

# PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

December 16, 2024

## 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 16, 2024.

### CALL TO ORDER AND DECLARE REGULAR MEETING OPEN TO THE PUBLIC

In the absence of the President, Vice President Tischler assumed the role of Presiding Officer and called the regular Board of Directors meeting to order at 10:19 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  
Brad Daniels  
Barney McClure  
Paul Tischler

John Curtis  
Maurice Osborn  
Marty McPherson  
Kathy Tucker

All members of the Board were in attendance with the exception of President Beseda and Director McPherson, 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 sheet(s) are attached hereto as Exhibit “A.”*

### PUBLIC COMMENTS

None.

### CONSENT AGENDA

A motion was made by Director Curtis to approve the consent agenda. Director Daniels 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 2024. – Mr. Watts reported

ending cash balances for November 30, 2024, of \$2,056,511.73. This represents a 32.24% increase compared to the ending cash balances for November 30, 2023. The increase in cash is primarily attributed to the monitoring well project, for which payment is scheduled today, and advance payments received from permittees for their 2025 fees.

The Profit & Loss Report for November reflects gross revenue of \$94,610.26, with a refund allowance of \$2,641.87, resulting in a net revenue of \$91,968.39.

- b) Review of cash flow and cash projection for year-end 2024. Mr. Watts provided an overview and a positive projection of the 2024 Cash Flow Schedule, indicating a favorable financial position for the District.

#### **BUDGET AND FINANCE DEVELOPMENT COMMITTEE – Maurice Osborn, Treasure**

At Director Osborn’s request, Ms. Jones and Mr. Watts updated the Board on the Budget and Finance Development Committee meeting held November 25, 2024.

- a) Discuss and consider possible action regarding additional 2024 debt service payment using remaining Rule 7.4 refund accrual funds. The Budget Committee recommends applying the 2023 Rule 7.4 refund accrual funds, along with a portion from the contingency fund, towards a principal reduction payment on the building. A motion was made by Director Osborn to approve the Committee’s recommendation, and Director McClure seconded the motion. The motion carried unanimously by all those who were present.
- b) Discuss, consider, and take action to approve transfer amendment(s) to the 2024 YE Budget. Motion was made by Director Osborn to approve transfer amendments to the 2024 Year-End Budget. Director McClure second the motion, and it carried unanimously by all those who were present.
- c) Review of Regulatory and Compliance Contingency Fund Resolution. The District’s Budget and Finance Committee conducts an annual review of the Regulatory and Compliance Contingency Fund Resolution (“Fund Resolution”). This year, the Committee recommended moving the fund from net assets to a restricted fund. A motion was made by Director Osborn to approve readopting the Fund Resolution with the Committees recommendations. Director Daniels seconded the motion, and it carried unanimously by all those who were present.
- d) Discuss, consider, and take action to approve Resolution #24-007 reviewing and adopting FY 2025 Operating Budget and authorize the General Manager to take any and all action necessary for the implementation. *Copy of said Resolution #24-007 attached hereto as Exhibit “B”.* Mr. Watts presented the proposed FY 2025 Operating Budget, highlighting a comparison between the proposed budget and the FY 2024 operating budget. Two options were noted: Option 1 excludes the addition of a field employee, while Option 2 includes it. The Committee recommended proceeding adoption of the proposed budget to include Option 2. Additionally, the Committee



proposed alternating years for the installation of a new monitoring well, with funds for this initiative allocated to reserves. A motion was made by Director McClure to approve Resolution #24-007 adopting the 2025 FY Operating Budget with Option 2 and the change to the monitoring well expansion program as recommended by the Committee. The motion was seconded by Director Tucker, and it carried unanimously by all those who were present.

**DISCUSS, CONSIDER AND ACT ON RESOLUTION #24-008 AMENDING AND RE-ESTABLISHING ADMINISTRATIVE FEE SCHEDULE AND AUTHORIZE THE GENERAL MANAGER TO TAKE ANY AND ALL ACTION NECESSARY FOR THE IMPLEMENTATION OF THIS RESOLUTION. – Kathy Turner Jones**

Ms. Jones presented recommended changes to the Administrative Fee Schedule to the Board, with the goal of ensuring greater compliance and fairness for those utilizing the District's services. Director Osborn made a motion to approve Resolution #24-008, reestablishing the Administrative Fee Schedule with the proposed amendments, effective January 1, 2025. Director McClure seconded the motion and it carried unanimously by all those who were present. *Copy of said Resolution #24-008 attached hereto as Exhibit "C".*

**DISCUSS, CONSIDER, AND TAKE ACTION TO APPROVE 2025 BOARD MEETING SCHEDULE. – Kathy Turner Jones**

Ms. Jones presented a proposed calendar for 2025, highlighting the intended board meeting dates. The meetings are scheduled to remain at 9:00 a.m. on the third Monday of each month, with the exceptions for January and February avoid federal Holidays. January's meeting will be moved to Tuesday, January 21<sup>st</sup>, and February's meeting will be moved to Tuesday, February 18<sup>th</sup>. Director Daniels made a motion to approve the 2025 board meeting schedule as presented. Director Curtis seconded the motion, and it carried unanimously by all those who were present.

**UPDATE ON WELL MONITORING AND FIELD OPERATIONS – Michael Heath**

Mr. Heath provided a brief update of recent field activities since the last board meeting, noting field staff continues to collect annual water level measurements and remains committed to looking for wells to include in the monitoring program. Additionally, during one of the annual gpm verifications, field staff discovered an existing well that had been substantially altered and aims to resolve this violation before the next board meeting. Mr. Heath concluded his report with an update to the new PGCD Paluxy well informing the board that the monitoring equipment was installed and that INTERA submitted the well completion report.

**UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL, AND CONSERVATION EFFORTS – Kaylin Garcia, Public Relations/Education Director**

Ms. Garcia reported on recent public relations and educational activities the District had participated in, including hosting Leadership Cleburne to discuss district information, rainwater harvesting and rain gardens. She also mentioned that the TAGD Education Committee was finalizing their 2024 projects and began discussions on 2025 initiatives. Ms. Garcia concluded her

update focusing on spring semester recruitment with Tinker LLC, social media analytics, and upcoming events scheduled.

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

Ms. Jones provided the Board with an update on District activities. She highlighted that the U.S. Drought Monitoring report indicates the District remains below normal precipitation levels despite current damp conditions, with the exception of Somerville, which continues to experience abnormally dry conditions.

Ms. Jones reported groundwater production totals for November 2024, noting a year-to-date production decrease of 6.44% compared to the previous year. She also provided updates on current permit numbers and the total annual permitted allocation. Additionally, she shared that 166 well registrations were approved last month, bringing the year-to-date total to 1,146.

Ms. Jones concluded her report by previewing upcoming events early in the year, including several regional planning meetings scheduled for January.

### **GENERAL COUNSEL’S REPORT — Brian L. Sledge**

Mr. Sledge informed the Board an update on various ongoing initiatives. He reported the Rules Committee has been meeting to discuss proposed changes, with plans to have changes documented for the Committee’s review in January.

Mr. Sledge concluded his report with updates from Austin, including efforts to include more information on groundwater and surface water rights in the TREK real estate form. He noted Senator Perry is advocating for \$5 billion in water development funding. Additionally, he highlighted two federal court rulings that favored groundwater conservation districts, setting positive legal precedents for future legal challenges.

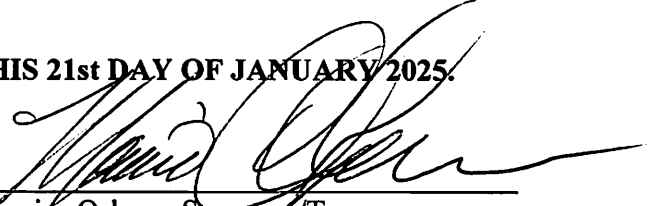
### **OPEN FORUM / DISCUSSION OF NEW BUSINESS FOR FUTURE MEETING AGENDAS**

None.

### **ADJOURN REGULAR MEETING**

There being no further business, Director Curtis made a motion to adjourn the meeting which was seconded by Director Osborn. The motion passed unanimously. The meeting was adjourned at 12:31 p.m.

**PASSED, APPROVED, AND ADOPTED THIS 21st DAY OF JANUARY 2025.**

  
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Maurice Osborn, Secretary/Treasurer