

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS OF THE
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY**

November 18, 2024

Board:

Scott Roberts, President
Jack Creveling, Vice President
Walt Smith, Secretary/Treasurer
Mike Barron, Director
Andrew Clark, Director

Staff and Consultants:

Jennifer Riechers, Agency General Manager
Jennifer Smith, Agency Controller
Leo Cruz, Agency Operations Manager
Lauren J. Kalisek (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
Jason Baze (Murfee Engineering Company, Inc.), Agency Engineer
George Murfee (Murfee Engineering Company, Inc.), Agency Engineer
Dennis Lozano (Malone Wheeler), Agency Engineer
Nelissa Heddin (Nelissa Heddin Consulting), Consultant

I. CALL TO ORDER

The meeting was called to order by President Roberts at 11:00 a.m.

II. ESTABLISH QUORUM

A quorum was established with the above-referenced Directors, staff and consultants present.

III. PUBLIC COMMENT

Public comments will be listed with each related agenda item below.

IV. CONSENT AGENDA

- A. Approve minutes of October 17, 2024 Regular Board Meeting.**
- B. Approve payment of invoices and other bookkeeping matters, including:**
 - 1. Quarterly Investment Report**
- C. Approve Contractor Pay Requests and invoices including:**
 - 1. Landmark Structures, Pay Application #15, \$53,013.80, 1240 Elevated Storage Tank;**
 - 2. Austin Engineering Co., Pay Application #6, \$594,119.65, 1080 Transmission Main, Segment B;**

MOTION: A motion was made by President Roberts to approve the Consent Agenda, presented in items IV.A-C of the Board Packet. The motion was seconded by Director Smith.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

V. NEW BUSINESS

- A.** Discuss, consider and take action on Land Use Assumptions and Capital Improvement Plan report (G. Murfee).
(This item may be taken into Executive Session under the Consultation with Attorney exception.)

Mr. Murfee presented this item. Mr. Murfee stated that there are currently 24,000 water connections and he anticipates over the next 10 year period the WTCPUA will have 36,000 connections. He stated that 2/3 of the connections are on the 290 system with the capital improvements projects geared towards service in Dripping Springs. He continued, this included the existing capital improvements projects and future extension of water from Hamilton Pool Road to Dripping Springs. Mr. Murfee stated there is a new cross country route being proposed as well as improvements including the 1340 elevated storage tank at Drippings Springs.

In response to a question from a director, Mr. Murfee confirmed the planning included retail and wholesale customers.

President Roberts noted this item was posted for Executive Session.

The Board took this item into Executive Session under the Consultation with Attorney exception at 1:21 p.m.

President Roberts announced the Board was reconvening to regular session at 2:02 p.m.

No action was taken in Executive Session.

MOTION: A motion was made by Director Smith to approve item V.A, as presented in the Board Packet. The motion was seconded by President Roberts.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

B. Discuss, consider and take action on Impact Fee Report (N. Heddin).

Nelisa Heddin presented this item. Ms. Heddin is a consultant for the WTCPUA. Ms. Heddin explained that Board action is not needed at this time because a public hearing will be held at the next meeting. Ms. Heddin explained that an impact fee is a one-time fee to new development, authorized under Chapter 395 of Local Government Code taking into account land use assumptions and capital improvements as presented by Mr. Murfee. Ms. Heddin explained capital project costs and analysis did not include the decommissioning of the Lake Pointe Wastewater Treatment plant. She stated that the updated calculated impact fees are comparatively high due to construction costs and higher interest rates. She continued that the bulk of the capital projects will be needed in the next 5 years with 2026 containing most of the improvements. Ms. Heddin indicated that the WTCPUA would need \$90,000,000 in order to fund these projects. She said the maximum allowable fee for the 71 System is \$18,068.70 and \$28,580.57 for the 290 system. She continued that the maximum allowable fee for wastewater is \$27,596.88.

Ms. Heddin explained the WTCPUA has two sources of revenue generated from impact fees and service rates and that anything not recovered by impact fees would be recovered in rates. Board members discussed how the decision on setting the impact fee amounts may impact retail and wholesale rates, the WTCPUA's history on impact fees and the timing of capital projects.

No action was taken on this item.

C. Discuss, consider and take action on Recommendation from Impact Fee Advisory Committee regarding Impact Fee Rate (J. Riechers).

Jennifer Riechers presented this item. Ms. Riechers stated based on the Impact Fee Advisory Committee meetings the committee recommended an impact fee of 70% of the maximum allowable rate. Director Barron asked whether existing ratepayers are now shouldering the cost of growth. Ms. Riechers explained that fees have not been increased in seven years and as a result the inflation costs have not been collected. Director Smith stated that ratepayers are not just paying for growth but also paying for improvements to the system that go beyond regular maintenance that help to ensure quality and efficiency.

No action was taken on this item.

D. Discuss, consider and take action on Order Setting Public Hearings on Amendments to the WTCPUA's Water and Wastewater Land Use Assumptions, Capital Improvement Plans and Impact Fees.

Dr. Cynthia High provided comment. Ms. High lives on Fitzhugh Road in Dripping Springs. Ms. High stated that a developer is planning a wastewater treatment plant that would service its outdoor venue. She continued that residents of the area are in opposition to the development. Ms. High stated the 2021 capital improvement projects described the Crumley Ranch Road interconnect which would provide water and sewer service to Fitzhugh Road. She questioned when the service extension is planned to take place and asked if supporting documents to this effect can be provided. She said moving forward over the next 40 years, scientists believe temperatures will rise 4-7 degrees due to climate change. She continued, the large number of

trees that have been cut down and impending water shortages/drought adversely affect the ability to stay cool. Ms. High stated 100 degree plus heat days in the area are expected to quadruple and believes due to those factors development in the area will not increase in the future.

For clarification, Director Smith explained the WTCPUA will never provide sewage service beyond the existing areas already provided. He noted that wastewater service is only provided within the footprint of the City of Bee Cave. Director Smith further explained the WTCPUA operates under a Memorandum of Understanding with the United States Fish and Wildlife Service which provides three means to provide water service. He stated the three means are 20% impervious cover or less, optional enhanced measures or as part of a regionalized system. Director Smith stated the Fitzhugh Road area facility is at over 70% impervious cover and thus would not qualify for service. He further commented that water service could not be provided under optional enhanced measures which requires a state permit because there is not enough room. He continued that the project does not have the ability to be part of a regionalized system. Director Smith added that the sentiment that the line would have impact is factually inaccurate. He continued that prior to the venue being a project in the area the WTCPUA was already in the process of providing additional service for North Hays County to have enhanced service.

MOTION: A motion was made by President Roberts to approve item V.D, as presented in the Board Packet. The motion was seconded by Director Creveling.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

E. Discuss, consider and take action on Order Amending WTCPUA's Wholesale Water and Wastewater Rates (J. Riechers)

Item presented by Jennifer Riechers. Ms. Riechers explained this is the annual base fee for wholesale customers based on their amortization schedule. She stated volumetric increases are not being recommended until the rate study is completed. Ms. Riechers stated this only affects the Headwaters and City of Dripping Springs contracts.

President Roberts recused himself from this vote.

MOTION: A motion was made by Director Smith to approve item V.E, as presented in the Board Packet. The motion was seconded by Director Creveling.

The vote was taken with the following result:

Voting Aye: Directors Creveling, Smith, Barron and Clark

Voting Nay:

Abstained: President Roberts

Absent:

F. Discuss, consider and take action on Revisions to WTCPUA Water Conservation and Drought Contingency Plan (J. Riechers).

Jennifer Riechers presented this item. Ms. Riechers advised the Board the revision would change the watering times on stage 1 to match Stage 2. The current version has a 14-hour window of watering for Stage 1 which is unable to be supported by the Agency. The suggested revisions would change water times in Stage 1 to 6:00 a.m. – 10:00 a.m. and 7:00 p.m. – 10:00 p.m. Ms. Riechers also requested they return to Stage 1 watering effective immediately due to lower water consumption.

Bill Bunch provided comment. Bill Bunch is the Executive Director of the Save our Springs Alliance. Mr. Bunch stated pumping more water is almost certainly not going to be our future. He continued the water LCRA and City of Austin hydrology modelers thought what was going to be a reliable water source in the Highland Lakes will not be dependable any longer due to climate change. Mr. Bunch stated the LCRA has sold all of the firm yield water. He continued that conservation efforts should be much more aggressive rather than spending significant amounts of money on expanded infrastructure that will likely not be needed in the future. Mr. Bunch said he applauded the WTCPUA's goal to reduce gallons per capital per day ("GPCD") by 5%. Mr. Bunch stated he found the measuring unit, "total unit amounts" to be undefined and not a standard approach to calculating GPCD. He urged the Board to look at total water use for the system over time and determine if consumption is increasing, lowering or remaining steady. He encouraged the Board to utilize a standard approach when determining GPCD so that all parties understand.

In response to a question from a director, Mr. Murfee confirmed it is the responsibility of the LCRA to find alternative water sources to meet their firm commitments.

President Roberts asked Agency counsel to look into whether the Agency could ban irrigation or require xeriscaping or artificial turf.

Director Smith stated that he is aware of at least 2 municipalities who purchase water from the WTCPUA who are looking into requiring landscaping regulations. He continued that he believes that state law changed in 2011 or 2013 that barred homeowners associations from banning xeriscaping.

MOTION: A motion was made by President Roberts to approve item V.F, as presented in the Board Packet. The motion was seconded by Director Creveling.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

G. Discuss, consider and take action on Proposal for Installation and Purchase of AMI meters (J. Riechers).

Jennifer Riechers presented this item. Ms. Riechers stated that staff has received several bids for the AMI meter project. She explained this would help staff monitor customer usage and leaks. She stated that the Agency has applied for a federal grant that could potentially provide up to \$1,200,000 towards the project. Ms. Riechers explained the WTCPUA has been awarded a \$100,000 grant for the project from the LCRA.

MOTION: A motion was made by Director Creveling to approve item V.G, as presented in the Board Packet. The motion was seconded by Director Clark.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

H. Discuss, consider, and take action regarding planning for the Lake Pointe Wastewater Treatment Plant (S. Roberts).

(This item may be taken into Executive Session under the consultation with attorney exception).

Pat Sinnott provided comment. Ms. Sinnott is the President of the Lake Pointe Homeowners Association. She thanked the Board for putting this item on the agenda. Ms. Sinnott said the lift station rehabilitation project has been ongoing and was given an original completion date of October 30th. She continued that she met with the agency General Manager, staff and agency counsel on October 4th and was told that the project would be completed before Thanksgiving. She continued that she was attending the Board meeting a week before Thanksgiving to ensure that the project will be completed soon. Ms. Sinnott explained since October 4th, the area has experienced a sewer leak due to a compromised pipeline which required 36 hours to be fixed and the neighborhood has had ongoing issues with smells. She stated that the completion date has continuously been pushed back and she would like to hear an update on the status of the project. Ms. Sinnott stated the rehabilitation was started right before Christmas last year and it created embarrassment for residents with visiting relatives. She stated she would like to ensure that residents do not experience the same issue over Thanksgiving.

President Roberts asked for status update on the project. Leo Cruz, Operations Manager for the WTCPUA, provided an update. He stated major improvements on the lift station related to two misfitted couplings being repaired have been completed and the lift station was up and running as of late Friday afternoon. Mr. Cruz stated they were doing the start-up today and if everything went well, it would be left online and the temporary bypass would be removed tomorrow or next week.

President Roberts asked about the status of the decommissioning of the Lake Pointe Wastewater Treatment Plant and how the item would be funded. President Roberts also asked about the status of the Bohls plant expansion. Mr. Murfee stated he has worked with staff to put together a plan to phase the expansion that would include a phase for taking the Lake Pointe Plant offline.

Ms. Riechers explained that the first step would involve TCEQ approval and then a bid for construction would be completed. Mr. Murfee and Ms. Riechers explained that it would take two years to expand the Bohls Plant and then the decommission process would begin. President Roberts stated he hopes the Board shares his desire to decommission the plant as soon as possible.

No action was taken on this item.

I. Discuss, consider and take action on Service Availability Letter for:

1. Mirasol Springs, 347 Water LUEs, 71 System (G. Murfee).

(This item may be taken into Executive Session under the consultation with attorney exception).

Bill Bunch provided comment. Mr. Bunch is the Executive Director of the Save Our Springs Alliance. Mr. Bunch stated he was speaking in support of the letters provided to the Board from the Travis County Commissioners Court and Southwest Travis County Groundwater Conservation District. He continued that the letters asked the Board to give the public an additional 30 days to review and provide input. He spoke in support of a ban on all groundwater pumping as a condition of service for the development and explained it is important to protect the groundwater in this area because this development has a special exemption for agricultural use. Mr. Bunch stated with this resort planning to have vineyards, an expanded farm and animal production, there would be substantial water usage. Mr. Bunch encouraged the Board to consider an assignment of rights in the conservation easement or severing of property rights for groundwater or river pumping or both. He stated the community is being told that this will relieve pressure to take groundwater and river water. He continued that there are examples all around that show how failure to place restrictions creates an increase in groundwater pumping. Mr. Bunch stated the service availability letter allows Mirasol to pump out of the river for non-potable purposes. He continued that it is important that all parties take the time to get this right.

Annie Borden provided comment. Ms. Borden lives at 24815 Hamilton Pool Road, across the road from the Westcave Preserve and across the Pedernales River from Mirasol. Ms. Borden requested the Board postpone the decision to extend the pipeline for an additional 30 days in accordance with the letter provided by the Travis County Commissioners Court and Southwest Travis County Groundwater Conservation District. She stated the Winn family has stated they plan to make Mirasol an environmentally sound development. She continued by stating the area is precious, unique and fragile and it is important that all parties get this right. Future generations and the community are counting on the Board to get this right. Ms. Borden stated that for the first time that Lew Adams can remember, Roy Creek Springs are in danger. Despite flowing waters in previous summers, the creek stopped flowing this summer. She continued that despite this, the Mirasol farm has flourished using well water to keep their farm to table gardens lush. She continued while she is unsure if there is a correlation between the two it is a logical conclusion that their well usage impacted the creek. Ms. Borden agreed with President Roberts' prior statements that there needs to be an enforceable prohibition on all groundwater pumping including exempt agricultural production, farm and animal production and for hunting and food. She stated the springs and endangered species are vulnerable as they require flowing springs to survive. She questioned how Mirasol would protect the springs and endangered species during construction. Ms. Borden requested the Board consider capping all exempt wells. She continued, if Mirasol were to use exempt wells they would deplete all of the available water. She stated it

is important to find a solution and believes the Winn family is willing to do so but the community must help them to reach their goals. Ms. Borden concluded by stating that wastewater should be required to be at potable standards.

Victoria Rose provided comment. Ms. Rose is a staff attorney at Save Our Springs Alliance. She stated she would like to address paragraph 18 in the service availability letter, specifically the paragraph on wastewater. She congratulated the Board for requiring Mirasol to have more stringent effluent limits in their TLAP permit. Ms. Rose stated she found a sentence in the paragraph regarding denitrification odd. She suggested the language be revised to state "and a limit on total nitrogen." Ms. Rose stated she also found that a limit on total phosphorus was missing from the service availability letter in the section discussing effluent standards for beneficial reuse. She stated that total phosphorus is a concern because it could potentially cause eutrophication in the waterways due to run off from the irrigation fields. Ms. Rose requested the Board require Mirasol to include a total phosphorus limit in their TLAP permit.

Jim Koerner provided comment. Mr. Koerner lives at 7824 Lynchburg Drive in the Belvedere community along the Hamilton Pool Road waterline. He thanked the Board and staff for coming to the community to discuss community issues. He stated over the last 5 years the community has experienced 3 or 4 days each year with little to no water. Mr. Koerner encouraged the WTCPUA to finish capital improvement plans to serve existing customers before continuing to sell water along the Hamilton Pool Road waterline. He continued that property and lives are at risk when they experience water shortages. He stated the community is dependent on the WTCPUA for service. Mr. Koerner explained that the Belvedere Community does not have any ability to vote on Board members for the WTCPUA. He continued the only way residents can be heard is by attending Board meetings. Mr. Koerner requested the Board serve its existing customers first and reminded the Board it is a public utility not a commercial utility.

Lew Adams provided comment. Mr. Adams stated he is one of the owners of Roy Creek Canyon. He offered his support to the comments presented by previous speakers. Mr. Adams stated he has witnessed progress being made in some areas and felt the meeting with Mirasol was productive. Mr. Adams said he believed things were moving in a positive direction and this included the potential for capping wells. Mr. Adams stated the capping of wells is one of the main issues the community is concerned about. He stated the area is an unusually rich area of the Pedernales basin. He explained, the Pedernales River running all the way down to Lake Travis through Roy Creek Canyon, Westcave Preserve, Reimers Ranch, Pogue Canyon, Hamilton Pool, and other properties are unlike any other area in the western hill country or anywhere near Austin. Mr. Adams stated that what happens with the Mirasol development is going to be vitally important to the future and viability of this area for current and future generations. He continued that the decisions made today on the pipeline are beneficial because it will relieve pumping of ground water providing that all wells including exempt wells are capped. Mr. Adams stated that the big springs in Roy Creek Springs have gone dry. He continued that this was one of the main sources of water flow in Roy Springs. He stated he has not seen this happen in his 80 years and believes it indicates that the creek is under stress. Mr. Adams stated he believes the decision to extend the pipeline to Mirasol is beneficial as long as no further action is taken. He stated he would like to see limitations on future development, large pipelines and extensions. He continued that he has witnessed how development spreads without

limitations. Mr. Adams stated this item was rushed and requested additional time to evaluate this to get it right. He continued, there would not be second chance to do so.

President Roberts asked J. Riechers when she posted the back-up documents for the agenda. Ms. Riechers stated the back-up documents to the agenda were posted that morning.

Josh Bennett provided comment. Mr. Bennet stated he was previously asked by the Board if there was a way to reach a pragmatic solution. He stated since that time, he has spoken with the Mirasol family and there have been a lot of pragmatic solutions offered. He requested the Board postpone decision for an additional 30 days or even 90 days due to the holidays to allow the details to be worked out. Mr. Bennett believes this time would allow the parties to be able to reach a level of agreement that would be best for the community and ecology.

Blayne Williams provided comment. Mr. Williams stated he and his wife live in the Stage Coach Ranch Subdivision and their property adjoins the Mirasol property. Mr. Williams requested the Board postpone decision for an additional 30 days to thoroughly discuss the pipeline extension to Mirasol and contract provisions. He stated he understood the vote would not lock in agreement provisions and would allow for the agreement to be finalized over a period of time. Mr. Williams stated he would like the community to be included in determining the provisions of the agreement. He offered his support for the requirements outlined in the letters from the Travis County Commissioners Court and the Southwest Travis County Groundwater Conservation District. He highlighted bullet number two which would add a provision on the use of ground water from all exempt wells and bullet five which would include a requirement that Mirasol utilize rain water to the maximum extent for all potable water. Mr. Williams discussed bullet eight which would require that Mirasol treat wastewater in compliance with TCEQ beneficial reuse and nutrient removal standard of 5-5-2-1. He urged the Board to make the recommended provisions enforceable. Mr. Williams added that maximizing rainwater usage would help with the ground water and surface water inadequacies. He continued that treating wastewater with beneficial reuse will protect Roy Creek, the aquifer, the Pedernales River and the endangered species residing there. Mr. Williams stated that the Mirasol neighbors did not have representation on the Board and due to this it is essential they are provided a seat at the table to negotiate the agreement.

Elaine Davenport provided comment. Ms. Davenport stated she and her husband live in Stage Coach Ranch, near Hamilton Pool. She and 20 other landowners share a back fence with Mirasol. Ms. Davenport thanked the Board for the efforts being made to extend the pipeline. She requested that the Board add the provisions discussed in the letters from the Travis County Commissioners Court and the Southwest Travis County Groundwater Conservation District to the agreement. She stated she supports the assertion by the Southwest Travis County Groundwater Conservation District that extending the pipeline could have significant positive or negative effects depending upon the structure of the non-standard service agreement. Ms. Williams would like the Travis County Commissioners Court and the Southwest Travis County Groundwater Conservation District and the community to have input into contract negotiations. She believes this would provide positive public relations for the WTCPUA as it is a public body and some of the affected communities are not represented by any member of the Board. She added the Board should utilize the technical expertise of the Groundwater Conservation District and Travis County.

Mike Clifford provided comment. Mr. Clifford is the Technical Director for the Greater Edwards Aquifer Alliance. He began by stating he was hopeful that the WTCPUA would heed the advice of the Travis County Commissioners and would halt their decision for at least 30 days due to the impact to the Pedernales River and area springs. He listed considerations that the Board should consider in their decision. He suggested the Board include a beneficial reuse requirement for all treated wastewater. Mr. Clifford stated the current Hays Trinity Groundwater Conservation District draft ground water permit for Mirasol contains this requirement and the WTCPUA should do the same. He stated that collected rainwater is not as reliable as treated wastewater due to drought conditions. He continued that while Mirasol has claimed to be committed to using treated wastewater, they have previously been resistant to doing so due to the cost of treating wastewater to beneficial reuse standards. Mr. Williams said the current draft TCEQ wastewater permit is very lenient with no nutrient removal and calls for disposal of all effluent over a large field that drains into the Pedernales River. He continued, given the drought conditions; it would be absurd to allow Mirasol to dispose of wastewater into the River. Mr. Williams stated Mirasol must treat wastewater with phosphorus and nitrogen removal. He said his second area of concern is the future implications for other area developers after offering Mirasol an extended pipeline. He continued the WTCPUA would be unable to justify denying pipeline extension to other developments which then encourages urban sprawl.

Dr. Cynthia High provided comment. Dr. High stated she agrees with the previous speakers. She said the WTCPUA Board has an opportunity to do the right thing for the community and the community expects consideration. She continued that is the reason members of the community voted for the current Board members. Dr. High stated she lives in Dripping Springs. She stated she is interested in seeing that Mirasol would not go unrestrained, allowing for increased waterlines and urban sprawl at the expense of current neighbors. Dr. High stated the residents of the community need their rights heard too and requested the Board do the right thing.

Jim Truitt provided comment. Mr. Truitt stated the parties are on the same side of the table in trying to protect the environment. He stated this development could be used as a playbook for the way the hill country should be developed in the future. He continued, it must be in a way that the developers also believe in. Mr. Truitt stated if the techniques used to solve the environmental problems are so cost prohibitive that developers are unable to be both environmentally sustainable and profitable, then the project fails. He stated Mirasol must be constructed in a way that is environmentally responsible and can be used as a play book for future growth. Mr. Truitt stated growth in the area is inevitable and the area will likely see 50% growth in the next 40 years. He stated if this project is built responsibly, all parties win; but if it develops into urban sprawl, all parties lose. He stated all parties are on the same side.

President Roberts inquired if the Board would like to discuss this item in executive session. The Board members declined.

Director Barron stated he was not ready to vote on this item at the last meeting and wanted to provide background. He continued that he did not seek his position as a Board member nor did he volunteer for it. He stated he was asked by members of the community who thought he would be diligent in the work at the WTCPUA Board of Directors. Director Barron stated that this was

one of the reasons he requested a 30 day extension to vote on this item. He said he felt it was a reasonable request considering most speakers at the last meeting made a request for extension. He continued that he was also not prepared to vote on an item he did not understand. Director Barron stated since the last meeting, he has read through comments made at the last meeting, attended Commissioner Ann Howard's listening meeting on Mirasol, attended the Southwest Travis County Groundwater Conservation District meeting, read all of the letters concerning this matter, read the Meadows Center report on the impact of the Highway 290 pipeline and subsequent drilling, attended individual meetings with staff, neighbors of the resort, and Mirasol, took a tour of Mirasol and read all of their promotional materials, read studies regarding wastewater treatment and the pros and cons of denitrification, read articles regarding depletion of the aquifer, drying up of wells and lack of water in the Pedernales river. Director Barron stated he originally asked for the extension to become more informed and has done his due diligence to be ready to discuss the matter.

In response to a question from President Roberts, Mr. Murfee provided information on potable water standards for nitrogen and phosphorus.

President Roberts stated for the benefit of the Belvedere community, Mirasol will not take any service until the WTCPUA finishes capital improvement projects that take care of any problems Belvedere may be experiencing now. President Roberts explained the process by which the Board approves service extension requests and subsequently enters into an agreement with the developer. President Roberts stated the Board must take action to provide staff with instructions and the requirements/provisions the Board would like to include in the contract. He continued once staff prepares the agreement; it is placed back on the agenda for Board consideration. President Roberts instructed staff and counsel to quickly prepare the contract and post it on the WTCPUA website. President Roberts instructed J. Riechers to provide a copy of the agreement directly to the Travis County Commissioners Court, the Southwest Travis County Groundwater Conservation District and any other body that has expressed interest within 2 days. President Roberts stated changes will not be made to the agreement until it is presented on the Board Agenda.

Director Smith stated he has the same concerns he expressed at the last meeting and wanted to restate those concerns in person. He stated he was supportive of the vast majority of the changes discussed by President Roberts. He continued that due to the Open Meeting Act rules only two Board members could attend the Commissioner's listening session. Director Smith stated it was important that Property owners that live next to any proposed development in an unregulated portion of a county understand that there are only 5 things a County like Hays County can regulate and they are statutorily determined. He said counties do not have planning and zoning authority unless it is a fireworks stand or a sexually oriented business near a school or church. He stated that current state law allows for most developments in the middle of a neighborhood. Director Smith stated when looking at a proposed development he considers how best to limit the impact to existing neighbors. Director Smith stated he has visited the springs a few times and has taken Texas Parks and Wildlife to the area. He continued as a part of 2020 Parks and Open Space bond for Hays County, he has looked at how best to preserve that area and has continued interest in the area. He stated he supports capping wells and some of the ideas but without regulatory/statutory authority the WTCPUA's power is limited and they remain unable to force developers to do so. Director Smith stated the WTCPUA must use the means available

to them to get developers to make compromises using tools like development agreements. He continued, he was impressed by Mirasol's reuse commitment and rainwater usage but would need to determine how to put those commitments to useful action. He said it was proposed in the last meeting that the WTCPUA continuously monitor usage of wells and capped wells. He continued rather than issuing a remediation period, he supported a strict 60 day cut off upon over usage. Director Smith stated Mirasol would not receive service until there were certain improvements made to allow the WTCPUA to meet the needs of current customers. He continued that Mirasol under current state law could build more than 500 homes on the property which would have a more significant impact on the surrounding community. Director Smith stated the Board has done its due diligence to look at all aspects of this development and determine the best path forward. He continued while the Board can manage development, they are unable to stop continued developments in the area based on the current state regulations.

President Roberts explained the process of the Board's action today. President Roberts moved for approval of the SER in the package with certain modifications. President Roberts stated the following provisions should be added to the agreement:

1. Developer agrees not to drill new groundwater wells and include a plat note prohibiting new groundwater wells;
2. WTCPUA to inspect development and if it determines a violation on groundwater use prohibition is occurring, WTCPUA will provide 60-day notice and opportunity to cure and may suspend service until the violation is corrected;
3. The current groundwater well planned for use in Phase 1 for irrigation of the organic farm shall be abandoned and WTCPUA shall provide service for farm irrigation at a capacity/meter size approved by WTCPUA;
4. The current groundwater well planned for use in Phase 2 shall be abandoned and WTCPUA shall provide service for agricultural and livestock use at a capacity/meter size approved by WTCPUA; and
5. Developer agrees to include limits in its TLAP permit of 1 ppm Total Nitrogen and 1 ppm Total Phosphorus.

Director Smith stated he wanted to address those that stated they do not have representation on the Board. He continued that the Lake Pointe District member of the Board represents the general area. Director Smith stated if the public would like to limit development by limiting utilities, they could do so by voting for a PEC Board member or voting for an elected office that directly controls utilities.

President Roberts stated the intent of the motion is to extend a line that would only serve Mirasol, would not allow new wells, would require Mirasol to abandon all existing wells through a plat note, and would bind future WTCPUA Boards. He asked any party interested in receiving the Agreement via direct email to sign-up.

Director Clark asked for clarification as to how the changes to the service availability letter and nonstandard service agreement will be documented. Staff and the Board discussed relying on the meeting minutes to confirm the changes.

President Roberts asked if the service availability letter could be brought back when the contract is placed on the agenda. He asked staff not to issue the service availability letter until the next board meeting. President Roberts stated the Board would approve the contract and service availability letter at the same time.

Director Barron stated that he technically represents all the ratepayers of the WTCPUA except for those in Bee Cave. He continued on behalf of the ratepayers particularly on Hamilton Pool Road that have had issues with water, that he would like assurance from staff and engineers that with all of the currently planned improvements in the water system whether extending this pipeline to Mirasol would have any detrimental effect to current ratepayers. G. Murfee confirmed it would not. Director Barron encouraged Mirasol to take all of the public comments seriously and live up to everything that is in the service agreement. He continued, Mirasol has an opportunity to be a shining star and the type of development that the community would like to see in the Hill Country.

Director Creveling called for a vote.

MOTION: A motion was made by President Roberts to approve item V.I, as presented in the Board Packet with the modifications set forth below and to bring revised service availability letter and nonstandard service agreement back to the December Board meeting. The motion was seconded by Director Smith.

1. Developer agrees not to drill new groundwater wells and include a plat note prohibiting new groundwater wells;
2. WTCPUA to inspect development and if it determines a violation on groundwater use prohibition is occurring, WTCPUA will provide 60-day notice and opportunity to cure and may suspend service until the violation is corrected;
3. The current groundwater well planned for use in Phase 1 for irrigation of the organic farm shall be abandoned and WTCPUA shall provide service for farm irrigation at a capacity/meter size approved by WTCPUA;
4. The current groundwater well planned for use in Phase 2 shall be abandoned and WTCPUA shall provide service for agricultural and livestock use at a capacity/meter size approved by WTCPUA; and
5. Developer agrees to include limits in its TLAP permit of 1 ppm Total Nitrogen and 1 ppm Total Phosphorus.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

J. Discuss, consider and take action on Proposal from Murfee Engineering Company, Inc. for Budget Adjustment for the 1080 TM Easement Acquisition and Design (G. Murfee).

Jason Baze presented this item. Mr. Baze provided explanation and status of the amended scope for the 1080 transmission main project. He stated there is a conflict at the Hamilton Pool Road Lime Kiln Creek area due to a gas main. Mr. Baze explained their design of the line was based on its location as it was provided. He continued, however once work began, it was discovered excavation would be unsafe due to the line being a high pressure horizontal gas main. Mr. Baze explained the amended proposal included finding a way to safely find the line and acquire easements and land acquisition as well as for the remainder of the work and outstanding easements. He stated the proposed amendment would add \$146,200.00 to the project cost.

MOTION: A motion was made by President Roberts to approve item V.J, as presented in the Board Packet. The motion was seconded by Director Creveling.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

K. Discuss, consider, and take action regarding a Resolution of the Board of the West Travis County Public Utility Agency determining a Public Need and Necessity for the Acquisition of Certain Property and Authorizing the Agency's Use of Its Eminent Domain Power to Acquire Said Property Interests for 1240 Transmission Main Realignment Project (J. Riechers/ G. Murfee)

(This item may be taken into Executive Session under the consultation with attorney exception).

This item was taken into Executive Session under the Consultation with Attorney Exception. No action was taken in Executive Session.

MOTION: A motion was made by President Roberts to approve item V.K in the Board Packet. The motion was seconded by Director Clark.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

L. Discuss, consider and take action on WTCPUA Policy Preventing the Use of Prohibited Technology and Covered Applications (SB 1893) (L. Kalisek).

Lauren Kalisek presented this item. Ms. Kalisek explained the policy passed by the legislature which would limit the use of the Tik Tok application and other certain other applications on

government owned devices. She explained the policy required local governments to adopt a policy prohibiting these applications within 30 days of the model policy being issued by the Department of Information Resources.

MOTION: A motion was made by Director Creveling to approve item V.L, as presented in the Board Packet. The motion was seconded by President Roberts.

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

M. Discuss, consider and take action on review of Water and Sewer Service Development Policies (J. Riechers).

a. Future water service limits on Hamilton Pool Road (proposed new Section 13);

b. Service Level Determinations (Section 7).

(This item may be taken into Executive Session under the consultation with attorney exception).

This item was heard in executive session under the Consultation with Attorney Exception. No action was taken in Executive Session.

Bill Bunch provided comment. Mr. Bunch is the Executive Director of the Save our Springs Alliance. Mr. Bunch stated he believes the agency is moving in the right direction but wishes it would go a bit further. He continued that the area has incredibly vulnerable and special resources like Roy Creek, Hamilton Pool and the Pedernales River. Mr. Bunch stated with the growth in the area and the pressures of irrigation and landscaping, this policy should be system wide. Mr. Bunch urged the Board to consider making this the standard policy.

Director Smith stated the Board has to weigh future growth, expansion of systems and service and managing available water but that the Board has an obligation to its ratepayers. President Roberts asked how the Fitzhugh area was doing potable use with ground water. Director Smith stated the capacity and quality of monitoring wells are poor. He continued, there is a moratorium on commercial wells. He said the problem is if there is no access to public water system, there will be individual systems in an area that already has an inferior quality system. Director Smith stated he would rather see a large wastewater system in that area. He stated the commercial businesses are currently operating as public water systems under TCEQ.

No action was taken on this item.

N. Discuss, consider and take action on new appointment for the Finance Committee (J. Riechers).

Jennifer Riechers presented this item. Ms. Riechers explained the Finance Committee currently only has one director on this committee since the previous director resigned from the Board. Ms. Riechers stated that staff recommended Director Barron to be on the Finance Committee due to his background in finance.

MOTION: A motion was made by President Roberts to approve recommendation of Director Barron to serve on the Finance Committee. The motion was seconded by Director Creveling

The vote was taken with the following result:

Voting Aye: Unanimous

Voting Nay:

Abstained:

Absent:

VI. STAFF REPORTS

A. General Manager Report

1. Watering Restrictions

Jennifer Riechers presented this item.

B. Controller Report

Jennifer Smith provided the report. Ms. Smith stated the agency is ending FY24 with the general fund in a deficit of \$4,200,000. She stated the agency had budgeted for a deficit of \$3,300,000. She continued that the agency has lost \$2,500,000 in revenue due to water restrictions and weather conditions. Ms. Smith stated considering the loss of revenue it is a positive thing the agency is only experiencing an additional deficit of \$900,000 and she assured the Board the agency was doing well. Ms. Smith added that a portion of the deficit can be contributed to \$5,000,000 being moved to capital projects in progress. She continued this deficit was expected.

C. Operations Manager Report

No report.

D. Engineer's Report

1. CIP Project Update

No report.

VII. ADJOURNMENT

MOTION: A motion was made by Director Smith to adjourn the meeting. The motion was seconded by President Roberts.

The vote was taken with the following result:

Voting Aye: Unanimous

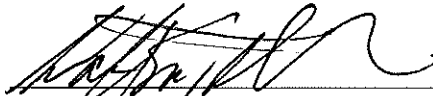
Voting Nay:

Abstained:

Absent:

The meeting was adjourned by President Roberts at 2:04 p.m.

PASSED AND APPROVED this 18th day of December 2024.



Walt Smith, Secretary
Board of Directors