

**REGULAR BOARD MEETING
GONZALES COUNTY UNDERGROUND WATER CONSERVATION DISTRICT
MEETING OF THE BOARD OF DIRECTORS**

The Directors of the Gonzales County Underground Water Conservation District will meet in a public session on March 12, 2024, scheduled at 5:30 p.m. at the Gonzales County Underground Water Conservation District Office located at 522 Saint Matthew Street, Gonzales, Texas.

Note: Members of the public wishing to comment must attend the meeting in-person. However, any person may view or listen to the meeting via audio and video conference call. No participation or public comments will be allowed via video or conference call. The Audio and Video Conference Opens 5 minutes before the 5:30 p.m. beginning of the meeting.

GCUWCD March 12, 2024 Regular Board Meeting

Mar 5, 2024, 5:00 – 7:00 PM (America/Chicago)

Please join my meeting from your computer, tablet or smartphone.

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Access Code:

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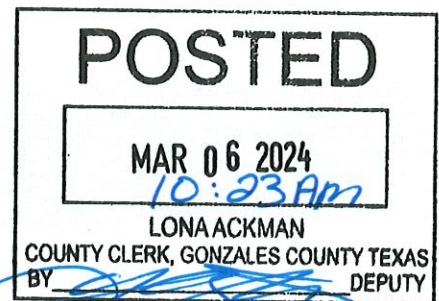
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The agenda is as follows:

1. Call to Order.
2. Public Comments. Limit to 3 minutes per person.
3. Consent Agenda (Note: These items may be considered and approved by one motion of the Board. Directors may request to have any consent item removed from the consent agenda for consideration and possible action as a separate agenda item):
 - a. Approval of minutes of February 13, 2024, Regular Board Meeting.
 - b. Approval of minutes of March 05, 2024, Special Called Board Meeting.
 - c. Approval of the Financial Report.
 - d. Approval of the District's bills to be paid.
 - e. Approval of the Mitigation Fund bills to be paid.
 - f. Approval of District Manager, Administrative Staff, Board Member, Field Technician, and Mitigation Manager Expenses.
 - g. Approval of Manager's Report (monthly report, transporter usage, drought index).
 - h. Approval of Well Mitigation Manager's Report (well mitigation progress).
 - i. Approval of Field Technician's Report (well registrations, water levels, water quality).
4. Discuss and possibly take action on any item removed from Consent Agenda.
5. Discuss and possibly take action on annual review and re-adoption of the District's Financial Policy.
6. Presentation from James A. Golab, Ph.D., P.G. Manager, Innovative Water Technologies, Texas Water Development Board (TWDB) on Aquifer Storage and Recovery (ASR).
7. Discussion on the District's 2023 Annual Report.
8. Discussion on the Mitigation 2023 Annual Report.
9. Discuss and possibly take action on a permit amendment request for Canyon Regional Water Authority in the Carrizo Aquifer.
10. Discuss and possibly take action on scheduling a workshop of GCUWCD Rules amendments and calling of a public hearing.
11. Presentation of legislative/legal updates from legal counsel.
12. Discussion of other items of interest by the Board and direction to management based on the items set



**REGULAR BOARD MEETING
GONZALES COUNTY UNDERGROUND WATER CONSERVATION DISTRICT
MEETING OF THE BOARD OF DIRECTORS**

forth above.
13. Adjourn.

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time. These public meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting, please call 830.672.1047 at least 24 hours in advance of the meeting to coordinate any special physical access arrangements.

At any time during the meeting and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Gonzales County Underground Water Conservation District Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§ 551.071); deliberation regarding real property (§ 551.072); deliberation regarding prospective gift (§ 551.073); personnel matters (§ 551.074); and deliberation regarding security devices (§ 551.076). Any subject discussed in executive session may be subject to action during an open meeting.

POSTED THIS THE 6th DAY OF MARCH 2024 AT _____ O'CLOCK by _____.

Gonzales County Underground Water Conservation District
Minutes of the Board of Directors
February 13, 2024
Board Meeting

The regular meeting of the Board of Directors of the Gonzales County Underground Water Conservation District (the District) was called to order. Present for the meeting were directors: Mr. Bruce Tieken, Mr. Barry Miller, Mr. Mark Ainsworth, and Mr. Mike St. John. Mr. Kermit Thiele was not in attendance, Also present for the meeting were GCUWCD General Manager Laura Martin and legal counsel Greg Ellis. Other Attendees included: (See Attached List)

Call to Order

The president of the Board of Directors called the meeting to order at 5:30 p.m.

Public Comment: Public comments were received from Ms. Sally Ploeger, landowner, on behalf of Ted Boriack, landowner. Ms. Ploeger, landowner made a public comment on behalf of herself. Mr. Mark Ploeger, landowner, made a public comment on behalf of the Water Protection Association (WPA). A written record of the board meeting and comments received are filed at the District office.

Consent Agenda (Note: These items may be considered and approved by one motion of the Board. Directors may request to have any consent item removed from the consent agenda for consideration and possible action as a separate agenda item):

Approval of minutes of January 09, 2024 Public Hearing Draft Management Plan

Approval of minutes of January 09, 2024 Regular Board Meeting.

Approval of the Financial Report.

Approval of the District's bills to be paid.

Approval of the Mitigation Funds bills to be paid.

Approval of District Manager, Administrative Staff, Board Member, Field Technician, and Mitigation Manager Expenses.

Approval of Manager's Report (monthly report, transporter usage, drought index).

Approval of Well Mitigation Manager's Report (well mitigation progress).

Approval of Field Technician's Report (well registrations, water levels, water quality).

Mr. Barry Miller made a motion to approve the Consent Agenda as presented. Mr. Mike St. John seconded the motion. The motion passed unanimously.

Discuss and possibly take action on any item removed from Consent Agenda.

No items were removed from the Consent Agenda.

Discuss and possibly take action on the permit request from J Bar B Water Supply for a domestic water well in the Queen City Aquifer

Mr. St. John made a motion to approve the permit request from J Bar B Water Supply for a domestic water well in the Queen City Aquifer. Mr. Miller seconded the motion. The motion passed unanimously.

Discuss and possibly take action on a permit amendment request for Canyon Regional Water Authority in the Carrizo Aquifer.

This item was tabled for a further date. No action was taken.

Discussion on the District's January water level report.

Then, the Board and General Manager discussed the District's January water level report. It was discussed that an isolation study should be conducted on the Eastern side due to dropping water levels in that area as planned in the District budget.

Discuss and possibly take action on a Capital Campaign Letter from Gonzales Noon Lions Club.

Mr. Miller made a motion to approve and sign a Capital Campaign Letter for the Gonzales Noon Lions Club. Mr. St. John seconded the motion. The motion passed unanimously.

Presentation of annual audit report by Montemayor Britton Bender PC and possible action on accepting the report.

Ms. Laura Martin, General Manager presented the 2022-2023 annual audit to the Board of Directors. The audit report made no recommendations on amending any Policy and Procedures. Mr. Mark Ainsworth made a motion to accept the annual audit for fiscal year 2022-2023. Mr. St. John seconded the motion. The motion passed unanimously.

Presentation of legislative/legal updates from legal counsel.

Legal counsel to the District, Mr. Greg Ellis, discussed with the board ongoing legislative and legal updates.

Discussion of other items of interest by the Board and direction to management based on the items set forth above.

No action was taken at this time.

Adjourn:

A motion was made by Mr. St. John to adjourn the meeting, and Mr. Ainsworth seconded the motion. The motion passed unanimously. The meeting adjourned at 5:58 p.m.

Approved By:

March 12, 2024

HS

Gonzales County Underground Water Conservation District
Minutes of the Board of Directors
March 05, 2024
Special Called Meeting

The Board of Directors of the Gonzales County Underground Water Conservation District (the District) held a special called meeting for the purpose of receiving comments on an Order of Election. Present for the meeting were directors: Mr. Bruce Tieken, Mr. Barry Miller, Mr. Mark Ainsworth, Mr. Kermit Thiele, and Mr. Mike St. John. Also present for the meeting were District General Manager, Ms. Laura Martin-Preston. Other Attendees included: (See Attached List)

Call to order.

President of the Board to make comments.

Mr. Bruce Tieken, Board President and Presiding Officer, called the special called meeting for the Gonzales County Underground Water Conservation District to order at 8:15 a.m. He made opening comments and called for comments from the attendees.

Receive comments from the public on an Order of Election.

No public comments. A recording of the meeting is available in the District's office and on the District's website.

Discuss and possibly take action on an Order of Election.

Mr. Mark Ainsworth made a motion to move forward with the Order of Election as it stands. Mr. Mike St. John seconded the motion. The motion passed unanimously.

Adjourn:

A motion was made by Mr. Barry Miller to adjourn the special called meeting and Mr. St. John seconded the motion. The motion passed unanimously, and the meeting adjourned at 8:21 a.m.

Approved By:

March 12, 2024

HS

**Gonzales County Underground Water Conservation District
Investment Report
March 12, 2024**

CD Information - District Funds							
Account	Place	Purchase Date	Purchase Value	Interest Rate	Maturity Date	As of	Amount
CD #11	Sage Capital Bank	8/4/2023	\$152,818.77	5.15%	2/4/2025	2/29/2024	\$175,337.66
CD #365	Randolph Brooks FCU	3/28/2023	\$271,523.86	4.50%	9/28/2024	2/29/2024	\$271,589.47
CD #49	Sage Capital Bank	8/14/2023	\$250,000.00	5.15%	8/14/2024	2/29/2024	\$278,328.55
Total CD's to Date							\$725,255.68
Market Comparisons							
	Tex Pool			5.50%		3/1/2024	
	6 Mo. Treasury Yield			5.30%		3/1/2024	

Banking Information - District Funds				
Account	Place		As of	Amount
#59 Money Market	Sage Capital Bank		2/29/2024	\$1,583,188.74
#61 Operating	Sage Capital Bank		2/29/2024	\$22,321.39
#356 Savings	Randolph Brooks		2/29/2024	\$1.00
Total Cash to Date				\$1,605,511.13

Banking Information - Western Mitigation Fund				
Account	Place		As of	Amount
#35 Money Market	Sage Capital Bank		2/29/2024	\$163,872.88
#70 Operating	Sage Capital Bank		2/29/2024	\$2,299.59
Total Cash to Date				\$166,172.47

Banking Information - Eastern Mitigation Fund				
Account	Place		As of	Amount
#64 Money Market	Sage Capital Bank		2/29/2024	\$278,358.79
#98 Operating	Sage Capital Bank		2/29/2024	\$2,300.69
Total Cash to Date				\$280,659.48

Weighted Average Maturity (WAM) \$2,777,598.76

Using the Current Date and Maturity Date: Weighted Average Maturity (WAM) =

The overall sum of each security's par amount multiplied by its number of days to maturity, divided by the total of all investments.

Security Description	Investment Amount	CD Start Date	Reprting Period Date	Mat. Date	Mat. in Days (DTM)	WAM	CD Term
Sage Capital CD #11	\$175,337.66	8/4/2023	2/29/2024	2/4/2025	341	82.440	18 mo
Randolph Brooks CD #365	\$271,589.47	3/28/2023	2/29/2024	9/28/2024	212	79.389	18 mo
Sage Capital CD #49	\$278,328.55	8/14/2023	2/29/2024	8/14/2024	167	64.089	12 mo
CD Total	\$725,255.68					225.918	
#59 Money Market	\$1,583,188.74				1	0.771	
#61 Operating	\$22,321.39				1	0.011	
#365 Savings	\$1.00				1	0.000	
#35 Money Market	\$163,872.88				1	0.080	
#70 Operating	\$2,299.59				1	0.001	
#64 Money Market	\$278,358.79				1	0.136	
#98 Operating	\$2,300.69				1	0.001	
Fund Total	\$2,052,343.08					1.000	
Grand Totals	\$2,777,598.76					WAM 226.918	

The portfolio of the Gonzales County Underground Water Conservation District is believed to be in compliance with the District's Board approved Investment Policy, State law, and the Investment Strategy.

Signed: 
Laura Martin-Preston, Investment Officer

Dated: 03/01/2024

GCUWCD BILLS TO BE PAID**March 14, 2024**

GVTC (Local & Long Distance & Internet)- Paid	\$279.23
City of Gonzales (Utilities)- Paid	\$215.16
Ricoh (Copier Rental-February)- Paid	\$312.87
Ricoh (Copier Rental-March)	\$200.09
Hi-Tech Pest Services- Paid	\$95.00
GCDA Budget Share (quarterly payment)	\$748.25
Caldwell Co. Appraisal District (Texas Property Tax)	\$54.94
Caldwell Co. Appraisal District (Collection Budget)	\$17.31
GoTo Meeting (Monthly Telephone Charge)- Paid	\$2.16
QED Environmental Systems Inc (filter capsules)- Paid	\$910.00
McElroy Sullivan Miller & Weber LLP	\$3,083.00
Synergisdic, LLC	\$789.00
USPS (certified mail & stamps)- Paid	\$77.44
Coastal Office Solutions	\$18.87
Fisher Scientific (electrode storage solution)	\$1,798.19
Walmart (office supplies)	\$94.65
Walmart (office supplies)	\$98.53
Walmart (refund-batteries)	-\$3.68
Walmart (batteries)	\$4.97
TOTAL	\$8,795.98

GCUWCD WMF BILLS TO BE PAID

March 12, 2024

TOTAL

\$0.00

GCUWCD EMF BILLS TO BE PAID

March 12, 2024

TOTAL

\$0.00

**Gonzales County Underground Water Conservation District
Expense Report**

Laura Martin

Nature of Trip/Date	From	To	Beginning Mileage	Ending Mileage	Total Miles
2/22/2024 Caldwell County Clerk Posting	Office	Lockhart	88512	88543	31
	Lockhart	Office	88543	88574	31
					0
					0
				Total Miles	62
				Current Rate X	0.67
Phone			Mileage X Rate	Subtotal	\$41.54
CCAD Posting Fee					\$70.00
					\$2.00
Period Covered February 1-29, 2024 Approved By: Tuesday, March 12, 2024				Total Due	\$113.54

**Gonzales County Underground Water Conservation District
Mitigation Fund
Expense Report**

Link Benson

Nature of Trip/Date	From	To	Beginning Mileage	Ending Mileage	Total Miles
2/8 Mills' Well	Home	Leesville	128,077	128,127	50
2/15 Ploeger Well	Home	Oak Forest	128,185	128,209	24
2/27 Ploeger Well	Home	Oak Forest	128,278	128,302	24
2/29 Wagener's Well Service	Home	Nixon	128,345	128,407	62
			Total Miles		160
			Current Rate X		0.67
Expenses			Mileage Subtotal		\$107.20
Phone					\$70.00
February 1-29, 2024				Total Due	\$177.20
Approved By:					
Date: March 12, 2024					

**Gonzales County Underground Water Conservation District
Manager's Report
February 2024**

On February 12th, I met virtually with Mrs. Natasha Martin and Mr. Greg Ellis to discuss the request for additional information from the Board of Directors for the Canyon Regional Water Authority (CRWA) permit amendment request.

On February 14th, I attended virtually the South-Central Texas Regional Water Planning Group (SCTRWPG, Region L) meeting. A copy of the agenda is attached.

On February 16th, I met with landowner, Mr. Larry Moltz to discuss registration of exempt wells, strata below his property and drilling of new wells.

On February 20th, I met with the Board Rules Committee to discuss rule changes.

On February 22nd, I went to Caldwell County Clerk's Office to post notice for meeting.

AQUA's January production was about 47 ac-ft which is about 11% of the monthly allowable production.

CRWA's February production was about 522 ac-ft which is about 85% of the monthly allowable production.

GBRA's February production was 2 ac-ft which is 0.02% of the monthly allowable production.

SAWS February production was about 915 ac-ft which is about 94% of the monthly allowable production.

SSLGC's February production was about 899 ac-ft which is about 56% of the monthly allowable production.

The Palmer Drought Index, as of February 27, 2024, indicates that the District is currently under no drought conditions. The latest drought map shows a few small areas of improvement in Central and South Texas in the week of February 20, 2024. Overall, the drought increased by 2% points in the state.

NOTICE OF OPEN MEETING OF THE
SOUTH CENTRAL TEXAS REGIONAL
WATER PLANNING GROUP

TAKE NOTICE that a meeting of the South-Central Texas Regional Water Planning Group (SCTRWPG) as established by the Texas Water Development Board will be held on Wednesday, February 14, 2024 at 9:30 AM both in person and virtually. The in-person meeting will be held at the San Antonio Water System's Customer Service Building, Room CR-145, 2800 US Hwy 281 North, San Antonio, TX 78212. You can attend virtually on WebEx at <https://saws.webex.com/saws/j.php?MTID=md6f6d76a85b13db8afe5e027657c27d7>. The planning group members will consider and may take action regarding:

1. (9:30 AM) Roll-Call
2. Public Comment (Limited to 3 minutes)
3. Approval of the Minutes from the Previous Meeting of the South-Central Texas Regional Water Planning Group (SCTRWPG)
4. Discussion and Appropriate Action Regarding Filling Existing Vacancies and Vacancies to Result from Future Term Expirations or Resignations
5. Election of Officers for the 2024 SCTRWPG Executive Committee
6. Status Reports and Communications by TWDB
7. Status Reports and Communications Related to Regional Water Planning including reports by the Chair, Regional Liaisons, Groundwater Management Area Representatives, and Members of the Planning Group
8. Presentation by Technical Consultant Regarding Schedule and Progress Updates
9. Presentation by Technical Consultant Regarding the 2026 Regional Water Planning Technical Memorandum
 - a. Public Comment Regarding the 2026 Regional Water Planning Technical Memorandum
10. Consideration and Approval Regarding the 2026 Regional Water Planning Technical Memorandum
 - a. Discussion and Appropriate Action Regarding Approval and Authorization to Submit the Technical Memorandum to TWDB
 - b. Discussion and Appropriate Action for the Technical Consultant to Address 2027 State Water Planning Database (DB27) Updates and Non-substantive Revisions to the Technical Memorandum
 - c. Discussion and Appropriate Action for the Technical Consultant to Address Any Requests from TWDB Associated with Processing the Technical Memorandum
11. Consideration and Approval Regarding Task 5B Scopes of Work
 - a. Discussion and Appropriate Action Regarding Approval and Authorization to Submit the Notice-to-Proceed Scope of Work Request to the TWDB
 - b. Discussion and Appropriate Action to Authorize the Technical Consultant and/or the San Antonio River Authority to Work with the TWDB on Any Follow-Up Information that May be Required
 - c. Discussion and Appropriate Action to Authorize the San Antonio River Authority to Negotiate and Execute Subsequent TWDB Contract Amendment that will be Issued
12. Presentation Regarding Request for Amendment to 2021 RWP

- a. Review, Discuss, and Consider Action Regarding Approval to Submit a Minor Amendment Determination Request to TWDB for Modifications to GBRA's Proposed Lower Basin Storage and/or Mid-Basin (Phase 2) WMS Projects as Described in the 2021 South Central Texas Regional Water Plan and 2022 State Water Plan
 - b. Discussion and Appropriate Action to pursue an Amendment to the 2021 South Central Texas Regional Water Plan for Modifications to GBRA's Proposed Lower Basin Storage and/or Mid-Basin (Phase 2) WMS Projects
13. Discussion and Possible Action Regarding the Consistency Waiver for TWDB Project 21825 - Crystal Clear SUD 2024 Capital Improvements Project
 14. Discussion and Appropriate Action Regarding the Establishment of Additional Subcommittees
 15. Schedule and Potential Agenda Items for the Next Meeting of the SCTRWPG
 16. Public Comment (Limited to 3 minutes)
 17. Adjourn

As per agenda items 10, 31 TAC §357.21(g)(2) states at a minimum, notice must be provided at least 14 days prior to the meeting, written comment must be accepted for 14 days prior to the meeting and considered by the RWPG members prior to taking the associated action, and meeting materials must be made available on the RWPG website for a minimum of seven days prior to and 14 days following the meeting.

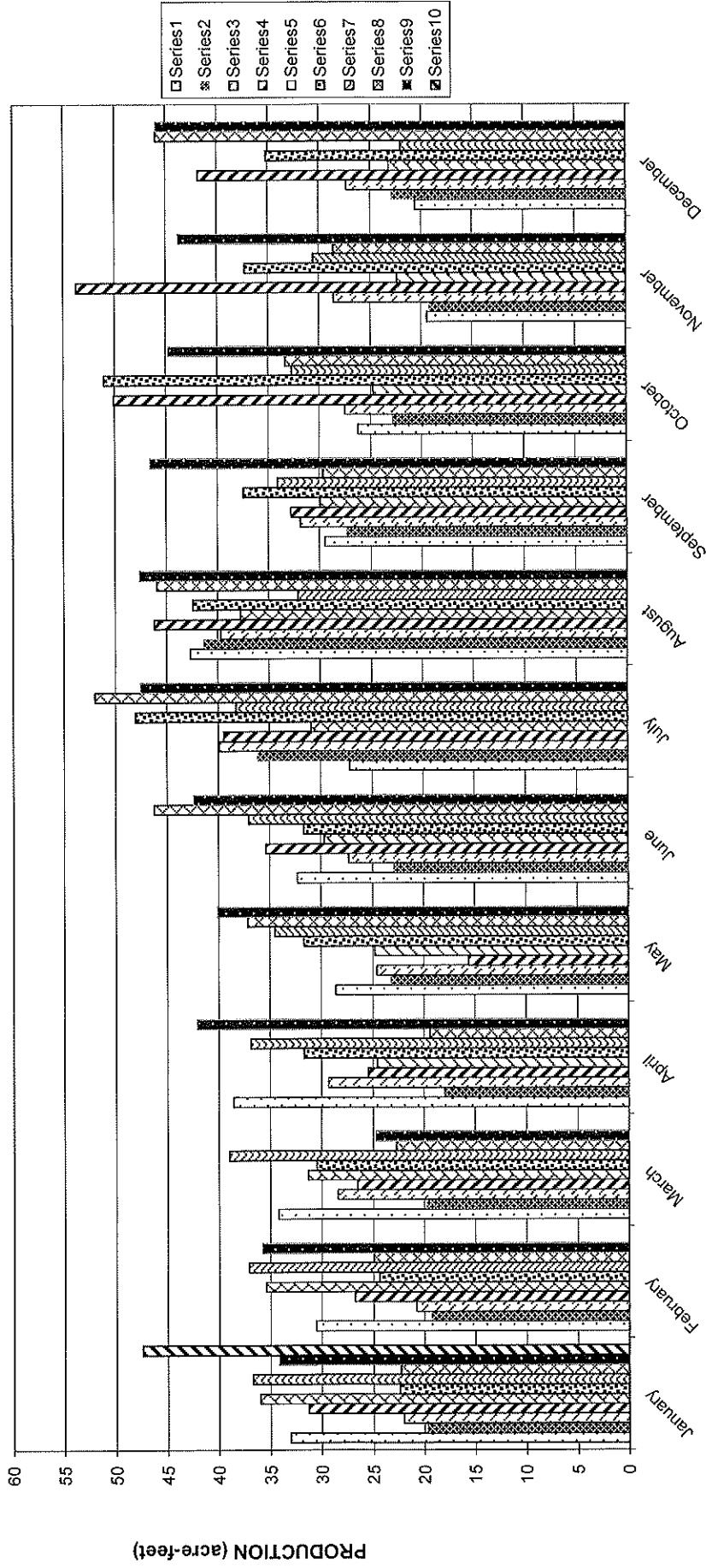
Comments and submissions may be submitted through email to ccastillo@sariverauthority.org and include "Region L South Central Texas Water Planning Group Meeting Public Comment" in the subject line of the email. Any written documentation can be sent to Tim Andruss, Chair, South Central Texas Regional Water Planning Group, c/o San Antonio River Authority, Attn: Caye Castillo, 100 E. Guenther Street, San Antonio, TX 78204. Please direct any questions to Caye Castillo at (210) 302-4258, ccastillo@sariverauthority.org.

AQUA Water Supply Corporation
Meter Reading - Usage
2024

Date	F255 Delhi #1		F256 Delhi #2		Hinton Well	
	Meter	Usage	Meter	Usage	Meter	Usage
January	761,383,700	7,193.70	954,740,000	8,268.00	0.00	0.00
February		6,411.62	7,369.12			
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						
Total Gallons*		7,194		8,268		0
Total AC/FT		22.08		25.37		0.00
Current Month Production in AC/FT		47.45				
Percentage of monthly allowable for current month		11.38				
Total AC/FT for year		47.45			0.95	
Total Dollars						\$344.52

*gallons in thousands

AQUA Monthly Production



January 2024

**Canyon Regional Water Authority
Wells Ranch Water Meter Reading - Usage
2024**

Date	P030 Well #12 Bultrap Well		P029 Well #11 Coastal Field Well		P028 Well #9 Camp House Well		P027 Well #1 Tommy's Well		P086 Well #8 Chicken House		L188 Well #5 Littlefield		L189 Well #13 Bond West		L190 Well #14 Christian West		L191 Well #15 Bond East		L192 Well #16 Christian East	
	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage
Jan	1,344,354	14,161	1,565,444	16,816	2,142,729	19,144	1,574,167	15,532	776,335	19,491	1,120,341	21,564	947,830	21,373	1,026,863	19,733	1,693,983	37,103	501,288	13,906
Feb	1,356,417	12,063	1,579,822	14,378	2,159,080	16,351	1,589,437	15,270	792,867	16,532	1,138,613	18,272	965,583	17,753	1,043,922	17,059	1,725,165	31,182	512,634	11,346
March																				
April																				
May																				
June																				
July																				
Aug																				
Sept																				
Oct																				
Nov																				
Dec																				
Total Gallons*	26224		31194	35495	30802	36023	39836	39126	36792	112,91	209,56	68285	25252	77,50						
Total AC/FT	80.48		95.73	108.93	94.53	110.55	122.25	120.07	112.91	209.56	682.85	252.52	77.50							
Current Month Production in AC/FT			522.34																	
Percentage of monthly allowable for current mo.			54.66																	
Total AC/FT for yr	1132.51		Percentage of yearly production	15.30																

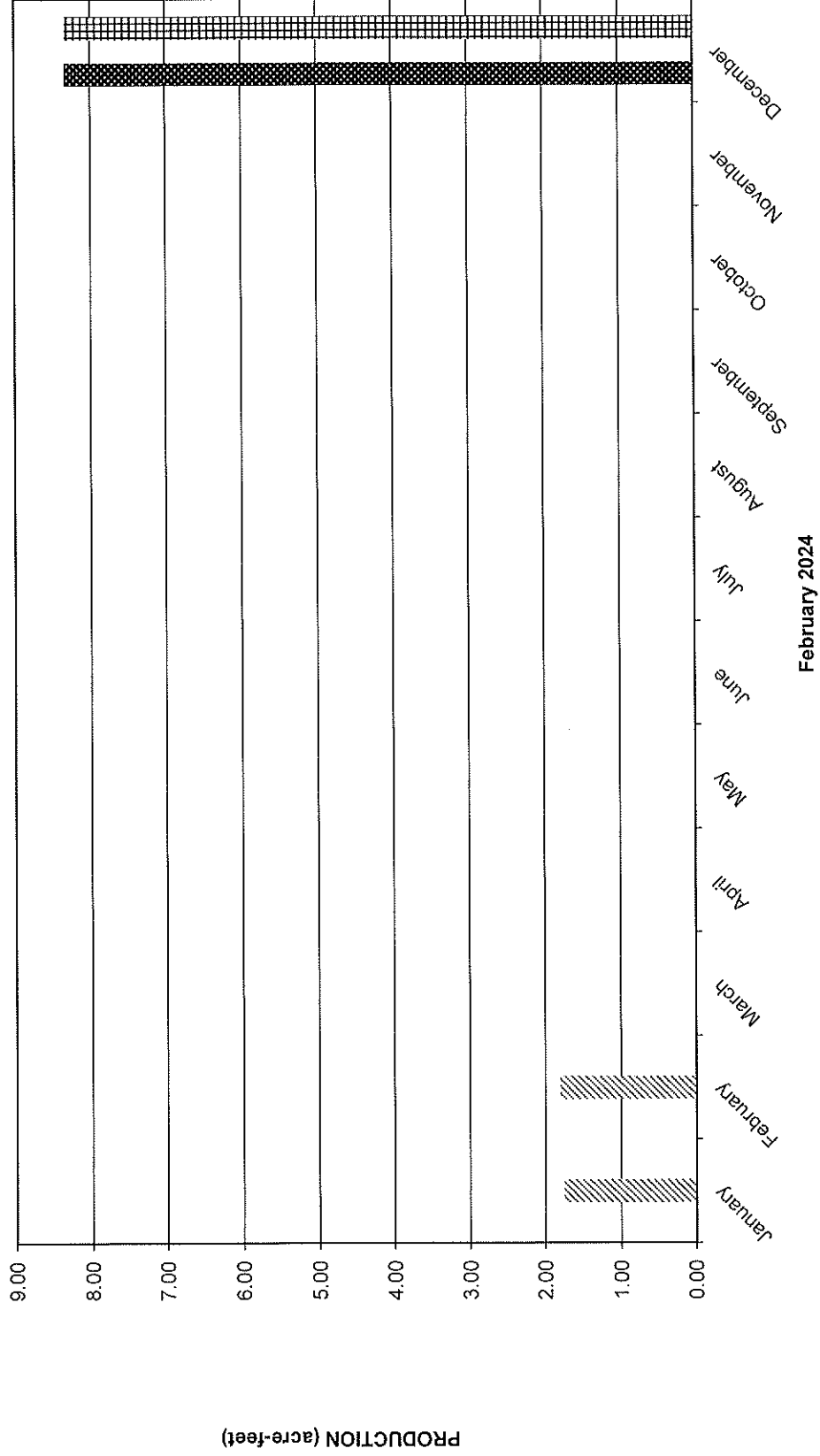
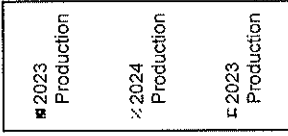
* gallons in thousands

Gudalupe-Blanco River Authority
Meter Reading - Usage
2024

Date	P059 Well #1		P060 Well #2		P061 Well #3		P062 Well #4		P063 Well #5		P064 Well #6		P065 Well #7		B/W
	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	
Jan															
Feb	586,815	587												570	
Mar															
Apr															
May															
June															
July															
Aug															
Sept															
Oct															
Nov															
Dec															
Total Gallons*															
		587		0		0		0		0		0		0	570
Total ac/ft															
		1.80		0.00		0.00		0.00		0.00		0.00		0.00	1.75
Current Mo. Production in ac/ft															
				1.80											
% of monthly allowable for current mo.															
				0.14											
Total ac/ft for yr															
		3.55		% of prod. for year											0.02

gallons in thousands

GBRA Monthly Production

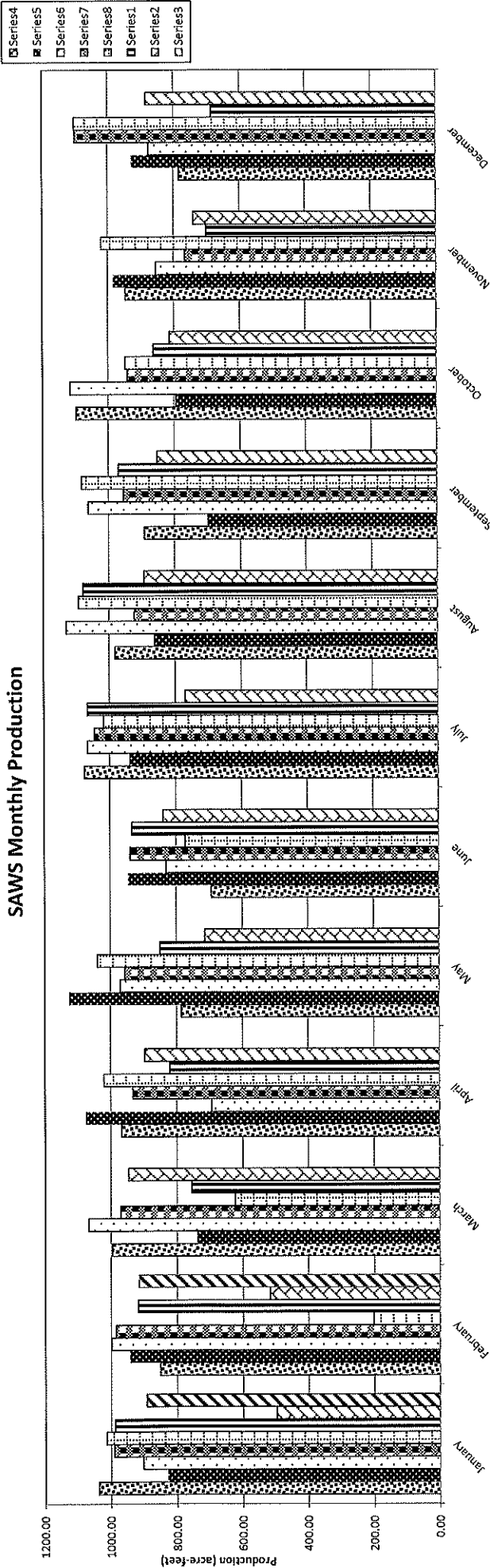


San Antonio Water System
 Meter Reading - Usage
 2024

Date	P036 Well WG-2		P039 Well WG-5		P040 Well WG-6		P041 Well WG-7		P042 Well WG-8		P043 Well WG-9		P044 Well WG-10		P047 Well WG-14		P048 Well WG-15		Fees	
	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage		B/W
Jan	2,987,811	46,420	3,080,151	53,775	4,328,423	0	528,455	29,742	4,235,138	3	276,716	59,432	3,045,050	54,354	4,645,916	3	3,525,513	46,907	6,994.7	\$7,101.03
Feb	3,044,510	56,699	3,132,036	51,885	4,328,540	117	549,661	21,206	4,235,138	0	330,598	53,882	3,092,964	47,915	4,658,128	12,212	3,579,754	54,240	6,079	\$7,301.94
Mar																				
Apr																				
May																				
June																				
July																				
Aug																				
Sept																				
Oct																				
Nov																				
Dec																				
Total Gallons*	103,119		105,660		50,948		117		113,314		3		102,269		12,216		101,147		588,793	
Total acft	316.46		324.26		156.35		0.36		347.75		0.01		313.85		37.49		310.41		1,806.94	
Current Month Production in acft																				
% of monthly allowable for current month																				
Total acft for year	1806.94		93.94		15.46		% of prod. for year													
																			Total Dollars	\$14,402.97

gallons in thousands

SAWS Monthly Production



Schertz-Seguin Local Government Corporation
 Meter Reading - Usage
 2024

Date	P007 Well #1		P008 Well #2		P009 Well #3		P010 Well #4		P011 Well #5		P012 Well #6		P016 Well #7		P017 Well #8		P031 Well #9		P032 Well #10		P033 Well #11		P034 Well #12		Fees	
	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage	Meter	Usage		Usage
Jan	890,980	16,920	287,534	0	836,744	43,511	365,702	35,496	287,672	4,309	541,090	36,977	331,250	7,043	611,391	43,064	2,896,556	43,875	2,349,304	43,703	3,151,746	0	74,128	4,557,111	7922	\$8,530.10
Feb	891,016	36	287,534	0	882,614	379,481	379,481	13,779	287,672	0	570,271	29,181	354,771	23,621	660,041	46,650	2,947,884	49,328	2,369,601	20,297	3,151,746	0	62,195	4,619,306	5,971	\$7,172.15
Mar																										
Apr																										
May																										
June																										
July																										
Aug																										
Sept																										
Oct																										
Nov																										
Dec																										
Total Gallons*	15,956			0	89,381		49,275		4,309		86,158		30,864		91,714		93,303		64,000		136,323		0		641,983	
Total acft	52.04			0.00	274.30		151.22		13.22		203.03		93.80		281.46		286.34		196.41		418.36		0.00		1970.17	
Current Mo. Production in acft	898.75			55.72																						
% of monthly allowable for current mo.	1970.17			10.18																						
Total acft for yr																										

Total Dollars \$15,702.25

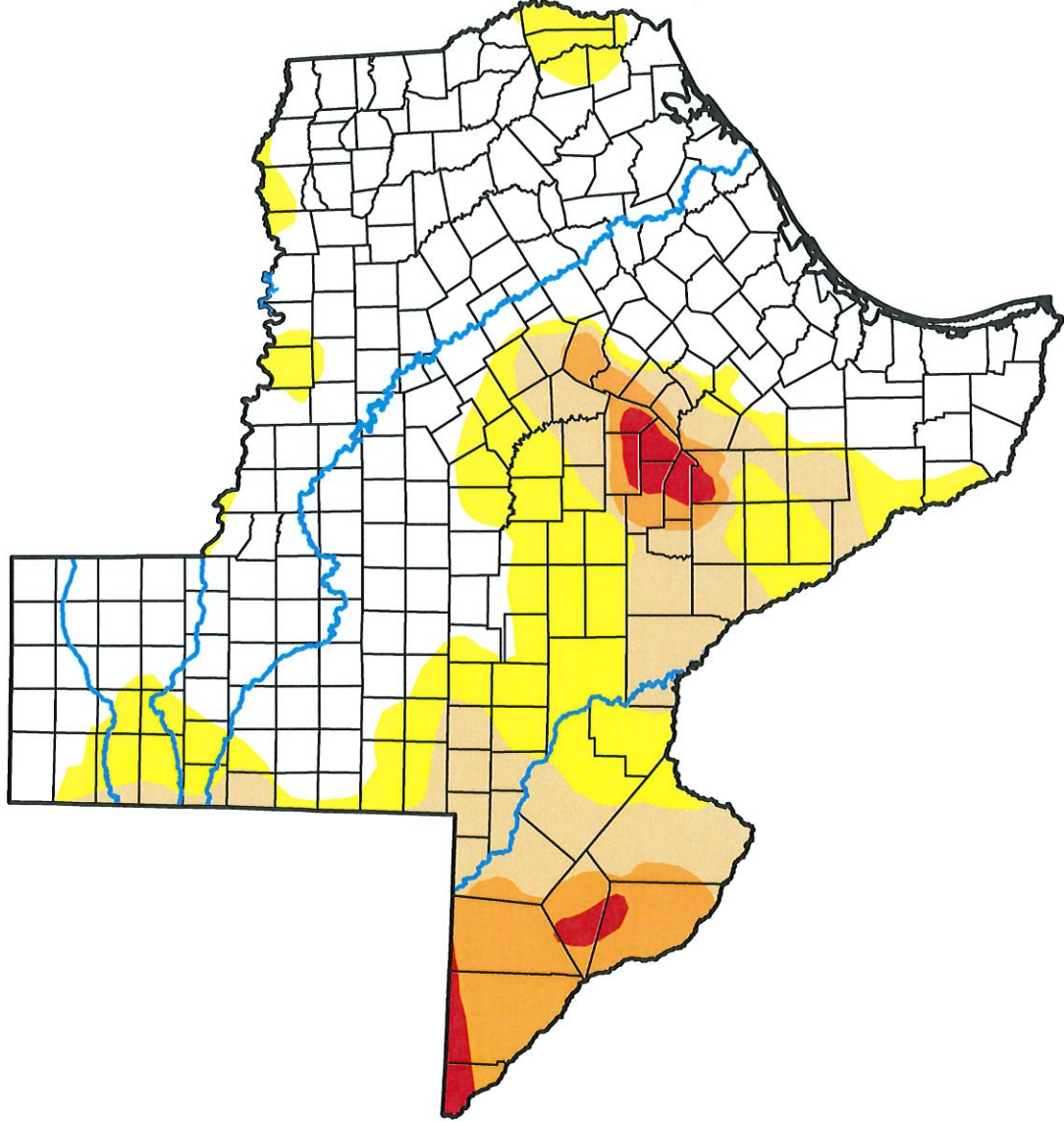
gallons in thousands

U.S. Drought Monitor Texas

February 27, 2024
(Released Thursday, Feb. 29, 2024)
Valid 7 a.m. EST

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	57.31	42.69	22.67	8.94	1.97	0.00
Last Week <i>02-20-2024</i>	60.17	39.83	22.67	8.94	1.97	0.00
3 Months Ago <i>11-28-2023</i>	31.32	68.68	42.84	18.38	5.94	1.51
Start of Calendar Year <i>01-02-2024</i>	39.60	60.40	39.47	17.78	5.68	0.68
Start of Water Year <i>09-26-2023</i>	3.03	96.97	80.64	59.66	38.06	12.68
One Year Ago <i>02-28-2023</i>	21.85	78.15	62.21	32.63	12.27	1.84



Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:
Richard Heim
NCEI/NOAA



Water Weekly

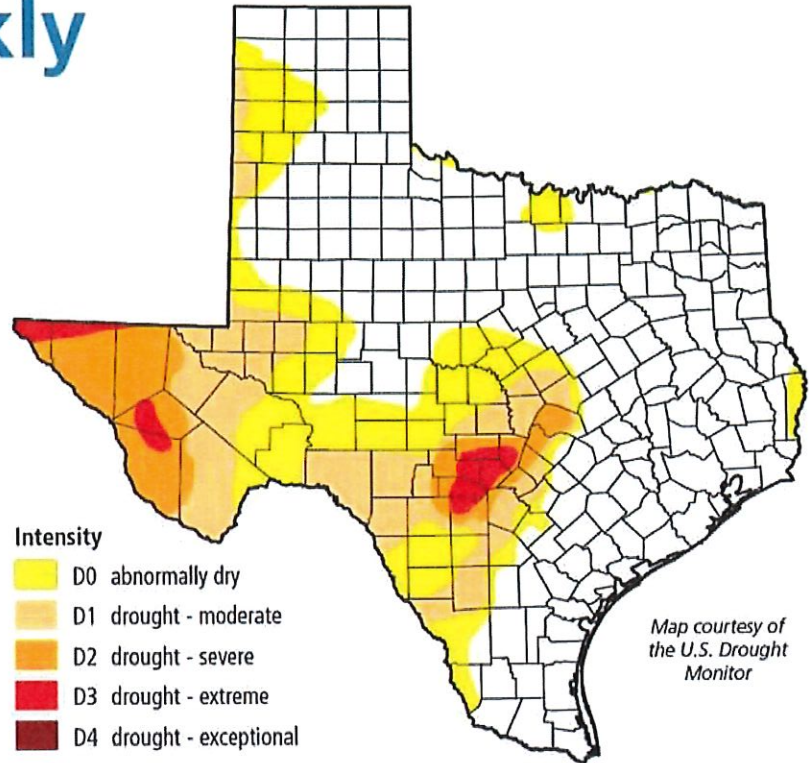
For the week of 02/26/24

Water conditions

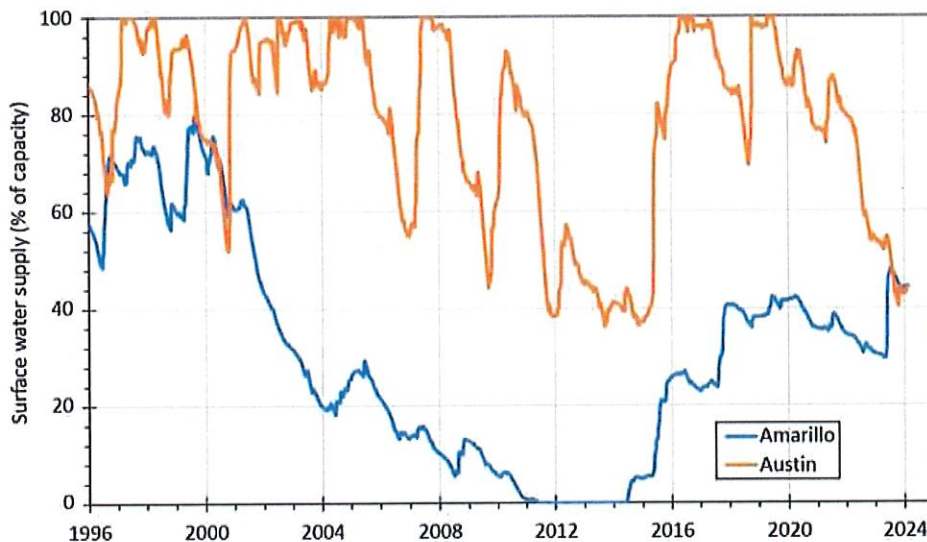
The latest drought map for conditions as of February 20 shows a few small areas of improvement in Central and South Texas in the last week, along with larger areas of degradation in West Texas. Overall, drought increased by two percentage points, the first weekly increase in five weeks.

Drought conditions

- ◆ 23% now
- ◆ 21% a week ago
- ◆ 44% three months ago
- ◆ 58% a year ago



Amarillo and Austin reservoirs



Ongoing drought conditions in Central Texas have reduced the contents of Austin's water supply reservoirs. Meanwhile, better conditions in the Panhandle have improved conditions for Amarillo. For the first time since 2000, Amarillo's surface water supply (44.4% of capacity) is doing better than Austin's (44%).

Data courtesy of Water Data for Texas

Written by Dr. Mark Wentzel — Dr. Mark Wentzel is a hydrologist in the TWDB's Office of Water Science and Conservation.

Bryan McMath, Governmental Relations | bryan.mcmath@twdb.texas.gov | 512-463-7850
Media Relations | MediaRelations@twdb.texas.gov | 512-463-5129

www.twdb.texas.gov

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Texas Water
Development Board

**Gonzales County Underground Water Conservation District
Mitigation Fund Manager's Report
February 2024**

On February 8th, I went to Leesville to the Mills' Well to review for mitigation work to be done.

On February 15th, I went to Oak Forest to meet with Mark Ploeger to discuss possible mitigation work to be done..

On February 27th, I went to Oak Forest to meet with Mark Ploeger to review mitigation work to be done. The well is eligible for mitigation work.

On February 29th, I went to Nixon to meet with Wagener's Well Service to discuss mitigation work to be done.

DRAFT

**Gonzales County Underground Water Conservation District
Field Technician Report
February 2024**

I had no job assignment or expenses in February.

DRAFT

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1.0 POLICY

It is the policy of the Gonzales County Underground Water Conservation District (District), through the District's Board of Directors (Board), that after allowing for the anticipated cash flow requirements of the District and giving due consideration to the safety and risk of investment, all available funds shall be invested in conformance with these legal and administrative guidelines seeking to optimize interest earnings.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to District funds. The District's investment portfolio shall be designed and managed in a manner designed to optimize this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the primary objectives of:

- Safety and preservation of principal;
- Maintenance of sufficient liquidity to meet operating needs;
- Public trust from prudent investment activities; and
- Optimization of interest earnings on the portfolio.

2.0 PURPOSE

The purpose of this investment policy is to comply with Chapter 36, Water Code, and Chapters 2256 and 2257, Government Code, ("Public Funds Investment Act" and "Public Funds Collateral Act," respectively), which requires each District to adopt a written investment policy regarding the investment of its funds and funds under its control. The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the District funds.

3.0 SCOPE

This Investment Policy shall govern the investment of all financial assets of the District. These funds are accounted for in the District's Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Western Mitigation Fund
- Any new fund created by the District, unless specifically exempted from this Policy by the Board or by law.

Investment income will be allocated to the various funds based on their respective participation.

This Investment Policy shall apply to all transactions involving the financial assets and related activity for all the foregoing funds. This policy does not apply to the assets administered for the benefit of the District by outside agencies under deferred compensation programs.

4.0 INVESTMENT OBJECTIVES

The District shall manage and invest its cash with four primary objectives, listed in order of priority: safety, liquidity, public trust, and yield, expressed as optimization of interest earnings. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The District shall maintain a comprehensive cash management program, which includes collection of account receivables, vendor payments in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum earnings on short-term investment of idle cash.

Safety [PFIA 2256.005(b)(2)]

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

- Credit Risk and Concentration of Credit Risk – The District will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, and concentration of credit risk, the risk of loss attributed to the magnitude of investment in a single issuer, by:
 - Limiting investments to the safest types of investments;
 - Pre-qualifying the financial institutions and broker or dealers with which the District will do business; and
 - Diversifying the investment portfolio so that potential losses on individual investments will be minimized.

- Interest Rate Risk – the District will manage the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates by limiting the maximum weighted average maturity of the investment portfolio to 365 days. The District will, in addition,;
 - Structure the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
 - Invest operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.

- Diversify maturities and staggering purchase dates to minimize the impact of market movements over time.

Liquidity [PFIA 2256.005(b)(2)]

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in rolling maturities on certificates of deposits, shares of money market mutual funds, money market funds, and/or local government investment pools that offer same-day liquidity. In addition, a portion of the portfolio may consist of securities with active secondary or resale markets.

Public Trust

All participants in the District's investment process shall seek to act responsibly as custodians of the public trust. Investment officers must avoid any transaction that might impair public confidence in the District's ability to govern effectively.

Yield (Optimization of Interest Earnings) [PFIA 2256.005(b)(3)]

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

5.0 RESPONSIBILITY AND CONTROL

Delegation of Authority [PFIA 2256.005(f)]

In accordance with Chapter 36.1561, Water Code, and the Public Funds Investment Act, the Board designates the General Manager as the District's Investment Officer. The Investment Officer is authorized to execute investment transactions on behalf of the District. No person may engage in an investment transaction or the management of District funds except as provided under the terms of this Investment Policy as approved by the Board. The investment authority granted to the investing officer is effective until rescinded by the Board or immediately upon the Investment Officer's employment termination.

Quality and Capability of Investment Management [PFIA 2256.005(b)(3)]

The District shall provide periodic training in investments for the designated Investment Officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in order to ensure the quality and capability of investment management in compliance with the Public Funds Investment Act.

Training Requirement (Chapter 36.1561)

The Investment Officer of the District shall attend a training session of at least six hours of instruction relating to investment responsibilities under Chapter 2256, Government Code, not later than the first anniversary of the date the officer takes office or assumes the officer's duties. The Investment Officer shall attend at least four hours of additional investment training on or before the second anniversary of the last training session the officer attended. The investment training session shall be provided by an independent source approved by the Board. For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor other than a business organization with whom the District may engage in an investment transaction. The following organizations are specifically authorized as independent sources for training:

- Texas Alliance of Groundwater Districts
- Texas Water Conservation Association
- Association of Water Board Directors
- University of North Texas, Center for Public Management
- William P. Hobby Center for Public Service at Texas State University

Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with Chapters 2256 and 2257, Government Code.

Internal Controls (Best Practice)

The General Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the District's General Manager shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion.
- Separation of transactions authority from accounting and record keeping.
- Custodial safekeeping.
- Avoid physical delivery of securities.
- Clear delegation of authority to subordinate staff members.
- Written confirmation for telephone (voice) transactions for investments and wire transfers.
- Development of a wire transfer agreement with the depository bank or third party custodian.

Prudence (PFIA 2256.006)

The standard of prudence to be applied by the Investment Officer shall be the “prudent investor” rule:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- The investment of all funds, or funds under the District’s control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- Whether the investment decision was consistent with the written approved investment policy of the District.

Indemnification (Best Practice)

The Investment Officer may not be held personally responsible for a specific investment’s credit risk or market price changes as long as the officer acted in accordance with written procedures and exercised due diligence, provided that the officer reports these deviations immediately and the appropriate action is taken to control adverse developments.

Ethics and Conflicts of Interest [PFIA 2256.005(i) and Water Code 36.061(a)(1)]

Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions. Employees and Investment Officers shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees and officers are prohibited from undertaking personal investment transactions with the same person with whom business is conducted on behalf of the District.

An Investment Officer of the District who has a personal business relationship with an organization seeking to sell an investment to the District shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the District shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the District Board.

6.0 SUITABLE AND AUTHORIZED INVESTMENTS

Portfolio Management

The District has a “buy and hold” portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.
- Cash flow needs of the District require that the investment be liquidated.

Authorized Investments [PFLA 2256.005(b)(4)(A)]

District funds governed by this policy may be invested in the instruments described below, all of which are authorized by Chapter 2256 of the Government Code (Public Funds Investment Act). Investment of District funds in any instrument or security not authorized for investment under the Act is prohibited.

- Obligations of the United States of America, its agencies and instrumentalities.
- Certificates of Deposit issued by a depository institution that has its main office or a branch office in Texas. The certificate of deposit must be guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund. Any funds held in excess of the amount insured shall be secured by obligations in a manner and amount as provided by law.
- Certificates of Deposit obtained through a depository institution or broker that has its main office or a branch office in Texas and that contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Public Funds Investment Act.
- Money Market Mutual funds that: 1) are registered and regulated by the Securities and Exchange Commission, 2) have a dollar weighted average stated maturity of 90 days or less, 3) seek to maintain a net asset value of \$1.00 per share, and 4) are rated AAA by at least one nationally recognized rating service.
- Local government investment pools, which 1) meet the requirements of Chapter 2256.016 of the Public Funds Investment Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and 3) are authorized by Board resolution.
- A local government investment pool created to function as a money market mutual fund if the pool 1) marks its portfolio to the market daily and, 2) to the extent reasonably possible, stabilizes at \$1.00 net asset value.
- Money Market Funds

All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. (PFIA 2256.021) The Investment Officer shall, at least quarterly, review the credit quality rating of instruments in the District's portfolio using published resources from at least one nationally recognized rating service. (PFIA 2256.005(b)(4)(F))

7.0 INVESTMENT PARAMETERS

Maximum Maturities [PFIA 2256.005(b)(4)(B)]

It is the District's policy to concentrate its investment portfolio in shorter-term securities in order to limit principal risk caused by changes in interest rates.

The District attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than one (1) year from the date of purchase; however, the above described obligations, certificates, or agreements may be collateralized using longer dated investments. Because no secondary market exists for repurchase agreements, the maximum maturity shall be 120 days. For flexible repurchase agreement for bond proceeds, the maximum maturity shall be determined in accordance with project cash flow projections and the requirements of the governing bond ordinance.

The composite portfolio will have a weighted average maturity of 365 days or less. This dollar-weighted average maturity will be calculated using the stated final maturity dates of each security. [PFIA 2256.005(b)(4)(C)]

Diversification [PFIA 2256.005(b)(3)]

The District recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Limiting investments to avoid overconcentration in investments from a specific issuer or business sector;
- Limiting investments that have higher credit risks (example: commercial paper);
- Investing in investments with varying maturities; and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for the District's total portfolio:

- U.S. Treasury Securities 100%
- Agencies and Instrumentalities 85%

- Certificates of Deposit 100%
- Money Market Funds 100%
- Money Market Mutual Funds 50%
- Authorized Pools 50%
- Repurchase Agreements* 20%

*Excluding flexible repurchase agreements for bond proceeds investments.

8.0 SELECTION OF BANKS AND DEALERS

Depository (Water Code 49.156)

At least every five years a Depository shall be selected through the District’s banking services procurement process, which shall include a formal request for proposal (RFP). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state law.
- The ability to provide requested information or financial statements for the periods specified.
- The ability to meet all requirements in the banking RFP.
- Complete response to all required items on the bid form
- Lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

Authorized Brokers/Dealers (PFIA 2256.025)

The District or the District’s Investment Committee, shall annually review, revise, and adopt a list of qualified brokers or dealers and financial institutions authorized to engage in securities transactions with the District. Those firms that request to become qualified bidders for securities transactions will be required to provide: 1) a completed broker or dealer questionnaire that provides information regarding creditworthiness, experience and reputation; and 2) a certification stating the firm received, read and understood the District’s investment policy and agrees to comply with that policy. Authorized firms may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), and qualified depositories. All investment providers, including financial institutions, banks, money market mutual funds, and local government investment pools, must sign a certification acknowledging that the organization has received and reviewed the District’s investment policy and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the District’s policy. [PFIA 2256.005(k-1)]

Competitive Bids (Best Practice)

It is the policy of the District to require competitive bidding for all individual security purchases and sales except for: 1) transactions with money market mutual funds and local

government investment pools; and 2) treasury and agency securities purchased at issue through an approved broker or dealer or financial institution. The General Manager shall develop and maintain procedures for ensuring competition in the investment of the Entity's funds.

Delivery vs. Payment [PFIA 2256.005(b)(4)(E)]

Securities shall be purchased using the "delivery vs. payment" method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received.

9.0 CUSTODIAL CREDIT RISK MANAGEMENT

Safekeeping and Custodian Agreements (Best Practice)

The District shall contract with a bank or banks for the safekeeping of securities either owned by the District as part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by the District shall be held in the District's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by a third party custodian designated by the District and pledged to the District as evidenced by safekeeping receipts of the institution with which the collateral is deposited. Original safekeeping receipts shall be obtained. Collateral may be held by the depository bank's trust department, a Federal Reserve bank or branch of a Federal Reserve bank, a Federal Home Loan Bank, or a third party bank approved by the District.

Collateral Policy (PFCA 2257.023)

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the District to require full collateralization of all District investments and funds on deposit with a depository bank, other than investments, which are obligations of the U.S. government and its agencies and instrumentalities. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC. At its discretion, the District may require a higher level of collateralization for certain investment securities. Securities pledged as collateral shall be held by an independent third party with which the District has a current custodial agreement. The General Manager is responsible for entering into collateralization agreements with third party custodians in compliance with this Policy. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the District and retained. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

Collateral Defined

The District shall accept only the following types of collateral:

- Obligations of the United States or its agencies and instrumentalities.
- Direct obligations of the state of Texas or its agencies and instrumentalities.
- Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent with a remaining maturity of ten (10) years or less.
- A surety bond issued by an insurance company rated as to investment quality by a nationally recognized rating firm not less than A.
- A letter of credit issued to the District by the Federal Home Loan Bank.

Subject to Audit

All collateral shall be subject to inspection and audit by the General Manager or the District's independent auditors.

10.0 PERFORMANCE

Performance Standards [Water Code 36.061(a)(3)(B)]

The District's investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio shall be designed with the objective of obtaining a rate of return through budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of the District.

Performance Benchmark (Best Practice)

It is the policy of the District to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, the District shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a quarterly basis on all securities owned and compared to current book value. The District's portfolio shall be designed with the objective of regularly meeting or exceeding the average rate of return on U.S. Treasury Bills at a maturity level comparable to the District's weighted average maturity in days.

11.0 REPORTING (PFIA 2256.023)

Methods

The Investment Officer shall prepare an investment report on at least a quarterly basis that summarizes investment strategies employed in the most recent reporting period and describes the portfolio in terms of investment securities, maturities, and shall explain the total investment return for the reporting period.

The investment report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting principals. This summary will be prepared in a manner that will allow the District to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the Board. The report will include the following:

- A listing of individual securities held at the end of the reporting period.
- Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
- Additions and changes to the market value during the period.
- Average weighted yield to maturity of portfolio as compared to applicable benchmark.
- Listing of investments by maturity date.
- Fully accrued interest for the reporting period
- The percentage of the total portfolio that each type of investment represents.
- Statement of compliance of the District's investment portfolio with state law and the investment strategy and policy approved by the Board.

An independent auditor will perform a formal annual review of the investment reports with the results reported to the Board. [*PFIA 2256.023(d)*]

Marking to Market [*PFIA 2256.005(b)(4)(D)*]

Market value of all securities in the portfolio will be determined on at least a quarterly basis. These values will be obtained from a reputable and independent source and disclosed to the governing body quarterly in a written report.

12.0 INVESTMENT POLICY ADOPTION [*PFIA 2256.005(e)*]

The District's investment policy shall be adopted by resolution of the Board. It is the District's intent to comply with state laws and regulations. The District's investments policies shall be subject to revisions consistent with changing laws, regulations, and needs of the District. The Board shall review the policy annually and approve any changes or modifications.



Aquifer Storage and Recovery & Aquifer Recharge

Aquifer storage and recovery (ASR) is the use of an aquifer to store water from a different source or location for later use. Aquifer recharge (AR) is the intentional recharge of an aquifer by means of an injection well or other enhanced infiltration. There are more than 200 ASR or AR systems in 27 states across the United States, with one of the largest ASR systems located in San Antonio, Texas.

ASR or AR in Texas

There are two municipal-scale ASR systems and one municipal-scale hybrid (ASR-AR) system in Texas. The City of Kerrville Plant became operational in 1998 and has two ASR wells and a recovery capacity of about 2.6 million gallons per day. They store surface water from the Guadalupe River in the lower Trinity Aquifer. The ASR facility at the H2Oaks Center, located south of San Antonio, became operational in 2004 and has 29 ASR wells and a recovery capacity of about 60 million gallons per day. They store groundwater from the Edwards Aquifer in the Carrizo-Wilcox Aquifer. The Fred Hervey Water Reclamation Plant in El Paso became operational in 1985 and has a spreading basin, recharge well field with one shallow vadose well, and a down-gradient Hueco Bolson Aquifer production well field. They recharge and store reclaimed water. There are also some smaller scale ASR projects, such as the Ruby Ranch Water Supply Corporation.

Pilot ASR facilities are being tested in Bryan, Buda, Corpus Christi, New Braunfels, and Victoria. AR infrastructure is being operated by the Barton Springs Edwards Aquifer Conservation District and Edwards Aquifer Authority.

Can I do ASR or AR?

Your ability to use ASR or AR facilities depend on several factors, including: (1) a source of water to store or recharge, (2) an aquifer nearby that is physically able to store your desired volumes, and (3) capacity to treat the source water to ensure it is chemically compatible with the aquifer and does not degrade its quality.

Sources of water to store may include surface water, groundwater, or reclaimed water and may only be available seasonally. Ideally, your candidate aquifer is nearby to reduce pipeline costs. The aquifer must be able to physically receive the volume of water to be stored. Different aquifers can receive different amounts of water and infrastructure will need to be designed to meet the physical capabilities of the aquifer. Less

permeable aquifers or high demand projects may need many wells spread over a larger area to handle the desired volume.

The aquifer doesn't have to be fresh—brackish (and more saline) aquifers are also potential hosts for ASR. Water that is stored underground cannot degrade the native water in the aquifer. Chemical compatibility between the stored water and the aquifer—both the aquifer's water and the host rock—is necessary. Chemically incompatible water could cause clogging or liberate unwanted constituents, such as arsenic, iron, and manganese, into the water. Source water for an ASR or AR facility may need treatment to ensure compatibility with the aquifer and this pretreatment may increase project costs.

ASR and AR in the State Water Plan

In the 2022 State Water Plan, 10 regional water planning groups (A, C, E, G, H, J, K, L, N, and O) recommend 27 ASR projects and four additional projects with an AR component. These 31 projects include 34 new or expanded well fields or infiltration basins. If implemented, ASR projects could create about 193,000 acre-feet of new water supply per year by decade 2070, constituting about 2.5 percent of all recommended water management strategies.

State Regulations

Allocation of surface water for ASR was authorized in 1995 by the 74th Texas Legislature with House Bill 1989. In 2015, the 84th Texas Legislature passed House Bill 655 that amended the Texas Water Code to make the statute more conducive to implementing ASR projects. The act provides the Texas Commission on Environmental Quality with exclusive jurisdiction over the regulation and permitting of ASR wells. The act stipulates that groundwater conservation districts cannot require permits for the drilling and operation of aquifer injection or recovery wells for ASR except when the amount of groundwater recovered from the wells is greater than the amount authorized by the Commission.

In May 2016, the Commission adopted rules that amended the following sections in Title 30 of the Texas Administrative Code to incorporate requirements of House Bill 655: public notification for ASR projects (§39.651), source water permitting process (§§295.21, 295.22, 295.202), new definitions (§§297.1, 297.13, 297.19), and requirements of a Class V injection well for ASR projects (§§331.2, 331.7, 331.11, 331.181–331.186).

In 2019, the 86th Texas Legislature passed House Bill 721 directing the Texas Water Development Board (TWDB) to (1) conduct a statewide suitability survey of aquifers for ASR or AR projects, (2) perform studies for ASR or AR projects, (3) work with appropriate interested persons, and (4) share the results of these studies (Texas Water Code §11.155). Also in 2019, House Bill 720 passed allowing for unappropriated water, including stormwater and floodwater, to be appropriated for ASR and AR projects (Texas Water Code §11.023, 11.157, and 11.158).

Feasibility and Demonstration Projects

The TWDB has supported the development of ASR projects since the early 1990s with feasibility studies and research. For example, we funded early feasibility studies for Kerrville and San Antonio and funded a study on impediments to ASR in Texas. We've provided funding to the Victoria County Groundwater Conservation District, the Edwards Aquifer Authority, and the Corpus Christi Aquifer Storage and Recovery Conservation District to acquire information about local aquifer properties, system design, and system operation and maintenance for possible ASR projects.

Most recently, staff have completed an aquifer characterization study that included geologic mapping and groundwater data collection and are working on a groundwater modeling study. Staff will continue to work with appropriate interested persons to conduct studies that are relevant to ASR and AR projects in Texas

How We Can Help

Our experts are ready to discuss the potential for ASR or AR in your area. To determine how suitable ASR or AR may be for a specific area in Texas, visit the statewide survey at www.twdb.texas.gov/innovativewater/asr/projects/Statewide/index.asp.

More Information

To learn more about the TWDB's aquifer storage, recovery and recharge activities, please visit www.twdb.texas.gov/innovativewater/asr.

Or please contact:

James Golab james.golab@twdb.texas.gov
512-475-1540

Frequently Asked Questions

1. [What is aquifer storage and recovery \(ASR\)?](#)
 2. [Are there other methods to transfer water into an aquifer?](#)
 3. [How many ASR systems are there in Texas?](#)
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-

Answers to Frequently Asked Questions

1. What is aquifer storage and recovery(ASR)?

Aquifer storage and recovery (commonly referred to as ASR) is the practice of storing water in a suitable aquifer through a well when water is available and recovering the water from the same aquifer when it is needed. Typically, the same well is used for both injection and recovery. Some people refer to it as a "water savings account".

2. Are there other methods to transfer water into an aquifer?

Yes, two other common methods are spreading basins and vadose zone wells (in Texas, these are referred to as aquifer recharge (AR) projects). If the soil between the land surface and the aquifer can transmit water, spreading basins can be used. In spreading basins, water is retained by engineered structures and percolates through the soil to the aquifer. If the soil at the surface is impermeable and the aquifer is shallow, vadose zone wells might be considered. Vadose zone wells typically are large diameter wells that penetrate through an impermeable soil layer to layers where water can infiltrate the soil and drain into the aquifer.

3. How many ASR systems are there in Texas?

Currently, there are three in Texas. The ASR system at the City of Kerrville began operating in 1998, and the San Antonio Water System's ASR facility at the H2Oaks Center began operating in 2004. Both systems continue to perform successfully and are viewed by their operators as a beneficial component of their water management. El Paso Water Utilities' Fred Hervey Water Reclamation Plant has what is considered a hybrid facility, established in 1985, has used or is using ASR, AR, and indirect reuse. In this system, reclaimed water is

added to the aquifer using wells and spreading basins. This water is recovered from wells other than the ones used for injection. This facility may also be classified as aquifer storage, transfer and recovery (ASTR) system.

4. How many ASR systems are there in the United States?

According to a survey conducted in 2013 for the American Water Works Association and presented by Dr. Chi Ho Sham at the [2020 Groundwater Protection Council Underground Protection Control Conference](#) in San Antonio, there are over 200 ASR systems in the United States. The first ASR facility in the United States was built in 1969 in Wildwood, New Jersey, and has been operating since then. The implementation of ASR systems in the nation has accelerated in recent years.

5. Can ASR be used to store any type of water?

Yes, stored water may come from a variety of sources, including surface water, groundwater from other aquifers (or other areas of the same aquifer), reclaimed water, and harvested rainwater. In Texas, surface water, groundwater, and reclaimed water have all been used in ASR projects. Regardless of the stored water source, in Texas, operation of an ASR project cannot alter the quality of the native groundwater to a degree that would:

- render the groundwater produced from the receiving formation harmful or detrimental to people, animals, vegetation, or property or
- require an unreasonably higher level of treatment for the groundwater produced from the receiving formation than is necessary for the native groundwater to be suitable for beneficial use.

TCEQ's ASR project evaluations are based on factors unique to each project rather than relying on any prescriptive standards of source water treatment. A range of source water pre-treatment may be required depending on the various potential combinations of source water, native groundwater, and host rock composition that could make up an ASR project in Texas. More information on regulation and permitting of ASR projects is available from the [Texas Commission on Environmental Quality Underground Injection Control Class V Permits website](#).

6. How much of the stored water can be withdrawn from an ASR system?

If water is stored in a freshwater aquifer, it is possible to recover 100 percent of that water. If water is stored in a brackish aquifer, some stored water is left in the aquifer to create a buffer zone, ensuring that brackish water is not present in the recovered water. This buffer zone only needs to be established once. After establishing a buffer zone, high recovery efficiencies are possible. If long storage times are expected, flow in the aquifer may pose a risk of the stored water migrating away from the storage site. The potential for migration of stored water should be considered during the planning of an ASR project.

7. What is the quality of water recovered from an ASR system?

The quality of the recovered water will be the result of well operations and the chemical interactions between the source water, native groundwater, and host rock. For example, the longer the storage time, the more chemical interactions may happen. In some cases, the recovered water is expected to be of drinking water quality in others, additional treatment such as pH adjustment or disinfection may be required. Water quality and treatment requirements are site and project specific.

8. What are the main concerns regarding ASR in Texas?

A 2011 study conducted for the Texas Water Development Board (TWDB) found that water purveyors who had considered ASR had the following concerns:

- Ability to recover the stored water
- Quality of the recovered water
- Cost effectiveness
- Potential for others to recover the stored water

While these concerns need to be considered, they have been successfully addressed in the aquifer storage and recovery systems operating in Texas and across the nation.

9. Can the TWDB provide funds for the construction of an ASR system?

One of the main functions of the TWDB is to provide financial assistance to support the development of recommended water management strategies in the regional and state water plans, including ASR. More information about the [TWDB's financial assistance programs](#) is available.

10. What is the role of the TWDB in ASR?

Goals of the TWDB ASR Program:

- Disseminate information through public education
- Consolidate and map all available study materials
- Facilitate the application of best practices among entities considering ASR

In 2015, the 84th Texas Legislature appropriated \$1 million to the TWDB to fund grants for demonstration projects for alternative water supplies. We provided funding to the Victoria County Groundwater Conservation District, the Edwards Aquifer Authority, and the Corpus Christi Aquifer Storage and Recovery Conservation District to acquire information about local geological conditions, water quality, aquifer properties, system design, and system operation and maintenance for possible ASR projects.

In 2019, the 86th Texas Legislature passed House Bill 721 that directed the TWDB to conduct a statewide survey of various major and minor aquifers to identify their relative suitability for use in ASR projects and aquifer recharge (AR) projects and to submit a report that summarizes the statewide survey to the Governor, Lieutenant Governor, and Speaker of the House of Representatives. Additionally, this update to Texas Water Code §11.155 mandates that TWDB conduct studies of ASR and AR projects identified in the state water plan or by interested persons and report the results to regional water planning groups and interested persons.

11. What are the benefits of ASR?

When comparing ASR systems to surface water reservoirs, there are two main benefits which include no water loss due to evaporation and no loss of storage capacity due to sedimentation. ASR can also defer the need for additional capital investment by increasing the use of existing treatment facilities; they can be used in non-peak hours to pretreat ASR source water for storage.

12. What are the most important technical factors needed for ASR to be a potential water management tool?

Five factors of highest importance are:

- Access to a water source. ASR only stores water, it doesn't create it.

- Access to an appropriate aquifer in which to store and transmit the stored water at a rate and volume sufficient to meet the need.
- Design and operation of the ASR system to minimize or eliminate potential migration of the stored water away from the storage site.
- Proper controls (institutional or technical) to ensure that the stored water remains under the control of the project operator of the ASR system.
- Design and operations that ensure source water, native groundwater, and host rock geochemical compatibility to avoid degradation of water quality and water supply infrastructure.

13. Is ASR considered in the 2017 State Water Plan?

In the 2017 State Water Plan, 9 of the 16 regional water planning groups (regions A, E, F, G, J, K, L, O, and P) have included ASR and AR as a recommended water management strategy. Collectively, there are 43 recommended water management strategies and 20 ASR or AR associated projects in the plan. If these strategies are implemented, ASR and AR would yield an estimated 152,000 acre-feet of new water supply per year by decade 2070, constituting about 1.8 percent of all recommended water management strategies.

On December 7, 2017, Guadalupe-Blanco River Authority (GBRA) amended the state water plan and changed the Mid-Basin Water Supply Project-Surface Water and ASR Water Management Strategy and its one associated project from recommended to alternative. It also removed the Texas Water Alliance Regional Carrizo Aquifer Development Water Management Strategy and its one associated project sponsored by Texas Water Alliance and designated them as alternative. These water management strategies are replaced by the GBRA Mid-Basin Conjunctive Use Water Management Strategy with one associated project sponsored by the GBRA. Therefore, there is an ASR component in conjunctive use.

As a result, the volume of new ASR water supply per year by decade 2070 reduced from 152,000 to 123,000 acre-feet and the ASR percent of all recommended water strategies reduced from 1.8 to 1.5.

14. How can I get more information about ASR?

If you have any questions about or need information on the TWDB's [ASR program](#), please contact Andrea Croskrey at 512-463-2865 or andrea.croskrey@twdb.texas.gov.

Aquifer Storage and Recovery Report: Carrizo-Wilcox Aquifer Characterization for Eastern Gonzales and parts of Caldwell and Guadalupe Counties, Texas

Study Summary:

The goal of this study is to map and characterize the Carrizo-Wilcox Aquifer to a depth of 2,000 feet below ground surface within the study area using existing water well reports, well cuttings from new nearby water supply wells, geophysical well logs, and available aquifer data. This study will support the aquifer storage and recovery (ASR) part of the Guadalupe-Blanco River Authority's (GBRA) Mid-basin Water Supply Project (MBWSP) and is a recommended water management strategy in the 2017 State Water Plan. This ASR project will be used to meet water supply needs in Caldwell, Comal, Guadalupe, and Hays counties. Injected water will be sourced from the Guadalupe River and stored within the Carrizo Aquifer for later recovery to meet demand.

The objectives of the study are to:

- collect, analyze, and interpret water well and geophysical well logs;
- incorporate data from new GBRA water supply wells;
- interpret the stratigraphic framework, lithology, structure and hydrogeology of the study area;
- map the net sand distribution in the Carrizo-Wilcox Aquifer;
- analyze the native groundwater quality of the Carrizo-Wilcox Aquifer including mapping the distribution of total dissolved solids;
- incorporate newly created information into the publicly available BRACS Database and study GIS datasets;
- prepare and publish study findings in a peer-reviewed TWDB report.
- fulfill the Texas Water Code §11.155 mandate to "conduct studies of aquifer storage and recovery projects and aquifer recharge projects identified in the state water plan or by interested persons".

Study Team Members: Andrea Croskrey, James Golab, and Daniel Collazo

Study Start Date: Fall 2020

Study Completion Date: Winter 2021/2022

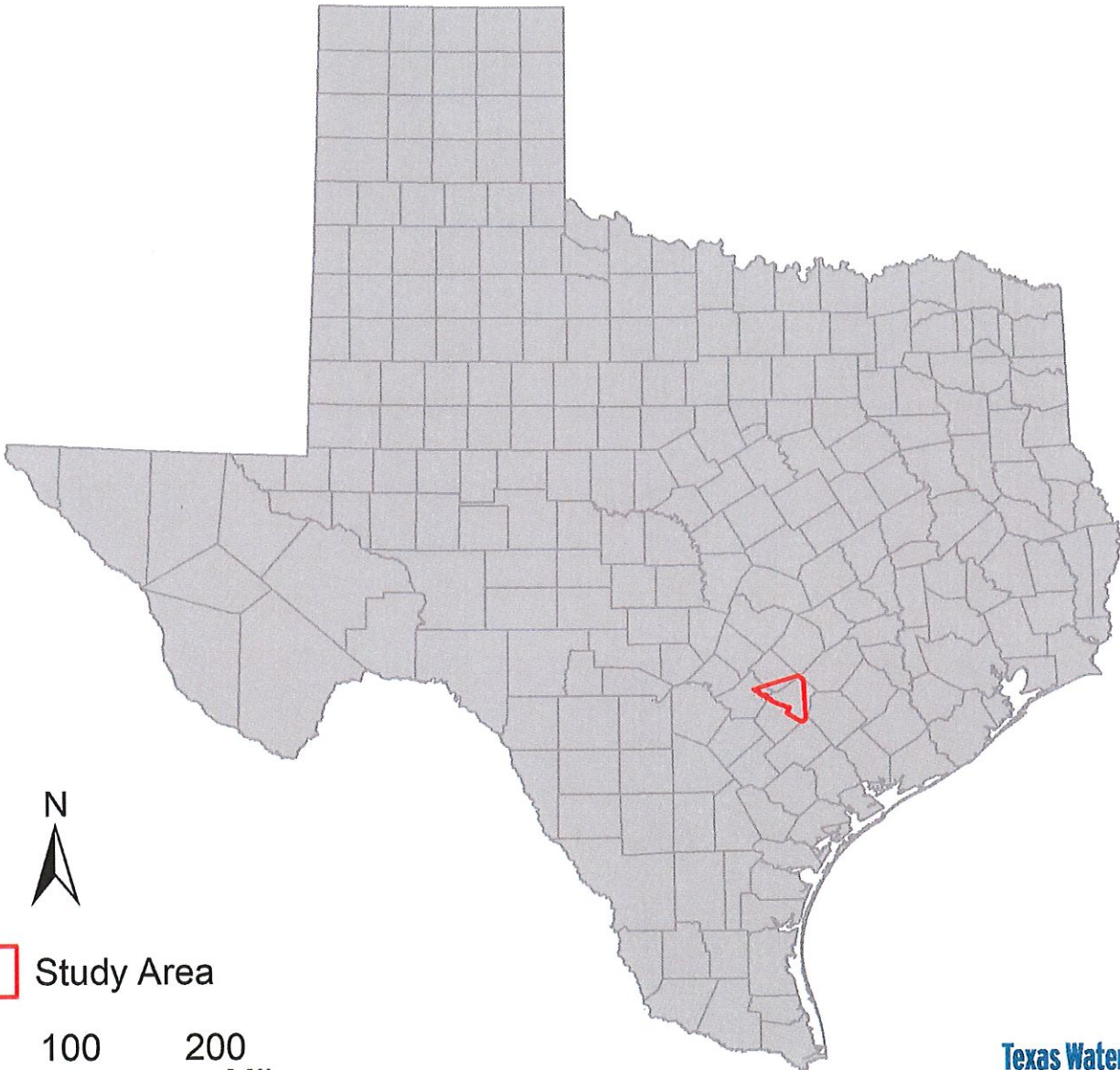
Benefits: This study will develop data and a report that will aid GBRA with the development of their proposed ASR project and will also be publicly available to researchers or other stakeholders interested in developing ASR projects.

Study Details

- [Study Area Map](#)
- [Participants](#)
- [Study Milestones](#)
- [Final Report](#)

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Carrizo-Wilcox Aquifer Characterization for Aquifer Storage and Recovery, Eastern Gonzales and Southern Caldwell Counties



Texas Water
Development Board 01/11/2021

Law Offices of
Patricia Erlinger Carls

March 5, 2024

VIA EMAIL TO: umartin@gdhm.com

Natasha J. Martin
Graves Dougherty Hearon & Moody
401 Congress Avenue
Suite 2700
Austin TX 78701

VIA EMAIL TO: greg@gmellis.law

Gregory M. Ellis
GM Ellis Law Firm PC
2104 Midway Court
League City TX 77573

VIA EMAIL TO: generalmanager@gcuwcd.org

Laura Martin-Preston
General Manager
Gonzales County Underground Water Conservation District
522 Saint Matthew St.
PO Box 1919
Gonzales TX 78629

**RE: Response to Email from Natasha J. Martin Dated February 1, 2024
Applications of CRWA for Permit Amendments**

Dear Ms. Martin, Mr. Ellis, and Ms. Martin-Preston:

This submittal is in response to the February 1, 2024 email from Natasha J. Martin, attorney for the Gonzales County Underground Water Conservation District (the “**District**”) Board of Directors, to Trish Erlinger Carls and Trey Wilson, attorneys for Canyon Regional Water Authority (“**CRWA**”) (the “**Email Request**”) (copy attached as ATTACHMENT 1). The Email Request directs CRWA to respond by March 5, 2024 to questions on three topics, before the District Board (the “**Board**”) takes final action on CRWA’s pending production and transportation/export permit applications seeking authorization to increase the pumping rate in existing CRWA

Email: tcarls@tcarlslaw.com | Phone: (512)567-0125

Well 14-Christian West (“Well 14”) from 495 gallons per minute (gpm) to 1,065 gpm, thus allowing CRWA to produce and transport an additional 920.05 acre-feet/year of water from the Carrizo Aquifer (the “CRWA Applications”). We understand that final Board action on the CRWA Applications is anticipated to occur on March 12, 2024.

CRWA acknowledges that the questions in the Email Request reflect important issues of concern to the Board and appreciates the opportunity to submit this response. CRWA requests that this response be forwarded to the members of the Board and included in the administrative record for the CRWA Applications.

The text of each Email Request and CRWA’s response are provided below.

REQUEST NO. 1. “Phased Production - The current permit breaks the permitted production into 2 interim stages. The Board asked whether CRWA would need the full amount of the additional 920.05 acre-foot per year increase in production now, or if it could be phased in.

- a. When will CRWA, or its member entities, beneficially use the requested amount of groundwater? Please provide a brief description of how the total production requested meets the CRWA’s needs and how it will be put to a beneficial use and the timeline for that use.
- b. Are there any technical impediments to using the full requested amount upon authorization?
- c. If additional phasing were included as a special condition by the Board, how would CRWA propose to phase in the use for phases II and a new phase III?”

CRWA RESPONSE TO REQUEST NO. 1: CRWA’s need for all of the 920.05 acre-feet/year of water requested is immediate. In particular, two of CRWA’s member entities — East Central Special Utility District and Springs Hill Water Supply Corporation — are experiencing high demand from retail domestic water customers in their certificated water service areas. These two entities provide retail water service to several fast-growing communities within the boundaries of their water certificates of convenience and necessity, including southeastern Bexar County (in the case of East Central SUD), and eastern Guadalupe County, including part of the SH 46/IH 10 corridor (in the case of Springs Hill WSC). The need is unequivocal, immediate and unabating.

CRWA acknowledges that its 2012 permit has a "Production Schedule" with a so-called "Interim Phase I" and "Interim Phase II." In 2012, CRWA sought, and was granted, authorization to rework four existing wells (which were originally permitted in 2009), drill six new wells, and increase its production and transportation authorizations by 4,400 acre-feet/year. The so-called "Interim Phase I" period commenced immediately on the date of permit issuance and allowed CRWA to continue to produce water from its four existing wells. The so-called "Interim Phase II" period commenced five years after permit issuance in recognition of the time it would take to drill six new wells and construct the infrastructure needed to expand the wellfield. Thus, the commencement of "Interim Phase II" was set, with CRWA's consent, on the date CRWA anticipated completion of construction of new infrastructure and achieved physical ability to begin pumping from the six new wells.

In contrast, the pending CRWA Applications are not seeking to drill any new wells or alter CRWA's wellfield or transportation system infrastructure – instead, CRWA seeks only to retrofit an existing well with a larger pump. CRWA has been informed by its engineers that no new or upgraded wellfield or other infrastructure improvements are needed to commence production or use of the additional water. The only potential required upgrade involves the electrical system powering the new pump. Therefore, CRWA will be ready to commence production of the requested 920.05 acre-feet/year upon procurement and installation of the new pump and, if necessary, relatively minor upgrades to the pump's electrical system. These procurement and installation processes are expected to take approximately nine months. CRWA is very concerned that inclusion of a "Phase III" schedule in the requested permits will remove CRWA's flexibility and ability to respond to favorable market conditions during the procurement and installation process, thereby imposing an arbitrary constraint on its ability to meet its member entities' needs for domestic water service. There has already been an effective project delay of almost one year, based on the date of filing of the CRWA Applications. For these reasons, CRWA believes that a permit condition imposing a delayed "Phase III" production schedule is unnecessary and unwarranted.

REQUEST NO. 2: "Monitoring Wells - The Board asked whether existing monitoring wells near CRWA's wellfield were adequate to monitor impacts from the additional 920 acre-foot production. Specifically, the General Manager noted during the meeting that there is an area in the monitoring well network with a gap,

or limited coverage, in observation wells. Two well maps are attached. See Observation Wells Near CRWA Well Field and CRWA Well Field Map. The gap being considered is on and near County Road 104 near CRWA's well field. Without adequate monitoring, the District will not be able to anticipate mitigation needs for wells near CRWA's pumping. If additional monitoring were included as a special condition by the Board, how would CRWA propose to monitor impacts from CRWA's increased pumping in the monitoring well gap?"

CRWA RESPONSE TO REQUEST NO. 2: After performing extensive work related to this request, CRWA and its consulting hydrogeologist, James Bené of R.W. Harden & Associates, Inc., have concluded that the District's existing monitoring and observation well network is more than sufficient to detect changes in water levels resulting from producing an additional 920.05 acre-feet/year from Well No. 14.¹ Accordingly, no changes to the District's already extensive observation or monitoring well network are needed to assist the District in anticipating water well mitigation claims.

To evaluate and provide a response to Request No. 2, CRWA collected well and water level data sets from multiple sources, all of which are provided and/or published by the District. These data sets included:

- the spreadsheet showing information for all currently registered wells provided to CRWA by the District's General Manager; and
- the District's nine years of triannual water level reports, which summarize water level readings collected annually each January, June, and September, the most current of which includes water levels for 88 Carrizo aquifer wells for the period from 2000 to January 2024 (<https://www.gcuwcd.org/water-level>); and
- the District's 2022 annual report (<https://www.gcuwcd.org/annual-reports>), which is the most recent report available to CRWA regarding the 10 observation wells in the Carrizo outcrop area used by the District to monitor compliance with one part of the two-part DFC adopted for the Carrizo Aquifer –specifically, the part of the DFC expressed as a goal for the depth of saturated thickness in the outcrop area;² and

¹ See Affidavit of James Bene, attached as ATTACHMENT 2.

² The adopted DFC for the Carrizo aquifer is expressed in two ways: as a goal to maintain 75% saturated thickness in the outcrop, and as an average drawdown limit across the GMA-13 planning area. Regarding the latter formulation, the TWDB-approved models were used to convert the GMA-13-wide drawdown to

- the District’s internet-based, interactive, well information map (<https://gcuwcd.half.com/Map/Public>).

Using information from those sources, FIGURE 1 (below)³, plots the distribution of Carrizo aquifer wells for which the District regularly measures and records water level data, in relation to the predicted 50-year decline in water levels that may result from the pumpage requested in the CRWA Applications. CRWA’s analysis revealed that the District’s water level data is presented in two different reports in three different ways, which may have led to misperceptions about the District’s monitoring well network coverage. The three different data sets are as follows:⁴

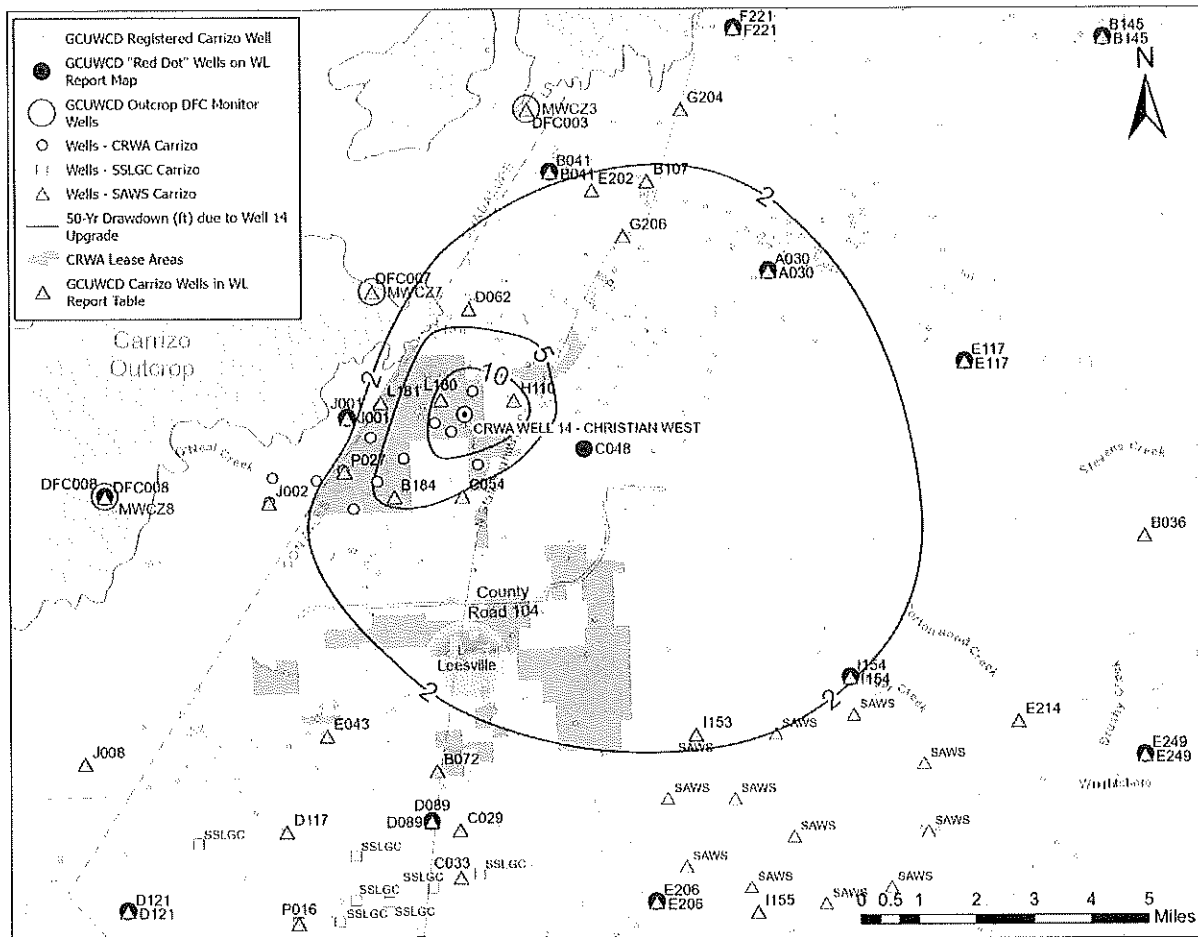
▲ Wells Included in Triannual Report Tables	● Wells Included in Triannual Report Maps	○ Wells Included in Annual Reports
There are 88 of these Carrizo wells listed in the tables in the January 2024 Triannual Report. <i>Despite being measured three times a year</i> , water levels from most of these wells are <i>not</i> shown on the maps accompanying the Triannual Reports and are <i>not</i> shown on the maps attached to the Email Request.	There are 28 of these Carrizo wells plotted on the maps accompanying the Triannual Reports. Most of these wells are also included in the Triannual Report tables but there are some exceptions, only one of which is discussed below.	There are 10 of these Carrizo wells included in the District’s Annual Reports. Water levels from these wells are included in the Triannual Report tables, but only some of them are plotted on the Triannual Report maps. The Annual Report states that these ten wells are the only Carrizo wells used by the District to evaluate DFC compliance.

limits to District-wide drawdown limits. The District-wide limits are contained in the TWDB’s MAG Report, and Appendix C of the District’s Rules. (Note: Appendix C is referenced but not included in the version of the District’s Rules that appeared on the District’s website after the rule amendments in October 2023; which did not affect Appendix C.)

³ See Affidavit of James Bené, attached as ATTACHMENT 2.

⁴ Although unrelated to the CRWA Applications, CRWA believes it would be helpful to the Board and public to change the way that the District’s water level data is presented in its reports. For example, the wells included in a table in a report should be the same wells shown on the accompanying map. If there are differences, the reason for omitting and/or including some but not all data from a table or map should be explained. The purpose of collecting water level data is to aid the Board in performing the District’s various duties under the District’s Management Plan, so the significance of the data should be explained in the relevant context.

Figure 1. GCUWCD Monitor/Observation Wells in Western Gonzales County



CRWA attempted to locate the alleged “gap” in the District’s monitoring and observation well network somewhere “near CR 104.” The only information made available to CRWA that appears related to this concern was the cessation after 2019 of water level measurements taken from Well C048. Well C048 is located approximately two miles east of Well 14 in an area that could be considered “near” a portion of the meandering CR 104. Although CRWA is uncertain, it appears that the District’s cessation of monitoring of Well C048 could be perceived as creating a “gap” in the District’s monitoring and observation network in the general area of Well 14. It is not known why the District ceased measuring the water levels in this “red dot well” five years ago, or why during the ensuing five years the District has not

arranged to substitute another observation or monitoring well for Well C048 to address the concern only now expressed.⁵

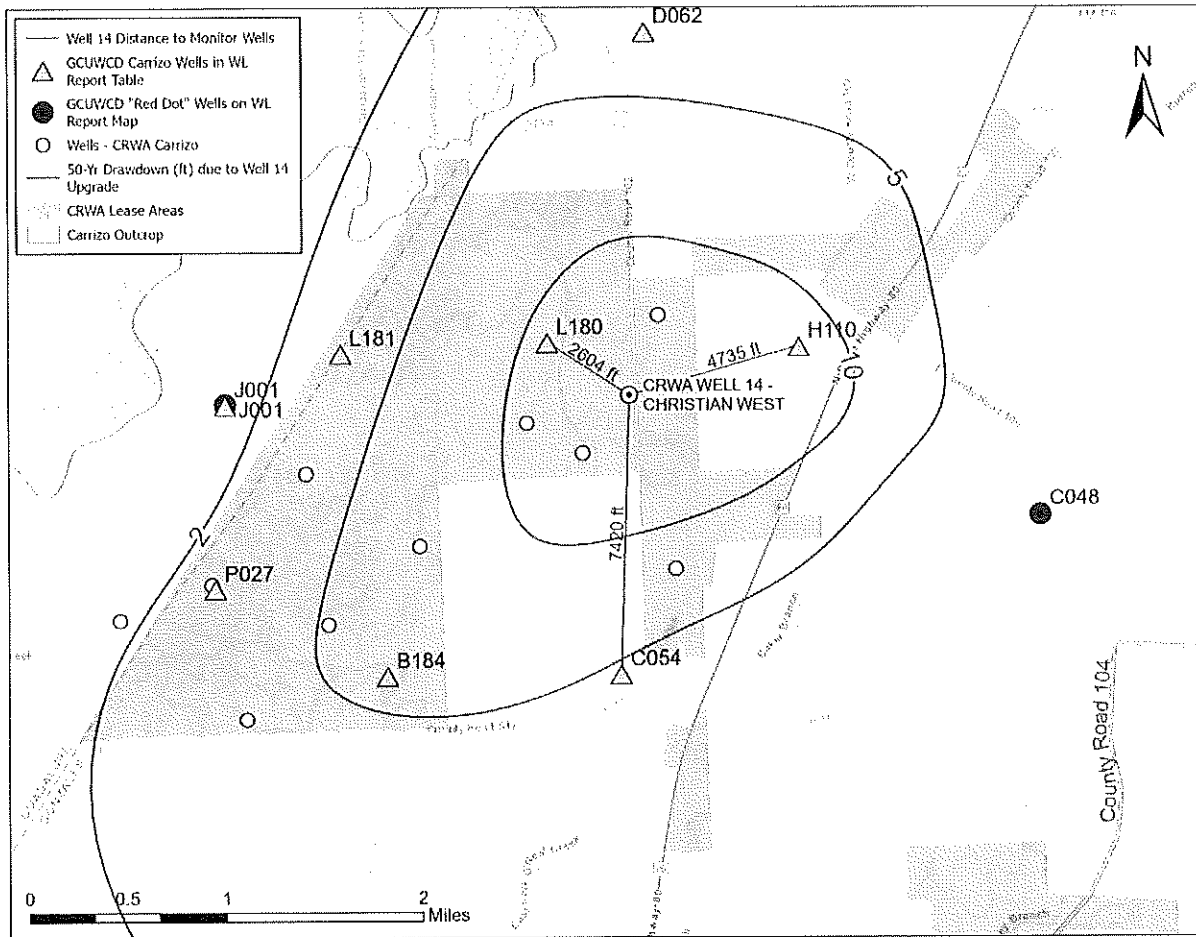
In any event, the loss of water level data from Well C048 has no bearing on whether the District's current monitoring and observation well network is sufficient to detect changes in water levels resulting from pumping in Well 14. As shown on FIGURE 1, and at a smaller scale on FIGURE 2 (below)⁶, there are numerous Carrizo wells near the CRWA well field that are regularly monitored by the District that will track any future changes in water levels. Specifically, there are eight District monitoring wells in and near CRWA's well field, two of which (L180 and H110) are within the area predicted to undergo the greatest declines from CRWA's requested additional production from Well 14. Further, as shown on FIGURE 2, three District observation wells encircle Well 14 at distances ranging from about 0.5 to 1.4 miles. This network of very proximate wells will allow for accurate measurement of any reduction in water levels attributable to pumping from Well 14.

(FIGURE 2 appears on the following page.)

⁵ District Rule 19.A. anticipates that monitoring wells may be lost and provides the mechanism by which to replace those wells("It is anticipated that over time ... existing observation wells may be lost and need to be removed from the network. The Board may, by resolution approved during an open Board Meeting, add, remove, or replace observation wells as needed.")

⁶ See Affidavit of James Bené, attached as ATTACHMENT 2.

Figure 2. GCUWCD Monitor/Observation Wells near CRWA



The conclusion that the District's current observation well network is adequate to monitor future changes in groundwater levels is consistent with and supported by the findings of the District's independent consulting hydrologists set forth in their 2021 report to the District.⁷ That report is cited in the CRWA Applications in response to Rule 10.E.2, which reads as follows:

"The District has established an extensive monitoring well network in the CRWA area that may be used to monitor the aquifer's response to the proposed increase in Well 14 – Christian West pumpage rate. See "Summary Report Carrizo Outcrop Monitor Wells Guadalupe, Gonzales, and Caldwell Counties, Texas," Daniel B. Stephens & Associates Inc., February 22, 2021, available online at <https://www.dropbox.com/s/crjevkb4nu9xvw5/Summary%20Report%20202-22->

⁷ The report by DBS&A is accessible from the District's website at this link: <https://gcuwcd.org/maps-and-groundwater-reports>.

21_rsp.pdf?dl=0 No additional monitor wells are needed to monitor the effects of this amendment as Well No. 14 – Christian West is already in existence and being monitored by the District’s current monitoring well network.”

Given: (1) the 88 Carrizo aquifer monitoring/observation wells from which water levels are currently collected by the District; (2) the proximity to Well 14 of eight of those monitoring/observation wells, including three triangulating Well 14 and at most 1.5 miles away; and (3) the relatively small predicted artesian pressure declines associated with the CRWA Applications, the District’s existing monitoring and observation well network is more than adequate to detect water level changes. CRWA is not proposing to add a new well, so there is nothing related to the CRWA Applications that would trigger changes to the District’s current monitoring or observation well network.

CRWA would also note that the General Manager’s statements at the District’s January 9, 2024, meeting were the very first time that CRWA has ever heard any concern about the adequacy of the District’s monitoring or observation well network. This information was particularly surprising given CRWA’s long-term partnership with the District in establishing, funding, and maintaining a monitoring well network and mitigation program, and its demonstrated willingness to address concerns about specific wells. Notably, the Email Request did not expand in any meaningful way on the basis for the General Manager’s statement and CRWA is at a loss in trying to connect that statement with the pending CRWA Applications.

CRWA urges the Board to bear in mind the following information: (1) because the CRWA Applications do not propose to alter the configuration of its existing wellfield and the District has created an extensive monitoring and observation well network which it uses to measure water levels at least three times each year, a requirement for CRWA to be responsible for expanding the District’s existing monitoring/observation well network is not triggered by the CRWA Applications and would be an arbitrary and capricious condition of granting the requested permits; (2) CRWA is in full compliance with the multi-party “Monitoring Well System Construction, Operation and Maintenance Agreement” dated effective December 30, 2016, as amended by the “First Amendment to the Monitoring Well System Construction, Operation and Maintenance Agreement” dated effective October 3, 2018, pursuant to which CRWA has paid the District its fair share of the nearly \$1,000,000 cost of constructing new monitoring wells for the District’s monitoring well network system, which is in addition to the monies CRWA pays to the District

annually under the separate Negotiated Export Fee Agreement to supplement the District's budget; and (3) the District, not CRWA, has control over its monitoring and observation well locations and can add or substitute monitoring/observation well locations as it deems appropriate under the existing District Rules.

As detailed in the CRWA Applications, the predicted additional drawdown resulting from the requested increase in the Well 14 production rate in the Leesville/County Road 104 area will be limited to less than five feet over the next 50 years. The District's January 2024 triannual water level report documents that drawdowns ranging from about 60 to 80 feet are estimated to have occurred in that area from 2000 to the present. Consequently, the additional drawdown resulting from increased Well 14 production equates to a relatively small (approximately 6% to 8%) increase in drawdown in the Leesville/CR 104 area over the next half-century and is unlikely to result in a significant increase in mitigation claims. Mitigation is discussed further below, in response to Request No. 3

REQUEST NO. 3: "Mitigation - Based on mitigation funds expended to date, there are concerns that there will be a shortage of mitigation funds once CRWA begins production of the requested increased amount. The District spent \$208,282 in mitigation funds in November 2022 to mitigate wells near Leesville, Texas, not far from CRWA's current production. That year, CRWA was permitted to produce 7,400 acre-feet per year and produced 7,426 acre feet. Because additional mitigation is anticipated from the increase in production, and the expected shortfall in funds, the District General Manager plans to renegotiate the mitigation agreement with CRWA. Does CRWA agree with the special condition drafted below?"

Amended Participation Agreement in the Western Gonzales County Dedicated Mitigation Fund, by and between Canyon Regional Water Authority and the District, executed to be effective on December 17, 2012 (see Attachment 1, the "Mitigation Agreement"). The Mitigation Agreement is subject to amendment by the parties for consistency with the District's adopted mitigation program. Permittee will work with the District to amend the Mitigation Agreement to address impacts from production on existing groundwater and surface water resources or existing permit holders on

mutually agreeable terms which are substantially similar to the terms and conditions required by the District of similarly-situated permittees.”

CRWA RESPONSE TO REQUEST NO. 3: CRWA has no objection to a special permit condition requiring it to continue to comply with its current Mitigation Agreement, and adding language requiring CRWA to engage in good faith discussions with the District and other permittees who are also subject to District Rule 10.E.3⁸ regarding possible amendments to each of those mitigation agreements on terms that are mutually agreeable and substantially similar for every permittee who is subject to District Rule 10.E.3. However, CRWA objects to a special condition that includes the second sentence of the proposed special condition⁹ because this language could be construed to require CRWA to amend its existing mitigation agreement in response to factors that are currently unknown and out of CRWA’s control – how the District implements its mitigation program. Under the terms of the Mitigation Agreement and applicable law, CRWA has no control over the District’s implementation of its mitigation program, which is governed by the District’s Mitigation Manual¹⁰ authored and overseen by the District.

CRWA has never been asked to contribute more money to the Western Mitigation Fund, but any such request in the future should be substantiated by data supporting the request for more funding. CRWA believes that prior to making any request for additional funds, the District Board would be well served by ordering an audit of its 12-year old mitigation program to identify how the program is being implemented, what is working, what can be improved, and what changes to the Mitigation Manual might need to be made. The findings of such an audit are currently unforeseeable. Because future programmatic changes are unknown and, as discussed below, some past expenditures seem questionable, CRWA is unable to agree to include the second sentence as a special permit condition. Nonetheless, CRWA is committed to engaging in dialog with the District and other mitigation fund participants about the mitigation program and making changes that are fair, practical, and acceptable to everyone. In keeping with CRWA’s intent to maintain a

⁸ District Rule 10.E.3 requires producers connected to a common gathering/piping system capable of producing over 3,000 acre-feet/year of water to enter into a mitigation agreement with the District. Pursuant to that rule, CRWA entered into the referenced Mitigation Agreement.

⁹ The second sentence of the proposed special condition reads, “The Mitigation Agreement is subject to amendment by the parties for consistency with the District’s adopted mitigation program.”

¹⁰ The District’s Mitigation Fund Procedure Manual is available at this link: <https://gcuwcd.org/rules-regulation-and-contracts>.

partnership with the District in the mitigation program, for the reasons explained below, CRWA would not object to inclusion of a special condition relating to mitigation in the form given at the end of this response.

To further explain CRWA's position, in preparing its response to Request No. 3, CRWA reviewed and analyzed the following information:

- the District's monthly mitigation fund balance reports included in the Board's agenda packets; and
- the District's 2022 Mitigation Fund Annual Report (updated with 2023 well mitigation information provided to CRWA by the District); and
- information on pending mitigation claims (provided to CRWA by the District); and
- updated registered well information (provided to CRWA by the District); and
- information on the District's specific well mitigation activities and fund expenditures from the Board's agenda packets.

CRWA's analyses of the foregoing information point to several areas that CRWA believes call for a closer look by the District Board in the context of Request No. 3 and more broadly from a programmatic level.

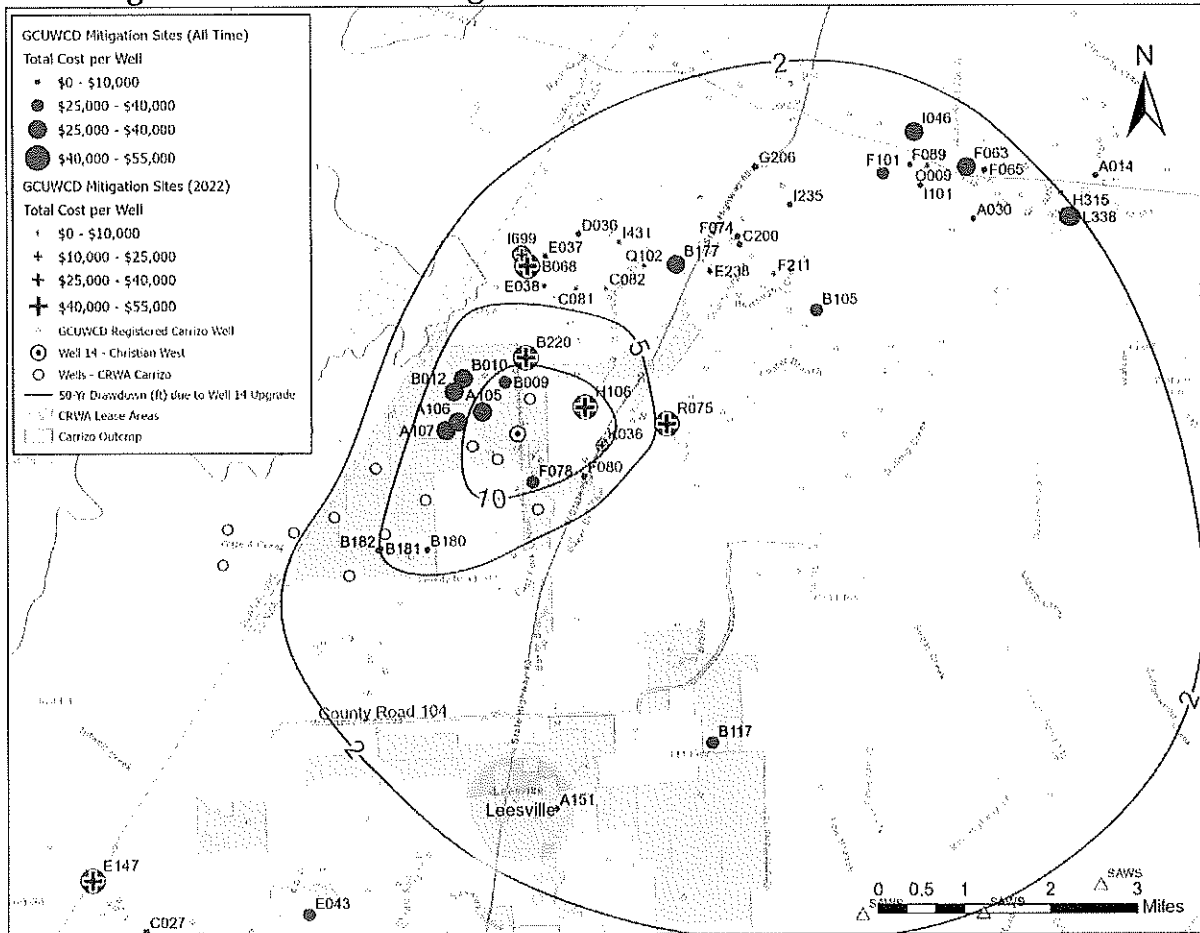
First, based on the information available to CRWA, CRWA could not substantiate the statement in Request No. 3 that more than \$208,000 was spent mitigating Carrizo wells near the Leesville community in November 2022. The District's 2022 Annual Mitigation Fund Report lists only one well located in the Leesville area proper (A151) as having been mitigated in the entire 12-year history of the mitigation program. Well A151 was mitigated in 2019 – not 2022 – for a cost of \$3,237. Looking out further away from the immediate Leesville area, CRWA identified six wells (A151, B072, B117, D081, D089, and E043) that were mitigated using District mitigation funds between 2012 and 2019, each within approximately three miles of Leesville, at a total cost to the District's mitigation fund of about \$66,000.¹¹ CRWA was not provided with any other information about mitigation in the Leesville area supporting the contention that, "The District spent \$208,282 in

¹¹ The District's current Mitigation Fund Procedure Manual caps the amount of District mitigation fund money available at \$40,000 per well (not per well owner). Mitigation costs per well over \$40,000 are meant to be paid by the well owner. (See Manual, Section 3, page 6, at this link: <https://gcuwcd.org/rules-regulation-and-contracts>.)

mitigation funds in November 2022 to mitigate wells near Leesville, Texas, not far from CRWA's current production."

To illustrate its findings based on review of the above-listed data sets, CRWA plotted the location and costs of all mitigated wells in western Gonzales County near the CRWA well field and near the Leesville community on FIGURE 3 (below).¹² The red circles in FIGURE 3 indicate the mitigated well locations and relative mitigation costs since the initiation of the mitigation program in 2011. The red/yellow crosses show the locations and relative costs of wells mitigated in 2022 (the year referenced in Request No. 3). The larger the red dot or red/yellow cross, the more money spent on mitigation.

Figure 3. GCUWCD Mitigated Wells Near CRWA Wellfield and Leesville



¹² See Affidavit of James Bené, attached as ATTACHMENT 2.

The well location information shown on FIGURE 3, coupled with the detailed information in the District's 2022 Annual Mitigation Fund Report, reveals that, over the entire 12 years that the District's mitigation program has been in existence, 26 Carrizo wells located within approximately three miles of CRWA's wellfield have been mitigated using the District's mitigation fund. All except two of those wells are located north-northeast of the CRWA well field, which is on the *opposite* side of the wellfield from Leesville. The total cost to the District's mitigation fund of mitigating these 26 Carrizo wells was approximately \$482,000 over that 12-year period. Again, CRWA was not provided with any information supporting the contention that, "The District spent \$208,282 in mitigation funds in November 2022 to mitigate wells near Leesville, Texas, not far from CRWA's current production."

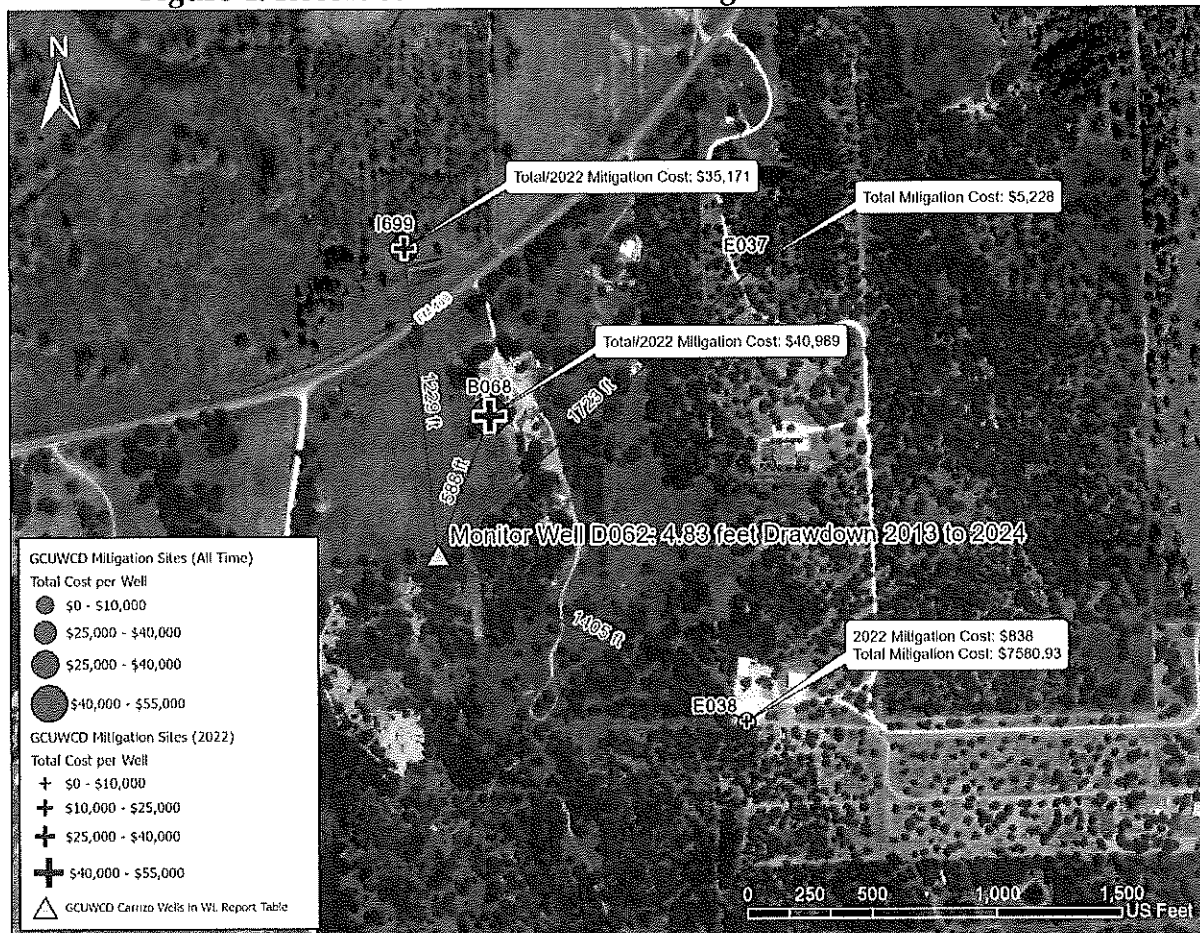
CRWA appreciates that the community of Leesville is situated in between three large wellfields owned and operated by CRWA, SAWS, and SSLGC, but those entities have been producing at or near their fully permitted amounts for over ten years, during which time there have apparently been only two claims for mitigation in the Leesville area (Wells A151 and B117). The mitigation program is claims driven, and CRWA has been told by the District that there are currently zero pending mitigation claims.¹³ Further, the modeling results included in the CRWA Applications indicate that the requested additional pumpage is predicted to result in additional water level reductions of two- to five- feet in the Leesville area over the next half century. Nothing in the record supports the contention that approving the CRWA Applications will lead to an unmanageable uptick in mitigation claims from well owners in the Leesville area.

Finally, CRWA's work on Request No. 3 suggests that the District's use of the mitigation fund monies needs more scrutiny. There are two good examples of this. One example is this: a total of \$77,000 was spent to mitigate wells that probably experienced less than 5 feet of water level decline. These are the mitigated Wells B068, E038, and I699, which are located north-northeast of the CRWA well field. As

¹³ By email dated February 8, 2024, from Natasha Martin to Trish Carls sent in response to Ms. Carls' request for "copies of all pending requests for mitigation, together with all documentation related to those pending requests," Ms. Martin replied, "[T]here are no active requests for mitigation. However, one well owner has contacted the District's mitigation manager about mitigation of an irrigation well and a request may be submitted." Not only is there no historical information that would give rise to the expressed concern about mitigation claims received in the past from well owners in the Leesville area, but there are also no currently pending claims. There appears to be no factual basis for the statement that about an anticipated increase in future mitigation claims from well owners in the Leesville area.

shown in FIGURE 4 (below)¹⁴, the distances from District monitoring Well D062 to mitigated Wells B068, E038, and I699 are 588 feet, 1,229 feet, and 1,405 feet, respectively. According to the District’s January 2024 triannual water level report, less than five feet of drawdown has been measured in District monitoring Well D062 since January 2013. Given the close proximity of mitigated Wells B068, E038, and I699 to District monitoring Well D062, it is expected that historic drawdown in the mitigated wells was also about five feet over the same 11-year period. The small amount of drawdown experienced by these wells does not appear to justify the high cost of mitigation. For context, approximately \$77,000 was spent on these three wells, which is 33% of the \$231,000 total spent on the 11 Carrizo wells mitigated within about three miles of the CRWA well field since January 1st, 2022.

Figure 4. Recorded Drawdown and Mitigated Wells near CRWA



¹⁴ See Affidavit of James Bené, attached as ATTACHMENT 2.

The second example of questionable fund expenditure is very recent. Documentation for this expenditure was included in the Board's December 12, 2023 agenda packet in the form of an invoice from Wagener's Well Service pertaining to the one well mitigated by the District in 2023, Well S075 (Livestock). The documentation shows that the existing well was only 160 feet deep, which means it was probably completed in the uppermost portion of the Carrizo aquifer. There has been about 10 feet of water level decline in this vicinity since 2013. According to data for Wells DFC005 and N070 contained in the District's January 2024 triannual water level report, the current water level at Well S075 is probably within 20 feet of ground level (maybe shallower). Nonetheless, District mitigation funds were used to reimburse Wagener for drilling a brand new well significantly deeper than the original – Wagener drilled a new well to a depth of 500 feet and screened the well at bottom 100 feet, which likely corresponds to the mid- to lower-Carrizo. In addition, Wagener installed electrical equipment, valves, a pressure tank, a new pump at a depth of 200 feet, a solar panel system, and also plugged the old well. The total cost to mitigate this one well was over \$47,000, of which the District's mitigation fund paid \$40,000. Given the shallow water levels in this area and the small amount of water level decline due to historic pumping, this case should, in CRWA's opinion, have warranted closer examination. Also, installing brand new above ground equipment and solar panels seems unrelated to water level declines. It would be worth investigating whether new above ground equipment costs should be eligible for fund reimbursement, and whether the well owner's existing equipment can be reused. These are only two examples, but hopefully they will underscore the need for an audit of the mitigation program, which would be useful for plotting the future course of the District's mitigation program and forming the basis for any future additional funding requests.

In conclusion, and for immediate context, CRWA notes that the District's Western Mitigation Fund, in which CRWA participates, had a positive fund balance of \$188,257.48 as of January 9, 2024, the date of the most recent publicly available Mitigation Fund Report.¹⁵ Because deposits to the fund were due by all fund participants on January 15, the current balance is likely higher. The fund is not out of money and there are no facts known to CRWA or in the record indicating that there will be a "run on the bank" if the CRWA Applications are approved.

¹⁵ The District Board's February 2024 agenda packet available to the public did not include a current Investment Report for the District funds. Instead, the February 2024 agenda packet contained the same Investment Report that was included in the District Board's January 2024 agenda packet.

For the reasons explained above, CRWA does not agree with the special condition contained in the Email Request, but would not object to inclusion of the following special condition related to mitigation:

“Additional Conditions Applicable to Production Permit:

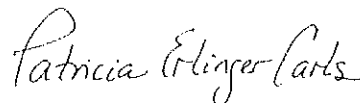
A. Special Provisions

This production permit was granted with the following special provisions:

1. Amended Participation Agreement in the Western Gonzales County Dedicated Mitigation Fund, by and between Canyon Regional Water Authority and the District, executed to be effective on December 17, 2012 (see Attachment 1). Permittee will work with the District to amend the Mitigation Agreement to address impacts from its production on existing groundwater and surface water resources or existing permit holders on mutually agreeable terms which are substantially similar to the terms and conditions required by the District of similarly-situated permittees.”

Thank you for the opportunity to submit this response. Please contact me at tcarls@tcarlslaw.com if you have any questions about this response or need more information from CRWA. CRWA representatives will be available during the meeting on March 12, 2024 to answer any questions the District Board, General Manager, and General Counsels may have.

Respectfully submitted,
**LAW OFFICES OF PATRICIA ERLINGER
CARLS**

By: 
Patricia Erlinger Carls

**ATTORNEY FOR CANYON REGIONAL
WATER AUTHORITY**

ATTACHMENTS:

Attachment 1 – Email Request

Attachment 2 – Affidavit of James Bené

cc: *(with attachment)*

Trey Wilson, General Counsel, CRWA, trey@sa-law.com

Randy Schwenn, General Manager, CRWA, rschwenn@crwa.com

James Bené, P.G., R.W. Harden & Associates, james.bene@rwharden.com

ATTACHMENT 1

From: [Natasha J. Martin](#)
To: [Trish Erlinger Carls](#)
Cc: [Trey Wilson - R L WILSON LAW](#); [Laura Martin](#); [Gregory M. Ellis \(Greg@gmellis.law\)](#)
Subject: Request for Additional Information
Date: Thursday, February 1, 2024 12:55:39 PM
Attachments: [image001.png](#)
[Observation Wells Near CRWA Well Field.pdf](#)
[CRWA Well Field Map.pdf](#)

Trish –

I am following up on the Board’s consideration of the Canyon Regional Water Authority (“CRWA”) permit amendment application. As you know, until January 9, 2024, the Board was not able to act on CRWA’s amendment application because it was contested. Now that the application is uncontested, the Board can continue to process your application and consider it at an upcoming board meeting. At the January 9, 2024 meeting, the Board raised 3 main issues, described below, regarding CRWA’s request to increase production at “Well 14-Christian West” from 495 gallons per minute (gpm) to 1,065 gpm with a corresponding increase in CRWA’s operating and export authorizations of 920.05 acre-feet/year. As can be seen from the questions below, the Board’s concerns are related to whether the application, if granted, will result in unreasonable effects on existing groundwater resources or existing users under District Rule 11.A.4.

On behalf of the Gonzales County Underground Water Conservation District General Manager, I am requesting the following information:

1. **Phased Production** - The current permit breaks the permitted production into 2 interim stages. The Board asked whether CRWA would need the full amount of the additional 920 acre-foot per year increase in production now, or if it could be phased in.
 - a. When will CRWA, or its member entities, beneficially use the requested amount of groundwater? Please provide a brief description of how the total production requested meets the CRWA’s needs and how it will be put to a beneficial use and the timeline for that use.
 - b. Are there any technical impediments to using the full requested amount upon authorization?
 - c. If additional phasing were included as a special condition by the Board, how would CRWA propose to phase in the use for phases II and a new phase III?

2. **Monitoring Wells** - The Board asked whether existing monitoring wells near

CRWA's pumping were adequate to monitor impacts from the additional 920 acre-foot production. Specifically, the General Manager noted during the meeting that there is an area in the monitoring well network with a gap, or limited coverage, in observation wells. Two well maps are attached. *See Observation Wells Near CRWA Well Field* and *CRWA Well Field Map*. The gap being considered is on and near County Road 104 near CRWA's well field. Without adequate monitoring, the District will not be able to anticipate mitigation needs for wells near CRWA's pumping. If additional monitoring were included as a special condition by the Board, how would CRWA propose to monitor impacts from CRWA's increased pumping in the monitoring well gap?

3. **Mitigation** – Based on mitigation funds expended to date, there are concerns that there will be a shortage of mitigation funds once CRWA begins production of the requested increased amount. The District spent \$208,282 in mitigation funds in November 2022 to mitigate wells near Leesville, Texas, not far from CRWA's current production. That year, CRWA was permitted to produce 7,400 acre-feet per year and produced 7,426 acre feet. Because additional mitigation is anticipated from the increase in production, and the expected shortfall in funds, the District General Manager plans to renegotiate the mitigation agreement with CRWA. Does CRWA agree with the special condition drafted below?

Amended Participation Agreement in the Western Gonzales County Dedicated Mitigation Fund, by and between Canyon Regional Water Authority and the District, executed to be effective on December 17, 2012 (see Attachment 1, the "Mitigation Agreement"). The Mitigation Agreement is subject to amendment by the parties for consistency with the District's adopted mitigation program. Permittee will work with the District to amend the Mitigation Agreement to address impacts from production on existing groundwater and surface water resources or existing permit holders on mutually agreeable terms which are substantially similar to the terms and conditions required by the District of similarly-situated permittees.

After receipt of the requested information, the General Manager will take the applications and a draft permit to the Board for consideration. Please provide your response by March 5, 2024, in advance of the March 12th board meeting.

Thank you,

Natasha J. Martin | Attorney
Direct: (512) 480-5639 | Fax: (512) 536-9939

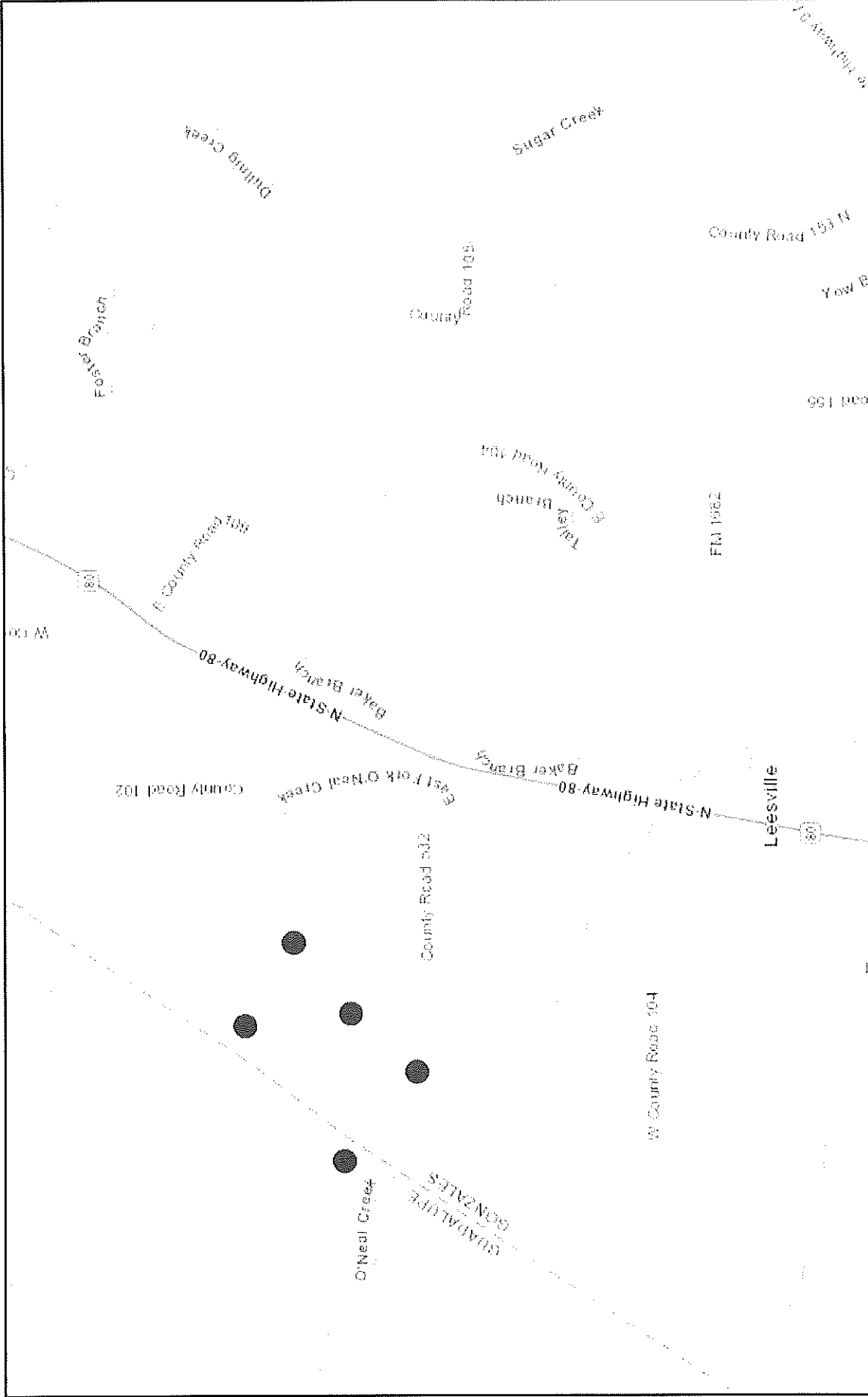
401 Congress Avenue, Suite 2700, Austin, Texas 78701



**GRAVES
DOUGHERTY
HEARON &
MOODY**

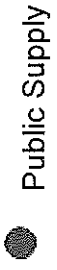
www.gdhm.com | [Bio](#) | [LinkedIn](#)

CRWA Well Field



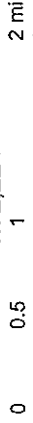
January 25, 2024

wellUseWells



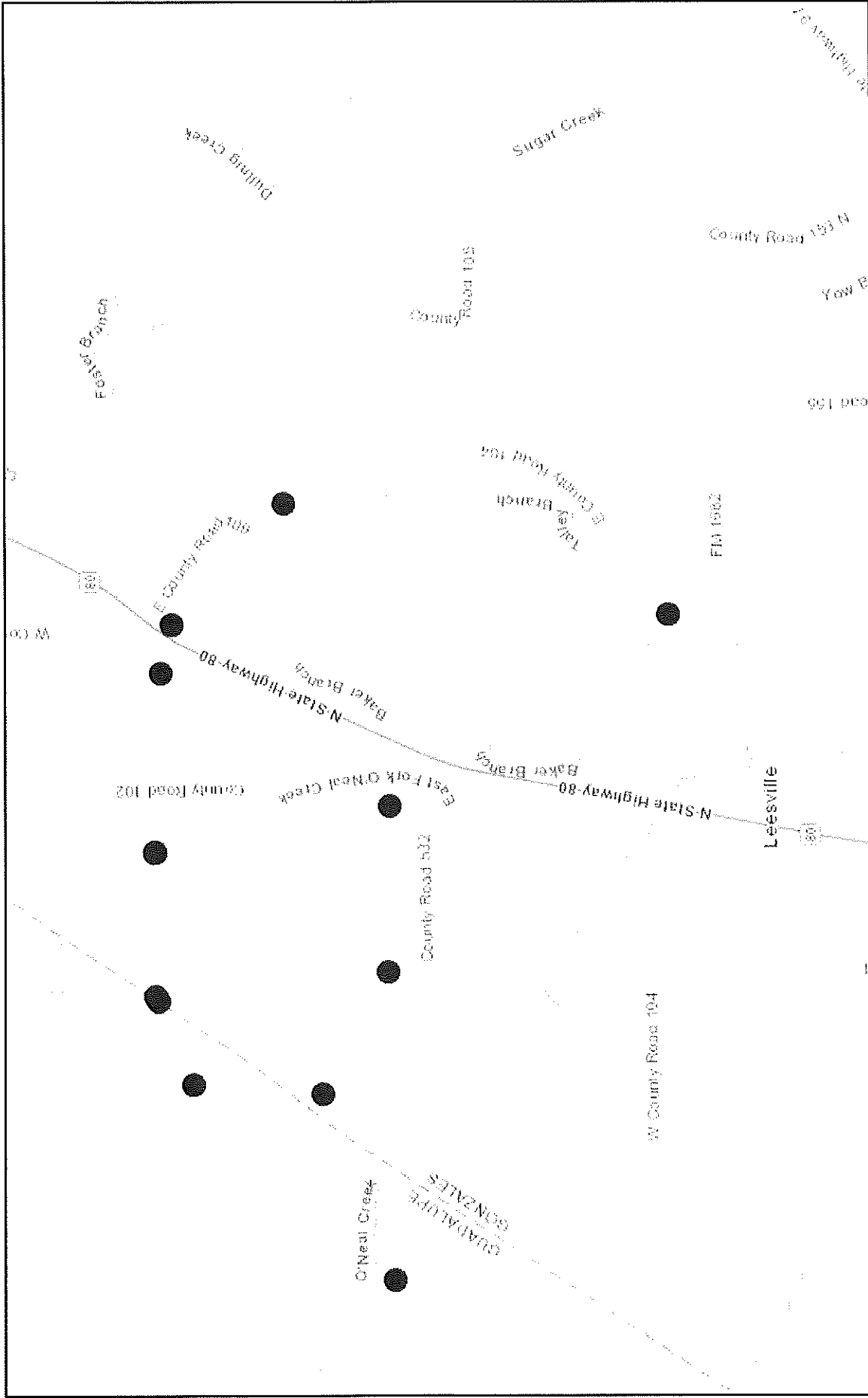
Public Supply

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Texas Parks & Wildlife, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS

Observation Wells

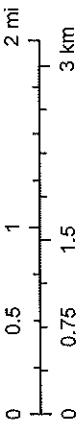


January 25, 2024

wellUseWells

● Observation

1:72,224



Texas Parks & Wildlife, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS

ATTACHMENT 2

AFFIDAVIT OF JAMES BENÉ, P.G.

STATE OF COLORADO §

COUNTY OF MESA §

BEFORE ME, the undersigned notary, personally appeared James Bené, the affiant, a person who is known to me. After administering an oath, the affiant testified that:

1. My name is James Bené. I am over the age of eighteen years, of sound mind, and am capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.

2. I am a consulting hydrogeologist licensed in the State of Texas employed by R.W. Harden & Associates, Inc. I hold a Bachelor of Science degree from the University of Texas at El Paso awarded in 1997. I also hold a Master of Science degree awarded by the University of Texas at Austin in 2000. I am a licensed professional geoscientist in the State of Texas (No. 2089). I am a member of the Texas Association of Professional Geoscientists, the Geological Society of America, and the Texas Groundwater Association.

3. I have been part of teams responsible for the design, construction, calibration, and use of over 30 groundwater models including two Groundwater Availability Models ("GAMs") distributed by the Texas Water Development Board and used by that agency and groundwater districts in Texas.

4. Since approximately 2001, I have been involved in the planning and development of groundwater supplies from the Carrizo aquifer in the Gonzales County Underground Conservation District ("District") and surrounding area. In that capacity, I have performed groundwater availability evaluations, designed and implemented field testing programs, constructed and utilized numerous groundwater flow models, generated well field designs, performed on-site observation of production well construction, generated groundwater district permitting submittals, testified at contested case hearings, participated in joint planning efforts, and presented technical information during several contested case hearings and public meetings.

5. I am familiar with the District's Rules, the District's Management Plan, and Chapter 36 of the Texas Water Code. I am also familiar with the current Desired Future Conditions for the Carrizo aquifer adopted by Groundwater Management Area 13 and the District's Board, and with the Texas Water Development Board's reports regarding Modeled Available Groundwater related to the District's adopted Desired Future Conditions. I am also familiar with the Texas Water Development Board's reports prepared by that agency for the District and required to be included in the District's updated Management Plan.

6. The applications submitted to the District on behalf of Canyon Regional Water Authority's ("CRWA") to amend CRWA's operating and transport permits to authorize the production and transport of an additional 920.05 acre-feet of water per year from CRWA's Well No. 14-Christian West (collectively, the "CRWA Applications"), including the groundwater modeling information included in the CRWA Applications, were prepared by me or under my direction, supervision, and control, and the information reflected in the CRWA Applications is accurate.

7. I have read the February 1, 2024 email from Natasha L. Martin, attorney for the District, to Patricia ("Trish") Erlinger Carls and Trey Wilson, attorneys for CRWA, having the subject line

“Request for Additional Information” and attached as **Attachment 1** to my affidavit (the “Request Email”).

8. I have reviewed the spreadsheet describing the registered wells in the District and the spreadsheet describing the wells that the District has mitigated through 2023 received via email from Laura Martin-Preston, District General Manager, on February 12, 2024 and February 9, 2024 respectively.

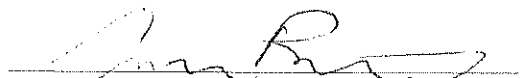
9. I have reviewed information provided by Laura Martin-Preston, District General Manager, on October 4, 2023 regarding the permitted amounts and reported actual usage of water from Carrizo Aquifer wells in the District to analyze issues related to the Modeled Available Groundwater and the adopted Desired Future Condition applicable to the District. I have also reviewed information published by the Texas Water Development Board pertaining to historical use of water in Gonzales County published on that agency’s website.

10. I assisted in preparation of the March 5, 2024 letter from Patricia Erlinger Carls to Natasha J. Martin, Greg Ellis, and Laura Martin-Preston responding to the Request Email (the “Response Letter”). Using the information provided to me by the District, prepared and/or published by the District and available on the District’s website, and public information from Gonzales Central Appraisal District, the Texas Water Development Board’s Groundwater Database, Submitted Drillers Report Database, Public Water System Database, the groundwater availability models for the Carrizo-Wilcox aquifer, and Railroad Commission records, I prepared Figure 1, Figure 2, Figure 3, and Figure 4 in the Response Letter. The Figures and information stated in the Response Letter are accurate.

11. I have reviewed Appendix C of the District’s Rules and the Summary Reports for Carrizo Outerop Monitor Wells prepared and published by the District and determined that the District’s Desired Future Condition for the Carrizo aquifer is not being exceeded now, nor does modeling indicate that the Desired Future Condition is expected to be exceeded as a result of granting the CRWA Applications.

12. I have concluded that no changes to the District’s monitoring and observation well network are needed for any reasons related to CRWA’s Applications.

FURTHER AFFIANT SAYETH NOT.


James Bené, Affiant

STATE OF COLORADO §

COUNTY OF MESA §

Signed and sworn to before me on March 4th, 2024, by James Bené.

(seal)

KATHERINE WEBBER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20224020689
MY COMMISSION EXPIRES MAY 24, 2026


Katherine Webber
Notary Public, State of Colorado

Gonzales County Underground Water Conservation District

522 Saint Matthew Street
P.O. Box 1919
Gonzales, TX 78629
Phone: 830.672.1047
Fax: 830.672.1387

**Export Permit for
Public Water Supply Permit No.: 11-09-01**

Permit Issued to: Canyon Regional Water Authority (CRWA)
Mailing Address: 850 Lakeside Pass, New Braunfels, TX 78130
Phone: 830.609.0543
Fax: 830.609.0740

Date Permit Amendment Filed: March 9, 2016
Date Amended Permit Approved: November 8, 2016
Date of Permit Renewal: November 8, 2021
Date Permit Renewal Granted: November 9, 2021
Date Permit Amendment Filed: March 27, 2023
Date Permit Amendment Granted: March 12, 2024
Current Permit Expiration Date: November 9, 2051

Export Permit Provisions: Permittee may export from the District a total amount of 8,320.05 acre-feet per calendar year of groundwater from the Carrizo Aquifer during the term of this permit.

Term of Export Permit: 30 years

The District may, every five years, review the amount of water that may be transferred out of the District under a permit and may limit the amount of water which may be transferred, after consideration of the factors set forth in Rule 15.D.; and all relevant and current data for conservation of groundwater resources in the District. At any time during the term of an export permit, the District may revise or amend the permit if the use of water unreasonably affects existing groundwater and surface water resources; or existing Permit Holders.

A permittee holding a transportation permit shall submit an application to reissue the permit to the General Manager no later than thirty (30) days prior to the expiration of the permit. The permit shall remain effective until final Board action on the reissue of the permit. In its determination of whether to reissue the transportation permit, the Board shall consider relevant and current data for the conservation of groundwater. Requests to reissue a permit shall be subject to the notice, and hearing requirements applicable to permit applications.

A. Transportation Facility Requirements

Acceptance of the permit by the person to whom it is issued constitutes acknowledgment of an agreement to comply with all of the terms, provisions, conditions, limitations and restrictions of these rules including but not limited to the following:

1. Permits are granted in accordance with the provisions of the Texas Water Code and the Rules, Management Plan and Orders of the District, and acceptance of the permit constitutes an acknowledgment and agreement that the permittee will comply with the Texas Water Code, the District Rules, Management Plan, Orders of the District Board, and all the terms, provisions, conditions, requirements, limitations and restrictions embodied in the permit.
2. A permit confers no vested rights in the holder, and it may be revoked or suspended, or its terms may be modified or amended pursuant to the provisions of the District rules.
3. The operation of the transportation facility must be conducted in a non-wasteful manner.
4. The permittee must keep records of the amount of groundwater produced and exported, and such records shall be available for inspection by District representatives. Immediate written notice must be given to the District in the event export exceeds the quantity authorized by a permit.
5. A transportation facility must be accessible to District representatives for inspection, and the permittee agrees to fully cooperate in any reasonable inspection of the transportation facility by District representatives.
6. Applications for which a permit is issued are incorporated in the permit, and thus permits are granted on the basis of and contingent upon the accuracy of the information supplied in the application and any amendments to the application. A finding that false information has been supplied is grounds for immediate revocation of a permit. In the event of conflict between the provisions of a permit and the contents of the application, the provisions of the permit shall control.
7. Suspension or revocation of a permit may require immediate cessation of all activities granted by the permit.
8. Violation of the permit's terms, conditions, requirements, or special provisions is punishable by civil penalties provided by the District rules.
9. Wherever special provisions in a permit are inconsistent with other provisions, or District rules, the special provisions prevail.
10. Changes in the amount of water exported, or the water wells associated with the transportation facility may not be made without the prior approval of a permit amendment issued by the District.
11. All transportation facilities subject to registration, or permitting shall be equipped with flow monitoring devices approved by the District, and shall be available at all reasonable times for

inspection by District personnel. The operator of a transportation facility shall be required to keep records, and make reports to the District as to the operation of the transportation facility.

12. Permittees shall submit reports to the District on a monthly basis, beginning at the time a permit is issued to operate. Monthly reports are due in the District office by the 30th day of the following month.

13. Such reports shall include the volume of water exported during the preceding month, and the production for each water well associated with the transportation facility.

14. Permittee shall pay the District fees in accordance with the Amended and Restated Negotiated Export Fee Agreement, by and among the District, Alliance Regional Water Authority, and Guadalupe Blanco River Authority, dated to be effective on March 9, 2020 (see Attachment 1).

15. The owner of a transportation facility shall be responsible for the prevention of pollution and waste, and with guarding the public's health in relation to water produced from such facility as required by these rules, and by reason of operations of said facility.

Bruce Tieken, President
Gonzales County UWCD

Date

Attachments:

Attachment 1 – Negotiated Export Fee Agreement by and between Canyon Regional Water Authority and Gonzales County Underground Water Conservation District, dated to be effective on December 17, 2012, as the same may be amended from time to time by mutual agreement of the parties.

Gonzales County Underground Water Conservation District

522 Saint Matthew Street
P.O. Box 1919
Gonzales, TX 78629
Phone: 830.672.1047
Fax: 830.672.1387

Aggregate Operating Permit for Public Water Supply Permit No.: 11-16-01

Permit Issued to: Canyon Regional Water Authority (CRWA)
Mailing Address: 850 Lakeside Pass, New Braunfels, TX 78130
Phone: 830.609.0543
Fax: 830.609.0740

Date Permit Amendment Filed: March 9, 2016
Date Amended Permit Approved: November 8, 2016
Date of Permit Renewal: November 8, 2021
Date Permit Renewal Granted: November 9, 2021
Date Permit Amendment Filed: March 27, 2023
Date Permit Amendment Granted: March 12, 2024
Current Permit Expiration Date: March 12, 2029

This permit supersedes CRWA Permits 15-10-04 and 11-12-2, which are now void.

Operating Permit Provisions: Total production is limited to 8,320.05 acre-feet per calendar year from 10 wells as depicted on the attached map (ATTACHMENT A).

Maximum Withdrawal Rate of Wells: The maximum withdrawal rate of the wells is as follows:

Well ID	Maximum Withdrawal Rate (gpm)
Well #1 Tommy's	3,975
Well #5 Littlefield	690
Well #8 Chickenhouse	2,910
Well #9 Camphouse	495
Well #11 Coastal Field	3,525
Well #12 Bull Trap	580
Well #13 Bond West	1,550
Well# 14 Christian West	1,065
Well #15 Bond East	1,005
Well #16 Christian East	900

The rate of production from a well or well field may vary throughout the year; however, the total production in a calendar year beginning on January 1st and ending on December 31st may not exceed the permitted production for that calendar year. Individual well production rates are allowed to increase up to 150% of the permitted production rate during peak demand periods.

Aquifer Production Allocation: 1.0 acre-foot per acre from the Carrizo Aquifer.

Authorized Production: Permittee is authorized to produce from the District a total annual amount of 8,320.05 acre-feet per calendar year of groundwater from the above-referenced wells during the term of this permit.

Term of Production Permit: 5 years

A permittee holding a drilling and production permit due to expire shall file a written request to reissue the permit to the General Manager no later than 30 days prior to the expiration date of the permit. The permit will be administratively renewed for a period of five years in accordance to the rules in effect at the time of renewal. Requests to renew a permit shall be subject to review for substantial compliance with the rules of the District by the General Manager. The District is not required to renew a permit under this section if the applicant:

- a. is delinquent in paying a fee required by the District;
- b. is subject to a pending enforcement action for a substantive violation of a District permit, order, or rule that has not been settled by agreement with the District or a final adjudication; or
- c. has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a District permit, order, or rule.

An application for renewal of a permit that also requests a major amendment is subject to notice and hearing, and final approval by the Board. During consideration of a contested renewal application, the permit shall remain effective until final Board action on renewal of the permit.

Additional Conditions Applicable to Production Permit:

A. Special Provisions

This production permit was granted with the following special provisions:

1. Amended Participation Agreement in the Western Gonzales County Dedicated Mitigation Fund, by and between Canyon Regional Water Authority and the District, executed to be effective on December 17, 2012 (see Attachment 1, the "Mitigation Agreement"). Permittee will work with the District to amend the Mitigation Agreement to address impacts from production on existing groundwater and surface water resources or existing permit holders on mutually agreeable terms which are substantially similar to the terms and conditions required by the District of similarly-situated permittees.

2. Monitoring Well System Construction, Operation, and Maintenance Agreement, by and among the District, Alliance Regional Water Authority, Canyon Regional Water Authority, Schertz/Seguin Local

Government Corporation, and Guadalupe Blanco River Authority, executed to be effective on December 30, 2016, as amended by the First Amendment to the Monitoring Well System Construction, Operation, and Maintenance Agreement, executed to be effective on October 16, 2018 (see Attachment 2).

B. General Conditions

Acceptance of the permit by the person to whom it is issued constitutes acknowledgment of an agreement to comply with all of the terms, provisions, conditions, limitations, and restrictions of these rules including, but not limited to, the following:

1. Permits are granted in accordance with the provisions of the Texas Water Code and the District's Rules, Management Plan, and Orders of the District, and acceptance of the permit constitutes an acknowledgment and agreement that the permittee will comply with the Texas Water Code, the District Rules, Management Plan, Orders of the District Board, and all the terms, provisions, conditions, requirements, limitations and restrictions embodied in a permit.
2. A permit confers no vested rights in the holder, and it may be revoked or suspended, or its terms may be modified or amended pursuant to the provisions of the District's Rules.
3. The operation of a well for the authorized withdrawal must be conducted in a non-wasteful manner. In the event the groundwater is to be transported a distance greater than one-half mile from the well, it must be transported by pipeline to prevent waste caused by evaporation and percolation.
4. The permittee must keep records of the amount of groundwater produced and exported, and the purpose of the production, and such records shall be available for inspection by District representatives. Immediate written notice must be given to the District in the event production exceeds the quantity authorized by a permit, or the water well is either polluted, or causing pollution of the aquifer. Reports of withdrawal amounts shall be filed annually by any permittee with authorized withdrawal up to 3,000-acre feet per year. Reports of monthly withdrawal amounts shall be filed within thirty (30) days of the end of each month.
5. A well site and transportation facility must be accessible to District representatives for inspection, and the permittee agrees to fully cooperate in any reasonable inspection of the well, well site, and transportation facility by District representatives.
6. Applications for which a permit is issued are incorporated in the permit, and thus permits are granted on the basis of and contingent upon the accuracy of the information supplied in the application and any amendments to the application. A finding that false information has been supplied is grounds for immediate revocation of a permit. In the event of conflict between the provisions of a permit and the contents of the application, the provisions of the permit shall control.
7. Suspension or revocation of a permit may require immediate cessation of all activities granted by the permit.
8. Violation of a permit's terms, conditions, requirements, or special provisions is punishable by civil penalties provided by the District's Rules. Where ever special provisions in a permit are inconsistent with

other provisions or District Rules, the special provisions prevail.

9. In order to preserve and protect the aquifer(s) of the District, water wells connected, or to be connected to a common gathering/transportation piping system capable of producing greater than or equal to 3,000 acre-feet of groundwater from permitted wells per calendar year, shall be required to assess the effects of the project on the aquifer(s). Water quality sampling and analysis shall be conducted by the well field owner/operator annually in at least two production wells to assess any changes in water quality that may be attributed to the large-scale pumping project. Samples shall be collected and analyzed by a laboratory, acceptable to the District, for major cations (sodium, potassium, calcium, magnesium), and anions (chloride, sulfate, carbonate, bicarbonate), and total dissolved solids. In addition, specific conductance, pH, and temperature measurements shall be made in the field during each annual sampling event. The sampling results shall be submitted to the District annually.

C. Change of Ownership

A drilling or production permit may be transferred to another person through change of ownership of the well provided all permit conditions remain in compliance with District Rules and the District is notified, in advance, of the proposed change in ownership. The General Manager is authorized to effectuate the permit transfer.

D. Penalties

Failure to comply with District rules may subject the permittee to a civil penalty to be determined by the Board not to exceed \$10,000 per day of violation, and each day of continued violation constitutes a separate violation.

Bruce Tieken, President
Gonzales County UWCD

Date

Attachments:

ATTACHMENT A – Well Location Map

Attachment 1 – Amended Participation Agreement in the Western Gonzales County Dedicated Mitigation Fund, by and between Canyon Regional Water Authority and the District, executed to be effective on December 17, 2012.

Attachment 2 – Monitoring Well System Construction, Operation, and Maintenance Agreement, by and among the District, Alliance Regional Water Authority, Canyon Regional Water Authority, Schertz/Seguin Local Government Corporation, and Guadalupe Blanco River Authority, executed to be effective on December 30, 2016, as amended by the First Amendment to the Monitoring Well System Construction, Operation, and Maintenance Agreement, executed to be effective on October 16, 2018.

GONZALES COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

2023 Annual Report



March 8, 2023

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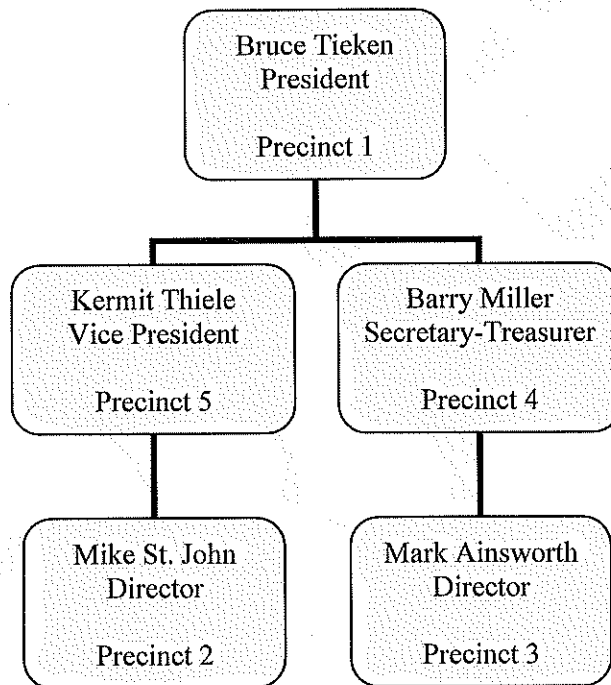
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Introduction

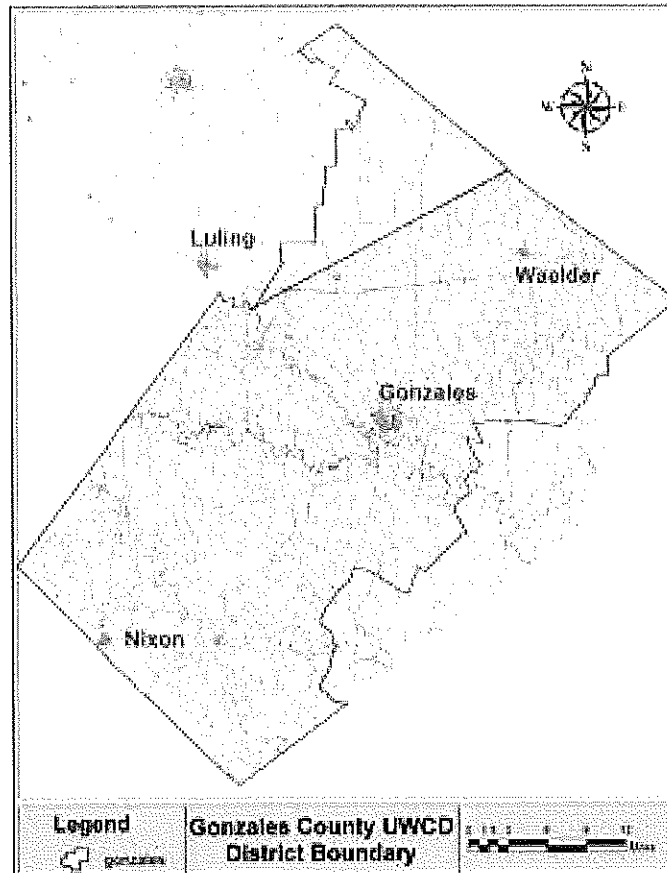
This report summarizes the activities and accomplishments of the Gonzales County Underground Water Conservation District (GCUWCD) in calendar year 2023. The GCUWCD financial report contained herein covers fiscal year 2022 – 2023 which extends from October 1, 2022, through September 30, 2023.

Board of Directors

The current GCUWCD board members, their respective titles, and precincts are listed below.



Gonzales County Underground Water Conservation District Precinct Map



GCUWCD Staff

Ms. Laura Martin is the General Manager since August 01, 2021, previously she was the Administrative Assistant for the District since 2014. Ms. Martin manages the District's well records and databases, maintains the financial records, and handles permitting requests.

Mr. Link Benson is the Well Mitigation Manager for the District. He has been with the District since 2013. Mr. Benson supervises well mitigation work conducted under the District's Eastern and Western Mitigation Funds.

Mr. James Benedict is the Field Technician for the District. He has been with the District since 2015. Mr. Benedict records and monitors wells, obtains water levels, and water quality analytical data on District water wells.

Ms. Haley Stakes is the Administrative Assistant for the District. She has been with the District since 2023 as a part-time employee. Ms. Stakes maintains the well records and databases and directs incoming calls.

The GCUWCD is always interested in educating the public about the issues confronting groundwater in the District and the region in general. The District has extensive information about water levels, water quality, plugging abandoned wells or the proper construction of a new well. If you would like to obtain any information on the groundwater resources in the District please check out our website at www.gcuwcd.org or stop by our office or contact us by email or phone.

The District office is located at:

522 Saint Matthew Street
P.O. Box 1919
Gonzales, TX 78629
Telephone: (830) 672-1047
Fax: (830) 672-1387
Emails: generalmanager@gcuwcd.org; admin@gcuwcd.org

GCUWCD Management Plan and Rules

The District's current Management Plan was approved by the Texas Water Development Board (TWDB) on January 29, 2019. Review of the Management Plan is required every five years. The next revision of the Management Plan will be due to the Texas Water Development Board (TWDB) for review and approval on January 29, 2024.

The District's Rules were last revised on October 10, 2023. The District incorporated the changes to the 88th Texas Legislative Session. The District is required to accept comments on the proposed rule amendments and may hold stakeholder workshops prior to finalizing any rule amendments.

Management Plan Goals

The GCUWCD Management Plan identifies the goals and objectives of the District and provides performance standards and tracking methods to measure the District's effectiveness in meeting these goals. The District goals are mandated by the Texas Water Code Chapter 36, Section 36.1071. The District's goals are as follows:

- Goal 1: Providing the most efficient use of groundwater.
- Goal 2: Controlling and preventing waste of groundwater.
- Goal 3: Addressing conjunctive surface water management.
- Goal 4: Addressing natural resource issues.
- Goal 5: Addressing drought conditions.
- Goal 6: Addressing conservation, recharge enhancement, rainwater harvesting, and brush control issues.
- Goal 7: Addressing desired future conditions of the groundwater resources.
- Goal 8: Accurate accounting of the water transported from the District.

The information provided in the following sections of the Annual Report allows the District's performance, effectiveness, and efficiency to be evaluated in relation to meeting these goals.

GOAL 1 - Providing the Most Efficient Use of Groundwater

Management Objective 1: Register at least 20 exempt use wells and compile the information into a database.

The District registered seventy-nine (79) exempt use wells in 2023. A database of all registered and permitted wells in the District is maintained and updated regularly.

Well Type	Number Registered
Exempt Domestic/Livestock	73
Exempt Frack/Rig Supply	2
Exempt Monitor/Test	1
Exempt Irrigation/Industrial/Public Supply	0
Exempt/Other	3

The District approved zero (0) new water well permits in 2023.

Permit Type	Permittee	Date Approved	Aquifer	Permit Amount

The District approved zero (0) major permit amendments in 2023.

Permit Type	Permittee	Date Approved	Aquifer	Permit Amount

The District approved zero (0) minor permit amendment in 2023.

Permit Type	Permittee	Date Approved	Aquifer	Permit Amount

Management Objective 2: Measure water levels in at least forty (40) observation wells in the Wilcox, Carrizo, Queen City, Sparta, and Yegua-Jackson Aquifers at least three times a year and compile the data into a database.

The District currently measures water levels in two hundred nineteen (219) wells; eighteen (18) wells in the Wilcox Aquifer, eighty-eight (88) wells in the Carrizo Aquifer, thirty-two (32) wells in the Queen City Aquifer, nineteen (19) wells in the Sparta Aquifer, fifty-three (53) wells in the Yegua-Jackson Aquifer, and six (6) in other minor aquifers three times a year (January, June, and September).

The water level measurements are used to monitor historical water levels across the District. The water level measurements are also used to compare the drawdowns predicted by the Groundwater Availability Models (GAMs) to actual drawdowns in the aquifers.

Presentations of the water level monitoring data were provided to the public at the February, July, October, and December 2023 Board Meetings (copies are included in **Appendix 1**). The water level data was also posted on the District’s website. The District maintains a database of water level measurements hosted by Halff & Associates.

Management Objective 3: The District will meet with the cities of Gonzales, Nixon, Smiley, and Waelder, and the Gonzales Economic Development Corporation (GEDC) at least once a year to discuss water availability for area development.

The District will meet with the Cities of Gonzales, Nixon, Smiley, and Waelder in the beginning of 2024. The District will meet with a representative of the GEDC in the beginning of 2024.

Management Objective 4: A District representative will attend all Groundwater Management Area (GMA) 13 meetings annually.

The District’s General Manager attended the two (2) GMA 13 meetings held on February 17, 2023, and September 15, 2023. Copies of the meeting agendas and minutes are included in **Appendix 2**.

Management Objective 5: The District will gather production information from the five (5) local public water suppliers, ten (10) irrigation wells, and two (2) livestock production facilities and compile the information into a database.

As of the date of this report, the District obtained water production information from fifty-two (52) public water suppliers, thirty-three (33) irrigation wells, six (6) frack well operators, five (5) livestock production facilities, and two (2) industrial production facilities in 2023. A Copy of the 2013-2023 groundwater production is included in **Appendix 3 and Appendix 10**. The District maintains a database of annual water production from these facilities hosted by Halff & Associates.

GOAL 2 – Controlling and Preventing Waste of Groundwater

Management Objective 1: The District will provide educational resources to citizens within the District on controlling and preventing waste of groundwater and annually publish an information article on controlling and preventing waste of groundwater.

The GCUWCD is always interested in educating the public about the issues confronting groundwater in the District and the region in general. The General Manager is available to speak on groundwater or water district subjects to any group. Presentations are generally of a wide variety and may be about water conservation, water quality, aquifer facts or just the operations and policies of the GCUWCD.

The GCUWCD added a water conservation widget to the website in December 2016 that provides daily tips on controlling and preventing waste of groundwater. A screenshot of the widget is included in **Appendix 4**.

GOAL 3 – Conjunctive Surface Water Management

Management Objective 1: The District will meet with the staff of the Guadalupe Blanco River Authority (GBRA) at least once a year to share information updates about conjunctive use potential.

The District will meet with GBRA representatives in 2024 to discuss potential conjunctive use rules for groundwater, surface water, and aquifer storage and recovery.

Management Objective 2: The District will attend at least one Regional Water Planning Group (RWPG) meeting annually to share information updates about conjunctive use potential.

The District, participated in four (4) RWPG meetings online, on February 02, 2023, May 04, 2023, August 03, 2023, and November 02, 2023, which involved a variety of water management strategies including methodologies, projections, and cycle and consultant scheduling. Copies of the meeting agendas and minutes are included in **Appendix 5**.

GOAL 4 – Addressing Natural Resources

Management Objective 1: The District will collect water quality data in at least twenty (20) wells annually at locations throughout the District.

The District has set up a water quality trend monitoring program which establishes a baseline of information to reveal groundwater quality trends over time across the district and serves as an initial indicator of changes in water quality that may warrant further investigation. The water quality program is not designed for compliance monitoring which is addressed by federal and state agencies.

The District collected water quality samples from a total of fifty-eight (58) samples were collected for water quality analyses including twenty-three (23) Carrizo Aquifer wells, five (5) Wilcox Aquifer wells, thirteen (13) Queen City Aquifer wells, six (6) Sparta Aquifer wells, and eleven (11) Yegua-Jackson Aquifer wells in 2023. Presentation of the water quality data was provided to the public at the May 2023 Board Meeting. The water quality data was also

posted on the District’s website. No significant water quality trends were identified for any of the wells monitored in 2023. The water quality sampling results are included in **Appendix 6**.

Management Objective 2: The District will monitor new facilities and activities on the recharge zones of the Carrizo-Wilcox, Queen City, Sparta, and Yegua-Jackson Aquifers on at least an annual basis for point source and non-point source pollution and compile the data into a database.

The District consultant, and staff conduct reconnaissance surveys of the District’s aquifers to identify any new facilities or activities on the recharge zones for point source and non-point source pollution. The surveys, which are conducted during travel across the District for water level monitoring, did not identify any current point source or non-point source concerns, that were not oil and gas related.

Management Objective 3: The District will meet with the local Texas Railroad Commission of Texas (Texas RRC) representative at least once annually to review oil well permits and oil related activity that could endanger the aquifers and coordinate efforts to locate abandoned or deteriorated oil wells.

The District will meet with Mr. Gene Reed, District 2 Representative of the Texas RRC, 2024 to identify any oil or gas related activity that could endanger the aquifers, including deteriorated or abandoned wells and brine injection well locations.

The District used the Texas RRC website to identify zero (0) new orphaned wells within the District’s boundary as shown in the Table below. Orphaned wells are those that are inactive, non-compliant wells that have been inactive a minimum of 12 months and the responsible operator's Organizational Report (Form P-5) has been delinquent for greater than 12 months. Operators desiring to take over these wells must have an active Organization Report (Form P-5) and, upon request, provide a good faith claim to operate the wells, otherwise the Texas RRC will plug and abandon the wells as time and funds permit.

House Bill 2161 (HB 2161), enacted by the 79th Texas Legislature (2005), established a new program in which the Texas RRC is authorized to make payments to surface estate owners who plug orphaned wells on their property. HB 2161 added new Section 89.048, relating to Plugging of Well by Surface Estate Owner, which became effective on January 1, 2006. Under the new law, a surface estate owner is defined as the owner of interest in the surface estate of a tract of land on which an orphaned well is located.

API No.	Lease No.	Lease Name	Well No.	Field Name	Operator No.	Operator Name	Oil/Gas	Months Inactive
17700459	3150	DUBOSE, GEORGIA, ET AL	2	DUBOSE (EDWARDS -A-)	801680	SONITT PETROLEUM CORP.	Oil	276
17730205	6669	CARNES, LEE	1	PILGRIM (NAVARRO)	307604	GLADE OPERATING, LLC	Oil	49
17730538	7118	THOMPSON	2	PEACH CREEK (AUSTIN CHALK)	257068	EXPRESS OIL CO.	Oil	193
17730604	12458	GLASS, WILLIAM B.	1A	PEACH CREEK (AUSTIN CHALK)	859560	TIDELANDS PRODUCTION, INC.	Oil	276
17730719	13291	MOORE 2	1	NIXON	854357	THOMAS, MIKE	Oil	59
17730754	13291	MOORE 2	2	NIXON	854357	THOMAS, MIKE	Oil	52
17730867	14924	MARCEE	1	PEACH CREEK (AUSTIN CHALK)	877448	UNITED OPERATING, LLC	Oil	61
17730876	7479	MANFORD, T.D. -G-	1	SMILEY, SE (AUSTIN CHALK)	251934	ENERGETICS OPERATING COMPANY	Oil	276

17731701	13564	KITTIE	3	WILDCAT	25443	ANGEL LAND CO., INC.	Oil	276
17731797	12747	BORCHERS-BORCHERS UNIT	1	PEACH CREEK (AUSTIN CHALK)	810824	SRJC ENTERPRISES, LLC	Oil	33
17731971	13564	KITTIE	2	WILDCAT	25443	ANGEL LAND CO., INC.	Oil	276
17732010	14316	HOFFMAN	1	FIRST SHOT (AUSTIN CHALK)	511722	LRH MANAGEMEN T, LLC	Oil	157
17733166	18016	MIURA	1H	EAGLEVILLE (EAGLE FORD-1)	15088	ALMS ENERGY, LLC	Oil	45
17733333	18334	WYMAN	1H	EAGLEVILLE (EAGLE FORD-1)	511722	LRH MANAGEMEN T, LLC	Oil	77

The District used the Texas RRC website to identify H-8 spills reported by oil & gas operators in Gonzales County since 2010. A total of seventy-two (79) spills were reported from 2010 to 2023 and zero (0) spills were reported in 2023. The Table below summarizes the reported spills.

O&S Operator	Operator Unit	Date of Loss	Type of Spill	Amount of Spill (bbl.)
EOG Resources, Inc.	Hamilton	5/1/2019	Crude	30
Marathon Oil EF, LLC	Hagen EF	5/1/2019	Crude	16
CL&F Operating, LLC	Hartman-Eilert	4/10/2019	Crude	20
CEI Operating, LLC	R.V.S. Oil Unit	2/25/2019	Crude	2
Lonestar Operating, LLC	Hagen Ranch	3/06/2018	Crude	109
Sabine Oil & Gas	Floyd-Parker	1/19/2018	Crude	6
Marathon Oil EF LLC	Brown Investments	1/08/2018	Crude	9
Eagle Hydrocarbons, Inc.	Davis B. - Wilson	4/23/2017	Crude	300
EOG Resources, Inc.	Kidd Unit	1/31/2017	Crude	80
EOG Resources, Inc.	King Fehner Unit	1/15/2017	Crude	50
Penn Virginia Oil & Gas, L.P.	Gonzo South	11/27/2016	Crude	80
Penn Virginia Oil & Gas, L.P.	Lavender-Thiede	8/22/2016	Crude	60
EOG Resources, Inc.	Henkhaus Unit	7/9/2016	Crude	12
Penn Virginia Oil & Gas, L.P.	L & J Lee Unit	6/26/2016	Crude	20
EOG Resources, Inc.	Neets Unit	6/18/2016	Crude	92
EOG Resources, Inc.	H.F.S.	5/24/2016	Crude	8
Luling O&G LLC	Tiller, Floyd -A-	4/30/2016	Crude	147
Pyote Well Service, LLC	Nixon	4/20/2016	Crude	770
Marathon Oil Ef LLC	Patterson Dubose	2/22/2016	Crude	37
Penn Virginia Oil & Gas, L.P.	RCRS-Fletcher Unit	7/6/2015	Crude	40
Argent Energy (Us) Holdings Inc.	Makers	6/25/2015	Combined	175
Penn Virginia Oil & Gas, L.P.	Miller	6/15/2015	Crude	20
EOG Resources, Inc.	Kerner Carson Unit	6/2/2015	Crude	55
Sabine Oil & Gas Corporation	Whiddon	5/28/2015	Crude	90
Eagle Hydrocarbons Inc.	Northcutt Dye	5/25/2015	Crude	159

**Gonzales County
Underground Water Conservation District**

Argent Energy (Us) Holdings Inc.	Makers	4/24/2015	Crude	150
Eagle Hydrocarbons Inc.	Wilson - Malone	4/24/2015	Crude	7
Argent Energy (Us) Holdings Inc.	Moesker	4/24/2015	Crude	150
EOG Resources, Inc.	Landgrebe Unit	2/15/2015	Crude	11
EOG Resources, Inc.	River Lowe Ranch	2/14/2015	Crude	30
Progenies Operating LLC	Nordia Grande	12/30/2014	Crude	15
Forest Oil Corporation	Lester-Ricochet	11/8/2014	Crude	20
Penn Virginia Oil & Gas, L.P.	Hawn Holt	11/6/2014	Crude	13
Devon Energy Production Co, L.P.	Zgabay A	11/3/2014	Crude	15
Eagle Hydrocarbons (Texas) Inc.	Smith B Unit	9/18/2014	Crude	50
Penn Virginia Oil & Gas, L.P.	RCRS-Fletcher Unit	7/28/2014	Combined	66
Penn Virginia Oil & Gas, L.P.	Culpepper Unit No. 2	7/22/2014	Crude	5
Argent Energy (Us) Holdings Inc.	Makers	6/20/2014	Combined	70
EOG Resources, Inc.	Sydney Unit	6/9/2014	Crude	180
Forest Oil Corporation	Mahan-Colwell	4/19/2014	Crude	6
Forest Oil Corporation	Carl Sample	3/22/2014	Crude	23
Forest Oil Corporation	Lester-Ricochet 2	2/28/2014	Crude	13
North South Oil, LLC	Luling-Branyon	11/17/2013	Crude	15
Hunt Oil Company	Ruby Ruth A	11/2/2013	Combined	21
Penn Virginia Oil & Gas, L.P.	Bongo Hunter Unit	11/1/2013	Crude	7
EOG Resources, Inc.	Dreyer Unit	10/13/2013	Crude	1250
Lonestar Operating, LLC	Gonzo Unit B	9/28/2013	Crude	25
Alta Mesa Services, L.P.	Taylor, Larry	9/16/2013	Crude	10
Xto Energy Inc.	Spinners	8/30/2013	Crude	9
Forest Oil Corporation	Graham	3/24/2013	Crude	45
EOG Resources, Inc.	Guadalupe Unit	3/9/2013	Crude	10
EOG Resources, Inc.	BLT	1/12/2013	Crude	12
Forest Oil Corporation	Kies	12/28/2012	Crude	10
EOG Resources, Inc.	Guadalupe Unit	11/26/2012	Combined	120
EOG Resources, Inc.	Burrow Unit	11/2/2012	Combined	8
EOG Resources, Inc.	Meyer Unit	10/9/2012	Crude	30
Forest Oil Corporation	Mahan South	10/2/2012	Crude	10
EOG Resources, Inc.	Lord A Unit	9/27/2012	Crude	20
Penn Virginia Oil & Gas, L.P.	Rock Creek Ranch	9/13/2012	Crude	5
EOG Resources, Inc.	Ahlhorn Najvar Unit	6/17/2012	Crude	15
Marathon Oil EF LLC	Barnhart (EF)	6/3/2012	Products	50
EOG Resources, Inc.	Meyer Unit	6/2/2012	Crude	50
EOG Resources, Inc.	Boyles Unit	5/29/2012	Combined	60
Forest Oil Corporation	Kies	5/7/2012	Products	50
Marathon Oil EF LLC	Brown-Bahlmann Unit	4/18/2012	Crude	8
EOG Resources, Inc.	Borchers- Koenning Unit	4/16/2012	Combined	490
Lucas Energy, Inc.	Ruddock, Upton	3/30/2012	Crude	221
EOG Resources, Inc.	Edwards Unit	3/23/2012	Crude	43

EOG Resources, Inc.	Whyburn Unit	3/13/2012	Crude	20
EOG Resources, Inc.	Stafford Unit	3/11/2012	Combined	403
EOG Resources, Inc.	McClure Unit	1/27/2012	Crude	25
Laredo Petroleum - Dallas, Inc.	D. Jost Oil Unit	1/16/2012	Crude	96
Forest Oil Corporation	Mercier	1/1/2012	Crude	20
EOG Resources, Inc.	H.F.S.	1/27/2011	Crude	40
Pronto Services	Buchanan	4/25/2011	Crude	142
Cimarex Energy Co. Of Colorado	E. E. Smith Unit 2	8/9/2011	Crude	6
EOG Resources, Inc.	Marshall, T. R. Unit	8/20/2011	Crude	40
EOG Resources, Inc.	Merritt	12/31/2011	Crude	10
EOG Resources, Inc.	Merritt	12/31/2011	Crude	10

The District did not submit any protests for saltwater disposal wells in 2023. No new saltwater disposal wells were installed within the District in 2023.

Disposal Well Operator	Date Protest Filed with RCT	Protest Resolution
None	None	None

Management Objective 4: The District will meet with Natural Resources Conservation Service representatives to exchange information on wells and water levels at least once annually.

The District will meet with a representative of the NRCS in 2024 to discuss information on wells and water levels.

GOAL 5 – Addressing Drought Conditions

Management Objective: The General Manager will access the Palmer Drought Severity Index and submit a report to the Board of Directors monthly. The District will provide information and coordinate with local water users and water managers regarding drought response activities in the event of severe drought.

The General Manager provided Palmer Drought Severity Index reports to the Board of Directors at each monthly board meeting in 2023. A summary of the monthly drought index reports is presented in the Table below.

Month	Palmer Drought Index
January	Moderate drought conditions
February	Moderate drought conditions
March	Severe to Extreme drought conditions
April	None to abnormally dry drought conditions
May	No drought conditions
June	None to abnormally dry drought conditions
July	Abnormally dry to moderate drought conditions
August	Extreme drought conditions
September	Extreme drought conditions
October	Severe drought conditions
November	Moderate to Severe drought conditions
December	Moderate to Severe drought conditions

Copies of the Palmer Drought Severity Index maps presented at the monthly Board meetings are included in **Appendix 7.**

GOAL 6 – Addressing Conservation, Recharge Enhancement, Rainwater Harvesting, and Brush Control

Management Objective 1: The District will at least annually publish an information article describing conservation measures that can be taken by water users in the District.

The District published an information article titled *45+ Ways to Conserve in the Home and Yard*. from the Earth Easy on its website in January 2023. A copy of the article is included in **Appendix 8** and <https://learn.eartheasy.com/guides/45-ways-to- conserve-water-in-the-home-and-yard/>.

Management Objective 2: The District will at least annually publish an information article describing potential recharge enhancement measures in the District.

The District published an information article titled *Recharge Enhancement* from the journal Environmental Research Letters on its website in January 2023. A copy of the article is included in **Appendix 8**.

Management Objective 3: The District will at least annually publish an information article describing rainwater harvesting measures that can be used in the District.

The District published an information article titled *Rainwater Harvesting* from Taking Care of Texas on its website in January 2023. A copy of the article is included in **Appendix 8**.

Management Objective 4: The District will at least annually publish an information article describing brush control measures that can be used in the District.

The District published an information article titled *Gonzales County as a Water Management Strategy* from Texas Soil and Water Conservation Board’s website in January 2023. A copy of the article is included in **Appendix 8**.

GOAL 7 – Addressing the Desired Future Conditions of the Groundwater Resources

Management Objective 1: Monitor water levels and evaluate whether the change in water levels is in conformance with the Desired Future Conditions (DFCs) adopted by the District. Estimate total annual groundwater production for each aquifer and compare the production estimates to the Modeled Available Groundwater (MAGs).

Due to limitations with the Groundwater Availability Model (GAM), two proposed desired future conditions were selected for the Wilcox, Carrizo, Queen City, and Sparta aquifers as described below. The first DFC for the Wilcox, Carrizo, Queen City, and Sparta aquifers in Groundwater Management Area 13 is that 75 percent of the saturated thickness in the outcrop at the end of 2012 remains in 2080. The starting water level date for these aquifers is January 2013 (end of 2012). Protection of groundwater in the aquifer outcrop areas is a priority of the District. The aquifer outcrop is the first area that will experience a loss of saturated thickness. The aquifer outcrop area is also where the groundwater in the aquifers interacts with the rivers and streams that cut across it. By monitoring water levels in the aquifer outcrop area, the District can protect landowner rights and better assess groundwater - stream flow interaction.

In addition, a secondary proposed desired future condition for the Wilcox, Carrizo, Queen City, and Sparta aquifers in Groundwater Management Area 13 is an average drawdown of 49 feet for all of GMA 13. The drawdown is calculated from the end of 2012 conditions to the year 2080. This secondary desired future condition was used to produce a MAG for the aquifers.

The District installed ten observations wells in the Carrizo Aquifer outcrop to assess the formation thickness and saturated thickness. For the Wilcox, Queen City, and Sparta Aquifers the District used the Texas Water Development Board BRACS geologic formation surfaces to assess the outcrop thickness and used existing observation wells to monitor the outcrop saturated thickness. The Table below shows the current outcrop

observation well water levels with respect to the DFC water level and the eight-year trend in water levels from January 2013 to January 2024. None of the Wilcox, Carrizo, Queen City, or Sparta Aquifer DFC monitoring well water levels currently exceed their respective DFCs.

Wilcox Aquifer Observation Wells

Observation Well	Aquifer Thickness (ft)	January 2013 Water Level (ft)	January 2013 Saturated Thickness (ft)	January 2013 – 2080 Available Drawdown (ft)	DFC Water Level (ft)	January 2024 Water Level (ft)	Water Level Trend 2013 – 2024 (ft/yr.)
MWWX-1	349	-33	316	-79	-112	---	---
MWWX-2	510	-100	410	-103	-203	-102.61	-0.24
MWWX-3	383	-89	293	-73	-162	---	---
MWWX-4	482	-123	359	-90	-213	-123.80	-0.07
MWWX-5	540	-78	462	-116	-194	-100.06	-2.01
MWWX-6	599	-105	494	-124	-229	-109.03	-0.37

Carrizo Aquifer Observation Wells

Observation Well	Aquifer Thickness (ft)	January 2013 Water Level (ft)	January 2013 Saturated Thickness (ft)	January 2013 – 2080 Available Drawdown (ft)	DFC Water Level (ft)	January 2024 Water Level (ft)	Water Level Trend 2013 - 2024 (ft/yr.)
MWCZ-1B	420	-144	276	-69	-213	-168.15	-2.20
MWCZ-2	223	-145	78	-20	-165	-149.76	-0.43
MWCZ-3	170	-91	79	-20	-111	-94.50	-0.32
MWCZ-4	190	-140	50	-13	-153	-143.80	-0.35
MWCZ-5	162	-46	116	-29	-75	-52.33	-0.58
MWCZ-6	336	-101	235	-59	-160	-104.21	-0.30
MWCZ-7	132	-20	112	-28	-48	-31.10	-1.01
MWCZ-8	365	-170	195	-49	-219	-184.35	-1.30
MWCZ-9	222	-93	129	-24	-125	-96.34	-0.30
MWCZ-10	170	-59	111	-28	-87	-64.09	-0.46

Queen City Aquifer Observation Wells

Observation Well	Aquifer Thickness (ft)	January 2013 Water Level (ft)	January 2013 Saturated Thickness (ft)	January 2013 – 2080 Available Drawdown (ft)	DFC Water Level (ft)	January 2024 Water Level (ft)	Water Level Trend 2013 – 2024 (ft/yr.)
MWQC-1	337	-79	258	-65	-144	-73.71	0.48
MWQC-2	180	-25	155	-39	-64	-30.60	-0.51
MWQC-3	257	-29	228	-57	-86	-30.60	-0.15
MWQC-4	197	-93	105	-26	-119	---	---
MWQC-5	240	-64	176	-44	-108	-57.45	0.60
MWQC-6	254	-4	250	-63	-67	---	---

A comparison of the District’s estimated water production information for 2023 indicates that the current amount of water being produced from the Wilcox, Carrizo, Queen City, Sparta, and Yegua-Jackson Aquifers does not exceed the MAGs. The District’s production data includes information reported by public water suppliers, irrigators, commercial/industrial users, and frack water users along with the Texas Water Development Board’s exempt usage estimates for Gonzales and Caldwell Counties.

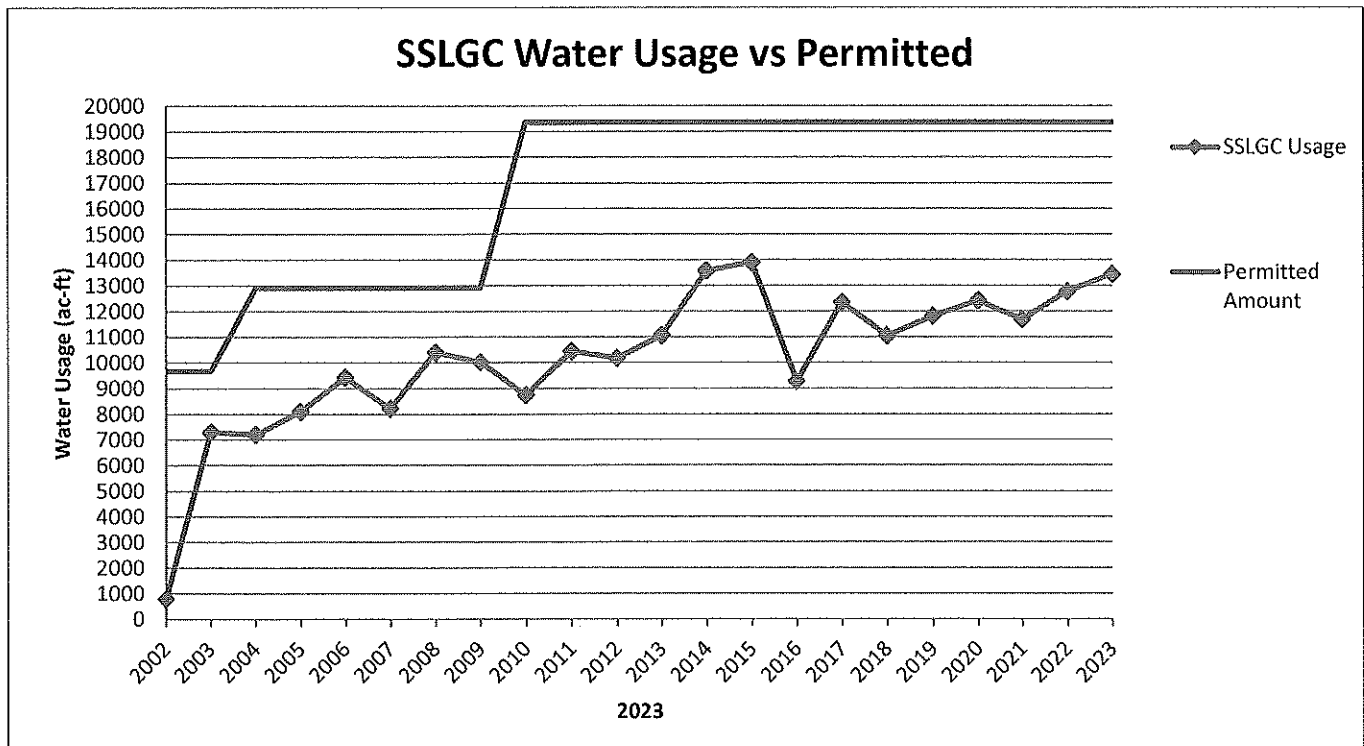
GOAL 8 – Transportation of Water from the District

Management Objective 1: The District will obtain monthly water usage reports from entities that transport groundwater out of the District and compile this data in a database.

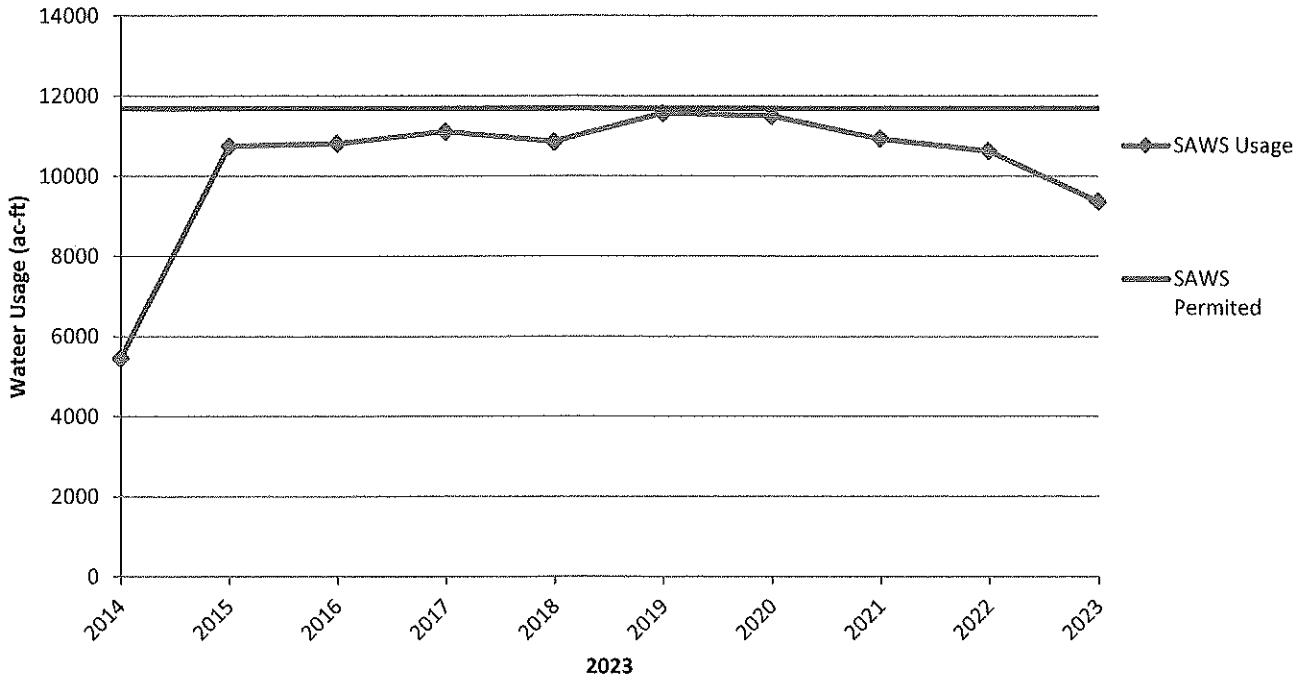
Monthly groundwater production reports are required for each entity that transports water outside of the District. This information is compiled in a water production database and reported at each monthly board meeting. Copies of the monthly water usage reports are included in **Appendix 10**. The total amount of water produced in 2023 by each entity is summarized in the Table below.

Water Transporter	2023 Groundwater Transport Amount (ac-ft)
Schertz-Seguin Local Government Corporation	13,447
San Antonio Water System	9,366
Canyon Regional Water Authority	6,148
Aqua WSC	490
Guadalupe-Blanco River Authority	10
Total Production	29,461

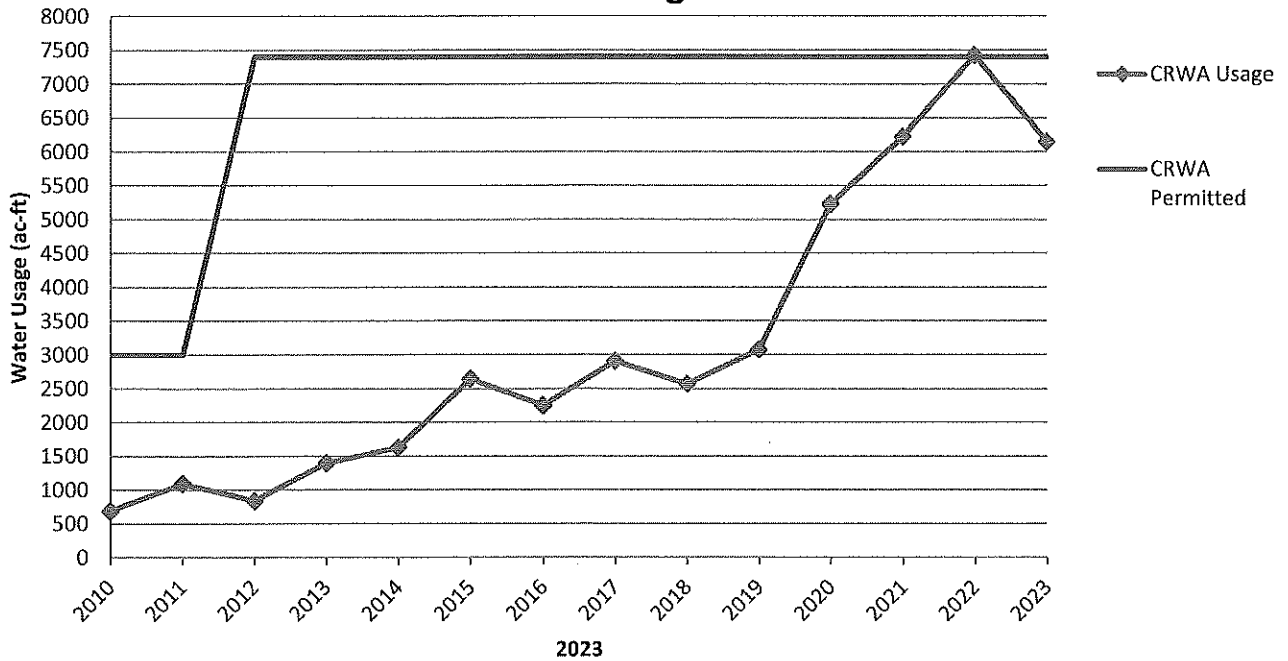
Graphs showing the annual water transporter usage versus the permitted production amounts are presented below.



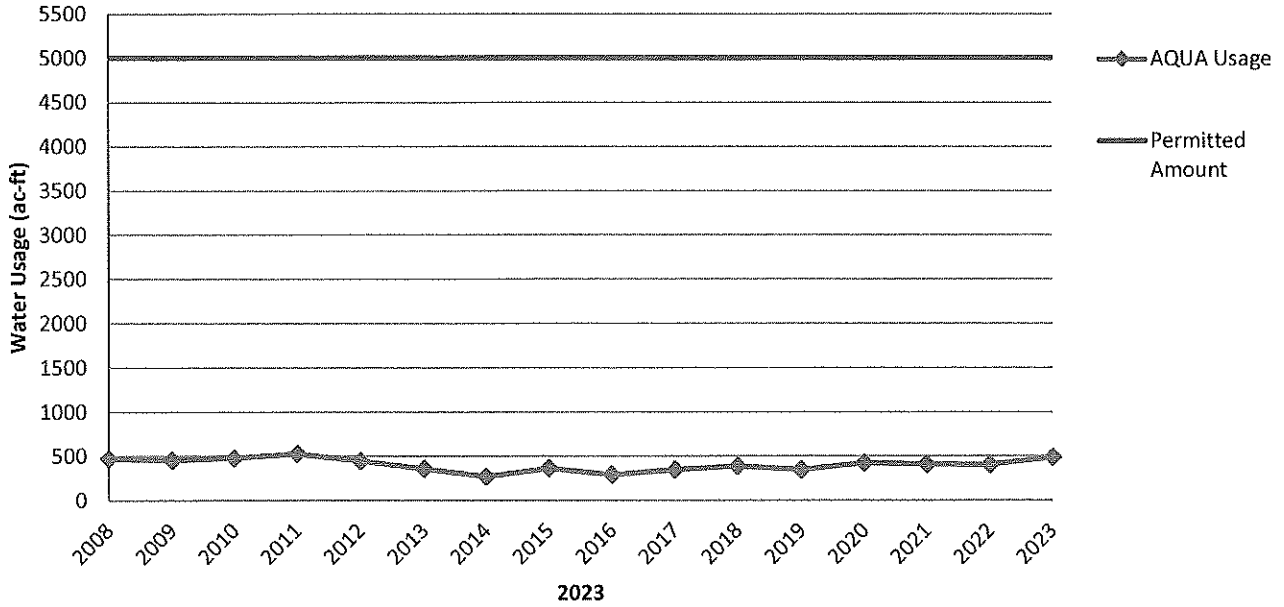
SAWS Water Usage vs Permitted



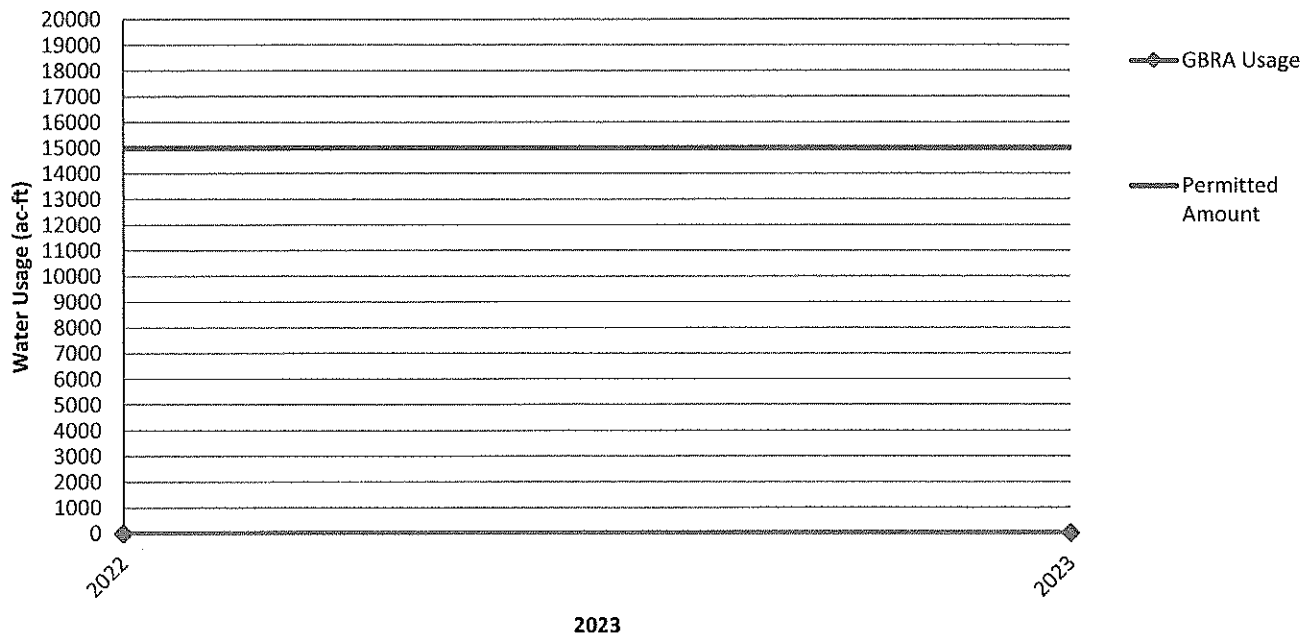
CRWA Water Usage vs Permitted



AQUA Water Usage vs Permitted



GBRA Water Usage vs Permitted



Financial Report

For the fiscal year 2022 - 2023, the District income from taxes, fees, permits, interest earned, and miscellaneous was \$651,414.50. Budget expenses totaled \$382,286.63. District expenditures included \$237,235.44 for payroll expenses, \$138,093.46 for operating expenses, and \$65.14 for capital outlay expenses, \$3,600.27 for project expenses, and \$3,292.32 for tax expenses (appraisal fees). Copies of the Monthly Investment Reports presented at the monthly board meetings are included in **Appendix 11**.

The fiscal year 2022 - 2023 audit, which was conducted by Montemayor Britton, and Bender, P.C., is available on the District's website. Copies of the previous fiscal year audits are available at the District office and on the District website.

GONZALES COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

Mitigation Fund 2023 Annual Report

March 01, 2024

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Attachments

- Attachment 1 Mitigation Fund Permittee Agreements**
- Attachment 2 Summary Table of Mitigation Work**
- Attachment 3 Unit Costs Sheets**
- Attachment 4 Mitigation Fund Financial Reports (2023)**
- Attachment 5 Financial Audit Report (FY 2022 – 2023)**

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Introduction

The mission of the Gonzales County Underground Water Conservation District (GCUWCD) is to conserve, preserve, protect, and prevent waste of the groundwater resources. The rules of the District require permittees capable of producing greater than 3,000 acre-feet of water per year from the same producer or connected or to be connected to a common gathering/transportation piping system to work with the District in mitigating the effects of large-scale pumping projects on wells registered with the District prior to June 01, 2010. This is accomplished through the use of a Mitigation Fund that is funded by the permittees and managed by the District. The permittees recognize and acknowledge that the District may utilize monies in the Mitigation Funds for investigating, evaluating and/or implementing mitigation by either contractors or employees and that the Mitigation Funds may be used to cover administrative expenses, contractor costs, and equipment costs associated with such contractors or employees.

Funding

The GCUWCD currently has issued permits to six public water supply companies that are capable of producing greater than 3,000 acre-feet of water per year from the same producer or connected or to be connected to a common gathering/transportation piping system:

Western Mitigation Fund

1. Schertz-Seguin Local Government Corporation (SSLGC)
2. Canyon Regional Water Corporation (CRWA)
3. San Antonio Water Systems (SAWS)

Eastern Mitigation Fund

4. AQUA Water Supply Corporation (AQUA)
5. Alliance Regional Water Authority (ARWA)
6. Guadalupe Blanco River Authority (GBRA)

The Drilling and Production and Transportation permits were granted on condition that the permittees agree to participate in the Western Gonzales County Dedicated Mitigation Fund and the Eastern Gonzales County Dedicated Mitigation Fund. Copies of the permittees Western Mitigation Fund and Eastern Mitigation Fund agreements are included in Mitigation Fund Permittee Agreements **Attachment 1**.

Table 1 below shows the total amount each permittee has contributed to the fund as of year-end January 31, 2024, to the Western Mitigation Fund.

**Table 1
Western Mitigation Fund Contributions**

Permittee	Date	Amount
SSLGC	October 2010	\$318,516.00
	October 2011	\$106,172.00
	October 2012	\$106,172.00
	December 2014	\$62,285.23
	November 2015	\$76,912.55
	December 2016	\$78,056.53
	October 2017	\$52,098.22
	October 2018	\$69,149.26
	October 2019	\$61,852.12
	October 2020	\$65,952.69
	November 2021	\$69,435.85
	November 2023	\$65,396.54
	CRWA	April 2010
January 2013		\$132,000.00
February 2016		\$21,034.38
September 2017		\$9,313.95
October 2018		\$7,522.13
March 2019		\$14,655.15
April 2021		\$17,444.59
April 2021		\$29,806.01
January 2024	\$42,349.20	
SAWS	February 2013	\$350,640.00
	March 2015	\$31,265.43
	July 2016	\$60,313.98
	August 2017	\$60,785.51
	September 2018	\$63,654.95
	August 2019	\$60,750.38
	September 2020	\$64,574.41
	October 2021	\$64,316.54
September 2023	\$60,825.56	

Table 2 below shows the total amount each permittee has contributed to the fund as of year-end January 31, 2024, to the Eastern Mitigation Fund.

**Table 2
Eastern Mitigation Fund Contributions**

Permittee	Date	Amount
AQUA	None to Date	\$0.00
ARWA	July 2013	\$309,000.00
GBRA	November 2013	\$450,000.00

A mitigation fund manual was prepared by the GCUWCD and approved on August 10, 2010, to set policies and procedures for managing the mitigation fund in an efficient, legal, and fiscally responsible manner. The manual included information on assessing the effects of drawdown on water wells in the District, determining appropriate mitigation remedies, conducting well mitigation, contracting, recordkeeping and reporting, and management of funds. A mitigation fund unit cost schedule was also developed by the GCUWCD in collaboration with the water well drilling and pump installation contractors for the mitigation work to be performed. A revised mitigation manual was approved on January 10, 2023. A copy of the Mitigation Fund Procedure Manual is available in the District office.

Mitigation Fund Contractors

The GCUWCD published notice of Request for Qualifications (RFQ) for mitigation fund contractors in the newspapers in January 2011 and again in November 2013. Five water well drillers and/or pump installers responded to the first RFQ by the stipulated deadlines and one water well driller and/or pump installer responded to the second RFQ by the stipulated deadlines:

1. Friedel Drilling Company
2. Schaefer Water Well Service & Supply
3. DeHarde's Water Well Service
4. Lone Star Drilling
5. Royall's Windmill and Pump, LLC
6. Wagner's Water Well Service (Formerly B&S Water Well Service)

A review of the applicant's submittals indicated that the information supplied was complete and the applicants were deemed qualified based on the requirements in the RFQ.

On February 8, 2011, the GCUWCD Board of Directors held a regular scheduled board meeting and agreed to retain Friedel Drilling Company, Schaefer Water Well Service, DeHarde's Water Well Service, Lone Star Drilling, and Royall's Windmill and Pump LLC as qualified water well drillers and pump installers. On December 10, 2013, the GCUWCD Board of Directors held a regular scheduled board meeting and agreed to retain Wagner's Water Well Service. Wagner's Water Well Service was added to the list of qualified drillers/pump installers. Copies of the contracts and associated insurance are available in the District's office. The water well drillers and pump installers contracts are valid for a three-year period with an option to extend. The first five drillers are up for review.

Well Mitigation Manager

The GCUWCD published notice of Request for Qualifications (RFQ) in the newspapers in October 2010, January 2011, and again in March 2011. Twelve individuals and two companies responded to the RFQ by the stipulated deadlines. The GCUWCD General Manager reviewed the qualifications of each individual and company responding to the RFQ and selected the most qualified applicants for interviews with two directors of the District. The two directors completed the interviews on March 29, 2011, and selected the most qualified applicant and submitted the applicant to the full board for a vote.

On April 12, 2011, the GCUWCD Board of Directors held a regular scheduled board meeting and agreed to hire David McMullen as a full-time employee for the Well Mitigation Manager position at a starting salary of \$45,000 per year with a beginning date of employment of May 1, 2011.

On October 9, 2012, the GCUWCD published notice of Request for Qualifications (RFQ) in the newspapers for a new Well Mitigation Manager to replace David McMullen. Two individuals responded to the RFQ by the

stipulated deadlines. The two individuals were interviewed on December 27, 2012, by the GCUWCD General Manager and two board members. On January 8, 2013, the GCUWCD Board of Directors held a regular scheduled board meeting and agreed to hire Link Benson as a full-time employee for the Well Mitigation Manager position at a starting salary of \$45,000 per year with a beginning date of employment of January 21, 2013. Mr. McMullen agreed to stay on with the District until January 25, 2013, to assist with transitioning his duties to the new Well Mitigation Manager.

Recordkeeping and Reporting

The District shall maintain records and supporting documentation for all mitigation fund work in accordance with the District Bylaws. By January 31st of each year following the creation and initial funding of the Mitigation Fund, the District shall provide all participating permittees an accounting of Mitigation Fund revenues and expenses, information regarding the water well drillers qualified to perform mitigation work, and a report summarizing the mitigation claims that were inspected, evaluated, or mitigated. This report completes this requirement for 2023.

The Well Mitigation Manager provides monthly summary reports to the GCUWCD Board of Directors in the regularly scheduled board meeting packets. In addition, an electronic database file is maintained on all Carrizo Aquifer wells that are mitigated.

Mitigation Work Conducted

In 2023 ten (10) wells were looked at for possible mitigation. Out of the ten (10) wells, seven (7) of the wells were not in the Carrizo Aquifer and deemed ineligible for mitigation, and three (3) were deemed necessary and eligible for mitigation at this time, but limited funds were available. A summary of the mitigation work that was conducted in 2023 is included in the Summary Table of Mitigation Work **Attachment 2**.

On the Western side of the District two (2) wells quit flowing and are livestock wells, and the water table dropped on one (1) well which is an irrigation well.

On the Eastern side of the District seven (7) well were looked at. Out of the seven (7) well, six (6) wells were not in the Carrizo Aquifer and deemed ineligible for mitigation. One (1) well was deemed necessary and eligible for mitigation at this time.

One (1) livestock well quit flowering and the casing reduced in size 40' down and could not have a pump installed into the well, so a new well was drilled, and a solar pump was installed.

The initial Mitigation Fund Unit costs were revised in 2023 to reflect the updated labor, equipment, and material rates for mitigation work. A copy of the 2023-unit costs is included in Unit Cost Sheets **Attachment 3**.

Mitigation Fund Management

The District has an investment policy which is following various provisions of Texas law relating to the investment and security of funds of districts. As of the inception of the Mitigation Fund, Sections 36.155 and 36.156 of the Texas Water Code and Chapters 2256 and 2257 of the Government Code are applicable to the investment of the District's funds, including the investment of the Mitigation Fund. The investment policy addresses the methods, procedures, and practices that must be used to ensure effective and judicious fiscal management of the District's funds.

The District presents a financial report for the Western and Eastern Mitigation Fund at each monthly board meeting. Copies of the Mitigation Fund financial reports for FY 2022-2023 are included in Mitigation Fund Financial Reports (2023) **Attachment 4**. In addition, the District is required to conduct annual financial audits. A copy of the FY 2022–2023 audit is included in Financial Audit Report (FY 2022 – 2023) **Attachment 5**.

Table 4 shows the income and expenses for the Western Mitigation Fund for the FY 2022-2023. The Western mitigation fund budget for the FY 2022-2023 recorded a surplus of \$8,765.00.

**Table 4
Western Mitigation Fund
2022–2023 Year End Budget Review**

Mitigation Fund Expenses	
Categories	2022 - 2023
Operating Expenses, Capital Expenses	\$5,500.00
Capital Outlay Expenses	\$0.00
Project Expenses (Mitigation Contractors)	\$162,500.00
Total Expenses	\$168,000.00
Mitigation Fund Income	
SSLGC	\$69,500.00
CRWA	\$42,000.00
SAWS	\$65,000.00
Interest Earned	\$265.00
Total Income	\$176,500.00
Deficit/Surplus	
Budget Surplus/Deficit (FY 2022-2023)	\$8,765.00

Table 5 shows the income and expenses for the Eastern Mitigation Fund for the FY 2022-2023. The Eastern mitigation fund budget for the FY 2022-2023 recorded a deficit of \$317,420.00.

**Table 5
Eastern Mitigation Fund
2022–2023 Year End Budget Review**

Mitigation Fund Expenses	
Categories	2022 - 2023
Operating Expenses, Capital Expenses	\$5,500.00
Capital Outlay Expenses	\$0.00
Project Expenses (Mitigation Contractors)	\$312,500.00
Total Expenses	\$318,000.00
Mitigation Fund Income	
ARWA	\$0.00
GBRA	\$0.00
Interest Earned	\$580.00
Total Income	\$580.00
Deficit/Surplus	
Budget Surplus/Deficit (FY 2023-2024)	-\$317,420.00

RECEIVED FEB 28 2024

Gonzales County Underground Water Conservation District Board
533 St Matthew Street, Gonzales Texas 78529
And all water companies stealing my private property.

February 23, 2024

Hello fellows,

"I'm back!" It's been long enough to have a baby! What have you produced?

Since water doesn't know political boundaries, and it is being sucked from under my private property. I am here to demand payment for ALL water that you have allowed to be stolen from under my property since the moment you allowed them to start taking it, without my knowledge or consent. I've been here almost 30 years now. So was that some time back around 2015, when I first started seeing water run sideways, one foot under ground. And that's when the foundation of my habitation cracked, due to cymatics.

Cymatics? Yes, please don't play stupid. I have explained it to you before. It is well known phanona that happens when sand vibrates when drilling goes through things like hard clay layers making the sand vibrate.

It also happens in dirt, when the planet is "rung like a bell". Just look at the Gonzales Randal Rather Building, All the Court Houses, not just the one in Gonzales, and many old churches with huge organs in them, like the Prespertianian Church across the street. They are all sunk one floor down into the ground when the planet was Q balled and it cause the dirt to liquify and the buildings which were built before then sank into the ground. Look it up, it's called, "the mud floods of the 1800s".

Why do you think the "Freemasons" are called "Free"? They found these buildings and took credit for making them. When all they did was make an entrance / opening the 2nd floor. The building was "free" to them. They "found it" after the mud floods.

Why do you think there are no new buildings that look like these do? Where is the evidence that they were the master craft's men who built anything at all? Today everything is just square boxes of one sort or another, regardless of how tall it is. **DO THE RESEARCH! It's history not a mystery!**

I want paid for the water, the destrucion of my habitation, and the destruction of the forest in which I inhabit. And I want my own well into that source of water; Carrizo-Wilcox.

A whole lot more of the forest is dead than I thought, all it took was someone to start clearing away the dead trees rather than just whole sale bulldozing like eveyrone else does, for it to become aparent to me, just how much has been lost.

Stop the theft water! Shut those wells down and shut them down NOW! We are all in grave danger! Are you really too blind to see, and to deaf hear, and incompantant to head my prior warnings.

Our children will pay the price for your actions, or inactions as the case may be. Ah what's the big deal, take the jab and there will be no more children, they are all suddenly dropping dead. Who will need the water? You may want to be willing to sacrifice yourself and your family but I am not!

I was gifted this land by the Creator who Created it, for me and my seed. We are to be good stewards, not locuss!

Hear me! The water is NOT going where they say it is going! You have no idea what so ever where all those underground pipes are going. **NO IDEA!**

No, I can't prove it beyond any shadow of a doubt, I should not have to. That "beyond a shadow of a doubt is required when evil wants to hide something, then using smoke & mirrors, they distract you with nonsense to make you miss your mark. Real true law only requires that "a resonable person think or believe" something is true.

Not only do I think and believe it, I know it deep within my soul. I do have evidence that points

that way. If you only have eyes to see and ears to hear and mind to think with. Why do you think floride (a rat poison is put into water)? They learned during WWII in concentration camps that if they did that, then the population would become dosicle and not fight back. There is no reason for all of the shit we are going through to be happening if it were not true.

Also in the concentration camps they learned if you wear a mask, you are deprived of life giving oxygen, then cancer cells expode! Ever wonder why the fake plandemic, everyone ended up sick with what doctors are calling "turbo cancer"? Hum. Otto Heinrich Warburg won the Nobel Peace Prize in 1931 for it! But he didn't get it when he won it, they had to wait till folks forgot who he was in 1939.

Now they have also forgotten that there was a prize for the "Warburg effect". Look it up! *It's history not a mystery!*

Further more YOU can't prove it is not happening. All you have is their word. They are lying! Bearing false witness! A crime, while not against the corporation or "King", it is against The Creator.

Trump isn't gong to "save" you. YOU must save yourself, your brothers & sisters & children.

You are being destroyed for the lack of knowledge! Worse you are destroying your neighbors and the whole of humanity for what? FOR WHAT!

Shiny shit that has already crash, but no one told you peronally yet? Everyone but Americans know that "the almighty \$" is worthless.

a) Watch Tucker Carlson / Vladimir Putin Interview. Now Tucker is being punished for talking to Putin. How dare he destory our naritive! What did Putin do? Tell a history story, complete with documents to prove it. *It's history not a mystery!*

b) "Buyer beware!" Wothless stocks can still be sold by law. They become worthless when a company (like the US government) declairs bandkrupcty (that happened back in 1932, why the stock market crashed back then. Herbert Hoover 31st president & FDR the 32nd) *It's history not a mystery!*

Evidence 1) What exactly do you think "broke" the supply chain?

It isn't an "accident"! It was done on purpose. There is no money! The \$ has zero value!

Why do you think all those ships are lined up parked out in international waters?

Why do you think pyramid sceams are supposed to be illegal? They collapse. What symbel is on the dollar? Pyramide with the all seeing eye on it. What do you think that means?

How does intrest and usery or "for profit" work? Coruptly! Love of money is root of ALL evil.

The Creator says trade using, "fair & equal exchange of energy".

Why do you think the oil workers stopped providing us with oil and the price of fuel has gone up? Yet when I asked the local oil workers, I was told "We haven't stopped working." Corruption!

Why do you think there are tanker ships going out with oil but we are not allowed to have it? Corruption! Because that oil is being used as \$ to allow things to come into port. For things we used to make for ourselves. Now no one will take our worthless paper \$. No, it's not Trump's fault, it happened before he was born. *It's history not a mystery!*

Paper monompily money, bits & bites of e-money are all a fraud. LOOK into it. *It's history not a mystery!*

Evidence 2) Vavilov Institute of Plant Industry in St Pertersburg Russia (opened 1894 is the oldest seed bank in the world). More recently; Norway Svalbard global seed Vault (opened 2008) & The "Doomsday Vault" Seed Bank in Hungry (opened in 2008) all underground 1,3000 killometers north of the artic circle and in other such places; some 1,500 such places all together around the world, with millions of all the orignal seeds of real true food plants, some 930,000 of them. We eat of so few of them. *It's history not a mystery!* It's not for hybrids or the GE plants that are going to "save the world from starvation". BS! What do these places know that you don't know?

Hint; it is the same BS that "climate change" or "green house effect" that they have been

warning us about for **the past 100 years**. LOOK it up, *It's history not a mystery!*. Evidence is there if you just opened your eyes and looked to see.

Evidence 3) DUMBs (Deep Underground Military Bases) in there they found enough food and drink to feed the ENTIRE 8 million people of the world for 150 years, 14.2 billion tons of high quality food, where is the food shortage? This is good food not the tainted poisoned garbage that they feed us Americans. *It's history not a mystery!*

They found this, and so in another location, a truck driver recently posted a video saying, "Look at where I am delivering food to? I'm deep underground!"

Don't you wonder why that is? What is going on that you are not aware of? What happened to your "child like curiosity" that the Creator gifted you with that allows you to be innocent, creative and able to enter into Heaven, over "the rich man" who can't even pass through the eye of a needle? Which by the way was a hole in wall around a city, that is just big enough for a man or cammel to pass through provided the cammel wasn't loaded down with "riches". Tall animal, stacked high with stuff won't go through man sized holes. It was to keep intruders out, you know like those flowing over the borders now. Won't you lay down your cross of fear to follow Jesus into the Light?

Why is everything including your "voting" done in secrete, in the shadows rather than above board where all can see what really happens? What is being hidden? Why can't we see? Why can't you do anything? Why are you so willing to help evil prosper at the cost of yourself and your own?

The theory of change; the cognitive – affective systems of if / then logic that is used in Geometry, electronics and other things which it is "good enough for". But for some reason it is not good enough for law? What makes law so "speical"? Think! Corruption. Look up the meaning of the world license. "Permission (from the state) to do what which is other wise illegal (deamed by God).

If they have stored some 930,000 true food seeds, in some 1,500 places all squirrelled away under ground, all around the world,

And they have food for the world stored under ground, where you not only don't know but you can't access it.

Then wouldn't it stand to reason that they would also put water in an underground stoarge too, some place where they alone can have access to it too? Isn't that logical & reasonable? That is all that is required for real law, you know. "That a reasonable person to think such."

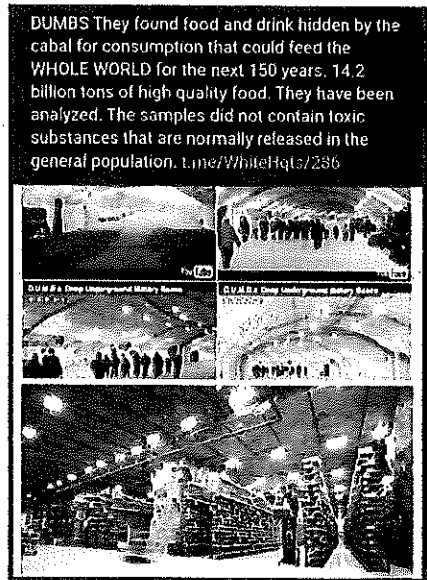
It is only corrupt code where the impossible is asked, to prove something beyond any shadow of a doubt. Which means someone is gulty of something and want to get away with it so using "smoke & mirrors" as a dsitraction, and poof it is done!

There is ENOUGH of everything, for everyone on the planet, so says the Creator. He gives freely to all inhabitants. But just one greedy person, there is NEVER EVER enough of anything.

Example but not alone in it; John D. Rocerkfeller was cursed with a "fear of poverty". Enough was not ever enough, and many family memebers (especially women) went insane because of his fears.

Look up who George Soros is. He is a jew, whose family was murdered, but he was willing to steel form other Jews who were put into the camps, so he lived. That is where he got his wealth from. IT was stolen. Our water is being stolen too. Can't you see? Use the eyes yougwere gifted with, Use your mind least you lose it. "A mind is a terrable thing to waste."

Please I beg you just do a little bit of research. Google will do the hard work. As much as I



dislike it, ask Alexa, AI will tell you if you just ask her. Just ask and allow yourself to receive the truth before it is too late. Which we are on the brink of, this is the 11th hour. Open your eyes, ears & mind.

Look in the Bible! It says "Go forth and be fruitful, RE-populated the planet." Do you know what the prefix "re" means – it means "again". Which means it has happened before. - LEARN!

How many times does humanity have to be fully destroyed by evil greedy men, wiped from this planet given to us by The Creator Himself, using the deadly sin of Greed to destroyed His beautiful creation. Please show you have some sort of common sense or smarts. Only you can save yourself.

What we allow now, will stand. The Q ball was supposed to hit, when Myan calendar ended in 2012 – didn't happen. Yet humanity allow the Cabal, the evil ones, the fallen watchers spoken of in the book of Enoch, to continue to take for their desires. When will we tell them "NO more!"

They have destroyed other planets as well, but you will never know about that if you can't see it here before your very eyes. Don't look to the pyramids on Mars. That's just rocks that happened to look like things that are here which are made of "just rocks". ... *It's history not a mystery!*

If we don't stop this theft humanity will be destroyed by it's own willing hand. But it doesn't have to happen.

If a question has to be asked. A legitimate answer is "NO". You can say No to the theft of water. All that is required is for you to stand in the power that was given and entrusted to you when you became a board member. It wasn't given without purpose or reason.

Please. Do the right thing. If you don't who will? If not now, then when?

Texas WATER CODE says;

"Sec. 36.002. **OWNERSHIP OF GROUNDWATER.**

(a) **The legislature recognizes that a land owner owns the groundwater below the surface of the landowner's land as real property.**

(b)(2)(c) **Nothing in this code shall be construed as granting the authority to deprive or divest a landowner, including a landowner's lessees, heirs, or assigns, of the groundwater ownership and rights described by this section**

2) Lies being told are thicker than fleas on an old sick dog. - this is the distraction.

A) Another smoke and mirror lie told, "I don't even have a well on my place."

Where do you think I get my water from?

B) It's not in our (GCUWCD) records?

Is that my fault your records are poor in quality?

Further more it isn't even any of your business if I have a well or not. The only reason for you to keep and have such records is for the purpose of corruption. It's how the lies are based. If you have a record of it, then you think it belongs to you and you can do what you will with it. NO! Not yours! Mine, gifted to me (and ALL of humanity) by the Creator!

Thus *it is irrelevant* if I have a well or not. *I own the land.* Thus by law the water is mine.

It does *not* belong to a company created by fearful evil men, that created a fiction on paper to be use to bear false witness and steal creation from the heirs whom the planet was gifted it to.

"You will own nothing, eat bugs and be happy about it!" - Klaus Schwab

Why so "you" can own everything and still not be happy about it because it is never enough?

That is not my problem. Now pay me for the damage done to me by your hand, committing or aiding in the commitment in deadly sin of greed. I want paid in real money; gold & silver, a well of my own well in the Carrizo-Wilcox aquifer, and a new home with solid foundation to replace what you destroyed. No faux worthless paper or bits and bytes. Do not ignore me again!

Tina Carroll, CR 444 @ 444B Waelder, Texas, uSA



no well
August