

**Barton Springs/Edwards Aquifer Conservation District
Board of Directors Meeting Minutes
Regular Meeting
June 14, 2012**

Board members present at commencement: Mary Stone, Gary Franklin, and Bob Larsen. Jack Goodman arrived at 6:02 p.m. and Craig Smith arrived at 6:04 p.m. Staff present: Kirk Holland, John Dupnik, Brian Smith, Kendall Bell-Enders, Dana Wilson and Shannon DeLong. Bill Dugat of Bickerstaff also participated in the meeting. 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 6:01 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 Board's May 24, 2012, Regular Meeting.
 3. Validation of a time extension approved by the General Manager and granting an additional 60 days for Oak Forest WSC to complete the well rehabilitation work at its Well No. 3, stipulated by the Board on March 23, 2012, to avoid further enforcement.
 4. Approval of postponing the next election of Board Officers from its regular June date, following director elections heretofore held in May, to a new regular December date, following director elections now moved to November; extending the terms of the current Board Officers from June 2012 to December 2012; and authorizing the staff to include such a change to the Bylaws for future Board Officer elections in rulemaking in the interim.

After explanatory comments by Mr. Holland on items 3.a.3 and 4, Dr. Larsen moved approval of consent agenda items 3a. 1 through 4 as presented.

Mr. Franklin seconded the motion and it passed with a vote of 4 to 0. Craig Smith was not present at this time.

4. Regular Business: Board Discussions and Possible Actions.

4.a. Discussion and possible action related to the status of a protest to the Class C Conditional Use permit application by Creekside Villas in Buda, and to setting a date for a contested-case hearing on this application.

Mr. Holland recommended that since the protest from the City of Buda has not been withdrawn, the next required step in our protocol is to set a date to commence the contested-case hearing, for which the Board meeting on July 12 is the latest one available under our rules.

Mr. Brian LaBorde from the City of Buda and Mr. Chuck Rice from Creekside Villas both stated that they were in negotiations with each other but an agreement has not been confirmed at this time.

Comments were also made in opposition to the permit application by concerned citizens, Tommy Poer and Eileen Conley.

After discussion, Mr. Franklin moved to commence the contested-case hearing on the Creekside Villas Conditional Class C irrigation permit application in the Board meeting on July 12, 2012.

Dr. Larsen seconded the motion and it passed with a vote of 5 to 0.

4.c. Discussion and possible action related to the review of the staff's Report of Investigations concerning the alleged unauthorized well installed at the Golf Club at Circle C, now operating as Grey Rock Golf Club and consideration of initiating enforcement action and Notice fo Alleged Violation against the well owner.

Mr. Dupnik provided a summary of the staff's investigation report on an unauthorized well that was drilled in the District's jurisdiction located at the Grey Rock Golf Club.

Mr. Joe Vickers stated that he was present back when the well was drilled and Circle C was under a substantial time constraint to get the wells up and running. He stated that the District was notified and it was the belief from Circle C management that all the wells were located outside of the District's boundaries.

Mr. Dupnik made a staff recommendation that the Board approve the issuance of a Notice of Alleged Violation for the alleged violations, with penalties, the early resolution incentive, and the compliance requirements as documented.

Mr. Brian DeRoeck from the Grey Rock Golf Club apologized for the confusion and said he looks forward to getting this issue resolved.

Mr. David Lein, attorney for Grey Rock Golf Club, stated that they have not seen the agreement yet but look forward to working with the District for resolution.

Dr. Larsen noted that well number 5 uses quite a bit of water for the golf course, especially during the summer months, and he expressed concern about their being required to cease all well operations until all the compliance requirements are met. This specific requirement seemed onerous to him, and he doesn't want to place a great financial burden on Grey Rock; he hopes that perhaps a modification can be made to sustain the greens and fairways.

Representatives from Grey Rock concurred that this would be a burden to cease all use from this well.

Mr. Smith moved to approve the staff recommendations to prepare a Notice of Alleged Violation and a draft Agreed Order.

Mr. Goodman seconded the motion and it passed 4-1 with Dr. Larsen in opposition, primarily to the recommended compliance requirement to cease all pumping from Well No. 5 until a production permit application is made. .

4.d. Discussion and possible action related to considering new information and modifying the draft Agreed Order that the Board previously proposed in the enforcement action against Associated Drilling, Inc., for completing in an unauthorized manner a Non-exempt Domestic Use well for well owners Andy and Linda Hastings at 16006 Oak Arbor Trail, Buda, Texas.

Mr. Dupnik stated that he spoke with the well owners who specified that they would like to keep their well but would like to have a chlorinator installed on it to address any bacteria issues that might be producing some hydrogen sulfide.. He recommended that the previous Board-approved Agreed Order be modified to account for the newly revealed, different completion characteristics of the well, to include installation of a chlorinator, and to also increase the penalties to send a more forceful message since the driller will not have to incur the cost to re-drill the well.

Dr. Larsen moved to approve the staff recommendation as it relates to the driller with Associated Drilling and the well that was drilled for the Hastings.

Mr. Smith seconded the motion and it passed 5 to 0.

4.b. Discussion and possible action related to 1) the review of the conceptual elements for upcoming rulemaking, including those recommended for achieving the Desired Future Condition of the Edwards Aquifer under extreme drought, operational improvements, statutorily mandated changes, and general housekeeping and administrative changes; and 2) the authorization of initiating a rulemaking process that includes some or all of those concepts.

Mr. Holland presented the Board with rulemaking conceptual elements that staff recommended be included and not included in the next round of revisions to the Rules and Bylaws.

There was discussion among the Board and Bill Dugat regarding the need to ensure the actual language changes would not be inconsistent with recent court ruling and statutes.

Mr. Smith moved to authorize initiating rule making according to the proposed elements outlined in the agenda packet pages 13-16.

Mr. Goodman seconded the motion and it was approved 5 to 0.

3. Routine Business

3.c. Directors' Reports. Note: Board Member comments in this part of the agenda cannot address any aspect of an agenda item posted elsewhere on this agenda, and no substantive discussion among the Board Members or action by the Board on these comments will be allowed in this meeting.

Individual Board Members may, on a voluntary basis, make a brief report to the entire Board on their personal involvement in activities and dialogue that are of likely interest to the rest of the Board, in one or more of the following topical areas:

- **Meetings and conferences attended or that will be attended;**
- **Conversations with public officials, permittees, other stakeholders, and private citizens;**
- **Kudos and recognition of people doing good things for groundwater management in the District;**
- **Concerns about specific issues or problems for groundwater management in the District.**

Gary Franklin and Craig Smith gave reports.

3.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. Standing Topics

- i. Personnel matters and utilization;**
- ii. Upcoming public events of possible interest;**
- iii. Aquifer conditions and status of drought indicators.**

Mr. Holland updated the Board on the Standing Topics.

- 2. 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. Update on staff and team activities.
- ii. Update on permitting and other regulatory activities.
- iii. Update on District's in-kind services on City of Kyle Effluent Re-use Feasibility Study grant project.
- iv. Update on the status of the white paper on alternative water supply development.
- v. Update on the status of the public-private partnership with Texas Disposal Systems, Inc. and the funding of the initial saline-zone investigations.

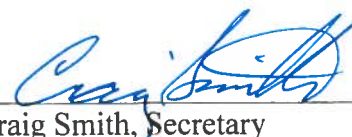
Mr. Holland and staff updated the Board and answered directors' questions on the teams' activities concerning the items listed above.

5. Adjournment.

Without objection, Ms. Stone adjourned the meeting at 7:42 p.m.

Approved by the Board on June 28, 2012:

By: 
Mary Stone, President

Attest: 
Craig Smith, Secretary