

PRAIRIELANDS GROUNDWATER CONSERVATION DISTRICT

November 17, 2025

MINUTES OF SHOW CAUSE HEARING ON ENFORCEMENT MATTERS

The Board of Directors of the Prairielands Groundwater Conservation District ("District") met in special session, open to the public, at 208 Kimberly Dr, Cleburne, TX 76031, within the boundaries of the District on November 17, 2025.

President Charles Beseda presided and called to order the Show Cause Hearing on Enforcement Matters at 9:13 AM.

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
Gary Farmer

All members of the Board were in attendance, 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" to the November 17, 2025, Regular Board Meeting minutes.*

President Beseda called on the General Manager, Kathy Turner Jones, to explain the Show Cause Hearing.

SHOW CAUSE HEARING FOR LUCKY'S REDIMIX CO., LLC/LBJG REALTY LLC, PURSUANT TO DISTRICT RULE 9.6

- A. Show Cause Hearing directing Lucky's RediMix Co LLC/LBJG Realty LLC, ("Respondent"), pursuant to District Rule 9.6 to appear before the Prairielands Groundwater Conservation Board of Directors and show cause why the District should not:
- 1) issue a cease and desist order indefinitely suspending operation of the existing Well ID No. PGCD-002814;
 - 2) initiate legal action against Respondent in State District Court seeking enforcement of District rules and the collection of any and all attorney's fees

and court costs incurred by the District in the prosecution of claims against Respondent; and

3) take all other enforcement appropriate action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in the Lucky's RediMix Co LLC/LBJG Realty LLC show cause hearing, including, but not limited to, issuing a cease and desist order described in Agenda Item No. 3.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 3.A.2., and taking all other enforcement action described in Agenda Item No. 3.A.3.

Ms. Jones presented to the board the purpose of the Show Cause Hearing regarding Lucky's RediMix, a commercial concrete operation leasing property from LBJG Realty, has been operating well PGCD-002814, located on adjacent property owned by Challenger Holdings Properties, without a permit. The well is being used to fill a pond on the leased site. Following discussions after the October board meeting, the parties were offered a settlement requiring payment of \$2,000 in fines and reduction of the well's capacity below 25 gallons per minute (GPM). A certified notice and settlement letter were sent; however, as of the hearing date, the signed agreement and fines had not been received, and a field inspection confirmed that the well was in operation, filling the pond, and causing water overflow affecting neighboring properties. Despite repeated communications, the parties responsible have not fully responded.

At 9:26 a.m. President Beseda announced the Board of Directors will recess into a closed executive session under Sections 551.071, Government Code, to consult with the District's legal counsel on items on today's agenda. No final action will be taken during the closed session. At the conclusion of the closed session, the Board will reconvene in an open public session and announce that the board meeting is again open to the public.

At 10:16 a.m. President Beseda announced the meeting is reconvened into an open public session and was open the public.

PUBLIC COMMENTS/TESTIMONY:

1. Mr. Marc Mahoney, Lucky's RediMix Co, LLC. Mr. Mahoney addressed the Board and explained that the delay in bringing the well into compliance was due to prior unsuccessful attempts to adjust the well's capacity. Mr. Mahoney stated he is now working with a different driller and that the necessary parts have been ordered, with an expected delivery date of November 18. He further stated that he is willing to execute the settlement agreement, pay the \$2,000 administrative penalty, and cease operation of the well until it is brought into compliance.

A five-minute recess was called to allow Mr. Mahoney time to execute the settlement agreement and to submit a payment of the \$2,000 administrative penalty.

Brian Sledge, General Counsel, stated that upon execution of the settlement agreement, payment of the administrative penalty, cessation of well operations until the well is reduced to below 25 GPM, and notification to the District so field staff may verify compliance, Mr. Mahoney would have satisfied all requirements outlined in the Show Cause hearing.

Motion was made by Director Tischler directing Mr. Mahoney to cease and desist use of Well ID No. PGCD-002814, prohibiting operation of the well until its instantaneous production capacity is verified below 25 GPM. District staff will be notified to conduct a GPM test prior to the well being placed back into service. Director Osborn seconded the motion and the motion passed unanimously by those present.

ADJOURN

There being no further business, Director McPherson made a motion to adjourn the Show Cause Hearing. Director Curtis seconded the motion and the motion carried unanimously. The Show Cause Hearing was adjourned at 10.42 a.m.

PASSED, APPROVED, AND ADOPTED THIS 15TH DAY OF DECEMBER 2025.



Maurice Osborn, Secretary/Treasurer