

# PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

December 12, 2022

## 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, within the boundaries of the District at 208 Kimberly Dr, Cleburne, TX, on December 12, 2022.

### 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 9:26 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	Brad Daniels
Randy Kirk	Marty McPherson
Paul Tischler	Barney McClure

All members of the Board were in attendance, thus constituting a quorum of the Board of Directors. Also present at said meeting were Kathy Turner Jones, General Manager; Brian Sledge, General Council; District staff; and members of the public. *Copies of the public sign-in sheet(s) are attached hereto as Exhibit “A”.*

### PUBLIC COMMENTS

None.

### TEXAS 4-H WATER AMBASSADORS PROGRAM PRESENTATION – Emma Pool (Johnson County) and Hannah Lewis (Hill County)

Texas 4-H Water Ambassadors Emma Pool (Johnson County) and Hannah Lewis (Hill County) presented highlights from their experiences serving as water ambassadors. Both ladies are Tier II members in their second year of the program. Through the program, ambassadors learn about water conservation efforts and rainwater harvesting techniques, participate in educational seminars and conferences, and take part in events through their 4-H programs to teach kids and community members about water conservation throughout the year.

## CONSENT AGENDA

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

## FINANCE REPORT – Brian Watts, Comptroller

- a) Presentation of unaudited financials for the month of November 2022. Mr. Watts reported the balance sheet dated November 30, 2022, showed ending cash balances for the District totaled \$1,944,624.45 and stated that compared to the ending cash balances on November 30, 2021, 2022, total reflects an increase in cash of \$1,124.86 which is directly tied to the amount of advance payments received by annual and quarterly permittees. Profit and loss report for the month of November showed gross revenue of \$46,648.31. Refund allowance accrued for November of \$5,003.78 bringing the District's "net" revenue to \$41,664.53 for the month. Total operating expenses for the month of November totaled \$124,910.57 with capital expenses of \$62,978.06 leaving a net result of \$146,224.10 of expenses in excess of revenues. For this fiscal year, Mr. Watts reported gross revenues totaling \$2,073,000.20 with a refund allowance of \$282,699.06 making the "net" revenue for this year to date \$1,790,301.14. He added that operational expenses for the year total \$1,502,539.83 with capital expenses of \$115,893.06 bringing total expenses to \$1,618,432.89, which translates into a net excess revenue over expenses for the fiscal year of \$171,868.25.
- b) Review of cash flow and cash flow projection for YE 2022. Mr. Watts provided an overview of the cash flow for the District and reported the increase in cash brought the ending cash balance to \$1,944,424.45 as shown on the balance sheet. Mr. Watts stated his projection of available cash for the close of business on December 31, 2022 exceeds \$2,000,000. He concluded his report by explaining the cash balances for the month of November 2022 as follows; Rule 7.4 refund projected at \$292,385.04, reserve accounted for \$856,020.00 which is static, and an unrestricted projected amount of \$796,019.41.
- c) 2022 YE Budget Transfer/Amendment(s)
  - i. Discuss/Take possible action on amending budget to make a debt service payment using remaining Rule 7.4 refund accrual funds.

Mr. Watts recommended a 15% accrual rate towards the principal reduction payment which would increase the FY 2022 annual budget by \$60,997.34 to the Mortgage Principal line item. Following a brief discussion, Motion was made by Director Osborn to approve amendments to the FY 2022 budget. Director McPherson seconded the motion and it carried unanimously by all those who were present.
  - ii. Discuss, consider, and take action to approve budget transfer(s).

Mr. Watts presented a worksheet indicating additional proposed budget transfers and amended budget for 2022 for review and approval. He stated that

the transfer was needed to fund expected expenses for the remainder of the fiscal year and proposed to reallocate contingency line item coupled with the weather station project to fund the Boardroom audio upgrades which were previously discussed and approved in an earlier board meeting. Motion was by Director Tischler to authorize 2022 YE budget transfers and amendments to fund the boardroom audio upgrades. Director McPherson seconded the motion and it carried unanimously by all those who were present.

#### **RULES AND BYLAWS COMMITTEE † Randell Kirk, Chair**

- a) Update on publication of proposed amendments to the District Rules set for public hearing on January 17, 2023. – Kathy Turner Jones/Brian Sledge, Legal Counsel, SledgeLaw Group, PLLC

Mr. Sledge stated the Rules and Bylaws Committee had been working on final changes to the proposed amendments which would include an Enforcement Policy for penalties on deteriorated and abandoned wells as well as minor non-substantive changes to the District Rules for the January 17 public hearing. Ms. Jones mentioned the notice of a public hearing for the proposed amendments to the District Rules had been sent for publication in local newspapers.

#### **DISCUSS, CONSIDER, AND TAKE ACTION TO APPROVE 2023 BOARD MEETING SCHEDULE.**

Ms. Jones presented a calendar of each month in 2023 showing highlighted dates indicated as intended board meeting dates, with the meetings remaining at 9:00 a.m. on the third Monday of each month with the exception of January and February. For month's January and February, the third Tuesday was proposed. Following brief discussion, Director Osborn made a motion to approve the 2023 board meeting schedule as presented with the exception of November 2023, changing the meeting date from November 20, 2023, to November 13, 2023. Director McClure seconded the motion and it carried unanimously by all those who were present.

#### **GROUNDWATER MANAGEMENT AREA 8 – UPDATE ON ACTIVITIES RELATED TO JOINT PLANNING IN THE DEVELOPMENT OF DESIRED FUTURE CONDITIONS – Kathy Turner Jones**

Ms. Jones reported the GMA 8 subcommittee met and interviewed four consulting firms having submitted qualifications for professional services to update the Northern Trinity and Woodbine Groundwater Availability Model. She noted GMA 8 is still waiting on final MAG numbers from the TWDB, which are required to be released 90 days after the draft MAG numbers are received to the GMA. At this time, the next meeting of GMA 8 has not been scheduled.

#### **UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL, AND CONSERVATION EFFORTS – Whitney Curry, Public Relations/Education Director**

Ms. Curry briefly discussed the November 30<sup>th</sup> press release issued on “Preparing Your Wells for the Unpredictable Winter Weather.” Other information items discussed included a flier and eblast sent to non-exempt well owners regarding new steps to reporting batch readings, meter rollovers and meter replacements through the District database. Ms. Curry concluded her report by listing several upcoming educational presentations she has scheduled in the coming months.

#### **UPDATE ON WELL MONITORING AND FIELD OPERATIONS – Michael Heath, Field Operations Coordinator**

- a) Update on field activities – Mr. Heath reported on field activities and water level measurements since the last board meeting. Mr. Heath stated staff continues to contact well owners regarding the inclusion of their wells in the expansion of the Districts Monitoring Program. Mr. Heath concluded his field activities report by adding the District received notice from the property owner for a monitor well in Grid 40-07 who has approved granting a well monitoring easement in Hill County, once both parties agree upon the terms of the easement, the District will move forward with the next steps.
- b) Discuss and take action as may be necessary to approve proposed changes to terms in the Monitor Well Easement and Right-of-Way agreement with Aquilla WSD – Michael Heath/ Kathy Turner Jones – Ms. Jones stated the current monitoring well easement provides location of the monitoring well in the Hosston, and if approved by the client, the District would like to expand aquifer locations to add monitoring wells in the Woodbine. Director Osborn made a motion to allow the General Counsel and the General Manager to make non-substantial changes to the Monitor Well Easement and Right-of-Way agreement with Aquilla WSD. Director Curtis seconded the motion and it carried unanimously by all those who were present, and Director Daniels abstained.
- c) Discuss path forward and draft timeline for installation of monitoring well – Michael Heath/ Wade Oliver – Mr. Oliver discussed the targeting installation for the monitoring well is set for the first quarter of 2023, pending schedules and noted a field coordinator has been identified by INTERA.

#### **HYDROGEOLOGIST REPORT – Wade Oliver, INTERA**

Mr. Oliver reiterated the TWDB released the draft MAG numbers, and it would be his recommendation to set a time to meet in person with the District in January to visit the monitoring well site as well as meet with the Rules and Bylaws Committee to review the allocation study and the draft MAG numbers.

#### **GENERAL MANAGER’S REPORT AND UPDATE – Kathy Turner Jones**

- a) Update on current administrative activities of the District. Ms. Jones met with the Ellis County Commissioners Court and noted they accepted and approved the interlocal agreement with the District.

Ms. Jones reported she and Kaylin Garcia held a two-hour workshop with the Ellis County Development and Planning Department during which they presented information on groundwater districts, the Districts' online database, and water well ownership.

Permitting Report for the month of November, Ms. Jones noted year-to-date wells registrations through November 2022 have exceeded well registrations for the 2021 calendar year. The District has issued 204 permits with a total permitted authorization of 9,416,136,743 gallons with a reported pumpage of 6,634,395,867 gallons through November.

b) Enforcement. No report.

### **GENERAL COUNSEL'S REPORT – Brian L. Sledge**

Mr. Sledge reported the Sunset Advisory Committee is set to release their report on December 7. The TWCA groundwater committee finalized proposals regarding the TCEQ petition process, groundwater availability model (GAM), and the DFC process. Mr. Sledge finalized his report by stating House and Senate committees have finalized reports for the year.

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

Director Curtis noted a water line being dug 6-8 miles east of Stephenville, located within Middle Trinity GCD, and the City of Stephenville has purchased 500 acres with plans to drill a well and pump water to the city. Due to the location, Director Curtis was curious of the impact this would have on Somervell County and the aquifers in the District. Mr. Oliver stated he would investigate the implications the new well would have on Somervell County. Director Tischler requested to have data pulled from monitoring wells to compare drought years versus non-drought years throughout the District.

### **ADJOURN**

There being no further business, Director McPherson made a motion to adjourn the meeting which was seconded by Director Kirk. The motion passed unanimously by all those who were present. The meeting was adjourned at 10:54 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 17<sup>TH</sup> DAY OF JANUARY 2023**



Maurice Osborn, Secretary/Treasurer

**Exhibit "A"**



**Public Hearing(s) on Historic Use Permits,  
Operating Permits, and Regular Board Meeting**

**Sign-In Sheet**

**December 12, 2022**

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

Name	Business	Phone #	Email Address	Speaking? (YES / NO)
MICHAEL JONES	BEERY RESERVATION	530.400-7000	Lifeisgood7@mac.com	NO
Emma Pool	Presentation	811-776-7114	epool817@gmail.com	YES
Hannah Lewis	Presentation	254-707-1238	<del>h</del> aquillanannah@gmail.com	yes
Nancy Chubb		501-559-6482	Nchubb@jcsup.com	No