

**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, February 27, 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 9:30 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 present
  - iv. Robert Scott absent
  - v. A.C. Jones IV present
  - vi. Humberto Martinez present
  - vii. Paul Goranson absent
  - viii. Jesse Howell present
  - ix. Mauro Garcia present

Also in attendance were General Manager Luis Pena, Bill Dugat Legal Counsel via telephone, Royce Carrera administrative assistant Brush Country GCD, Robert Howard Legislative consultant via telephone. Mr. George Gonzalez Duval County GCD general manager, and Mr. Byron Blair CPA.

2. Pledge of Allegiance. Pledge of Allegiance was recited.
3. Public Comment. No public comment.
4. Discuss, consider, and possibly act on Minutes of the Regular Meeting on January 23, 2024. Motion was made by Mario Martinez to approve the minutes, seconded by Bill Botard, motion carries unanimously.
5. Discuss, consider, and possibly act on General Manager’s Report: Mr. Pena mentioned that he had attended Kenedy County GCD meeting, mentioned that they are still working on the details of the building and lots for new office. Mr. Pena mentioned that Michael Noonan

with Mesquite H2 (green hydrogen project) will be doing a presentation for Kenedy County at their next meeting. Mr. Pena mentioned that he had gone to the TAGD boot camp and meeting. Mr. Pena mentioned that at the Region M meeting in Weslaco one of the concerns was the water releases that Mexico was not complying with and that the push water just to maintain the system was causing a financial burden on several of the water irrigation districts. Another big concern that was discussed to the TWDB was that region M is the only district in Texas that has Mexico as its water supplier and depends on its water releases which they have not complied with. Another negative impact that was mentioned was that the Sugar Mill in La Villa shut down, laying off 500 employees. Mr. Pena then mentioned that he had attended the Region N meeting in Robstown, once again the major concerns raised were about the discharge on the desalination project from the City of Corpus Christi. Mr. Pena also mentioned that the TAGD hired Adam Foster who recently worked with the TDLR and has had a good relationship with Brush Country GCD. Mr. Pena mentioned that he had attended the grand opening of Encore Uranium in Duval County. Mr. Pena concluded with his report mentioning that we will be preparing to plug wells for Jack Murphy Brooks County, Sean Boerner Jim Wells County, and 2 wells for Burt Aldrete in Jim Hogg County. Information purposes only.

6. Discuss, consider, and possibly act on audit report FY2022-2023 Byron Blair. Mr. Byron Blair gave his report mentioned that “the district had a pretty average year, total assets of \$3,191,197 we had \$62,000 increase in assets, our tax income of \$377,086 with a net income of \$61,800. On our interest we earned \$90,004.95”. Mr. Blair then asked if the board had any questions? Motion was made by Dick Jones to accept the audit as presented, Mario Martinez seconded the motion, motion carries unanimously.
7. Discuss, consider, and possibly act on payment of bills February 2024. Motion was made by Mr. Mauro Garcia to pay the bills as presented, Mr. Humberto Martinez seconded the motion, motion carries unanimously.
8. Discuss, consider, and possibly act on monthly financial statement and pledge report. Mr. Pena mentioned that Mrs. De Leon had sent him the pledge report and gave the financial statement from the 3 accounts with First National Bank. Motion was made by Humberto Martinez to approve the financial statement and pledge report, seconded by Mauro Garcia, motion carries unanimously.
9. Discuss, consider, and possibly act on US Drought Index report. General manager Louie Pena mentioned that it was rare to see our district at the current time without drought or severe drought, we are thankful for the recent rains, but we are always preparing for the next drought in the state of Texas. A motion was made by Jesse Howell to approve the drought report as presented, seconded by Bill Botard, motion carries unanimously.

10. Discuss, consider, and possibly act on legislative report from Robert Howard. Mr. Robert Howard mentioned that early voting was in progress, everyone getting ready for March 5,2024. Congressional races, mentioned the Texas Water Fund and the uses of this fund, spoke about Charles Perry bringing back “loser pay provisions”. Mr. Howard mentioned that the TWDB has a water survey, and that perhaps we should get together and come up with a proposed response on our well plugging. Mr. Howard mentioned that we had a good meeting with the TAGD group, he had visited with Greg Ellis, Ty Embrey, Brian Sledge, all great attorneys that may help with our response for well plugging. Mentioned that he and Mr. Pena had a good discussion with Doug Shaw. Information purposes only.
  
11. Discuss, consider, and possibly act on GMA 16 issues. General manager Louie Pena mentioned that we will hold our meeting on March 26<sup>th</sup>,2024 at 1:00 p.m. Information purposes only.
  
12. Discuss, consider, and possibly act on new business and select date for next meeting. Next meeting scheduled for March 26<sup>th</sup>,2024 at 9:30 a.m.
  
13. Adjourn. Motion to adjourn was made at 10:38 by Mr. Mario Martinez, seconded by Bill Botard, motion carries unanimously.

Passed and approved this 26<sup>th</sup>, day of March 2024.

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President, Board of Directors

Attest by:

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Secretary, Board of Directors