



Board Meeting Minutes

Tuesday, August 26, 2025, at 1:30 pm.

District Office at 601 West Main Street, Johnson City, Texas

Present: Directors: President Jimmy Klepac, Tom Murrah, James Sultemeier, George Cofran.

Staff: Erik Kubinski, Amy Haynes, Greg Stevens

Citizens: See Sign-In Sheet

1. Call to Order

The regular board meeting of the Blanco-Pedernales Groundwater Conservation District was called to order at 1:30 PM on Tuesday, August 26, 2025, by President Jimmy Klepac.

2. Invocation

Gregory Stevens led the invocation, followed by the Pledge of Allegiance led by James Sultemeier.

3. Public Comment

There were no public comments.

4. Approval of Minutes for August 14, 2025, Called Board Meeting

The minutes from the August 14, 2025, called board meeting were presented for approval.

Motion to approve the minutes was made by Director Sultemeier and seconded by Director Cofran. The motion carried unanimously.

5. Recognition of Service for Robert A. Reed, Jr.

President Klepac presented a plaque to Robert A. Reed, Jr. in recognition of his service to the district. President Klepac highlighted Bob's unwavering commitment to many faithful years of community service with both the PEC and with the Blanco-Pedernales Groundwater Conservation District. He noted that Bob represented precinct 4 constituents by consistently upholding his oath of office with loyalty, devotion, no self-serving agenda, and always with professionalism. Bob was recognized for being willing to listen to all sides before coming to a conclusion and for supporting board decisions even when he disagreed. President Klepac also commended Bob for his devotion to his wife Barbara during her health challenges. In response, Bob Reed expressed his appreciation, stating that of all the boards he had served on, this was the best board he had ever seen, noting that they serve without compensation and stand for what is right.

6. Financial Report

a. Monthly Financial Report

Erik Kubinski, General Manager, presented the monthly financial report. As of August 25, 2025, the district's financial status showed (all numbers rounded):

- Revenue at 99.5% of budget
- Expenditures at 59% of budget



- Notable changes for July: tax revenues \$7,300, registration revenue \$500, total revenue \$10,800, contract services \$52,700 with consulting services at \$5,300
- Budget Categories Update:
 - Contract services still had \$51,400 remaining, primarily because the district had not yet received a bill from legal counsel
 - Reserve allocation funds had not yet been transferred to the reserve fund

Director Sultemeier expressed concern about printing and copying services being significantly over budget. Mr. Kubinski explained that the district had attempted to mitigate this cost by purchasing a Velo machine for \$800, but it wasn't working properly. He noted they might need to budget more for printing expenses in the future.

Director Sultemeier also asked about auditor payments, and Mr. Kubinski clarified that they paid some costs upfront as a retainer, with the total cost being \$15,000 for the first year, which was considerably more than the previous year's \$8,000.

7. General Manager, Staff, and Committee Reports

a. Operational Updates

i. Operational Metrics

Mr. Kubinski reported that over 1,000 cases had been uploaded into the database, representing approximately 25% of all cases. He noted that 108 cases needed further assistance or inspection, with 36% of the cases initially needing further assistance or inspection have been resolved.

ii. Grant Submission Update

Mr. Kubinski provided an update on grant submissions to LCRA, which included requests to complete the rainwater collection system and to replace the front windows for energy efficiency and noise reduction. Both submissions were acknowledged by LCRA and would take approximately six weeks for review.

iii. Legislation Advocacy

Regarding legislative advocacy, Mr. Kubinski reported that the legislature was in its second special session with 15-16 groundwater bills under consideration. He highlighted HB27, relating to groundwater studies of certain aquifers, which represented a rural versus urban battle. He shared quotes from the chairman of the House Natural Resources Committee who stated that the project sets a dangerous precedent that could severely impact water availability in certain counties, and who also suggested modernizing the rule of capture laws.

iv. News Updates

Mr. Kubinski discussed a water well screening program put on by the AgriLife Extension, scheduled for October 6-7. The district would facilitate the collection of water samples, which would be tested by AgriLife.



- b. Conferences and Seminars Attended
 - i. TWDB Technical Progress Meeting for the southern portion of the Trinity Aquifer Groundwater Availability Model
Mr. Kubinski reported that he attended the Texas Water Development Board technical progress meeting for the southern portion of the Trinity Aquifer Groundwater Availability Model (GAM). He explained that this technical meeting involved modelers discussing the GAM, which would impact GMA 9 and GMA 8. He noted that GMA 9 would consider the draft GAM being put forward, though it would not address the timing of the published GAM nor complications arising from using the previous GAM from 2009-2010.
 - ii. TAGD Annual Summit
Mr. Kubinski and President Klepac also attended the Texas Groundwater Summit hosted by TAGD. Mr. Kubinski highlighted that the keynote speaker, former Chief Justice Hecht, challenged the rule of capture opinion that he had once written. The summit also included discussions on brackish water and the application of AI in the water industry. Mr. Kubinski mentioned conversations with vendors, particularly Hydros, about incorporating AI into their database.
 - c. Rules Committee Update
Mr. Kubinski provided an update on the Rules Committee's work, noting that while they didn't want to "boil the ocean," they were working to align with the latest legislative updates to Rule 9 (enforcement). He presented marked-up versions of Rule 2 (definitions) and Rule 9 (civil enforcement fees and schedule of penalties for non-compliance). He mentioned that language for export rules, which was the main mission for updating the rules, would be forthcoming.
Director Sultemeier indicated that he and Director Murrah had discussed the draft rules and generally agreed with what was written. Mr. Kubinski explained that changing rules required a 20-day public notice, and timing was important. He anticipated presenting the rules to the board in October after further committee discussion, followed by a public hearing.
8. Continuing Business
- a. Discuss and possible action district drought status and drought conditions
Mr. Kubinski reported that monitoring wells across the district continued to show stable and sustaining trends, reflecting the beneficial impact of early July rains on longer-term aquifer health. When considering all monitoring wells, the overall drawdown had only increased slightly to 2.4 inches compared to the prior month. Based on well monitoring data, climatology observations, and forecasts, and considering the slight observed drawdown, staff recommended maintaining the district drought stage at Stage 1 rather than reducing it to Stage 0.
 - b. Discuss and possible action on Johnson City Permit



Mr. Kubinski provided clarification regarding the permit conditions communicated to the City in a letter dated August 18, 2025. A summary of the letter noted the following:

The BPGCD sent Johnson City proposed conditions for increasing groundwater withdrawals in response to future growth. The City may receive phased increases in withdrawal limits if annual population and demand reports justify the need. Pump tests will be completed according to the Phased Aquifer Testing Plan presented by the City, dated August 5, 2025. Each year, test results must be submitted and growth data compared to 10-year projections. Approval for further increases requires demonstrating no harm to other wells and verifiable population growth. The Board will review the recommended schedule for incremental increases to balance city needs with aquifer protection.

President Klepac asked about the difference between annual production and the permitted amount. Mr. Kubinski explained that although the board approves the full permit amount, actual annual production levels will be determined through ongoing evaluation of permit conditions. The General Manager will review annual testing and reporting results and present findings to the board in a timely manner, ensuring that production decisions reflect both current data and board oversight.

Director Cofran expressed concern about potential water exporting and drought protections. Mr. Kubinski noted that export rules will be addressed in new district regulations and referenced Chapter 245 of the Local Government Code. He explained that Chapter 245 protects permit applicants by applying the local regulations in effect at the time of the permit application, even if rules change later; however, legal counsel has advised that exceptions exist in the law to allow for necessary updates in response to drought conditions and changes to Desired Future Conditions (DFCs).

Mr. Kubinski requested a date for a public hearing on the permit. He explained that he had negotiated with the City to establish conditions that were meaningful for the district (ensuring no waste) and for the city (providing reasonable assurance they would get the full permit).

Motion to schedule a public hearing for the Johnson City permit on September 16 was made by Director Sultemeier and seconded by Director Cofran. The motion carried unanimously

9. New Business

a. Discuss and possible action on Walden Retreat permit

Mr. Kubinski presented information on the Walden Retreat Hill Country permit request. The retreat, located near the Pedernales river, has a public water system and wants to expand their glamping facilities. They are currently pumping 588,000 gallons per year and are requesting 1,500,000 gallons per year (4.6 acre-feet). Mr. Kubinski noted that their application was not yet administratively complete, as they had just



submitted their drought condition plan and conservation plan but had not yet submitted a water quality test along with other requirements.

Director Cofran expressed concern about the amount of water requested for what appeared to be a limited number of glamping spots. He asked whether the applicant had submitted a breakdown of projected water usage by category. Mr. Kubinski confirmed they had not but said he would request that information.

Director Sultemeier asked the former General Manager if he had any information about the site. He responded that he had visited the location and reported that the facility had drilled two wells—one near the river and another on the hill. He recalled that there were initially 8 to 10 pad sites for glamping but was unsure about any current or future expansion plans.

b. Discuss and possible action on Appointment Committee

President Klepac proposed appointing himself and Director James Sultemeier to serve on the search/interview committee for applicants for the Precinct 4 seat vacated by Bob Reed, Jr. The committee would review and interview candidates and make a recommendation to the board.

Motion to appoint President Klepac and Director Sultemeier to the search committee was made by President Klepac and seconded by Director Cofran. The motion carried unanimously.

c. Set future meeting dates and propose future agenda items

The next board meeting was scheduled for September 16, 2025, at 1:30 PM. Agenda items would include:

- Public hearing on the proposed Tax Rate and Budget
- Public hearing on the Johnson City permit amendment
- Any further action on the Hye Development permit

The October meeting was scheduled for October 16, 2025, which would include discussion of the rules changes that require a 20-day public notice.

10. Executive Session

The Board did not go into Executive Session during this meeting.

11. Adjournment

Motion to adjourn was made by Director Sultemeier and seconded by Director Cofran. The motion carried unanimously.

The meeting adjourned at 2:19 PM.



We hereby attest that the minutes of the meeting held on August 14, 2025, accurately reflect the discussions and decisions made by the Board of Directors:


James Sultemeier, Director Precinct 2


Jimmy Klepac, Board President