
Victoria County Groundwater Conservation District
Meeting Minutes for July 10, 2026

THE STATE OF TEXAS

VICTORIA COUNTY

The Board of Directors of the Victoria County Groundwater Conservation District convened a meeting at the Crossroads Plaza, Ste 104, 1501 E. Mockingbird Lane, Victoria, Texas on July 10, 2026, at 9:00 AM.

Item 1 - Convene Meeting and receive a report from the general manager.

Topic 1.1 - Roll Call

Mr. Meek called the meeting to order at 9:03 AM and called the roll of representatives:

Present: Precinct 1 Director: Mr. Jerry Hroch, Vice President.

Present: Precinct 2 Director: Mr. Thurman Clements, Jr.

Present: Precinct 3 Director: Mrs. Barbara Dietzel, Secretary.

Present: Precinct 4 Director: Mr. Mark Meek, President.

Present: At Large Director: Mr. Kenneth Eller.

Present: General Manager: Tim Andruss.

Present: General Counsel: Jim Allison.

Topic 1.2 - Report from General Manager

Mr. Andruss provided the following information:

Groundwater Management (Permitting)

Regarding General Groundwater Permitting

Regarding Well Registration Processing

As of June 25, 2026, staff had received 34 well registration applications (ARWs) since October 1, 2025.

As of June 25, 2026, staff had received 90 Notices of Intent to Drill a Well (NIDWs) since October 1, 2025.

Regarding Production Permit Renewal Processing

As of June 25, 2026, staff had identified 43 production permits due to expire during the fiscal year. Staff mailed courtesy notices regarding the pending expiration and the need to renew the subject permit to permittees in April 2026.

Regarding Permit Processing

As of June 25, 2026, staff had received 57 applications related to production permits since October 1, 2026.

As of June 30, 2026, staff had 29 administratively incomplete applications related to production permits:

Applications to amend a production permit: **NONE**.

Applications to renew a production permit: **NONE**.

Applications for Historic-Use Production Permit: **NONE**.

Applications for Standard-Capacity Non-Historic-Use Production Permit:

1. ANHUPPW-20260317-01 - Hwy 185 Boat and RV Storage LLC - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 1 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
2. ANHUPPW-20260505-01 - Gene's Machine Inc - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 2.5 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
3. ANHUPPW-20260511-01 - Timothy and Nita Rampey - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 44 AFY**
 - b. Requested Purpose of Use: **Irrigation and RV Park Use**
4. ANHUPPW-20260511-02 - Timothy and Nita Rampey - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 55.62 AFY**
 - b. Requested Purpose of Use: **Irrigation Use**
5. ANHUPPW-20260511-03 - Mark R. Mize - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 4.7 AFY**
 - b. Requested Purpose of Use: **Commercial and Family Entertainment Center Use**
6. ANHUPPW-20260511-05 - Arnold and Arnold Jr. Rios - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 2.9 AFY**
 - b. Requested Purpose of Use: **RV Park Use**
7. ANHUPPW-20260511-06 - Regional Public Safety Training Center - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 4.3 AFY**
 - b. Requested Purpose of Use: **Public Water System Use**

8. ANHUPPW-20260513-01 - Lauger Family Enterprises LTD - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 2.5 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
9. ANHUPPW-20260513-02 - Lauger Family Enterprises LTD - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 1.9 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
10. ANHUPPW-20260513-03 - J Welch Farms LTD - Administratively Incomplete
 - a. Requested Production Rates: **200 GPM, 185 AFY**
 - b. Requested Purpose of Use: **Irrigation and Agricultural Use**
11. ANHUPPW-20260513-04 - K and K Group LLC - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 4 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
12. ANHUPPW-20260513-05 - K and K Group LLC - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 4 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
13. ANHUPPW-20260513-06 - Martin Koehne - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 3 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
14. ANHUPPW-20260514-01 - Paladin Industries LLC - Administratively Incomplete
 - a. Requested Production Rates: **60 GPM, 2.2 AFY**
 - b. Requested Purpose of Use: **Commercial and Manufacturing Uses**
15. ANHUPPW-20260514-02 - Diamond J LLC - Administratively Incomplete
 - a. Requested Production Rates: **18 GPM, 2.7 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
16. ANHUPPW-20260514-03 - Robert J. Klmitchek - Administratively Incomplete
 - a. Requested Production Rates: **100 GPM, 145.82 AFY**
 - b. Requested Purpose of Use: **Firefighting and Stock Use**

17. ANHUPPW-20260514-04 - Cosmo Real Estate Inc - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 1.5 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
18. ANHUPPW-20260515-01 - Johnpat Investments LLC - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 2 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
19. ANHUPPW-20260515-02 - Johnpat Investments LLC - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM , 1.1 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
20. ANHUPPW-20260519-01 - Diamond Services - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 2.46 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
21. ANHUPPW-20260519-02 - Helena Agri-Enterprises - Administratively Incomplete
 - a. Requested Production Rates: **55 GPM, 5.43 AFY**
 - b. Requested Purpose of Use: **Commercial and Agricultural Use**
22. ANHUPPW-20260520-01 - Vicstex Properties LLC - Administratively Incomplete
 - a. Requested Production Rates: **50 GPM, 1.1 AFY**
 - b. Requested Purpose of Use: **Commercial Use**
23. ANHUPPW-20260522-01 - Gordon Ranch, Gordon Equities Inc - Administratively Incomplete
 - a. Requested Production Rates: **75 GPM, 50 AFY**
 - b. Requested Purpose of Use: **Livestock, Wildlife, and Wetland Management Use**
24. ANHUPPW-20260522-02 - Gordon Ranch, Gordon Equities, Inc - Administratively Incomplete
 - a. Requested Production Rates: **75 GPM, 50 AFY**
 - b. Requested Purpose of Use: **Livestock, Irrigation and Wildlife Use**
25. ANHUPPW-20260526-01 - Dennis and Terri H. Leita - Administratively Incomplete
 - a. Requested Production Rates: **unspecified GPM, 30.75 AFY**
 - b. Requested Purpose of Use: **Irrigation Use**

26. ANHUPPW-20260604-01 - Pathway Family Enduring Trust - Administratively Incomplete
 - a. Requested Production Rates: **14 GPM, 3.695 AFY**
 - b. Requested Purpose of Use: **RV Park Use**
27. ANHUPPW-20260608-01 - Raisin Windmill Properties LLC - Administratively Incomplete
 - a. Requested Production Rates: **15 GPM, 2 AFY**
 - b. Requested Purpose of Use: **Convenience Store Use**
28. ANHUPPW-20260624-01 - LS Tavern - Administratively Incomplete
 - a. Requested Production Rates: **20 GPM, 0.3735 AFY**
 - b. Requested Purpose of Use: **Commercial Use**

Applications for High-Capacity Non-Historic-Use Production Permit: **NONE**.

Applications for Deep-Saline Non-Historic-Use Production Permit:

1. ADSPP-20260402-01 - Port of Victoria - Administratively Incomplete (Designated Administratively Complete on July 1, 2026)
 - a. Requested Production Rates: **17,361 GPM, 28,000 AFY**
 - b. Requested Purpose of Use: **Industrial Use**

Applications for a Waiver: **NONE**.

As of June 25, 2026, staff had initiated 9 permitting request cases (PRCs) since October 1, 2026.

As of June 25, 2026, staff had 8 permitting request cases pending.

1. PRC-20251118-01 - ANHUPPW-20251118-01 - LTJ Investments LLC - Pending/Uncontested
 - a. James Zafereo for LTJ Investments LLC seeks, under permitting request case PRC-20251118-01, a standard-capacity non-historic-use production permit authorizing the production of groundwater from a non-grandfathered well for Poultry Farm and Commercial uses at rates not to exceed 25 gallons per minute or 5 acre-feet per year. The subject well is located on a 285.85-acre tract of land near the intersection of Levi Sloan Road and Dixie Lane in Victoria County, Texas.
2. PRC-20251118-02 - ANHUPPW-20251118-02 - LTJ Investments LLC - Pending/Uncontested

- a. Mr. James Zafereo for LTJ Investments LLC seeks, under permitting request case PRC-20251118-02, a standard-capacity non-historic-use production permit authorizing the production of groundwater from a non-grandfathered well for Poultry Farm and Commercial uses at rates not to exceed 25 gallons per minute or 5 acre-feet per year. The subject well is located on a 285.85-acre tract of land near the intersection of Levi Sloan Road and Dixie Lane in Victoria County, Texas.
3. PRC-20251118-03 - ANHUPPW-20251118-03 - LTJ Investments LLC - Pending/Uncontested
 - a. Mr. James Zafereo for LTJ Investments LLC seeks, under permitting request case PRC-20251118-03, a standard-capacity non-historic-use production permit authorizing the production of groundwater from a non-grandfathered well for Poultry Farm and Commercial uses at rates not to exceed 25 gallons per minute or 5 acre-feet per year. The subject well is located on a 285.85-acre tract of land near the intersection of Levi Sloan Road and Dixie Lane in Victoria County, Texas.
4. PRC-20260113-02 - ADSPP-20251218-01 - VCPFC - Pending/Uncontested
 - a. Mr. Sean Stibich for Port of Victoria / Victoria County Port Facilities Corporation seeks, under permitting request case PRC-20260113-02, a permit authorizing the production of saline groundwater for industrial uses at rates not to exceed 1,240 gallons per minute or 2,000 acre-feet per year from a proposed deep saline well screened in the Goliad Saline Groundwater Zone at depths exceeding 1,300 feet below the surface. The proposed well will be located on a 2,723.06-acre tract of land near the intersection of State Highway 185 and McCoy Road in Victoria County, Texas.
5. PRC-20260505-01- ANHUPPW-20260219-01 - Riotex Swabbing - Pending/Uncontested

- a. Mr. Mario Perez for Riotex Swabbing seeks, under permitting request case PRC-20260505-01, a standard-capacity non-historic-use production permit authorizing the production of groundwater from a non-grandfathered well for Commercial uses at rates not to exceed 20 gallons per minute or 2.5 acre-feet per year. The subject well is located on a 5.04-acre tract of land near the intersection of Coletoville Road and US 59 in Victoria County, Texas.
6. PRC-20260528-01 - ANHUPPW-20260429-01 - Matt Johnson - Pending/Uncontested
 - a. Mr. Matt Johnson for seeks, under permitting request case PRC-20260528-01, a standard-capacity non-historic-use production permit authorizing the production of groundwater from a non-grandfathered well for commercial uses at rates not to exceed 20 gallons per minute or 0.99 acre-feet per year. The subject well NW-000406, is located on a 1.99-acre tract of land near the intersection of Fordtran Road and Hwy 77 in Victoria County, Texas.
7. PRC-20260622-01 - AAP-20260429-01 - Bru-San Land Investment - Pending/Uncontested
 - a. Mr Bruce Hill for BRU-SAN Land Investments LLC. seeks, under permitting request case PRC-20260622-01 , an amendment to permit VP-20110715-02 authorizing change of ownership. The subject permit authorizes the changing of ownership from well GW-000373 located on a 364.6-acre tract of land located at Latitude 28.951 N and Longitude 96.8816 W in Victoria County, Texas.
8. PRC-20260623-01 - AWR-20260520-01 - Bru-San Land Investments - Pending/Contested

- a. Mr. Bruce Hill for BRU-SAN Land Investments LLC. seeks, under permitting request case PRC-20260623-01, a waiver of the definition of the term REPLACEMENT WELL and related provisions of Rule 2.2 Well Spacing Requirements of Wells and Rule 2.6 Replacement Wells within the Rules of the District and any conflicting provisions of production permit VP-20110715-02 that would require the replacement of well GW-000373 to be located within one hundred yards (100) yards of the original, deteriorated well and 2) authorization to drill a replacement well for deteriorated well GW-000373 at Latitude 28.951 N and Longitude 96.8816 W.

As of June 25, 2026, staff had 407 active or approved production permits recorded in the permitting database with a combined amount of authorized groundwater production per year of 113,449.762 acre-feet.

Regarding Groundwater Production Report Processing

As of June 25, 2026, staff had processed 241 groundwater production reports for the preceding calendar year since October 1, 2025.

As of June 25, 2026, staff had recorded groundwater production reports for 241 water wells reporting 33,940 acre-feet of groundwater production during Calendar Year 2026. (TWDB estimated the volume of groundwater produced for rural domestic, livestock, mining, and rig supply exempt uses in Victoria County in Year 2020 was 1,920 acre-feet. See: TWDB - Projected Exempt Groundwater Use Estimates.)

Regarding Manage Investigations related to Permitting Violations

As of June 25, 2026, staff had initiated 3 investigations related to groundwater management (i.e., permitting) since October 1, 2025.

As of June 25, 2026, staff had 3 active investigations related to groundwater management (i.e., permitting).

1. INV-20251006-01 - Unpermitted Non-Exempt-Use - Active
2. INV-20260505-01 - Production Permits - Unexecuted - Active
3. INV-20260410-01 - Unpermitted Non-Exempt-Use - 5B Farms - Active

Regarding Manage Enforcement Cases related to Permitting Violations

As of June 25, 2026, the Board had initiated 12 enforcement case violations related to groundwater management (i.e., permitting) since October 1, 2025.

As of June 25, 2026, staff had 9 unresolved enforcement cases related to groundwater management (i.e., permitting).

1. ECV-20250425-10 - Blake Truax and Merri Truax - Failure to Report Groundwater Production CY2024 For Well(s) - Active
2. ECV-20250425-06 - KAM Enterprises LTD. - Failure to Report Groundwater Production CY2024 For Well(s) - Active
3. ECV-20260415-02 - Clayton Maxwell - Failure to Report Groundwater Production CY2025 For Well(s) - Active
4. ECV-20260415-03 - LMFAO50 LP - Thomas Margo and Elston Jr. - Failure to Report Groundwater Production CY2025 For Well(s) - Active
5. ECV-20260415-04 - QES Pressure Control - Great White Pressure Control LLC. - Failure to Report Groundwater Production CY2025 For Well(s) - Active
6. ECV-20260415-07 - Da Costa Sons of Herman Lodge 265 - Failure to Report Groundwater Production CY2025 For Well(s) - Active
7. ECV-20260415-08 - Millennium Estate Management LLC - VICTTEC LLC - Failure to Report Groundwater Production CY2025 For Well(s) - Active
8. ECV-20260415-09 - Jesse Hunt - Failure to Report Groundwater Production CY2025 For Well(s) - Active
9. ECV-20260415-12 - Rebecca S. Muschalek - Failure to Report Groundwater Production CY2025 For Well(s) - Active

Regarding Permit Report Processing

As of June 25, 2026, staff had processed 0 permit reports to permittees since October 1, 2025.

As of June 25, 2026, staff had 0 permit report outstanding.

Groundwater Protection

Regarding General Groundwater Protection

Regarding Well Inspections

As of June 25, 2026, staff had recorded 25 well inspection forms (WIFs) since October 1, 2025.

Regarding Manage Investigations related to Groundwater Protection

As of June 25, 2026, staff had initiated 1 investigations related to Groundwater Protection since October 1, 2025.

As of June 25, 2026, staff had 1 active investigations related to Groundwater Protection.

1. INV-20250507.1331 - Potential Contamination of Groundwater Near Serene Drive - Active

Regarding Manage Enforcement Cases related to Groundwater Protection

As of June 25, 2026, the Board had initiated 0 enforcement case violations related to Groundwater Protection since October 1, 2025.

As of June 25, 2026, staff had 0 unresolved enforcement case violations related to Groundwater Protection.

Regarding Well Plugging Sponsorship

As of June 25, 2026, staff had received 0 requests for assistance with well plugging since October 1, 2026.

Groundwater Monitoring

Regarding General Groundwater Monitoring

Regarding Drought Condition Monitoring

As of June 25, 2026, the U.S. Drought Monitor (<https://www.drought.gov/states/texas/county/victoria>) indicates that 10.5% of Victoria County was experiencing drought conditions.

As of June 25, 2026, drought condition information related to the district and the surrounding region of Texas collected from the Water Data for Texas website (<https://www.waterdatafortexas.org/drought/>) indicates that 10.45% of Victoria County was experiencing Moderate drought conditions.

Regarding Water Level Monitoring

As of June 25, 2026, staff had collected 39 water level measurements since October 1, 2025.

Regarding Water Quality Aquifer Monitoring

As of June 25, 2026, staff had collected 4 water quality field measurements since October 1, 2025.

As of June 25, 2026, staff had collected 0 water quality samples since October 1, 2025.

As of June 25, 2026, staff had received 0 water quality lab reports since October 1, 2025.

Regarding Advanced Aquifer Monitoring

The charts of automated measurements can be viewed at the following web address: <https://www.vcgcd.org/real-time-aquifer-monitoring-charts>.

Regarding Water Level Assessment

Regarding Water Quality Assessment

Regarding Subsidence Assessment

Groundwater Conservation

Regarding General Groundwater Conservation

Regarding Promote Conservation

Groundwater Resource Planning

Regarding General Groundwater Resource Planning

Regarding Regional Water Planning Participation

On June 24, 2026, Tim Andruss, General Manager of the District, participated in a meeting of the Guiding Principles and By-Laws Subcommittee of the South Central Texas Regional Water Planning Group (Region L). The next meeting of the planning group is scheduled for August 6, 2026 at 9:30 AM at the offices of the San Antonio Water System.

Regarding GMA 15 Joint Planning

On May 13, 2026, the staff of the District completed the public notice requirements to conduct a public hearing to receive public comment and consider possible action on the proposed desired future conditions of Groundwater Management Area 15.

Regarding GMA 15 Administration

Groundwater Policy

Regarding Management Plan Revisions

Regarding Rule Amendments

On June 17, 2026, the staff of the District completed the public notice requirements to conduct a rulemaking hearing to receive public comment and consider possible action on the 2026 Proposed Rules of the District.

Regarding Legislative Support and Lobbying

Administration

The next meetings of the Board are scheduled for August 7, 2026, and October 2, 2026, with each meeting to convene at 9:00 AM. Regular meetings will be rescheduled as necessary, and special meeting may be scheduled to address unforeseen issues.

On June 25, 2026, the District received informal notification that the Texas Water Development Board (TWDB) authorized the negotiation of terms of grant agreements associated with its Groundwater Science, Research, and Data Collection Grant Program. The District submitted a grant application for funding of a proposed project to complete a comprehensive subsidence analysis and installation of a long-term subsidence monitoring station, with a total estimated cost of \$281,000. The grant application submitted on behalf of the cooperating districts sought a grant of \$231,000. TWDB authorized the partial funding of the project in an amount of \$158,500. The effects of offering partial funding of tasks proposed in the project will be reviewed the Dr. Young of Intera, the technical consultant of the proposed project, to evaluate the feasibility of the project as terms of proposed grant agreement are developed. Management anticipates the staff-negotiated grant agreement and details regarding administrative and

financial commitments of the cooperating districts will be presented to the Board for consideration in August 2026.

Item 2 - Receive Public Comment

Comments were received from the public.

Item 3 - Consideration of and possible action on matters related to groundwater management, including the efforts and activities of the District regarding permitting, complaints, investigations, violations, and enforcement cases associated with permitting.

Topic 3.1 - Bru-San Waiver Request - Pending/Contested

Mr. Andruss provided the following information:

Mr. Bruce Hill for BRU-SAN Land Investments LLC. seeks, under permitting request case PRC-20260623-01, a waiver of the definition of the term REPLACEMENT WELL and related provisions of Rule 2.2 Well Spacing Requirements of Wells and Rule 2.6 Replacement Wells within the Rules of the District and any conflicting provisions of production permit VP-20110715-02 that would require the replacement of well GW-000373 to be located within one hundred yards (100)yards of the original, deteriorated well and 2) authorization to drill a replacement well for deteriorated well GW-000373 at Latitude 28.951 N and Longitude 96.8816 W.

Under Rule 1.1 of the Rules of the District, the term REPLACEMENT WELL is defined as "a well drilled for the purposes of replacing a registered well that is deteriorated provided the new well is drilled within one hundred yards (100 yards) of and constructed in a manner consistent with the construction of the well being replaced including the production zones and the production capacity."

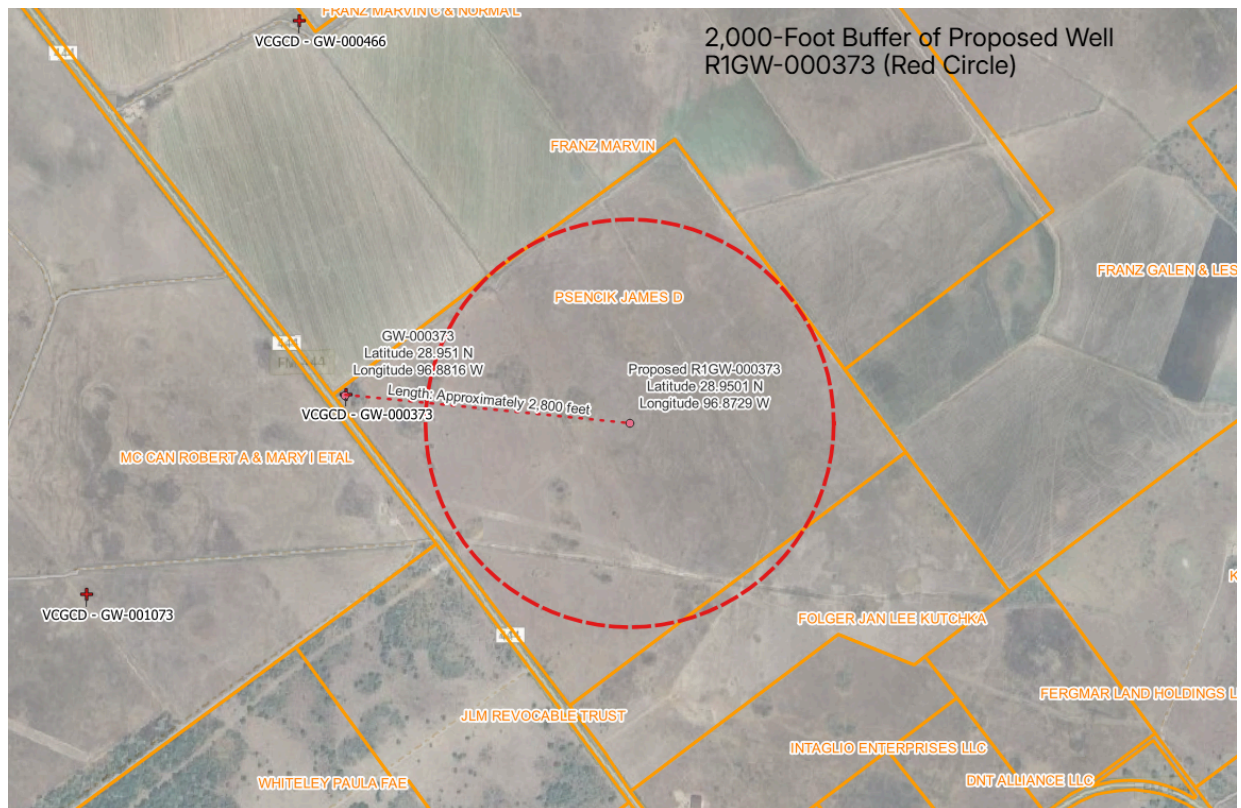
Under item 7 of Rule 2.2 of the Rules of the District, "[a] person drilling or having drilled a replacement well for a grandfathered well may locate the replacement well in a position that does not encroach upon the spacing requirements."

Under item 2 of Rule 2.6 or the Rules of the District, "[the] owner of a non-exempt-use well may replace the non-exempt-use well with a replacement well, in accordance with the rules of the district and without authorization from the district, if such replacement will not violate or cause a violation of any conditions of the associated production permits under which the non-exempt-use well is operated."

Production permit VP-20110715-02 protects the historic use of well GW-000373 and authorizes the production of 600 acre-feet of groundwater per year for irrigation, agriculture, livestock, and wildlife uses. Production permit VP-20110715-02 was issued based on application ARGNW-20110315-01 which specifies a production capacity of 3,000 GPM.

The proposed location of replacement well of well GW-000373 is approximately 2,800 feet away from well GW-000373, approximately 2,000 feet from the boundary

of landownership (illustrated by the red circle shape in the image below), and substantially more centrally located within the boundary of landownership as compared to well GW-000373.



The applicant asserts a good cause basis for granting the requested waiver is "the new location would substantially increase the distance between the center of the cone of depressions associated with pumping authorized under VP-20110715-02 at well GW-000373 and the nearest registered well GW-001073 (operated under production permit HUPPWS-20241018-01) by approximately 2,300 feet."

The applicant provided Adjacent Landowner Waivers of Spacing Requirement from Mr. Galen Franz and Mr. Marvin Franz with the waiver applications.

The applicant has specified that "permanently reduc[ing] the maximum production rate of the replacement well to 2,000 gallons per minute" would be acceptable if the waiver is granted by the Board of Directors.

The applicant has specified that the waiver, if granted, would be required for the life of the well.

The applicant has specified that a replacement well will be drilled and operated with 100 yards of well GW-000373 if the waiver request is not granted.

On June 23, 2026, the General Manager of the District designated the waiver application administratively complete.

On June 23, 2026, the General Manager of the District provided notice of intent to contest the permitting request in accordance with Rule 8.2 of the Rules of the District.

On June 25, 2026, staff of the District send notice of the permit hearing and notice of intent to contest to the adjacent landowner of the subject tract of land.

On June 28, 2026, staff of the District completed the public hearing notice regarding the permit hearing associated with permitting request case PRC-20260623-01.

Board Action: Mr. Clements moved to open the hearing. Mr. Eller seconded the motion. The hearing was opened at 9:10 AM.

Mr. Clements moved to close the hearing. Mr. Eller seconded the motion. The hearing closed at 9:12 AM.

Mr. Clements moved to

1. dismiss the District's contest to the permitting request,
2. proceed with the consideration of the permitting request as an uncontested matter,
3. approve the waiver request AWR-20260521-01 with a condition that limits the maximum production rate in terms of gallons per minute to 2,000 GPM for the replacement well for of well GW-000373,
4. authorize the drilling and operation of the replacement well for of well GW-000373 at 28.9501 N, 96.8729 W, and
5. instruct the General Manager to issued a written waiver recording the approved waiver and conditions.

Mr. Eller seconded the motion. The motion passed unanimously.

Topic 3.2 - Enforcement Case Violation ECV-20250425-10

Mr. Andruss provided the following information:

On October 10, 2025, the Board of Directors adopted Enforcement Order No. EO-20250425-10 establishing "a penalty of \$200.00 is hereby assessed and an additional penalty of \$20.00 for each day of continuing violation hereafter."

On June 11, 2026, Mr. James P. Allison, legal counsel for the District, mailed by certified mail letter to The Barn and Blake and Merri Truax regarding enforcement case EO-20250425-10, enforcement case violation ECV-20250425-10.

On June 23, 2026, Mrs. Truax contacted Tim Andruss, General Manager of the District, regarding the enforcement case violation: ECV-20250424-10. Mr. Andruss explained to Mrs. Truax that the Board had adopted an enforcement order that established penalties for the violation which totaled \$5,320.00 as of June 23, 2026.

On June 26, 2026, Mrs. Truax was notified that Mr. Andruss was prepared to recommend to the Board of Directors that it designate the violation resolved contingent upon her 1) submittal of written acknowledgment of the violation and 2)

payment of fees and penalties in an amount of \$800.00. Mrs. Truax expresses support for the proposed resolution.

Board Action: Mr. Clements moved to designate the violation ECV-20250425-10 resolved contingent upon the violator 1) submittal of written acknowledgment of the violation and 2) remittance of payment of fees and penalties in an amount of \$800.00 by cashier's check or money order made payable to the Victoria County Groundwater Conservation District by July 31, 2026. Mr. Eller seconded the motion. The motion passed unanimously.

Topic 3.3 - Permit Renewals

Mr. Andruss provided the following information:

The District has received 23 production permit renewal applications that have been reviewed, determined to be administratively complete, and satisfy the regulations related to permit renewals established in the Rules of the District.

Board Action: Mr. Clements moved to approve the following production permit renewals:

1. ARP-20260514-01 - OPW-20180615-02 - Robert A. and Connie L. Prochaska
 - a. Authorized Production Rates: **100 GPM, 8.25 AFY**
 - b. Authorized Purpose of Use: **Irrigation USE**
2. ARP-20260514-02 - OPW-20220315-01 - Diocese of Victoria
 - a. Authorized Production Rates: **20 GPM, 10 AFY**
 - b. Authorized Purpose of Use: **PUBLIC WATER SUPPLY USE**
3. ARP-20260514-03 - OP-20130621-08 - Connie Strauss
 - a. Authorized Production Rates: **200 GPM, 115 AFY**
 - b. Authorized Purpose of Use: **IRRIGATION, LIVESTOCK MANAGEMENT, WILDLIFE MANAGEMENT, AND POND MANAGEMENT USE**
4. ARP-20260515-01 - OPW-20210903-03 - Victoria Navigational District
 - a. Authorized Production Rates: **50 GPM, 1 AFY**
 - b. Authorized Purpose of Use: **COMMERCIAL USE**
5. ARP-20260515-02 - OPW-20210903-04 - Victoria Navigational District
 - a. Authorized Production Rates: **150 GPM, 90 AFY**
 - b. Authorized Purpose of Use: **COMMERCIAL AND INDUSTRIAL USE**
6. ARP-20260515-03 - OPW-20220609-02 - Darwin Hamilton
 - a. Authorized Production Rates: **20 GPM, 28 AFY**
 - b. Authorized Purpose of Use: **DOMESTIC, LIVESTOCK AND IRRIGATION USE**
7. ARP-20260515-04 - OPW-20140620-05 - Wassenna Ranch
 - a. Authorized Production Rates: **100 GPM, 27.25 AFY**
 - b. Authorized Purpose of Use: **DOMESTIC, LIVESTOCK, WILDLIFE, PERSONAL RECREATION AND POND MANAGEMENT USE**

8. ARP-20260518-01 - OP-20090619-01 - Mary Innocenti
 - a. Authorized Production Rates: **20 GPM, 1.31 AFY**
 - b. Authorized Purpose of Use: **COMMERCIAL AND MANUFACTURING USE**
9. ARP-20260519-01 - OPW-20160809-02 - Allan Miller Enterprises
 - a. Authorized Production Rates: **20 GPM, 1.14 AFY**
 - b. Authorized Purpose of Use: **Commercial**
10. ARP-20260519-02 - OPW-20140321-01 - MG Real Properties
 - a. Authorized Production Rates: **100 GPM, 8.25 AFY**
 - b. Authorized Purpose of Use: **Irrigation**
11. ARP-20260519-03 - OPW-20140411-02 - Halepaska Country Lots
 - a. Authorized Production Rates: **220 GPM, 55.5 AFY**
 - b. Authorized Purpose of Use: **MANUFACTURED HOME COMMUNITY
PUBLIC WATER SYSTEM USE**
12. ARP-20260520-01 - OPW-20220715-01 - Mechura Investments LLC
 - a. Authorized Production Rates: **20 GPM, 1 AFY**
 - b. Authorized Purpose of Use: **INDUSTRIAL COMMERCIAL,
MANUFACTURING AND DOMESTIC USE**
13. ARP-20260521-01 - OP-20130621-04 - Jackie Welch
 - a. Authorized Production Rates: **200 GPM, 292.4 AFY**
 - b. Authorized Purpose of Use: **IRRIGATION USE**
14. ARP-20260526-01 - OPW-20160916-01 - Jose Guadalupe Celedon
 - a. Authorized Production Rates: **200 GPM, 30 AFY**
 - b. Authorized Purpose of Use: **IRRIGATION USE**
15. ARP-20260528-01 - OPW-20210915-01 - Triple C Storage
 - a. Authorized Production Rates: **20 GPM, 1 AFY**
 - b. Authorized Purpose of Use: **COMMERCIAL USE**
16. ARP-20260529-01 - OPW-20180720-02 - Eugene N. Pratkan
 - a. Authorized Production Rates: **25 GPM, 2.63 AFY**
 - b. Authorized Purpose of Use: **COMMERCIAL USE**
17. ARP-20260602-01 - OPW-20180720-03 - Hunter JRW LLC
 - a. Authorized Production Rates: **20 GPM, 10 AFY**
 - b. Authorized Purpose of Use: **COMERCIAL USE**
18. ARP-20260602-02 - OPW-20180720-01 - Hunter JRW LLC
 - a. Authorized Production Rates: **250 GPM, 51 AFY**
 - b. Authorized Purpose of Use: **COMERCIAL USE**
19. ARP-20260603-01 - OPW-20211206-02 - Renegade Ministries of the Crossroads
 - a. Authorized Production Rates: **18 GPM, 3 AFY**

- b. Authorized Purpose of Use: **IRRIGATION AND LANDSCAPING USE**
- 20. ARP-20260610-01 - OPW-20210827-02 - Inez Community Benefit Association
 - a. Authorized Production Rates: **20 GPM, 2 AFY**
 - b. Authorized Purpose of Use: **COMMUNITY CENTER AND RECREATION USE**
- 21. ARP-20260610-02 - OPW-20210827-03 - Inez Community Benefit Association
 - a. Authorized Production Rates: **20 GPM, 2.0 AFY**
 - b. Authorized Purpose of Use: **COMMUNITY CENTER AND RECREATION USE**
- 22. ARP-20260615-01 - OP-20091016-01 - Jamey and Farah Janak
 - a. Authorized Production Rates: **70 GPM, 40.59 AFY**
 - b. Authorized Purpose of Use: **IRRIGATION USE**
- 23. ARP-20260622-01 - OPW-20140321-02 - Ring Ranch Midway Properties LLC
 - a. Authorized Production Rates: **220, 225 AFY**
 - b. Authorized Purpose of Use: **PASTURE IRRIGATION USE**

Mr. Eller seconded the motion. The motion passed unanimously.

Item 4 - Consideration of and possible action on matters related to groundwater protection, including complaints, investigations, violations, and enforcement cases related to groundwater contamination and waste.

Item 5 - Consideration of and possible action on matters related to groundwater monitoring.

Item 6 - Consideration of and possible action on matters related to groundwater conservation.

Item 7 - Consideration of and possible action on matters related to groundwater resource planning, including Joint Planning of Groundwater management Area 15, regional water planning, and proposed Desired Future Conditions (DFCs).

Topic 7.1 - Public Hearing regarding Proposed Amended Desired Future Condition for GMA 15

Mr. Andruss provided the following information:

On May 13, 2026, the District's public notice for the hearing regarding the proposed amended desired future condition for Groundwater Management Area 15 was completed.

Per 36.108(d-2) of the Texas Water Code, "A period of not less than 90 days for public comments begins on the day the proposed desired future conditions are mailed to the districts. During the public comment period and after posting notice as required by Section 36.063, each district shall hold a public hearing on any proposed desired future conditions relevant to that district. During the public comment period, the

district shall make available in its office a copy of the proposed desired future conditions and any supporting materials, such as the documentation of factors considered under Subsection (d) and groundwater availability model run results. After the close of the public comment period, the district shall compile and submit to the district representatives for consideration at the next joint planning meeting: (1) a summary of relevant comments received; (2) any suggested revisions to the proposed desired future conditions, and the basis for those revisions; and (3) any supporting materials, including new or revised groundwater availability model run results."

On April 7, 2026, the proposed desired future conditions were mailed to the districts marking the beginning of the public comment period for the member districts of Groundwater Management Area 15.

The proposed amended desired future condition for Groundwater Management Area 15 does not include a revisions to the condition specified for Victoria County.

Board Action: The Public Hearing regarding Proposed Amended Desired Future Condition for GMA 15 was opened at 9:19 AM, and public comments were accepted. At 9:29 AM, Mr. Clements moved to:

1. close the Public Hearing regarding Proposed Amended Desired Future Condition for GMA 15 after receiving all offered public comments; and
2. close the public comment period.

Mr. Eller seconded the motion. The motion passed unanimously.

Mr. Clements moved to instruct the General Manager to compile and submit to the district representatives for consideration at the next joint planning meeting:

1. a summary of relevant comments received;
2. any suggested revisions to the proposed desired future conditions, and the basis for those revisions; and
3. any supporting materials, including new or revised groundwater availability model run results.

Mr. Eller seconded the motion. The motion passed unanimously.

Item 8 - Consideration of and possible action on matters related to groundwater policy, including the Management Plan of the District, the Rules of the District, and the 2026 Proposed Rules of the District.

Topic 8.1 - Brackish Groundwater Characterization and Rule Development

Mr. Andruss provided the following information:

On June 12, 2026, the Board acted to request that Dr. Young prepare for and attend the District's meeting scheduled for July 10, 2026, to report on and discuss his work to support the district's efforts to develop deep-saline groundwater production regulations and rules.

On June 18, 2026, Intera, Inc. submitted a proposal in response to management's request for a project to simulate drawdowns resulting from deep-saline production scenarios that correspond to the recommended deep-saline production caps, recommended deep-saline special groundwater management zones, and recommended transmissivity classes. The cost of the proposed work is \$10,000 with resulting report being submitted before the next meeting of the directors scheduled for July 10, 2026.

On June 22, 2026, the Board of the Calhoun County GCD acted to approve the *Proposal to perform additional simulations of brackish groundwater production in Calhoun, Jackson, Refugio, and Victoria Counties*, authorize the payment of the associated fees, and instruct the general manager to seek cost-sharing arrangements with cooperating districts.

Board Action: Mr. Clements moved to 1) accept and approve the proposal, 2) share the cost for the project with the cooperating districts, 3) authorize the collection of cost share fees from the cooperating districts, 3) pay the consulting fees upon acceptance of the report, and 4) instruct the general manager to seek cost-sharing arrangements with Texana GCD and Refugio GCD. Mr. Eller seconded the motion. The motion passed unanimously.

Topic 8.2 - Rulemaking Hearing

Mr. Andruss provided the following information:

On June 12, 2026, the Board of Directors instructed the General Manager to post a rulemaking notice regarding the 2026 Proposed Rules of the District.

On June 12, 2026, the public notice for the rulemaking hearing was posted on the website of the district with a copy of the proposed rules and a comparison document of the proposed rules to the current rules of the district.

On June 17, 2026, the public notice requirements for the rulemaking hearing were completed.

Of the verbal and written comments offered during the Board's meeting held on June 12, 2026 that expressed opposition to the establishment of any sort of moratorium related to high-capacity and deep-saline production permitting, several comments appear to address the 2026 Proposed Rules of the District.

In a letter from the Victoria Economic Development Corporation - VEDC Regional Partnership, dated June 9, 2026, the Board is asked to "not further restrict or abandon the use of deep-saline water by industry and commercial operators, forcing them to utilize only fresh water" and refrain from adopting "any further restriction of brackish cap limits." A copy of the document is included for full context.

In a resolution adopted by the Board of Directors of the Victoria Chamber of Commerce on June 12, 2026, the Chamber expressed its support and encouragement

for "supports the responsible development and use of deep-saline groundwater resources under existing regulatory" and "science-based, data-driven groundwater management policies that protect freshwater resources while supporting economic development, job creation, and long-term prosperity throughout Victoria County and the Crossroads region. A copy of the document is included for full context.

In a message from William Myers of Frost Bank, dated June 11, 2026, the District is urged to "consider alternate approaches that balance conservation with flexibility. Options such as tiered permitting, conservation incentives, or case-by-case evaluations could protect aquifer without constituting a taking of a private property right. Additionally, I encourage collaboration with stakeholders to identify solutions that are both practical and protective of our shared resources." A copy of the document is included for full context.

In a letter from the Port of Victoria, submitted on June 12, 2026, the District is asked to "carefully evaluate any contemplated rule changes and avoid unlawful action." A copy of the document is included for full context.

In a letter from Lee Swearingen, submitted on June 12, 2026, the District is urged to permit the "[u]se of the deep, high salt content water is one way to accomplish" to expand the industrial tax base and increase "higher paying jobs". A copy of the document is included for full context.

In order to assist the Board in its consideration of public comments regarding deep-saline non-historic-use production permitting, a summary of substantive changes (additions, modification, and deletions) related to deep-saline non-historic-use production permitting in the 2026 Proposed Rules of the District has been developed.

DEFINITIONS

The proposed revisions to the following definitions represent substantive changes as compared to the existing definitions and fundamentally alter the regulatory framework associated with brackish groundwater permitting within the District:

DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONE, DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONES, DEEP-SALINE TRANSMISSIVITY CATEGORY, and DEEP-SALINE TRANSMISSIVITY ZONES.

DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONE means a special groundwater management zone designated by the district comprised of a water-bearing stratum within the jurisdictional boundaries of the district that:

- 1. contains saline groundwater existing below the middle depth between the 1,000 TDS contours and the 3,000 TDS contour as illustrated in Figure 1a, and**

2. where at least **100 feet of clay thickness** composed from individual clay intervals of 10 feet or greater, as determined by interpretation of core samples or geophysical logs, exists **between a) the top of 1,000 TDS contour** illustrated in Figure 1 and b) the **middle depth between the 1,000 TDS contours and the 3,000 TDS contour** illustrated in Figure 1a.

DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONES designated by the district are limited to:

1. **SLIGHTLY SALINE GROUNDWATER ZONE** means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) **equal to or greater than** two thousand milligrams per liter (**2,000 mg/L**) and 2) **equal to or less than** three thousand milligrams per liter (**3,000 mg/L**).
2. **MODERATELY SALINE GROUNDWATER ZONE** means the deep-saline special groundwater management zone [with] groundwater with a total dissolved solids concentration 1) **greater than** three thousand milligrams per liter (**3,000 mg/L**) and 2) **equal to or less than** ten thousand milligrams per liter (**10,000 mg/L**).
3. **EXTREMELY SALINE GROUNDWATER ZONE** means the deep-saline special groundwater management zone [with] groundwater with a total dissolved solids concentration 1) **greater than** ten thousand milligrams per liter (**10,000 mg/L**)

The use of measured hydrogeological parameters (e.g., depth to slightly saline groundwater, depth to moderately saline groundwater, and sediment lithology) at a proposed production area to define the DSGMZ creates a flexible regulatory approach of establishing any particular deep-saline production zone at a production area and establishing the associated zone of protection by identifying the presence of aggregate clay barriers.

The use of calculated hydrogeological parameters (e.g., transmissivity) at a proposed production area to define the production ratios of a particular DSGMZ creates a flexible regulatory approach that accounts for a primary factor influencing the amount of impact (i.e. drawdown) anticipated by the production of groundwater from the DSGMZ at the specific production area.

Management's goal for recommending the proposed definitions was to articulate clear criteria for defining specific deep-saline special groundwater management zones (DSGMZs) using parameters that can be measured, sufficiently protect better-quality groundwater resources, and increase the certainty that deep-saline non-historic-use production permits issued will

achieve the policy goal to increase the protection and conservation of shallower better-quality water through the incentivization of safe development of deep brackish groundwater resources.

SPACING LIMITATIONS

The proposed revisions to the well spacing limitations of deep-saline wells represent substantive changes as compared to the existing limitations as follows:

- Under Rule 2.3(1), the required offset of a deep-saline well from the boundary of the contiguous tract of land ownership is increased from 0.5 feet to 1.0 feet per gallon per minute for each gallon per minute of groundwater production capacity of the deep-saline well.
- Under Rule 2.3(1), the required offset of a deep-saline well from the boundary of the contiguous tract of groundwater ownership is increased from 0.5 feet to 1.0 feet per gallon per minute for each gallon per minute of groundwater production capacity of the deep-saline well.

Management's goal for recommending the proposed revisions was to avoid authorizing production of groundwater, through the issuance of a deep-saline non-historic use production permit and potentially greater impacts (e.g., increased encroachment on exiting or future water well, increased proximity of production impacts such as drawdown or well interference) on adjacent landowner through deep-saline groundwater production than would be authorized under standard-capacity or high-capacity production permits.

PRODUCTION LIMITATIONS

The proposed revision to the aggregate production limitations of deep-saline groundwater by GROUNDWATER QUALITY CLASSIFICATIONS (production caps) represents substantive changes as compared to the existing limitations as follows:

- Under Rule 6.4(1), the total volume of **slightly** saline groundwater production per year to be permitted in the District is decreased from 20,000 acre-feet per year to **10,000** acre-feet per year.
- Under Rule 6.4(2), the total volume of **moderately** saline groundwater production per year in the District is decreased from 15,000 acre-feet per year to **7,000** acre-feet per year.
- Under Rule 6.4(3), the total volume of **extremely** saline groundwater production per year in the District is set at **5,000** acre-feet per year.

The revisions represent a 50% reduction in production of slightly saline groundwater (1,000 mg/L to 3,000 mg/L TDS groundwater) and a 54% reduction in production of moderately saline groundwater (3,000 mg/L to 10,000 mg/L TDS groundwater). With the proposed 5,000 acre-feet per year production volume for extremely saline groundwater production (10,000+ mg/L TDS

groundwater), the combined proposed limits for deep-saline groundwater production within the District represents a 37% reduction from 35,000 to 22,000 acre-feet of groundwater production per year.

Management's goal for recommending the proposed revisions was to 1) avoid over-permitting deep-saline groundwater production that results in excessive regional groundwater production-related impacts such as significant wide-spread subsidence or wide-spread excessive drawdown, 2) avoid issuing deep-saline non-historic-use production permits under which the permitted production cannot be sustained and satisfy regional management goals such as achievement of desired future conditions (DFCs), and 3) avoid issuing unreliable production permits and the potential development of a district-level water crisis.

The proposed addition of production limitations for the initial 24-months of production under a deep-saline non-historic-use production permit represent substantive changes to regulations associated with deep-saline non-historic-use production permitting.

- Under Rule 6.4(4), the maximum annual production of **slightly** saline groundwater during the initial **24-month period** of a deep-saline non-historic-use production permit is limited to **5,000** acre-feet per year.
- Under Rule 6.4(5), the maximum annual production of **moderately** saline groundwater during the initial **24-month period** of a deep-saline non-historic-use production permit is limited to **3,500** acre-feet per year.
- Under Rule 6.4(6), the maximum annual production of extremely saline groundwater during the initial **24-month period** of a deep-saline non-historic-use production permit is limited to **2,500** acre-feet per year.

Management's goal for recommending the proposed revisions was to avoid excessive or unanticipated impacts associated with intense, large-scale production authorized based limited data, modeling, and monitoring data associated with deep-saline production in accordance with the general understanding that deeper zones tend to have greater clay percentages under greater overburden pressures that could lead to subsidence during intense and prolonged pumping (i.e., depressurization in the production zone).

The proposed additions of production limit reductions of cumulative authorized production amounts for existing and future non-historic production permits with overlapping production areas with deep-saline non-historic-use production permits represent substantive changes to regulations associated with deep-saline groundwater production permitting.

- Under Rule 6.4(8), the volume of groundwater production authorized under existing and future non-historic-use production permits with production areas that intersect the production area of a deep-saline non-historic-use production area for **slightly** saline groundwater, other than the volumes authorized under the deep-saline non-historic-use production permits, would be reduced by **20%**.
- Under Rule 6.4(9), the volume of groundwater production authorized under existing and future non-historic-use production permits with production areas that intersect the production area of a deep-saline non-historic-use production area for **moderately** saline groundwater, other than the volumes authorized under the deep-saline non-historic-use production permits, would be reduced by **10%**.
- Under Rule 6.4(10), the volume of groundwater production authorized under existing and future non-historic-use production permits with production areas that intersect the production area of a deep-saline non-historic-use production area for **extremely** saline groundwater, other than the volumes authorized under the deep-saline non-historic-use production permits, would be reduced by **5%**.

Management's goal for recommending the proposed revisions was to 1) establish a minimum level of conservation to be achieved through the incentivization of deep-saline groundwater production, and 2) establish increasing incentives for the production of deeper, poorer-quality groundwater.

The proposed revisions to define deep-saline groundwater production ratios (i.e., acre-feet/acre controlled production ratios) based on groundwater quality classification and transmissivity categories represent substantive changes to regulations associated with deep-saline non-historic-use production permitting.

- Under Rule 6.4.1(2-4), the groundwater production ratio for production areas associated with **slightly** saline deep-saline non-historic-use production permits would be reduced from a range of 4 to 16 acre-feet of groundwater production per acre per year to a range of **4 to 8 acre-feet** of groundwater production per acre per year depending on the designated transmissivity category established for the DSGMZ.
- Under Rule 6.4.1(5-7), the groundwater production ratio for production areas associated with **moderately** saline deep-saline non-historic-use production permits would be reduced from a range of 4 to 16 acre-feet of groundwater production per acre per year to a range of **6 to 10 acre-feet** of groundwater production per acre per year depending on the designated transmissivity category established for the DSGMZ.

- Under Rule 6.4.1(8-10), the groundwater production ratio for production areas associated with **extremely** saline deep-saline non-historic-use production permits would be reduced from a range of 4 to 16 acre-feet of groundwater production per acre per year to a range of **8 to 10 acre-feet** of groundwater production per acre per year depending on the designated transmissivity category established for the DSGMZ.

Production Ratio Matrix based on 2026 Proposed Rules of the District

		Better-Quality ---> Poorer-Quality		
	Salinity - Transmissivity Ratio Matrix	Slightly Saline DSGMZ	Moderate Saline DSGMZ	Extremely Saline DSGMZ
Greater Spatial Production Impacts ---> Smaller Spatial Production Impacts per Unit of Production	Low Transmissivity Zone	Rule 6.4.1(2): 4 AFY	Rule 6.4.1(5): 6 AFY	Rule 6.4.1(8): 8 AFY
	Moderate Transmissivity Zone	Rule 6.4.1(3): 6 AFY	Rule 6.4.1(6): 8 AFY	Rule 6.4.1(9): 9 AFY
	High Transmissivity Zone	Rule 6.4.1(4): 8 AFY	Rule 6.4.1(7): 10 AFY	Rule 6.4.1(10): 10 AFY

Management's goal for recommending the proposed revisions was to 1) create a progressive incentivization for the development of poorer-quality groundwater relative better-quality groundwater while recognizing the inverse relationship between transmissivity and size and extent of cones of depression caused by groundwater production.

PERFORMANCE CONDITIONS

The proposed revisions to performance conditions represent substantive changes to regulations associated with deep-saline non-historic-use production permitting.

- Under Rule 6.4.(12)(12.3), the maximum level of impact (i.e., increase in TDS concentrations) observed in **slightly** saline DSGMZ would be reduced to **3,000 mg/L** to align with the definition of GROUNDWATER QUALITY CLASSIFICATION.

- Under Rule 6.4.(12)(12.4), the maximum level of impact (i.e., increase in TDS concentrations) observed in **moderately** saline DSGMZ would be reduced to **10,000 mg/L** to align with the definition of GROUNDWATER QUALITY CLASSIFICATION.

Management's goal for recommending the proposed revisions was to properly limit the amount of change, in terms of maximum TDS concentrations, that can result from the groundwater production under a deep-saline non-historic-use production permit issued by the District.

MONITORING REQUIREMENTS

The proposed revisions related to monitoring requirements represent substantive changes to regulations associated with deep-saline non-historic-use production permitting.

- Under Rule 6.4.3(1), the minimum number of dedicated aquifer monitoring wells is increased from 1 to **3 wells**.

Management's goal for recommending the proposed revisions was to ensure that the monitoring efforts associated with deep-saline non-historic-use bound and monitor the perimeter of the associated production area.

PERFORMANCE RESPONSES

The proposed revisions related performance responses represent substantive changes to regulations associated with deep-saline non-historic-use production permitting.

- Under Rule 6.4.4(1)(1.1), groundwater owners and well operators associated with a deep-saline non-historic-use production permit must submit hydrogeological report assessing the degree on cause or contribution to drawdown when the drawdown levels in fresh groundwater monitoring wells exceed drawdown performance conditions.
- Under Rule 6.4.4(1)(1.2), groundwater owners and well operators associated with a deep-saline non-historic-use production permit must adjust groundwater production to prevent fresh drawdown in fresh groundwater monitoring wells from exceeding **20 feet** when drawdowns reach **15 feet** relative to initially measured conditions.

- Under Rule 6.4.4(1)(1.3), groundwater owners and well operators associated with a deep-saline non-historic-use production permit must reduce non-exempt-use groundwater production located within the production permit area of a deep-saline non-historic-use production permit in subsequent reporting periods to the lesser of **80%** of volume produced in the subject reporting period or the remainder of the unpumped annual production volume when performance conditions are not achieved for **2 or more** consecutive reporting periods (i.e., 6 months of continuous failure to achieve the performance conditions).
- Under Rule 6.4.4(1)(1.4), groundwater owners and well operators associated with a deep-saline non-historic-use production permit must reduce non-exempt-use groundwater production located within the production permit area of a deep-saline non-historic-use production permit in subsequent reporting periods to **1%** of volume produced in the preceding reporting period when performance conditions are not achieved for **8 or more** consecutive reporting periods (i.e., 2 years of continuous failure to achieve the performance conditions).
- Under Rule 6.4.4(2)(2.1), groundwater owners and well operators associated with a deep-saline non-historic-use production permit may increase non-exempt-use groundwater production located within the production permit area of a deep-saline non-historic-use production permit in subsequent reporting periods to **110%** of volume produced in the subject reporting period or the remainder of the unpumped annual production volume when performance conditions are achieved for **2 or more** consecutive reporting periods (i.e., 6 months of continuous success to achieve the performance conditions).
- Under Rule 6.4.4(2)(2.1), groundwater owners and well operators associated with a deep-saline non-historic-use production permit may increase non-exempt-use groundwater production located within the production permit area of a deep-saline non-historic-use production permit in subsequent reporting periods to **100%** of annual production volume when performance conditions are achieved for **8 or more** consecutive reporting periods (i.e., 2 years of continuous success to achieve the performance conditions).

Management's goal for recommending the proposed revisions was to develop a simple production curtailment and production restoration system to address repeated failure to achieve performance conditions and repeated success in achieving performance conditions.

PERMITTING PROCEDURES

The proposed revisions related to the permitting procedures represent substantive changes to regulations associated with deep-saline non-historic-use production permitting.

Under Rule 6.4.2, applicants for deep-saline non-historic-use production permits must develop and submit of required technical information and operation plans regarding aquifer characteristics present at a proposed production area of a deep-saline non-historic-use production permit with the permit application instead of deferring the development and submittal of the required technical information and operation plans to after the initial permit approval and prior to operation of the associated deep-saline production well(s).

Management's goal for recommending the proposed revisions was to increase the certainty that deep-saline non-historic-use production permits issued will achieve the policy goal to increase the protection and conservation of shallower better-quality water through the incentivization of safe development of deep brackish groundwater resources.

The following revisions to the 2026 Proposed Rules of the District are recommended by management:

1. The definition DEEP-SALINE SPECIAL GROUNDWATER MANAGEMENT ZONES should be modified to read as follows: "designated by the district are limited to:
 - a. SLIGHTLY SALINE GROUNDWATER ZONE means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) equal to or greater than two thousand milligrams per liter (2,000 mg/L) and 2) equal to or less than three thousand milligrams per liter (3,000 mg/L); with a spatial extent illustrated in Figure 4.
 - b. MODERATELY SALINE GROUNDWATER ZONE means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) greater than three thousand milligrams per liter (3,000 mg/L) and 2) equal to or less than ten thousand milligrams per liter (10,000 mg/L); with a spatial extent illustrated in Figure 5.
 - c. EXTREMELY SALINE GROUNDWATER ZONE means the deep-saline special groundwater management zone with groundwater with a total dissolved solids concentration 1) greater than ten thousand milligrams per liter (10,000 mg/L); with a spatial extent illustrated in Figure 6."

2. Rule 2.4(9) should be revised to read as follows: "A person drilling a deep-saline well shall not install the well screen of the well above the middle depth between the top of the 1,000 mg/L TDS groundwater-bearing stratum and the 3,000 mg/L TDS groundwater-bearing stratum a depth of one thousand two hundred feet (1,200 feet) below the land surface."
3. Rule 2.4 should be revised to add item (10) that reads as follows: "A person drilling a deep-saline well shall seal the annular space between the wall of the borehole and casing from the top of the 1,000 mg/L TDS groundwater-bearing stratum to the middle depth between the top of the 1,000 mg/L TDS groundwater-bearing stratum and the 3,000 mg/L TDS groundwater-bearing stratum."
4. Rule 2.5(3) should be revised to read as follows: "The owner of a well allowing the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater shall, within sixty days (60 days) of receiving notice from the district that the board of directors found the well is allowing the commingling of undesirable groundwater and desirable groundwater or the unwanted loss of groundwater, either:"
5. Rule 4.3(10) should be revised to read as follows: "~~10.~~ The applicant, by failing to provide the information requested by the general manager needed to fully evaluate the application relative to the rules of the district within 60 days, causes the application to be automatically terminated."
6. Rule 6.2.1(1) should be revised to add item 1.17 that reads as follows: "a statement certifying, under penalty of law, that the applicant shall avoid waste and achieve water conservation and that reasonable diligence will be used to protect groundwater quality and that the applicant will follow well plugging guidelines at the time of well closure; and"
7. Rule 6.4(12)(12.5) should be clarified as follows: "the amount of drawdown attributed ~~from the operation~~ to the operation of the subject well or subject well field, as determined from the modeled drawdown and the monitored water levels, calculated for any reporting period, shall not exceed ten feet (10 feet) at any well outside the production area, registered with the district on or before the date of issuance of the production permit, relative to the initial average aquifer conditions established under the production permit for deep-saline non-historic use;"
8. Add Figure 4: Spatial Extent of the Slightly Saline Groundwater Zone
9. Add Figure 5: Spatial Extent of the Moderately Saline Groundwater Zone
10. Add Figure 6: Spatial Extent of the Extremely Saline Groundwater Zone

Board Action: At 9:36 AM, the public hearing regarding the 2026 Proposed Rules of the District was opened and the Board accepted public comment.

Mr. Clements moved to convene a closed executive session at 10:35 AM. Ms. Dietzel seconded the motion. The motion passed unanimously.

The directors returned to the open meeting at 11:08 AM.

Mr. Clements moved to:

1. recess and hold open the public hearing regarding the 2026 Proposed Rules of the District,
2. designate the 2026 Proposed Rules of the District with the management-recommended revisions described above as the "2026 Proposed Rules of the District - Version 20260710", and
3. instruct the General Manager to post a notice for the continuation of the rulemaking hearing to receive public comment and consider the adoption of the 2026 Proposed Rules of the District - Version 20260710 for the district meeting scheduled for October 2, 2026.

Mr. Eller seconded the motion. The motion passed unanimously.

Item 9 - Consideration of and possible action on matters related to administration and management including the minutes of previous meetings, amendments to the annual budget of the district, bank accounts, investments, financial reports of the district, bills and invoices of the district, management goals and objectives of the district, administrative policies, staffing, consultant agreements, interlocal cooperation agreements, the financial audit for Fiscal Year 2025, the Annual report of the District, budget preparation and tax rates, and support services provided to and from other groundwater conservation districts.

Topic 9.1 - Minutes of Previous Meeting

Mr. Andruss provided the following information:

The minutes for the previous meeting were drafted by the Administrative Coordinator, reviewed by the alternate Administrative Coordinator, and available to the directors for review prior to the meeting. The minutes appear to accurately reflect the actions taken by the board and the context in which those actions were taken. The minutes for the previous meeting were sent to the board members prior to the meeting.

Board Action: Mr. Clements moved to accept and approve the meeting minutes for April 10, 2026 and June 12, 2026, as drafted. Mr. Eller seconded the motion. The motion passed unanimously.

Topic 9.2 - Investments of the District

Mr. Andruss provided the following information:

The investment report for March and April 2026 have been developed by Lisa Ramirez, Administrator Coordinator and reviewed and approved by Caitlynn Davenport, Investment Officer of the District and was sent to the directors prior to the meeting.

The balance of all funds of the district as of April 30, 2026, was \$5,935,352.87.

Board Action: Mr. Clements moved to accept the investment reports for March and April 2026. Mr. Eller seconded the motion. The motion passed unanimously.

Topic 9.3 - Financial Transaction Report

Mr. Andruss provided the following information:

Since April 1, 2026, as of June 25, 2026 the district had 67 accounts payable transactions and 44 accounts receivable transactions.

Topic 9.4 - Financial Reports of the District

Mr. Andruss provided the following information:

The internal financial reports of the District for March and April 2026 have been compiled by the district administrative coordinator and sent to the directors prior to the meeting.

Board Action: Mr. Clements moved to accept and approve the financial reports for March and April 2026. Mr. Eller seconded the motion. The motion passed unanimously.

Topic 9.5 - Unpaid Invoices and Bills

Mr. Andruss provided the following information:

The District has outstanding bills and invoices that are NOT considered regular and routine nor has the Board previously authorized the requested payment.

Board Action: Mr. Clements moved to authorize the general manager to pay the following items:

1. ACCTP-20260710-01 - \$3,005.00 - Allison, Bass & Magee, LLP
2. ACCTP-20260710-02 - \$1,040.00- Allison, Bass & Magee, LLP
3. ACCTP-20260710-03 - \$250.00 - Barbara Dietzel - June Meeting
4. ACCTP-20260710-04 - \$250.00 - Barbara Dietzel - July Meeting
5. ACCTP-20260710-06 - \$250.00 - Jerry Hroch - June Meeting
6. ACCTP-20260710-07 - \$250.00 - Jerry Hroch - July Meeting
7. ACCTP-20260710-08 - \$250.00 - Kenneth Eller - June Meeting
8. ACCTP-20260710-09 - \$250.00 - Kenneth Eller - July Meeting

Mr. Eller seconded the motion. The motion passed unanimously.

Topic 9.6 - Budget Planning and Tax Rates

Mr. Andruss provided the following information:

To assist the Board in its efforts to allocate the budget for FY2027 and to adopt a budget during the meeting scheduled for August 7, 2026, the staff has provided the District's FY2026 budget for review.

If no changes are suggested, the staff will use the FY2026 budget for development of the FY2027 budget, while incorporating budget expenses for the following:

1. District Vehicle - \$60,000 (Reserve Fund)
2. Audio Visual Equipment - \$10,000
3. Spare Computers - \$5,000
4. Texas Alliance of Groundwater Districts Membership - \$2,500
5. GIS System Improvements - \$10,000 (Reserve Fund)
6. Subsidence Modeling and Monitoring - \$50,000 (Reserve Fund)
7. Joint Planning Modeling - \$25,000 (Reserve Fund)

The successful publication of tax rate notices for the District is challenging given the timelines specified under statute and newspaper publication deadlines. The District must publish the following notices, depending on the proposed tax rate: Notice of Tax Rate, Notice of Public Hearing or Notice of Public Meeting, Notice of Meeting to Vote on Tax Rate.

Details regarding public notices related to proposed tax rates can be accessed at <https://comptroller.texas.gov/taxes/property-tax/truth-in-taxation/notices.php>.

Board Action: Mr. Clements moved to instruct the general manager to develop a budget based on the tax rate information received from the Victoria County Tax Assessor-Collector, and prepare to discuss budget and tax rate options at the August 7, 2026, meeting. Mr. Eller seconded the motion. The motion passed unanimously.

Item 10 - Consideration of and possible action on matters related to legal counsel report.

Topic 10.0 - Legal Counsel Report

Mr. Allison was present and gave his report.

Item 11 - Adjourn

Topic 11.0 - Adjourn Meeting

Board Action:

Mr. Clements moved to adjourn the meeting after concluding all business of the District at approximately 11:44 AM. Mr. Eller seconded the motion. The motion passed unanimously.

THE ABOVE AND FOREGOING MINUTES WERE READ AND APPROVED ON THIS THE ____ DAY OF _____ A.D. _____.

Director of the Victoria County
Groundwater Conservation District

ATTEST:

Director of the Victoria County
Groundwater Conservation District