



Certified Mail – Return Receipt Requested

V201-379

May 21, 2024

Yusuf Johnson
Bodhi Partners, LLC
4608 Kitty Ave
Austin, TX 78721

RE: **SECOND NOTICE OF EAA GENERAL MANAGER SETTLEMENT OFFER** – related to exceeding annual authorized groundwater withdrawals in 2023 from your Edwards Aquifer well

Dear Mr. Johnson:

This letter is to notify you that the Edwards Aquifer Authority (EAA) did not receive a response to our letter dated April 30, 2024, that notified you of an EAA General Manager Settlement Offer to resolve a violation of EAA rules related to exceeding annual authorized groundwater withdrawals in 2023 from your Edwards Aquifer well(s). For your convenience, a copy of that letter is enclosed.

As a final effort to reach a settlement with you regarding this violation, the General Manager has allowed me to make this second offer to settle this matter before making a recommendation to the EAA Board of Directors (“Board”) to seek further enforcement through the assessment of an administrative penalty. The EAA Act and EAA rules authorize the Board to assess administrative penalties to facilitate enforcement of the Act, the EAA’s rules, orders of the Board, and the terms and conditions of permits.

To properly respond to this notice, you must contact me by telephone or in writing to express your willingness to settle this matter as per the terms outlined in the enclosed April 30, 2024, letter, or to present a written counter-offer to the proposed settlement. **You must make this commitment before Friday, June 7, 2024;** otherwise, EAA staff will report this violation to the Board’s Permits/Enforcement Committee at their June 25, 2024, meeting with a recommendation to seek further enforcement.

If you have any questions, you can contact me at (210) 477-8525, or toll free at (800) 292-1047. The EAA appreciates your immediate attention in resolving this matter.

Sincerely,

Jorge Paramo
Sr. Regulatory Compliance Coordinator

EP:JP/pm

Enclosures: Notice of EAA General Manager Settlement Offer Letter, April 30, 2024



V201-379

April 30, 2024

Yusuf Johnson
 Bodhi Partners, LLC
 13942 Research Blvd Ste 120 - 411
 Austin, TX 78750

RE: **FINAL NOTICE OF EAA GENERAL MANAGER SETTLEMENT OFFER** – related to making regulated withdrawals without a groundwater withdrawal permit during 2022 and 2023 from your Edwards Aquifer well

Dear Mr. Johnson:

In previous correspondence and communications, Edwards Aquifer Authority (EAA) staff notified you of the requirement to obtain groundwater withdrawal rights to authorize the withdrawals from Edwards Aquifer well W100-481. Our records indicate you made groundwater withdrawals during calendar year 2023 without first obtaining or transferring groundwater withdrawal rights to this well before the January 31, 2024, filing deadline. As per §711.224 of the EAA's rules, a person may not withdraw groundwater from the Aquifer unless authorized by a groundwater withdrawal permit issued by the EAA.

A review of your 2023 Annual Groundwater Use Reporting Form indicates 16.202 acre-feet in metered withdrawals. Since you did not transfer water rights before the filing deadline, EAA staff can offer to settle this potential violation of EAA rules by reconciling your 2023 withdrawals from conserved groundwater withdrawal rights held by the EAA at the fee rate of \$271.62 per acre-foot, as approved by our Board of Directors.

Additionally, our records indicate that 7.938 acre-feet of unauthorized groundwater withdrawals were made from this well in 2022 while also under your ownership. You were also informed that a groundwater withdrawal permit (P104-867; 0.553 acre-feet) from the previous owner (IBG Enterprises LLC) assigned to W100-481 must also be transferred to your ownership. You have failed to properly respond to past communications to correct these additional violations of EAA rules.

Therefore, as part of an overall settlement to resolve all these matters, EAA would require that you complete and file the enclosed *Application to Transfer – Sale* to acquire P104-867 and pay a \$25 application fee and a \$34 permit recording fee to complete the transaction. In order to retroactively apply this permit to your past groundwater withdrawals, you must pay the annual aquifer management fees (AMFs) for the past years at the AMF rate of \$84 per acre-foot (total of \$92.90). As outlined in prior notifications, EAA agrees to resolve unauthorized withdrawals made during 2022 at the AMF rate of \$84 per acre-foot pumped.

With this consideration, your final settlement for unauthorized groundwater withdrawals during 2022 and 2023 are shown on the table below:

Year	Amounts Withdrawn	P104-867 Credit	Amount to be Settled	Settlement Rate	Final Settlement
2023	16.202	0.553	15.649	\$ 271.62	\$ 4,250.58
2022	7.938	0.553	7.385	\$ 84.00	\$ 620.34
				Total :	\$ 4,870.92

Therefore, to accept this offer and to fully settle this matter, you must complete the following requirements by **no later than Friday, May 31, 2024**:

1. File the completed *Application to Transfer – Sale* for Permit P104-867, and include an application/recording fee payment of \$59;
2. Submit a copy of the transfer deed verifying ownership of the property as filed in Bexar County property records;
3. Pay past-due aquifer management fees for Permit P104-867 in the total amount of \$92.90; and
4. Pay 2022 and 2023 unauthorized withdrawal settlement of \$4,870.92;

Required documents and payments made by check or money order should be mailed to the EAA at:

Edwards Aquifer Authority
ATTN: Compliance Program
900 E. Quincy
San Antonio, Texas 78215

You can also make a full payment (\$5,022.82) on-line at the EAA Website (see www.edwardsaquifer.org) and select "Online Payment" at the top of the page; If using the online payment, please indicate V201-379 for the account number.

It is important that you obtain a lease/purchase of additional water rights in sufficient quantities for your annual use moving forward, including this current year. Based on your historical withdrawals, your use will be subject to critical period management (CPM) permit reductions during drought conditions, so it is important to plan accordingly. We will be happy to discuss these details with you.

It is important that you resolve these matters at this stage, as failing to properly respond to this notice may lead to further enforcement efforts.

If you believe our records are in error, please contact me so we can discuss what additional information may be necessary for us to conduct a review of our records. If you have any questions, please contact me at (210) 477-8525, toll free at (800) 292-1047, or by email at jparamo@edwardsaquifer.org.

Thank you for your prompt attention to this matter.

Sincerely,



Jorge Paramo
Sr. Regulatory Compliance Coordinator

EP:JP/pm
Enclosure: Application to Transfer Permit



GENERAL APPLICATION INSTRUCTIONS

900 E. Quincy, San Antonio, Texas 78215
Telephone (210) 222-2204
Fax (210) 222-9869
www.edwardsaquifer.org

TYPES OF APPLICATIONS

Application to Transfer - Sale - to permanently transfer all or part of an Initial Regular Permit (IRP)/Regular Permit (RP) or the place of use

Application to Transfer - Lease - to temporarily transfer all or part of an IRP or RP

Application to Amend - to change a part of an IRP or RP (e.g. add/delete a well as a point of withdrawal)

Application to Consolidate - to consolidate multiple IRPs or RPs into one permit

Application to Convert - to convert base irrigation groundwater to unrestricted irrigation groundwater

APPLICATION REQUIREMENTS

For an application to be processed, the applicant(s) must be in compliance with the Authority's Act and rules, and the application must be complete. An application is considered complete if it contains each of the following items:

- Application fee of \$25.00**
Only personal check, cashier's check or money order made payable to the Edwards Aquifer Authority will be accepted. No cash accepted.
- Permit recording fee of \$34.00 per permit**
This fee does not apply to Applications to Lease. Generally, all other applications require a \$34.00 minimum fee in order to record the resulting permit in county records. Should the fee exceed \$34.00, the applicant will be notified and required to pay the difference.
- Notarized applicant's signature**
All applications must be signed and notarized. If an authorized representative or agent is signing on behalf of the applicant, the authorized representative or agent must provide written evidence of his or her authority to represent the transferee or transferor accordingly.
- Supporting Documents**
Supporting documents may vary accordingly, but at a minimum should contain names of parties involved, amount of groundwater rights involved, classification of groundwater rights, time frame, and signatures of authorized representatives. All deeds submitted as supporting documents should be recorded in county records prior to submission. For Applications to Transfer, a transfer agreement must accompany the application. For a temporary transfer, these agreements may be a lease agreement or memorandum of lease, and for a permanent transfer the agreement may be a bill of sale, water warranty deed or other deed that references the water rights.
- Well Registration**
If a well is not already registered with the Authority, a completed well registration form or well construction application, well meter registration form and \$10 well registration fee must be attached.

OTHER INFORMATION

- Authority staff may request additional information or documents to process an application.
- Incomplete applications will not be processed and will be returned to the applicant.
- A separate form must be completed for each transfer requested.

For assistance, please contact the Groundwater Permits Team at (210) 222-2204 or (800) 292-1047.



APPLICATION TO TRANSFER - SALE

900 E. Quincy, San Antonio, Texas 78215
Telephone (210) 222-2204
Fax (210) 222-9869
www.edwardsaquifer.org

Check #

PART I - TRANSFEROR AND TRANSFEREE INFORMATION

A. Transferor Information:

Name of Permit Holder: E106-020 IBG Enterprises LLC

Mailing Address: 12522 Sandy Dunes San Antonio TX 78253
(Street or PO Box) (City) (State) (Zip)

Physical Address: same
(Street) (City) (State) (Zip)

Telephone: (210) 214-6509 E-mail Address: larryishappy@yahoo.com

Authorized Representative: Larry O'Neill
(Name) (Relationship) (Telephone)

Mailing Address: same
(Street or PO Box) (City) (State) (Zip)

Has any of the above information recently changed? [] Yes [] No

B. Transferee Information:

Name of Transferee: Bodhi Partners LLC

Mailing Address:
(Street or PO Box) (City) (State) (Zip)

Physical Address:
(Street) (City) (State) (Zip)

Telephone: E-mail Address:

Authorized Representative:
(Name) (Relationship) (Telephone)

Mailing Address:
(Street or PO Box) (City) (State) (Zip)

Has any of the above information recently changed? [] Yes [] No

PART II - WATER USE INFORMATION

A. Groundwater Use Information for Transferor (Seller):

Initial Regular Permit (IRP)/ Regular Permit (RP) No: P 104-867 (One permit No. per application)

Current purpose of use: [] Municipal Use [x] Industrial Use [] Irrigation Use

Amount of groundwater used to date: _____ acre-feet

Are these water rights currently leased to another entity? [] Yes [] No

If YES, please provide the name of the Lessee: _____

B. Groundwater Use Information for Transferee (Buyer):

Proposed purpose of use: [x] Municipal Use [] Industrial Use [] Irrigation Use

Do you intend to withdraw this water? [] Yes [] No At what rate? _____ gallons per minute

If YES, please describe what this water will be used for? _____

Would you like to consolidate this transfer into an existing permit? If so, please provide the IRP/RP number: P _____

Meter readings (Note: readings must be taken within one week of submission of application):

[] Not Applicable (no well)

[x] Meter Serial Number: 230149515 W100-481 Reading: 000333 Date: 8/14/2023

Meter Serial Number: _____ Reading: _____ Date: _____

(attach additional sheets if needed)

Part III - Transfer Information

A. Type of Transaction:

- Partial Sale Sale of All Sale of Place of Use

B. Effective Date of Sale: Sept 2021

C. Type of Transfer (check all applicable):

- Ownership Change of Point of Withdrawal Addition of Point of Withdrawal
 Change of Purpose of Use Change of Place of Use Other

D. Total Transfer Amount: 0.553 Acre-Feet /Year
If Irrigation, please specify amount being transferred as follows:
 Acre-Feet/Year of "Base Irrigation Groundwater" withdrawal rights
0.553 Acre-Feet/Year of "Unrestricted Irrigation Groundwater" withdrawal rights

E. Transfer Price: \$ /acre-foot (optional)

F. Notes to staff regarding this transfer: _____

Part IV – Certification

Transferor's Certification:

I hereby certify that the information given herein this application is true and accurate to the best of my knowledge and belief.

Printed Name of Transferor or Agent Signature of Transferor or Agent

STATE OF TEXAS
COUNTY OF _____

Subscribed and sworn before me this _____ day of _____, 20____.

Notary Public's Signature
Date Commission Expires:

Transferee's Certification:

I hereby certify that the information given herein this application is true and accurate to the best of my knowledge and belief.

Printed Name of Transferee or Agent Signature of Transferee or Agent

STATE OF TEXAS
COUNTY OF _____

Subscribed and sworn before me this _____ day of _____, 20____.

Notary Public's Signature
Date Commission Expires: