

Calhoun County Groundwater Conservation District

131-A N. Virginia St., Port Lavaca, Texas 77979

P.O. Box 1395, Port Lavaca, Texas 77979

Phone (361) 482-0357 | Fax (361) 482-0303 | www.calhouncountygcd.org

THE STATE OF TEXAS

CALHOUN COUNTY

The Board of Directors of the Calhoun County Groundwater Conservation District convened a meeting at the Coastal Center, 131-A N. Virginia St, Port Lavaca TX 77979, Calhoun County, on July 22, 2024, at 5:30 PM.

Meeting Attendance:

Precinct 1:	Mr. Steven Dierschke, Director	Present
Precinct 2:	Mr. Wesley Brett, Vice-President	Absent
Precinct 3:	Mr. Galen Johnson, Secretary	Present
Precinct 4:	Mr. Michael Hahn, Treasurer	Present
At Large:	Mr. Harold May, President	Present
General Manager:	Mr. Timothy Andruss	Present
Legal Counsel:	Mr. James Allison	Present

Agenda Items -

Agenda Item 1: Call the meeting to order and welcome guests.

Meeting Discussion: Mr. Johnson called the meeting to order at 5:30 PM.

Board Action: None.

Agenda Item 2: Receive public comments.

Meeting Discussion: None.

Board Action: None.

Agenda Item 3: Consideration of and possible action on matters related to groundwater management including the efforts and activities of the District regarding permitting, complaints, investigations, violations, and enforcement cases associated with permitting.

3.0 – Report regarding Groundwater Management

Meeting Discussion: Mr. Andruss provided the following report:

Regarding Well Registration Processing for FY2024.

As of July 20, 2024, staff had received 4 well registration applications (ARWs) since October 1, 2023.

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As of July 20, 2024, staff had received 11 Notices of Intent to Drill a Well (NIDWs) since October 1, 2023.

Regarding Production Permit Renewal Processing for FY2024.

As of July 20, 2024, staff had received 1 production permit renewal requests (ARPs) since October 1, 2023.

Regarding Permit Processing for FY2024.

As of July 20, 2024, staff had initiated 4 permitting request case (PRCs) since October 1, 2023.

As of July 20, 2024, staff had 13 permitting request cases pending.

As of July 20, 2024, staff had 54 active or approved production permits recorded in the permitting database with a combined amount of authorized groundwater production per year of 8,080.84 acre-feet.

Regarding Groundwater Production Report Processing for CY2023.

As of July 20, 2024, staff had processed 82 groundwater production reports for the preceding calendar year since October 1, 2023.

As of July 20, 2024, staff has recorded groundwater production reports for 81 water wells reporting 9,465.87 acre-feet of groundwater production during CY2023. (TWDB estimated the volume of groundwater produced for rural domestic, livestock, mining, and rig supply exempt uses in Calhoun County in Year 2020 was 206 acre-feet.

Regarding Manage Investigations related to Permitting Violations for FY2024.

As of July 20, 2024, staff had initiated 2 investigations related to groundwater management (i.e., permitting) since October 1, 2023.

As of July 20, 2024, staff had 3 active investigations related to groundwater management (i.e., permitting).

Regarding Manage Enforcement Cases related to Permitting Violations for FY2024.

As of July 20, 2024, the Board had initiated 8 enforcement case violations related to groundwater management (i.e., permitting) since October 1, 2023.

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As of April 19, 2024, staff had 2 unresolved enforcement cases related to groundwater management (i.e., permitting).

Board Action: None.

3.1 – Enforcement Hearing re ECV-20231103-02 – Seaport Lakes Water Systems LLC. – Failure to Obtain a Production Permit

Meeting Discussion: Mr. Andruss explained On April 20, 2024, Mr. Doolin for Seaport Lakes Water Systems submitted a permitting packet that contains his consent to the settlement offer and documents related to registering and permitting the public water system well owned by the Seaport Lakes Water System.

On April 22, 2024, staff of the District processed Permitting Request Case - PRC-20240422-01.

On July 18, 2024, Mr. Andruss issued production permit SCPPW-20240531-01 to Seaport Lakes Water System for 64.89 acre-feet per year for public water supply uses.

Board Action: Mr. Dierschke moved to cancel the enforcement hearing regarding violation ECV-20241103-02 and designate the violation resolved and issue production permit SCPPW-20240531-01. Mr. Hahn seconded the motion. The motion passed unanimously.

3.2 – Enforcement Hearing re ECV-20240429-04

Meeting Discussion: Mr. Andruss explained on April 22, 2024, the Board passed a motion to:

1. find that the well owner as of December 31, 2023, (Registered Well Owner: Buffalo Creek RV Retreat; CAD Landowner: Short Pleze) violated RULE 4.2: REPORTING REQUIREMENT RELATED TO NON-EXEMPTUSE WELLS of the Rules of the District related to well NW-00007 unless evidence to the contrary or evidence of relevant extenuating circumstances is submitted to the District;
2. authorize the General Manager to initiate an enforcement case regarding the violation;
3. set a \$250.00 penalty for the violation per RULE 11.5: Rule Enforcement of the Rules of the District; and
4. offer to settle the violation if (Registered Well Owner: Buffalo Creek RV Retreat; CAD Landowner: Short Pleze) consents to the following conditions:

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1. acknowledges the violation by June 30, 2024;
2. pays a settlement fee of \$20.00 by June 30, 2024; and
3. submits an administratively complete groundwater production report for calendar year 2023 by June 30, 2024.

On July 1, 2024, Pleze Short provided the following response to the district regarding the 2nd NOV Letter for violation ECV-20240429-04.

On July 1, 2024, the staff attempted to provide notice of this enforcement hearing and staff's intent to seek authorization to pursue enforcement of the rules by filing a civil suit at the next regularly scheduled meeting of the board of directors by certified mail (CMRRR 7022 1670 0003 4383 2178).

On July 15, 2024, Pleze Short contacted the District to regarding ECV-20240429-04 inquiring as to what was needed to resolve the violation. Staff informed him that the consent to the settlement offer of the District and the \$20.00 settlement fee needs to be submitted to the District.

Board Action: Mr. Hahn moved to authorize the general manager to designate violation ECV-20240429-04 resolved upon receipt of the acknowledgment of the violation and settlement fee of \$20.00. Mr. Dierschke seconded the motion. The motion passed unanimously.

3.3 – Production Permit Renewals for FY2024

Meeting Discussion: Mr. Andruss explained as of July 12, 2024, staff had received administratively complete application seeking the renewal of production permit scheduled to expire in July 2024:

1. ARP-20240522-01 - Roberts Ranch Investments - Administratively Complete

Board Action: Mr. Hahn moved to approve the following production permit renewals and authorize the general manager to issue production permit renewals for the permits associated with the following renewal requests in accordance with the Rules of the District: ARP-20240522-01. Mr. May seconded the motion. The motion passed unanimously.

Agenda Item 4: Consideration of and possible action on matters related to groundwater protection including complaints, investigations, violations, and enforcement cases related to groundwater contamination and waste.

4.0 – Report regarding Groundwater Protection

Meeting Discussion: Mr. Andruss provided the following report:

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Regarding Well Inspections

As of July 20, 2024, staff had recorded 8 well inspection forms (WIFs) since October 1, 2023.

Regarding Manage Investigations related to Groundwater Protection for FY2024.

As of July 20, 2024, staff had initiated 0 investigations related to Groundwater Protection since October 1, 2023.

As of July 20, 2024, staff had 0 active investigation related to Groundwater Protection.

Regarding Manage Enforcement Cases related to Groundwater Protection for FY2024.

As of July 20, 2024, the Board had initiated 0 enforcement cases related to Groundwater Protection since October 1, 2023.

As of July 20, 2024, staff had 0 unresolved enforcement case violations related to Groundwater Protection.

Board Action: None.

Agenda Item 5: Consideration of and possible action on matters related to groundwater monitoring.

5.0 – Report regarding Groundwater Monitoring

Meeting Discussion: Mr. Andruss provided the following report:

Regarding Monitor Drought Conditions for FY2024.

As of July 20, 2024, the U.S. Drought Monitor indicates that 0% of Calhoun County is drought conditions.

As of July 20, 2024, drought condition information related to the district and the surrounding region of Texas collected from the Water Data for Texas website (<https://www.waterdatafortexas.org/drought/>) indicates that no portion of Calhoun County is experiencing abnormally dry or drought conditions.

Regarding Synoptic Aquifer Monitoring for FY2024.

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As of July 20, 2024, staff had collected 7 water level measurements since October 1, 2023.

Regarding Advanced Water Level Monitoring for FY2024.

On June 6, 2024, staff published real-time aquifer monitoring charts on the website of the district at <https://www.calhouncountygcd.org/real-time-aquifer-monitoring-charts>. The charts display groundwater levels and groundwater conductivity measurements from well NW-00092.

Regarding Baseline Water Quality Aquifer Monitoring for FY2024.

No report.

Regarding Ad-Hoc Baseline Water Quality Sampling for FY2024.

As of July 20, 2024, staff had collected 1 water quality field measurements since October 1, 2023.

As of July 20, 2024, staff had collected 1 water quality samples since October 1, 2023.

As of July 20, 2024, staff had received 1 water quality lab reports since October 1, 2023.

Regarding Annual Water Level Assessment for FY2024.

On July 8, 2024, staff received a proposal from Dr. Young of Intera for a project to update the water level assessment report.

Regarding Annual Water Quality Assessment for FY2024.

No report.

Regarding Monitoring Network Assessment and Improvement Project for FY2024.

No report.

Board Action: None.

5.1 – Intera Proposal for Update of Water Level Assessment Report

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Meeting Discussion: Mr. Andruss explained on July 8, 2024, Dr. Young of Intera submitted a proposal to Victoria County GCD to apply geostatistical techniques to interpret measured 2023 water levels in Calhoun County GCD, Refugio GCD, Texana GCD and Victoria County GCD. The proposed work will expand the analysis of measured water levels performed by Dr. Young and others in previous years to include measured water levels in 2023.

The cost for performing the completing the work is \$18,000. The project will be fixed priced. The presentations and the memorandum will be completed in approximately 5 months. Intera will deliver a memorandum and presentations for each participating GCD documenting contours of hydraulic head for CY2023, calculations of water level changes between CY2000 and CY2023, and the geostatistical techniques used to interpret water level measurements.

Board Action: Mr. Dierschke moved to accept the proposal and authorize Intera to proceed with the work with a cost not to exceed \$18,000.00 contingent upon Victoria County GCD, Refugio GCD, and Texana GCD agreeing to cost-share at \$4,500.00 per district. Mr. Johnson seconded the motion. The motion passed unanimously.

Agenda Item 6: Consideration of and possible action on matters related to groundwater conservation.

6.0 – Report regarding Groundwater Conservation

Meeting Discussion: Mr. Andruss gave the following report:

Regarding Promote Conservation for FY2024.

No report.

Regarding Conservation Education and Teacher Professional Development for FY2024.

The district, in cooperation with the Victoria County GCD, University of Houston-Victoria, Victoria ISD, and INVISTA, conducted teacher professional development workshops on June 26 and June 27, 2024.

On June 26 and 27, 2024, district staff conducted workshops to provide professional development regarding water conservation to science teachers of Victoria County. The workshops were attended by 9 teachers from Victoria County and facilitated by Dr. Teresa Le Sage-Clements and Dr. Dmitri Sobolev of UHV, Ms. Denise Andruss and Mr. Snyder (RGCD Director) of VISD, Mr. Willie

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Immenhauser, Mr. Mike Benavides, Ms. Caitlynn Davenport, and Mr. Andruss of VCGCD.

The teachers participate in activities and exercises related to understanding the hydrologic cycle; the use of physical models to understand watershed and aquifers; site visits and sample collection at the Guadalupe River at Riverside Park, a water well at the Clements Ranch, and the wetlands at the INVISTA Plant in Victoria County; risks to water resource; water resource conservation approaches; and technological and scientific advancements in water conservation.

The participating teachers provided an evaluation of the workshops to assist in improving similar projects undertaken in the future.

Based on the feedback received from the participants and facilitators, staff anticipates developing a similar project proposal for consideration by the Board in FY2025.

Board Action: None.

Agenda Item 7: Consideration of and possible action on matters related to groundwater resource planning including Groundwater Management Area 15 Joint Planning and regional water planning.

7.0 – Report regarding Groundwater Resource Planning

Meeting Discussion: Mr. Andruss provided the following report:

Regarding Regional Water Planning Participation for FY2024.

The South Central Texas Regional Water Planning Group (Region L) met on May 2, 2024. During the meeting, the planning group continued its efforts to develop the 2026 regional water plan for the region, considered a proposed amendment to the 2021 SCTRWPG regional plan to add GBRA's planned pipeline from Calhoun County to Gonzales County. During the meeting the planning group members elected new officers.

The planning group has created several workgroups to work on certain aspects of the developing plan including a Policy and Legislative Recommendation Workgroup and a Rural Community Outreach Workgroup. Staff of the district have been participating in those workgroups.

The next meeting of the group is scheduled to meet on August 1, 2024.

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Regarding GMA 15 Joint Planning for 4th Planning Cycle in FY2024.

The representatives of Groundwater Management Area 15 met on July 11, 2024, in Fayette County. The primary topics discussed at the meeting were the project scope and cost of the technical work proposed by Intera (the preferred and only respondent to the associated RFP) and groundwater availability modeling. Staff encouraged the representatives to contribute more funding to the GMA 15 Joint Planning Fund to avoid substantial limitation to the scope of the proposed technical work to be performed by Intera.

Board Action: None.

7.1 – GMA 15 Joint Planning

Meeting Discussion: Mr. Andruss explained the representatives of Groundwater Management Area 15 are scheduled to meet on July 11, 2024, in Fayette County. The primary topics of discussion anticipated at the meeting are the project scope and cost of the technical work proposed by Intera (the preferred and only respondent to the associated RFP) and groundwater availability modeling. Staff will encourage the representatives to contribute more funding to the GMA 15 Joint Planning Fund to avoid substantial limitation to the scope of the proposed technical work to be performed by Intera.

Staff resumed efforts to negotiate terms of an agreement with Intera for providing the proposed technical services to the GMA-15 Committee because 1) the majority of the member districts of GMA 15 have adopted the by-laws and cost-sharing agreement, 2) the majority of the member district the GMA-15 Committee have submitted their contributions to the fund for the technical services for the 4th cycle of joint planning, and 3) the TWDB agreed to allow the use of the “GAM for the central portion of the Gulf Coast Aquifer System” by GMA 15.

As of May 31, 2024, the GMA 15 Joint Planning Fund has a balance of \$70,832.21. The costs for the proposal submitted by Intera for the adoption of the DFC in the 4th Joint Planning Cycle was \$90,000.

Due to the funding gap between GCD contributions and Intera's proposed cost, VCGCD and Intera are examining ways to alter the scope of the project to address the funding short fall. VCGCD has suggested revisions for consideration by Intera.

Staff recommended to the representatives of the funding districts at the GMA 15 meeting to seek additional funding in the amount of \$2,000 to fully fund the project as initially proposed.

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Additional contributions could be available for additional GAM simulations, updates to historic pumping in the CGC-GAM, improvements to the explanatory report, or addendums to the GMA 15 explanatory report.

Board Action: Mr. Johnson moved to authorize an increased contribution of \$2,000 to GMA 15 Joint Planning Fund. Mr. Hahn seconded the motion. The motion passed unanimously.

Agenda Item 8: Consideration of and possible action on matters related to groundwater policy including the Management Plan of the District, the proposed Management Plan of the District and the Rules of the District.

8.0 – Report regarding Groundwater Policy

Meeting Discussion: Mr. Andruss provided the following report:

Regarding Management Plan Revisions for FY2024.

No report.

Regarding Rule Amendments for FY2024.

Staff have identified three potential aspects of the rules of the district that may warrant clarification to policy development:

1. appropriate requirements and procedures related to amendment requests of waivers associated with production permits,
2. appropriate requirements and procedures related to amendment requests of production permits, and
3. appropriate requirements and procedures regarding renewal and expiration of production permits associated with proposed wells.

Regarding Legislative Support and Lobbying for FY2024.

No Report.

Board Action: None.

8.1 – Proposed Rule Revisions

Meeting Discussion: Mr. Andruss explained on April 19, 2024, the Board of Directors was notified of several aspects of the rules of the district that would benefit from revision. Staff developed draft revision to address the concerns with the requirements and procedures related to 1) well spacing requirements, 2)

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amendment requests of production permits, 3) renewal and expiration of production permits associated with proposed wells, and 4) enforcement notice requirements.

Board Action: Mr. Johnson moved to authorize the General Manger to complete the public notice requirements to hold a rulemaking hearing at the October 2024 meeting of the Board of Directors for the proposed rule revisions. Mr. Dierschke seconded the motion. The motion passed unanimously.

Agenda Item 9: Consideration of and possible action on matters related to administration and management including the minutes of previous meetings, the annual budget of the district, bank accounts, investments, financial reports of the district, bills and invoices of the district, management goals and objectives of the district, administrative policies, staffing, consultant agreements, interlocal cooperation agreements, interlocal cooperation agreements, and support services provided to and from other groundwater conservation district.

9.0 – Report regarding Administration and Management

Meeting Discussion: Mr. Andruss provided the following report:

Regarding Election Coordination for CY2024

On June 28, 2024, staff posted the Notice of Candidate Filing Deadline on the website of the district at <https://www.calhouncountygcd.org/election-notices>.

Regarding Financial Audit for FY2023.

No Report.

Regarding Budget Development for FY2025.

No Report.

Regarding Website Improvements.

No Report.

Regarding Public Notice and Meeting Coordination for FY2024.

The next meetings of the Board are scheduled for August 26, 2024 (Budget and Tax Rate Matters), and October 28, 2024, with each meeting to convene at 6:00 PM. Regular meetings will be rescheduled as necessary and special meeting may be scheduled to address unforeseen issues.

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Regarding Performance Audit for FY2023.

No Report.

Regarding Digital Record Archiving for FY2024.

Staff continue to create digital archives for the records of the district.

Regarding Physical Record Archiving for FY2024.

Staff continue to create physical archives for select records of the district.

Board Action: None.

9.1 – Minutes of the Previous Meeting

Meeting Discussion: Mr. Andruss explained the minutes for the meeting held on April 22, 2024, were sent to the board members prior to the meeting.

Board Action: Mr. Hahn moved to accept and approve the meeting minutes for April 22, 2024, as drafted. Mr. Johnson seconded the motion. The motion passed unanimously.

9.2 – Financial Reports of the District

Meeting Discussion: Mr. Andruss explained the internal control review reports and internal financial reports for March, April and May 2024 have been compiled, reviewed and sent to the board members prior to the meeting.

Board Action: Mr. Hahn moved to accept the internal control review and internal financial reports for March, April and May 2024. Mr. Dierschke seconded the motion. The motion passed unanimously.

9.2.1 – Financial Transaction Review

Meeting Discussion: Mr. Andruss explained as of July 16, 2024, since April 19, 2024, there have been 11 accounts payable and 15 accounts receivable transactions.

Board Action: None.

9.3 – Investments of the District

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Meeting Discussion: Mr. Andruss explained the investment reports for March, April and May 2024 have been developed, reviewed, and sent to the board members prior to the meeting.

Board Action: Mr. Johnson moved to accept the investment reports for March, April and May 2024. Mr. Hahn seconded the motion. The motion passed unanimously.

9.4 – Unpaid Accounts Payable

Meeting Discussion: Mr. Andruss explained the District has outstanding accounts payable invoices that are not considered regular and routine for which the District has received the goods and services billed for under the invoices.

Board Action: Mr. Hahn moved to authorize the general manager to pay the following items:

1. ACCTP-20240722-01 - \$180.00 - ABM
2. ACCTP-20240722-02 - \$216.37 – VCGCD - Reimbursement

Mr. Dierschke seconded the motion. The motion passed unanimously.

9.5 – Annual Performance Report of the District

Meeting Discussion: Mr. Andruss presented the Annual Performance Report.

Board Action: Mr. Johnson moved to accept and approve the annual performance report for the fiscal year ending September 30, 2023. Mr. Hahn seconded the motion. The motion passed unanimously.

9.6 – Financial Audit for FY2023

Meeting Discussion: Mr. Andruss explained on October 23, 2023, the Board accepted the offer of Goldman, Hunt and Notz, LLP to perform the financial audit for the fiscal year ending September 30, 2023, and authorize the firm to begin the audit upon development of the internal financial reports for September 30, 2023.

Mr. Goldman was present, and gave his report to the Board.

Board Action: Mr. Hahn moved to accept and approve the financial audit for the fiscal year ending September 30, 2023, with the discussed amendment. Mr. Johnson seconded the motion. The motion passed unanimously.

9.7 – Preliminary Budget Information for FY2025

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Meeting Discussion: Mr. Andruss explained staff will develop and present a budget for the fiscal year ending September 30, 2025, at the meeting scheduled for August 26, 2024, that attempts to fund the operations of the District in a manner that provides for 1) the accomplishment of the management plan goals and objectives and 2) the completion of certain projects and tasks associated with the administration of the district, groundwater conservation, groundwater management and permitting, groundwater monitoring, groundwater policy development, groundwater protection, groundwater research, and groundwater resource planning, and 3) the avoidance of a budget deficit in Fiscal Year 2024-2025.

The Board of Directors of the Victoria Groundwater Conservation District considered the operations of the district and their support services provided to other groundwater conservation district including Calhoun County GCD. Based on this consideration, the VCGCD Board has elected to terminate the existing interlocal agreement with the district (as well as the agreements with RGCD and TGCD) and offer an agreement intended to improvement of performance of VCGCD staff in providing services to the boards of the VCGCD and cooperating district by increasing VCGCD staffing to 7 full-time employees at a consolidated office for at least a 5-year period. This arrangement would result in significant expenses to be incurred related to additional personnel and associated equipment and office expenses that would be offset by increases to the fees paid to the VCGCD by cooperating district. (The budgetary information was developed on the presumption that each cooperating district would agree to the arrangement proposed by the VCGCD.)

The anticipated balance of the Operating Fund at the end of the fiscal year is \$750,902. The anticipated balance of the Reserve Fund at the end of the fiscal year is \$1,700,316.

Staff will develop the proposed budget anticipating the commitment of the monies of the Reserve Fund in Fiscal Year 2024-2025 in accordance with the following schedule:

- Groundwater Conservation: 5%
- Groundwater Management: 25%
- Groundwater Monitoring: 25%
- Groundwater Protection: 10%
- Groundwater Research: 5%
- Groundwater Resource Planning: 5%
- Legal Contingencies: 25%

Staff will develop the proposed budget anticipating the approval of a tax rate equal to the No-New-Revenue Tax Rate calculated by the Tax Assessor-Collector for Tax Year 2024.

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Board Action: Mr. Johnson moved to adopt the recommended budget for Fiscal Year 2025 by order and authorize the presiding officer to execute the draft interlocal agreements with the Victoria County Groundwater Conservation District. Mr. Hahn seconded the motion. The motion passed unanimously.

9.7.1 – Calhoun County Appraisal District

Meeting Discussion: Mr. Andruss explained the CCAD has provided a resolution to be signed regarding providing appraisal services to be provided to the CCGCD.

Board Action: Mr. Johnson moved to sign the resolution and return to the Calhoun County Appraisal District. Mr. Hahn seconded the motion. The motion passed unanimously.

9.8 – Cyber Liability and Data Breach

Meeting Discussion: Mr. Andruss explained TML has created a new cybersecurity insurance fund in response to increased financial exposure from cybercriminal behavior. TML is requiring all entities to deliberately “opt-in” to continue cybersecurity coverage.

Board Action: Mr. Hahn moved to accept and opt-in to the Core+ edition of the TML Cyber Liability and Data Breach Response Coverage and authorize the general manager to submit any necessary documentation necessary to obtain the coverage for the District at a cost of \$1,250.00. Mr. Dierschke seconded the motion. The motion passed unanimously.

Agenda Item 10: Consideration of and possible action on matters related to Legal Counsel Report

10.0 – Legal Counsel Report

Meeting Discussion: None.

Board Action: None.

Agenda Item 11: Adjourn

11.0 – Adjourn Meeting

Meeting Discussion: None.

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Board Action: Mr. Johnson moved to adjourn the meeting at 6:49 PM after concluding all business of the District. Mr. Dierschke seconded the motion. The motion passed unanimously.

THE ABOVE AND FOREGOING MINUTES WERE READ AND APPROVED ON THIS

THE 28 DAY OF October A.D. 2024.



Director of the Calhoun County Groundwater Conservation District

ATTEST:


Director of the Calhoun County Groundwater Conservation District