

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

April 17, 2023

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 April 17, 2023.

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 9:00 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	John Curtis
Brad Daniels	Maurice Osborn
Barney McClure	Marty McPherson
Paul Tischler	Kathy Tucker

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; District staff; and members of the public. Brian Sledge, General Counsel, participated via video conference. *Copies of the public sign-in sheet(s) are attached hereto as Exhibit “A”.*

PUBLIC COMMENTS

None.

CONSENT AGENDA

Motion was made by Director Curtis to approve the consent agenda. Director McClure 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 March 2023. – Mr. Watts reported ending cash balances for March 31, 2023, totaled at \$2,023,101.33, and stated that compared to the ending cash balances on March 31, 2022, total reflects an increase in cash of \$111,754.41 which he stated continues to be a great indicator of the overall

financial health of the District. Profit & Loss Report for the month of March showed gross revenue of \$309,897.70 with a refund allowance of \$43,513.31 net revenue to \$266,384.39. He added that during the month of March is when the District invoices permittees for quarterly payments in addition to the monthly invoices. He continued to report expenses for the month of March totaled \$129,160.64, leaving a net result of \$137,223.75 of expenses over revenues. For this fiscal year, he reported gross revenues totaling \$773,472.75 which will continue to provide the District's operations for the remainder of the fiscal year.

- b) Review 1st Quarter Investment Report 2023. – Mr. Watts presented the Quarterly Investment Report for the 1st Quarter of 2023 which details the banking and checking activities of the District with account balances as well as a summary of depositories. He reported that for the 1st quarter, the funds of the District were being held in combination of five accounts and three separate depositories. Mr. Watts noted that in the summary section of the report, all the District's funds are adequately collateralized by a combination of FDIC insurance and pledged securities and all funds are in compliance with the PGCD Investment Policy. Director Osborn made a motion to accept the 1st Quarter Investment Report and Director McPherson seconded the motion. The motion passed unanimously by all those who were present.
- c) Update on 2022 Annual Audit. – Mr. Watts reported the auditors had been working on the District's independent financial audit for the year ending December 31, 2022 and are still on schedule. He stated he anticipated being able to present their report during our next board meeting.
- d) Discuss, consider, and take action to approve 2023 Budget Transfer/Amendment(s). – Mr. Watts reported the amount necessary for the 2023 GMA8 allocated expenses to our District are expected to be \$46,500 for this fiscal year requiring \$40,000 to be moved to this line item. He explained the anticipated cost of the monitor well project came in at a much greater amount than originally projected and to proceed with the project \$166,000 needed to be reallocated. He also stated \$10,580 was needed to fund the final payment of the audio upgrades. Mr. Watts noted the amendment only increased the annual budget \$56,950, being funded by the sale of the two trucks and an increase in interest income. Director Osborn made a motion to accept the 2023 Budget Transfer/Amendments and Director Curtis seconded the motion. The motion passed 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 there has not been any change since the District agreed to enter into the interlocal agreement on funding to support the update of the Northern Trinity Groundwater Availability Model. She expects to have an update during our next board meeting.

UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL AND CONSERVATION EFFORTS – Kathy Turner Jones

Ms. Jones reported on recent educational activities the District had participated in, including events with the Water Education Trailer at various schools and events throughout the District. She noted staff has been experiencing a few mechanical issues with the education trailer's generator and hoped to have it fixed before the next event. She concluded her report by describing the upcoming outreach and education events District staff would be attending in the coming weeks and thanked Kaylin Garcia and staff for stepping in to cover scheduled events.

- a) Review and possible action to approve draft 2022 Annual Report for the Prairielands Groundwater Conservation District for publication and distribution. – Ms. Jones reported she and staff have been working on the draft 2022 Annual Report. She hopes to have a completed draft before our next board meeting. No action was taken.

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

Mr. Heath reported on field activities since the last board meeting. He stated field staff has completed 45 meter verifications and pulled three transducers to verify the accuracy of the data logger. Mr. Heath noted the District has been collaborating with the Programs & Operations Manager of the Texas Alliance of Groundwater Districts, along with a few other GCD's, to prepare field topics for the upcoming TAGD GCD Bootcamp to be held in June. Other field activities reported included: continue to contact well owners regarding the inclusion of their wells in the expansion of the Districts Monitoring Program and work with INTERA on monitor well drilling project. Mr. Heath concluded his report with comparison data of monitoring wells during the first and second quarters throughout the District.

ENGINEERING REPORT – Wade Oliver, INTERA

- a) Update on District involved activities. – Mr. Oliver discussed how he had been assisting with the District's Annual Report. Director Curtis asked if the water level increases and decreases presented by Mr. Heath were attributed to rain. Mr. Oliver replied that generally rainfall does not have an immediate impact on an aquifer unless you're in the shallowest portion. He stated increases in short periods, months, or a few years, are typically due to a change in how the aquifers are used. Mr. Oliver explained how a change in how the aquifers are being used means wells aren't pumping as much, which can lead to recovery.

GENERAL MANAGER'S REPORT AND UPDATE – Kathy Turner Jones

- a) Update on current administrative activities of the District. – Following last month's "Board Work Session", Aaron Collier with Collier Consulting notified the District they needed more time to sit down with staff and consultants to discuss all of the various considerations that go into the District's allocation rule in finer detail before presenting to the Board. Given Collier was not able to present at today's meeting, the work session was not placed on the agenda.

Ms. Jones also noted several past and upcoming meetings involving the District.

- a) Monthly update on well registrations and groundwater production reports. – Ms. Jones reported the month of March water usage totaled 394,098,120 gallons. 2023 production thru March 2023 is down from 2022, totaling 1,349,168,196 gallons. Ms. Jones noted in total, the District has issued 208 permits with a total permitted authorization of 9,565,459,012 gallons.
- b) Enforcement. – Ms. Jones stated that staff is managing those currently on enforcement and no formal board action is required at this time.

President Beseda announced, “At this time, 9:41 a.m., the Board will recess into a Closed Executive Session under Section 551.071 of the Government Code to consult with our attorney on items on today’s agenda. No action will be taken in executive session. The Board will reconvene in open session after the executive session.”

At 10:48 a.m. President Beseda announced the meeting was reconvening into an open session and was open to the public.

GENERAL COUNSEL’S REPORT – Brian L. Sledge

No Report.

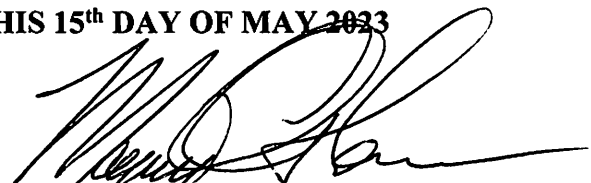
OPEN FORUM / DISCUSSION OF NEW BUSINESS FOR FUTURE MEETING AGENDAS

Director Osborn requested an item be placed on the agenda to discuss the District’s Bylaws for the May board meeting.

ADJOURN

There being no further business, Director McPherson made a motion to adjourn the meeting which was seconded by Director McClure. The motion passed unanimously. The meeting was adjourned at 10:49 a.m.

PASSED, APPROVED, AND ADOPTED THIS 15th DAY OF MAY 2023



Maurice Osborn, Secretary/Treasurer