

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

MONDAY, SEPTEMBER 29, 2011

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

Members Present: George "Butch" Henderson, George Olson, Don Wortham, David Gattis, Harold Latham, Mark Patterson

Members Absent: Don Morrison

Staff: Jerry Chapman, Carolyn Bennett and Carmen Catterson

Visitors: Mark Newhouse, Howard Trammell, Joey Rickman, Bob Patterson
Jonathan Cannon, Herald Democrat

I. Issue Oaths of Office

Mrs. Catterson issued the Oaths of Office to the new board members Harold Latham who will represent the Fannin County Commissioners Court, Don Morrison who will represent the Fannin County rural groundwater producers, George Olson, who will represent the City of Sherman, and Mark Patterson who will represent the Grayson County groundwater producing municipalities.

II. Call to order, declare meeting open to the public, and take roll.

President Henderson called the meeting to order at 2:05 PM. The board members introduced themselves and the manner of their appointment to the Board. Board Member Morrison was absent.

III. Update and any necessary action regarding appointment of directors, sworn statements of appointed public officers, oaths of office, or other items related to qualification of installation of directors.

President Henderson reviewed the resolution, which summarized the positions that are being filled.

Vice President Olson motioned to execute a Resolution related to the appointment of members to serve on the Board of Directors. The motion was seconded by Board Member Latham and passed unanimously.

IV. Election of Board officers.

Vice President Olson recommended leaving the organization of the Board the same. Board Member Latham motioned to reappoint the officers for another term, seconded by Board Member Gattis. The motion passed unanimously.

V. Recognition of Service for John Young

At this time, the District has no policy on how to recognize retired board members. Mr. Chapman explained that the staff is looking for direction on how to proceed. Board Member Patterson recommended issuing a resolution and putting it into a nice plaque for Mr. Young. Mr. Chapman reported that the staff would provide one at the next meeting.

VI. Public Comment

Mr. Newhouse requested to be added to the agenda distribution list. Mrs. Catterson stated he would be added immediately. The visitors introduced themselves.

VII. Consider approval of Minutes of August 29, 2011 Meeting

Board Member Gattis requested "or less" be added to the definition of exempt wells so that it reads 40,000 gallons per day or less. On Item VI, he believed that he specified 95%, not 100% for percent of groundwater used for irrigation.

Board Member Gattis motioned to approve the Minutes of the August 29, 2011 Meeting with the requested changes. The motion was seconded by Vice President Olson and passed unanimously.

VIII. Review and approval of monthly invoices.

Three invoices were received from GTUA in the amount of \$9,752.33, Lloyd Gosselink Firm for \$624.00 and a reimbursement for the bond for Don Morrison for \$50.00. These invoices total \$10,426.33. Mr. Morrison paid for his bond and needs to be reimbursed since the District has some funds available. The Lloyd Gosselink Firm invoice included \$1,384.20 that was invoiced previously and paid last month.

Board Member Gattis motioned to approve the monthly invoices totaling \$10,426.33. The motion was seconded by Vice President Olson and passed unanimously.

IX. Board President's designation of director to serve as District's joint planning representative for Groundwater Management Area 8.

The State recently made some legislative changes that affects the Region C Water Planning Group. The Region C Board will be amended to include a groundwater representative from each Groundwater Management Area (GMA). Each Groundwater Conservation District is required to provide a representative for the Region C Board. There are several groundwater districts that have expressed an interest in providing a representative. The Red River GCD needs to decide who will the District will support at the GMA 8 meeting on November 16, 2011.

Mr. Chapman explained more about Region C and the meetings. The 2011 Region C Water Plan was adopted recently and will be effective for the next five years. As the renewal date approaches, the

meeting will be more frequent, but are usually quarterly. Board Member Latham volunteered to serve as the representative for Region C. This will be provided to the GMA 8 where a final determination will be made.

X. Approval of irrigation use estimates information for the Texas Water Development Board.

The staff sent the information to the county agents in Fannin and Grayson Counties and asked for updated information. The Fannin County Extension Agent replied with a letter, but the Grayson County agent did not respond. The county agent reported that only 11% of the water used for irrigation was groundwater. The Texas Water Development Board (TWDB) believed that the irrigation application efficiency percentage for Fannin County was 65%. The TWDB estimates that the irrigation application efficiency percentage is 75% in Grayson County.

Board Member Gattis recommended changing the estimates for Grayson County to 0 acres of cotton, 50 acres of wheat, and increase the other uses to 100. The Board discussed increasing the other category and agreed to increase it to 570 acres. The golf course category was decided to be increased to 120 acres. This leaves the total at 1,350 acres of irrigated crop. The TWDB estimates the irrigation application efficiency percentage at 75% for Grayson County and the Board agreed that approximately 90% of irrigation is from groundwater.

Board Member Gattis motioned to approve the irrigation use estimates. The motion was seconded by Board Member Patterson and passed unanimously.

XI. Discuss and consider contract for the development of a Water Well Geodatabase and Web-Based Application.

The Committee met and provided a ranking between the firms. Board Member Patterson stated that INTERA was taken out of the running based on the cost of their estimate, despite the quality of their firm and proposal. Board Member Patterson stated that the largest difference between the firms is that one firm used proprietary software. Proprietary software is very hard to work with and firms cannot be changed in the future and Aquaveo, LLC designs their own software. Alan Plummer & Associates, Inc. did not propose to use proprietary software. Both firms were very capable and have experience, but the software could have become a very large problem. Secretary/Treasurer Wortham expressed his opinion that Alan Plummer & Associates, Inc. is a very good engineering firm.

Board Member Gattis questioned whether this fell under professional services or high tech services and Mr. Chapman stated that this was a software development, so it was considered high tech.

Secretary/Treasurer Wortham motioned to select Alan Plummer & Associates, Inc for the development of a Water Well Geodatabase and Web-Based Application. The motion was seconded by Board Member Latham and passed unanimously.

XII. Selection of an auditing firm for 2011 fiscal year.

The District does not have to be audited, but the staff strongly recommends having the funds audited to maintain the integrity of the funds and the organization. The staff has solicited proposals from three auditing firms. One response has been received and two additional proposals are expected. The staff will bring those proposals to the Board at the October meeting for consideration.

Board Member Gattis motioned to table this item. The motion was seconded by Vice President Olson and passed unanimously.

XIII. Amended 2011 budget

An amended 2011 budget was provided to the Board for a total of \$150,000. Mr. Chapman stated that the only changes he could foresee would be additional consulting costs for assistance with the Management Plan that must be approved by July 2012. This amendment only adjusts the amounts for each item. The dollar amount is not being changed, only the allocations of the funds between line items. President Henderson recommended changing Expense Item 77855 to Professional Services so that the funds can be used for different types of services without an additional budget amendment. The staff does not have an estimate of the cost for the hydrological services at this time.

Board Member Gattis motioned to approve the amended 2011 budget with a change on line item 77855 to Professional Services. The motion was seconded by Secretary/Treasurer Wortham and passed unanimously.

XIV. Review of 2012 budget

This budget is not posted for action at this meeting. The Budget Committee met two weeks ago to discuss possible changes. Secretary/Treasurer Wortham reported that the Committee discussed the budget and the Committee did not support the \$200,000 hydrological services. Mr. Chapman explained that the TWDB planned to update the Trinity Aquifer model since the current model is very inaccurate and based on old data. However, due to the State budget cuts, the groundwater division will no longer be able to support the cost of updating the model. The TWDB will most likely provide \$200,000 toward the cost of updating the model, but will not be able to fund the entire project. The project will cost between \$1.7 to \$2 million to complete. Of the 12 districts in GMA 8, two of the districts have no financial resources and the Post Oak Savannah GCD has no water from the Trinity Aquifer. The Clearwater GCD has previously expended funds to update part of the Trinity Aquifer model. This item will be discussed at the GMA 8 meeting in November.

Vice President Olson explained the Committee's thoughts on the budget and their amendments, which included reducing the field technician cost. \$60,000 was included for the geodatabase development, which will make the staff and well registrations much more efficient. The Authority will look into using existing staff to provide field services. President Henderson stated that the District will need to explain their position on the Aquifer model costs. He asked if the Board would be willing to support the cost if it was more affordable or spread over a longer period of time. President Henderson recommended the Board come up with a figure that could be afforded and then he could report to GMA 8 that the District could participate with the other districts. Board Member Gattis stated that he would not support the cost without more information and a better cost estimate.

Mr. Bob Patterson commented that this is a scheduled event where GMA 8 has five years to create new Desired Future Conditions (DFCs). This will be a very costly and difficult procedure and almost impossible to submit DFCs to the TWDB. The Clearwater GCD moved quickly in 2009 to develop DFCs and the northern districts were not included in the study. Mr. Patterson stated that if the Districts do not participate in the study, the district will be placed on a 1 mile grid with 25 year old data, while the surrounding districts have updated data based on a 1/8th mile grid. This will provide better

DFCs for the districts that participate in the study. The Board discussed the benefits of participating in the study versus the cost. The Board discussed having a work session to discuss this item with a consultant from the TWDB or LBG-Guyton. Mr. Chapman recommended asking Dr. Bill Hutchison to visit with the Board.

XI. Discuss and consider contract for the development of a Water Well Geodatabase and Web-Based Application.

The Board discussed this during Item X.

XV. Discuss user fees for 2012

No discussion.

XVI. General Manager's Report

Mr. Chapman reported on the Texas Alliance of Groundwater Districts (TAGD) meeting that was held in August. He also reported that the Texas Well Owner Network is a new program being started by the TAMU Agriculture Services and provides presentations to well owners to better educate them with groundwater districts and aquifers.

XVII. Future meeting date and agenda

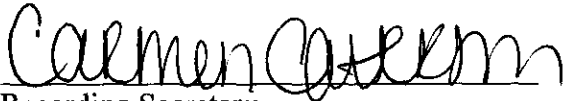
The Board scheduled the next meeting for October 19, 2011 at 2:00 PM with a Work Session to be scheduled whenever LBG-Guyton would be able to provide a presentation to educate the Board on the proposed aquifer study.

The October 19th agenda should include the Alan Plummer & Associates contract for the development of a geodatabase and an item to amend the regular meeting dates for the agenda. The agenda should also include the approvals of the 2011 and 2012 budgets, and the establishment of a user fee for 2012.

XVIII. Adjourn

Upon motion by Board Member Gattis, seconded by Vice President Olson and passed unanimously, the Board adjourned at approximately 3:56 PM.

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Recording Secretary


Secretary-Treasurer