



Edwards Aquifer Authority

900 E. Quincy
San Antonio, TX 78215
EdwardsAquifer.org

Meeting Minutes - Draft

Board of Directors

Tuesday, May 8, 2018

3:00 PM

EAA Board Room

A. Call to Order – Roll Call – Pledge of Allegiance.

Chairman Buckner called the meeting to order at 3:15 p.m.

Present: 16 - Chairman Luana Buckner, Director Deborah Carington, Treasurer Ron Ellis, Director Rader Gilleland, Director Susan Hughes, Director Kathleen Krueger, Director Don Laffere, Director Gary Middleton, Director Byron Miller, Director Carol Patterson, Director Pat Stroka, Secretary Enrique Valdivia, Director Ron Walton, Director Clark Ward, Director Scott Yanta and Vice Chairman Ben Youngblood

Absent: 1 - Director Amy Akers

B. Public comment.

There were no citizens who requested to address the board at this time.

C. General Manager's announcements and reports.

C.1

- Staffing Items of Interest (anniversaries, new hires)
- Recent Activities/Events (reports on conferences attended, meetings held, etc.)
- Upcoming Activities/Events (conferences, meetings, etc.)
- Operational Announcements (schedule changes, program updates, etc.)
- Recent Activities of the Edwards Aquifer Habitat Conservation Program
- Aquifer Conditions

Mr. Roland Ruiz, General Manager, made the following announcements:

- *Mr. Damon Brian Childs was hired as a Contract Administrator for the Threatened & Endangered Species Department.*
- *Ms. Rachel Mitchell, Administrative Assistant II, completed five years of service with the EAA.*
- *The Annual Board Dinner was scheduled for Thursday, May 17, at the Silo Restaurant.*
- *Directors received an updated copy of the board telephone directory.*
- *Mr. Nathan Pence, Executive Director - HCP, updated the board on refugia operations, and highlighted the Comal Springs Dryopid Beetle.*
- *Mr. Paul Bertetti, Research Manager, briefed the board regarding current aquifer conditions, and provided a summary on recharge data for 2017.*

D. Treasurer's Report

- D.1 Receive report from EAA staff on unaudited financial statements for March 2018.**

Treasurer Ellis presented the unaudited financial statements for March 2018.

E. Board Reports

F. Consent Agenda

- F.1 Approval of previous board meeting minutes
 - Regular Board Meeting - April 10, 2018**

Approval of previous board meeting minutes
 - Regular Board Meeting - April 10, 2018

- F.2 Consider recommendation from the Finance/Administrative Committee to reapprove Article IX of the Bylaws of the Edwards Aquifer Authority pertaining to the EAA Investment Policy and Investment Strategy.**

Adopt Resolution and Order No. 05-18-901 of the Edwards Aquifer Authority Board of Directors reapproving Article IX of the EAA Bylaws pertaining to the EAA Investment Policy and Investment Strategy.

[Attached and made a part of these minutes.]

- F.3 Consider recommendation from the Finance/Administrative Committee to approve payment to Kemp Smith for legal services for March 2018.**

Approve payment to Kemp Smith in the amount of \$88,009.83, for legal services for March 2018.

- F.4 Consider recommendation from the Finance/Administrative Committee to approve payment to Lloyd Gosselink Rochelle & Townsend, P.C., for legal services for March 2018.**

Approve payment to Lloyd Gosselink in the amount of \$6,137.60, for legal services for March 2018.

- F.5 Consider recommendation from the Executive Committee to approve a Memorandum of Agreement with Texas A&M University-San Antonio pertaining to water resources science and technology, education, research, and outreach relating to the Edwards Aquifer system.**

Approve a Memorandum of Agreement with Texas A&M University-San Antonio pertaining to water resources science and technology, education, research, and outreach relating to the Edwards Aquifer system.

A motion was made by Director Laffere, seconded by Secretary Valdivia, to approve the consent agenda. The motion passed viva voce.

G. Individual Consideration

- G.1 Consider recommendation from the Permits/Enforcement Committee to rescind limited production well status for the well owned by Fernando & Jesusa Castillo, based on the owner's inability to meet annual groundwater withdrawal limits.**

Mr. Marc Friberg, Executive Director - External & Regulatory Affairs, provided background information regarding the category of exempt well called the limited production well (LPW). He noted that a well owner must have an Edwards Aquifer well that was drilled prior to June 1, 2013; amend his or her well registration; have a registered meter on the well; submit annual use reports at the end of each calendar year documenting that no more than 1.4 acre-feet of groundwater were used; and pay a yearly administration fee. Well owners who qualify under an LPW may make withdrawals of up to 1.4 acre-feet of groundwater per year without the need for an EAA groundwater withdrawal permit.

Ms. Stephnie Martin, Compliance Supervisor, briefed the board on the specifics of the LPW status for the well owned by Fernando & Jesusa Castillo, based on the owner's inability to meet annual groundwater withdrawal limits.

Ms. Jesusa Castillo and Mr. Fernando Castillo addressed the board regarding their LPW status and their water well usage, and answered questions from the board.

Mr. Enrique Aguayo, representing the Aguayo and Marquez families, addressed the board regarding usage of the well owned by Jesusa & Fernando Castillo, and answered questions from the board.

A motion was made by Secretary Valdivia, seconded by Director Laffere, the board rescind limited production well status for the well owned by Fernando & Jesusa Castillo; however, if the users of the well submit a conservation plan to the EAA and use 1.4 acre-feet or less of groundwater in 2018, limited production well status will be reinstated for 2019. If such use cannot be achieved, the well owner shall obtain a permit for 2019 use by June 1, 2019, or come into compliance with EAA rules by other means. The motion passed viva voce. Director Krueger voted in opposition to the motion.

- G.2 Consider recommendation from the Permits/Enforcement Committee to approve a conversion of base irrigation groundwater owned by Frank and Emma Persyn Family Limited Partnership, based on a change in land use.**

Mr. Omar Garcia, Permits Supervisor, briefed the board regarding a conversion of base irrigation groundwater owned by Frank and Emma Persyn Family Limited Partnership, based on a change in land use.

A motion was made by Secretary Valdivia, seconded by Treasurer Ellis, the board adopt a Final Order Granting Application to Convert Base Irrigation Groundwater for Initial Regular Permit No. P100-397 (BE00158) based on a change in land use submitted by Frank and Emma Persyn Family Limited Partnership. The motion passed viva voce. Director Laffere voted in opposition to the motion.

- G.3 Consider recommendation from the Aquifer Management Planning Committee to approve the SAWS ASR Forbearance Contract Price Point.**

A motion was made by Director Stroka, seconded by Secretary Valdivia, the board approve a \$100 per acre-foot price point for the SAWS ASR Springflow Protection Program Forbearance Agreements in support of the Edwards Aquifer Habitat Conservation Plan. The motion passed viva voce.

- G.4 Consider recommendation from the Aquifer Management Planning Committee to approve a Memorandum of Understanding Between the EAA and Heritage Commodity, LLC, for the Development of Methodologies to Address Uncertainties Associated with the Potential Development of an Aquifer Storage and Recovery Project originating in Val Verde County, Texas.**

Mr. Friberg briefed the board regarding a Memorandum of Understanding (MOU) Between the EAA and Heritage Commodity, LLC (Heritage), for the Development of Methodologies to Address Uncertainties Associated with the Potential Development of an Aquifer Storage and Recovery Project. Heritage was exploring an option of transporting groundwater from the Edwards-Trinity Aquifer in Val Verde County, west of the Knippa Gap, and artificially recharging that water into the Edwards Aquifer east of the Knippa Gap in Medina County. The ultimate goal associated with the potential project would be to obtain authorization from the EAA to artificially recharge the transported groundwater, store the groundwater in the Aquifer, and subsequently retrieve and place a portion of the groundwater to a beneficial use within the EAA's jurisdictional boundaries. Mr. Friberg noted that Mr. Brady Kimble and Mr. Hunter Johnson, Heritage Commodity, were in attendance at this meeting.

A motion was made by Director Stroka, seconded by Director Patterson, the board approve a Memorandum of Understanding Between the EAA and Heritage Commodity, LLC, for the Development of Methodologies to Address Uncertainties Associated with the Potential Development of an Aquifer Storage and Recovery Project originating in Val Verde County, Texas. The motion passed viva voce. Director Laffere voted in opposition to the motion.

H. Staff Reports**I. Closed Session.**

The Board of Directors of the Edwards Aquifer Authority may go into a closed session under the authority of the Government Code, Chapter 551, Texas Open Meetings Act, to discuss:

Chairman Buckner closed the meeting to the public at 4:16 p.m.

I.1**Closed Session.****1. Consultation with Attorney - Pending Litigation (§ 551.071)****Active Litigation:**

League of United Latin Am. Citizens v. Edwards Aquifer Auth. (W.D. Tex. filed June 21, 2012)

Uvalde Cty. UWCD. v. Edwards Aquifer Auth. (38th Uvalde Cty. filed Jan. 16, 2018)

Active Litigation - Enforcement:**2. Consultation with Attorney - Attorney/Client Privileged Consultations (§ 551.071)****3. Consultation with Attorney - Settlement Offers (§ 551.071)****4. Consultation with Attorney (§ 551.071)****5. Deliberations Regarding Real Property (§ 551.072)****6. Deliberations Regarding Personnel Matters (§ 551.074)**

Chairman Buckner reopened the meeting to the public at 5:27 p.m.

J. Consider recommendation(s) regarding matters discussed in closed session.

A motion was made by Director Stroka, seconded by Secretary Valdivia, the board move to end authorization for the EAA to make payment of attorney's fees and costs for the representation of Director Don Laffere by Lloyd Gosselink in the Uvalde Cty. Underground Water Conservation Dist. v. EAA lawsuit, No. 2018-01-31972-CV, effective May 8, 2018 now that the directors have been dismissed from that lawsuit. The motion passed viva voce.

K. Discuss items for future board meeting agendas.

The board did not discuss items for future board meeting agendas.

L. Adjournment.

There being no further business to discuss, the meeting adjourned at 5:30 p.m.

*Enrique P. Valdivia
Secretary, Board of Directors*

*Jennifer Wong-Esparza
Assistant to Board Secretary*