

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

August 21, 2023

MINUTES OF PUBLIC HEARING ON APPLICATION FOR OPERATING PERMIT

The Board of Directors of the Prairielands Groundwater Conservation District (“District”) met in a public hearing within the boundaries of the District at 208 Kimberly Dr, Cleburne, TX 76031, on August 21, 2023.

President Charles Beseda presided and called the public hearing to order at 9:03 a.m., announcing the meeting open to the public.

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

Charles Beseda	John Curtis
Brad Daniels	Maurice Osborn
Barney McClure	Marty McPherson
Paul Tischler	Kathy Tucker

All members of the Board were in attendance, with the exception of Director Osborn, thus constituting a quorum of the Board of Directors. 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 August 21, 2023, Regular Board Meeting minutes.*

RECEIVE PERMIT HEARING REPORT FROM GENERAL MANAGER, ANY PUBLIC COMMENT(S), REQUESTS TO CONTEST AND CONSIDER GRANTING, DENYING, OR AMENDING APPLICATIONS FOR THE FOLLOWING OPERATING PERMITS:

- 1) TPWD Cleburne State Park, for a proposed Operating Permit (OP-23-043) for additional groundwater production authorization in Johnson County at 5800 Park Rd 21, Cleburne, TX; not to exceed 1,000,000 gallons annually for 2023→2027; Recreational Use. Based on technical review of the information provided, the General Manager recommends approval as requested. Motion was made by Director McClure and seconded by Director Daniels to approve applicant’s request in accordance with the General Manager’s recommendations. Motion carried unanimously by all those who were present.

- 2) Morgan Acres LLC, for a proposed Operating Permit (OP-23-045) for authorization to drill a new well (PGCD-003232) to be located in Johnson County at 1008 Highland Road, Cleburne, TX; not to exceed 1,406,200 gallons annually for 2023→2027; Commercial Use. Ms. Jones informed President Beseda some of the attendees would like to make public comment specific to this application. President Beseda stated because he is not a lawyer, he appointed the District's legal counsel, Mr. Sledge, to serve as co-presiding officer for procedural matters on this matter.

Public Comment / Testimony:

- (a) Public comment was made by Joshua Howard representing Johnson County Special Utility District (JCSUD). Mr. Howard was sworn in by legal counsel, confirmed that he was authorized to represent JCSUD, and confirmed that JCSUD wished to formally contest the application of Morgan Acres LLC. Mr. Howard stated several reasons why JCSUD contests the permit application, including that JCSUD holds the CCN and already serves approximately 640 customers in the area. Legal counsel stated that the District Rules require requests to formally contest a permit application be in writing and comply with the requirements of the rules. Mr. Howard provided JCSUD's written protest to Mr. Sledge.
- (b) J.W. Morgan representing Morgan Acres LLC made a public comment and was sworn in by legal counsel and confirmed that he represented Morgan Acres LLC. Mr. Morgan described his project and testified that JCSUD had declined to provide his project with timely water service and provided an email he received from JSUD stating the decline. A copy of the email is on file with the District.

At 9:23 a.m., the Board recessed into a closed executive session to consult with legal counsel on this matter, as authorized by Section 551.071, Texas Government Code. No final action was taken during closed session.

At 9:47 a.m., the Board reconvened in open public session to continue discussion of the Morgan Acres, LLC application. Mr. Sledge called Mr. Howard back to the stand. Mr. Sledge advised Mr. Howard and the Board that it was his opinion that the Board should find that the written protest letter of JCSUD does not comply with the requirements of the District Rules for a written request for a contested case hearing. Mr. Sledge went on to note that it appeared that JCSUD had not alleged that the Morgan Acres, LLC application does not comply with the District Rules, but rather that it may result in the violation of the JCSUD's retail water CCN issued by the Public Utility Commission or the public water system rules of the Texas Commission on Environmental Quality. Mr. Sledge noted for Mr. Howard that those state agencies enforce their own agency rules, not the District, and that the District cannot deny a permit application if it meets the requirements of the District Rules. Morgan Acres LLC must still comply with all other applicable state and local regulations. Mr. Sledge returned the meeting back over to President Beseda. Director Tischler motioned to deny JCSUD's request to contest the application and Director McClure seconded the motion. The motion carried unanimously.

Based on technical review of the information provided, the General Manager recommended approval of the Morgan Acres, LLC application as requested. Motion was made by Director Tischler and seconded by Director Curtis to approve applicant's request in accordance with the General Manager's recommendations. Motion carried unanimously by all those who were present.

- 3) CLDVM LLC, for a proposed Operating Permit (OP-23-044) for authorization to drill a new well (PGCD-003219) to be located in Hill County at 1545 I-35, Abbott, TX; not to exceed 1,177,750 gallons in 2023 and 4,711,000 gallons annually for 2024→2027; Commercial Use. Based on technical review of the information provided, the General Manager recommends approval as requested. Motion was made by Director McPherson and seconded by Director Tischler to approve applicant's request in accordance with the General Manager's recommendations. Motion carried unanimously by all those who were present.

ADJOURN

There being no further business, Director Osborn made a motion to adjourn the public hearing. Director McPherson seconded the motion and the motion carried unanimously by all those who were present. The public hearing was adjourned at 9:53 a.m.

PASSED, APPROVED, AND ADOPTED THIS 18TH DAY OF SEPTEMBER 2023.



Maurice Osborn, Board Secretary