



Blanco-Pedernales Groundwater Conservation District

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Board Meeting Minutes

Thursday, September 17, 2026

Present: President Jimmy Klepac, Vice President Tom Murrah, Directors James Sultemeier, Gregory Stevens and George Cofran

Staff: Erik Kubinski (GM), Danielle Mauldin and Erin Elizabeth (Admin. Assts.)

Greg Ellis, General Counsel (represented electronically)

Citizens: Sign-In Sheets filed separately

1. Call to Order

President Jimmy Klepac called the Regular Board Meeting and Public Hearing of the Blanco-Pedernales Groundwater Conservation District to order at 1:30 p.m. on Thursday, September 10, 2026, at the District Office, 601 West Main Street, Johnson City, Texas.

2. Invocation

The invocation was led by Director Gregory Stevens, followed by the Pledge of Allegiance.

3. Public Comments

No public comments were received.

4. Consent Agenda

General Manager Erik Kubinski reviewed the current actuals vs. budgeted report with the Board.

Motion to approve the consent agenda, including the August 20, 2026 meeting minutes, monthly financial reports, and monthly operational reports, was made by Director James Sultemeier and seconded by Director George Cofran. The motion carried unanimously.

5. Public Hearing for Travis Materials P-20240078

President Klepac opened the public hearing at 1:40 p.m. General Manager Kubinski reported that the permit application from Travis Materials Land Company was deemed administratively complete on August 31, 2026, and that all required notices had been published. The application requests 9,999,099 gallons per year, approximately 30.69 acre-feet, to irrigate about 44 acres of hay production using a center-pivot system on Rocky Fork Road near Hye, Texas. All inspections and application requirements were completed.

Applicant David Quy addressed the Board and described the family's operation on the 212-acre property since 2019, including infrastructure improvements and hay production activities. He explained that the requested volume had been reduced from an original estimate of 17 million gallons due to cost considerations and was intended to support the crop during dry conditions. He committed to installing and maintaining a certified meter and complying with all District rules, including Rule 9 enforcement provisions.

The public hearing closed at 1:54 p.m.

6. Discuss and Possible Action on Travis Materials Permit P-20240078

General Manager Kubinski presented a proposed Board order approving the permit with conditions. The order includes a pumping limit of 9,999,099 gallons per year, acknowledgment of the District's enforcement authority under Rule 9, and a requirement that a certified meter be installed and operated at all times. Kubinski stated that he saw no evidence of potential water waste and recommended approval.

The Board discussed the metering requirement, noting that while self-reporting is standard under District rules, this order adds a specific requirement for a physical meter. The applicant confirmed his understanding and agreement with all conditions.

Motion to grant Travis Materials Land Company Permit P-20240078 for irrigation use as conditioned in Board Order No. 20260910-2 was made by Director Sultemeier and seconded by Director Tom Murrah. The motion carried unanimously.

7. Discuss and Possible Action on FY2027 Budget

General Manager Kubinski presented the third and final version of the proposed FY2027 budget. The main revision corrected a miscellaneous income line from negative \$3,000 to \$7 after reconciling County Appraisal District figures. The resulting \$3,000 adjustment was allocated among equipment maintenance, subscriptions, and capital improvement/building renovation line items.

Motion to adopt the proposed FY2027 budget, effective October 1, 2026, was made by Director Stevens and seconded by Director Cofran. The motion carried unanimously.

8. Discuss and Possible Action on FY2027 Fee Schedule

General Manager Kubinski presented the FY2027 fee schedule and highlighted two changes. First, separate in-county and out-of-county water testing fees were combined into a simpler

structure. Second, out-of-county fees were reduced to create a clearer rate schedule where out-of-district fees are generally double the in-district fees.

Motion to adopt the FY2027 fee schedule, effective October 1, 2026, and superseding all prior fee schedules, was made by Director Sultemeier and seconded by Director Cofran. The motion carried unanimously.

9. Discuss and Possible Action on FY2027 Tax Rate

General Manager Kubinski explained that the proposed tax rate is the no-new-revenue rate, which would generate approximately the same amount of tax revenue as the previous year without triggering additional notice or election requirements. He noted that this would mark the District's third consecutive year of lowering its tax rate.

General Counsel Ellis advised the Board that, as a special taxing unit, the District may not increase tax revenue by more than 8 percent without triggering an election requirement. He cautioned that lowering the rate too aggressively could make it difficult to recover revenue in the event of possible plummeting assessment values in future years.

Motion to adopt Resolution No. 20260910-1, setting the FY2027 (Tax Year 2026) no-new-revenue tax rate at \$0.015899 per \$100 of assessed value, was made by Director Murrah and seconded by Director Stevens. The motion carried unanimously.

10. Discuss and Possible Action on Proposed Amendment to Rule 4.3.B, Enhanced Grouting and Aquifer Isolation Standards

General Manager Kubinski presented a redlined draft amendment to Rule 4.3.B developed with consulting hydrogeologist Neil Deeds. The amendment would strengthen grouting and casing standards to prevent commingling between the Edwards-Ellenberger and Trinity aquifers and update references to revised Texas Department of Licensing and Regulation administrative code provisions.

Kubinski noted that the amendment had not yet been publicly posted and therefore could not be considered for adoption. He requested direction to place the amendment on the October agenda alongside the previously noticed Rule 4.1.B production reporting amendment so both notice processes could be completed together.

The Board discussed potential costs to landowners, compliance monitoring challenges, and the possible use of downhole cameras and equipment-sharing agreements to verify compliance. *Motion directing the General Manager to place proposed Rule Amendment 4.3.B on the next regular Board agenda alongside Rule Amendment 4.1.B and complete all required public notifications for both amendments was made by Director Sultemeier and seconded by Director Stevens. The motion carried unanimously.*

11. Discuss and Possible Action on Drought Conditions

General Manager Kubinski reported that combined watershed data showed conditions approaching Drought Stage 3. However, the watersheds remain split, with the Blanco watershed in Stage 2 and the Pedernales watershed in Stage 3.

Staff recommended remaining at Drought Stage 2, citing Texas Water Development Board forecasts calling for above-normal precipitation beginning in October due to El Niño conditions. Board members agreed that frequent changes in drought stages can create confusion for residents and supported waiting one month before reconsidering the matter.

No action was taken.

12. Discuss and Possible Action on Vehicle Disposal: 2012 Toyota 4Runner

General Manager Kubinski reported that the surplus 2012 Toyota 4Runner, with approximately 220,000 miles, had been posted on the District website for the required two-week period. One bid was received in the amount of \$4,400.

The Board discussed directing the sale proceeds to the vehicle replacement reserve fund rather than the general fund. Director Stevens recused himself from the discussion and vote.

Motion to approve Resolution No. 20260910-3, accepting the \$4,400 bid for the 2012 Toyota 4Runner and directing the proceeds to the reserve vehicle replacement fund, was made by Director Murrah and seconded by Director Cofran. The motion carried 4-0, with Director Stevens recused.

13. Discuss and Possible Acceptance of the Resignation of Director George Cofran

Director Stevens read a resignation letter from Director Cofran dated September 10, 2026, effective September 30, 2026, or earlier if determined by the Board.



Board members expressed appreciation for Cofran's service, particularly his role as interim General Manager during a period of transition. They credited his leadership with helping establish the operational foundation for the current administration.

Motion to accept the resignation of Director George Cofran effective September 30, 2026, was made by Director Stevens and seconded by Director Sultemeier. The motion carried unanimously.

14. Discuss and Possible Action on Board Vacancy

General Manager Kubinski reviewed Texas Water Code §36.051 and confirmed that because the Precinct 3 term expires within two years, at the May 2027 election, the Board may appoint a replacement.

General Counsel Ellis stated that the appointment could become effective October 1, 2026, with the new Director taking the oath of office and being seated during the October Board meeting. Rob Reynolds, a Precinct 3 resident and District volunteer for water level monitoring for the past year, was nominated. Reynolds summarized his professional background in software and financial technology, noted 15 years of nonprofit board service with Mobile Loaves and Fishes, and described his volunteer work in the Johnson City area. He also confirmed his intent to run for election in May 2027.

Motion to appoint Rob Reynolds to fill the Precinct 3 vacancy effective October 1, 2026, was made by Director Cofran and seconded by Director Stevens. The motion carried unanimously.

15. General Managers Report

a. Update on TAGD 2026 Summit

General Manager Kubinski and President Klepac reported on their attendance at the TAGD 2026 Summit. Kubinski noted the retirement of Gary Westbrook, longtime General Manager of the Post Oak Savannah GCD, and reported that a grant contract with the Texas Water Development Board had been finalized and executed. A companion contract with data management contractor Collier is currently being completed.

President Klepac commented that public education about groundwater regulations remains a common challenge among groundwater districts and commended Kubinski for his professionalism and engagement at the conference.

b. Loma Ranch Well Water Testing Update



Kubinski reported that baseline water quality testing had been completed for wells in the Loma Ranch area and Stallion Estates subdivision as part of monitoring efforts related to a nearby quarry operation. Results from SPL Laboratories showed no evidence of contamination and established a baseline for future comparison.

Local conservation volunteer Bill Sisak, who serves on the quarry advisory committee, noted that the data could be shared with the quarry operator as part of ongoing community oversight efforts.

c. Hays Trinity GCD Lawsuit Update

General Counsel Ellis updated the Board on several groundwater-related lawsuits across Texas. In the Hays Trinity district case, a federal lawsuit filed by Aqua Water Supply Corporation was largely resolved in the District's favor, with only one minor claim remaining. The District's enforcement claims involving permit exceedances and operation without a permit also largely survived dismissal efforts. Ellis noted that one ruling allowed damages for permit exceedances but not for operating without a permit, which he described as inconsistent.

He also reported that North Plains GCD prevailed on federal takings, equal protection, and due process claims. Additional discussion included litigation involving Middle Pecos GCD, the LCRA lawsuit against Lost Pines GCD now before the Texas Supreme Court, and GBRA's lawsuit against the Gonzales County Underground Water Conservation District over a denied permit amendment.

Ellis emphasized the costs and time associated with litigation and stated that negotiated settlements are generally preferable for both parties.

d. Greater Edwards Aquifer Alliance Letter to House State Affairs Committee

General Manager Kubinski reported that a summary of the Greater Edwards Aquifer Alliance letter regarding data centers had been included in the Board packet. General Counsel Ellis stated that he had a meeting scheduled with the Alliance the following week and would report back on its groundwater-related legislative priorities.

e. News and Industry Updates

No additional items were discussed.

16. Set Future Meeting Dates and Propose Future Agenda Items

The Board confirmed the following meeting dates:

- **October 15, 2026**

- **November 19, 2026**
- **December 15, 2026 (moved from the regular Thursday meeting date because of a scheduling conflict)**

Staff also announced plans for a gathering at the District office to recognize Director Cofran's service and welcome incoming Director Reynolds. Details will be announced later.

17. Adjournment

Motion to adjourn was made by Director Murrah and seconded by Director Stevens. The motion carried unanimously, and the meeting was adjourned.

Approved and adopted by the Board of Directors on this 15th day of October, 2026.



Gregory Stevens, Board Secretary-Treasurer

Date Signed: October 15, 2026



Jimmy Klepac, Board President

Date Signed: October 15, 2026

