

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

June 16, 2025

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 June 16, 2025.

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 9:18 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 Vice President Tischler, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, General Manager; District staff; and members of the public. Brian Sledge, General Counsel, attended via videoconference. *Copies of the public sign-in sheets are attached hereto as Exhibit “A.”*

PUBLIC COMMENT

None.

CONSENT AGENDA

A 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 May 2025. – Mr. Watts reported ending cash balances for May 31, 2025, of \$2,313,642.61. This represents a 14.99%

increase compared to the ending cash balances for May 31, 2024. The Profit & Loss Report for May reflects a gross revenue of \$37,149.10, with a refund allowance of \$1,244.55, resulting in a net revenue of \$35,904.55.

UPDATE ON ACTIVITIES AND MEETINGS RELATED TO GROUNDWATER MANAGEMENT AREA 8 JOINT PLANNING AND THE DEVELOPMENT OF DESIRED FUTURE CONDITIONS – John Ellis, District Hydrogeologist

Mr. Ellis updated the board on the upcoming GMA 8 meeting scheduled for Tuesday, June 24, 2025, where members would vote on two proposed model runs for the joint planning process. The first run, discussed in the April 22 Technical Committee meeting, reflects anticipated groundwater use through 2080. The second run, developed based on the District's planning and development committee discussions, explores a more conservative production scenario. Both runs require a two-thirds vote for approval. The Northern Trinity Groundwater Availability Model ("NTGAM") used to complete the runs may be based on the draft model because the NTGAM is currently under review by the Texas Water Development Board. Ongoing coordination with Prairielands will continue in preparation for the vote and future planning.

UPDATE ON WELL REGISTRATION AND PERMITTING ACTIVITIES – Kaylin Garcia, Permitting Director

Ms. Garcia shared with the Board that permitting staff continues to focus on reviewing the water loss audits received with a target completion date of June 30. Those permittees that have experienced a triggering event will be notified of disincentive fees.

Ms. Garcia concluded her report noting 72 new well registrations have been received to date, mostly for domestic purposes. Ms. Garcia noted production for May totaled 414 million gallons, with Ellis County in the lead even though not all production has been received. Year-to-date production is down approximately 1.6% compared to 2024, largely due to favorable rainfall.

UPDATE ON PUBLIC OUTREACH ACTIVITIES, EDUCATIONAL, AND CONSERVATION EFFORTS – Kaylin Garcia

- a) Overview of District involved activities. Ms. Garcia informed the Board on public outreach efforts since the last board meeting. Ms. Garcia and Dillon Bybee went to Elder Elementary in Joshua on May 21st for the last school career day of the season. On May 31st, the spring season wrapped up with the final Rainwater Harvesting Workshop with 17 barrels assembled. Karol Bowers participated in the Ag Extension Summer Camp at Staples Elementary on June 10th. An eblast was sent out highlighting the Water Efficient Product Sales Tax Holiday over Memorial Day weekend, and the latest e-line newsletter containing articles on water well professionals, PGCD's water planning role, and water level data received positive public feedback.
- b) Presentation of Tinker's annual education curriculum and activities report. Ms. Garcia provided an annual update on the District's collaboration with Tinker, LLC. She noted the District had received the water education program report for the 2024-2025 school year, which targeted 1,059 5th-grade students across 12 schools. The conservations kits were updated by replacing low-use items with more practical tools, which resulted in

higher installation rates. Estimated annual water savings from the installed items were approximately 6.7 million gallons. Pre- and post-assessments showed a 35% average increase in water knowledge, with students answering 2.16 more questions correctly on average after participation. The program has served over 3,200 students in the last four years.

UPDATE ON WELL MONITORING AND FIELD OPERATIONS – Michael Heath

Mr. Heath provided a brief update on recent field activities since the last board meeting, including meter verifications and compliance on non-permitted wells. Four deteriorated wells were identified in Johnson County, with one suspected of commingling, one improperly plugged, and two unregistered open holes located using TWDB maps. TDLR has been notified, and a site visit is being scheduled.

Mr. Heath concluded his report noting the District hired a third field technician, Christian Hodshire, in May. Staff also added a Hosston well in Grid 3-24-9, finalizing all grids in Somervell County. Field staff will continue their efforts to locate wells to add them to the monitoring well network program.

GENERAL MANAGER'S REPORT AND UPDATE – Kathy Turner Jones

Ms. Jones briefed the board on key outcomes from the 89th Legislative Session, which focused heavily on water-related issues. She highlighted House Joint Resolution 7 (HJR 7) and Senate Bill 7 (SB 7) which propose a constitutional amendment to allocate \$1 billion per year from state sales tax revenue to the Texas Water Fund, beginning in 2027 and continuing through 2047. The funding is intended to support water supply projects and infrastructure improvements across the state.

Ms. Jones also noted House Bill 1522 was passed, amending the Texas Open Meetings Act to require meeting agendas to be posted three full business days in advance, excluding weekends. This change becomes effective September 1, 2025.

Ms. Jones reminded the Board that the terms for the following directors will expire at the end of August: Kathy Tucker, Ellis County; Paul Tischler, Johnson County; Brad Daniels, Hill County; and Marty McPherson, Somervell County. She stated that she is in the process of reaching out to each county to schedule the reappointment or appointment of directors on their respective Commissioners' Court agendas in advance of the term expirations.

Ms. Jones concluded her report noting that, thanks to recent rainfall, the District is not currently experiencing any Extreme (D3) or Exceptional (D4) drought conditions. However, continued precipitation will be necessary to sustain improvements in groundwater levels.

GENERAL COUNSEL'S REPORT — Brian L. Sledge

Mr. Sledge provided an overview of the 89th Texas Legislative Session to the board, noting it was highly successful for groundwater districts. Nearly all unfavorable groundwater-related bills failed, while approximately 90% of the district-supported legislation passed. A final written

report will be shared after the Governor's veto deadline set for Sunday, June 22nd. The Legislature approved a \$2.5 billion allocation through a supplemental appropriations bill for water infrastructure financing via the Texas Water Development Board. This includes funding for projects ranging from new water supplies and infrastructure repair to wastewater treatment and dam maintenance.

Mr. Sledge further provided an overview of House Bill 2078, a significant new law affecting groundwater management. The bill requires groundwater conservation districts to track and document their progress toward achieving their Desired Future Conditions (DFCs). Instead of focusing solely on a distant 50-year goal, districts must now break down DFCs into shorter, 10-year increments to assess and report progress over time. The bill also mandates greater transparency and justification for changes. Districts must publicly explain any changes to long-term aquifer management goals, promoting more deliberate and accountable decision-making across Groundwater Management Areas (GMAs). HB 2078 included no transition language and becomes effective immediately upon the Governor's signature, as early as May 27th. The new DFC tracking and reporting requirements will apply during the current GMA planning cycle, beginning with the next explanatory report.


OPEN FORUM / DISCUSSION OF NEW BUSINESS FOR FUTURE MEETING AGENDAS

None.

ADJOURN REGULAR MEETING

There being no further business, Director McPherson made a motion to adjourn the meeting which was seconded by Director Osborn. The motion passed unanimously. The meeting was adjourned at 10:14 a.m.

PASSED, APPROVED, AND ADOPTED THIS 21ST DAY OF JULY 2025.



Maurice Osborn, Secretary/Treasurer