

**MEETING OF THE BOARD OF DIRECTORS
PLUM CREEK CONSERVATION DISTRICT
LOCKHART, TEXAS 78644
September 20th, 2022**

Notices of this regular meeting were posted in the Caldwell and Hays County Courthouses at least 72 hours prior to the meeting. Receipts of the notices are on file in the office of Plum Creek Conservation District.

Checks were reviewed and signed just prior to the call to order by Treasurer/Secretary, Lucy Knight.

- 1:00 PM The meeting/hearing was called to order by President of the Board, James Holt, with the following Board members present: Peter Reinecke (Vice President), Lucy Knight (Secretary/Treasurer), Fred Rothert (Director) and Tom Owen (Director). Also present were PCCD Attorney Bob Wilson, PCCD Geologist Feathergail Wilson, and PCCD staff members Daniel Meyer, Nora Lopez-Castillo, and Alan Burklund. Nora Lopez-Castillo transcribed the minutes.
- 1:00 PM President Holt requested public comments. There were no public comments.
- 1:01 PM President Holt requested motions or comments regarding the minutes of the regularly scheduled meeting held on August 16th, 2022. Mrs. Lucy Knight made a motion that the minutes of the regularly scheduled meeting held on August 16th, 2022, be accepted as mailed out. Mr. Tom Owen provided the second and the motion was approved unanimously.
- 1:01 PM President Holt asked if there was any unfinished business that required the Board of Directors' attention. Mr. Meyer stated that there was no unfinished business.
- 1:02 PM President Holt requested discussion of agenda item V regarding discussion and possible approval of the Groundwater Management Area (GMA)-13 Interlocal Agreement. Mr. Daniel Meyer explained to the Board that the primary purpose of the Interlocal Agreement was to provide guidelines for the GMA members regarding the Desired Future Conditions (DFC) process that occurs every 5 years. Mr. Meyer stated that the provisions of the agreement included selecting a technical consultant for modeling and preparing the Explanatory Report, delegating a fund manager and administrative position, and setting the percentage that each individual GMA member would contribute to cover the costs for the services provided by the technical consultant. Mr. Meyer stated that Plum Creek Conservation's (PCCD) percentage would be 7.69%. Mr. Meyer informed the Board that he sent a copy of the agreement to PCCD's attorney, Bob Wilson, for his review. Mr. Bob Wilson had questions regarding how PCCD would allocate costs in their budget given that there are no set limits or advance information about what the costs will be. Mr. Bob Wilson had concerns about potential for conflicts and the agreement delegating certain PCCD Board responsibilities to a third party such as hiring attorneys, hiring consultants without knowing the cost or scope of work and whether it would be adequately budgeted. The Board asked that Mr. Bob Wilson obtain answers to these questions and present these answers to the Board. The Board would then discuss and possibly act on the interlocal agreement
- 1:20 PM President Holt requested discussion of agenda item VI regarding appointing Alan Burklund as Alternate Contracting Officer for Site 12 Rehabilitation and Site 2 Upgrade projects, replacing Matthew Shaw who is no longer with PCCD. Mrs. Knight made a motion that Alan Burklund be appointed as the Alternate Contracting Officer for both Site 12 and Site 2. Mr. Tom Owen provided the second and the motion was approved unanimously.

1:22 PM President Holt requested discussion of agenda item VII regarding appointing Alan Burklund as Alternate for GMA-10, GMA-13, and Region L. Mr. Meyer stated that due to the conflicting meeting schedules it would be beneficial to have an alternate to ensure PCCD was present at these meetings. Mrs. Knight made a motion that Alan Burklund be appointed as Alternate for PCCD GMA-10, GMA-13, and Region L. Mr. Owen provided the second and the motion was approved unanimously.

1:24 PM President Holt requested discussion of agenda item VIII regarding proposed tax rate for Flood Control for 2022-2023. Mr. Meyer explained that the Board had proposed the tax rate and held the required hearing in August of 2022. Mr. Owen made a motion to approve the resolution setting that the PCCD's Flood Control & Maintenance tax rate be increased by the adoption of a tax rate of 0.0162 per \$100.00 valuation for fiscal year 2022-2023 which is effectively a 2.532% increase in the tax rate. Mrs. Knight provided the second and the motion passed with five (5) assenting votes: Mr. Holt, Mr. Reinecke, Mrs. Knight, Mr. Rothert, and Mr. Owen.

1:26 PM President Holt requested discussion of agenda item IX regarding proposed tax rate for Groundwater for 2022-2023. Mr. Meyer explained that the Board had proposed the tax rate and held the required hearing in August of 2022. Mr. Owen made a motion to approve the resolution setting the PCCD's Groundwater tax rate at 0.0159 per \$100.00 valuation for fiscal year 2022-2023. Mrs. Knight provided the second and the motion passed with five (5) assenting votes: Mr. Holt, Mr. Reinecke, Mrs. Knight, Mr. Rothert, and Mr. Owen.

1:28 PM President Holt requested discussion of agenda item X regarding amending the 2021-2022 PCCD budget. Daniel Meyer explained to the Board that Jansen & Gregorczyk recommended amendments be made to the following 3 budget items: Office Secretary Salary and Wages; Operations and Maintenance; and Appraisal District Collection Fees, as the expenses for these items exceeded what was originally budgeted. The funds could be transferred from two other budget items to reflect these changes. Mrs. Knight made a motion to approve the 3 changes to amend the 2021-2022 budget. Mr. Rothert provided the second and the motion was approved unanimously.

1:32 PM President Holt requested discussion of agenda item XI regarding monitoring well requirements for Alliance Regional Water Authority (ARWA). Mr. Meyer informed the Board that he had asked Mr. Bob Wilson to review the well permit requirements. Mr. Bob Wilson stated that PCCD and ARWA would need a mutual agreement on how to drill this well. Mr. Meyer informed the Board that he had been having ongoing discussions with ARWA. Mr. Meyer had asked Mr. Feathergail Wilson to draft specification requirements for drilling the well, which were then submitted to ARWA. Mr. Meyer and Mr. Feathergail Wilson had had a meeting with ARWA. ARWA did not agree with the casing size, the screening of the entire length of the Carrizo, and the ENO transducer type. Mr. Meyer then turned over this agenda item to Mr. Feathergail Wilson. Mr. Feathergail Wilson then presented a slide presentation that outlined the justifications for his well specification requirements. Mr. Feathergail Wilson also discussed these justifications with ARWA. PCCD is awaiting ARWA's proposal regarding the specification requirements.

2:00 PM President Holt requested a report on agenda item XII regarding the annual review of PCCD's Groundwater Management Plan. Mr. Meyer presented the Board a handout that contained a list of the plan's objectives, percent of completion, the estimated time spent working on each objective, and the amount of money spent completing each objective. Mr. Meyer stated that PCCD may be due for an audit and these objectives will be reviewed during such an audit. Mr. Meyer indicated that the Mitigation Plan Review was partially completed

and PCCD planned to schedule the Mitigation Plan Hearing in late October or early November. Mr. Meyer informed the Board that PCCD staff has been working on the Alternative Supply objective listed in the plan. Alan Burklund will be gathering water samples from oil operators and sending the samples to test lithium.

2:07 PM

President Holt requested a report on agenda item XIII regarding amending PCCD's Deposit and Fee Schedule. Mr. Meyer stated that this review was an annual requirement. Alan Burklund had researched the State's website to confirm that PCCD's fees were compliant with the rules set by the Attorney General's office. Mr. Burklund also reviewed the fees of neighboring districts for comparison, which were similar. Mr. Meyer stated the Board could change the fee schedule if they wished. The Board stated they did not wish to change the current Deposit and Fee Schedule.

2:09 PM

President Holt requested a report on agenda item XIV regarding the Operations and Maintenance (O&M) Agreement and Land Rights Requirement for the rehabilitation of Floodwater Retarding Structure Site 28. Mr. Meyer explained that the O&M agreement lists the responsibilities for National Resources Conservation Service (NRCS) and PCCD. Mr. Meyer pointed out that Hays County Soil and Water Conservation District and Caldwell-Travis Soil and Water Conservation District are also parties to this O&M Agreement. NRCS will require PCCD to submit a form stating that PCCD has the land rights, permits, and licenses to proceed. The completed form must be submitted with an opinion letter from Mr. Bob Wilson stating that PCCD has the land rights. In addition to these 2 items, NRCS requires a metes and bounds description/survey of the easement. NRCS informed Mr. Meyer that the projected start date is October 2022. Mr. Meyer turned the discussion over to Mr. Bob Wilson. Mr. Wilson explained that if the O&M agreement is signed by all 3 districts, PCCD and the other 2 districts need to maintain a fiscal plan to ensure NRCS that each district has the funds to perform what is required to operate and maintain the dam for its 100-year lifetime once it has been rehabilitated. Mr. Wilson had concerns regarding what area would need to be surveyed and how this relates to PCCD'S existing general easement. Mr. Wilson inquired of the Board whether a letter to NRCS outlining these concerns as well as the legal implications to PCCD be drafted. The Board instructed Mr. Wilson to write the letter to NRCS. Mr. Meyer informed the Board that the Cooperative Agreements for federal and state funding between NRCS and PCCD for Site 28 were set to expire on September 30th, 2022. Mr. Meyer spoke with Texas State Soil & Water Conservation Board (TSSWCB) about an extension. TSSWCB stated that both Agreements could be extended and provided Mr. Meyer with 2 agreements for signature. Mr. Holt signed the 2 amendments that would extend the terms to September 30th, 2023. The 2 agreements will be sent to Texas State Soil & Water Conservation Board for final execution.

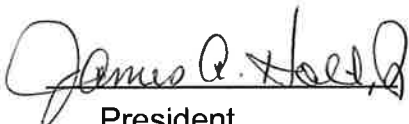
2:34 PM

President Holt requested a report from the PCCD Geologist, Mr. Feathergail Wilson, who stated his report was included in his earlier presentation regarding ARWA and the monitoring well.

2:39 PM

President Holt requested a report from the NRCS' District Conservationist, Mr. Jeremy Hasty. Mr. Hasty was not in attendance.

- President Holt requested a report from the PCCD Executive Manager, Mr. Daniel Meyer. Mr. Meyer reminded the Board about the scheduled interview times that they would be performing on September 23, 2022. Mr. Meyer presented a brief update on the 3 current rehabilitation projects including total contract amounts, payments made, and anticipated completion dates. Mr. Meyer presented progress photos for Sites 2, 10, and 21. Mr. Meyer informed the Board that the City of Kyle agreed to cover the expenses to lower the reclaimed water line at Site 2. Mr. Meyer discussed Site 14 regarding the engineer's concern about the wetlands and stated that drilling is currently being performed to discover where the water is coming from. Mr. Meyer gave an update regarding Site 12. Mr. Meyer reminded the Board that at the June 2022 Board Meeting, D.R. Horton presented their designs for approval. The Board made a motion at that meeting to approve the design request with the stipulation that the force main that was part of their design would be done in compliance with all applicable regulations. After this meeting, Guadalupe-Blanco River Authority (GBRA) called Mr. Meyer and wanted to confirm that the force main line design had been approved since the force main would be GBRA's line and they would have the easement. Mr. Meyer informed GBRA that D.R. Horton still needed to submit the design to the Texas Commission on Environmental Quality (TCEQ) for review. Mr. Meyer stated that once PCCD received TCEQ's report, he would present it to the Board. Mr. Meyer informed the Board that federal fund project reimbursement has been delayed recently. Mr. Meyer's concern was that if this trend continues, PCCD will have to cover the federal funds portion to pay the contractor within the required 45-day timeframe.
- 2:40 PM
- 2:53 PM President Holt requested a report from PCCD's Attorney, Bob Wilson. Mr. Wilson briefly reiterated his concerns and questions about the NRCS O&M Agreements.
- 2:54 PM No Executive Session held.
- 2:54 PM President Holt requested public comments. There were no public comments.
- 2:54 PM Mr. Rothert made a motion to adjourn. Mrs. Knight provided the second and the motion to adjourn passed unanimously.


 President


 Vice-President