

**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 August 22, 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 present
  - iv. Robert Scott present
  - v. A.C. Jones IV absent
  - vi. Humberto Martinez present
  - vii. Paul Goranson absent
  - viii. Jesse Howell present
  - ix. Mauro Garcia present

Also in attendance were General Manager Luis Pena, Felix Saenz Consultant, Bill Dugat Legal Counsel via telephone, Royce Carrera administrative assistant, Robert Howard legislative consultant Brush Country GCD, Irma Menchaca from Brooks County, General Manager George Gonzalez Duval County Groundwater Conservation District, General Manager Andy Garza Kenedy County Groundwater Conservation District, Edward Bordovsky President\board member Kenedy County GCD, General Manager Adrian Montemayor City of Falfurrias Utilities.

2. Pledge of Allegiance. Pledge of Allegiance was recited.
3. Public Comment. None
4. Discuss, consider, and possibly act on Minutes of the Regular Meeting on July 26, 2023. Motion was made with a revision by Jesse Howell, that Mr. Mario Martinez was present at the June meeting, Mr. Pena mentioned that it was a typo having him listed as not present, Bill Botard seconded the motion, motion carries unanimously.

5. Discuss, consider, and possibly act on General Manager's Report:  
Mr. Pena reported that he was unable to attend Kenedy County's GCD meeting, however; he asked Mr. Andy Garza to give a report, Mr. Garza added that lots of time was spent on the budget, tax rate, and the new proposed building plans.  
Mr. Pena reported that he had attended the Region M planning on August 2, 2023 in Weslaco, he was asked by the Chairman Darling to give a brief autobiography and was welcomed to the joint planning group. Mr. Pena then reported that at the GMA 16 meeting, he had been nominated to be the new spokesperson, replacing Armando Vela from Red Sands. Mr. Armando Vela was then presented an appreciation plaque for his years of service. Information purposes only.
6. Public Hearing on rule amendments regarding (1) permit exemptions, (2) petitions for rulemaking and (3) deadlines for motions for rehearing and board action. Opened public hearing at 9:41a.m., updated redline on pages 38, page 40, and page 41. Mr. Pena asked for legal counsel to discuss, Mr. Dugat asked to refer to page 9, he referred to what we had discussed at our July meeting, rule 3.1 petition, Mr. Dugat read all the different changes that had to be made by going over the permit exemptions, the process for the rulemaking and the deadlines for rehearing on board action. Mr. Dugat also went over the by-laws. There was no public comment. The Board then closed the public hearing at 9:55a.m.
7. Discuss, consider, and possibly act on proposed rule amendments regarding (1) permit exemptions, (2) petitions for rulemaking and (3) deadlines for motions for rehearing and board action. Humberto Martinez made the motion to accept the amendments as presented by Bill Dugat on (1) permit exemptions, (2) petitions for rulemaking and (3) deadlines for motions for rehearing and board action. The motion included making the effective date of the rules September 1, 2023. Mr. Bill Botard seconded the motion, motion carries unanimously.
8. Discuss, consider, and possibly act on amending/updating the by-laws of the Brush Country Groundwater Conservation District. Motion was made by Mario Martinez to update the provision dealing with conflicts of interest in the by-laws of the Brush Country Groundwater Conservation District seconded by Bill Botard, motion carries unanimously.
9. Discuss, consider, and possibly act on review of 2024 budget. Mr. Felix Saenz reported and showed on an excel sheet the items of revenue and expenses comparing them to years past. Mr. Saenz mentioned that the interest at the bank has been a good impact on our budget, so far \$85,000 earned on interest. The board went into executive session at 10:33a.m. according to govt. code 551.074 to discuss the compensation of the GM and administrative assistant. Closed session then ended at 10:55a.m. A motion was made by Bob Scott to include a 7.5% for the GM and administrative assistant as well as Felix Saenz to be adopted at September's meeting, Humberto Martinez seconded the motion. Motion carries unanimously.
10. Discuss, consider, and possibly act on review of and proposing 2023 Tax Rate for official adoption after notice at the September board meeting. Mr. Felix Saenz discussed the tax

rate that we had considered at a rate of \$0.011000/\$100, which would generate \$391,987 total revenue. Mr. Bob Scott made the motion to provide notice of the tax rate to be adopted at the September meeting, Mr. Bill Botard seconded the motion, motion carries unanimously.

11. Discuss, consider, and possibly act on payment of bills. Mr. Pena presented the monthly bill list, a motion was made by Mr. Bob Scott to pay the bills, seconded by Jessie Howell, motion carries unanimously.
12. Discuss, consider, and possibly act on legislative report from Robert Howard. Mr. Robert Howard mentioned that the legislature was very busy with water issues. Mr. Howard reported that with drought and severe heat, the Llano River for the first time ever was not flowing. Mr. Howard mentioned that the population of Texas keeps growing with many from California moving to Texas, also reported that whether you believe in climate change or not, the fact is that it has been hotter than ever. Lots of talk on conservation, reuse, protecting the aquifers from saltwater intrusion, abandoned oil & gas wells. Mr. Howard also reported that there was an article on 3 people that died in abandoned well while hog hunting. Information purpose only.
13. Discuss, consider, and possibly act on GMA 16 issues. General Manager Louie Pena mentioned that he had not received an agenda nor a date from Lonnie Stewart. Information purposes only.
14. Discuss, consider and possibly act on new business and select date for next meeting. Mr. Pena mentioned that September 26, 2023 would work for everyone. Information purposes only.
15. Adjourn. Motion to adjourn was made at 11:19 by Mauro Garcia, seconded by Humberto Martinez, motion carries unanimously.

Passed and approved this 26<sup>th</sup>, day of September 2023.

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President, Board of Directors

Attest by:

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Secretary, Board of Directors