

**MINUTES OF MEETING
OF
BOARD OF DIRECTORS**

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

The Board of Directors of Brush County Groundwater Conservation District (the “District”) met at a regular meeting, open to the public, on February 28, 2023 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 9:30 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 absent
- iv. Robert Scott present
- v. A.C. Jones IV absent
- vi. Robert Fulbright present
- vii. Paul Goranson absent
- viii. Jesse Howell present
- ix. Mauro Garcia present

b. Also in attendance were General Manager Luis Pena, Felix Saenz Consultant, Administrative Assistant Royce Carrera, Robert Howard Consultant, Bill Dugat Legal Counsel, Irma Menchaca from Brooks County, Kenedy County GCD General Manager Andy Garza, Duval County GCD General Manager Jorge Gonzalez. Diana Nichols with Kelly Hart, Daniel Garcia Brooks County Appraisal District, Joe Stiles Kenedy Trust, Nick Alexander Mesquite H2, Michael Noonan Mesquite H2, and Taylor Bilderback Mesquite H2

2. Pledge of Allegiance

a. The Pledge of Allegiance was recited.

3. Public Comment. No public comments from the public.

4. Discuss, consider, and possibly act on Minutes of the Regular Meeting on February 28, 2023. Motion was made by Bob Fulbright to approve the minutes and seconded by Bill Botard, motion carries unanimous with 6 board members present.
5. Discuss, consider, and possibly act on General Manager's Report: Discuss, consider, and possibly act on General Manager's Report:
 - a. Report on Kenedy County GCD meeting January 18, 2023 Mr. Andy Garza mentioned that their district management plan had been approved, that they were in the process of getting a new building, looking at floor plans for their office.
 - b. Duval County GCD general Manager Jorge Gonzalez mentioned that they were on their final review on their management plan, they had finalized their audit and they were talking to Halff for their database.

The items were presented for information purposes only and no action was taken.

6. Conduct Public Hearing on adoption of proposed desired future conditions for relevant aquifers in GMA-16. Public hearing was opened at 9:36 and closed at 9:43.
7. Discuss, consider, and possibly act on adoption of desired future conditions for relevant aquifers in GMA 16 by resolution. Jesse Howell moved to approve resolution to adopt the desired future conditions as presented, seconded by Robert Scott, motion carried unanimously by the 6 members present.
8. Discuss, consider, and possibly act on audit report FY 2021- 2022 Byron Blair. Mr. Byron Blair gave out his audit report and spoke about our assets of \$3,190,227 and our ending fund balance. Mr. Blair mentioned that we had a 14.6% decrease in revenue. We had \$368,336 in expenditures, which was 3% decrease from last year, and our capital assets increased from \$845,953 to \$143,483. No long-term debt. He mentioned that we didn't have anything major on the comparisons from last year. A motion to accept the audit report was made by Robert Scott, followed by a second from Mauro Garcia, motion carries unanimously with 6 board members present.
9. Presentation by Michael D. Noonan President Aspen Consulting Services, Mesquite H2 project development. Michael Noonan and his team presented a power point presentation on the production of hydrogen. Which they explained would use wind and solar energy, along with water to produce green hydrogen. The electricity produced from the wind and solar panels would be used with brackish water to produce hydrogen by electrolyzer, which would produce hydrogen and could be used for jet fuel and diesel by combining with other carbon dioxide. They also mentioned that they could use some of the byproducts for fertilizer and other agricultural purposes. When they finished their presentation they had a questions and answering session. One questions that was asked

was if they had the power of eminent domain, their answer was no. Another question that was asked was what kind of dangers, or what kind of safety measures would be taken? Their response was that they would have their first response firefighters and emergency responders contracted. They would also hire as consultants Black and Veatch consulting firm. No action necessary.

10. Discuss, consider, and possibly act on production permit renewals for the following:

- a. Zelaya Bros.
- b. Covance Research Products
- c. Jim Hogg County ISD
- d. Executive Inn
- e. Jim Hogg County WCID#2
- f. James G. Floyd Irr
- g. Jorge Lopez, Jlopez Inc.
- h. James G. Floyd Comm
- i. Dcp Midstream
- j. Orient Bio Research Center
- k. Katco

These permits were up for renewal for 5 years, a motion was made by Robert Fulbright to renew the permits, Bill Botard followed with a second, motion carries unanimously with 6 board members present.

11. Discuss, consider, and possibly act on payment of bills. General Manager Louie Pena mentioned that the only difference in the bills was that we had the expense of paying Byron Blair for the audit, all other bills on a regular basis. Motion to pay the bills was made by Jesse Howell, Bob Scott followed with a second, motion carries unanimously with 6 board members present.

12. Discuss, consider, and possibly act on legislative report from Robert Howard. Mr. Robert Howard gave his legislative report mentioning that the majority of funding was for infrastructure, he mentioned that he visited with Leah Martinsson from the TAGD and had also visited with Tracy King's staff. Also mentioned that he had visited with former TAGD Stacey Stienbach and with Carlos Rubinstien. Mentioned that Senator Perry was wanting the attorneys fees bill to pass. No action required, informative only.

13. Discuss, consider, and possibly act on GMA 16 issues. General Manager Louie Pena mentioned that the next GMA 16 meeting would be on March 28th, 2023 at 1:00 pm. No action required, informative only.

14. Discuss, consider, and possibly act on new business and select date for next meeting. Next meeting on March 28th, 2023 at 9:30. No action required, informative only.

15. Adjourn. Motion to adjourn the meeting was made by Bob Scott and seconded by Bob Fulbright, motion carries, unanimously with 6 board members present.

Passed and approved this 28th day of March 2023.

President, Board of Directors

Attest by:

Secretary, Board of Directors