

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

October 17, 2022

MINUTES AND OFFICIAL RECORDING OF CONSOLIDATED HEARING ON UNCONTESTED APPLICATIONS FOR HISTORIC USE PERMITS

The Board of Directors of the Prairielands Groundwater Conservation District (“District”) met in open session this 17th day of October 2022 within the boundaries of the District at 208 Kimberly Dr, Cleburne, TX 76031.

Pursuant to § 36.408 of the Texas Water Code and Rule 10.2(f)(2) of the Prairielands Groundwater Conservation District’s (the “District’s”) Rules, these minutes serve as the official recording of the consolidated hearing on the applications for Historic Use Permits identified in the Notice of Issuance of Proposed Permits and of Hearings on Permit Applications issued by the District’s General Manager and admitted into the record in this consolidated hearing.

These applications came to be heard before Co-Presiding Officer Beseda and a quorum of the Board. The roll was called of the members of the Board of Directors, to wit:

Charles Beseda
John Curtis
Randy Kirk
Paul Tischler

Maurice Osborn
Brad Daniels
Marty McPherson
Barney McClure

All members of the Board were in attendance, with the exception of Director Osborn, thus constituting a quorum of the Board of Directors. All directors present voted on all matters that came before the Board. Also present at 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 sheets are attached hereto as Exhibit “A” to the October 17, 2022 Regular Board Meeting minutes.*

Let the record reflect that this Hearing on Proposed Historic Use Permits began at 9:07 AM on this Monday, October 17, 2022. District Rules provide that the official record for uncontested applications may be minutes, audio recording, or hearing report. It was noted for the record an audio-recording of this hearing is being taken, but the District may substitute meeting minutes later to serve as the official record of this hearing.

President and Co-Presiding Officer Beseda called to order the public hearing on permit applications and appointed Brian Sledge, District General Counsel, to serve as Co-Presiding Officer for the limited purpose of conducting the preliminary hearing and ruling on procedural issues and legal matters.

The Co-Presiding Officer Sledge observed that the following notice requirements had been met: Apart from the regular Board meeting notice, a separate public notice for the Hearing on Proposed Historic Use Permits was provided by the General Manager no less than 30 days prior to today's hearing on September 15, 2022. That notice included the information that is required by the District Rules, and was:

- 1) Posted at a place convenient to the public at the District Office;
- 2) Provided to the County Clerk of each of the 4 counties in the District for public posting;
- 3) Provided to the Secretary of State; and
- 4) Provided to any person who has requested to receive such notices to the District.

Additionally, the notice was also posted on the District's internet website. Finally, notice of the hearing was also included in the notice for the Board meeting, which was posted in compliance with the Open Meetings Act.

The Co-Presiding Officer noted that the notice for this hearing included a list of 36 Historic Use Permit applications that are delineated in the notice. He stated that the General Manager decided to remove HUP-094 for City of Italy from today's hearing, and that it would not be heard before the Board today and would be re-noticed for another hearing at a future date. Thus, resulting in 35 applications from the notice that are up for consideration by the Board today.

The Co-Presiding Officer concluded that these notices satisfied all notice requirements imposed by statute and the District's rules. The Presiding Officer recognized that all jurisdictional prerequisites had been met and, absent any objections, took jurisdiction over all of the pending applications on behalf of the District. Hearing none, the notices shall be admitted into the evidentiary record.

The Co-Presiding Officer reviewed the requirements for requesting a contested case hearing and observed that there had been no written requests for contested case hearings or requests for continuance received, nor was the General Manager interested in contesting any of the pending applications, nor were two or more Directors in disagreement with the General Manager's recommendation and proposed permit and interested in conducting an evidentiary hearing pursuant to District Rule 10.6.

The Co-Presiding Officer again noted for the record that the District has not received any requests for a contested case hearing for any of the Historic Use Permit applications before the Board today. The Co-Presiding Officer then proceeded with the Board's review of evidence relevant to the pending applications. The Presiding Officer swore in the following testifying witnesses:

District General Manager Kathy Turner Jones

RECEIVE REPORT FROM GENERAL MANAGER, RECEIVE ANY PUBLIC COMMENT(S) OR REQUESTS TO CONTEST, AND CONSIDER GRANTING,

DENYING, OR AMENDING APPLICATIONS FOR THE FOLLOWING APPLICATIONS FOR A HISTORIC USE PERMIT:

HUP-099	144 Freshwater PO Box 123 Rainbow TX 76077
HUP-132	Aqua Texas, Inc (Oakview Farms Subdivision) 2304 Christine Drive Granbury TX 76048
HUP-133	Aqua Texas, Inc (Peaceful Meadows Subdivision) 2304 Christine Drive Granbury TX 76048
HUP-135	Aqua Texas, Inc (Shady Hills Estates Water System) 2304 Christine Drive Granbury TX 76048
HUP-136	Aqua Texas, Inc (Shady Meadows Estates) 2304 Christine Drive Granbury TX 76048
HUP-138	Aqua Texas, Inc (Walden Estates) 2304 Christine Drive Granbury TX 76048
HUP-130	Aqua Texas, Inc. (Garden Acres) 2304 Christine Drive Granbury TX 76048
HUP-028	Brandon-Irene WSC PO Box 87 Brandon TX 76628
HUP-067	Buena Vista Bethel SUD 312 S Oak Branch Rd Waxahachie TX 75167
HUP-171	Challenger Operating LLC PO Box 64237 Lubbock TX 79464
HUP-172	Challenger Operating LLC PO Box 64237 Lubbock TX 79464
HUP-147	City of Blum PO Box 613 Blum TX 76627
HUP-048	City of Burleson (Cemetery) 141 West Renfro Burleson TX 76028
HUP-049	City of Burleson (Chisenhall Ball Fields) 141 West Renfro Burleson TX 76028
HUP-047	City of Burleson (Golf Course) 141 West Renfro Burleson TX 76028
HUP-046	City of Burleson (Willow Creek Crossing) 141 West Renfro Burleson TX 76028
HUP-094	City of Italy PO Box 840 Italy TX 76651

HUP-029	Fly By Night Cattle 2701 CR 1125 Cleburne TX 76033
HUP-017	Fossil Rim Wildlife Center 2155 CR 2008 Glen Rose TX 76043
HUP-052	Happy Hill Farm 3846 N Hwy 144 Granbury TX 76048
HUP-075	Hilco United Services Inc (Lakeshore Water System 2) PO Box 26 Itasca TX 76055
HUP-076	Hilco United Services Inc (Oak Hill Water System) PO Box 26 Itasca TX 76055
HUP-061	Loco Coyote Grill 1795 CR 1004 Walnut Springs TX 76690
HUP-027	Mountain Peak Special Utility District 5671 Waterworks Road Midlothian TX 76065
HUP-043	Nash Forreston WSC PO Box 58 Forreston TX 76041
HUP-020	Parker WSC 7001 CR 1200 Cleburne TX 76031
HUP-106	Pecan Trails Golf Course PO Box 80 Midlothian TX 76065
HUP-153	Pencco Inc (Bardwell Plant) PO Box 600 San Felipe TX 77473
HUP-142	South Ellis County WSC PO Box 348 Italy TX 76651
HUP-274	The Orchards on the Brazos 9925 Tantarra Dr Burleson TX 76028
HUP-156	Undine Texas, LLC (Bell Manor Subdivision) 17681 Telge Road Cypress TX 77429
HUP-159	Undine Texas, LLC (Buffalo Creek) 17681 Telge Road Cypress TX 77429
HUP-161	Undine Texas, LLC (Crowley II Acre Subdivision) 17681 Telge Road Cypress TX 77429

HUP-160	Undine Texas, LLC (John Dame) 17681 Telge Road Cypress TX 77429
HUP-157	Undine Texas, LLC (Rock Creek Estates) 17681 Telge Road Cypress TX 77429

HUP-162	Undine Texas, LLC (Sanders View Subdivision) 17681 Telge Road Cypress TX 77429
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District General Manager Kathy Turner Jones provided the following overview of Historic Use Permit applications. Ms. Jones stated District staff had separated applications for historic use received to the District into batches with today's group of applications being those considered to be very straightforward and where the General Manager's recommendation on the Maximum Historic Use to be authorized is the same amount that was requested by the applicant. Ms. Jones noted Directors have been provided a summary for each application of the General Manager's Technical Review, which sets forth the basis for her recommendation to the Board, a summary of the evidence and analysis that went into forming the recommendation, a page summarizing the relevant production history of the applicant during the Existing and Historic Use Period and some other basic information about the applicants' wells, and other pertinent information. In addition to that, the 35 applications themselves with all supporting information and the proposed permits are available should Directors choose to review any of the 35 applications before us today.

Ms. Jones made note to the following applications: HUP-028, HUP-047, HUP-106, and HUP-153. The recommendation in each of the proposed permits is different from that of what the applicant requested. Each of the applicants have been apprised of amount recommended and are not contesting the recommended amount.

Ms. Jones stated that in performing the General Manager's technical review and arriving at her recommendations, the types of evidence that she and staff relied on included the Maximum Historic Use amounts claimed by the applicant; the applicant's semi-annual and monthly Water Production Reports that were submitted to the District; groundwater production reported in Water Use Surveys to the Texas Water Development Board, monthly and daily metering logs submitted to the District by the applicant; records of the applicant's groundwater production in the District's online database; usage and loss reports, metered usage submitted by the applicant; estimating based on average use once meters had been installed; calculating by multiplying the production capacity of the well by the total run time of the well in a calendar year; and their general knowledge of groundwater production and the applicants.

Ms. Jones stated that given the notice and supporting documents for all 35 remaining applications and the General Manager's recommendation on each application will be part of the record, it was not necessary to read information for each of the 35 applications.

The Co-Presiding Officer called on the Board for any questions for the General Manager on any of the applications or the review that was conducted by the General Manager and staff. Hearing none, Co-Presiding Officer directed the entire packet of information provided to the Board on these 35 applications prepared by the General Manager, including the applications

themselves, the General Manager's technical review, recommendations, proposed permits, and all other supporting information, be included in the administrative record for this hearing.

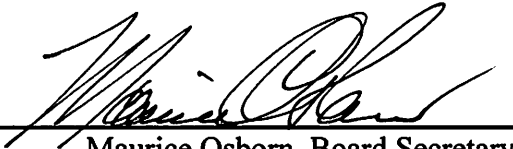
The Co-Presiding Officer called for any member of the public requesting to provide comment on any of the remaining 35 applications. Public comments received: None.

Upon conclusion of the General Managers report and public comment, the Co-Presiding Officer announced if the Board is ready to move forward with a decision on the permit applications, the Board must consider the General Manager's presentation and evidence given at the hearing and provided, and the criteria in Chapter 36 and the District's Rules for granting or denying a permit application.

Motion was made by Director Tischler to approve all 35 of the remaining applications for Historic Use Permits listed on the notice for today's Hearing on Proposed Historic Use Permits in accordance with the General Manager's recommendation on each of those applications. Director McPherson seconded the motion. The motion carried unanimously for all 35 of the remaining applications for Historic Use Permits with the exception of HUP-027 for Mountain Peak Special Utility District. A standalone motion was made by Director Curtis on HUP-027 for Mountain Peak Special Utility District. Director McClure seconded the motion. The motion carried unanimously by all directors present and Director Kirk abstained.

Without further discussion and there being no further business, President Beseda adjourned the hearing at 9:25 AM.

PASSED, APPROVED, AND ADOPTED THIS 21ST DAY OF NOVEMBER 2022.


Maurice Osborn, Board Secretary