

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

May 17, 2021

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, open to the public, but held via a publicly accessible webinar/telephone conference call, at 208 Kimberly Dr, 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 9:28 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
John Curtis	Kent Smith
Randy Kirk	Marty McPherson
Paul Tischler	Barney McClure

All members of the Board were in attendance, with the exception of Director McPherson, thus constituting a quorum of the Board of Directors. Also, attending said meeting were Kathy Turner Jones, General Manager; Brian Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheet(s) received and video conference attendee list are attached hereto as Exhibit “A”.*

PUBLIC COMMENTS

None.

CONSENT AGENDA

Motion by Director Kirk to approve the consent agenda. Director Curtis seconded the motion and it carried unanimously by all those who were present.

ADMINISTRATIVE AND FINANCIALS – Kathy Turner Jones

- a) Update on current administrative and financial activities of the District. Ms. Jones reported she had been working with the District’s auditing firm on the 2020 financial audit, and stated the auditors projected the audit to be completed by the end of May. Ms.

Jones explained that once she received the report she would schedule a meeting for the budget and finance committee to review and then present the final report to the Board.

UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL AND CONSERVATION EFFORTS – Sinclair Newby

Ms. Newby discussed recent educational presentations she had conducted for local schools within the District since the previous meeting. She also highlighted the release of the spring 2021 issue of the Prairielands eLine newsletter and a press release about springtime water conservation tips that was distributed. She updated the Board on the upcoming Rainwater Harvesting 101 workshop that would be held on June 5 at the District office. She completed her report with a summary of upcoming educational events and an update on the enrollment numbers for the Outdoor WaterWise curriculum program.

CONSIDER AND ACT UPON RESOLUTION #21-002 APPROVING AND SUBMITTING THE DISTRICT'S DESIRED FUTURE CONDITIONS SUMMARY REPORT FOR GMA8.

Ms. Jones provided a brief summary of the development process of the Desired Future Conditions (DFCs) that had been underway for the previous 10 to 11 months and elaborated on the public hearing on the proposed DFCs that was held by the District on February 8, 2021, as well as the public comment period. Ms. Jones reported there were no public comments received and therefore no recommended changes were proposed or needed to be made to the summary report. Director Smith made a motion to approve Resolution #21-002 approving and submitting the District's Desired Future Conditions Summary Report for GMA 8. Director Kirk seconded the motion and the motion passed unanimously.

APPOINTMENT OF COMMITTEES FOR PRAIRIELANDS GCD – President Beseda

President Beseda stated he and Ms. Jones had received the responses from the Board members on their preferences regarding committee placements and that he and Ms. Jones would be reviewing the submissions and notifying the members of their appointments prior to the June board meeting.

DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE THE GENERAL MANAGER TO OFFER A SETTLEMENT TO THE FOLLOWING PERMITTEES, OR THEIR DESIGNATED REPRESENTATIVE, FOR ALLEGED MAJOR VIOLATIONS OF THE DISTRICT'S RULES

- a) Pumping groundwater in excess of the authorized amount (Rule 3.8(f)). Director Curtis made a motion to authorize the General Manager to offer settlement to Chatt WSC for 2020 production in excess of production authorization. Director Kirk seconded the motion and the motion carried unanimously.
- b) Failure to submit 2021 2nd Quarter Water Use Fees and/or fines associated with the timely submission of fees (Rules 7.3 and 7.6). Director Osborn made a motion to authorize the General Manager to work with legal counsel and offer settlement agreements to the persons

listed under item 9(b) of the agenda consistent with discussion with legal counsel in closed session. Director Kirk seconded the motion and the motion carried unanimously.

DISCUSSION AND POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER DIRECTING THE FOLLOWING PERMITTEES, OR THEIR DESIGNATED REPRESENTATIVE, TO APPEAR AT A HEARING TO SHOW CAUSE WHY APPROPRIATE ENFORCEMENT ACTION SHOULD NOT BE TAKEN BY THE DISTRICT, INCLUDING WITHOUT LIMITATION INITIATING A LAWSUIT AGAINST THE PERMITTEES, FOR FAILURE TO SUBMIT A COMPLETE AND ACCURATE WATER PRODUCTION REPORT WITHIN THE REQUIRED PERIOD (RULES 3.15 AND 3.16):

- a) US Midpark LLC HUP-173. Director Osborn made a motion to issue a show cause order directing US Midpark LLC to appear at a hearing to be held in conjunction with the June 21, 2021 board meeting and show cause why appropriate legal action should not be taken against them for non-compliance of District Rules - AND to instruct the General Manager to contact US Midpark, in writing, to inform permittee that the Board has voted to issue the show cause order and will deliver the same to them if, by May 27th, all outstanding pumpage information (Including April 2021) is not reported and fines and penalties due and owing are not received to the District. Director Smith seconded the motion and it passed unanimously.

There being no further discussion, President Beseda announced, “At this time, 9:47 a.m., the Board will recess into a Closed Executive Session to consult with legal counsel on items on today’s agenda under Government Code Section(s) 551.071 for consultation concerning attorney-client matters. No action will be taken in closed session. At the conclusion of the closed session, the Board will reconvene in open session with the public.”

At 10:40 a.m. President Beseda announced the meeting was reconvening into open session and was open to the public.

GENERAL MANAGER’S REPORT AND UPDATE – Kathy Turner Jones

Ms. Jones provided an update on overpumpage trends for 2021 following the winter storm event in February, as well as an update on well registration activity within the District. Ms. Jones reported she had recently presented the District’s 2020 Annual Report to the Somervell County Commissioners Court and was scheduled to present to the Hill County and Johnson County Commissioner Courts in the coming weeks. She completed her report with discussion on upcoming events such as the Texas Water Conservation Association’s summer conference and the Texas Groundwater Summit and encouraged the directors to consider attending these events.

GENERAL COUNSEL’S REPORT – Brian L. Sledge

Mr. Sledge reported he had been working alongside District staff to assist in resolving enforcement issues and had updated the Board on any legislative issues that may affect the District.

OPEN FORUM / DISCUSSION OF NEW BUSINESS FOR FUTURE MEETING AGENDAS

None.

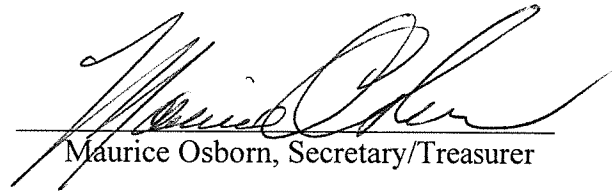
ADJOURN

There being no further business, Director Smith made a motion to adjourn the meeting which was seconded by Director Kirk. The motion passed unanimously. The meeting was adjourned at 10:45 a.m.

PASSED, APPROVED, AND ADOPTED THIS 17th DAY OF MAY 2021.



Charles Beseda, President



Maurice Osborn, Secretary/Treasurer