

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

August 19, 2019

REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS

The Board of Directors (the “Board”) of the Prairielands Groundwater Conservation District (the “District” or “Prairielands GCD”) met in a regular board meeting at 205 S. Caddo Street, Cleburne, TX.

CALL TO ORDER AND DECLARE REGULAR MEETING OPEN TO THE PUBLIC

President Charles Beseda presided and called to order the regular Board of Directors Meeting at 9:15 a.m., announcing the meeting open to the public.

ROLL CALL

The roll was called of the members of the Board of Directors, to wit:

Charles Beseda	Maurice Osborn
Dennis Erinakes	Tod Sandlin
Randy Kirk	Kent Smith
Marty McPherson	Paul Tischler

All members of the Board were present, with the exception of Director(s) McPherson, Kirk, and Sandlin. Also, in attendance at said meeting were Kathy Turner Jones, General Manager; Brian Sledge, District Counsel; James Beach, District Hydrologist; District staff; and members of the public. *Copies of the public sign-in sheets and comments cards received are attached hereto as Exhibit “A” to the Regular Board of Directors Meeting minutes.*

PUBLIC COMMENTS

None.

ADMINISTRATIVE AND FINANCIALS

Director Osborn made the motion to approve the Consent Agenda with the exception of payment of invoice owed to SledgeLaw. Director Smith seconded the motion and it carried. Mr. Sledge noted to the Board that his firm’s billing employee had been out on an extended leave of absence and expected all invoicing to be brought up to date within two months. Director Osborn moved that the invoice be tabled in the interim. Director Smith seconded, and the motion carried.

UPDATE ON CURRENT BANKING/FINANCIAL ACTIVITIES

Ms. Jones apprised the Board of the status of depository accounts and cash management services with Citizens National Bank.

REVIEW, CONSIDER, AND TAKE ACTION AS NECESSARY TO APPROVE RESOLUTION #19-007 TO APPROVE FUND AND ASSET MANAGEMENT POLICY:

Director Osborn motioned to approve Resolution #19-007 approving the District's Fund and Asset Management Policy. Director Smith seconded the motion, and it carried. *A copy of the signed Resolution #19-007 is attached hereto as Exhibit "B".*

REVIEW, CONSIDER, AND TAKE ACTION AS NECESSARY TO ADOPT RESOLUTION #19-008 APPROVING POLICY ON WAIVER OF ATTORNEY/CLIENT PRIVILEGE:

Following discussion, Director Tischler motioned to approve Resolution #19-008 approving policy on waiver of attorney/client privilege. Motion was seconded by Director Smith and unanimously approved by all members present. *A copy of the signed Resolution #19-008 is attached hereto as Exhibit "C".*

DISCUSS, CONSIDER, AND TAKE ACTION AS NECESSARY TO APPROVE RESOLUTION #19-009 AUTHORIZING AN INTERLOCAL AGREEMENT WITH THE TWCA RISK MANAGEMENT FUND FOR SUPPLEMENTAL WORKERS COMPENSATION COVERAGE FOR APPOINTED OFFICIALS WHILE ACTING WITHIN THE COURSE AND SCOPE OF THEIR OFFICIAL DUTIES:

Following discussion, Director Smith motioned to approve Resolution #19-009 authorizing the selection of supplemental workers compensation coverage with the TWCA Risk Management Fund for elected/appointed officials while acting within the course and scope of their official duties. Motion was seconded by Director Osborn and unanimously approved by all members present. *A copy of the signed Resolution #19-009 is attached hereto as Exhibit "D".*

GROUNDWATER MANAGEMENT AREA 8 – UPDATE ON ACTIVITIES RELATED TO JOINT PLANNING AND THE DEVELOPMENT OF DFCs:

President Beseda updated the Board on key items discussed during the GMA 8 joint planning meeting held July 26, 2019 at the Cleburne Conference Center. Discussion centered around possible action on updating the Northern Trinity Woodbine GAM runs for the current planning cycle. Important elements to be considered for updating the model include adjusting pumping amounts where needed due to rule changes in GCDs, new permits, and balancing the highest practicable amount of pumping with conservation. The timeline for updating and preparing the GMA Explanatory Report for the third round of joint planning.

- a) Presentation and review of current Modeled Available Groundwater numbers – James

Beach, WSP. Mr. Beach provided a presentation and review of current Modeled Available Groundwater (MAG) numbers.

- b) Review and discussion of factors planned for discussion at the November 22, 2019, GMA 8 Planning Group meeting. The 9 factors required to be addressed in consideration of determining future desired future conditions were highlighted. Mr. Beach noted the GMA-8 would be reviewing three (3) factors at a time during upcoming GMA 8 Planning Meetings. Factors planned for discussion during the upcoming GMA 8 meeting in November include the following: Hydrological; Subsidence; and Environmental Impacts.
- c) Discussion, consideration, and possible action on items related to Prairielands GCD's recommendations and/or participation in GMA 8. No action. Director Osborn inquired if reports were available illustrating water levels declines in Ellis County. Beach responded that declines are documented in the LGB-Guyton 2013-2014 report. Director Osborn inquired if there is a report available for the public regarding chemical breakdown to quell concerns about hazardous chemical in the groundwater. Discussion followed regarding sources of water and posting reports on websites for public awareness. Ms. Jones stated public water systems are required to provide notice to customers (Consumer Confidence Reporting). Ms. Jones stated that the District would take the initiative to emphasis water quality standards in future public education communications.

UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL, AND CONSERVATION EFFORTS:

Sinclair Newby, Public Relations/Educational Administrator, briefed the Board on current outreach and educational activities including the following: developing press release(s) in recognition of the District's 10-year anniversary and promotion of the District's education trailer; publication of summer 2019 eLine newsletter; and utilization of Constant Contact to analyze real-time trends.

Ms. Newby discussed classroom findings from the District's 2017-2019 Water Wise program, in which students learn about water conservation in a classroom setting. The program provides student education which is then in-turn taken home and shared with their families and friends, reinforcing the lessons learned. The recently redesigned kit features a new detective storyline and an enhanced take home kit of several implementable water conservation items that can lower a homes' monthly water usage. The program serves to generate long-term resource savings and improves understanding of conservation and implementation. Ms. Newby stated that 492 students in the 5th grade were involved in the program along with 15 teachers this past school year with 100% satisfaction. Scores improved from 59% before the program was started to 81% afterwards, showing that the students had learned.

GENERAL MANAGER'S REPORT AND UPDATE:

Ms. Jones began by congratulating Michael Heath on his recent promotion as “Field Operations Coordinator” for the District. Ms. Jones stated the new position is responsible for supervising the day-to-day field operations and activities of the District and its field staff. To help manage the escalating requests for public assistance and assist permitting staff with rule compliance, the District posted a job notice the first part of August for the position of “Field Technician”. This position will work under the supervision of the Field Operations Coordinator to ensure proper permitting and documentation of groundwater/surface water use as well as verifying accuracy of well permits, communicating with well registrants on compliance issues, verifying well locations, meters and pumpage; and verifying and enhancing the District’s well permit database

Ms. Jones noted that many of the existing job descriptions did not adequately reflect existing workloads or position and warranted revisions to better reflect current and future staff responsibilities. Ms. Jones that she would be working with the Personnel and Policy Committee to finalize an revised organizational chart with salary ranges for recommendation and approval by the Board in September.

- a) Update on Board of Director Appointments. Confirmation has been received to the District that all four directors whose terms of office expire August 31, 2019 have been successfully reappointed to the Prairielands Board of Directors by their respective Commissioners Court. New Oath of Office(s) to those reappointed will be administered during the September 16th meeting. Until then, Directors continue to serve under their current term, or until successfully replaced. Directors successfully reappointed include Charles Beseda, Maurice Osborn, Dennis Erinakes, and Tod Sandlin.
- b) Status report on Historic Use Permit Applications. Ms. Jones reported that a 2nd public notice with regards to the September 1, 2019 deadline to file a Historic Use Permit was posted with the Texas Register. In addition, eblast reminders were sent to all registered well owners as a reminder and the District continued to publish legal notices regarding HUP requirements in Hill, Johnson, Somervell, and Ellis county newspapers through August. As of Thursday, August 15, 2019, the District had received twenty (20) historic use permit applications.
- c) Status report and possible action regarding construction of Office Facility. Ms. Jones informed the Board that the District’s loan had closed. In addition, the construction company had begun to move topsoil last week and was in the process of performing a soil test. Modern Contracting is continuing to work with Oncor on planting a pole and transformer in the back based on load information provided by the architect. Gas use requirements have been sent to Modern for Atmos to size our meter.
- d) RFP for Vehicle Acquisition. 2019 budgeted funds for vehicle acquisition include \$40,000. Ms. Jones noted that she is working to prepare a request for proposal (RFP) and will continue to update the Board.

At 10:35 a.m. President Beseda announced, “The Board will recess into a Closed Executive Session under Government Code Sections 551.071 for consultation concerning attorney-client

matters. No action will be taken in closed session, and the Board will reconvene in open session at the conclusion of the closed session.” The Executive Session concluded at 11:18 a.m.

At 11:20 a.m. the regular meeting reconvened in open session.

GENERAL COUNSEL’S REPORT:

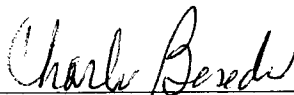
Mr. Sledge reported he had been working with District staff on matters related to Historic Use Permits applications.

**OPEN FORUM / DISCUSSION OF NEW BUSINESS FOR FUTURE MEETING
AGENDAS:**

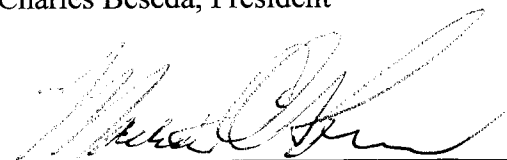
None.

ADJOURN

There being no further business, upon a motion made by Director Smith and seconded by Director Osborn, the meeting was adjourned at 11:23 AM.



Charles Beseda, President



Maurice Osborn, Secretary/Treasurer



EXHIBIT "A"

Regular Board Meeting

Sign-In Sheet

August 19, 2019

**** Note: If you are speaking, please limit to 3 minutes ****

Name	Business	Phone #	Email Address	Speaking? (YES / NO)
Petar M Schulman	Collier Consulting	254 968 8741		<input checked="" type="checkbox"/>

EXHIBIT "B"

RESOLUTION #19-007 A RESOLUTION AUTHORIZING FUNDS AND ASSET MANAGEMENT POLICY FOR THE PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

WHEREAS, the Prairielands Groundwater Conservation District ("District is an administrative agency organized and existing under the laws of the State of Texas;

WHEREAS, § 36.151 of the Texas Water Code provides that the Board may delegate to the General Manager or a combination of employees and directors the authority to manage and operate the affairs of the District subject to orders of the Board;

WHEREAS, accepted principles of accountability require the adoption of a policy to guide the District in the acquisition, control, maintenance and disposal of District assets; and

WHEREAS, the Board of Directors of the District have reviewed and determined that such policy is required;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT AS FOLLOWS:

1. The attached Funds and Asset Management Policy, which is incorporated herein in full, is hereby adopted by the Board of Directors.
2. That such Policy supersedes any and all policies previously adopted by the Board of Directors.
3. The General Manager of the District is further authorized to take any and all action necessary to implement this resolution.

AND IT IS SO ORDERED

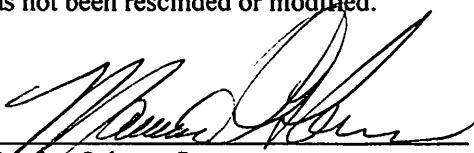
PASSED AND ADOPTED this 19th day of August 2019.

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

By: 
Charles Beseda, President

ATTEST:

I, Maurice Osborn, certify that I am Secretary/Treasurer of the Prairielands Groundwater Conservation District organized and existing under the laws of the State of Texas, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the District duly and properly called and held on August 19, 2019. Said resolution appears in the minutes of this meeting and has not been rescinded or modified.


Maurice Osborn, Secretary

[SEAL]

Prairilands Groundwater Conservation District Funds and Asset Management Policy

The following policy and procedures are intended to identify Prairilands Groundwater Conservation District's (the "District") internal controls and for ensuring compliance with regulatory requirements. It also serves to clarify roles and responsibilities for organizational decision making.

Funds Management

Budget

The Board of Directors (Board) of the Prairilands Groundwater Conservation District (District) will adopt an annual budget for each fiscal year beginning January 1st and ending December 31st. The Board may amend the budget as necessary.

Investments

The Board will develop a policy governing the investment of District funds and will review such policy on an annual basis.

Disbursements

The General Manager may authorize expenditures of budgeted funds in amounts not to exceed \$25,000.00 per individual item and may authorize budgeted leases and contracts that do not exceed \$25,000.00 in aggregate liability. Expenditures in excess of \$25,000.00 per item, lease, or contract require specific authorization of the Board of Directors. The Board may designate the General Manager, by specific action, as an authorizing signatory for expenditures in excess of \$25,000.00.

Any disbursement of District funds for equipment, supplies, or services must be approved by the General Manager through authorized purchase orders or other administrative authorization. District funds may be disbursed only by check or electronic funds transfer. This requirement shall not preclude the use of a petty cash account for small, miscellaneous cash expenses (not to exceed \$200.00), provided the petty cash expenditures are properly documented and petty cash funds are replenished only by authorized checks.

Disbursements made by check in an amount not exceeding \$5,000.00 must be signed by one of the following:

- 1) General Manager
- 2) Board President
- 3) Board Secretary/Treasurer

All disbursements made by check in an amount exceeding \$5,000.00 must be signed by two of the following:

- 1) General Manager
- 2) Board President

EXHIBIT "B"

3) Board Secretary/Treasurer

Disbursements made by check in excess of \$5,000.00 for the sole purpose of purchasing time deposits or other authorized investments must be signed by one of the following:

- 1) General Manager
- 2) Board President
- 3) Board Secretary/Treasurer

All disbursements made by electronic funds transfer shall be initiated by the District's bookkeeper or their designee and approved by the General Manager or District's Treasurer.

All employees who have accounting or financial responsibilities shall be bonded.

Reporting

The Finance Department shall prepare a month-end financial report for the general operating fund and all special funds and provide such report to the General Manager.

Audit

An independent financial audit of the District's funds and accounting practices shall be conducted within a reasonable time after the end of each fiscal year. The Board shall review and accept the findings of the independent audit and submit a certified copy of the final audit to the Texas Commission on Environmental Quality within 135 days of the end of the District's fiscal year.

Asset Management

Asset Acquisition

The General Manager is authorized to make purchases of assets up to \$25,000.00 in accordance with the Board's annual authorized budget and all other applicable statutes and policies. Purchases in excess of \$25,000.00 require specific authorization of the Board.

Asset Inventory

Any asset purchased by the District, including but not limited to office equipment, furniture, fixtures, instruments, equipment, motor vehicles, land, and buildings that cost more than \$2,500.00 and has a useful life of three or more years shall be considered a fixed asset.

The cost of an asset shall include freight, delivery, assembly, installation charges, or any other necessary charges. A group of assets designed to function together that costs more than \$2,500.00 collectively, may be classified as one fixed asset even though the individual component costs are less than \$2,500.00.

EXHIBIT "B"

Fixed assets will be valued at original cost at time of purchase, assigned an estimated useful life, and depreciated over its useful life on a straight-line basis. Each fixed asset shall be labeled with a permanent label which includes the name of the District and a unique inventory number. Fixed assets, such as software, that are not possible to label will still have an inventory number assigned.

Prior to the annual independent audit, a physical inventory of fixed assets must be taken by an employee who does not have access to the financial books and records of the District. A report of the inventory will be made to the General Manager and the independent auditor, including any discrepancies found during the physical inventory.

Asset Disposal

Any non-fixed assets of the District may be disposed of at the General Manager's discretion in an expeditious and non-discriminatory manner.

Any fixed assets may be disposed of after having been declared surplus by the General Manager as follows:

- 1) Any fixed asset with a fair market value of \$2,500.00 or less that will no longer perform its intended function or is inoperable and cannot be reasonably repaired may be disposed of in an expeditious and nondiscriminatory manner.
- 2) Any fixed asset with a fair market value of more than \$2,500.00 may only be disposed of by specific authorization of the Board.
- 3) Any planned fixed asset disposal to a District staff member, board member, or related party should only be disposed of after specific authorization of the Board.

The District must record and maintain documentation of the disposal of any fixed asset, regardless of book value, and must include the following:

- 1) Asset description (including inventory number)
- 2) Asset's book value and fair market value
- 3) Reason for disposal
- 4) Date of disposal
- 5) Disposal action
- 6) If disposal action is a sale of the fixed asset, the following information must also be documented:
 - a) Name of purchaser
 - b) Contact information of purchaser
 - c) Amount received for the fixed asset

EXHIBIT "B"

APPENDIX A

FUNDS AND ASSET MANAGEMENT POLICY REVISION/AMENDMENT DATES

Adopted – 08/19/19	

RESOLUTION NO. #19-008

**RESOLUTION AUTHORIZING
POLICY ON WAIVER OF ATTORNEY CLIENT PRIVILEGE**

THE STATE OF TEXAS

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PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

§

§

WHEREAS, Prairielands Groundwater Conservation District (the “District”) is an administrative agency organized and existing under the laws of the State of Texas; and

WHEREAS, the Board of Directors (the “Board”) of the District is empowered to manage the District; and

WHEREAS, the Board values the rights given to it by the laws of the State of Texas and other legislative bodies; and

WHEREAS, the Board retains all rights and privileges unless agreed upon by a vote of the majority of the Board members; and

WHEREAS, the Board desires to formally document its current policy and practice;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT THAT:


1. It is the policy of the Prairielands Groundwater Conservation District to retain its right to any and all attorney/client privileges unless waived by a vote of the majority of Board of Directors.
2. The provisions of this Resolution shall be effective as of its date of approval by the Board of Directors and shall remain in effect until modified by action of the Board of Directors.
3. The General Manager of the District is hereby authorized take any and all action necessary for the implementation of this resolution.

EXHIBIT "C"

AND IT IS SO ORDERED


PASSED AND ADOPTED this 19th day of August, 2019.

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

By: 
Charles Beseda, President

ATTEST:

I, Maurice Osborn, certify that I am Secretary/Treasurer of the Prairielands Groundwater Conservation District organized and existing under the laws of the State of Texas, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the District duly and properly called and held on August 19, 2019. Said resolution appears in the minutes of this meeting and has not been rescinded or modified.


Maurice Osborn, Secretary

[SEAL]

RESOLUTION NO. #19-009

**RESOLUTION OF THE
PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT
AUTHORIZING SUPPLEMENTAL WORKERS COMPENSATION
COVERAGE FOR ELECTED/APPOINTED OFFICIALS**

WHEREAS, a meeting of the Board of Directors of the Prairielands Groundwater Conservation District (the "District") was held on August 19, 2019, at 9:00 AM, at the offices of the District located at 205 S Caddo Street, Cleburne, Texas 76033; and

WHEREAS, a quorum of Board of Directors was present and at said meeting it was decided, by majority vote, that it is advisable to amend its Interlocal Agreement with the Texas Water Conservation District Risk Management Fund (the "Fund") to include additional benefits;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT THAT:

1. It is the decision of the Prairielands Groundwater Conservation District to approve the selection of supplemental Workers Compensation Coverage for Elected/Appointed Officials while acting within the course and scope of their official duties.
2. The provisions of this Resolution shall be effective as of its date of approval by the Board of Directors and shall remain in effect until modified by action of the Board of Directors.
3. The General Manager of the District is hereby authorized take any and all action necessary for the implementation of this Resolution.

AND IT IS SO ORDERED

PASSED AND ADOPTED this 19th day of August, 2019.

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

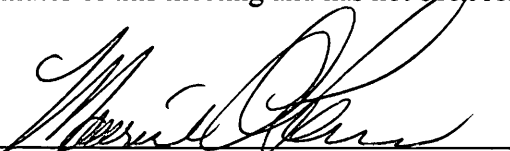
By: 
Charles Beseda, President

ATTEST:

I, Maurice Osborn, certify that I am Secretary/Treasurer of the Prairielands Groundwater Conservation District organized and existing under the laws of the State of Texas, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the

EXHIBIT "D"

District duly and properly called and held on August 19, 2019. Said resolution appears in the minutes of this meeting and has not been rescinded or modified.


Maurice Osborn, Secretary

[SEAL]