

**Barton Springs/Edwards Aquifer Conservation District  
Board of Directors Meeting Minutes  
Regular Meeting  
March 24, 2011**

Board members present at commencement: Mary Stone, Gary Franklin, and Craig Smith. Bob Larsen arrived at 6:05 p.m. and Jack Goodman arrived at 6:56 p.m. Staff present: Kirk Holland, John Dupnik, Brian Smith, Dana Wilson, and Tammy Raymond. Bill Dugat of Bickerstaff, Heath also participated. Also present were those on the attached sign-in sheet. These minutes represent a summarized version of the meeting; the complete discussion of the following items is recorded digitally.

**1. Call to Order.**

Ms. Stone called the meeting to order at 6:02 p.m., noting that a quorum of the Board was present.

**2. Citizen Communications (Public Comments).**

There were no public comments of a general nature.

**3. Routine Business.**

- a. **Consent Agenda** Note: These items may be considered and approved as one motion. Directors or citizens may request any consent item be removed from the consent agenda, for consideration and possible approval as an item of Regular Business.

**1. Approval of Financial Reports under the Public Funds Investment Act, Directors' Compensation Claims, and Specified Expenditures greater than \$5,000.**

**2. Approval of minutes from the March 10, 2011, Regular Meeting.**

Mr. Franklin moved approval of items 3.a.1 and 2 of the consent agenda.

Mr. Smith seconded the motion, and it passed unanimously with a vote of 3 to 0.

- b. **General Manager's Report.** Note: Topics discussed in the General Manager's Report are intended for general administrative and operational information-transfer purposes. The Directors will not take any action on them in this meeting, unless the topic is specifically listed elsewhere in this as-posted agenda.

- 1. Personnel matters and utilization;  
2. Upcoming public events of possible interest;**

3. **Aquifer conditions and status of drought indicators.**
4. **Discussion related to current staff work areas and specific activities of staff teams and directors. Note: Individual topics listed below may be discussed by the Board in this meeting, but no action will be taken unless a topic is specifically posted elsewhere in this agenda as an item for possible action. A Director may request an individual topic that is presented only under this agenda item be placed on the posted agenda of some future meeting for Board discussion and possible action.**
  - i. **Review of Status Report Update Report – at Directors’ discretion.**
  - ii. **Update on permitting and other regulatory activities.**
  - iii. **Update on the potential plan by Magellan Midstream Partners to reverse the direction and change the contents of the Longhorn Pipeline.**
  - iv. **Update on discussions with Hays County concerning cooperative services at Dahlstrom Ranch.**
  - v. **Discussion of meetings between the General Manager and individual directors.**

Mr. Holland, Mr. Dugat and staff updated the Board and answered directors’ questions on the teams’ activities concerning the items listed above.

#### **4. Board discussions and Possible Actions.**

##### **4a. Discussion and possible action on the Enforcement Order for Manchaca Optimist Sports Complex.**

Mr. Larry Hufford, Mr. Dale Burnett, and Mr. Lou Falconieri, representing Manchaca Optimist Youth Sports Complex, expressed their concerns about their ability to pay District water use fees with income generated from donations.

Mr. Dupnik explained that after reviewing pumpage reports, staff determined that the permittee had never used the amount of water allocated, and that the amount could be reduced, resulting in lower water use fees. He recommended reducing their pumpage permit from 18 Million Gallons to 3,195,000 gallons, which would lower their fee to \$593 annually.

The three representatives agreed with the change and thanked staff for rendering a solution to their problem.

After discussion, Mr. Smith moved that the Board authorizes the district to enter into the Agreed Order in the matter of enforcement action for Manchaca Optimist Youth Sports Complex dated March 24, 2011 in the folders.

Mr. Franklin seconded the motion and it passed unanimously with a vote of 5 to 0.

##### **4b. Update, discussion and possible action on Managed Available Groundwater estimates for the District by the TWDB and their implications for groundwater management in the District.**

Mr. Holland stated that no new information was available and recommended that the item return to a future agenda.

**4c. Discussion and possible action related to progress with Centex in defining requirements for alternative water supplies and their relation to curtailments of industrial and non-agricultural irrigation permits during an Emergency Response Period.**

Mr. Holland stated that Centex has pointedly rebuffed numerous attempts made by the staff to discuss options and lay out specifications to allow alternative water supplies for the Centex operations. And as the local Centex officials have indicated that this matter is now more in the hands of their legal department in their Dallas headquarters, no further changes to any of the currently proposed rules are warranted at this time. Further discussion of this matter by the Board, either tonight or in the future, should be with the District's general counsel in Executive Session.

After discussion, Ms. Stone returned this item to a future agenda.

**4d. Discussion and possible action related to approval of previously proposed changes to Rules and Bylaws, including: adding, revising, and deleting certain definitions; re-organizing existing language into different subsections; clarifying Board considerations for certain permit applications; reflecting Board authority for achieving the applicable Desired Future Conditions; substitution of the MAG for the EDWL as the regulatory limitation on pumping; re-naming existing drought stages and revising and adding additional drought triggers for the more extreme drought stages and Emergency Response Period; modifying certain provisions applicable to Conditional Production Permits, including drought management requirements; modifying certain provisions applicable to non-public water supply Historical Use Permits during Board-declared Emergency Response Period; clarifying certain terms of a Temporary Transfer Permit; and other general administrative clarifications and corrections.**

Mr. Holland stated that this agenda item has been brought up on several occasions including a Public Hearing and that the Board has postponed approval pending a MAG and discussions with Centex. He stated that staff recommends that the Board adopt the rules as currently proposed and defer any potential changes related to substitution of MAG for EDWL and/or some alternative curtailments on certain historical use permits during ERP to a supplemental rulemaking process later this Spring.

After discussion, Mr. Smith moved approval of adopting the rules and bylaws as summarized in pages 32-35 in the agenda packets and delivered in full at a previous meeting.

Mr. Goodman seconded the motion.

Dr. Larsen expressed concern with taking action on the rules until some discussion with Centex occurs.

Ms. Stone called for a vote. The motion passed with a vote of 4 to 1, with Dr. Larsen voting nay.

**4e. Discussion and possible action related to the ongoing use of an interconnect between Oak Forest WSC's and City of Hays's Elliott Ranch's public water supply systems and the provision of water by Elliott Ranch to Oak Forest, including potential future actions of the District to approve temporary transfers of authorized water withdrawals under these permittees' respective permits.**

Mr. Dupnik explained that Oak Forest is still having problems with their well and that they have requested to remain on an interconnect with the City of Hays's Elliott Ranch's public water supply system. He said that City of Hays would like confirmation from the District that they would not be penalized in case of over pumping during drought.

Mr. Dupnik said that staff recommends taking no action until the Hays City Council has met and determined what its need is, if any, for additional authorized water use, and it makes a request to the GM for emergency approval of additional water for the Oak Forest WSC interconnect.

The Board took no action.

**4f. Update, discussion, and possible action related to developments concerning the District's legislative agenda and other relevant legislative initiatives that potentially affect the District.**

Mr. Holland updated the Board on legislation concerning the District.

**4g. Discussion and possible action relating to City of Kyle vs. Goodman et al. and the Barton Springs Edwards Aquifer Conservation District, Cause No. 10-1267, 22<sup>nd</sup> District Court, Hays County, Texas.**


The Board adjourned into Executive Session under Texas Government Code Section 551.071 (Consultation with Attorney) at 7:45 p.m. Ms. Stone stated that no action would be made while in Executive Session.

The Board reconvened at 8:00 p.m. Ms. Stone stated that no action was taken while in Executive Session.

**6. Adjournment.**

Without objection, Ms. Stone adjourned the meeting at 8:01 p.m.

Approved by the Board:

By:   
Mary Stone, President

Attest:   
Craig Smith, Secretary