

**MINUTES OF THE BOARD OF DIRECTORS' BOARD MEETING
RED RIVER GROUNDWATER CONSERVATION DISTRICT**

THURSDAY, MAY 17, 2018

**GREATER TEXOMA UTILITY AUTHORITY
BOARD ROOM
5100 AIRPORT DRIVE
DENISON TX 75020**

Members Present: Mark Gibson, Harold Latham, Mark Newhouse, Mark Patterson, David Gattis, and Billy Stephens

Members Absent: Chuck Dodd

Staff: Drew Satterwhite, Allen Burks, Paul Sigle, Wayne Parkman, Debi Atkins, Theda Anderson, Carolyn Bennett, and Velma Starks

Visitors: James Beach, WSP
Kristen Fancher, Fancher Legal
John Faulkner, Faulkner & Son

Board Meeting

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

President Patterson called the meeting to order at 10:07 a.m., established a quorum was present, and declared the meeting open to the public.

2. Public comment

John Faulkner, Faulkner & Son requested for the Board to consider a new exemption threshold of 30,000 gallons per day (20.8 gpm) instead of 25,000 gallons per day (17.36gpm).

3. Consider and act upon approval of Minutes of March 15, 2018, Board Meeting.

Board Member Gattis made a motion to approve the minutes of the March 15, 2018 meeting. The motion was seconded by Board Member Stephens. The motion passed.

4. Review and approval of monthly invoices.

General Manager Satterwhite reviewed the monthly invoices with the Board of Directors. Board Member Gattis made a motion to approve Resolution 2018-05-01. Board Member Gibson seconded the motion. Motion passed unanimously.

5. Receive monthly financial information.

General Manager Satterwhite reviewed the monthly financial information with the Board.

6. Receive Quarterly Investment Report.

General Manager Satterwhite presented the Quarterly Investment Report to the Board. After a brief discussion the Board suggested that the staff search for interest bearing accounts and report back to the board. The Budget Committee is to present a budget in July.

7. Receive Quarterly Report.

General Manager Satterwhite reviewed the Quarterly Report with the Board. He informed the Board that there are 788 registered wells in the district. The number had been adjusted by removing wells from the database that had not been drilled. A total of 84 well inspections have been made as of March 31, 2018.

8. Consider and act upon authorization to solicit proposals for 2018 audit services.

General Manager Satterwhite informed the Board that the auditor was concluding their 5th year with the 2017 fiscal year. Some entities consider it a best practice to rotate auditors and/or audit firms every 5 years. The staff is requesting direction if the current auditors should be included in solicitation for an auditor. After a discussion of the difficulty in finding auditors in the current market and since the District is not required to change firms, the Board decided to keep the same firm and request that the lead auditor be switched. Board Member Gibson made the motion to keep McClanahan and Holmes and request that the lead auditor be changed. Board Member Newhouse seconded the motion. Motion passed unanimously.

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

Kristen Fancher, Legal Counsel reported that the deadline for DFCs protests passed without any protests. GMA-8 did not receive any protests. General Manager informed the Board that the GMA-8 meeting will be on June 27 at 10 a.m. in Cleburne. There are several administrative items that will need to be addressed.

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

a. Texas Rain Holding Co. lawsuit

Kristen Fancher reported that all necessary documentation has been filed giving Texas Rain Holding Co. 90 days to respond. She will update after 90 days have passed.

b. Buena Vista Turf Farm, LLC

General Manager Satterwhite informed the Board that Buena Vista Turf Farm had been purchased and needed to complete a transfer of ownership and send meter readings. Failure to send in meter readings is \$500.00 fine and failure to send transfer of ownership form is \$100 fine. The total fine is \$600.00. Board Member Gattis made the motion to fine Buena Vista Turf Farm, LLC the total of \$600 for failure to send the meter readings and transfer of ownership form. Board Member Gibson seconded the motion. Motion passed unanimously.

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

a. Discuss potential sampling program

General Manager Satterwhite discussed potential sampling programs with the Board

