

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

**THURSDAY, APRIL 18, 2013**

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

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

Members Absent: None

Staff: Jerry Chapman, Carolyn Bennett, Wayne Parkman and Carmen Catterson

Visitors: Jonathan Cannon, Herald Democrat  
Alex Moser, AL Moser Drilling  
Bill Purcell, Fannin County citizen

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

President Henderson called the meeting to order at 12:33 PM. All members were present.

2. Public Comment.

Bill Purcell, a citizen from Fannin County was the only new visitor.

3. Consider approval of Minutes of February 14, 2013 board meeting

Board Member Gattis motioned to approve the Minutes of the February 14, 2013 board meeting. The motion was seconded by Board Member Morrison and passed unanimously.

4. Review and approval of monthly invoices.

Mr. Chapman reviewed the invoices provided for payment with the Board.

Board Member Gattis motioned to approve the monthly invoices for a total of \$31,851.17. The motion was seconded by Board Member Patterson and passed unanimously.

5. Receive Monthly Financial Information

Mr. Chapman reviewed the financial information with the Board. All expenses other than the software maintenance is within the budgeted amounts. The first billing through the ASYST program will

be processed in the next few days. The billing is anticipated to be done on the 20<sup>th</sup> of each third month for quarterly billing.

6. Consider and act upon water loss data collection

The staff is working to develop a format to collect water loss information. The staff is planning to add an additional tab to report water loss data on the well registration website. The adjustment should be included in the maintenance agreement with no additional charges. Most of the municipal suppliers already track the information and report to the Texas Water Development Board (TWDB) on an annual basis. The District would be requesting the information on a monthly basis. The information would not be required, but would provide a mechanism to track the data and encourage reporting.

Board Member Patterson motioned to add a tool to the website to track water loss data. The motion was seconded by Board Member Latham and passed unanimously.

7. Consider and act upon a resolution establishing a meter re-sealing fee for wells

This item was tabled from the previous meeting. The staff re-examined the situation and has provided an amended recommendation for the Board's review with three options. One, not charge a fee and include it in the District's operations costs. Two, charge a re-sealing fee for all meter change requests, or, to charge a re-sealing fee only for voluntary removal of meters. Most of the public water suppliers do not move seals regularly. Meters are normally removed only for well or meter failure or to upgrade the meter. Energy companies frequently move the same meter between wells.

The Board discussed whether the recommended \$100 fee would be adequate to cover the costs incurred by the District. Board Member Latham commented that the District charges production fees on water produced, which supports the District's activities. Mr. Parkman commented that he plans to wait until he is inspecting wells in the general area before re-sealing the wells. Vice President Olson commented that the purpose of the fee is not to raise revenue, but to encourage meters to remain on a single well.

Vice President Olson motioned to adopt a \$100 meter re-sealing fee for wells only for meters that are removed for reasons other than failure or upgrade. The motion was seconded by Board Member Patterson. President Henderson expressed that the fee is not a punishment, but to help recover some of the costs to process a new meter on a well. The motion passed unanimously.

8. Consider and act upon request for exceptions to District's metering requirements in Section 8.1(d) of the Temporary Rules

A letter was received from Dewayne Sutherland, the Water Superintendent for the City of Sherman. The City desires to install electromagnetic meters on their wells, which is a type of meter not approved in the Temporary Rules. The metering technology is moving toward electronic meters, which are not addressed in the Rules. This would also be included in a list of recommended amendments. Secretary/Treasurer Wortham stated that he knew of two or three other public water suppliers that are considering the same type of meters.

Board Member Gattis motioned to approve an exception to the District's metering requirements in Section 8.1(d) of the Temporary Rules. The motion was seconded by Secretary/Treasurer Wortham and passed unanimously with Vice President Olson abstaining.

9. Consider defining test holes

This is another example of an item not accounted for in the Temporary Rules. Some drillers are chafing at having to pay to register test holes. The staff is proposing the Board provide a policy for the staff to follow and then amend the Temporary Rules at a later date. The proposed policy would include the well owner or driller paying a registration fee and a driller's log fee, which is refundable upon completion of the well. However, if a well owner or driller registered to drill a test hole, the staff felt that the registration fee should not be charged until a well is actually drilled. The field staff believes that the test holes should be accounted for in order to confirm proper plugging of the wells. This would allow a registration for a test hole to require a driller's log deposit fee without the registration fee. If the well is developed from the test hole, the registration fee would be required before the well is developed from the test holes.

The Board discussed whether a test hole is a well or not. Mr. Parkman commented that he did not feel a registration fee should be charged to register, but that the District should track the information. The registration of the test hole would be processed the same as a well registration, except without the registration fee.

The Board unanimously agreed for the staff to continue registering test holes without a registration fee.

10. Consider and act upon updated USTI Customer Support Agreement

This is in connection with the accounting system purchased last year. Like most software programs, support agreements are required. The fees outlined include a 4% increase for a total of \$1,285.

Board Member Gattis motioned to approve the \$1,285 customer support for USTI. The motion was seconded by Vice President Olson and passed unanimously.

11. Receive Management Plan Quarterly Report Regarding Assessment of Drought in District

The report shows that although the area is getting rain, the streamflow is extremely low. This area is in a moderate drought. Below normal rainfall was received in January and February. Sherman received -10.81 inches below normal and Bonham is -1.6 inches below normal. Lake Texoma is 5 feet below normal level. The Texas Commission on Environmental Quality is expecting to cut off some supplies from surface water due to the drought. This year will be difficult for farmers and water providers across the State of Texas.

Mr. Moser asked if the North Texas Municipal Water District (NTMWD) was pumping water south from Lake Texoma. Mr. Chapman responded that the NTMWD has not pumped since 2009 and will not pump until 2014 when their pipeline from Sister Grove Creek in Howe to their water treatment plant in Wylie. The pipeline will create a closed system so that Zebra Mussels are not released into the rivers, lakes or streams.

12. General Manager's Report

Mr. Chapman spoke with Brian Sledge of the Lloyd Gosselink Firm, the District's legal counsel and discussed the need to amend the Temporary Rules in August. Mr. Sledge expressed his appreciation for the District waiting until after the Legislative session is over. The recommended amendments to the Temporary Rules include the additional of other types of meters, the reporting of water loss information, the consideration of registration of geothermal wells, and the registration of test holes. Some of the bills being considered by the State Legislature may also impact the District's activities. The next meeting will include a legislative update. Brackish water is receiving a great deal of attention on the State level, since it will need to be utilized for public water supply.

Mr. Parkman discussed modifying the way that seals are installed. The seals currently being used hook onto the flange. However, for municipal wells the seals are not practical. An alternative method of sealing using a stronger version of a zip tie. Mr. Parkman is planning to talk to the seal company to see how cost effective the alternative method would be.

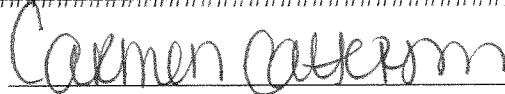
13. Open forum / discussion of new business for future meeting agendas

The next meeting will be held on Thursday, June 20, 2013 at 2:00 PM.

13. Adjourn

Vice President Olson motioned to adjourn, seconded by Board Member Latham and passed unanimously. The Board adjourned at approximately 1:16 PM.

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Recording Secretary

  
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Secretary-Treasurer