

**MINUTES OF MEETING
OF
BOARD OF DIRECTORS**

THE STATE OF TEXAS §
 §
BRUSH COUNTRY GROUNDWATER §
CONSERVATION DISTRICT §

The Board of Directors of Brush Country Groundwater Conservation District (the “District”) met at a regular meeting, open to the public, January 28th, 2024 at the Brush Country Groundwater Building 732 W. Rice Falfurrias, Texas, in accordance with the duly posted notice of said meeting.

1. The meeting was called to order at 9:33 a.m. and the roll was called. Board members’ presence at the meeting or absence is as follows:
 - i. David Kelly present
 - ii. Bill Botard present
 - iii. Mario Martinez present
 - iv. Robert Scott present
 - v. A.C. Jones IV present arrived at 10:03
 - vi. Humberto Martinez absent
 - vii. Paul Goranson present
 - viii. Jesse Howell present
 - ix. Mauro Garcia present: arrived at 9:37

Also in attendance were General Manager Luis Pena, Emily Rogers Legal Counsel via telephone, Marco Ramirez administrative assistant Brush Country GCD, Robert Howard Legislative consultant. Andy Garza General Manager Kenedy County GCD. George Gonzalez General Manager Duval County GCD. Ericelda DeLeon vice-president and Christopher Funke President First National Bank of Falfurrias. Also in attendance Sam May & Tim May Itc. Corporation, Diana Nichols attorney, Burt Haner & Cody Smith with Haner Water Wells, Nicholas Winkleman with Corpus Christi Water.

2. Pledge of Allegiance. Pledge of Allegiance was recited.
3. Public Comment. General Manager Louie Pena read the thank you letter from former legal counsel Bill Dugat. informational purposes only.
4. Discuss, consider, and possibly act on Minutes of the Regular Meeting of the November 26th, 2024. Motion was made to accept the minutes by Bill Botard and seconded by Mario Martinez, motion carries unanimously.

5. Discuss, consider, and possibly act on General Manager's Report:
 - A. Report on Kenedy County GCD meeting January 22nd, 2025 @10:30 a.m.
 - B. Report on Duval County GCD January 29th, 2025 @6:00 p.m.
 - C. Report on TAGD business meeting January 14-16, 2025.

Mr. Pena mentioned that he had called Mr. Andy Garza and explained to him that he would not attend the meeting since it was 18 degrees and asked Mr. Andy Garza to give a brief report on his meeting, Mr. Garza mentioned that he was going to give a report on the TAGD meeting in Pflugerville mentioning that there was a speaker on hydrogen production, mentioned the Maverick basin, legislative updates, 2 members of his board taking the oath of office, bid on the construction of the building. Mr. Pena then asked George Gonzalez to give a report, Mr. Gonzalez mentioned that they were preparing to do water levels, that they drop and vary from 6 inches to a foot. Mr. Pena then mentioned that when they arrived at hotel in Pflugerville that there wasn't any water, also hot water didn't come on until the next morning. Mr. Pena mentioned that the Summit was the most ever attended and this helped with finances. Mr. Pena also mentioned that Robert Howard had spoken and introduced him to many people and had mentioned that he was the chair of the well plugging subcommittee. Mr. Pena thanked the 11 members of the committee and mentioned that the well plugging program would be for the districts that want to plug wells on a re-imbusement type of program that would help stretch our monies. Mr. Pena also mentioned that the County Judge of Hidalgo is wanting to form a groundwater district. Informational purposes only.
6. Discuss, consider, and possibly act on approving financial statement and investment/pledge report 2024/letter from First National Bank of Falfurrias on change of interest rate. Mr. Pena mentioned that he had received the pledge report from Mrs. Ericelda DeLeon from First National Bank of Falfurrias the amount pledged is \$2,716,784.17 which is over pledged \$133,215.83. Mr. Pena also mentioned that the balance on the tax collection account had \$406,005.12. The operating account has a balance of \$14,311.39 and the reserve account has \$2,043,835.79. All three accounts \$2,464,152.30. Mr. Christopher Funke President of First National Bank of Falfurrias mentioned that because the new rate from the U.S. Treasury Bill had fallen, so did our interest rate from 4.79 % to 3.72%. Informational purposes only.
7. Discuss, consider, and possibly act on proposal from ITC Corporation for monitoring prohibited technology. Mr. Sam May mentioned that the start up fee would be \$150 to do an initial scan and removal for all devices, then they would install and configure software for \$250 per quarter. Motion to accept the proposal to monitor and maintain the District's Prohibited Technology Policy was made by Paul Goranson and was seconded by Mario Martinez, motion carries unanimously.
8. Review, discuss, and possibly act on unauthorized transactions from District's bank account. Mr. Pena showed the board the email to Texas Ranger William "Ed" Groves, Mr. Groves mentioned that there were no new leads at this time. Informational purposes only.
9. Discuss, consider, and possibly act on Texas Drought Monitor. Mr. Pena showed the Texas Drought Monitor Map and mentioned the severity of the drought, especially in the water shed

areas. A motion to accept the drought monitor as presented was made by Paul Goranson, seconded by Bill Botard, motion carries unanimously.

10. Discuss, consider, and possibly act on water well completions report by Burt Haner. Mr. Pena introduced Mr. Burt Haner and mentioned that Mr. Haner has been in the water well drilling business for over 30 years. Mr. Haner spoke about well completions and answered questions from the board. Informational purposes only.
11. Discuss, consider, and possibly act on Corpus Christi Water application for a production/transport/export permit for consideration on our February 25, 2025 meeting. Mr. Nicholas Winkleman from Corpus Christi Water thanked Mr. Louie Pena for inviting him to the meeting, he answered questions and spoke about the severity of the drought and mentioned that Lake Corpus Christi was at 18.8% which was an all time low. Mr. Winkleman also mentioned that the City of Corpus Christi was in stage 3 drought restrictions. Mr. Winkleman spoke about the two wells that are in our district and mentioned that they were still doing tests to see if the two wells will be functional. Mr. Pena mentioned that Corpus Christi Water had not submitted their application but that he is working closely with Esteban Ramos and Maria Corona. Informational purposes only.
12. Discuss, consider, and possibly act on Brush Country GCD 2024 Annual Report. Mr. Pena presented the annual report and mentioned that these are the practices that we do on a yearly basis to be in compliance with our management plan. A motion to accept the annual report as presented was made by Paul Goranson, seconded by Bill Botard, motion carries unanimously.
13. Discuss, consider, and possibly act on payment of bills to ratify December 2024 bills and payment of January 2025 bills. Mr. Pena presented the January 2025 bills and mentioned that we would also have to ratify the December 2024 bills. A motion to pay the January 2025 bills and to ratify December's 2024 bills was made by Bill Botard, seconded by Jessie Howell, motion carries unanimously.
14. Discuss, consider, and possibly act on legislative report from Robert Howard. Mr. Howard mentioned that the 89th legislature gavelled into session on January 12th, 2025. The biggest drama was the selection of the new Speaker of the House. Dustin Burrows who is from Lubbock with strong South Texas ties, appointed Tracy King as his senior advisor. Mr. Howard also mentioned that the Lieutenant Governor has already named his committees, with freshman Senator Adam Hinojosa of the Gulf Coast being assigned to the Water, Agriculture, and Rural Affairs Committee. Mr. Howard mentioned that there is already eight major groundwater/GCD related bills filed on topics ranging from attorney's fees, research and science funding, permitting, and the establishment of a Webb County and possibly an Hidalgo County GCD. Mr. Howard mentioned that the well plugging committee, which Louie is the Chair, had their committee adopt the white paper. Draft legislation is in progress, the state legislature would create a program, to be administered by the TWDB or TDLR to re-imburse a portion of the costs of plugging abandoned and deteriorated wells. Mr. Howard also mentioned that the North Plains GCD and the Hays-Trinity GCD had both

secured favorable rulings in federal courts for challenges to their authority to enforce their rules. Informational purposes only.

15. Discuss, consider, and possibly act on GMA 16 issues. Mr. Pena mentioned that the GMA 16 would be meeting later today at 1:00 p.m. Informational purposes only.
16. Discuss, consider, and possibly act on new business and select date for next meeting. The board agreed to have their next meeting on February 25, 2025 at 9:30 a.m.
17. Adjourn. Motion to adjourn was made by Mario Martinez, seconded by Bill Botard at 10:57 a.m.

Passed and approved this 25th, day of February, 2025.

President, Board of Directors

Attest by:

Secretary, Board of Directors