

THE STATE OF TEXAS §
 §
BRUSH COUNTRY GROUNDWATER §
CONSERVATION DISTRICT §

1. Discuss, consider, and possibly act on oath of office, statement of officer for board directors, Brooks County. Mrs. Cassandra Garza from the First National Bank of Falfurrias administered the oath of office and statement of officer for Aaron “Benny” Cantu and Antonio “Eneide” Gonzalez, Brooks County.
2. 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:

- Also in attendance were General Manager Luis Pena, Marco Ramirez administrative assistant Brush Country GCD. Emily Rogers Legal Counsel Bickerstaff, Robert Howard legislative consultant. George Gonzalez general manager Duval County GCD. Chris Cuellar, Trey Cranford proposed Nueces County groundwater. Mike Keester KT Groundwater, Irma Menchaca Brooks County citizen. Emilio “Sonny” Garza Jim Wells citizens. Aaron “Benny” Cantu Laborcitas Creek Ranch Brooks County, Todd Wright City Administrator City of Orange Grove. Jorge Negrete and Arnulfo Gallegos Communities Unlimited.

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4. Pledge of Allegiance. Pledge of Allegiance was recited.
5. Public comment. Mr. Jesse Howell presented a plaque to our president David Kelly who served for 16 years. Mr. David Kelly mentioned that it has been an honor and privilege to serve on the board, several board members and the general manager thanked him, Mrs. Menchaca commented and said this board is unique and very transparent that Mr. Kelly and the whole board have done a great job in running our meetings and our district.
6. Discuss, consider, and possibly act on Minutes of the Regular Meeting on June 23rd, 2026. Motion was made by Bill Botard to accept the minutes as presented, seconded by Paul Goranson, motion carried unanimously.
7. Discuss, consider, and possibly act on General Manager's Report:
 - A. Report on Kenedy County GCD meeting July 15, 2026 @ 10:30 a.m.
 - B. Duval County GCD July 29, 2026 @ 6:00 p.m.
 - C. TGWA Contractors Meeting July 16th, 2026
 - D. City of Orange Grove meeting July 10th, 2026 @ 9:30 a.m.
 - E. Report on Texas Well Owners Network water testing program/training June-23rd, 2026.

Mr. Pena mentioned that he had attended the Kenedy GCD meeting highlighted the major points, mentioned that they were working on their budget and tax rate, mentioned that the board had approved a 10 % raise for their general manager. Mr. Pena mentioned that he had also attended the Duval County GCD meeting, 3 hrs. long, main point was the Cielo Vista project, potentially solar power generation, along with potential data center, mentioned that Cielo Vista had drilled monitor well and plugged another well, had not completed production permit with Duval County GCD. Also, the Duval GCD was looking at amending their rules, production permits will be evaluated and reviewed by their hydrologist Dr. Venki Udamerri. Mr. Pena also mentioned that they had a great turn out with the contractors meeting TGWA, also mentioned that he and Mike Keester with KT Groundwater had met with City of Orange Grove city administrator Todd Wright and Trey Cranford on potential sites for monitor well and monitor equipment. Also, Mr. Pena mentioned that they had the TWON with Joel Pigg and had tested approximately 200 water samples from within the GMA 16. Lastly, Mr. Pena also mentioned that we have to prepare for a budget committee, volunteered for this committee is Jesse Howell, Paul Goranson, Mauro Garcia and Benny Cantu, Humberto Martinez will serve as an alternate.

Informational purposes only.
8. Presentation by Jorge Negrete Infrastructure Consultant with Communities Unlimited.

Mr. Jorge Negrete with Communities Unlimited presented his power point presentation on funding for septic systems and infrastructure, and potentially funding for water well drilling. Informational purposes only.

9. Discuss, consider, and possibly act on desired future conditions for relevant aquifers in GMA 16 by resolution. Mr. Pena mentioned that he had received several public comments and would forward all those comments to the GMA 16. Informational purposes only.
10. Discuss, consider, and possibly act on proposed brackish water rules adoption by resolution. Paul Goranson made the motion to amend the rules and accept the proposed brackish water Rules as presented, motion was seconded by Bill Botard, motion carried unanimously.
11. Discuss, consider, and possibly act on audit report FY 2025-2026 by Byron Blair CPA. Mr. Pena mentioned that Mr. Blair was having health issues, but would perform his audit at the August meeting, therefore; item was tabled.
12. Discuss, consider, and possibly act on approving financial statement and investment/pledge report. Mr. Pena mentioned that as of June 30,2026 the tax account balance was \$393,588.74 our operating account balance \$26,204.21 and our reserve account balance \$2,154,270.95 for a total of \$2,574,163.90. Mr. Pena added that our interest earned for the month of June was \$7,197.91 and that from the beginning of our fiscal year (Oct.2025 till June 2026) \$63,751.75 Mr. Pena went on to mention that he had received the pledge report from Mrs. Ericelda DeLeon, First National Bank of Falfurrias vice-president, The amount pledged is \$2,855,576.90 which is over pledged by \$294,423.10. Mr. Pena also mentioned that he had received a letter and had spoken to Cristopher Funk President of First National Bank of Falfurrias on the interest rate which had gone up from 3.15% to 3.66%, also mentioning that Mr. Funk would give us a report on our August monthly meeting. Motion to accept the above was made by Paul Goranson, seconded by Aaron Benny Cantu, motion carried unanimously.
13. Discuss, consider, and possibly act on Texas Drought Monitor. Mr. Pena showed the map of Texas showing the areas of drought with the recent rains received in June, motion was made by Paul Goranson, seconded by Antonio Gonzalez, motion carried unanimously.
14. Discuss, consider, and possibly act on payment of bills July 2026. Mr. Pena showed a copy of all bills, mentioned that it was a little higher than average, insurance coverage with TML was due, motion was made by Paul Goranson to pay the bills as presented, seconded by Humberto Martinez, motion carried unanimously.
15. Discuss, consider, and possibly act on legislative report from Robert Howard. Mr. Robert Howard gave his monthly legislative report mentioning the House Natural Resources Committee held a hearing on June 23rd, on the water demands of data centers and the status of water development funding as established through HJR 7 and SB7. Also mentioned Governor Abbott's proposals for Data Centers in growing response and awareness and opposition to data centers, he has introduced a set of regulatory recommendations to address

their rapid growth and increasing energy demands. Main proposals to be enacted in the next legislative session.

Elimination of Sales Tax Exemptions:

Infrastructure Costs:

Power Generation Requirements:

Water Usage regulations:

Annual Reporting:

Community Standards:

Mr. Howard also mentioned that Corpus Christi continues to make state headlines for their water issues. A lawsuit where a group of oil and gas producers and refiners are asking the city to reimburse them for \$80 million in water rate over-charges. Mr. Howard mentioned that the recent rains have brought up Lake Corpus Christi up almost four percent and still rising. Mr. Howard also mentioned that the Grant Funding from the TWDB will help us collect and analyze data due to massive pumping by Corpus Christi. Mr. Howard mentioned that the TAGD legislative subcommittee met again, major topic of discussion was the lawsuit filed in federal court by a water marketer against a northeast GCD. Also mentioned that he will be attending a legislative conference in West Texas in San Angelo. Informational purposes only.

16. Discuss, consider, and possibly act on GMA 16 issues. Mr. Pena mentioned that he had not received a specific date for the next GMA 16 from Lonnie Stewart, Mr. Pena anticipates that it will be either in September or October in conjunction with the Brush Country meeting. Informational purposes only.

17. Discuss, consider, and possibly act on new business and select date for next meeting. The board agreed that the next meeting will be held on August 25, 2026 at 9:30 a.m.

18. Adjourn. Motion to adjourn at 10:57 a.m. was made by Bill Botard, seconded by Mauro Garcia, motion carried unanimously.

Passed and approved this 25th, day of August 2026.

President, Board of Directors

Attest _____
Secretary, Board of Directors