

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

August 14, 2023

Members present: Jack Clark, Chairman of Board, Kade Hodges, Cliff Caldwell, and Wes Glass, General Manager; Diana Thomas and Technician; Ashley Masters.

Visitors present: Karen Hodges, accountant.

The meeting was called to order at 1:05 P.M. by Jack Clark, Chairman of the Board.

Cliff Caldwell moved to accept the minutes of the previous meeting. Kade Hodges seconded the motion and it carried.

Accountant Karen Hodges presented the regular bills to the Board, including the bi-annual WTWMA assessment and new tires for the work truck. After reviewing the bills as presented, Cliff Caldwell moved to transfer \$22,000 from the MMDA to the checking account and to pay all bills. Kade Hodges seconded, and the motion passed.

Manager's report included: Region F in Big Spring, NRCS/USDA Lunch and Learn in Mertzon, TAGD virtual Executive Committee, GMA 7 in Sonora, West Texas Legislative Summit in San Angelo, WTRGA conference call, and WTWMA in San Angelo. The Region F planning group reviewed population projections and per capita water use for municipalities. The NRCS/USDA Lunch and Learn discussed grant opportunities for small-scale agriculturalists including assistance installing water saving technologies such as drip irrigation and rainwater harvesting. The TAGD Executive Committee met virtually to finalize materials for the big Summit including budget proposals for the next fiscal year. Disagreements in payroll and setting an overall deficit budget resulted in a non-unanimous budget proposal. GMA 7 met to complete yearly requirements of management plan review and provided updates on the TWDB's update of our aquifer model. The annual West Texas Legislative Summit was held at Angelo State and had speakers with a more federal perspective. Oil and gas still dominates the energy panel discussion despite a federal push for alternative technologies. China was cited as a constant threat across all topics of discussion. The defense industry has surpassed agricultural in terms of Texas economy dominance. The 14 constitutional amendments on Texas's November ballot were highlighted a number of times. WTWMA reported on the slowest one-month period in 10 years with no opportunities to even try seeding since the opening weekend of July. The WTWMA will also have almost full pilot turnover after the close of this season.

Well surveillance for July throughout Sterling was completed and presented to the Board with majority of wells in Sterling County measuring with decreased water levels. Rain gauges measured on average of 5.04 inches for the entire county for the 2nd quarter. The range of measurements for rainfall in the county is 8.76 inches to 3.08 inches, and two rain gauges recorded no measurements. The well camera was utilized in Irion County.

A Notice of Intent to Drill was received from C. McEntire for an irrigation well. The permit application will be forthcoming.

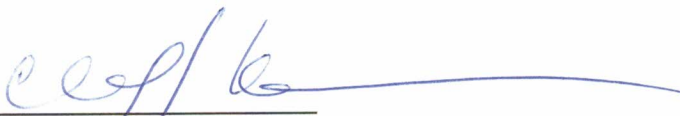
Following the personnel evaluation Cliff Caldwell moved to grant a 3% cost of living increase for the salary for the General Manager, a 5% salary increase for the Technician in the next fiscal year; and award a \$4,000 merit pay in this fiscal year for each employee. Kade Hodges seconded, and the motion passed unanimously.

The budget workshop included an estimation of total operating expenses by the end of the current fiscal year and implications for the next fiscal year. The auto purchase reserve was found to be insufficient to cover the full cost of a vehicle and is proposed to be increased. Notice on increasing insurance rates, recent increase in TAGD meeting costs, and ongoing WTWMA discussion on increasing the assessment were all factored into expenses. Various tax rates were assessed with needed cash reserve transfers compared to pass a balanced budget.

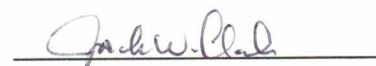
Wes Glass moved to propose a FY 2023-2024 Budget of \$163,000 in total operating expenses. This proposed budget reflects \$4,950 of additional expenses over the previously adopted budget. Kade Hodges seconded, the motion passed unanimously.

Wes Glass moved to propose a 2023 Tax Rate of \$0.01384 which is 2% above the no-new-revenue tax rate. The proposed tax rate is estimated to raise \$151,359 in funds for the District at a 99% collection rate. Kade Hodges seconded, and the motion passed unanimously.

There being no further business Wes Glass moved and Cliff Caldwell seconded to adjourn at 2:31 P.M.



Attesting Signature



Presiding Officer

Date: 9-11-2023