

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

THURSDAY, JUNE 22, 2017

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

Members Present: David Gattis, P.E., Mark Gibson, P.E., Harold Latham, Mark Newhouse, Mark Patterson, Don Wortham, PhD

Members Absent: William Purcell

Staff: Drew Satterwhite, P.E., Allen Burks, Carolyn Bennett, Wayne Parkman, Tasha Hamilton, Debi Atkins, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal, PLLC
Kathryn Baecht, CORE
Alan Richard, CORE
Jarrett Tucker, CORE
Scott Lipsett, CORE
John Lavoman
Andy Reich, McClanahan and Holmes, LLP

Show Cause Hearing

Agenda:

1. Call to Order, declare hearing open to the public, and take roll.

Board President Mark Patterson called to Order, declared hearing open to the public, and took roll at 2:01 p.m.

2. Conduct Show Cause Hearing under Rule 9.6 on the following for alleged violations of District Rules; discuss, consider, receive testimony, and take appropriate action, including without limitation authorizing the District to initiate a civil lawsuit to enforce compliance with the District Rules, including recovery of civil penalties, costs, and attorney's fees, and all other appropriate legal and equitable relief:

A. Texas Rain Holding Co., Inc., 2401 Callender Rd., Suite 105, Mansfield, TX 76063 and 2004 Southwest Parkway Granbury, TX 76048

No one was present to represent Texas Rain Holding Co., Inc.

3. Adjourn or continue show cause hearing.

The Board went into Executive Session at 2:04

The Board reconvened into Regular Session at 2:23 and adjourned the Show Cause Hearing.

Board Meeting

The regular Board Meeting will begin at 2:15 p.m. or upon adjournment of the above noticed Show Cause Hearing, whichever is later.

The Board of Directors may discuss, consider, and take all necessary action, including expenditure of funds, regarding each of the agenda items below:

Agenda

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

President Patterson called the meeting to order at 2:25 p.m., established a quorum was present, and declared the meeting open to the public.

2. Public comment

Members of CORE were present requesting to appear before the Board of Directors for public comment. Members expressed their concerns regarding the impact that the sand mining is having on groundwater in Fannin County. Members wanted to know if the District had any jurisdiction over this situation and what the district was doing to investigate the situation.

General Manager Satterwhite informed the members of CORE that the District had contacted TCEQ who has jurisdiction and the TCEQ tests the sand mining water every 3 years.

Legal Counsel informed the group that they are talking with legislative members to see what can be done.

General Manager Satterwhite informed the group that at this time the sand mining company with a registered well is in compliance with District Rules.

3. Consider and act upon approval of Minutes from the April 20, 2017 board meeting

Board Member Gattis made a motion to approve the minutes of the April 20, 2017 meeting. Board Member Gibson seconded the motion and motion passed unanimously.

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 liabilities. Board Member Newhouse seconded the motion. Motion passed unanimously.

5. Receive monthly financial information

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

6. Appointment of a Budget Committee

The Board appointed Mark Newhouse, Mark Gibson, and Mark Patterson as the Budget Committee.

7. Consider and act upon 2016 Audit

Andy Reich of McClanahan and Holmes, LLP presented the Audit. Board Member Gattis made a motion to accept the Audit as presented. Board Member Wortham seconded the motion. Motion passed unanimously.

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

General Manager Satterwhite informed the Board that everything has been sent to TWDB and we are waiting on their approval. He also informed the Board that Eddy Daniel has retired from NTGCD and as a result we have lost our GMA-8 President.

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

The Board decided to add \$500.00 to the Texas Rain Holding Co., Inc. fine. Board Member Gattis made the motion to increase the Texas Rain Holding Co., Inc. fine by \$500.00. Board Member Newhouse seconded the motion. Motion passed unanimously.

General Manager Satterwhite informed the Board that a well had been drilled for a public water supply without the Notice to Proceed. The fine and fees have been paid. Board Member Gibson made the motion to accept that no action needs to be taken. Board Member Gattis seconded the motion. Motion passed unanimously.

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

General Manager Satterwhite updated the Board on the progress being made with INTERA. The injection well monitoring project is up and running. Bring up the Fund Balance in the Fall.

17. Open Quorum/discussion of new business for future meeting agendas

The Board set July 13 tentatively at 2 p.m. for the next meeting.

18. Adjourn

President Patterson declared the meeting adjourned at 3:15 p.m.

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Velma Starks
Recording Secretary

John Warkentin
Secretary-Treasurer