

Calhoun County Groundwater Conservation District Meeting Notice and Agenda

Notice is hereby given in accordance with the Open Meetings Act, Chapter 551, Government Code and Section 36.064 of the Texas Water Code that the Calhoun County Groundwater Conservation District Board of Directors will hold a meeting on July 22, 2024, at 5:30 PM at 131-A N. Virginia St., Port Lavaca, Texas.

AGENDA

1. Call the meeting to order and welcome guests.
2. Receive public comments.
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.
 - a. Enforcement Hearing – Enforcement proceedings, including consideration of remedies provided for under Section 36.102 of the Texas Water Code, related to enforcement case violation ECV-20231103-02 finding Seaport Lakes Water Systems failed to obtain a production permit for a non-exempt-use well as required by RULE 4.1: GENERAL POLICIES RELATED TO PERMITS.
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.
5. Consideration of and possible action on matters related to groundwater monitoring.
6. Consideration of and possible action on matters related to groundwater conservation.
7. Consideration of and possible action on matters related to groundwater resource planning including Groundwater Management Area 15 Joint Planning and regional water planning.
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.
 - a. Presentation and discussion regarding proposed revisions to the Rules of the District related to the well spacing requirements and production limitations, permit amendments and renewals, notice requirements.
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.
10. Consideration of and possible action on matters related to legal counsel report.
11. Adjourn.

The Calhoun County Groundwater Conservation District may close the meeting, if necessary, to conduct private consultation with legal counsel regarding matters protected by the attorney-client privilege pursuant to Section 551.071 of the Government Code or to discuss matters regarding personnel pursuant to Section 551.074 of the Government Code. The Calhoun County Groundwater Conservation District will return to open meeting, if necessary, to take any action deemed necessary based on discussion in closed meeting pursuant to Section 551.102 of the Government Code.

In Accordance with Title III of the Americans with Disabilities Act, we invite all attendees to advise us of any special accommodations due to disability. Please submit your request as far as possible in advance of event you wish to attend.

**Calhoun County Groundwater Conservation District
Board of Directors**

Notice of Public Meeting and Enforcement Hearing

Notice is hereby given in accordance with the Open Meetings Act, Chapter 551, Government Code and Section 36.102 of the Texas Water Code, that the Calhoun County Groundwater Conservation District will hold a public meeting on July 22, 2024, at 5:30 PM at 131-A N. Virginia St., Port Lavaca, Texas.

During the meeting, the Board of Directors is scheduled to conduct an enforcement hearing, consider, and possibly take action regarding the following enforcement matter(s):

Enforcement proceedings, including consideration of remedies provided for under Section 36.102 of the Texas Water Code, related to enforcement case violation ECV-20240429-04 finding Short Pleze, failed to report groundwater production for calendar year 2023 for non-exempt-use well NW-00007 as required by Rule 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPT-USE WELLS.

For more information regarding this matter, contact Tim Andruss, General Manager of the Calhoun County Groundwater Conservation District at 361-482-0357 or at admin@ccgcd.org.

CGCD - Matters For Consideration - 20240722

Item 1.0 - Convene Meeting

Management Discussion:

Staff completed the necessary public notification requirements for the meeting.

See: [Public Notice - 20240722 - Board Meeting](#)

See: [Public Notice - 20240722 - Enforcement Case Hearing - ECV-20240429-04](#)

Management Recommendation:

Call the meeting to order and record the district representatives present at the meeting.

_____ called the meeting to order at _____ with the following representatives being present:

Precinct 1: Mr. Steven Dierschke, Director: _____.

Precinct 2: Mr. Wesley (Clay) Brett, Vice-President: _____.

Precinct 3: Mr. Galen Johnson, Secretary: _____.

Precinct 4: Mr. Michael (Mike) Hahn, Treasurer: _____.

At Large: Mr. Harold (Danny) May, President: _____.

General Manager: Tim Andruss: _____.

General Counsel: Jim Allison: _____.

Item 2.0 - Receive Public Comment

Management Discussion:

None.

Management Recommendation:

Offer to accept public comment from attendees.

Item 3.0 - Report regarding Groundwater Management

Previous Consideration by the Board:

[MFC-20240422-3.0 - Report regarding Groundwater Management.](#)

Management Discussion:

Regarding Well Registration Processing for FY2024.

As of July 20, 2024, staff had received 4 well registration applications (ARWs) since October 1, 2023.

As of July 20, 2024, staff had received 11 Notices of Intent to Drill a Well (NIDWs) since October 1, 2023.

Regarding Production Permit Renewal Processing for FY2024.

As of July 20, 2024, staff had received 1 production permit renewal requests (ARPs) since October 1, 2023. See:

Regarding Permit Processing for FY2024.

As of July 20, 2024, staff had initiated 4 permitting request case (PRCs) since October 1, 2023.

As of July 20, 2024, staff had 13 permitting request cases pending.

As of July 20, 2024, staff had 54 active or approved production permits recorded in the permitting database with a combined amount of authorized groundwater production per year of 8,080.84 acre-feet.

Regarding Groundwater Production Report Processing for CY2023.

As of July 20, 2024, staff had processed 82 groundwater production reports for the preceding calendar year since October 1, 2023.

As of July 20, 2024, staff had recorded groundwater production reports for 81 water wells reporting 9,465.87 acre-feet of groundwater production during CY2023. (TWDB estimated the volume of groundwater produced for rural domestic, livestock, mining, and rig supply exempt uses in Calhoun County in Year 2020 was 206 acre-feet. See: TWDB - Projected Exempt Groundwater Use Estimates.)

Regarding Manage Investigations related to Permitting Violations for FY2024.

As of July 20, 2024, staff had initiated 2 investigations related to groundwater management (i.e., permitting) since October 1, 2023.

As of July 20, 2024, staff had 3 active investigations related to groundwater management (i.e., permitting).

Regarding Manage Enforcement Cases related to Permitting Violations for FY2024.

As of July 20, 2024, the Board had initiated 8 enforcement case violations related to groundwater management (i.e., permitting) since October 1, 2023.

As of April 19, 2024, staff had 2 unresolved enforcement cases related to groundwater management (i.e., permitting).

Management Recommendation:

None.

Item 3.1 - Enforcement Hearing re ECV-20231103-02 - Seaport Lakes Water Systems LLC. - Failure to Obtain a Production Permit

Previous Consideration by the Board:

MFC-20240422-3.2 - Enforcement Hearing re ECV-20231103-02 - Seaport Lakes Water Systems LLC.

Management Discussion:

On April 20, 2024, Mr. Doolin for Seaport Lakes Water Systems submitted a permitting packet that contains his consent to the settlement offer and documents related to registering and permitting the public water system well

owned by the Seaport Lakes Water System.

CCGCD - Seaport Lakes Water System - Permitting Packet- 20240420.pdf

 **Untitled Attachment**

On April 22, 2024 staff of the District processed Permitting Request Case - PRC-20240422-01

See: [PRC-20240422-01 - ANHUPPW-20240422-01 - Seaport Lakes Water Systems - Pending/Uncontested](#)

On July 18, 2024, Mr. Andruss issued production permit SCPPW-20240531-01 to Seaport Lakes Water System for 64.89 acre-feet per year for public water supply uses. See: [Production Permits - SCPPW-20240531-01 - Seaport Lakes Water Systems - Approve/Unexecuted](#).

Management Recommendation:

Move to cancel the enforcement hearing regarding violation ECV-20241103-02 and designate the violation resolved and issue production permit [SCPPW-20240531-01](#).

Item 3.2 - Enforcement Hearing re ECV-20240429-04

Previous Consideration by the Board:

None.

Management Discussion:

On April 22, 2024, the Board passed a motion to:

1. find that the well owner as of December 31, 2023, (Registered Well Owner: Buffalo Creek RV Retreat; CAD Landowner: Short Pleze) violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well NW-00007 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 11.5: Rule Enforcement of the Rules of the District; and
4. offer to settle the violation if (Registered Well Owner: Buffalo Creek RV Retreat; CAD Landowner: Short Pleze) consents to the following conditions:
 - a. acknowledges the violation by June 30, 2024;
 - b. pays a settlement fee of \$20.00 by June 30, 2024; and
 - c. submits a administratively complete groundwater production report for calendar year 2023 by June 30, 2024.

On July 1, 2024, Pleze Short provided the following response to the district regarding the 2nd NOV Letter for violation ECV-20240429-04.

[CCGCD - Adm - AO - Correspondence-Inbound - GCI-20240702.0759 - CCGCD - GPR-CY2023 - 0.10 AF - NW-00007 - Short Pleze](#)

CCGCD - GPR-CY2023 - 0.10 AF - NW-00007 - Short Pleze.pdf

 **Untitled Attachment**

On July 1, 2024, the staff attempted to provide notice of this enforcement hearing and staff's intent to seek authorization to pursue enforcement of the rules by filing a civil suit at the next regularly scheduled meeting of the board of directors by certified mail (CMRRR 7022 1670 0003 4383 2178).

On July 15, 2024, Pleze Short contacted the District to regarding ECV-20240429-04 inquiring as to what was needed to resolve the violation. Staff informed him that the consent to the settlement offer of the District and the \$20.00 settlement fee needs to be submitted to the District.

Management Recommendation:

Move to authorize the general manager to designate violation ECV-20240429-04 resolved upon receipt of the acknowledgment of the violation and settlement fee of \$20.00.

Item 3.3 - Production Permit Renewals for FY2024

Previous Consideration by the Board:

MFC-20230724-3.3 - Production Permit Renewals for FY2023.

Management Discussion:

The table below identifies the production permits identified with the database of the district as expiring before July 2024.

As of July 12, 2024, staff had received administratively complete application seeking the renewal of production permit scheduled to expire in July 2024:

1. ARP-20240522-01 - Roberts Ranch Investments - Administratively Complete

RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS

1. The district shall not renew a permit that has expired before an administratively complete application requesting the renewal of the permit has been submitted to the district.
2. The well owner, authorized agent, or the authorized operator of a permit shall submit an application requesting the renewal of the permit at least ninety days (90 days) prior to the permit expiration date.
3. The general manager may authorize an authorized operator of a permit for which an administratively complete application requesting the renewal of the permit has been submitted to the district to continue authorized activities of the permit under the conditions of the permit, subject to any changes necessary under the rules of the district, or the Management Plan of the district, for the period of time during which the application requesting the renewal of the permit is the subject of a contested case hearing.
4. The district shall, without a hearing, consider an application to renew a permit submitted to the district provided that:
 - a. the application, if required by the district, is submitted in a timely manner and accompanied by any required fees in accordance with rules of the district; and
 - b. the authorized operator is not requesting an amendment to the permit in conjunction with the request to renew the permit.
5. The district shall not renew a permit if the owner of groundwater resources or authorized operator:
 - a. is delinquent in paying a fee required by the district;
 - b. is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the district that has not been settled by agreement with the district or a final adjudication; or
 - c. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a permit, order, or rule of the district.
6. The district shall consider a permit that the district did not renew because the applicant or authorized operator of the is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the

district, which has not been settled by agreement with the district or a final adjudication, to be in effect until the final settlement or adjudication on the matter of the substantive violation.

7. The district shall consider a request to renew a permit, as it existed prior to the initiation of an amendment process, without penalty if the amendment process results in a denial of the amendment unless the applicant or authorized operator of the permit:
 - a. is delinquent in paying a fee required by the district;
 - b. is subject to a pending enforcement action for a substantive violation of a permit, order, or rule of the district that has not been settled by agreement with the district or a final adjudication; or
 - c. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a permit, order, or rule of the district.
8. The well owner, well field owner, or well system owner of a non-exempt-use well, a non-exempt-use well field, or a non-exempt-use well system shall submit to the district an application to amend any registrations or permits within ninety days (90 days) of acquiring the non-exempt-use well, the non-exempt-use well field, or the non-exempt-use well system.
9. The district shall consider the permit associated with an application requesting an amendment to the permit as being in effect as the permit existed before the submittal of the administratively complete application requesting an amendment to the permit until the later of:
 - a. the conclusion of the permit amendment or renewal process, as applicable; or
 - b. final settlement or adjudication on the matter of whether the change to the permit requires a permit amendment.
10. The district may initiate the process for amending a permit in connection with the renewal of a permit.
11. The district shall consider the permit associated with an amendment process initiated by the district as being in effect as the permit existed before the district initiated the amendment process until the conclusion of the permit amendment process.

Summary of Renewal Permits:

Permit	Permit Expiration	Renewal Application Submittal Due Date	Renewal Application
<u>OPW-20200427-09</u>	7/31/2024	4/31/2024	<u>ARP-20240522-01</u>

Management Recommendation:

Move to approve the following production permit renewals and 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: ARP-20240522-01.

Item 4.0 - Report regarding Groundwater Protection

Previous Consideration by the Board:

MFC-20240422-4.0 - Report regarding Groundwater Protection.

Management Discussion:

Regarding Well Inspections for FY2024.

As of July 20, 2024, staff had recorded 8 well inspection forms (WIFs) since October 1, 2023.

Regarding Manage Investigations related to Groundwater Protection for FY2024.

As of July 20, 2024, staff had initiated 0 investigations related to Groundwater Protection since October 1, 2023.

As of July 20, 2024, staff had 0 active investigation related to Groundwater Protection.

Regarding Manage Enforcement Cases related to Groundwater Protection for FY2024.

As of July 20, 2024, the Board had initiated 0 enforcement cases related to Groundwater Protection since October 1, 2023.

As of July 20, 2024, staff had 0 unresolved enforcement case violations related to Groundwater Protection:

Management Recommendation:

None.

Item 5.0 - Report regarding Groundwater Monitoring

Previous Consideration by the Board:

MFC-20240422-5.0 - Report regarding Groundwater Monitoring.

Management Discussion:

Regarding Monitor Drought Conditions for FY2024.

As of July 20, 2024, the U.S. Drought Monitor (<https://www.drought.gov/states/texas/county/calhoun>) indicates that 0% of Calhoun County is drought conditions.

As of July 20, 2024, 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 no portion of Calhoun County is experiencing abnormally dry or drought conditions.

Regarding Synoptic Aquifer Monitoring for FY2024.

As of July 20, 2024, staff had collected 7 water level measurements since October 1, 2023.

Regarding Advanced Water Level Monitoring for FY2024.

On June 6, 2024, staff published real-time aquifer monitoring charts on the website of the district at <https://www.calhouncountygcd.org/real-time-aquifer-monitoring-charts>. The charts display groundwater levels and groundwater conductivity measurements from well NW-00092.

Regarding Baseline Water Quality Aquifer Monitoring for FY2024.

No report.

Regarding Ad-Hoc Baseline Water Quality Sampling for FY2024.

As of July 20, 2024, staff had collected 1 water quality field measurements since October 1, 2023.

As of July 20, 2024, staff had collected 1 water quality samples since October 1, 2023.

As of July 20, 2024, staff had received 1 water quality lab reports since October 1, 2023.

Regarding Annual Water Level Assessment for FY2024.

On July 8, 2024, staff received a proposal from Dr. Young of Intera for a project to update the water level assessment report. See: MFC-20240722-5.1 - Intera Proposal for Update of Water Level Assessment Report.

Regarding Annual Water Quality Assessment for FY2024.

No report.

Regarding Monitoring Network Assessment and Improvement Project for FY2024.

No report.

Management Recommendation:

None.

Item 5.1 - Intera Proposal for Update of Water Level Assessment Report

Previous Consideration by the Board:

MFC-20230724-5.4 - Intera Proposal for Update of Water Level Assessment Report.

Management Discussion:

On July 8, 2024, Dr. Young of Intera submitted a proposal to Victoria County GCD to apply geostatistical techniques to interpret measured 2023 water levels 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 Dr. Young and others in previous years to include measured water levels in 2023.

Intera Proposal to Update Water Levels with 2023 Measurements - 20240708.pdf

 **Untitled Attachment**

The cost for performing the completing the work is \$18,000. The project will be fixed priced. The presentations and the memorandum will be completed in approximately 5 months. Intera will deliver a memorandum and presentations for each participating GCD documenting contours of hydraulic head for CY2023, calculations of water level changes between CY2000 and CY2023, and the geostatistical techniques used to interpret water level measurements.

Management Recommendation:

Move to accept the proposal and authorize Intera to proceed with the work with a cost not to exceed \$18,000.00 contingent upon Victoria County GCD, Refugio GCD, and Texana GCD agreeing to cost-share at \$4,500.00 per district.

Item 6.0 - Report regarding Groundwater Conservation

Previous Consideration by the Board:

MFC-20240422-6.0 - Report regarding Groundwater Conservation.

Management Discussion:

Regarding **Promote Conservation for FY2024.**

No report.

Regarding **Conservation Education and Teacher Professional Development for FY2024.**

The district, in cooperation with the Victoria County GCD, University of Houston-Victoria, Victoria ISD, and INVISTA, conducted teacher professional develop workshops on June 26 and June 27, 2024.

On June 26 and 27, 2024, district staff conducted workshops to provide professional develop regarding water conservation to science teachers of Victoria County. The workshops were attended by 9 teachers from Victoria County and facilitated by Dr. Teresa Le Sage-Clements and Dr. Dmitri Sobolev of UHV, Ms. Denise Andruss and Mr. Snyder (RGCD Director) of VISD, Mr. Willie Immenhauser, Mr. Mike Benavides, Ms. Caitlynn Davenport, and Mr. Andruss of VCGCD.

The teachers participate in activities and exercises related to understanding the hydrologic cycle; the use of physical models to understand watershed and aquifers; site visits and sample collection at the Guadalupe River at Riverside Park, a water well at the Clements Ranch, and the wetlands at the INVISTA Plant in Victoria County; risks to water resource; water resource conservation approaches; and technological and scientific advancements in water conservation.

The participating teachers provided evaluation of the workshops to assist in improving similar projects undertaken in the future.

Based on the feedback received from the participants and facilitators, staff anticipates developing a similar project proposal for consideration by the Board in FY2025.

Management Recommendation:

None.

Item 7.0 - Report regarding Groundwater Resource Planning

Previous Consideration by the Board:

MFC-20240422-7.0 - Report regarding Groundwater Resource Planning.

Management Discussion:

Regarding **Regional Water Planning Participation for FY2024.**

The South Central Texas Regional Water Planning Group (Region L) met on May 2, 2024. During the meeting, the planning group continued its efforts to develop the 2026 regional water plan for the region, considered a proposed amendment to the 2021 SCTRWP regional plan to add GBRA's planned pipeline from Calhoun County to Gonzales County. During the meeting the planning group members elected new officers.

The planning group has created several workgroups to work on certain aspects of the developing plan including a Policy and Legislative Recommendation Workgroup and a Rural Community Outreach Workgroup. Staff of the

district have been participating in those workgroups.

The next meeting of the group is scheduled to meet on August 1, 2024. See: <https://www.regionltexas.org/>.

Regarding GMA 15 Joint Planning for 4th Planning Cycle in FY2024.

The representatives of Groundwater Management Area 15 met on July 11, 2024 in Fayette County. The primary topics of discussed at the meeting were the project scope and cost of the technical work proposed by Intera (the preferred and only respondent to the associated RFP) and groundwater availability modeling. Staff encouraged the representatives to contribute more funding to the GMA 15 Joint Planning Fund to avoid substantial limitation to the scope of the proposed technical work to be preformed by Intera. See: [MFC-20240722-7.1 - GMA 15 Joint Planning.](#)

Management Recommendation:

None.

Item 7.1 - GMA 15 Joint Planning

Previous Consideration by the Board:

[MFC-20230724-7.1 - GMA 15 By-Laws, Cost Sharing Agreement, and RFP for Technical Services.](#)

Management Discussion:

The representatives of Groundwater Management Area 15 are scheduled to meet on July 11, 2024 in Fayette County. The primary topics of discussion anticipated at the meeting are the project scope and cost of the technical work proposed by Intera (the preferred and only respondent to the associated RFP) and groundwater availability modeling. Staff will encourage the representatives to contribute more funding to the GMA 15 Joint Planning Fund to avoid substantial limitation to the scope of the proposed technical work to be preformed by Intera.

Staff resumed efforts to negotiate terms of an agreement with Intera for providing the proposed technical services to the GMA-15 Committee because 1) the majority of the member districts of GMA 15 have adopted the by-laws and cost-sharing agreement, 2) the majority of he member district the GMA-15 Committee have submitted their contributions to the fund for the the technical services for the 4th cycle of joint planning, and 3) the TWDB agreed to allow the use of the "GAM for the central portion of the Gulf Coast Aquifer System" by GMA 15.

As of May 31, 2024, the GMA 15 Joint Planning Fund has a balance of \$70,832.21. The costs for the proposal submitted by Intera for the adoption of the DFC in the 4th Joint Planning Cycle was \$90,000.

The approved cost sharing agreement included the following cost sharing schedule:

Member Districts of GMA 15	Minimum Contribution	Approved GMA 15 Cost Sharing Agreement (as of July 3, 2024)	Contributions Remitted to GMA 15 Administrator (as of July 3, 2024)
Bee GCD	\$3,750.00	Yes	Yes
Calhoun County GCD	\$7,500.00	Yes	Yes
Coastal Bend GCD	\$7,500.00	Yes	Yes

Coastal Plains GCD	\$7,500.00	Yes	Yes
Colorado County GCD	\$7,500.00	Yes	Yes
Corpus Christi ASRCD	\$3,750.00		
Evergreen UWCD	\$3,750.00	Yes	Yes
Fayette County GCD	\$3,750.00	Yes	Yes
Goliad County GCD	\$7,500.00		
Pecan Valley GCD	\$7,500.00	Yes	Yes
Refugio GCD	\$7,500.00	Yes	Yes
Texana GCD	\$7,500.00	Yes	Yes
Victoria County GCD	\$7,500.00	Yes	Yes
Total	\$82,500.00		

Due to the funding gap between GCD contributions and Intera's proposed cost, VCGCD and Intera are examining ways to alter the scope of the project to address the funding short fall. VCGCD has suggested the following revisions for consideration by Intera:

Task/Activity	Deliverables	Cost	Proposed Change	Suggested Cost
Kickoff Meeting	Contract for GAM evaluation	\$1,500.00		\$1,500.00
Evaluate Updated GAM and TWDB Benchmark Run with Current	Presentation of findings	\$7,500.00	Eliminate	\$0.00
Meeting to Establish Final Scope, Schedule, and Budget	Contract for Joint Planning	\$1,500.00		\$1,500.00
Task 1 - Attend quarterly Committee meetings	Written status reports and presentation	\$9,000.00	Reduce to 5 Meetings	\$7,500.00
Task 2 - Model groundwater availability associated with proposed DFCs	Draft and final report	\$18,000.00	Limit to 4 Pumping Simulations	\$15,000.00
Task 3 - Document aquifer uses or conditions	Draft and final report	\$4,000.00	Limit to minor update of 3rd	\$2,000.00

			Joint Planning Cycle Report	
Task 4 - Document water supply needs and water management strategies in SWP	Draft and final report	\$3,500.00		\$3,500.00
Task 5 - Document GMA 15 hydrological conditions	Draft and final report	\$5,000.00	Limit to minor update of 3rd Joint Planning Cycle Report	\$2,500.00
Task 6 - Document environmental impacts	Draft and final report	\$4,000.00		\$4,000.00
Task 7 - Document impacts on subsidence	Draft and final report	\$4,000.00		\$4,000.00
Task 8 - Document socioeconomic impacts	Draft and final report	\$6,000.00		\$6,000.00
Task 9 - Document impacts on private property	Draft and final report	\$2,000.00	Limit to minor update of 3rd Joint Planning Cycle Report	\$1,000.00
Task 10 - Document feasibility of achieving DFCs	Draft and final report	\$3,000.00		\$3,000.00
Task 11 - Document other relevant information	Draft and final report	\$3,000.00	Limit to minor update of 3rd Joint Planning Cycle Report	\$1,500.00
Task 12 - Document public comments	Draft and final report	\$4,000.00		\$4,000.00
Task 13 - Prepare explanatory report	Draft and final report	\$14,000.00		\$14,000.00
Task 14 - Technical support in event of petition	To be determined	\$0		\$0
Total		\$90,000.00		\$71,000.00

Staff recommended to the representatives of the funding districts at the GMA 15 meeting to seek additional funding in the amount of \$2,000 to fully fund the project as initially proposed.

Additional contributions could be available for additional GAM simulations, updates to historic pumping in the CGC-GAM, improvements to the explanatory report, or addendums to the GMA 15 explanatory report.

Management Recommendation:

Move to authorize increased an increased contribution of \$2,000 to the GMA 15 Joint Planning Fund.

Item 8.0 - Report regarding Groundwater Policy

Previous Consideration by the Board:

MFC-20240422-8.0 - Report regarding Groundwater Policy.

Management Discussion:

Regarding Management Plan Revisions for FY2024.

No report.

Regarding Rule Amendments for FY2024.

Staff have developed draft revisions to the rules of the district to address the following aspects of the rules of the district:

1. appropriate requirements and procedures related to amendment requests of waivers associated with production permits,
2. appropriate requirements and procedures related to amendment requests of production permits, and
3. appropriate requirements and procedures regarding renewal and expiration of production permits associated with proposed wells.

See: MFC-20240722-8.1 - Proposed Rule Revisions.

Regarding Legislative Support and Lobbying for FY2024.

No report.

Management Recommendation:

None.

Item 8.1 - Proposed Rule Revisions

Previous Consideration by the Board:

MFC-20240122-8.1 - Hearing regarding Proposed Rules.

Management Discussion:

On April 19, 2024, the Board of Directors was notified of several aspects of the rules of the district that would benefit from revision. Staff developed draft revision to address the concerns with the requirements and procedures related to 1) well spacing requirements, 2) amendment requests of production permits, 3) renewal and expiration of production permits associated with proposed wells, and 4) enforcement notice requirements.

Well Spacing Issue:

Issue Description: applicants could request the renewal of a production permit for non-historic uses (*and possibly applicants for production permits for non-historic uses related to an existing non-grandfathered well*) for which:

1. the boundary of ownership or control of groundwater resources associated with the request is closer than 1 foot per GPM of separation from the nearest point along the boundary of the subject boundary of ownership of land,
2. the request is compliant with the rules of the district, but
3. the request is inconsistent with the long-standing policy of the board requiring 1 foot of separation per 1 GPM of production rate of a well.

The rules of the district only address production rates and spacing limitations, under item 2 of RULE 2.2: WELL SPACING REQUIREMENTS OF WELLS, with the following provision: "A person drilling or having drilled a non-grandfathered well or a replacement well for a non-grandfathered well that is not a deep-saline well shall locate the non-grandfathered well in a position that is offset from the boundary of the subject tracts of contiguous ownership of land by at least one foot (1 foot) of separation per one gallon per minute of production capacity of the non-grandfathered well."

Staff suggests that the Board of VCGCD consider the amendment of the rules of the district to include the following provisions:

- under RULE 2.2: WELL SPACING REQUIREMENTS OF WELLS:
 - A person shall not produce groundwater from a well for non-historic uses, except wells operated solely to produce groundwater under a production permit for deep-saline non-historic use, at a rate exceeding a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well and the nearest point along the boundary of ownership of land containing with the well.
- under RULE 6.1.1: GROUNDWATER PRODUCTION LIMITATIONS OF NON-GRANDFATHERED NON-EXEMPT-USE WELLS:
 - The district shall limit the authorized groundwater production rate of a production permit for non-historic use of a non-exempt-use well, except wells operated solely to produce groundwater under a production permit for deep-saline non-historic use, to a rate not exceeding a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well and the nearest point along the boundary of ownership of land containing the well.
- under RULE 6.1.2: GROUNDWATER PRODUCTION LIMITATIONS OF NON- GRANDFATHERED NON-EXEMPT-USE WELLS FIELDS:
 - The district shall limit the authorized groundwater production rate of a production permit for non-historic use for each well of a non-exempt-use well field, except wells operated solely to produce groundwater under a production permit for deep-saline non-historic use, to a rate not exceeding a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well and the nearest point along the boundary of ownership of land containing the well.
- under RULE 6.1.3: GROUNDWATER PRODUCTION LIMITATIONS OF NON- GRANDFATHERED NON-EXEMPT-USE WELL SYSTEMS:
 - The district shall limit the authorized groundwater production rate of a production permit for non-historic use for each well of a non-exempt-use well system, except wells operated solely to produce groundwater under a production permit for deep-saline non-historic use, to a rate not exceeding a ratio of one gallon per minute per foot (1 GPM / 1 foot) of separation between the well of the well system and the nearest point along the boundary of ownership of land containing the well.

Permit and Waiver Amendment Issue:

Issue Description: The rules of the district lack explicit specification of the policies and procedures of the board regarding amendment requests for permits and waivers that are solely administrative in nature such as changes to

name and address information as compared to amendment requests for permits and waivers that are substantive such as changes to production areas, monitoring and reporting requirements, and production amounts and rates.

Issue Description: The rules of the district fail to address how, if at all, a production permit approved for a proposed well is eligible for renewal potentially creating the unintended consequence of perpetual renewal of speculative production permits.

Staff suggests that the Board of VCGCD consider the amendment of the rules of the district to include the following provisions:

- under RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS:
 - The board of directors shall consider administratively complete applications to amend a permit or waiver requested by the well owner, authorized agent, or the authorized operator of a permit or waiver that involve the substantive provisions of the related permit or waiver such as production rates, production amounts, purposes of use, or conditions of the permit.
 - The general manager may process and issue amendments to permits and waivers associated with administratively complete applications to amend a permit requested by the well owner, authorized agent, or the authorized operator of a permit that are solely administrative in nature that do not involve the substantive provisions of the related permits or waivers such as production rates, production amounts, purposes of use, or conditions of the permit.
- under RULE 4.4: GENERAL PROCEDURES RELATED TO RENEWAL AND AMENDMENT OF PERMITS:
 - The district shall not renew a permit associated with a proposed well.

Enforcement Notice Issue:

Issue Description: in the course of pursuing compliance with the rules of the district through enforcement proceedings, staff have identified a procedural inconsistency related to certain notices provided to violators - the requirement to "include a draft copy of the petition to be filed."

Staff suggests removing item 2 of Rule 11.9 which reads "Any notice of need to file suit sent to the person who is alleged to have violated the rules of the district shall include a draft copy of the petition to be filed."

On July 12, 2024, staff identified another aspect of the rules that may warrant revision. Rule 4.4 states the following:

1. The district shall not renew a permit that has expired before an administratively complete application requesting the renewal of the permit has been submitted to the district.
2. The well owner, authorized agent, or the authorized operator of a permit shall submit an application requesting the renewal of the permit at least ninety days (90 days) prior to the permit expiration date.

Upon reflection on the requirements associated with permit renewals and the past practices, staff proposes a revision to item 2 of Rule 4.4 as follows:

The well owner, authorized agent, or the authorized operator of a permit shall submit an administratively complete application requesting the renewal of the permit ~~at least ninety days (90 days)~~ prior to the permit expiration date.

Management Recommendation:

Move to authorize the General Manger to complete the public notice requirements to hold a rulemaking hearing at the October 2024 meeting of the Board of Directors for the proposed rule revisions.

Item 9.0 - Report regarding Administration and Management

Previous Consideration by the Board:

MFC-20240422-9.0 - Report regarding Administration and Management.

Management Discussion:

Regarding Election Coordination for CY2024.

On June 28, 2024, staff posted the Notice of Candidate Filing Deadline on the website of the district at <https://www.calhouncountygcd.org/election-notices>.

Regarding Financial Audit for FY2023.

See: MFC-20240722-9.6 - Financial Audit for FY2023.

Regarding Investment Management for FY2024.

See: MFC-20240722-9.3 - Investments of the District.

Regarding Financial Record Processing and Reporting for FY2024.

See: MFC-20240722-9.2 - Financial Reports of the District.

See: MFC-20240722-9.2.1 - Financial Transaction Review.

See: MFC-20240722-9.4 - Unpaid Accounts Payable.

Regarding Budget Development for FY2025.

See: MFC-20240722-9.7 - Preliminary Budget Information for FY2025

Regarding Asset Tracking for FY2024.

No report.

Regarding Public Funds Training for FY2024.

No report.

Regarding Website Improvements.

No report.

Regarding Public Notice and Meeting Coordination for FY2024.

The next meetings of the Board are scheduled for **August 26, 2024** (Budget and Tax Rate Matters), and **October 28, 2024**, with each meeting to convene at **5:30 PM**. Regular meetings will be rescheduled as necessary and special meeting may be scheduled to address unforeseen issues.

See: MFC-20240722-9.1 - Minutes of the Previous Meeting.

Regarding Performance Audit for FY2023.

See: MFC-20240722-9.5 - Annual Performance Report of the District.

Regarding Project Management for FY2024.

No report.

Regarding Administrative Policy Review for FY2024.

No report.

Regarding Transparency Reporting for FY2024.

No report.

Regarding Cybersecurity Training for FY2024.

No report.

Regarding Consultant Review for FY2024.

No report.

Regarding Open Government Training for FY2024.

No report.

Regarding District Liability Insurance Review and Renewal.

See: [MFC-20240722-9.8 - Cyber Liability and Data Breach](#).

Regarding Digital Record Archiving for FY2024.

Staff continue to create digital archives for the records of the district.

Regarding Physical Record Archiving for FY2024.

Staff continue to create physical archives for select records of the district.

Management Recommendation:

None.

Item 9.1 - Minutes of the Previous Meeting

Previous Discussion by the Board:

[MFC-20240422-9.1 - Minutes of the Previous Meeting](#)

Management Discussion:

The minutes for April 22, 2024 were sent to the board members prior to the meeting.

See: [Meeting Minutes - 20240422 - Board of Directors](#).

CCGCD - Meeting Minutes - 20240422 - Final.pdf

 [Untitled Attachment](#)

Management Recommendation:

Move to accept and approve the meeting minutes for April 22, 2024, as drafted.

Item 9.2 - Financial Reports of the District

Previous Discussion by the Board:

[MFC-20240422-9.2 - Financial Reports of the District](#)

Management Discussion:

The internal control review reports and internal financial reports for March, April and May 2024 have been compiled, reviewed and sent to the board members prior to the meeting.

[CCGCD - Adm - FM - Internal Control Review Reports - ICRR-20240331-01 - March 2024](#)

CCGCD - Adm - FM - Internal Control Review Reports - ICRR-20240331-01 - March 2024

 [Untitled Attachment](#)

[CCGCD - Adm - FM - Internal Financial Reports - IFR-20240331-01 - FY2024-M06 - March 2024](#)

CCGCD - Internal Financial Report - March 2024

 [Untitled Attachment](#)

[CCGCD - Adm - FM - Internal Control Review Reports - ICRR-20240430-01 - April 2024](#)

CCGCD - Adm - FM - Internal Control Review Reports - ICRR-20240430-01 - April 2024

 [Untitled Attachment](#)

CCGCD - Adm - FM - Internal Financial Reports - IFR-20240430-01 - FY2024-M07 - April 2024

CCGCD - Internal Financial Report - April 2024

 [Untitled Attachment](#)

CCGCD - Adm - FM - Internal Control Review Reports - ICRR-20240531-01 - May 2024

CCGCD - Adm - FM - Internal Control Review Reports - ICRR-20240531-01 - May 2024

 [Untitled Attachment](#)

CCGCD - Adm - FM - Internal Financial Reports - IFR-20240531-01 - FY2024-M08 - May 2024

CCGCD - Internal Financial Report - May 2024

 [Untitled Attachment](#)

Management Recommendation:

Move to accept the internal control review and internal financial reports for March, April and May 2024.

Item 9.2.1 - Financial Transaction Review

Previous Discussion by the Board:

MFC-20240422-9.2.1 - Financial Transaction Review

Management Discussion:

The list below identifies each accounts payable transaction that was recorded since April 19, 2024 as of July 16, 2024:

1. ACCTP-20240422-01 - \$1,200.00 - Prosperity Bank Visa
2. ACCTP-20240422-02 - \$1,520.00 - Allison, Bass & Magee
3. ACCTP-20240422-03 - \$930.00 - Allison, Bass & Magee
4. ACCTP-20240422-04 - \$1,020.00 - Allison, Bass & Magee
5. ACCTP-20240422-05 - \$9,000.00 - 301 South, LLC
6. ACCTP-20240422-06 - \$1,067.70 - VCGCD - Reimbursement
7. ACCTP-20240509-01 - \$46.27 - MVBA
8. ACCTP-20240509-02 - \$7,500.00 - VCGCD - GMA15 Cost Share
9. ACCTP-20240509-03 - \$2,078.49 - CCAD
10. ACCTP-20240509-04 - \$511.31 - Prosperity Bank
11. ACCTP-20240522-01 - \$6,045.00 - WellIntel, Inc

The list below identifies each accounts receivable transaction that was recorded since April 19, 2022 as of July 16, 2024:

1. ACCTR-20240411-01 - \$241.09 - Tax Collections
2. ACCTR-20240430-01 - \$2,998.06 - Interest
3. ACCTR-20240430-02 - \$166.30 - Interest
4. ACCTR-20240523-01 - \$1,501.66 - CCAD - Tax Collections
5. ACCTR-20240523-02 - \$479.51 - CCAD - Tax Collections
6. ACCTR-20240524-01 - \$430.59 - CCAD - Tax Collections
7. ACCTR-20240524-02 - \$365.26 - CCAD - Tax Collections
8. ACCTR-20240531-01 - \$3,105.99 - Interest
9. ACCTR-20240531-02 - \$172.22 - Interest

10. [ACCTR-20240604-01 - \\$20.00 - Rohe Builders - Settlement Fee](#)
11. [ACCTR-20240604-02 - \\$653.82 - CCAD - Tax Collections](#)
12. [ACCTR-20240606-01 - \\$571.08 - CCAD - Tax Collections](#)
13. [ACCTR-20240606-02 - \\$128.67 - CCAD - Tax Collections](#)
14. [ACCTR-20240618-01 - \\$467.14 - CCAD - Tax Collections](#)
15. [ACCTR-20240618-02 - \\$1,028.14 - CCAD - Tax Collections](#)

Management Recommendation:

None.

Item 9.3 - Investments of the District

Previous Discussion by the Board:

[MFC-20240422-9.3 - Investments of the District](#)

Management Discussion:

The investment reports for March, April and May 2024, have been developed, reviewed, and sent to the board members prior to the meeting.

[CCGCD - Adm - FM - Investment Report - IR-20240331-01 - FY2024M06 - March 2024](#)

CCGCD - Investment Report - March 2024

 [Untitled Attachment](#)

[CCGCD - Adm - FM - Investment Report - IR-20240430-01 - FY2024M08 - April 2024](#)

CCGCD - Investment Report - April 2024

 [Untitled Attachment](#)

[CCGCD - Adm - FM - Investment Report - IR-20240531-01 - FY2024M09 - May 2024](#)

CCGCD - Investment Reports - May 2024

 [Untitled Attachment](#)

Management Recommendation:

Move to accept the investment reports for March, April and May 2024.

Item 9.4 - Unpaid Accounts Payable

Previous Discussion by the Board:

[MFC-20240422-9.4 - Unpaid Accounts Payable](#)

Management Discussion:

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.

Management Recommendation:

Move to authorize the general manager to pay the following items:

1. ACCTP-20240722-01 - \$180.00 - ABM
2. ACCTP-20240722-02 - \$216.37 - VCGCD - Reimbursement - February-June 2024

Item 9.5 - Annual Performance Report of the District

Previous Consideration by the Board:

MFC-20230424-11.1 - Annual Performance Report of the District.

Management Discussion:

Staff will develop and present the performance audit for FY2023 to the Board on July 22, 2024.

Management Recommendation:

Move to accept and approve the annual performance report for the fiscal year ending September 30, 2023.

Item 9.6 - Financial Audit for FY2023

Previous Consideration by the Board:

MFC-20231023-9.6 - Financial Audit for the Previous Fiscal Year

Management Discussion:

On October 23, 2023, the Board accepted the offer of Goldman, Hunt and Notz, LLP to perform the financial audit for the fiscal year ending September 30, 2023, and authorize the firm to begin the audit upon development of the internal financial reports for September 30, 2023.

Mr. Cox of Goldman, Hunt and Notz has informed staff that the audit will be presented at the meeting.

Management Recommendation:

Move to accept and approve the financial audit for the fiscal year ending September 30, 2023.

Item 9.7 - Preliminary Budget Information for FY2025

Previous Consideration by the Board:

MFC-20230721-9.5 - FY2024 Budget.

Management Discussion:

Staff will develop and present a budget for the fiscal year ending September 30, 2025, at the meeting scheduled for August 26, 2024, that attempts to fund the operations of the District in a manner that provides 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) the avoidance of a budget deficit in Fiscal Year 2024-2025.

The Board of Directors of the Victoria Groundwater Conservation District considered the operations of the district and their support services provided to other groundwater conservation districts including Calhoun County GCD. Based on this consideration, the VCGCD Board has elected to terminate the existing interlocal agreement with the district (as well as the agreements with RGCD and TGCD) and offer an agreement intended to improve the performance of VCGCD staff in providing services to the boards of the VCGCD and cooperating districts by increasing VCGCD staffing to 7 full-time employees at a consolidated office for at least a 5-year period. This arrangement would result in significant expenses to be incurred related to additional personnel and associated equipment and office expenses that would be offset by increases to the fees paid to the VCGCD by cooperating districts. (The budgetary information was developed on the presumption that each cooperating district would agree to the arrangement proposed by the VCGCD.)

Annual Fee Schedule for Regular and Routine Expenses

FY2025	FY2026	FY2027	FY2028	FY2029
\$157,200	\$119,400	\$125,200	\$131,200	\$137,600

Payment Schedule of fees by Cooperating GCDs to VCGCD (Continual 1-Year Prepay)

- Fiscal Year 2024 Fees:
 - 4th Quarter of the fiscal year
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for next fiscal year: \$114,000
 - Office and Equipment Fees for FY2025 - FY2029: \$43,000
- Fiscal Year 2025 Fees:
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 1st Quarter of the next fiscal year: \$29,850
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 2nd Quarter of the next fiscal year: \$29,850
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 3rd Quarter of the next fiscal year: \$29,850
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 4th Quarter of the next fiscal year: \$29,850
- Fiscal Year 2026 Fees:
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 1st Quarter of the next fiscal year: \$31,300
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 2nd Quarter of the next fiscal year: \$31,300
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 3rd Quarter of the next fiscal year: \$31,300
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 4th Quarter of the next fiscal year: \$31,300
- Fiscal Year 2027 Fees:
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 1st quarter of the next fiscal year: \$32,800
 - Expense Reimbursement for previous quarter: \$_____

- Regular and Routine Fees for the 2nd Quarter of the next fiscal year: \$32,800
- Expense Reimbursement for previous quarter: \$_____
- Regular and Routine Fees for the 3rd Quarter of the next fiscal year: \$32,800
- Expense Reimbursement for previous quarter: \$_____
- Regular and Routine Fees for the 4th Quarter of the next fiscal year: \$32,800
- Fiscal Year 2028 Fees:
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 1st quarter of the next fiscal year: \$34,400
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 2nd Quarter of the next fiscal year: \$34,400
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 3rd Quarter of the next fiscal year: \$34,400
 - Expense Reimbursement for previous quarter: \$_____
 - Regular and Routine Fees for the 4th Quarter of the next fiscal year: \$34,400

The anticipated balance of the Operating Fund at the end of the fiscal year is \$750,902. The anticipated balance of the Reserve Fund at the end of the fiscal year is \$1,700,316.

Staff will develop the proposed budget anticipating the commitment of the monies of the Reserve Fund in Fiscal Year 2024-2025 in accordance with the following schedule:

- Groundwater Conservation: 5%
- Groundwater Management: 25%
- Groundwater Monitoring: 25%
- Groundwater Protection: 10%
- Groundwater Research: 5%
- Groundwater Resource Planning: 5%
- 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 2024.

Item 9.8 - Cyber Liability and Data Breach

Previous Discussion by the Board:

None.

Management Discussion:

TML has created a new cybersecurity insurance fund in response to increased financial exposure from cybercriminal behavior. TML is requiring all entities to deliberately “opt-in” to continue cybersecurity coverage.

CCGCD - TML - Cyber Liability and Data Breach

 Untitled Attachment

Management Recommendation:

Move to accept and opt-in to the Core+ edition of the TML Cyber Liability and Data Breach Response Coverage and authorize the general manager to submit any necessary documentation necessary to obtain the coverage for the District at a cost of \$1,250.00.

Item 10.0 - Legal Counsel Report

Previous Consideration by the Board

MFC-20240422-10.0 - Legal Counsel Report.

Management Discussion:

None.

Management Recommendation:

None.

Item 11.0 - Adjourn Meeting

Management Discussion:

None.

Management Recommendation:

Move to adjourn the meeting after concluding all business of the District.