

**STERLING COUNTY UNDERGROUND WATER CONSERVATION DISTRICT
REGULAR BOARD MEETING**

September 12, 2022

Members present: Jack Clark, Ruthe Foster, Ross McCrea, and Kade Hodges, General Manager; Diana Thomas and Technician; Ashley Masters.
Visitors present: Accountant, Karen Hodges

The Public Meeting on the FY 2022-2023 Budget and 2022 Tax Rate was called to order by Jack Clark, Chairman of the Board, at 1:07 pm. No public was in attendance. The public meeting was closed at 1:17 pm.

The regular meeting was called to order by Jack Clark, Chairman of the Board.

Ruthe Foster moved to accept the minutes of the previous meeting with one spelling correction. Ross McCrea seconded the motion and it carried.

District accountant Karen Hodges presented the regular bills to the Board. After reviewing the bills as presented, Ross McCrea moved to transfer \$31,000 from the MMDA to the checking account and to pay all bills. Ruthe Foster seconded and the motion passed. Discussion was also held regarding Reliant Energy and their inability to change the billing due date to accommodate our meeting cycle. In lieu of reoccurring late fees, the Board agreed for the Manager to pursue other energy provider contracts.

The Manager's report included: WTWMA in San Angelo, TAGD Legislative Committee and TAGD Executive Committee virtually, Mertzon City Council in Mertzon, House Natural Resources Interim Hearing and TWDB Mining Water Use Study update virtually, and the TAGD regular business meeting and Summit in San Antonio. WTWMA had 5 operational days in July for 0.59 inches of rain. Texas Comptroller Glenn Hegar has expressed interest in learning more about weather modification and the association will encourage a visit with him. The TAGD Legislative Committee reviewed the 5 completed white papers covering interim topics to put them up for a vote. Four of the five white papers were approved by the committee for wider distribution. The TAGD Executive Committee met to approve the four vote-approved white papers, to review financials, and review final details for the upcoming Summit. Staff attended the Mertzon Coty Council meeting to review wells owned by the city that are no longer in use and discussed options for giving those wells back to landowner or plugging them. The House Natural Resources Committee held an interim hearing covering large water export projects, TCEQ oversight, groundwater protection, and specifically the plugging of abandoned oil and gas wells that are actively causing water quality issues most significantly out in West Texas. The TWDB is finalizing their decadal mining water use study and presented on their progress and

findings. Scott Holland was awarded a honorary lifetime membership to TAGD at the regular business meeting! TAGD also announced an expected Senate Ag Water and Rural Affairs interim hearing in early October to cover the topic of groundwater. The annual TAGD Summit was another great event this year. Of particular interest was the update on the Produced Water Consortium, Water Data Panel including some great insight by Amy Bush, the WOTUS boomerang, legislative panel consisting of both Senators and Representatives, and the dueling lawyers on the significance of the Day case 10 years on.

Additional Management Reports included: a review of the annual Joint Groundwater Monitoring and Contamination Report with no contamination cases reported in Sterling County. Financial investments were reviewed and reported to the Board to be in compliance under new regulations to not invest with entities that boycott energy companies listed under Tex. Gov't Code Sec.809.051.

Well Surveillance Report: water levels within measured Sterling County monitor wells were showing a decrease across the county. Due to some much prayed for rainfall and out-of-town meetings, not all monitor wells were measured this month.


No Notice of Intent to Drill were received in August, neither were any Permits received.

Ross McCrea motioned to Amend the FY 2021-2022 Budget. Major amendments included cost sharing on the ICWCD vehicle, increasing fuel costs, and building air-conditioner and foundation repairs. Total operating expenses were amended to equal \$166,610 with additional funds being allocated from cash reserves. Kade Hodges seconded the motion and it carried.

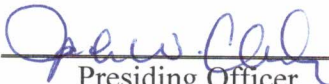
Kade Hodges moved to adopt the FY 2022-2023 Budget of \$158,050 of total operating costs. Compared to the previous fiscal year expected fuel costs increased, the annual fiscal audit increased, and the ICWCD interlocal agreement costs decreased. Ross McCrea seconded, and the motion passed

Ruthe Foster moved to adopt a 2022 Tax Rate of \$0.01503 which is 1% above the No-New-Revenue Tax Rate. This tax rate is estimated to raise \$146,100 in funds for the District. Kade Hodges seconded, and the motion passed

There being no further business Ruthe Foster moved and Ross McCrea seconded to adjourn at 2:16 PM.



Attesting Signature



Presiding Officer

Date: 10-10-2022