure the volume of produced groundwater from each of the subject wells using a device or method that is accurate within ten percent (10%) of the actual volume produced.
4. The well owner of a non-exempt-use well shall report the volume of groundwater produced from the non-exempt-use well that is accurate within ten percent (10%) of the actual volume of groundwater produced by the non-exempt use during the calendar year.
5. The well owner of a non-exempt-use well shall report the volume of groundwater produced from the non-exempt-use well for the previous calendar year (January 1 to December 31) during January of the current calendar year.
6. The well owner of a non-exempt-use well shall report the volume of groundwater produced from the non-exempt-use well using a form provided by the district.
7. The well owner of a non-exempt-use well shall include the following information when reporting the volume of groundwater produced from a non-exempt-use well:
 - 7.1. the well registration number assigned by the district;
 - 7.2. the production permit identification number;
 - 7.3. the reporting period;
 - 7.4. the volume of groundwater produced during the reporting period in acre-foot;
 - 7.5. the method used to determine the volumes of groundwater produced during the reporting period;
 - 7.6. a statement certifying, under penalty of law, that the information reported on and attached to the report was prepared under the direction or supervision of the well owner and is, to the best of the knowledge and belief of the well owner, true, accurate and complete;
 - 7.7. the printed name of the person submitting the report; and
 - 7.8. the dated signature of the person submitting the report.

Mr. Snyder seconded the motion. The motion passed unanimously.

3.4 – Enforcement Hearing re ECV-20230418-03 – Roywell Services Inc. – Failure to Report Groundwater Production CY2022

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Meeting Discussion: Mr. Andruss explained on April 17, 2023, the Board passed a motion to:

1. find that Roywell Services, Inc. violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well NW-00382 unless evidence to the contrary or evidence of relevant extenuating circumstances is submitted to the District;
2. authorize the General Manager to initiate an enforcement case regarding the violation;
3. set a \$250.00 penalty for the violation per RULE 11.10: PENALTIES of the Rules of the District; and
4. offer to settle the violation if Roywell Services, Inc. consents to the following conditions:
 1. acknowledges the violation by June 30, 2023;
 2. pays a settlement fee of \$20.00 by June 30, 2023; and
 3. submits an administratively complete groundwater production report for calendar year 2022 by June 30, 2023.

In response to the action taken by the Board, staff recorded violation ECV-20230418-03.

On May 2, 2023, staff attempted to provide notice of violation ECV-20230418-03 to Roywell Services Inc. by certified mail (CMRRR 7021 0350 0000 2786 0803).

On June 1, 2023, staff attempted to provide notice of violation ECV-20230418-03 to Roywell Services Inc. by certified mail (CMRRR 7021 0350 0000 2790 9120).

On July 5, 2023, the staff attempted to provide notice of this enforcement hearing and intent to seek authorization to pursue enforcement of the rules by filing a civil suit against Roywell Services Inc. at the next regularly scheduled meeting of the board of directors to Roywell Services Inc. by certified mail (CMRRR 7021 0350 0000 2790 9182).

On July 10, 2023, in consultation with legal counsel, staff has determined that any additional expenditure of funds and resources on enforcement case violation ECV-20230418-03 would not be productive and waste resources of the district.

Board Action: Mr. Borden moved to open and record the enforcement hearing at approximately 6:28 PM. Mr. Biery seconded the motion. The motion passed unanimously.

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Mr. Biery moved to cease the recording and close the enforcement hearing after accepting public comments or comments from the alleged violator. Mr. Snyder seconded the motion. The motion passed unanimously.

Mr. Borden moved to:

1. confirm that Roywell Services, Inc. violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well NW-00382,
2. confirm that operation of the subject well, without resolution of enforcement case violation ECV-20230418-03 in advance, would constitute a new violation of the rules of the district; and
3. suspend processing of enforcement case violation ECV-20230418-03 until the District learns of the renewed or proposed operation of the subject well.

Mr. Biery seconded the motion. The motion passed unanimously.

3.5 – Enforcement Hearing re ECV-20230418-05 – KR TRUST – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 17, 2023, the Board passed a motion to:

1. find that KR TRUST (Well registered to Frost Bank, Trustee of Kathleen Driscoll Roche Trust) violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to wells NW-00563 and NW-00564 unless evidence to the contrary or evidence of relevant extenuating circumstances is submitted to the District;
2. authorize the General Manager to initiate an enforcement case regarding the violation;
3. set a \$200.00 penalty for the violation per RULE 11.10: PENALTIES of the Rules of the District; and
4. offer to settle the violation if KR TRUST (Well registered to Frost Bank, Trustee of Kathleen Driscoll Roche Trust) consents to the following conditions:
 1. acknowledges the violation by June 30, 2023;
 2. pays a settlement fee of \$0.00 by June 30, 2023; and
 3. submits an administratively complete groundwater production report for calendar year 2022 by June 30, 2023.

In response to the action taken by the Board, staff recorded violation ECV-20230418-05.

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On May 2, 2023, staff attempted to provide notice of violation ECV-20230418-05 to KR TRUST by certified mail (CMRRR 7021 0350 0000 2786 0827).

On June 1, 2023, staff attempted to provide notice of violation ECV-20230418-05 to KR TRUST by certified mail (CMRRR 7021 0350 2790 9106).

On July 5, 2023, the staff attempted to provide notice of this enforcement hearing and intent to seek authorization to pursue enforcement of the rules by filing a civil suit against KR TRUST at the next regularly scheduled meeting of the board of directors to Roywell Services Inc. by certified mail (CMRRR 7021 0350 0000 2790 9199).

On July 10, 2023, Mr. Dustin Gardner of RWE, contacted the district and provided email receipts of the submittal of the required groundwater production reports in advance of the settlement deadline on June 8, 2023. The violation is considered resolved by staff.

Board Action: None.

3.6 – Investigation INV-20221006.16557 related to Failures to Obtain Production Permits

Meeting Discussion: Mr. Andruss explained on October 12, 2022, staff initiated an investigation to gather information regarding active utilities within Refugio County that obtain water from groundwater-based public water systems that do not have valid groundwater production permits issued by the District.

As of July 3, 2023, staff had an open investigation related to groundwater management associated with 3 entities that had not submitted administratively complete permitting applications. The entities are:

1. City of Austwell (See: INV-20221006.16557 - Failure to Obtain Production Permit - City of Austwell - Active);
2. Hilcorp Energy (See: INV-20221006.16557 - Failure to Obtain Production Permit - Hilcorp Energy - Active);
3. Town of Refugio (See: INV-20221006.16557 - Failure to Obtain Production Permit - Town of Refugio - Active).

The relevant provisions of the rules of the district associated with the investigations are:

- **RULE 3.1: GENERAL POLICIES RELATED TO REGISTRATION OF WELLS, WELL FIELDS, AND WELL SYSTEMS**

3. The well owner or authorized agent of a grandfathered non-exempt-use well within the boundary of the district shall apply for the

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registration of the grandfathered non-exempt-use well prior to operating the subject well for non-exempt use.

- RULE 4.1: GENERAL POLICIES RELATED TO PERMITS

15. No person shall operate a well to produce groundwater to be used for any purpose other than those uses defined as exempt use prior to obtaining a production permit from the district unless the subject well satisfies the definition of an original exempt-use grandfathered well or an original exempt-use non-grandfathered well.

- RULE 11.2: GENERAL POLICIES RELATED VIOLATIONS

5. Any person that produces groundwater from a well for non-exempt uses in any amount without a valid production permit authorizing the groundwater production violates the rules of the district.

6. Any person that produces groundwater from a well for non-exempt uses for any purpose of use not authorized by production permits associated with well violates the rules of the district.

10. Any person that engages in an activity that requires a permit from the district under the rules of the district prior to receiving such permit violates the rules of the district.

In each instance, staff have contacted representatives of the entities to notify the entity of the permitting requirements of the District and attempted to assist the entities with submitting production permit applications since January 2023.

Board Action: None.

Agenda Item 4: Consideration of and possible action on matters related to groundwater protection including complaints, investigations, violations, and enforcement cases related to groundwater contamination and waste.

4.0 – Report regarding Groundwater Protection

Meeting Discussion: Mr. Andruss explained as of July 5, 2023, staff had recorded no well inspections since October 1, 2022. Well inspections are scheduled to be completed in connection with PRJ-20236100.01 - Well Inspections for FY2023 (MG2:O1) - Active, PRJ-20234100.02 - Synoptic Aquifer Monitoring for FY2023 (MG4:O1) (MG7:O1) - Active, and PRJ-20234100.04 - Baseline Water Quality Aquifer Monitoring for FY2023 (MG4:O1) - Active in August 2023.

As of July 5, 2023, staff had 1 active investigation related to groundwater protection: INV-20191202:1017 - Potential Contamination of Groundwater at Woodsboro Farmers Cooperative - Active. On July 7, 2023, the district obtained the Affected Property Assessment Report (APAR Report) for the site. See: MFC-

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20230717-4.1 - Investigation INV-20191202:1017 - Potential Contamination of Groundwater at Woodsboro Farmers Cooperative.

Board Action: None.

4.1 – Enforcement Cases related to Failures to Properly Seal the Annular Space of a Well

Meeting Discussion: Mr. Andruss explained on July 7, 2023, the district obtained the Affected Property Assessment Report (APAR Report) for the site associated with INV-20191202:1017 - Potential Contamination of Groundwater at Woodsboro Farmers Cooperative - Active. The report had been revised in February 2023.

On page 8 of the report, the following statements were made (emphasis added):

"The analytical results from the 2022 sampling event detected no constituent concentrations in soil above applicable Tier 1 Residential PCLs for any constituent. Constituent concentrations in groundwater were detected above Tier 1 Residential PCLs in MW-1 for dieldrin and in MW-1, MW-2, MW-3, MW-4, and MW-5 for nitrate. All other constituent concentrations in groundwater were low to non-detectable and did not exceed Tier 1 Residential PCLs.

Based on the findings of this report, Ardurra does not recommend any remediation or excavation of soil.

Detected constituent concentrations in groundwater for dieldrin and nitrates are either laboratory estimated quantities or likely the result of previous agricultural use of the surrounding land. Additionally, the groundwater exposure pathway is not complete, as the first groundwater bearing unit is present at an average depth of 20-25 feet (an unlikely depth to be encountered by any Site excavation) and the first groundwater bearing unit is not used as a water resource in the area.

Ardurra recommends that the Remedy B standard be used to deed-restrict the first groundwater bearing unit at the site to prevent its future use as a water resource and quarterly groundwater monitoring for one year to monitor COC concentrations and determine trend in PCLE zones."

If the Board would like to have the report reviewed for the purposes of evaluating the risk to groundwater resources of adjacent properties or water well in the vicinity of the affected property, a qualified consultant should be engaged for that purpose.

Board Action: None.

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Agenda Item 5: Consideration of and possible action on matters related to groundwater monitoring.

5.0 – Report regarding Groundwater Monitoring

Meeting Discussion: Mr. Andruss explained in connection with project PRJ-20234100.01 - Monitor Drought Conditions for FY2023 (MG5:O1) - Active, staff seek drought monitoring information from a variety of sources.

As of July 5, 2023, the U.S. Drought Monitor (<https://www.drought.gov/states/texas/county/refugio>) indicates that 100% of Refugio County is experiencing abnormally dry conditions with 0% experiencing moderate drought conditions or worse.

As of July 5, 2023, drought condition information related to the district and the surrounding region of Texas collected from the Water Data for Texas website (<https://www.waterdatafortexas.org/drought/>) indicates that all portions of Refugio County are experiencing abnormally dry or drought conditions.

Water Levels

As of July 5, 2023, staff had collected the following water level measurements since October 1, 2022 in connection with project PRJ-20234100.02 - Synoptic Aquifer Monitoring for FY2023 (MG4:O1) (MG7:O1) - Active: WLM-20230310-01 - NW-00539, WLM-20230310-02 - NW-00570, WLM-20230310-03 - GW-00439, WLM-20230310-04 - GW-00234, WLM-20230425-01 - GW-00124, WLM-20230425-02 - GW-00079. On July 10, 2023, staff developed a chart and diagrams depicting water level data collected by the District in connection with PRJ-20234100.06 - Annual Water Level Assessment for FY2023 (MG7:O2) - Active. See: MFC-20230717-5.1 - Groundwater Levels for Calendar Year 2022.

Water Quality

As of July 10, 2023, staff had not collected water quality measurements since October 1, 2022 in connection with PRJ-20234100.04 - Baseline Water Quality Aquifer Monitoring for FY2023 (MG4:O1) - Active or PRJ-20234100.05 - Ad-Hoc Baseline Water Quality Sampling for FY2023 (MG4:O1) - Active. On July 10, 2023, staff developed a chart and diagrams depicting water quality data (i.e., conductivity measurements) by the District in connection with PRJ-20234100.07 - Annual Water Quality Assessment for FY2023 (MG4:O1) - Active. See: MFC-20230717-5.2 - Groundwater Quality Measurements for Calendar Year 2022.

Baseline Water Quality

On June 16, 2023, staff attempted to contact candidate well owners (of 18 candidate wells) in connection with project PRJ-20234100.04 - Baseline Water

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Quality Aquifer Monitoring for FY2023 (MG4:O1) - Active. As of July 10, 2023, the District had not been contacted by any of the well owners inquiring about the monitoring effort. Staff will randomly select 20 new candidate wells and attempt to contact the owners for inclusion in the baseline water quality monitoring project and provide a update on the project during the October 2023 meeting.

Continuous Aquifer Monitoring - WellIntel

On June 21, 2023, staff participated in a virtual meeting with representatives of WellIntel (Dawna Urlakis, Director of Business Development and Charles Dunning) in connection with project PRJ-20234100.03 - Continuous Water Level Monitoring for FY2023 (MG7:O1) - Active for the purposes of learning more about products (water level sensor and telemetry equipment) and services (analytics dashboard) offered by WellIntel. See: MFC-20230717-5.3 - WellIntell Service for Continuous Aquifer Monitoring.

Water Level Analysis - Intera Geostats

April 10, 2023, staff contacted Dr. Steve Young of Intera requesting a project proposal for updating the water level analysis report from previous years in connection with project PRJ-20234100.06 - Annual Water Level Assessment for FY2023 (MG7:O2) - Active. See: MFC-20230717-5.4 - Intera Proposal for Update of Water Level Assessment Report.

Monitoring Network Improvement

As of July 5, 2023, staff had transmitted interest letters to the following landowners seeking to gain access to candidate monitoring wells as recommended within the Intera Report associated with project PRJ-20234200.01 - Monitoring Network Assessment and Improvement Project for FY2023 (MG7:O1) - Active:

Chicot Wells

1. BELLOWS DEWEY DOWLING II &
2. BRAMAN RANCHES LLC
3. KOC LAND L P
4. OCONNOR MARTIN RANCH LTD

Evangeline Wells

1. ARREDONDO DIONICIO NICK & SCHELSEA MASCORRO
2. CARTER STEVEN
3. DAWOD HAYSAML
4. DONALSON DREW
5. HINES HOMER & LYDIA L
6. MILLER CHARLES K & SHARON M
7. MORRIS WILLIAM D & JOANNA L
8. RAMIREZ JOHNNY & IDA
9. WARD LARRY DALE & DONNA SUE
10. WEST JOHN R EST

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As of July 11, 2023, staff had not received any responses to the interest letters.

Board Action: None.

5.1 – Groundwater Level Measurements for Calendar Year 2022

Meeting Discussion: Mr. Andruss explained, based on a simplistic evaluation of water level measurements, the water levels in Refugio County appear to be static in recent years.

Board Action: Mr. Borden moved to find that recent water level measurements indicate that the district is achieving the desired future conditions for the district. Mr. Snyder seconded the motion. The motion passed unanimously.

5.2 – Groundwater Quality Measurements for Calendar Year 2022

Meeting Discussion: Mr. Andruss presented a chart of conductivity measurements, a graph depicting water quality measurements, and a diagram depicting the spatial distribution of the water quality measurements.

Board Action: Mr. Borden moved to find that recent water quality measurements indicate that the quality of the groundwater resources appear to be stable within the boundaries of the district. Mr. Biery seconded the motion. The motion passed unanimously.

5.3 – WellIntel Service for Continuous Aquifer Monitoring

Meeting Discussion: Mr. Andruss explained on June 21, 2023, staff participated in a virtual meeting with representatives of WellIntel (Dawna Urlakis, Director of Business Development and Charles Dunning) in connection with project PRJ-20234100.03 - Continuous Water Level Monitoring for FY2023 (MG7:O1) - Active for the purposes of learning more about products (water level sensor and telemetry equipment) and services (analytics dashboard) offered by WellIntel. The WellIntel offerings could potentially improve the monitoring program of the district by 1) increasing the amount of data collected regarding water levels and water quality in terms of measurement frequency (continuous measurements versus synoptic/ad hoc measurements) with the use of the WellIntel Water Level Sensor, 2) increasing operational efficiency by reducing data processing labor and transportation costs associated with monitoring efforts (e.g., eliminate post-processing of sensor data, reducing travel cost to well sites, etc.), and 3) increasing access and use of monitoring data for assessing aquifer conditions and regulatory compliance with permitting. A two-year pilot project with 4 monitoring wells is estimated to cost

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\$23,500 in Year 1 and \$2,500 in Year 2 for a estimated total of \$26,000. Integration of 3rd party instruments would result in additional costs.

Board Action: Mr. Borden moved to authorize the general manager to budget for and execute a two-year pilot project in FY2024 with 4 monitoring wells within the district at a cost not to exceed \$35,000.00. Mr. Biery seconded the motion. The motion passed unanimously.

5.4 – Intera Proposal for Update of Water Level Assessment Report

Meeting Discussion: Mr. Andruss explained on July 14, 2023, Dr. Young of Intera submitted a proposal to Victoria County GCD to apply geostatistical techniques to interpret measured 2022 water level in Calhoun County GCD, Refugio GCD, Texana GCD and Victoria County GCD. The proposed work will expand the analysis of measured water levels performed by Young and others (2021) [Application of Geostatistical Techniques to Quantify Changes in Water Levels] and INTERA (2022) [memorandum :Application of Geostatistical Techniques to Interpret Measured 2021 Water Levels, dated June 29, 2022] to include measured water levels in 2022.

The cost for performing the completing the work is \$15,000. The project will be fixed priced. The presentations and the memorandum will be completed by December 4, 2023. The memorandum will be similar in its content and figures to the INTERA (2022) memorandum that provided an analysis of the 2021 water level data.

The proposal will be presented to the boards of Texana GCD, Victoria GCD, and Calhoun County GCD with a recommendation to approve the proposal and share in the costs equally at a fixed cost of \$3,750.00.

Board Action: Mr. Borden moved to approve the proposal and share in the costs equally at a fixed cost of \$3,750.00. Mr. Snyder seconded the motion. The motion passed unanimously.

Agenda Item 6: Consideration of and possible action on matters related to groundwater conservation.

6.0 – Report regarding Groundwater Conservation

Meeting Discussion: Mr. Andruss explained on April 17, 2023, the Board of Directors of the district authorized the expenditure of up to \$5,000.00 for sponsorship of field trips by 4th and 5th grade students from Refugio County to the

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Wetland Education Center located in the INVISTA Victoria Plant Wetland for the purposes of promoting water conservation.

On May 5, 2023, staff notified the Refugio ISD, Woodsboro ISD, and Austwell-Tivoli ISD of the sponsorship opportunity.

As of July 10, 2023, staff has not received or processed any applications for sponsorship. Staff will send a second notice in August 2023.

Board Action: None.

Agenda Item 7: Consideration of and possible action on matters related to groundwater resource planning including Groundwater Management Area 15 Joint Planning and regional water planning.

7.0 – Report regarding Groundwater Resource Planning

Meeting Discussion: Mr. Andruss explained the representatives of Region L met on May 4, 2023, to continue efforts to develop the 2026 Regional Water Plan. Interim meetings of the Population and Water Demands Workgroup have met to review demand projections within the region. The next meeting of Region L is scheduled for August 3, 2023.

The representatives of Management Area 15 met on April 13, 2023, to continue their joint planning efforts. The representatives of GMA 15 1) discussed the new groundwater availability model being developed by TWDB for the central and southern portions of the Gulf Coast Aquifer, 2) reviewed management plans of certain member districts, 3) reviewed achievements of certain member districts, 4) approved for distribution draft revisions of bylaws and a cost sharing agreement, and 5) requested VCGCD serve as the GMA 15 Administrator for the purposes of a) holding the GMA 15 Joint Planning Funds, b) soliciting proposals from qualified entities to provide technical services to GMA 15 to support the development and adoption of desired future conditions and associated explanatory report for the 4th Joint Planning Cycle, and c) negotiating terms of an agreement for consulting services from the preferred respondent(s) identified by the GMA-15 Committee Members.

The next meeting of GMA 15 is scheduled for July 13, 2023.

Board Action: None.

7.1 – GMA15 By-Laws, Cost Sharing Agreement, and RFP for Technical Services

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Meeting Discussion: Mr. Andruss explained the representatives of Management Area 15 met on April 13, 2023, and approved for distribution draft revisions of bylaws and a cost sharing agreement, and 5) requested VCGCD serve as the GMA 15 Administrator for the purposes of a) holding the GMA 15 Joint Planning Funds, b) soliciting proposals from qualified entities to provide technical services to GMA 15 to support the development and adoption of desired future conditions and associated explanatory report for the 4th Joint Planning Cycle, and c) negotiating terms of an agreement for consulting services from the preferred respondent(s) identified by the GMA-15 Committee Members.

As of July 10, 2023, the representatives of GMA 15 have been provided the following documents related to the 4th Joint Planning Cycle:

- GMA 15 - By-Laws of the GMA-15 Committee - Rev 20230413 - Adopted 20230413.pdf
- GMA 15 - Interlocal Agreement for Cost-Sharing - Rev 20230413a - Adopted 20230413.pdf
- VCGCD - RFP for Technical Services for GMA 15 - 20230627.pdf

The interlocal agreement related to cost-sharing specifies the funding requirements necessary to be a member of the GMA-15 Committee. Member districts located solely within GMA 15, such as RGCD, are scheduled to pay \$7,500.00 under the agreement while member districts located in groundwater management areas in addition to GMA 15 are scheduled to pay \$3,750. If all member district agree to the cost-sharing agreement, the total funding for the 4th Joint Planning Cycle in GMA 15 will be reach \$82,500.00 by January 9, 2024.

Board Action: Mr. Borden moved to accept and approve:

1. the GMA 15 - By-Laws of the GMA-15 Committee - Rev 2023041, and
2. the GMA 15 - Interlocal Agreement for Cost-Sharing - Rev 20230413a, by resolution, and
3. the VCGCD - RFP for Technical Services for GMA 15 - 20230627, as presented.

Mr. Biery seconded the motion. The motion passed unanimously.

Agenda Item 8: Consideration of and possible action of matters related to groundwater policy including the Management Plan on the District, the proposed Management Plan of the District, the Rules of the District, petitions to amend the Rules of the District, and fee schedule.

8.0 – Report regarding Groundwater Policy

Working to Conserve, Preserve, Protect, and Prevent Waste of Groundwater Resources Within Refugio County for the Benefit of Refugio County's Landowners, Citizens, Economy, and Environment.

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Meeting Discussion: Mr. Andruss explained on May 16, 2023, staff submitted the management plan approved at the meeting held on April 17, 2023 to the Texas Water Development Board and other entities are required by Chapter 36.

On July 10, 2023, staff identified the following bills on the Texas Legislature Online service that contain the phrase "groundwater" and have or will become law.

1. 88(R) HB 697 - Enrolled Version - Bill Text (relating to seller's disclosures)
2. 88(R) HB 1565 - Enrolled Version - Bill Text (relating to the functions of the Texas Water Development Board and continuation and functions of the State Water Implementation Fund for Texas Advisory Committee)
3. 88(R) HB 1699 - Enrolled Version - Bill Text (relating to the authority of the Evergreen Underground Water Conservation District to impose certain fees)
4. 88(R) HB 1971 - Enrolled Version - Bill Text (relating to the procedures for acting on a permit or permit amendment application by a Previous groundwater conservation district and the disqualification of board members of groundwater conservation districts)
5. 88(R) HB 2443 - Enrolled Version - Bill Text (relating to the authority of certain persons to petition a groundwater conservation district to change certain rules)
6. 88(R) HB 3059 - Enrolled Version - Bill Text (relating to the export fee charged for the transfer of groundwater from a groundwater conservation district)
7. 88(R) HB 3278 - Enrolled Version - Bill Text (relating to the joint planning of desired future conditions in groundwater management areas)
8. 88(R) HB 3731 - Enrolled Version - Bill Text (relating to the Bandera County River Authority and Groundwater District)
9. 88(R) HB 3744 - Enrolled Version - Bill Text (relating to the regulation of water well drillers and water well pump installers)
10. 88(R) HB 4559 - Enrolled Version - Bill Text (relating to the application of statutes that classify political subdivisions according to population)
11. 88(R) SB 317 - Enrolled Version - Bill Text (relating to appellate jurisdiction of the Public Utility Commission regarding certain water or sewer service fees)
12. 88(R) SB 785 - Enrolled Version - Bill Text (relating to the ownership of and certain insurance policy provisions regarding the geothermal energy and associated resources below the surface of land)
13. 88(R) SB 1290 - Enrolled Version - Bill Text (relating to a study of the effects of the installation, operation, removal, and disposal of solar, wind turbine, and energy storage equipment)
14. 88(R) SB 1659 - Enrolled Version - Bill Text (relating to the sunset review process and certain governmental entities subject to that process)
15. 88(R) SB 1746 - Enrolled Version - Bill Text (relating to an exemption from the requirement to obtain a permit from a groundwater conservation district for certain temporary water wells)

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16. 88(R) SB 2406 - Enrolled Version - Bill Text (relating to the authority of hospitals in certain counties to drill a water well for the purpose of producing water for use in the event of an emergency or natural disaster)

17. 88(R) SB 2440 - Enrolled Version - Bill Text (relating to a requirement that certain plats for the subdivision of land include evidence of groundwater supply)

18. 88(R) SB 2592 - Enrolled Version - Bill Text (relating to the Lavaca-Navidad River Authority, following the recommendations of the Sunset Advisory Commission; altering terms of the board of directors; specifying grounds for the removal of a member of the board of directors)

Staff will review the passed legislation and coordinate with legal counsel to develop proposed rule revisions and post the required rulemaking hearing notice for the meeting scheduled for October 16, 2023.

Board Action: None.

Agenda Item 9: Consideration of and possible action on matters related to administration and management including the minutes of previous meetings, the annual budget of the district, bank accounts, investments, financial reports of the district, bills and invoices of the district, management goals and objectives of the district, administrative policies, staffing, consultant agreements, interlocal cooperation agreements, and support services provided to and from other groundwater conservation districts.

9.0 – Report regarding Administration and Management

Meeting Discussion: Mr. Andruss explained on June 29, 2023, the new website of the District was released and made publicly available. The new website includes a feature for allowing individuals to subscribe to and unsubscribe from the District's email notification lists. The lists were originally populated with email addresses for the District's existing email lists. The new electronic mail list feature will be used to transmit public notices and other important messages to interested parties.

The next meetings of the Board are scheduled for August 21, 2023 (Budget and Tax Rate Matters), and October 16, 2023, with each meeting to convene at 6:00 PM. Regular meetings will be rescheduled as necessary and special meeting may be scheduled to address unforeseen issues.

Board Action: None.

9.1 – Minutes of the Previous Meeting

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Meeting Discussion: Mr. Andruss explained the minutes for the meeting held on April 17, 2023, were sent to the board members prior to the meeting.

Board Action: Mr. Borden moved to accept and approve the meeting minutes for April 17, 2023, as drafted. Mr. Snyder seconded the motion. The motion passed unanimously.

9.2 – Financial Reports of the District

Meeting Discussion: Mr. Andruss explained the internal financial reports of the District for March, April, and May 2023, have been sent to the directors prior to the meeting.

Board Action: Mr. Snyder moved to accept and approve the financial reports for March, April, and May 2023. Mr. Biery seconded the motion. The motion passed unanimously.

9.2.1 – Financial Transaction Review

Meeting Discussion: Mr. Andruss explained since April 1, 2023, as of July 11, 2023, there have been 28 accounts payable, and 10 accounts receivable transactions recorded.

Board Action: None.

9.3 – Investments of the District

Meeting Discussion: Mr. Andruss explained the investment reports for March, April, and May 2023, have been sent to the board prior to the meeting.

As of May 31, 2023, the combined balance of all funds totaled \$1,549,804.22. As of May 31, 2023, the combined value of FDIC insurance and pledged collateral totaled \$1,750,000.00.

Board Action: Mr. Borden moved to accept the investment reports for March, April, and May 2023. Mr. Biery seconded the motion. The motion passed unanimously.

9.4 – Unpaid Accounts Payable

Meeting Discussion: Mr. Andruss explained the District has outstanding accounts payable invoices that are not considered regular and routine for which the District has received the goods and services billed for under the invoices.

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Board Action: Mr. Biery moved to authorize the general manager to pay the following items:

1. ACCTP-20230524-02 - \$510.00 - Allison, Bass & Magee - Inv# 6919
2. ACCTP-20230601-02 - \$8,300.00 - Goldman, Hunt and Notz, LLP
3. ACCTP-20230703-01 - \$3,600.00 - Holmstrom, LLC - Office Lease
4. ACCTP-20230706-01 - \$5,485.13 - VCGCD - District Invoice - April 2023
5. ACCTP-20230706-02 - \$5,514.29 - VCGCD - District Invoice - May 2023
6. ACCTP-20230706-03 - \$5,485.33 - VCGCD - District Invoice - June 2023
7. ACCTP-20230711-01 - \$264.50 - Victoria Advocate

Mr. Borden seconded the motion. The motion passed unanimously.

9.5 – FY2024 Budget

Meeting Discussion: Mr. Andruss explained staff will develop and present a budget for the fiscal year ending September 30, 2024 at the meeting scheduled for August 21, 2023, that attempts to fund the operations of the District in a manner that should provide for 1) the accomplishment of the management plan goals and objectives and 2) the completion of certain projects and tasks associated with the administration of the district, groundwater conservation, groundwater management and permitting, groundwater monitoring, groundwater policy development, groundwater protection, groundwater research, and groundwater resource planning, and 3) avoid a budget deficit in Fiscal Year 2023-2024.

Staff will develop the proposed budget anticipating the continued cooperation with and support of the staff of the Victoria County Groundwater Conservation to be achieved through the approval of a revised interlocal cooperation agreement that may include an increase to the monthly fees for service less than or equal to 5%.

Staff will develop the proposed budget anticipating the commitment of the monies of the Reserve Fund in Fiscal Year 2023-2024 in accordance with the following schedule:

- Groundwater Conservation: 5%
- Groundwater Management: 10%
- Groundwater Monitoring: 25%
- Groundwater Protection: 25%
- Groundwater Research: 5%
- Groundwater Resource Planning: 5%
- Legal Contingencies: 25%

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Staff will develop the proposed budget anticipating the approval of a tax rate equal to the No-New-Revenue Tax Rate calculated by the Tax Assessor - Collector for Tax Year 2023.

Board Action: Mr. Biery moved to authorize the general manager to publish the required tax rate notices for the district based on the No-New-Revenue Tax Rate calculated by the Tax Assessor - Collector for Tax Year 2023. Mr. Borden seconded the motion. The motion passed unanimously.

Agenda Item 10: Consideration of and possible action on matters related to legal counsel report.

10.0 – Legal Counsel Report

Meeting Discussion: None.

Board Action: None.

Agenda Item 11: Adjourn.

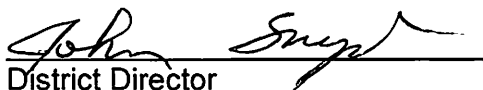
11.0 – Adjourn Meeting

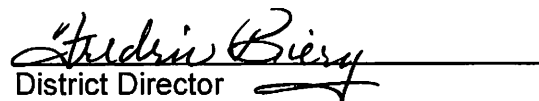
Meeting Discussion: None.

Board Action: Mr. Borden moved to adjourn the meeting after concluding all business of the District at approximately 7:36 PM. Mr. Biery seconded the motion. The motion passed unanimously.

The above and foregoing minutes were read and approved on this the 16 day of October, 2023.

ATTEST:


District Director


District Director