

**NORTH TEXAS
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

**MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS**

**TUESDAY
JANUARY 12, 2016
10:00 AM**

NOTICE OF PUBLIC MEETING

OF THE
BOARD OF DIRECTORS of the

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT
at the

Mustang SUD Administrative Offices
7985 FM 2931
Aubrey, Texas

Tuesday, January 12, 2016, at 10:00 a.m.

Board Meeting/Workshop

The regular Board Meeting will begin at 10:00 a.m.

Notice is hereby given that the Board of Directors of the North Texas Groundwater Conservation District ("District") may discuss, consider, and take all necessary action, including expenditure of funds, regarding each of the agenda items below:

Agenda:

1. Pledge of Allegiance and Invocation
2. Call to order, establish quorum; declare meeting open to the public
3. Public comment
4. Consider and act upon approval of the minutes from the November 10, 2015, board meeting
5. Consider and act upon approval of invoices and reimbursements
6. Receive reports from the following Committees*:
 - a. Budget and Finance Committee
 - 1) Receive Monthly Financial Information
 - b. Investment Committee
 - 1) Receive Quarterly Investment Report
 - c. Rules and Bylaws Committee
 - d. Groundwater Monitoring and Database Committee
 - e. Policy and Personnel Committee
 - f. Conservation and Public Awareness Committee
 - g. Management Plan Committee
 - h. Desired Future Condition Committee
7. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs)

8. Consider and act upon compliance and enforcement activities for violations of District
9. General Manager's Report: The General Manager will update the board on operational, educational and other activities of the District
10. Open forum / discussion of new business for future meeting agendas
11. Adjourn public meeting

* Reports from District standing committees will include a briefing by each committee for the Board on the activities of the committee, if any, since the last regular Board meeting.

The above agenda schedules represent an estimate of the order for the indicated items and is subject to change at any time.

These public meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting, please call (855) 426-4433 at least 24 hours in advance of the meeting to coordinate any special physical access arrangements.

For questions regarding this notice, please contact Velma Starks at (855) 426-4433, at ntqcd@northtexasqcd.org, or at 5100 Airport Drive, Denison, TX 75020.

At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the North Texas Groundwater Conservation District Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

ATTACHMENT 4

**MINUTES OF THE BOARD OF DIRECTORS' PUBLIC MEETING
NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**

TUESDAY, NOVEMBER 10, 2015

**MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS**

Members Present: Chris Boyd, Eddy Daniel, Evan Groeschel, Kenny Klement, Philip Sanders, Thomas Smith, Ronny Young, Joseph Helmberger, Ron Sellman

Members Absent: None

Staff: Drew Satterwhite, P.E., Velma Starks, Carolyn Bennett

Legal Counsel: None

Visitors: James Beach, LBG-Guyton Associates
Peter Schulmeyer, Collier Consulting
Neal Welch, City of Sanger
Joseph Johnson, City of Anna Director of Public Works

1. Pledge of Allegiance and Invocation

President Daniel provided the invocation and led the group in the pledge of allegiance.

2. Call to order, establish quorum; declare meeting open to the public.

President Daniel called the meeting to order at 10:04 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public comment

There were no citizens present requesting to appear before the Board of Directors for public comment.

4. Consider and act upon approval of Minutes from the October 20, 2015 board meeting

Motion was made by Thomas Smith and seconded by Ronny Young to approve the Minutes from the October 20, 2015 board meeting. Motion passed unanimously.

5. Consider and act upon approval of invoices and reimbursements.

After a brief discussion, Philip Sanders made the motion to approve Resolution 2015-11-10-01. Chris Body seconded the motion. Motion passed unanimously.

6. Receive reports from the following Committees*:

a. Budget and Finance Committee

1) Receive Monthly Financial Information

Drew Satterwhite presented the financial information to the Board.

b. Investment Committee

No report.

c. Rules and Bylaws Committee

No report.

d. Groundwater Monitoring and Database Committee

No report. Drew Satterwhite will reach out to the committee regarding database. (The Committee members are Eddy Daniel, Ronny Young and Kenny Klement.)

e. Policy and Personnel Committee

No report

f. Conservation and Public Awareness Committee

No report.

g. Management Plan Committee

No report.

h. Desired Future Condition Committee

No report.

7. Consider and act upon confirming execution of engagement letter for audit services for fiscal year ending December 31, 2015

After a brief discussion, Ronny Young made the motion to confirm the execution of the engagement letter for audit with Hankins, Eastup, Deaton, Tonn and Seay of Denton, Texas. Evan Groeschel seconded the motion. Motion passed unanimously. It was mentioned that a good business practice is to change auditors at least every few years.

8. Consider and act upon Mustang SUD Meeting Payments

After a brief discussion regarding the use of Mustang SUD facilities for meetings and refreshments, \$75 was considered a reasonable payment. Thomas Smith made the motion to pay Mustang SUD \$75 per meeting the facilities are used. Ron Sellman seconded the motion. Motion passed unanimously.

9. Consider and act upon approval of Investment Policy

Ronny Young stated that he was to be removed as Investment Officer and that Evan Groeschel be named as Investment Officer. A brief discussion was held regarding the position of Investment Officer. Joseph Helmberger made the motion that the Investment Policy be approved with the revision that Evan Groeschel is Investment Officer. Thomas Smith seconded the motion. Motion passed unanimously.

10. Consider and act upon 2016 Administrative Services Contract with Greater Texoma Utility Authority

Eddy Daniel gave brief history of how Administrative Services Contract was established. Brief discussion of minor changes in estimated cost of services was held. The Board discussed the history of the administrative services being provided by Greater Texoma Utility Authority staff. Joseph Helmberger made motion to accept 2016 Administrative Services Contract with Greater Texoma Utility Authority as presented. Philip Sanders seconded the motion. Motion passed unanimously.

11. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs).

This matter will be discussed during a later agenda item.

12. Consider and act upon compliance and enforcement activities for violations of District

No activities for this month.

13. General Manager's Report: The General Manager will update the board on operational, educational and other activities of the District.

Drew Satterwhite reviewed the well registration summary as of October 31, 2015. Wayne Parkman informed the Board that he is setting up monitoring spreadsheets. Board members expressed the need for presentations to various civic groups and county commissioners to update them on Groundwater Districts. Contact methods were discussed.

14. Receive Visioning presentation from LBG Guyton Associates

James Beach, LBG Guyton Associates, provided Visioning presentation. He emphasized that the information was to assist them in making the difficult DFCs decisions. DFCs Committee members are Eddy Daniel, Ronny Young and Evan Groeschel. The Committee was authorized to order additional model runs within the limits of available funding in the budget. Board members had questions about pumping numbers, wanting more details on well locations and draw down. James Beach agreed to provide this information for distribution. Discussion was held regarding the DFC process and the associated timelines.

15. Open Forum / discussion of new business for future meeting agendas

No items were offered for future meeting agendas.

16. Adjourn public meeting

Eddy Daniel adjourned the meeting at 12:48 p.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 6 B-1

North Texas Groundwater Conservation District
Investment Report
December 31, 2015

This report complies with the requirements of the Public Funds Investment Act and covers all the funds of the District that are subject to the Act. At December 31, 2015, the investment position was a little less than \$1,200,000. \$674,000 of these funds are invested in a CDARS program thru Independent Bank earning .25%.

The District was in compliance with all provisions on the investment policy and the Public Funds Investment Act as of December 31, 2015.

All transactions were routine.

Presented by North Texas Groundwater Conservation District Investment Officers:

Eddy Daniel

ATTACHMENT 7

DATE: January 8, 2016

SUBJECT: AGENDA ITEM NO. 7

UPDATE AND POSSIBLE ACTION REGARDING THE PROCESS FOR THE DEVELOPMENT OF DESIRED FUTURE CONDITIONS (DFCS)

ISSUE

The Desired Future Conditions (“DFC”) Committee has authorized an additional model run. This model run has the potential to be voted in for consideration by the Groundwater Management Area (“GMA”) 8 as a proposed DFC. The committee would like the Board’s concurrence on the approach prior to voting this run in for consideration.

BACKGROUND

On December 3rd, the DFC Committee met to discuss inputs for a new model run that has a strong potential of being voted in for consideration at the upcoming GMA-8 meeting. The committee had the benefit of reviewing all of the Hydrogeology data that we have collected over the past several years. The committee paid special attention to the information presented to the NTGCD BOD at the October and November 2015 meetings along with the “Impact to Existing Well Maps” put together by LBG Guyton.

Below, is a summary of what was discussed when considering inputs for the model run. It is important to note that the multiplication factors discussed are based off of GAM Run 5 (2010 baseline that was used for the model) as opposed to actual meter data. The actual multiplier of the Run 5 pumping numbers incorporating our meter data would be 1.3. Also, the references to District’s meter data are the last 4 years of data that have been collected.

State Water Plan Summary

According to the State Water Plan it does not appear that the water suppliers in Collin and Cooke counties intend to rely on groundwater to meet additional water demands in the future. Denton County water suppliers expect new wells to make up a small portion of their additional supply.

Collin County

Collin County is fortunate to have the North Texas Municipal Water District in the region that will likely continue to expand north along with the DFW Metroplex. Northern Collin County is where the majority of the groundwater is produced and we expect this area to grow and eventually switch to a surface water source as it is available. One example of this is along the Highway 75 corridor where the two largest cities north of the metroplex have already obtained a surface water source to supplement their well water. We expect this trend to continue as the cities outgrow their wellfields and the NTMWD brings Lower Bois D’Arc online making more surface water available. The pumping discussed today is as follows:

- **Woodbine - 1.2x – 4,254 acre-feet** - This would set the pumping near the average (281 acre-feet over) current use.
- **Antlers – 3.5x – 1,962 acre-feet** – This would set the pumping at more than 2.5x (1,198 acre-feet) the average, but would provide the District with another source to allocate pumping. It is also worth noting that the existing public water supply wells in the Collin County Trinity layers would see little impact under this scenario according to the maps that LBG provided.

- **Paluxy – 1.3x – 1,548 acre-feet** – This is 775 acre feet more than is currently being produced according to our meter data, but would also provide us with another source to allocate pumping. Again, the existing Trinity wells are showing little impact from pumping increases.
- **Twin Mountains – 11.0x – 2,202 acre-feet** – This would set the pumping slightly above the average of the District’s existing use. It is worth noting that although the 11.0x looks significant, we are only talking about a 2,000 acre-feet increase to bring the pumping level up to what we are actually seeing today. This is only 250 acre-feet above what we are pumping today.

Cooke County

Cooke County’s largest producer, Gainesville, has the rights to 20,000 acre-feet per year of surface water. 8,000 acre-feet are in Moss Lake in which the city currently has a pump station and the other 12,000 are in Lake Texoma which will be more difficult to access due to their location on the upper end of Texoma. The city’s access to these surface water sources will enable them meet the future water demands of the city and the surrounding water suppliers if necessary.

- **Woodbine - 1.3x – 800 acre-feet** – This would set the pumping at approximately 27 acre feet above the existing pumping average. A vast majority (664 acre-feet) of the existing usage is exempt usage.
- **Antlers – 2.5x – 10,522 acre-feet** – This would set the pumping approximately 1,243 acre-feet above the District’s average usage, but would give the county some room to grow in the present day rural areas until they can get access to wholesale surface water.

Denton County

Upper Trinity Regional Water District’s service area covers a majority of the Denton County. We expect a larger portion of Denton County’s water demand to be met by groundwater than Collin and Cooke. UTRWD is actively pursuing the construction of the Ralph Hall reservoir, but still has many hurdles they will need to cross to accomplish this task. Denton County is one of the fastest growing in the state and will likely need the groundwater to meet demands until the surface water supplies are in place.

- **Woodbine - 1.3x – 3,609 acre-feet** – This would set the pumping approximately only 108 acre-feet above the average usage, but is also located in the area of Denton County expected to see the least amount of growth.
- **Antlers – 1.5x – 16,557 acre-feet** – This would set the pumping approximately 4,235 acre feet above the average usage, but allow the county to grow. The Antlers portion of the county may see the most development as it still has a lot of land that is undeveloped.
- **Paluxy – 1.7x – 4,823 acre-feet** – This would set pumping at approximately 2.5x (2,926 acre-feet) what the average usage is showing.
- **Twin Mountains – 4.6x – 8,372 acre-feet** – This would set the pumping above average by 1,533 acre-feet. The Paluxy/Twin Mountains portion of Denton County is more developed and may not be the portion of the county to see most population growth.

CONSIDERATIONS

Voting a DFC in for consideration at the GMA-8 level does not set the DFC. Each District and the GMA-8 will then be tasked with further evaluating all nine (9) considerations as set forth by the legislature. Given the time frame we are working with to meet the May 1, 2016 deadline, it is possible that it may be difficult for one (1) District to modify the approach after a DFC is being formally considered by the GMA-8.

It would be beneficial for the Board to come to an agreement on a proposed DFC at this meeting. This would help ensure that at least one DFC is on the table for the GMA-8.

STAFF RECOMMENDATIONS

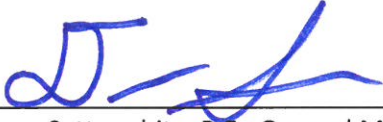
The staff recommends authorizing Mr. Eddy Daniel, the District’s GMA-8 Representative, to vote proposed DFCs into consideration at future GMA-8 meetings. The DFC will follow the logic discussed in this memo with any comments received from the Board at the January 12th meeting. If another GMA-8 DFC that has a significant impact to the NTGCD is proposed for consideration, we would propose to allow the DFC Committee to authorize a GMA-8 vote. The final DFC will be brought back to the Board of Directors before a vote.

The staff also recommends authorizing the DFC Committee to submit a DFC statement to the GMA-8. The statement would be drafted using the same logic and information discussed in this memo.

Attachments

Model Input Summary

PREPARED AND SUBMITTED BY:

A handwritten signature in blue ink, appearing to be 'Drew Satterwhite', written over a horizontal line.

Drew Satterwhite, P.E., General Manager

**North Texas GCD DFC Assessment
GMA-8 Run 10 Evaluation**

County/ Aquifer	2010 Pumping Estimate used in Run 5 (af/yr)	Peak Meter Use (af/yr)	Average Meter Use (2012-2014) (af/yr)	Exempt Use (af/yr)	Peak Total Use (af/yr)	Average Total Use (2012-2014) (af/yr)	Proposed Multiplier for 2010 pumping	County/Aquifer pumping for Run 10 (af/yr)	Increase from Average Total Use (af/yr)	% Increase from Average Total Use
COLLIN										
Woodbine	3545	4,701	3,868	105	4,806	3,973	1.2	4,254	281	7%
Antlers	561	843	746	18.1	861	764	3.5	1,962	1,198	157%
Paluxy	1190	1,108	734	38.4	1,146	772	1.3	1,548	775	100%
Twin Mountains	200	2,374	1,946	6.5	2,380	1,952	11.0	2,202	250	13%
Collin Total	5,496	9,026	7,294	168	9,194	7,462		9,966	2,504	34%
COOKE										
Woodbine	616	133	110	664	797	774	1.3	800	27	3%
Antlers	4209	10,470	8,501	779	11,249	9,280	2.5	10,522	1,243	13%
Cooke Total	4,825	10,603	8,610	1,443	12,046	10,053		11,323	1,269	13%
DENTON										
Woodbine	2776	2,504	1,843	1,658	4,162	3,501	1.3	3,609	108	3%
Antlers	11038	12,056	10,765	1,557.1	13,613	12,322	1.5	16,557	4,235	34%
Paluxy	2837	2,168	1,496	400.2	2,568	1,897	1.7	4,823	2,926	154%
Twin Mountains	1820	9,871	6,582	256.7	10,128	6,839	4.6	8,372	1,533	22%
Denton Total	13,814	26,599	20,687	3,872	30,471	24,559		33,360	8,802	36%
NTGCD Total	24,135	46,228	36,591	5,483	51,711	42,074		54,649	12,575	30%

ATTACHMENT 9

North Texas Groundwater Conservation District

Well Registration Summary As of December 31, 2015

County	Exempt Wells	Non-Exempt Wells	Total Registered Wells
Collin County	110	100	210
Cooke County	295	117	412
Denton County	552	377	929
Total	957	594	1551

Monthly Summary December 2015

County	New Exempt Well Registrations	New Non-Exempt Well Registrations	Existing Exempt Well Registrations	Existing Non-Exempt Well Registrations	Exempt Wells Completed	Non-Exempt Wells Completed	Wells Plugged
Collin County	0	0	0	0	0	0	0
Cooke County	4	0	0	0	3	0	0
Denton County	9	1	0	0	5	1	0
Total	13	1	0	0	8	1	0

North Texas Groundwater Conservation District

Well Registration Summary As of November 30, 2015

County	Exempt Wells	Non-Exempt Wells	Total Registered Wells
Collin County	110	100	210
Cooke County	291	117	408
Denton County	543	376	919
Total	944	593	1537

Monthly Summary November 2015

County	New Exempt Well Registrations	New Non-Exempt Well Registrations	Existing Exempt Well Registrations	Existing Non-Exempt Well Registrations	Exempt Wells Completed	Non-Exempt Wells Completed	Wells Plugged
Collin County	0	1	0	0	3	0	3
Cooke County	7	0	0	0	4	0	0
Denton County	10	3	0	3	14	0	1
Total	17	4	0	3	21	0	4

ADJOURN