

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

TUESDAY, DECEMBER 13, 2016

MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS

Members Present: Eddy Daniel, Chris Boyd, Joseph Helmberger, Philip Sanders, Thomas Smith, and Ronny Young

Members Absent: Evan Groeschel, Kenny Klement, and Ron Sellman

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

Visitors: Peter M. Schulmeyer, Collier Consulting
Bob Patterson, Northern Trinity GCD
Neal Welch, City of Sanger
Beau Longino, Valor Consolidated

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 10:44 am, 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 November 8, 2016 board meeting

After review and discussion, motion was made by Chris Boyd and seconded by Thomas Smith to approve the minutes from the November 8, 2016 board meeting. Motion passed unanimously.

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

After a review, Ronny Young made a motion to approve Resolution 2016-12-13-16-01. Joe Helmberger seconded the motion. Motion passed unanimously.

6. Receive reports from the following Committees*:

a. Budget and Finance Committee

1) Receive Monthly Financial Information

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

b. Investment Committee

No report.

1) Quarterly Investment Report

The Board reviewed the Investment Report.

c. Rules and Bylaws Committee

President Daniel stated new Rules will be adopted in January.

d. Groundwater Monitoring and Database Committee

General Manager Satterwhite stated meetings are anticipated in the near future for review of databases.

e. Policy and Personnel Committee

No report.

f. Conservation and Public Awareness Committee

No report.

g. Management Plan Committee

General Manager Satterwhite stated the Management Plan is currently being updated by James Beach with LBG-Guyton Associates.

h. Desired Future Condition Committee

No report.

7. Consider and act upon District's Fund Balance Allocations

General Manager Satterwhite reviewed the possible fund balance expenditures with the Board. President Daniel requested that Mr. Satterwhite refine the numbers for the first seven items presented, and have this information available for discussion at the next North Texas GCD meeting. These items include: 1) Geodatabase upgrades, 2) Permanent well monitoring equipment, 3) Downhole well camera, 4) Well pulling program, 5) Legal, 6) Well plugging program, and 7) Monitoring well funds.

8. Consideration and possible action regarding the District's legal counsel.

General Manager Satterwhite advised the Board that Kristen Fancher has determined it to be best to start her own firm effective January 1, 2017 for provision of legal services relating to groundwater. Her tenure with her current firm will end December 31, 2016. Ms. Fancher has reached out to the District staff regarding her new firm providing legal services for the District. Philip Sanders made a motion to authorize the Board President or General Manager to sign an engagement letter with Kristen Fancher for legal services beginning January 1, 2017. The motion was seconded by Thomas Smith and passed unanimously.

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

President Daniel stated the GMA8 group will meet January 31, 2017. A link to the draft explanatory report prepared by Bill Mullican on behalf of the District has been provided to the Board. Drew Satterwhite recommended that the Board review the report, and submit any comments to the Board President or General Manager by December 22, 2016. These comments will be discussed with the DFC Committee, and forwarded to Bill Mullican by the December 31st deadline for inclusion in the final explanatory report for the District's DFCs.

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

President Daniel stated the District has an outstanding violation that needs to be discussed. President Daniel stated in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Board would adjourn into Executive Session at 11:15 am for consultation concerning attorney-client matters (§551.071).

The Board of Directors reconvened into Regular Session at 11:30 am. President Daniel stated no action was taken on any items discussed during Executive Session.

Thomas Smith made a motion on the matter regarding Strittmatter Irrigation and Supply to provide 60 days for payment of the outstanding balance owed for the violations and fines the Board assessed at the November 8, 2016 meeting in full, by February 13, 2017, including the authorization of the Board to file a suit in District Court if payment is not made by the deadline. Ronny Young seconded the motion. Discussion ensued regarding the need to authorize the President or General Manager to pursue filing suit if it becomes necessary. Thomas Smith amended the motion to include authorization for the President of the Board or the General Manager of the District to pursue filing suit in District Court. Ronny Young seconded the amended motion. Motion passed unanimously.

Chris Boyd made a motion to allow the General Manager to notify Alpha Omega of the violation of failing to register a well in a timely manner, in accordance with the Rules existing at the time of the violation. Joseph Helmlinger seconded the motion and the motion passed unanimously.

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

General Manager Satterwhite reviewed the Well Registration Summary as of November 30, 2016 with the Board, which reflects 10 new wells drilled in November, with a total of 1,770 registered wells in the District. Mr. Satterwhite introduced Allen Burks, the District's new Field Technician.

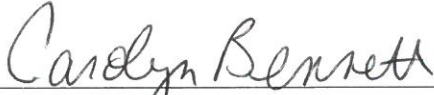
12. Open Forum / discussion of new business for future meeting agendas

President Daniel asked if there were any items of discussion requested by the Board for future agendas. It was the consensus of the Board that the items to discuss the revised Rules and fund balance allocations be placed on the next agenda for the District.

15. Adjourn public meeting

President Daniel declared the meeting adjourned 11:34 am.

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Recording Secretary



Secretary-Treasurer