

Victoria County Groundwater Conservation District

THE STATE OF TEXAS
VICTORIA COUNTY

The Board of Directors of the Victoria County Groundwater Conservation District convened a meeting at the Dr. Pattie Dodson Health Center, 2805 N. Navarro St., Room 108, Victoria, Victoria County, Texas, 77901 on July 21, 2023, at 9:00 AM.

Meeting Attendance:

Precinct 1:	Mr. Jerry Hroch, Vice President	Absent
Precinct 2:	Mr. Thurman Clements, Jr., Director	Present
Precinct 3:	Mrs. Barbara Dietzel, Secretary	Present
Precinct 4:	Mr. Mark Meek, President	Absent
At Large:	Mr. Kenneth Eller, Director	Present
General Manager:	Mr. Timothy Andruss	Present
Legal Counsel:	Mr. James Allison	Present

Agenda Items -

1. Call the meeting to order and welcome guests.

Meeting Discussion: Mr. Clements called the meeting to order at 9:00 AM.

Board Action: None.

2. Receive public comments.

Meeting Discussion: None.

Board Action: None.

3. Consideration of and possible action on matters related to Groundwater Management including 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 19, 2023, staff had initiated 4 permitting request cases, identified 23 pending permitting request cases, issued 4 production permits, identified 5 active investigations and 7 open enforcement cases.

Board Action: None.

3.1 – Groundwater Production Reporting for CY2022

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Meeting Discussion: Mr. Andruss explained as of July 19, 2023, staff have processed 225 groundwater production reports for calendar year 2022 reporting 13,804 acre-feet of groundwater production.

Board Action: None.

3.2 – Production Permit Renewals for FY2023

Meeting Discussion: Mr. Andruss presented a table identifying the production permits identified with the database of the district as expiring before July 2024.

If administratively complete applications are submitted by the permittees prior to the permit expiration date (July 31, 2023), the associated permitting request cases will be presented to the board for consideration at the meeting scheduled for October 20, 2023.

As of July 19, 2023, staff had received administratively complete application seeking the renewal of production permit scheduled to expire in July 2023:

1. PRC-20230719-01 - ARP-20230718-01 - Christ the King Lutheran Church - Pending
2. PRC-20230719-02 - ARP-20230622-01 - Vulcan Materials Company - Pending
3. PRC-20230719-03 - ARP-20230314-01 - Daryl Smith - Falcon Lease Operating - Pending

The submitted production permit renewal 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. Eller moved to authorize the general manager to issue production permit renewals for the permits associated with the following renewal requests in accordance with the Rules of the District:

1. PRC-20230719-01 - ARP-20230718-01 - Christ the King Lutheran Church
 2. PRC-20230719-02 - ARP-20230622-01 - Vulcan Materials Company
 3. PRC-20230719-03 - ARP-20230314-01 - Daryl Smith - Falcon Lease Operating
- Mr. Clements seconded the motion. The motion passed unanimously.

3.3 – Deep-Saline Production Permit Monitoring

Meeting Discussion: Mr. Andruss explained on May 10, 2023, staff notified Dr. Young of Intera of its authorization for him to develop a memorandum by July 19, 2023, for the purposes of identifying any inappropriate or unnecessary monitoring requirements for safeguarding the groundwater resources within Victoria County and identifying opportunities for cooperation (e.g., cost-sharing and cooperative arrangements regarding monitoring activities) between VCGCD and POV, if any, that align with the goals and objectives of the district by conducting:

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1. a review the monitoring requirements established within the Rules of the District related to Deep-Saline Production Permits, and
2. a review of the recommendation developed by you in the report related to improving the monitoring network dated November 2022.

Mr. Andruss explained that Dr. Young submitted the requested memorandum in which he concludes that he did not identify any inappropriate or unnecessary requirements related to deep-saline production permits and identified several opportunities for cooperation with producers and clarification to the rules of the district.

Board Action: None.

3.4 – Enforcement Hearing re ECV-202230424-02 – Keep Bloomington Beautiful – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the Board passed a motion to:

1. find that Keep Bloomington Beautiful violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well GW-000720 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 \$100.00 penalty for the violation per RULE 11.10: PENALTIES of the Rules of the District; and
4. offer to settle the violation if Keep Bloomington Beautiful 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 a 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-20230424-02

On May 2, 2023, staff attempted to provide notice of violation ECV-20230424-02 to Keep Bloomington Beautiful by certified mail (CMRRR 7021 0350 0000 2790 7614).

On June 1, 2023, staff attempted to provide notice of violation ECV-20230424-02 to Keep Bloomington Beautiful by certified mail (CMRRR 7021 0350 0000 2790 7669).

On July 6, 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 Keep Bloomington Beautiful at the next regularly scheduled meeting of

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the board of directors to Keep Bloomington Beautiful by certified mail (CMRRR 7021 0350 0000 2790 9205).

On July 14, 2023, Mr. Allison, Legal Counsel for the District, provided a draft enforcement order regarding this matter. If adopted, the order would record the finds of the board including:

1. impose penalties established by the Board,
2. cancel any permits associated with the subject well,
3. prohibit production from the subject well until a production permit were reinstated,
4. order staff to seal the subject well to prevent further production, and
5. instruct Legal Counsel to file suit if necessary to enforce the order.

Board Action: Mr. Clements moved to open the enforcement hearing and recess the hearing until the next regularly scheduled meeting in October 2023. Mr. Eller seconded the motion. The motion passed unanimously.

3.5 – Enforcement Hearing re ECV-20230424-04 – Freedom Ventures of Victoria LLC – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the Board passed a motion to:

1. find that Freedom Ventures of Victoria LLC. violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well NW-000824 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 \$100.00 penalty for the violation per RULE 11.10: PENALTIES of the Rules of the District; and
4. offer to settle the violation if Freedom Ventures of Victoria LLC. 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 a 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-20230424-04.

On May 2, 2023, staff attempted to provide notice of violation ECV-20230424-04 to Freedom Ventures of Victoria LLC. by certified mail (CMRRR 7021 0350 0000 2790 8000).

On June 1, 2023, staff attempted to provide notice of violation ECV-20230424-04 to Freedom Ventures of Victoria LLC. by certified mail (CMRRR 7021 0350 0000 2790 7645).

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On July 6, 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 Freedom Ventures of Victoria LLC. at the next regularly scheduled meeting of the board of directors to Freedom Ventures of Victoria LLC. by certified mail (CMRRR 7021 0350 0000 2790 9212).

On July 14, 2023, Mr. Allison, Legal Counsel for the District, provided a draft enforcement order regarding this matter. If adopted, the order would record the finds of the board including:

1. impose penalties established by the Board,
2. cancel any permits associated with the subject well,
3. prohibit production from the subject well until a production permit were reinstated,
4. order staff to seal the subject well to prevent further production, and
5. instruct Legal Counsel to file suit if necessary to enforce the order.

Board Action: Mr. Clements moved to open the enforcement hearing and recess the hearing until the next regularly scheduled meeting in October 2023. Mr. Eller seconded the motion. The motion passed unanimously.

3.6 – Enforcement Hearing re ECV-20230424-10 – The Dam Company LLC – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the Board passed a motion to:

1. find that The Dam Company LLC. violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well GW-000557 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 The Dam Company LLC. 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 a 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-20230424-10

On May 2, 2023, staff attempted to provide notice of violation ECV-20230424-10 to The Dam Company LLC. by certified mail (CMRRR 7021 0350 0000 2790 7966).

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On June 1, 2023, staff attempted to provide notice of violation ECV-20230424-10 to The Dam Company LLC. by certified mail (CMRRR 7021 0350 0000 2790 8949).

On July 6, 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 9229).

On July 14, 2023, Mr. Allison, Legal Counsel for the District, provided a draft enforcement order regarding this matter. If adopted, the order would record the finds of the board including:

1. impose penalties established by the Board,
2. cancel any permits associated with the subject well,
3. prohibit production from the subject well until a production permit were reinstated,
4. order staff to seal the subject well to prevent further production, and
5. instruct Legal Counsel to file suit if necessary to enforce the order.

Board Action: Mr. Clements moved to open the enforcement hearing and recess the hearing until the next regularly scheduled meeting in October 2023. Mr. Eller seconded the motion. The motion passed unanimously.

3.7 – Enforcement Hearing re ECV-20230424-12 – Bloomington ISD – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the Board passed a motion to:

1. find that Bloomington ISD violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well GW-000768, GW-000773, NW-000332 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 Bloomington ISD 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 a 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-20230424-12

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On May 2, 2023, staff attempted to provide notice of violation ECV-20230424-12 to Bloomington ISD by certified mail (CMRRR 7021 0350 0000 2790 7942).

On June 1, 2023, staff attempted to provide notice of violation ECV-20230424-12 to Bloomington ISD by certified mail (CMRRR 7021 0350 0000 2790 8956).

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 Bloomington ISD at the next regularly scheduled meeting of the board of directors to Bloomington ISD by certified mail (CMRRR 7021 0350 0000 2790 9236).

On July 14, 2023, Mr. Allison, Legal Counsel for the District, provided a draft enforcement order regarding this matter. If adopted, the order would record the finds of the board including:

1. cancel any permits associated with the subject well,
2. prohibit production from the subject well until a production permit were reinstated,
3. order staff to seal the subject well to prevent further production, and
4. instruct Legal Counsel to file suit if necessary to enforce the order.

On July 18, 2023, Bloomington ISD acknowledged the violation, paid the settlement fee of \$20.00; and submitted administratively complete groundwater production reports for calendar year 2022.

Board Action: Mr. Clements moved to open the enforcement hearing, close the enforcement hearing with no public comment, and designate the enforcement case ECV-20230424-12 resolved. Mr. Eller seconded the motion. The motion passed unanimously.

3.8 – Enforcement Hearing re ECV-20230424-13 – Rebecca L. Schroeder Muschalek – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the Board passed a motion to:

1. find that Rebecca L. Schroeder Muschalek violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well GW-000563 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 Rebecca L. Schroeder Muschalek 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

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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-20230424-13

On May 2, 2023, staff attempted to provide notice of violation ECV-20230424-13 to Rebecca L. Schroeder Muschalek by certified mail (CMRRR 7021 0350 0000 2790 7935).

On June 1, 2023, staff attempted to provide notice of violation ECV-20230424-13 to Rebecca L. Schroeder Muschalek by certified mail (CMRRR 7021 0350 0000 2790 8963).

On July 6, 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 Rebecca L. Schroeder Muschalek at the next regularly scheduled meeting of the board of directors to Rebecca L. Schroeder Muschalek by certified mail (CMRRR 7021 0350 0000 2790 9182).

On July 14, 2023, Mr. Allison, Legal Counsel for the District, provided a draft enforcement order regarding this matter. If adopted, the order would record the finds of the board including:

1. impose penalties established by the Board,
2. cancel any permits associated with the subject well,
3. prohibit production from the subject well until a production permit were reinstated,
4. order staff to seal the subject well to prevent further production, and
5. instruct Legal Counsel to file suit if necessary to enforce the order.

Board Action: Mr. Clements moved to open the enforcement hearing and recess the hearing until the next regularly scheduled meeting in October 2023. Mr. Eller seconded the motion. The motion passed unanimously.

3.9 – Enforcement Hearing re ECV-20230424-14 – VISD Mission Valley Elementary – Failure to Report Groundwater Production CY2022

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the Board passed a motion to:

1. find that VISD Mission Valley Elementary violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well GW-000693 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

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4. offer to settle the violation if VISD Mission Valley Elementary 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 a 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-20230424-14

On May 2, 2023, staff attempted to provide notice of violation ECV-20230424-14 to VISD Mission Valley Elementary by certified mail (CMRRR 7021 0350 0000 2790 8055).

On May 23, 2023, Mission Valley ISD provided the following response to the district regarding the 1st NOV Letter for violation ECV-20230424-14.

On June 1, 2023, staff attempted to provide notice of violation ECV-20230424-14 to VISD Mission Valley Elementary by certified mail (CMRRR 7021 0350 0000 2790 8970).

On July 6, 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 VISD Mission Valley Elementary at the next regularly scheduled meeting of the board of directors to VISD Mission Valley Elementary by certified mail (CMRRR 7021 0350 0000 2790 9250).

On July 13, 2023, Mr. Dan Davidson of VISD provided the following response to the district regarding the notice of need to file suit Letter for violation ECV-20230424-14.

On July 14, 2023, Mr. Allison, Legal Counsel for the District, provided a draft enforcement order regarding this matter. If adopted, the order would record the finds of the board including:

1. cancel any permits associated with the subject well,
2. prohibit production from the subject well until a production permit were reinstated,
3. order staff to seal the subject well to prevent further production, and
4. instruct Legal Counsel to file suit if necessary to enforce the order.

Board Action: Mr. Clements moved to open the enforcement hearing, close the enforcement hearing with no public comment, and designate the enforcement case ECV-20230424-12 resolved. Mr. Eller seconded the motion. The motion passed unanimously.

3.10 – Investigation INV-20221012.1537 related to Failures to Obtain Production Permits

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Meeting Discussion: Mr. Andruss explained on October 12, 2022, staff initiated an investigation to gather information regarding active utilities within Victoria 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 18, 2023, staff had an open investigation related to groundwater management associated with 16 entities that had not submitted administratively complete permitting applications. The entities are:

1. Brentwood Subdivision
2. Victoria County WCID 2
3. Devereux Foundation
4. Linden Hill Motel
5. Nursery ISD Elementary School
6. VISD Mission Valley Elementary
7. Coletto Water
8. Arenosa Creek Estates
9. 7-Eleven Stores 36525
10. 7-Eleven Store 36551H
11. H2O Systems Plus
12. North Victoria Utilities
13. Patriot RV Park
14. Dollar General Store 16658
15. The Barn
16. Smitty's Foodmart

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 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.

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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 attempted to contact representatives of the entities to notify the entity of the permitting requirements of the District and attempt to assist the entities with submitting production permit applications since January 2023.

Board Action: Mr. Eller moved to instruct the general manager attempt to notify potential violators of future consideration of enforcement order by with fines of \$2,000.00. Mr. Clements seconded the motion. The motion passed unanimously.

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 18, 2023, staff had recorded 46 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.

As of July 18, 2023, staff had 2 active investigations regarding potential contamination of groundwater:

1. INV-20180730.0800 - Potential Contamination of Groundwater on FM 236 and Weber Rd - Active;
2. INV-20220328.0813 - Potential Contamination of Groundwater at Smitty's Food Mart Inez - Active.

Board Action: None.

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

5.0 – Report regarding Groundwater Monitoring

Meeting Discussion: Mr. Andruss explained according to the National Integrated Drought Information System, the U.S. Drought Monitor (USDM) is updated each Thursday to show the location and intensity of drought across the country using a five-category system, from Abnormally Dry (D0) conditions to Exceptional Drought (D4). The USDM is a joint effort of the National Drought Mitigation Center, USDA, and NOAA.

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The U.S. Drought Monitor (<https://www.drought.gov/states/texas/county/victoria>) indicates that 100% of Victoria County was experiencing abnormally dry conditions while 0% of Victoria County was experiencing drought as of July 18, 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 the entire area of Victoria County is experiencing abnormally dry conditions as of July 18, 2023.

Board Action: None.

5.1 – Groundwater Level Measurements for Calendar Year 2022

Meeting Discussion: Mr. Andruss staff have collected water level measurements from 45 wells during year 2022.

Generally, the depth to water in monitored wells has decreased from year 2021 to year 2022 by 1.5 feet and decreased from year 2000 to year 2022 by 6.13 feet.

Board Action: None.

5.2 – Groundwater Quality Measurements for Calendar Year 2022

Meeting Discussion: Mr. Andruss explained staff have collected water quality measurements from 23 wells during year 2022.

Generally, the conductivity measurement (a measure of the mineralization of the water) in monitored wells has decreased in year 2022 compared to the historic maximum and historic average, -434 $\mu\text{mhos/cm}$ and -146 $\mu\text{mhos/cm}$ respectively, for those wells with measurements collected before year 2022.

Board Action: None.

5.3 – WellIntell 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

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operational efficiency by reducing data processing labor and transportation costs associate 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 \$23,500 in Year 1 and \$2,500 in Year 2 for an estimated total of \$26,000. Integration of 3rd party instruments would result in additional costs.

Board Action: Mr. Clements 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 exceeding \$35,000.00. Mr. Eller 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 Refugio 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. Eller moved to approve the proposal and share in the costs equally at a fixed cost of \$3,750.00. Mr. Clements seconded the motion. The motion passed unanimously.

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

6.0 – Report regarding Groundwater Conservation

Meeting Discussion: Mr. Andruss on April 21, 2023, the board authorized the expenditure of up to \$5,000.00 for sponsorship of field trips by 4th and 5th grade

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

On May 5, 2023, staff notified Victoria ISD, Bloomington ISD, Nursery ISD, and Industrial ISD of the sponsorship opportunity.

On May 23, 2023, staff notified Faith Academy 539, Nazareth Academy Catholic Schools, Northside Baptist School, Our Lady of Victory Catholic School, Trinity Episcopal School, and Victoria Christian School of the sponsorship opportunity.

On May 10, 2023, the District awarded a \$1,000.00 sponsorship to Ms. Kaylee Armstrong of VISD for 141 4th and 5th grade students from Schorlemmer Elementary to participate in a field trip to Invista Victoria Plant Wetlands on September 7 and 8, 2023.

On May 23, 2023, the District awarded a \$1,000.00 sponsorship to Ms. Jennifer Wheeler of VISD for 75 5th grade students from Smith STEM Academy to participate in a field trip to Invista Victoria Plant Wetlands on September 14, 2023.

On May 24, 2023, the District received an application requesting \$337.50 sponsorship for 35 elementary students from Nursery Elementary School to participate in a field trip to Invista Victoria Plant Wetlands during September 20, 2023.

On June 1, 2023, the District awarded a \$871.52 sponsorship to Ms. Brook Miller of VISD for 132 elementary students from Torres Elementary School to participate in a field trip to Invista Victoria Plant Wetlands on September 28 and 29, 2023.

Board Action: None.

6.1 – Proposal regarding Conservation and Teacher Professional Development

Meeting Discussion: Mr. Andruss explained on July 5, 2023, staff concluded efforts to revise the preliminary proposal submitted by Professors Teresa LeSage-Clements and Dmitri Sobolev on behalf of UHV for continuing the conservation promotion project complete in previous years. A final proposal was developed that includes cooperation between UHV, VISD, and the District. On July 17, 2023, Mr. John Snyder of Wetland Educator with VISD expressed his support for the proposal.

The revised proposal seeks to extend and expand the cooperative efforts between the UHV, VISD, and the District to promote water conservation through a project to deliver professional development to teachers of middle school science classes and teachers of high school aquatic science and environmental systems classes. This proposal expands the professional development activities by 1) conducting a workshop at the Wetland Education Center located at the INVISTA Victoria Plant

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Wetland in Victoria County and 2) including a presentation by UHV staff on the application of Artificial Intelligence/Machine Learning to water resource management.

If implemented, the qualifying teachers would be recruited from within the boundary of the financially contributing partners to participate in workshops held on two days in the Summer of 2024 at multiple locations within Victoria County (i.e., INVISTA Victoria Plant Wetland, the Clements Ranch, and UHV Campus) designed to 1) increase awareness, knowledge, and technical skills related to the hydrologic cycle, water resources, risks to water resources including over-production and pollution, and 2) expand knowledge and skills that align with the related Texas Essential Knowledge and Skills (TEKS) for the purposes of promoting water conservation. Participating teachers would receive a \$500.00 stipend and continuing education credits for completing the workshops. The project would conclude with the submittal of a summary report of professional development provided during the workshops.

The total cost for the project is projected to at \$17,540. The proposal does not assign a cost to the valuable contributions of time to be made by Teresa LeSage-Clements of UHV, Dmitri Sobolev of UHV, John Snyder of VISD, Tim Andruss of VCGCD, or the administrative staff members of the cooperating entities. Furthermore, the proposal does not assign a cost to the valuable contributions made by the UHV, the City of Victoria, the VISD, the INVISTA Victoria Plant Wetland, or the Clements Ranch for providing access to facilities to be used during the workshops.

If the district(s) agrees to fund the project, management recommends that the districts use a teacher's participation in the UHV PD as a prerequisite to seeking sponsorship from the GCDs for the development and teaching of water conservation curriculum in their classrooms. The development and execution of curriculum, lesson plans, and possibly field trips would be a responsibility of those teachers, if any, sponsored by the GCDs, independent of UHV. Management believes the implementation of district-sponsored curriculum can serve to offset the negative consequences of eliminating the student camp component in the original UHV proposal.

If the project is approved, staff will seek cooperation and approval of cost sharing agreements with Calhoun County GCD, Refugio GCD, and Texana GCD.

Mr. Clements abstained from the deliberation of this matter.

Board Action: No motion was taken.

6.2 – Educational Display at UHV Science Building

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Meeting Discussion: Mr. Andruss explained on July 5, 2023, staff discussed a potential opportunity for the District to sponsor an educational display at the UHV Science Building with Professors Teresa LeSage-Clements and Dmitri Sobolev as another method of promoting groundwater conservation. The discussion focused on past considerations by the District (circa 2014) to potentially fund a groundwater education station at the Children's Discovery Museum in Downtown Victoria. Although the project was never fully designed nor was funding approved for the project, the District was anticipating seeking authorization of up to \$10,000 for the project.

In light of the District's recent focus on promoting water conservation through elementary student field trips and past efforts to promote water conservation through the implementation of projects with UHV geared toward high school teachers and student, the sponsorship of an educational display at the UHV Science Building would expand the scope of the District's conservation efforts.

Mr. Clements abstained from the deliberation of this matter.

Board Action: None.

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 July 13, 2023, to continue their joint planning efforts. The next meeting of GMA 15 is scheduled for October 12, 2023.

Board Action: None.

7.1 – GMA 15 By-Laws, Cost Sharing Agreement, and RFP for Technical Services

Meeting Discussion: Mr. Andruss explained on April 21, 2023, the board agreed to 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,

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and c) negotiating terms of an agreement for consulting services from the preferred respondent(s) identified by the GMA-15 Committee Members.

The representatives of GMA 15 met on July 13, 2023. During the meeting, the representatives considered the By-Laws of the GMA-15 Committee, the Interlocal Agreement for Cost-Sharing, and the draft RFP for Technical Services for GMA 15 related to the 4th Cycle of Joint Planning. The representatives offered no comments or suggested revisions for the RFP.

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 VCGCD, 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 districts 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. Eller 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. Clements seconded the motion. The motion passed unanimously.

8. Consideration of and possible action on matters related to groundwater policy including the Management Plan of the District and the Rules of the District.

8.0 – Report regarding Groundwater Policy

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)

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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)
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.

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, financial reports of the district, bills and invoices of the district, management goals and objectives of the district, administrative policies, staffing,

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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 the next meetings of the Board are scheduled for August 18, 2023, and October 20, 2023, with each meeting to convene at 9:00 AM. Special meetings may be scheduled to address unforeseen issues.

Board Action: None.

9.0.1 – Financial Audit

Meeting Discussion: Mr. Goldman presented his report and findings in his FY2022 Audit.

Board Action: Mr. Clements moved to accept the financial audit for FY2022 as presented. Mr. Eller seconded the motion. The motion passed unanimously.

9.1 – Minutes of Previous Meeting

Meeting Discussion: Mr. Andruss explained the minutes for the meeting held on April 21, 2023, were sent to the board members prior to the meeting.

Board Action: Mr. Clements moved to accept and approve the meeting minutes for April 21, 2023. Mr. Eller seconded the motion. The motion passed unanimously.

9.2 – Financial Reports of the District

Meeting Discussion: Mr. Andruss explained the internal control review and internal financial reports for March 2023, April 2023, and May 2023, have been compiled, reviewed, and forwarded to the directors prior to the meeting.

Board Action: Mr. Clements moved to accept and approve the financial reports for March, April, and May 2023. Mr. Eller 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 19, 2023, there have been 64 accounts payable transactions and 60 accounts receivable transactions recorded.

Board Action: None.

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9.3 – Investments of the District

Meeting Discussion: Mr. Andruss explained the investment reports for December 2022, January and February 2023 have been compiled, reviewed and sent to the board members prior to the meeting.

Board Action: Mr. Clements moved to approve and accept the investment reports for March 2023, April 2023, and May 2023. Mr. Eller 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.

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

1. ACCTP-20230516-03 - \$1,440.00 - Allison, Bass & Magee - Inv# 6923

Mr. Clements 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 18, 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 Calhoun County GCD, Refugio GCD, and the Texana GCD.

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%

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- Legal Contingencies: 25%

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. Clements moved to authorize the general manager to publish the required tax rate notices for the district based on the lesser of the No-New-Revenue Tax Rate calculated by the Tax Assessor - Collector for Tax Year 2023 or the Tax Rate for Tax Year 2022. Mr. Eller seconded the motion. The motion passed unanimously.

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

10.0 – Legal Counsel Report

Meeting Discussion: Mr. Allison provide a verbal report regarding legal matters.

Board Action: None.

11. Adjourn.

11.0 – Adjourn Meeting

Meeting Discussion: None.

Board Action: Mr. Eller moved to adjourn the meeting at 11:17 AM after concluding all business of the District. Mr. Clements seconded the motion. The motion passed unanimously.

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THE ABOVE AND FOREGOING MINUTES WERE READ AND APPROVED ON THIS

THE 20 DAY OF October A.D. 2023.



Director of the Victoria County Groundwater Conservation District

ATTEST:



Director of the Victoria County Groundwater Conservation District