

**Item 5 – Amendments to 2024 District Operating Budget – Legal, Hydrology, Part-Time Office Personnel**

The District has incurred expenses during FY2024 that were unforeseen when the District Operating Budget was approved in November 2023. These expenses include:

- Legal Expenses associated with a contested case requested by the cities of Bryan and College Station, Texas A&M University System, Brazos County, and Ermine Dieckman regarding seven (7) transport permit applications.
- Mike Gershon has been retained by the General Manager (GM) to represent the GM in all matters relating to the contested case matter including SOAH Hearing matters and matters related to negotiations to avoid SOAH hearings.
- Legal Expenses associated with Monique Norman and her representation of the Board in the SOAH matters described above.
- Hydrogeological Expenses directly related to the transport permit application and hearings (permit and SOAH).
- Part time employee (Taelor Suarez) hours was underestimated during the budgeting process. She has been filling in information into the database vital to both normal District operations and the Well Assistance Program.

It is suggested that the **2024 District Operating Budget** be amended as follows:

1. Hydrogeological Services – Increased \$55,000 (\$120,000 to \$175,000)
2. Legal Services – Increased \$75,000 (\$78,500 to \$153,500)
3. Part time Employee – Increased \$6,000 (\$7,000 to \$13,000)

It is suggested that the **2024 District Capital Budget** be amended as follows:

1. Purchase of H&R Block Building - \$107,000
2. Purchase of 213 S. Magnolia Street property - \$18,500
3. Contracted Demolition of 213 S. Magnolia Street building - \$65,500

**The General Manager recommends the Board amend the 2024 District Operating Budget line items for Hydrogeological/Engineering Services, Legal Services and Part Time Office Employee and the 2024 District Capital Budget as described above.**