

## Lost Pines Groundwater Conservation District

### Board of Directors Agenda Minutes

Wednesday, March 16, 2022

The Board of Directors convened at 7:01 p.m. in a meeting pursuant to public notice having been given, at Giddings Public Library, Giddings, Texas. The following members of the Board were present: President Sheril Smith; Vice-President Kathryn Rogers; Secretary-Treasurer Elvis Hernandez; Directors: Melissa Cole, Herbert Cook, Phil Cook, Larry Schatte, Billy Sherrill and Michael Simmang.

Staff members present: Jim Totten, General Manager, Javier Saenz, Assistant General Manager, Peggy Campion and Dana Goertz.

Consultants present: Christopher Cyrus, Attorney.

1. President Smith called the meeting to order, welcomed the public, and introduced Lee County Judge elect Frank Malinak.
2. *Public Comments.* The Board heard comments from the public.
3. *Review and approval of the minutes of the February 16, 2022 regular Board meeting.* President Smith called for corrections and questions from the Board. There being no corrections and clarifying an agenda item for Vice-President Rogers, Director Cole moved to approve the minutes of the February 16, 2022 regular board meeting. Director H. Cook seconded the motion, which carried unanimously.
4. *Discussion, consideration of and possible action on a District employee manual.* After Board discussion, President Smith recommended not taking action on the item and to table until the April board meeting. Director P. Cook moved to table this agenda item to the April board meeting. Vice-President Rogers seconded the motion, which carried unanimously.
5. *Infrastructure Committee report.* Director P. Cook, chair of the infrastructure committee, reported that the committee had met and discussed the draft report on the office building and site by Negrete Kolar as well as a site for sale in Giddings, TX.
6. *Discussion, consideration of and possible action on draft report Negrete and Kolar Architects regarding architectural and related services in connection with a District office building project ("Office Building Project"), and continuation of the Office Building Project at the proposed site or another site.* After board discussion, President Smith recommended tabling the draft report due to receiving the final report the day of the Board meeting and chose to review final report prior to consideration of any action on this agenda item. Director P. Cook moved to table this agenda item. Director H. Cook seconded the motion, which carried unanimously.

7. *Discussion, consideration of and possible action on a District resolution delegating authority and identifying the process to secure real property located in Bastrop or Lee County, Texas for potential district office and meeting space.* The resolution provided to the Board names the General Manager, Infrastructure Committee Chair, and the Board Secretary-Treasurer as agents designated to act on behalf of the District for the purpose of acquiring real property. There was board discussion and a suggestion to add an expiration date to said resolution. Director P. Cook moved to approve Resolution No. 2022-03-02, a Resolution Establishing Authorizations for District Real Property Acquisition with the addition of an expiration date of March 15, 2023. Director Simmang seconded the motion, which carried unanimously.

8. *Announcing appointments of the Board Directors to District Committees for 2022.* President Smith announced the appointments of the 2022 committees. Governance Committee: President Smith, Vice-President Rogers, Secretary-Treasurer Hernandez and Director H. Cook. Financial Services Committee: Secretary-Treasurer Hernandez, Chair, Directors P. Cook, Sherrill, and Simmang. Infrastructure Committee: Director P. Cook, Chair, Secretary-Treasurer Hernandez, Vice-President Rogers, Directors H. Cook and Sherrill. Education Outreach Committee: Director Arsuffi, Chair, President Smith, Directors Cole, Simmang and Assistant General Manager Saenz. Management Committee: Director Cole, Chair, President Smith, Directors Arsuffi and Schatte.

9. *Discussion, consideration of and possible action on service of process delegation and selection of legal counsel, including appointed Texas Municipal League Intergovernmental Risk Pool counsel, for the complaint filed in GateHouse Water, LLC v. Lost Pines Groundwater Conservation District, et al., Cause No: 1:22-cv-00132, United States District Court of the Western District of Texas.* The Board went into executive session at 7:23 p.m. At the conclusion of the closed meeting, the Board went back into open meeting. After returning to open session at 8:43 p.m., President Smith announced that no votes had been taken. President Smith called for the first of two motions. Vice-President Rogers moved to delegate conditional authority to the General Manager to accept service of process on behalf of board members only if plaintiff allows sixty (60) days to file an answer. Director Cole seconded the motion, which carried unanimously. Director Simmang then moved to accept appointed Texas Municipal League Intergovernmental Risk Pool counsel, for the complaint filed in GateHouse Water, LLC v. Lost Pines Groundwater Conservation District, et al., Cause No: 1:22-cv-00132, United States District Court of the Western District of Texas. Director Schatte seconded the motion, which carried unanimously.

10. *Discussion, consideration of and possible action on reorganizing District meeting notices or agendas provided pursuant to the Texas Open Meetings Act to include a consent agenda, announcements, and non-action items sections.* A sample agenda was provided to the Board to show how the Board agenda could be reorganized to group items together to better streamline the process. After Board discussion, Vice-President Rogers moved to table this agenda item until legal counsel revises and presents a new draft agenda to the Board. Director P. Cook seconded the motion, which carried unanimously.

11. *Discussion, consideration of and possible action on setting a date and the agenda for Board of Director training.* Christopher Cyrus, Attorney said that three topics should be covered at the Board of Director Training. Public Information Act, Attorney-Client Privilege, and Open Meetings Act. President Smith suggested that the training be held prior to the Board meeting on

April 20, 2022, at 5:30 p.m. Director Simmang moved to hold the training at 5:30 p.m., April 20, 2022, at the Elgin Council Chambers, Elgin, Texas. Director H. Cook seconded the motion, which carried unanimously.

12. *Other committee reports.* Director Cole, Chair of the Management Committee reported that the committee had met March 9, 2022, and covered various topics including the GMA 12 DFC process, groundwater management zone, subdivision rules, the audit requirements of the management plan, rules, aquifer storage, injections wells and a monitoring well plan. Secretary-Treasurer Hernandez, chair of the Finance Committee reported that the committee had not met since the February meeting and are awaiting review by legal counsel of an Investment Policy, use of Management Information Policy, an update on interlocal agreement and finance committee charges. The committee is also awaiting a report from auditors on financial statements and the committee is considering revisions to the currently suspended mitigation plan.

13. *Consideration of the financial report for period ending February 28, 2022.* General Manager Totten presented the financial report to the Board. After answering questions from the Board, Director Cole moved to acknowledge acceptance of the financial report for the period ending February 28, 2022. Vice-President Rogers seconded the motion, which carried unanimously.

14. *General Manager's Report.* President Smith next recognized General Manager Totten for presentation of the General Manager's report. Please see Attachment A.

15. *Discussion of Lost Pines Groundwater Conservation District legislation, related legislation and/or activities occurring that affect or pertain to the District and groundwater.* There was no legislative report given.

16. *Consideration of, conferences, meetings and education opportunities Board members desire to attend.* Changing Face of Water conference will be March 30–31, 2022.

17. *Consideration of agenda items, calendar, and events.* There were suggestions made by Board members for items on the April agenda. The April Board meeting will be held April 20, 2022, at the Elgin Council Chambers, Elgin, Texas.

18. *Executive session of the Board pursuant to Texas. Gov't Code section 551.071, or any closed session permitted by law, to consult with its attorneys and seek advice regarding the Complaint filed in GateHouse Water, LLC v Lost Pines Groundwater Conservation District, et al., Cause No: 1-22-cv-00132, United States District Court of the Western District of Texas.*

The Board went into executive session at 7:23 p.m. At the conclusion of the closed meeting, the Board went back into open meeting at 8:43 p.m.

President Smith adjourned the meeting at 9:26 p.m.

Approved:



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Sheril Smith, President



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Elvis Hernandez, Secretary-Treasurer

# Lost Pines Groundwater Conservation District

P. O. BOX 1027  
Smithville, TX 78957

## MEMORANDUM

**DATE:** March 16<sup>th</sup>, 2022  
**TO:** President and Board of Directors  
**FROM:** General Manager & Staff  
**SUBJECT:** March 2022 General Manager's Report

1. Statistics Exempt Wells:  
LPGCD Form 100's Drilling Permits received  
**February 1<sup>st</sup> through February 28<sup>th</sup> 2021 (9)**  
LPGCD Form 300's Certificate of Registrations received  
**February 1<sup>st</sup> through February 28<sup>th</sup> 2021 (0)**

**Wells plugged: 0      Water quality test: 0      Wells gauged: 5**

Drought Conditions: South Eastern Lee and Bastrop Counties are currently experiencing abnormally dry conditions (Drought.gov)

1. The member District of GMA met on February 25<sup>th</sup> at the POSGCD offices in Milano, TX. The main topic of discussions focused on what changes the individual Districts would like to see in the new planning cycle with regard to the process of developing DFCs for individual districts. The schedule for future meetings was also discussed with general agreement to meet bi-monthly during the first year as the questions of process are sorted out.
2. Assistant General Manager Javier Saenz developed an LPGCD newsletter following the template that he presented to the Board during his interview last year. The newsletter was distributed as a test run to government offices and feed stores around the District.
3. The District was contacted by a representative of Austin water regarding the City of Austin's interest in developing an aquifer storage and recovery project in either Travis, Lee or Bastrop County. The District staff has begun reviewing rules in other District governing ASR projects to develop some draft suggested rules for consideration at a later rules hearing. There will be two informational session conducted by the City of Austin via zoom on March 24<sup>th</sup> and 29<sup>th</sup> the links and other information regarding the sessions will be added to the District's website calendar. Planned operational date for the project is 2035.
4. The District management committee met on March 9<sup>th</sup> for an initial planning and development meeting. The District infrastructure committee held an open meeting on the evening of March 9<sup>th</sup> to discuss the draft feasibility study for the planned District offices in Paige, TX and to discuss other potential options for District offices.
5. Pending Permits:
  - i. The City of Bastrop has filled applications for three wells to be located on the XS Ranch property in Bastrop County. They are seeking an additional 4000 af/yr for the three wells and to aggregate the new wells with the existing permitted well already located on the same property.
  - ii. Aqua WSC has filed for a no increase amendment on their existing aggregated S field permits and seeks to add a new well to the existing permits.

