

**RED RIVER
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

**Greater Texoma Utility Authority Board Room
5100 Airport Drive
Denison, Texas 75020**

**Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/240121245>**

or

Join by phone 646-749-3122 with access code: 240-121-245

**THURSDAY
APRIL 15, 2021**

NOTICE OF PUBLIC MEETING
OF THE
BOARD OF DIRECTORS OF THE
RED RIVER GROUNDWATER CONSERVATION DISTRICT
Thursday, April 15, 2021 at 10:00 a.m.

IN-PERSON MEETING LOCATION:
Greater Texoma Utility Authority Board Room
5100 Airport Drive
Denison, Texas 75020

REMOTE ACCESS AVAILABLE AT:
Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/240121245>

or

Join by phone 646-749-3122 with access code: 240-121-245

Notice is hereby given that, in accordance with Governor Abbott's March 16, 2020, action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the Board of Directors of the Red River Groundwater Conservation District ("District") will hold a Board meeting in-person and via telephone and video conference call beginning at 10:00 a.m. on Thursday, April 15, 2021.

Board Meeting

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

Notice is hereby given that the Board of Directors of the Red River 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 Minutes of March 18, 2021, Board Meeting.
5. Budget and Finance.
 - a. Review and approval of monthly invoices.
 - b. Receive monthly financial information.
 - c. Receive Quarterly Report on Management Plan.
 - d. Receive Quarterly Investment Report.

- e. Consider and act upon the District's Fund Balance Policy.
 6. Update and possible action regarding the process for the development of Desired Future Conditions (DFC).
 - a. Consider and act upon Resolution 2021-04-15-02 approving and submitting the District's Desired Future Conditions Summary Report for GMA 8.
 7. Consider and act upon compliance and enforcement activities for violations of District Rules.
 - a. Discussion and possible action on the process for processing unregistered non-exempt wells.
 8. General Manager's report: The General Manager will update the Board on operational, educational and other activities of the District.
 - a. Well Registration Summary
 - b. Update on Injection/Disposal Well Monitoring Program
 - c. Legislative Update
 9. Open forum / discussion of new business for future meeting agendas.
 10. Adjourn.
-

¹*The Board may vote and/or act upon each of the items listed in this agenda.*

²*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 Red River 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.*

³*Persons with disabilities who plan to attend this meeting, and who may need assistance, are requested to contact Velma Starks at (800) 256-0935 two (2) working days prior to the meeting, so that appropriate arrangements can be made.*

⁴*For questions regarding this notice, please contact Velma Starks at (800) 256-0935, at rrgcd@redrivergcd.org or at 5100 Airport Drive, Denison, TX 75020.*

ATTACHMENT 4

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

Thursday, March 18, 2021

REMOTE ACCESS AVAILABLE AT:

Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/461830901>

or

Join by phone 872-240-3212 with access code: 461-830-901

Notice is hereby given that, in accordance with Governor Abbott's March 16, 2020, action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the Board of Directors of the Red River Groundwater Conservation District ("District") will hold public hearings and a Board meeting via telephone and video conference call beginning at 10:00 a.m. on Thursday, March 18, 2021.

Members Present: Chuck Dodd (arrived 10:15 a.m.), David Gattis, Mark Gibson, Harold Latham, Billy Stephens and Mark Patterson

Members Absent: Mark Newhouse

Staff: Drew Satterwhite, Allen Burkes, Paul Sigle, Debi Atkins, Nichole Sims, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal

Permit Hearing

1. Call to Order; establish quorum; declare hearing open to the public; introduction of Board.

Board President Mark Patterson called the hearing to order at 10:06 a.m., established that a quorum was present, and declared the meeting open to the public.

2. Review the Production Permit Application of:

Applicant: Anani LLC, 10361 Bickham Road, Dallas, TX 75220

Location of Well: 873 Wall Street, Gunter, TX 75058; Latitude: 33.4703573°N Longitude: 96.7836184°W; about 1 mile north of the intersection of FM 121 and Wall Street and about 1,200 feet west of Wall Street

Purpose of Use: Concrete Batch Plant; Industrial Use

Requested Amount of Use: 7,000,000 gallons per year

Production Capacity of Well: 50 gallons per minute
Aquifer: Woodbine Aquifer

General Manager Drew Satterwhite reviewed the application with the Board. Discussion was held.

3. Public Comment on the Production Permit Applications (verbal comments limited to three (3) minutes each).

There were no public comments.

4. Consider and act upon the Production Permit Applications, including designation of parties and/or granting or denying the Production Permit Applications in whole or in part, as applicable.

Board Member David Gattis made the motion to grant the Production Permit Application. Board Member Billy Stephens seconded the motion. Motion passed unanimously.

5. Adjourn or continue permit hearing.

President Mark Patterson declared the permit hearing adjourned at 10:15 a.m.

Board Meeting

1. Pledge of Allegiance and Invocation.

Board President Mark Patterson led the group in the Pledge of Allegiance. Board Member Chuck Dodd offered the invocation for the group.

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

Board President Mark Patterson called the meeting to order at 10:15 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public Comment.

There were no public comments.

4. Consider and act upon approval of Minutes of January 21, 2021, Board Meeting.

Board Member Billy Stephens made a motion to approve the minutes of the January 21, 2021 meeting. The motion was seconded by Board Member Mark Gibson. The motion passed unanimously.

5. Budget and Finance.

- a. Review and approval of monthly invoices.

General Manager Drew Satterwhite reviewed the January and February invoices with the Board. General Manager Satterwhite requested, along with the President's signature stamp, that he be authorized to sign checks approved by the Board until the Board is able to meet at a physical location. Board Member David Gattis made a motion to approve the monthly invoices and authorize the General Manager to sign the checks along with the President's signature stamp approved by the Board. Board Member Harold Latham seconded the motion. The motion passed unanimously.

- b. Receive monthly financial information.

General Manager Drew Satterwhite reviewed the District's monthly financial information with the Board. Discussion was held.

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

General Manager Drew Satterwhite informed the Board that James Beach, formerly with WSP, has started his own firm called Advanced Groundwater Solutions. Currently, WSP is in the process of sub-contracting with Advanced Groundwater Solutions in order to keep James Beach involved in the DFC process. GMA 8 is planning to have a meeting in June.

7. Discussion and possible action on authorizing the execution of a Master Technical Services Agreement with INTERA for continued maintenance and development of the District's database.

General Manager Drew Satterwhite provided background information for the Board. The database was rolled out to the public in December. Now that the database build is complete, we need to enter into a service contract to continue to maintain and make improvements to the system. The contract would cover maintenance items such as updating CAD layers, maps, etc. Both Red River GCD and North Texas GCD have budgeted for improvements and the staff intends to manage these funds prudently by continuously evaluating priority improvements to the system. The contract would be for three years. Discussion was held. Board Member David Gattis made the motion to authorize the execution of the agreement. Board Member Mark Gibson seconded the motion. Motion passed unanimously.

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

No actions to be taken at this time.

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

General Manager Drew Satterwhite updated the Board on the office damage and repairs. Board room is anticipated to be ready for the April meeting.

a. Well Registration Summary

General Manager Drew Satterwhite reviewed the well registration summary with the Board.

b. Update on Injection/Disposal Well Monitoring Program

The Monitoring program is in process at this time. It was delayed due to the weather in February. There is no update on the Injection program.

c. Legislative Update

Kristen Fancher, legal counsel, provided information regarding legislation pertaining to groundwater districts spacing rule language and attorney fees. She will provide update in April.

10. Open forum / discussion of new business for future meeting agendas.

Discussion of Fund Balance is to take place at in-person meeting on April 15, 2021. Virtual meeting will be an option for April 15, 2021 meeting. Database demonstration for Board is to take place in executive session at a future meeting when there is otherwise a relatively light agenda.

11. Adjourn.

Board President Mark Patterson made the motion to adjourn. Board Member Billy Stephens seconded the motion. Motion passed unanimously. Board President Mark Patterson declared the meeting adjourned at 11:06 a.m.

Recording Secretary

Secretary-Treasurer

ATTACHMENT 5 a.

RESOLUTION NO. 2021-04-15-01

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH
OF APRIL

The following liabilities are hereby presented for payment:

<u>Administrative Services</u>	<u>Amount</u>
GTUA - March	16,396.18
<u>Direct Costs</u>	
NexTraq - GPS tracking for April	39.95
<u>Legal</u>	
Fancher Law - BOD general legal services for March	2,626.00
GRAND TOTAL:	\$ <u>19,062.13</u>

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RED RIVER
GROUNDWATER CONSERVATION DISTRICT THAT the Secretary-Treasurer is hereby authorized to
make payments in the amounts listed above.

On motion of _____ and seconded by:

_____, the foregoing Resolution was passed and approved on this, the 15th day of April 2021

by the following vote:

AYE:
NAY:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary/Treasurer

ATTACHMENT 5 b.

RED RIVER GROUNDWATER

Balance Sheet

As of March 31, 2021

ASSETS

Current Assets

Checking/Savings

10001 CASH-First United	345,564.89
10025 A/R CONSUMPTION	-5,592.66
10026 A/R Texas Rain Holding Co	2,600.00
10230 A/R Violation Fees	0.00
10101 ALLOWANCE FOR UNCOLLECT	-1,530.00
10010 INVESTMENTS	160,000.00
10230 PP EXPENSES	963.00

TOTAL ASSETS 502,005.23

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

23100 ACCOUNTS PAYABLE	0.00
23150 DRILLERS DEPOSIT LIAB	15,300.00

Total Other Current Liabilities 15,300.00

Total Current Liabilities 15,300.00

Total Liabilities 15,300.00

Equity

35100 RETAINED EARNINGS	555,355.43
Net Income	-68,650.20

Total Equity 486,705.23

TOTAL LIABILITIES & EQUITY 502,005.23

RED RIVER GROUNDWATER
Profit & Loss Budget vs. Actual
 March 31, 2021

	<u>Current Actual</u>	<u>Current Budget</u>	<u>YTD Actual</u>	<u>Total Budget</u>	<u>% of Budget Remaining</u>
Income					
46002 GW PRODUCTION	0.00	0.00	0.00	310,400.00	100.00%
46005 LATE FEES	0.00	0.00	0.00	0.00	0.00%
46006 VIOLATION FEES	0.00	0.00	500.00	0.00	0.00%
46015 REGISTRATION FEES	200.00	833.00	700.00	10,000.00	93.00%
46020 PERMITTING FEES	0.00	0.00	1,200.00	0.00	0.00%
46100 INTEREST INCOME	0.00	0.00	1,622.53	1,000.00	-62.25%
Total Income	<u>200.00</u>	<u>833.00</u>	<u>4,022.53</u>	<u>321,400.00</u>	<u>98.75%</u>
Gross Profit	200.00	833.00	4,022.53	321,400.00	
Expense					
77010 ADMINISTRATIVE COST	6,606.75	8,750.00	24,100.75	105,000.00	77.05%
77020 ADVERTISING	0.00	60.00	222.89	700.00	68.16%
77027 AUDITING	0.00	0.00	0.00	4,995.50	100.00%
77031 BANKING FEES	0.00	0.00	0.00	100.00	100.00%
77032 CONTRACT SERVICES	0.00	2,500.00	600.00	30,000.00	98.00%
77035 FIELD TECH	5,944.00	6,250.00	17,875.00	75,000.00	76.17%
77040 DIRECT COST	316.98	460.00	1,178.77	5,500.00	78.57%
77045 FIELD PERMITTING SPECIAL	2,912.00	2,900.00	9,204.00	35,000.00	73.70%
77450 DUES & SUBSCRIPTIONS	0.00	150.00	0.00	1,798.00	100.00%
77480 EQUIPMENT	0.00	170.00	1,230.47	2,000.00	38.48%
77500 FEES-GMA8	0.00	0.00	0.00	3,181.82	100.00%
77810 INSURANCE AND BONDING	321.00	820.00	1,564.00	6,371.00	75.45%
77855 INTERNET FEES	0.00	375.00	1,073.33	4,500.00	76.15%
77970 LEGAL	2,626.00	2,900.00	7,962.90	35,000.00	77.25%
78010 MEETINGS AND CONFEREN	100.00	433.00	423.02	5,200.00	91.87%
78310 RENT	200.00	200.00	600.00	2,400.00	75.00%
78600 SOFTWARE MAINTENANCE	127.98	1,250.00	5,931.17	15,000.00	60.46%
78750 TELEPHONE	226.50	208.00	677.31	2,500.00	72.91%
78770 - TRANSPORTATION	1.92	292.00	29.12	3,500.00	99.17%
Total Expense	<u>19,383.13</u>	<u>27,718.00</u>	<u>72,672.73</u>	<u>337,746.32</u>	<u>78.48%</u>
Net Income	<u><u>-19,183.13</u></u>	<u><u>-26,885.00</u></u>	<u><u>-68,650.20</u></u>	<u><u>-16,346.32</u></u>	

ATTACHMENT 5 c.



RED RIVER
GROUNDWATER CONSERVATION DISTRICT



FANNIN COUNTY AND GRAYSON COUNTY

General Manager's Quarterly Report

Date: March 31, 2021

Red River GCD Management Plan

This quarterly briefing is being provided pursuant to the adopted Management Plan for the quarter ending March 31, 2021.

Well Registration Program:

Current number of wells registered in the District: 957

Aquifers in which the wells have been completed: Trinity and Woodbine

Well Inspection/Audit Program:

2021
Well Inspections

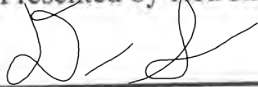
Month	Fannin	Grayson	Total
January	0	5	5
February	5	5	10
March	2	26	28
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	7	36	43

ATTACHMENT 5 d.

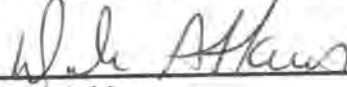
Red River Groundwater Conservation District
Quarterly Investment Report
For the Quarter Ended
March 31, 2021

The investment portfolio of the Red River Groundwater Conservation District is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Presented by Red River Groundwater Conservation District Investment Officers:



Drew Satterwhite
General Manager



Debi Atkins
Finance Officer

Investment Holdings
3/31/2021

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
First United (DDA)		0.00%	4/1/2021	3/31/2021	\$ 345,564.89	\$ 345,564.89	1.00	\$ 345,564.89	1	0.00%
East West		0.43%	6/29/2021	6/29/2020	\$ 160,000.00	\$ 160,000.00	100.00	\$ 160,000.00	90	0.43%
					<u>\$ 505,564.89</u>	<u>\$ 505,564.89</u>		<u>\$ 505,564.89</u>	<u>29</u>	
									(1)	

(1) Weighted average life - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

Book/Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2020			March 31, 2021		
			Face Amount/ Par Value	Book/Market Value	Purchases/ Adjustments	Sales/Adjust/ Call Maturity	Face Amount/ Par Value	Book/Market Value
First United (DDA)	0.00%	3/31/2021	\$ 254,875.47	\$ 254,875.47	193,081.42	102,392.00	345,564.89	\$ 345,564.89
East West	0.43%	6/29/2021	160,000.00	160,000.00			160,000.00	160,000.00
			\$ 514,875.47	\$ 514,875.47	\$ 193,081.42	\$ 102,392.00	\$ 505,564.89	\$ 505,564.89

ATTACHMENT 5 e.



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: February 11, 2021

SUBJECT: AGENDA ITEM NO. 5 c.

CONSIDER AND ACT UPON THE DISTRICT'S FUND BALANCE POLICY

ISSUE

The District Board initially adopted the fund balance policy on July 25, 2012.

BACKGROUND

The District Board initially adopted the fund balance policy on July 25, 2012. The Board last reviewed the fund balance policy at the August 2016 meeting. This policy has been discussed at least 3 meetings since the August 2016 meeting. The Board took a survey which the results were compiled into a ranking document. The Board then appointed a Committee that has met twice.

Further discussion of this policy was put on hold following the emergence of COVID-19 in order to wait until we were able to meet in-person.

CONSIDERATIONS

Having an updated policy in place may help the District moving forward with setting rates.

If the Board provides direction to the staff in regard to how the fund balance policy should be modified, the staff can prepare a draft policy for adoption at a future meeting.

STAFF RECOMMENDATIONS

The staff requests direction from the Board on the fund balance policy.

ATTACHMENTS

Fund Balance Ranking and Allocation Summary
District's Current Fund Balance Policy

PREPARED AND SUBMITTED BY:


Drew Satterwhite, P.E., General Manager

SUBMITTED BY:


Debi Atkins, Finance Officer

Possible Committed Fund Balance Expenditures		Cost	Rank 1-11
Water level Monitoring Equipment (pressure transducers for realtime data)	\$	25,000.00	3
Reserve Fund	\$	100,000.00	3.2
Well Camera (assist in determining aquifers being produced and deteriorated casings)	\$	-	4
Acoustic Leak Detection Equipment (Loan to area PWSs to assist in eliminating water loss)	\$	4,000.00	4.5
Groundwater and Water Conservation Education (Could range from education materials to dedicated staff)	\$	5,000.00	4.8
Well Plugging Program (Assist private well owners with plugging to prevent aquifer contamination)	\$	20,000.00	5.8
Pickup (5+ years away, but necessary to plan for)	\$	25,000.00	7
Total	\$	179,000.00	

Possible Unassigned Fund Balance		Cost
Cash Flow between Quarterly Billing	\$	105,000

RED RIVER GROUNDWATER CONSERVATION DISTRICT

GOVERNING POLICY—FUND BALANCE

The Board of Directors of the Red River Groundwater Conservation District (RRGCD) sets guidelines for fund balances. The fund balance addressed in this policy only applies to unrestricted fund balance. The policy establishes the appropriate size of fund balance, replenishing or setting aside resources for fund balance, and the methods for utilizing fund balance. This fund balance policy, as presented to the Board of Directors, was proposed by the staff of the RRGCD to maintain a sound financial position, mitigate current and future risks against revenue shortfalls or unanticipated expenditures and to ensure stable water production fee rates.

Classifications of Fund Balance

A fund's equity - commonly referred to as 'fund balance' - is generally the difference between its assets and its liabilities. Fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Restricted fund balance** – amounts constrained to specific purposes by their providers (such as grantors, bond covenants) through constitutional provisions or by enabling legislation.
- **Committed fund balance** – amounts constrained to specific purposes by the RRGCD itself. This requires a formal action by the Board of Directors. Commitments may be changed or lifted only by the Board of Directors taking the same formal action that imposed the constraint originally.
- **Assigned fund balance** – amounts *intended* to be used by the Board of Directors for specific purposes. Intent can be expressed by the Board of Directors. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned fund balance** – amounts available for any purpose. These amounts are only shown in the general fund except in cases of negative fund balances in other governmental funds.

Classifying Residual Fund Balance

When both restricted and unrestricted funds are available for expenditure, restricted funds are used first. Within unrestricted funds, assume committed resources are used first, then assigned, then unassigned.

Appropriate Size of Fund Balance

The Board of Directors has set a minimum fund balance equal to twenty-five percent (25%) of the total general fund expenditures. It also permits other reservations of the fund balances as seem prudent in the judgment of the General Manager and the Board of Directors. This policy sets ninety (90) days of expenditures as a minimum amount of fund balance for the General Fund.

Replenishing Fund Balance

When fund balance falls below the minimum level, the Board of Directors will implement a plan to replenish the fund within one year or as soon as economic and budgetary conditions allow. Fund balance may be replenished by using all or a portion of an operating surplus from itself or another fund. Revenues from a dedicated stream (e.g. 2% of water production fees received over amount budgeted) may also be used to build fund balance. Alternatively, an amount determined in the budget process either using a percent of operating expenditures or a fixed amount may be used.

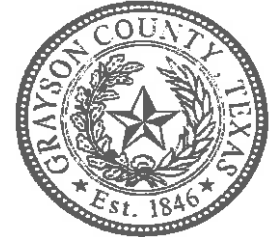
Utilizing Unassigned Fund Balance

Fund balances may be used to meet capital needs, offset difficult economic times, stabilize fluctuations in cash flow requirements, and provide funding for emergency situations. Fund balance may be used for contingencies until the balance is nearing its minimum level. The RRGCD will also adjust its expenditure level to match any new economic reality that is behind the use of fund balance as a financing bridge. Authorization for utilizing fund balances is made by the Board of Directors during the annual budget process

ATTACHMENT 6 a.



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: April 6, 2021

SUBJECT: AGENDA ITEM NO. 6 a.

CONSIDER AND ACT UPON APPROVING AND SUBMITTING THE DISTRICT'S DESIRED FUTURE CONDITION SUMMARY REPORT FOR GMA8

ISSUE

Consider and act upon approving and submitting the Districts Desired Future Condition Summary Report for Groundwater Management Area ("GMA") 8

BACKGROUND

The GMA8 proposed for adoption Desired Future Conditions ("DFCs") at the October 27, 2020 GMA8 meeting.

The District Board of Directors held a public hearing to present and summarize the DFCs relevant to the District for interested parties. This public hearing was held on January 21, 2021. Notice of the public hearing was provided in accordance with Section 36.063 of the Texas Water Code. At the hearing, the District provided a comprehensive presentation and discussion related to the proposed DFCs that apply within the District's boundaries.

CONSIDERATIONS

As of 5:00 p.m. on February 14, 2021, which was the close of the 90-day public comment period, the District received no verbal or written comments in regards to the proposed DFCs. Therefore, the staff does not see any reason to recommend changes to the DFCs relevant to the District.

The District is required to have a Summary Report approved by the Board for submission to the GMA8 prior to the next GMA8 meeting.

STAFF RECOMMENDATIONS

The staff is recommending the Board authorize a resolution to approve the Summary Report for submission to GMA8.

ATTACHMENTS

Summary Report
Resolution

PREPARED AND SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Drew Satterwhite", written over a horizontal line.

Drew Satterwhite, P.E., General Manager

RED RIVER GROUNDWATER CONSERVATION DISTRICT
Summary Report Submitted to Groundwater Management Area 8 Pursuant
to Texas Water Code § 36.108(d-2)

The Red River Groundwater Conservation District (“District”) Board of Directors held a public hearing on the proposed desired future conditions (“DFCs”) relevant to the District pursuant to Texas Water Code § 36.108(d-2) on January 21, 2021. The public hearing was noticed and held in compliance with Texas Water Code § 36.063. The District provided a detailed review of the proposed DFCs relevant to the District during the public hearing, and allowed both verbal and written comment to be provided both before and after the public hearing.

The District did not receive any verbal or written comments before or after the public hearing. The District therefore does not have a “summary of relevant comments received” as set forth in Texas Water Code § 36.108(d-2). The District Board of Directors does not recommend any changes to the proposed DFCs for the District, and requests that Groundwater Management Area 8 proceed with final adoption of the DFCs for the District as those proposed for adoption by Groundwater Management Area 8 on October 27, 2020.

RESOLUTION NO. 2021-04-15-02

**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE
RED RIVER GROUNDWATER CONSERVATION DISTRICT
ADOPTING SUMMARY REPORT PURSUANT TO
TEXAS WATER CODE § 36.108(d-2)**

WHEREAS, the Red River Groundwater Conservation District (the “District”) is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, Section 59, of the Texas Constitution as a groundwater conservation district, acting pursuant to and in conformity with Chapter 36, Texas Water Code and Act of May 25, 2009, 81st Leg., R.S., ch. 884, 2009 Tex. Gen. Laws 2316, codified at Chapter 8859 of the Texas Special District Local Laws Code (the “District Act”);

WHEREAS, the groundwater conservation districts in Groundwater Management Area 8 (“GMA 8”) proposed Desired Future Conditions (“DFCs”) for adoption on October 27, 2020, in accordance with Texas Water Code § 36.108(d);

WHEREAS, pursuant to Texas Water Code § 36.108(d-2), the District subsequently held a public hearing on January 21, 2021, on the proposed DFCs relevant to the District, and has prepared a summary of relevant comments received (“Summary Report”);

WHEREAS, the District completed all statutory conditions precedent prior to consideration for adoption of the Summary Report by the District Board of Directors (“Board”); and

WHEREAS, the District Board intends to adopt and submit the Summary Report to GMA 8, as required by Texas Water Code § 36.108(d-2).

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
RED RIVER GROUNDWATER CONSERVATION DISTRICT AS FOLLOWS:**

1. The above recitals are true and correct;
2. The Board of Directors hereby approves and adopts the Summary Report prepared pursuant to Texas Water Code § 36.108(d-2), attached to this Resolution as “Attachment A” and incorporated herein for all purposes; and
3. The District’s GMA 8 voting representative, District staff, and District legal counsel are further authorized to take any and all actions necessary to implement this Resolution, including but not limited to submitting the Summary Report to GMA 8.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 15th day of April, 2021.

RED RIVER GROUNDWATER CONSERVATION DISTRICT

Mark Patterson, Board President

ATTEST:

Mark Gibson, Board Secretary/Treasurer

ATTACHMENT 7 a.

Red River Groundwater Conservation District

2021 Fee Schedule

Well Registration Fee - (up to 17.36 gpm)	\$100
New Well Registration & Production Permit Application Fee -(>17.36 gpm and <200 gpm), <i>also applies to permit amendments</i>	\$600
Additional fee for Production Permit Applications which require a Hydrogeological Report -(≥200 gpm)	\$1100
Well Driller Report Deposit Fee	\$100 refundable
Agricultural Water Use Fee	\$0
Non-Exempt Water Use Fee gallons	\$0.065 per 1,000
Meter seal replacement fee	\$100*

* For replacing seals for reasons other than well or meter failure

Failure to Report Meter Readings within 30-days	Major violation – See Appendix A of the Temporary Rules for Schedule of Violations
Failure to Pay Water Use Fee within 30-days	15%
Failure to Pay Use Fee within 60-days	Major Violation – See Appendix A of the Temporary Rules for Schedule of Violations

APPENDIX A.

Enforcement Policy and Civil Penalty Schedule.

Red River Groundwater Conservation District
ENFORCEMENT POLICY AND CIVIL PENALTY SCHEDULE

General Guidelines

When the General Manager discovers a violation of the District Rules that either (1) constitutes a Major Violation, or (2) constitutes a Minor Violation that the General Manager is unable to resolve within 60 days of discovering the Minor Violation, the General Manager shall bring the Major Violation or the unresolved Minor Violation and the pertinent facts surrounding it to the attention of the Board. Violations related to water well construction and completion requirements shall also be brought to the attention of the Board.

The General Manager shall recommend to the Board of Directors an appropriate settlement offer to settle the violation in lieu of litigation based upon the Civil Penalty Schedule set forth below. The Board may instruct the General Manager to tender an offer to settle the violation or to institute a civil suit in the appropriate court to seek civil penalties, injunctive relief, and costs of court and expert witnesses, damages, and attorneys' fees.

I. Minor Violations

The following acts each constitute a minor violation:

1. Failure to conduct a meter reading within the required period.
2. Failure to timely submit a Transfer of Ownership form to the District.
3. Failure to timely file a Well Report.
4. Failure to timely submit required documentation reflecting alterations or increased production.
5. Operating a meter that is not accurately calibrated.

CIVIL PENALTY SCHEDULE FOR MINOR VIOLATIONS

First Violation:	\$100.00
Second Violation:	\$200.00
Third Violation:	Major Violation

A second violation shall be any minor violation within 3 years of the first minor violation. A third violation shall be any minor violation following the second minor violation within 5 years of the first minor violation. Each day of a continuing violation constitutes a separate violation.

II. Major Violations

The following acts each constitute a major violation:

1. Failure to register or permit a well or amend the registration of a well where mandated by rules, including drilling, equipping, completing, altering, or operating a well without an approved registration, as evidenced through a Notice to Proceed or permit issued by the District.
2. Drilling an exempt or non-exempt well with an expired well registration.
3. Failure to timely meter or blind flange a well when required.
4. Failure to submit accurate Water Production Report within 60 days of the date the report is due.
5. Failure to submit accurate Groundwater Transport Report within the required period.
6. Drilling a well in a different location than authorized or in violation of spacing requirements.*
7. Failure to close or cap an open or uncovered well.
8. Failure to submit Water Use Fees within 60 days of the date the fees are due.**
9. Failure to timely submit Groundwater Transport Fees within 60 days of the date the fees are due.**
10. Committing waste.
11. Tampering with or disabling a required meter or tampering with a District seal.
12. Failure to timely make a well available within 60 days of completion for a required flow test.

CIVIL PENALTY SCHEDULE FOR MAJOR VIOLATIONS

First Violation:	\$500.00
Second Violation:	\$1,000.00
Third Violation:	Civil Suit for injunction, damages, and escalated penalties

A second violation shall be any major violation within 3 years of the first major violation of the same level. A third violation shall be any major violation following the second major violation

within 5 years of the first major violation. Each day of a continuing violation constitutes a separate violation. Multiple violations by the same person or entity shall result in escalated fines assessed in order to deter such continued noncompliance.

* In addition to the applicable penalty provided for in the Civil Penalty Schedule for Major Violations, persons who drill a well in violation of applicable spacing requirements may be required to plug the well.

** In addition to the applicable penalty provided for in the Civil Penalty Schedule for Major Violations, persons who do not submit all Water Use Fees and Groundwater Transport Fees due and owing within 60 days of the date the fees are due pursuant to Rule 9.4(a) will be assessed a civil penalty equal to three times the total amount of outstanding Water Use Fees that are due and owing.

III. Water Well Construction and Completion Requirements

Failure to use approved construction materials: \$500.00 and total costs of remediation, with costs of remediation of well to be borne by the well owner.

Failure to properly cement annular space: \$1,000.00 and total costs of remediation, with costs of remediation to be borne by well owner.

In addition to the civil penalties provided for in this schedule, persons who drill a well in violation of applicable spacing or completion requirements may be required to re-drill, re-complete or re-construct the well in accordance with the District's rules, or may be ordered to plug the well.

IV. Production in Excess of Maximum Amount Authorized in Permit

In accordance with Rule 9.8, an automatic penalty of three (3) times the applicable water use fee rate for a calendar year shall be applied in addition to the standard water use fee rate owed for those persons that produce groundwater in excess of the maximum amount authorized in a District-issued permit. A second occurrence of production in excess of the maximum amount authorized within three (3) calendar years of the first occurrence shall result in an automatic penalty of ten (10) times the applicable water use fee rate, which shall be applied in addition to the standard water use fee rate owed for the production.

V. Other Violations of District Rules Not Specifically Listed Herein

Any violation of a District Rule not specifically set forth herein shall be presented to the Board of Directors for a determination of whether the violation is Minor or Major, based upon the severity of the violation and the particular facts and issues involved, whereupon the procedures and the appropriate civil penalty amount set forth herein for Minor and Major Violations shall apply to the violation.

ATTACHMENT 8 a.

RED RIVER GROUNDWATER CONSERVATION DISTRICT
Well Registration Summary
 (as of 3/31/2021)

Well Type	Fannin	Grayson	Total RRGCD	New Registrations March 2021
Domestic	187	331	518	3
Public Water	59	195	254	0
Livestock	16	26	42	0
Agriculture	16	24	40	0
Commercial	12	17	29	0
Surface Impoundments	8	14	22	0
Oil / Gas	0	20	20	0
Golf Course	0	15	15	0
Irrigation	0	10	10	0
Monitoring	1	5	6	0
Industrial	0	1	1	0
Other	0	0	0	0
TOTALS	299	658	957	3

NOTE: Plugged wells have been excluded

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