

Date of Meeting: **July 8, 2021**  
Time of Meeting: **7:00 PM**  
Location: **Mesquite GCD Office**  
**802 9<sup>TH</sup> ST**  
**Wellington, TX 79095**



## Regular Meeting Minutes

The meeting was called to order at 7:24 PM.

Directors Present: Jerry Lewis-President, Michael Souder, Terry Canada, Curtis Schriver, Johnny Lindley

Staff Present- Lynn Smith-General Manager, Kimber Bawcom, and Harmony Neufeld

Professionals Present: Amy Bush, Cheryl Tarver- Book Keeper, Keith Good-Attorney

New District Staff member Harmony Neufeld was introduced to everyone

Public Comments- None

### 1. Consent Agenda

- a. Consider and act on Minutes of April 1, 2021
- b. Consider and act on approval of March, April, May, and June bills.
- c. Consider and act on Test Hole Permits:
  - i. 549 – Terry Canada
  - ii. 550 – Jason Heffley
  - iii. 551 – Jason Heffley
  - iv. 552 – Belew Children
  - v. 553 – Gary Wright
  - vi. 554 – Paul Bell
  - vii. 555 – Chip Mercer
  - viii. 556 – James Wischkaemper
  - ix. 557 – Johnny Lindley
  - x. 558 – Al Boenker
- d. Consider and act on Well Registrations:
  - i. 789 – DX4 Ranch

- ii. 791 – David Netherly
- iii. 792 – David Netherly
- iv. 800 – Joel Sherwood
- v. 801 – Royal Oil & Gas
- vi. 801 – Royal Oil & Gas
- vii. 803 – Belew Children

Curtis asked about voided and duplicate checks on the financial reports and also about the old checks that have not cleared. Cheryl explained that they were addressed during reconciliation and that the report could be expanded to show better detail. Curtis agreed that a bit more detail would be good. Curtis moved to accept the Consent Agenda, Johnny seconded, all ayes.

2. Consider and act on Well Permits

- a. 788 – Dannie Morris
- b. 790 – Nicky Watts
- c. 793 – Mat Montgomery
- d. 794 – Mat Montgomery
- e. 795 – Mat Montgomery
- f. 796 – Don Allred
- g. 797 – Nicky Watts
- h. 798 – Bouchelle Farms
- i. 799 – Dean Yarborough

Johnny moved to approve the Well Permits Terry seconded, all ayes.

3. Receive update on the ongoing SAO Audit

Lynn stated that everything was going well with getting the auditors all the paperwork that they needed and that he had been told this was the only groundwater district that has supplied the auditors with everything they have asked for in a timely manner. Hopes are that the audit should be finished soon.

4. Receive update on Legislative Session

Senate bill 152 was discussed a bit even though it did not pass. Lynn suggested that landowners affected by well drilling might need better notice. Keith brought up their ability to protest the legal well drilling and pointed out that it would not necessarily change whether the well was drilled or not.

#### 5. Manager's Report –Lynn Smith

Lynn pointed out that the roof has been fixed. Additional meters will be inspected next week. Money is still available on the meter grant. The rain gauges have all been read and logged for April, May, June, and July. There is a farmer who wants to be called before the rain gauge near his land is checked, it would be convenient if we could arrange for that to be unnecessary. Progress on buying a new company vehicle is being made. Lynn suggested to the Board that a transducer be placed in Pod 3 or possibly the Blaine.

#### 6. Legal Comments -Keith Good

Keith mentioned that the District should consider have the banks post a guarantee of fund availability but that there is no urgency to do that quite yet. Keith brought up tax rate inquiries about house bill 2429 notices sent to taxpayers. The *de minus* tax rate generates an extra \$500,000. Mesquite will be obligated to compute the no new revenue, *de minus*, and no new tax rates.

#### 7. Hydrogeologist Report – Ray Brady/Amy Bush

Amy said they are 90% finished with the water level graphs and will get them to us soon. They will be keeping a close eye on aquifer recovery after rain. Ray and Amy would like the District to update the model for the aquifers in the District, definitely Pod 1 and 2. Updating the model will give the District a better tool to use for predicting water level changes. Amy would like it to get done within the next five years.

#### 8. Review and possibly update the District's Drought Contingency Policy

Terry moved to make no changes to the Drought Contingency Policy, Curtis seconded, all ayes.

#### 9. Review and possibly update the District's Recharge Enhancement Study

Johnny moved to make no changes to the District's Recharge Enhancement Study, Terry second, all ayes.

#### 10. Review and possibly update Investment Policy

No action was taken pending further input from legal.

#### 11. Review and possibly update qualified Banker/Brokers



Terry moved to approve the list of qualified Banker & Brokers, Michael second, all ayes.

12. Review and possibly update the District's Policy Manual

Curtis moved to re-approve the District's Policy Manual, Johnny second, all ayes.

13. Review and possibly update the District's approved Public Funds Investment Act training providers

Terry moved to accept the list of Public Funds Investment Act training providers, Michael second, all ayes.

14. Discuss and possibly update the District's signature cards at Pilgrim Bank

Curtis moved to update the signature card at Pilgrim Bank by resolution with Jerry, Terry, Johnny, and Lynn being signatories on the card, Michael second, all ayes.

15. Discuss and possibly update the District's signature cards at Happy State Bank

Michael moved to update the signature card at Happy State Bank by resolution with Jerry, Terry, Johnny, and Lynn being signatories on the card, Johnny second, all ayes.

16. Consider contract modification for Bookkeeper due to unplanned SAO Audit, interviews, and multiple new hires

Lynn suggested that Cheryl might be due additional pay because of unplanned duties that were outside of her Contract. Johnny moved to pay Cheryl an extra \$400 for work performed for the District outside of her existing Contract, Terry second, all ayes.

17. Consider and act on re-balancing the 2020-2021 District Budget as necessary

Lynn suggested that moving \$200 out of insurance into natural gas would help balance that portion of the budget. Johnny moved to take \$200 from insurance and add it to natural gas, Curtis second, all ayes.

Lynn stated that the District's website is down again and he would like to get away from Homestead's hosting due to too many technical difficulties. Michael moved to take \$3,000 out of Health insurance and add it to Telephone and Internet to cover the website design and new hosting, Johnny second, all ayes.

18. Review, consider, and act on compliance matters before the District, including, without limitation, violations leading to potential water quality issues, water wasting violations, and inoperable meter violations.

Lynn discussed that there was a complaint about wasting in Hall County, Plaska area but that he had not been able to discover where the issue was yet.

19. Consider setting a Hearing Date for receiving public comment on Proposed Desired Future Conditions of the aquifers within the District and Groundwater Management Area Six

By acclamation, the Board set the DFC Hearing date for August 12, 2021, 7 PM at the Memphis Library.

20. Other Business None

21. Executive Session: Consultation with Attorney Regarding Attorney Client Matters exempt from open meetings pursuant to Texas Government Code §551.071

None

22. Set Date and Time for the next Board Meeting

By acclamation, the Board to set date the date of the next Board meeting for August 12, 2021 and to coincide with the DFC Hearing.

23. Adjourn

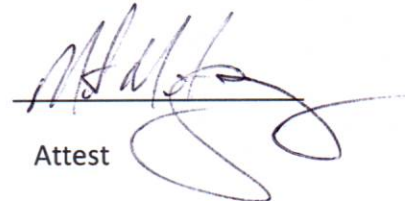
Johnny moved to adjourn at 8:51, Terry second, all ayes.

Minutes approved on August 12, 2021



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Approved



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Attest

