

PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT
1009 N. ESPLANADE STREET CUERO, TX 77954
BOARD MEETING MINUTES - B
SEPTEMBER 15, 2026 – 9:15 A.M.

Board Members Present: Darnell Knippa, President (Pct. 2), Clem Waskow, Vice-President (At Large), Velinda Geffert, Secretary/Treasurer (Pct. 3), and Marvin Sager, Director (Pct. 4), Tim Pennell, Director (Pct. 1)

Also in attendance: Cindy Parma, General Manager, Sophia Proctor, General Manager Successor, Carole Moore, Administrative Assistant, Johnny Dietze, Attorney

1. Call to order: The meeting was called to order by the President at 9:20 A.M.
2. Roll Call: Establish Quorum: Quorum established.
3. Introduction of Guests and Virtual Visitors/Hearing Participants: Mark Klotzman, Melanie Klotzman, and Spencer Klotzman, Matt Morehead (Imperative Chemicals, District manager) and Robert Egg. Virtual Visitor: Casey Cooper (Mr. and Mrs. Klotzman's Water Law Attorney).
4. Public comment: None.
5. Discussion and action on Proposed FY 2027 Budget and Order Adopting Budget; take record vote.: A motion to approve the FY 2027 Budget and Order Adopting Budget as presented was made by Tim Pennell, seconded by Marvin Sager, which carried unanimously with 5 ayes and 0 nays.

Record Vote: Director Precinct No. 1 "Aye"
 Director Precinct No. 2 "Aye"
 Director Precinct No. 3 "Aye"
 Director Precinct No. 4 "Aye"
 Director At-Large "Aye"

TAXPAYER IMPACT STATEMENT			
Fiscal Year (Tax Year)	Median Valued Homestead	Tax Rate per \$100 of Value	Estimated Property Tax Bill
FY 2025-2026 (Tax Year 2025)	\$140,610	Adopted 2025 Tax Rate: \$0.00199	\$2.80
FY 2026-2027 (Tax Year 2026)	\$146,970	2026 No New Revenue Tax Rate: \$0.00219	\$3.22
FY 2026-2027 (Tax Year 2026)	\$146,970	Proposed 2026 Tax Rate Based on the proposed budget for 2026-27: \$0.00199	\$2.92

6. Discussion and action on 2026 Tax Rate; consider approval of Order setting the 2026 tax rate that does not exceed the No-New-Revenue Rate; take record vote.: Motion made: I move the 2026 tax rate and order be adopted at a rate of \$0.00199 per \$100 valuation. This year's proposed tax rate does not exceed the No-New-Revenue tax rate was made by Velinda Geffert, seconded by Marvin Sager, which carried unanimously with 5 ayes and 0 nays.

Record Vote: Director Precinct No. 1 "Aye"
 Director Precinct No. 2 "Aye"
 Director Precinct No. 3 "Aye"
 Director Precinct No. 4 "Aye"
 Director At-Large "Aye"

7. Discussion, update, and possible action as necessary on procedural or administrative matters only related to the Contested Application for Amendment to Operating Permit of Burlington Resources (Hamilton Permit #72), on referral to the State Office of Administrative Hearings.: No action taken.

Public Hearing Opened at 9:27 A.M.

8. Public Hearing on Non-Exempt Drilling and Operating Permit Application – Imperative Chemical Partners
 - a. Public Hearing on Non-Exempt Drilling and Operation Permit Application for the beneficial use of Industrial purposes. The application is requesting 10.04 acre-feet of water per year from this water well, which will comply with District Rule 8.1.3 qualifying for additional production limits on deep wells. This property is located on Hwy 183 South near Cuero and involves 10.04 acres.: No public comment.
 - b. Discussion and possible action on drilling and operating permit application.: A motion to approved the Non-Exempt Drilling and Operating Permit Application submitted by Imperative Chemical Partners for the beneficial use of Industrial purposes requesting 10.04 acre-feet of water per year from this well was made by Velinda Geffert, seconded by Marvin Sager, which carried unanimously.
9. Public Hearing on Non-Exempt Operating Permit Amendment Applications (3) – Nopal Oaks Ranch, LLC
 - a. Public Hearing on three Non-Exempt Operating Permit Applications submitted by Nopal Oaks Ranch, LLC for the beneficial use of Commercial purposes. The three applications are requesting to increase the production rate from 245 to 500. This property is located on Dubose Rd. near Yorktown and involves 1,388.06 acres.: No public comment.
 - b. Discussion and possible action on operating permit amendment applications.: A motion to approve the three Non-Exempt Operating Permit Applications submitted by Nopal Oaks Ranch, LLC for the beneficial use of Commercial purposes requesting to increase the production rate from 245 to 500 was made by Tim Pennell, seconded by Clem Waskow, which carried unanimously.
10. Public Hearing on the Transport Permit Application submitted by Nopal Oaks Ranch, LLC.
 - a. Public Hearing on the Transport Permit Application requesting to transport a total of 825 acre-feet per year from four permitted wells. The application is not requesting additional water production, only the ability to transport to an adjoining county for oil and gas purposes.: No public comment.
 - b. Discussion and possible action on the transport permit application.: A motion to approve the Transport Permit Application submitted by Nopal Oaks Ranch, LLC requesting to transport a total of 825 acre-feet of water per year from four permitted wells with monthly reporting and pay monthly for the amount of water actually transported was made by Tim Pennell, seconded by Marvin Sager, which carried unanimously.

Public Hearing Closed at 10:01 A.M.

11. Approval of Minutes of August 18, 2026 and September 15, 2026 Meeting A. (provided prior to meeting). A motion to approve the minutes of August 18, 2026 and September 15, 2026 Meeting A as presented was made by Velinda Geffert, seconded by Clem Waskow, which carried unanimously.
12. Financial Report: Board Treasurer has reviewed August 2026 bank statement reconciliations and finds all in order.: A motion to approve the August 2026 Financial Report was made by Velinda Geffert, seconded by Marvin Sager, which carried unanimously.
13. August 2026 Investment Report (provided prior to meeting): A motion to approve the August 2026 Investment Report was made by Tim Pennell, seconded by Marvin Sager, which carried unanimously.
14. Budget Amendments for FY 2026.: A motion to approve the budget amendments for FY 2026 as presented was made by Velinda Geffert, seconded by Tim Pennell, which carried unanimously. (See attached report)

15. September 2026 Uncontested Permits Report.: General Manager Successor Sophia Proctor presented the report. (See attached report.)
16. Receive Certification of Unopposed Candidates for November 3, 2026 District election.: No action taken.
17. Update Bank Signature Cards at Huntington Bank, TrustTexas Bank and Prosperity Bank.: A motion that Cynthia Parma be removed from all bank signature cards and Sophia Proctor be added on all accounts at Huntington Bank, TrustTexas Bank and Prosperity Bank, effective 10/01/26. All other authorized signers on accounts will remain the same was made by Velinda Geffert, seconded by Marvin Sager, which carried unanimously.
18. General Manager Report. The General Manager will brief the Board on operational and management matters of the District since the last Board meeting, including updates on registration and permitting, Groundwater Management Area matters, work of consultants, the district's database and website, monitoring wells and water levels, conferences, budget and personnel matters, and upcoming events.: General Manager Cindy Parma presented the report. (See attached report.)
19. Discuss or take any action on additional items presented to or by the board for consideration at the next meeting.: No action taken.

Closed Meeting: Executive Session was called at 10:19 A.M. to discuss matters protected by the personnel matters (§551.074).

Return to Open Meeting: Open Meeting was resumed at 10:35 A.M.: The Board gave General Manager Cindy Parma a \$1,000 net Retirement Bonus to be paid on the final paycheck 9/30/2026.

20. Adjourn: The meeting adjourned at 10:39 A.M. with a motion by Tim Pennell and seconded by Clem Waskow, which carried unanimously.



Velinda Geffert, Secretary/Treasurer

Recorded: Carole Moore, Administrative Assistant