



Blanco-Pedernales Groundwater Conservation District

601 West Main Street, Johnson City, TX 78636 | (830) 868-9196
office@blancogroundwatertx.gov

Board Meeting Minutes

Tuesday, June 23, 2026

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

Staff: Erik Kubinski (GM), Danielle Mauldin (Administrative Assistant)

Greg Ellis (General Counsel – Telephonically)

Citizens: Sign-In Sheets filed separately

1. Call to Order

Board President Jimmy Klepac called the Blanco-Pedernales Groundwater Conservation District Regular Board Meeting to order on Tuesday, June 23, 2026, at 1:30 PM.

2. Invocation

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

3. Public Comments

Two residents addressed the Board during public comments.

Mike Park, a local well-owner, expressed concern about ongoing development and its impact on the Ellenberger Aquifer. He noted that water levels in his area have dropped from 56 to 59 feet below the surface over the past year, and that he has had to lower his pump twice due to nearby residential development. He urged the Board to take action to manage growth in order to protect water supplies for future generations.

Ron Fieseler spoke ahead of Agenda Item 11 regarding Board Director compensation. He reminded the Board that the original elected board had deliberately chosen not to compensate Directors, preferring members motivated by service rather than financial gain. He encouraged the Board to keep that history in mind.

4. Consent Agenda

Prior to the vote, General Manager Erik Kubinski addressed questions raised at the previous meeting about the financial report. He explained that the Central Appraisal District revenue was accurately recorded but not yet itemized by category, and that the lower interest

income reflected a drop in the Texas Tax Pool rate from 4.31% to 3.64% over the past year, confirmed by Security State Bank. Board members asked clarifying questions about several line items, including the breakdown of consulting services and insurance categories, which staff agreed to clean up in the next budget cycle.

Motion to approve the Consent Agenda, including May 21, 2026, meeting minutes, monthly financial reports, and monthly operational reports, was made by Director James Sultemeier and seconded by Director Gregory Stevens. The motion carried unanimously.

5. Public Hearing on Operating Permit P-20260039 for Brighton Ranches, LLC

The public hearing opened at 1:54 PM. Jack Leonard, representing Brighton Ranches LLC, explained that the permit covers a single-family home well and a 5,000-gallon fire suppression tank located within the Saddle Ranch neighborhood on Cypress Mills Road. He confirmed that a recorded easement grants the local fire department full access to the tank for maintenance, training, and emergency use. The public hearing closed at 1:56 PM.

6. Discuss and Possible Action on Operating Permit P-20260039 for Brighton Ranches, LLC

General Manager Erik Kubinski confirmed that the requested volume of 125,000 gallons per year is reasonable for the intended uses. Staff recommended approval with a meter requirement to allow the District to track water usage for future data purposes.

Motion to approve Board Order 20260623-1 granting a commercial operating permit to Brighton Ranches, LLC for 125,000 gallons per year was made by Director Gregory Stevens and seconded by Director Tom Murrah. The motion carried unanimously.

7. Public Hearing on Proposed Rule Amendment to Rule 4.1.D

The public hearing opened at 1:58 PM. Adelle Moreland asked for clarification on what the proposed amendment would change to and who it would affect. General Manager Erik Kubinski explained that the amendment would exempt agricultural use wells from annual production reporting requirements currently applicable to all operating permit holders. He noted that the full redlined version of the amendment was not available in time to meet the required 20-day public posting deadline, so no action could be taken at this meeting. The public hearing closed at 2:02 PM.

8. Discuss and Possible Action on Revising Production Reporting Rule 4.1.D

General Manager Erik Kubinski presented three versions of the proposed rule amendment included in the Board packet. Key updates include a new definition of "agricultural use" covering crops, livestock, horticulture, wildlife management, and equine activities. General Counsel Greg Ellis recommended adding domestic livestock use tied to agricultural operations to the definition for clarity. The Board agreed to include this addition. General Counsel Greg Ellis clarified that today's vote was not to adopt the rule, but simply to direct staff and counsel to publish the proposed amendment and schedule a formal public hearing at the next regular meeting.

Motion to direct General Manager Erik Kubinski and General Counsel Greg Ellis to publish the proposed Rule 4.1.D amendment and hold a public hearing at the next regular meeting was made by Director Tom Murrah and seconded by Director George Cofran. The motion carried unanimously.

9. Discuss and Possible Action on Operating Permit Fees for Well Owners Converting from Exempt to Permit Status to File Applications Before April 16, 2027, Deadline

General Manager Erik Kubinski explained that under the current fee schedule, well owners converting existing exempt wells to operating permits would be charged the standard \$3,000 application fee. Staff determined this could discourage compliance ahead of the April 16, 2027, deadline. The proposed resolution clarifies that no operating permit application fee will be charged for existing wells required to go through the permitting process under the new rules, while the standard fees will still apply to new wells and permits. The goal is to encourage voluntary compliance without generating revenue as the primary motive. Staff will issue a press release and use social media to publicize the fee waiver.

Motion to adopt Resolution 20260623-2 was made by Director James Sulzemeier and seconded by Director George Cofran. The motion carried unanimously.

10. Discuss and Possible Action on District Drought Status and Drought Conditions

General Manager Erik Kubinski reported that monitoring wells on the north side of the county have improved, while the southern portion remains in Drought Stage 3. The overall monitoring network still reflects Drought Stage 3. He noted that a meteorologist from the Guadalupe-Blanco River Authority, speaking at the Texas Water Association conference,

predicted above-normal rainfall over the next 12 months due to a strong El Niño pattern, with significant precipitation expected in fall and winter. Staff recommended maintaining the current Drought Stage 3 designation. No action was taken.

11. Discuss and Possible Action on Board Directors Compensation

General Manager Erik Kubinski brought this item forward as a planning discussion ahead of the next budget cycle. He presented a draft resolution that would allow directors to receive up to \$250 per day for district-related activities, up to a maximum of \$9,000 per year per director. He noted that if all five Directors maxed out, the total cost could reach \$45,000 annually.

General Counsel Greg Ellis noted that most groundwater conservation districts in Texas do compensate Directors, but cautioned the Board about the difficulty of defining what activities qualify for compensation and the potential for abuse. He cited a recent case in which drainage District Directors were arrested for submitting fraudulent compensation forms.

Ron Fieseler, speaking during remaining public comment time, raised additional concerns, including potential IRS reporting obligations and the risk of inadvertently reclassifying directors as employees, as had occurred previously in the District's history.

The discussion was informational only. No motion was made, and no action was taken.

12. Discuss and Possible Action on Permit Application 2024078 for an Irrigation Well as it Relates to Rule 3.4.A.4 Requiring an Aquifer Test

General Manager Erik Kubinski presented a permit application from Travis Materials Land Company seeking 17+ million gallons per year to irrigate 45 acres of coastal grass for hay production. Because the application involves altering an existing well's pump — which triggers Rule 3.4.A.4 — an expensive hydrogeological test would normally be required. The applicant indicated the project would not proceed if the test were mandated.

Staff consultant Neil Deeds reviewed available data from a nearby aquifer test and concluded the project would likely have only a limited impact on neighboring wells. General Counsel Greg Ellis acknowledged that while a strict reading of the rules requires the test, the situation is unusual and unlikely to recur frequently.

Board President Jimmy Klepac stated he was not in favor of granting a variance. No motion was made, and no variance was approved.

13. General Managers Report

General Manager Erik Kubinski provided updates on the following topics:

a. Update on Lagom Ranch Permit P-20250112 — A contested case hearing is underway with 18 protestants. Submission briefs from protestants are due July 3, with attorney replies due July 8. A Zoom public hearing before Judge York is scheduled for July 20. The District has paid \$3,500.00 in associated costs. The General Manager suggested revisiting permit fees to account for contested case expenses during the upcoming budget process.

b. Update on Johnson City Permit P-20250028 — Johnson City's final demand submission requests an increase of approximately 22 million gallons per year, bringing their total permitted amount to 172 million gallons annually. General Manager Erik Kubinski stated the request appears reasonable based on projected meter connections, the recent aquifer test results, and the 20% planning margin. A draft Certificate of Phased Authorization (Phase 1) for Johnson City was included in the Board packet. The city is expected to conduct another pump test later this year or next, which may lead to a future request for additional volume.

c. Johnson City, City Hall Meeting About Drought Stages — The District met with Johnson City officials to align drought stage definitions. The city's six drought stages roughly correspond to the District's four stages, though not perfectly. General Manager Erik Kubinski noted the city is legally bound by its Texas Water Development Board bond covenants to follow its conservation plan. Further discussions are planned.

d. TAGD Spring Business Meeting and Public Funds Investment Training on June 2–3, 2026 — General Manager Erik Kubinski attended the Texas Association of Groundwater Districts spring meeting, where General Counsel Greg Ellis led a public funds investment training session using the District's policy as a model. General Manager Erik Kubinski is in the process of delivering the updated investment policy to the District's banking institutions. He also noted that current law prohibits investing in commodities such as gold and silver and indicated he intends to advocate at the state level for groundwater districts to be allowed to hold up to 5% of their portfolio in precious metals as a risk hedge.

e. Update on TWDB 2026 GCD Grant Submission — The Texas Water Development Board staff has recommended approval of the District's full \$180,000 grant request. The formal

vote is scheduled for Thursday, June 25, 2026. The District's funding will be issued in fiscal year 2027. Of 47 GCDs that submitted applications out of 98 total in the State, 43 were approved.

f. Update on Python Program for Monitoring Well Water Analysis and Desired Future Condition Reporting — General Manager Erik Kubinski reported that he has built out the foundational work for the updated Python-based reporting program using his own expertise, preserving the full \$10,000 consulting budget approved by the Board for future phases of the project.

g. Webb County Request for Attorney General Opinion — Webb County has submitted a formal request to the Attorney General for an opinion on two legal issues related to water infrastructure funding and groundwater planning under HB 500 and Texas Water Code §36.108. General Manager Erik Kubinski noted this matter may have implications for the District and encouraged Board members to review the materials in their packets.

h. Groundwater Survey from the Bureau of Economic Geology — The Bureau of Economic Geology has asked the District to promote a groundwater use survey targeting ranchers. General Manager Erik Kubinski indicated the District will share the survey via social media and press releases, as the data will help support Desired Future Condition reporting.

i. Author Susan Hamm — Author Susan Hamm visited the District office to discuss her book on native grasses and aquifer management, portions of which were written by former General Manager Ron Fieseler. The District purchased a copy. She is working on an updated edition.

j. Update on McCar Materials Quarry — The District is conducting baseline water testing for residents near the quarry. A letter has been sent to the new landowner, Rodney Topper, notifying him that the commercial well on the property requires an operating permit. Staff are also looking into a separate well associated with the Loma Ranch for water quality testing, and several residents' wells in the nearby Stallion Estates subdivision.

k. Update on Legislative Activity — General Manager Erik Kubinski and General Counsel Greg Ellis plan to visit the Capitol on Friday, June 26, 2026, to meet with Lieutenant Governor's staff to discuss the District's need for state-supported legal defense in contested permit cases. A follow-up meeting with Representative Harris is scheduled for Monday, July 6. General Manager Erik Kubinski noted that Senator Perry and Senator

Middleton are not expected to advance legislation on the matter.

l. Hill Country Alliance Photo Contest — The contest winner has not yet been announced and is expected to be revealed in July.

m. Latest News from Local Newspapers and Industry Publications — General Manager Erik Kubinski distributed a news packet including a Rock & Vine article about a pending permit application from Lost Draw, a conservation feature on Blanco County groundwater management, and a letter to the editor submitted by public commenter Mike Park. Board President Jimmy Klepac publicly recognized Tricia Hartmann of the local newspaper for her consistent coverage of District meetings.

14. Set Future Meeting Dates and Propose Future Agenda Items

The Board confirmed the next regular meeting for July 16, 2026, with a tentative date of August 20, 2026, for the following meeting. No conflicts were identified.

15. Adjournment

Motion to adjourn was made by Director Tom Murrah and seconded by Director James Sultemeier. The motion carried unanimously. The meeting adjourned at 3:22 PM.



Jimmy Klepac, Board President

Date Signed: July 16, 2026



Gregory Stevens, Board Secretary-Treasurer

Date Signed: July 16, 2026

