

**NORTH TEXAS
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

**MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS**

**TUESDAY
MAY 14, 2019
10:00 AM**

NOTICE OF PUBLIC MEETING

OF THE
BOARD OF DIRECTORS of the

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT
at the

Mustang SUD Administrative Offices
7985 FM 2931
Aubrey, Texas
Tuesday, May 14, 2019

Board Meeting

The Board Meeting will begin at 10 a.m.

Notice is hereby given that the Board of Directors of the North Texas 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 the minutes from the April 9, 2019, Board meeting.
5. Consider and act upon approval of invoices and reimbursements.
6. Receive reports from the following Committees*:
 - a. Budget and Finance Committee
 - 1) Receive Monthly Financial Information
 - b. Legislative Committee
7. Consider and act upon Resolution of Appreciation for Maurice Schwanke.
8. Presentation of Plaque to Maurice Schwanke.
9. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs).
10. Formation of well plugging program committee.

11. Consider and act upon compliance and enforcement activities for violations of District rules.
 - a. DWW Golf Management Company
12. Discussion and possible action on activities related to the District's Disposal/Injection Well Program
13. General Manager's Report: The General Manager will update the board on operational, educational and other activities of the District.
 - a. Management Plan Amendment will be scheduled for June 2019
 - b. TAGD Featured District Article
 - c. Cooke County Commissioners Presentation
14. Open forum / discussion of new business for future meeting agendas.
15. Adjourn public meeting.

* Reports from District standing committees will include a briefing by each committee for the Board on the activities of the committee, if any, since the last regular Board meeting.

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

These public meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting, please call (855) 426-4433 at least 24 hours in advance of the meeting to coordinate any special physical access arrangements.

For questions regarding this notice, please contact Velma Starks at (855) 426-4433, at ntgcd@northtexasgcd.org, or at 5100 Airport Drive, Denison, TX 75020.

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 North Texas 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); deliberation regarding personnel matters (§551.074); deliberation regarding security devices (§551.076); and deliberation regarding cybersecurity (§551.089). Any subject discussed in executive session may be subject to action.

ATTACHMENT 4

**MINUTES OF THE BOARD OF DIRECTORS' BOARD MEETING AND PUBLIC HEARING
NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**

TUESDAY APRIL 9, 2019

**MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS**

Members Present: Ronny Young, Allen Knight, Maurice Schwanke, Evan Groeschel, Chris Boyd, Joe Helmberger, David Flusche, and Thomas Smith

Members Absent: Ron Sellman

Staff: Paul Sigle, Wayne Parkman, Carolyn Bennett, Theda Anderson, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal
Peter M. Schulmeyer, Collier Consulting
Matt Van Hatten, Collier Consulting
Zach Oasts, Texas A&M AgriLife

Permit Hearing

The Permit Hearing will begin at 10:00 a.m.

Notice is hereby given that the Board of Directors of the North Texas Groundwater Conservation District ("District") will conduct a permit hearing on the following Production Permit Applications:

Agenda:

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

President Ronny Young called the Permit Hearing to order at 10 a.m.

2. Review the Production Permit Applications of:

Applicant: Prosper Independent School District, 605 E. 7th Street, Prosper, TX 75078

Location of Well: 15828 Coit Road, Frisco, TX 75035; Latitude: 33°12'22.98"N Longitude: 96°46'14.82"W; on the west side of Coit Road in Frisco between Prestwick Hollow Drive and Jacksboro Lane

Purpose of Use: Irrigation

Requested Amount of Use: 10,000,000 (10 million) gallons per year

Production Capacity of Well: 150 gallons per minute

Aquifer: Paluxy Aquifer (Trinity Aquifer)

Paul Sigle, Groundwater Technical Lead reviewed the application with the Board. The Board held a detailed discussion with many questions and concerns expressed. The amount of water requested was questioned. Paul Sigle, Groundwater Technical Lead, and Kristen Fancher, Legal Counsel, explained that the permits will be examined in the future to determine the actual usage and that the permitted amount can be adjusted in the future. Board Member Joe Helmberger made the motion to approve the permit with revisions (revise to change signatory to District General Manager per the rules). Board Member Thomas Smith seconded the motion. Motion passed unanimously.

Applicant: Aqua Texas, Inc., 9450 Silver Creek Road, Fort Worth, TX 76108

Location of Well: Latitude: 33°5'36.12"N Longitude: 97°23'19.01"W; about 750 feet Northeast of the intersection of FM 407 and South County Line Road near Justin

Purpose of Use: Municipal/Public Water System

Requested Amount of Use: 15,900,000 (15.9 million) gallons per year

Production Capacity of Well: 130 gallons per minute

Aquifer: Twin Mountains Aquifer (Trinity Aquifer)

Paul Sigle, Groundwater Technical Lead reviewed the application with the Board. Kristen Fancher, Legal Counsel, swore in Matt Van Hatten and Peter Schulmeyer of Collier Consulting for their testimony. The Board held a detailed discussion with questions and concerns expressed. The water is to be used for homes and irrigation for a park area within a subdivision. This is not in any city limits at this time. The irrigation usage could be cut in times of need for residential use. Kristen Fancher informed the Board that legislature currently does not have domestic water prioritized over irrigation in terms of groundwater production. Board Member Allen Knight made the motion to approve the application. Board Member Thomas Smith seconded the motion. Motion passed unanimously.

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

There were no public comments regarding the Production Permit Applications.

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.

5. Adjourn or continue permit hearing.

Board Meeting

1. Pledge of Allegiance and Invocation

President Ronny Young led the group in the Pledge of Allegiance and Board Member Thomas Smith provided the invocation.

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

President Young called the meeting to order 10:20 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 the minutes from the February 12, 2019 board meeting

Motion was made by Evan Groeschel to approve the minutes of the February 12, 2019 meeting. The motion was seconded by Chris Boyd, and passed unanimously.

5. Consider and act upon approval of invoices and reimbursements

After review and brief discussion Allen Knight made the motion to approve Resolution No. 2019-04-01. Thomas Smith seconded the motion. Motion passed unanimously.

6. Receive reports from the following Committees*:

a. Budget and Finance Committee

1) Receive Monthly Financial Information

President Ronny Young reviewed the financial information with the Board. The Board questioned the Strittmatter receivable amount. The request was made that all AR Liens be placed in one line item for liens. A detailed discussion was held by the Board regarding issues created by the Strittmatter situation. The Board asked if the District could let the landowner know that a driller has issues with compliance history. Kristen Fancher stated that the District could send a letter to the landowner related to past compliance history. The Board asked if the District could place a list on the website showing all parties for which the District holds liens, so everybody with liens shows up.

b. Investment Committee

1) Receive Quarterly Investment Report

Board President Ronny Young reviewed the Quarterly Investment Report with the Board.

c. Management Plan Committee

1) Receive Annual Report on Management Plan

Carolyn Bennett reviewed the Annual Report on Management Plan with the Board.

2) Receive Quarterly Report

Board President Ronny Young reviewed the Quarterly Report with the Board.

d. Legislative Committee

1) Receive Update on Legislation of Interest

Kristen Fancher, Legal Counsel, updated the Board on Legislation of Interest. A discussion was held regarding water rights being treated differently than mineral oil and gas rights. Legislature is considering special language to address recovery of attorney fees for those parties winning against Groundwater Conservation Districts.

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

Kristen Fancher updated the Board on the DFC process – Drew Satterwhite, Joe Cooper and Dirk Aaron have been serving on a committee in contracting with WSP for the next round of the DFC process. The contract has been negotiated down to under \$100,000, and James Beach is to provide an update by Friday on the negotiations for this contract.

8. Consider and act upon approval of Interlocal Agreement with Groundwater Management Area 8 districts for funding of next round of joint planning.

Kristen Fancher, Legal Counsel, provided background information on the proposed interlocal agreement, which is similar to the interlocal agreement entered into for the GAM overhaul. The intention is to have all funding districts involved, with all absorbing any deficiencies. The contract is now at the amount of \$99,920, allowing for only one model run. If the District approves the document, it will be sent to the other 9 funding districts, with their respective attorneys reviewing the document. If these changes are consistent with the terms of the agreement, District staff and general counsel will recommend signing. Board Member Chris Boyd made the motion to authorize the District Counsel to administer and General Manager to sign the Interlocal Agreement Regarding Groundwater Management Area 8 Funding for Development of Desired Future Conditions Joint Planning, subject to administrative non-substantive changes. Board Member Maurice Schwanke seconded the motion. The motion passed unanimously.

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

Kristen Fancher, Legal Counsel, stated she has contacted 440 Ranch, but has not received a response.

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

a. Management Plan Update

Paul Sigle, Groundwater Technical Lead, informed the Board that General Manager Drew Satterwhite has begun updating the District's Management Plan. The Texas Water Development Board has requested the District look at a new tool introduced by the TWDB staff to look at subsidence risks.

b. Monitoring Well Update

Paul Sigle, Groundwater Technical Lead, informed the Board he is meeting with the City of Valley View tonight to provide a presentation on the District's Monitoring Well Program. Several letters have been mailed to water providers requesting use of wells for the Program, and seven have been received back, with 10 wells total.

c. Municipal Designation Setting in City of Frisco

Paul Sigle, Groundwater Technical Lead, informed the Board he met with Frisco staff and representatives from Hudson Industries and discussed the property located at 100 Hudson Drive, Frisco, Texas and the possible designation. An industrial facility was located there in the

past, from which drums leaked solvents into the Austin aquifer. The City of Frisco is developing an ordinance, which will be forwarded to the Texas Commission on Environmental Quality for approval. Paul Sigle stated the contamination has been removed, and the plume is shrinking. Kristen Fancher stated the information will need to be in the District database, so that the area in which a well may not be drilled for potable water will be available.

d. Database Development Update

Paul Sigle, Groundwater Technical Lead, informed the Board the District staff and consultants are still working through issues in the database.

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

The Board requested that a future meeting agenda contain an item to allow the Technical Lead to sign permit applications, changing the designation from General Manager to District staff. Kristen Fancher informed the Board this may be adjusted in July when the District reviews the rules.

15. Adjourn public meeting

Board President Ronny Young declared the meeting adjourned at 11:01 a.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 5

RESOLUTION NO. 2019-05-01

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE
MONTHS OF APRIL AND MAY

The following liabilities are hereby presented for payment:

<u>Administrative Services</u>	<u>Amount</u>
GTUA - April 2018	28,870.35
<u>Consultant</u>	
WSP USA Inc. - Services through March 2019	804.00
<u>Direct Costs</u>	
NexTraq - April 2019 GPS Truck Tracking	33.55
Awards Unlimited - Award for Maurice Schwanke	136.50
USTI - Jan-March monthly E-billing fees	10.16
<u>Injection Well Monitoring</u>	
Statewide Plat Service - search charges for March 2019	55.70
<u>Legal</u>	
Fancher Legal - services through March 2019	1,248.00
<u>Legal Legislative</u>	
Sledge Law - services through February 2019	3,000.00
<u>Legal-Injection Well Monitoring</u>	
Sledge Law - services through February 2019	1,671.00
<u>Meetings & Conferences</u>	
Mustang SUD - May 2019 room rental	75.00
<u>Software Maintenance</u>	
Aquaveo - March 2019 well database maintenance	500.00
Aquaveo - April 2019 well database maintenance	500.00
GRAND TOTAL:	\$ 36,904.26

On motion of _____ and seconded by

the foregoing Resolution was passed and approved on this, the 14th day of May, 2019 by the following vote:

AYE:

NAY:

President

Secretary/Treasurer

ATTACHMENT 6 A-1

Balance Sheet

For General Fund (00)

April 30, 2019

Assets

00-01-10001	Checking Account	285,119.40
00-01-10005	Index Account	6,636.58
00-01-10008	Cash- TexStar	768,628.32
00-01-10010	Investments	650,000.00
00-01-10025	Accounts Receivable	148,740.09
00-01-10041	A/R Saratoga UWCD	173.02
00-01-10050	A/R 440 Ranch	1,500.00
00-01-10070	A/R Liens - Strittmatter Irrigation	14,000.00
00-01-12001	PP Expense	320.80
	Total	<u>1,875,118.21</u>
	Total Assets	<u>\$ 1,875,118.21</u>

Liabilities and Fund Balance

00-01-23100	Accounts Payable	41,162.90
00-01-23150	Well Drillers Deposits	46,950.00
	Total	<u>88,112.90</u>
	Total Liabilities	<u>88,112.90</u>
00-01-35100	Fund Balance	1,292,708.63
00-01-35110	Current Year Excess of Revenue over Expenses	510,604.45
	Total	<u>1,803,313.08</u>
	Excess of Revenue Over Expenditures	(16,307.77)
	Total Fund Balances	<u>1,787,005.31</u>
	Total Liabilities and Fund Balances	<u>\$ 1,875,118.21</u>

North Texas Groundwater Conservation District

Statement of Revenue and Expenditures

5/7/2019 3:54pm

Page 1

Revised Budget

For General Fund (00)

For the Fiscal Period 2019-4 Ending April 30, 2019

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues					
00-01-46001 Well Production Fees	\$ 0.00	\$ 0.00	\$ 686,000.00	\$ 116,669.21	82.99%
00-01-46003 Well Registration Fees	1,666.67	1,300.00	20,000.00	3,200.00	84.00%
00-01-46010 GMA8 Fees	1,666.67	0.00	20,000.00	0.00	100.00%
00-01-46015 Late Fees	0.00	0.00	0.00	4,151.26	0.00%
00-01-46016 Penalty and Fines	0.00	0.00	0.00	500.00	0.00%
00-01-46100 Interest Inc	250.00	435.12	3,000.00	9,486.11	(216.20%)
Total General Fund Revenues	\$ 3,583.34	\$ 1,735.12	\$ 729,000.00	\$ 134,006.58	81.62%
Expenditures					
00-01-77012 Admin-Mileage	\$ 250.00	\$ 8.76	\$ 3,000.00	\$ 662.39	77.92%
00-01-77013 Admin-Secretarial	2,083.33	1,568.00	25,000.00	5,887.00	76.45%
00-01-77014 Admin-Project Coordinator	1,666.67	1,391.25	20,000.00	7,035.75	64.82%
00-01-77015 Admin-GM	5,000.00	4,368.00	60,000.00	19,916.00	66.81%
00-01-77016 Admin-Clerical	2,833.33	3,269.50	34,000.00	13,292.50	60.90%
00-01-77025 Accounting	2,083.33	2,503.00	25,000.00	13,275.25	46.90%
00-01-77027 Auditing	458.33	0.00	5,500.00	0.00	100.00%
00-01-77030 Advertising	166.67	66.60	2,000.00	66.60	96.67%
00-01-77150 Consulting- Hydrogeo	5,000.00	0.00	60,000.00	3,294.00	94.51%
00-01-77325 Direct Cost	350.00	908.45	4,200.00	2,358.15	43.85%
00-01-77450 Dues & Subscription	250.00	0.00	3,000.00	358.00	88.07%
00-01-77480 Equipment	833.33	0.00	10,000.00	735.58	92.64%
00-01-77485 Equipment-Database	833.33	0.00	10,000.00	0.00	100.00%
00-01-77500 Fees-GMA8	1,833.33	261.30	22,000.00	265.22	98.79%
00-01-77550 Field Tech	10,416.67	7,789.50	125,000.00	38,191.50	69.45%
00-01-77560 Field Permitting/Geologist	5,833.33	5,244.00	70,000.00	20,447.00	70.79%
00-01-77650 Fuel/Maintenance	291.67	131.58	3,500.00	767.47	78.07%
00-01-77800 Injection Well Monitoring	58.33	0.00	700.00	155.70	77.76%
00-01-77810 Insurance	385.17	339.42	4,622.00	1,357.68	70.63%
00-01-77970 Legal	4,166.67	0.00	50,000.00	4,090.00	91.82%
00-01-77975 Legal-Injection	1,250.00	0.00	15,000.00	5,478.80	63.47%
00-01-77980 Legal-Legislation	1,250.00	0.00	15,000.00	6,000.00	60.00%
00-01-78010 Meetings & Conferences	541.67	652.50	6,500.00	1,373.94	78.86%
00-01-78310 Rent	200.00	200.00	2,400.00	800.00	66.67%
00-01-78600 Software Maint	416.67	750.00	5,000.00	3,406.23	31.88%
00-01-78610 Telephone	200.00	270.76	2,400.00	1,099.59	54.18%
00-01-78780 Well Monitoring/Testing	375.00	0.00	4,500.00	0.00	100.00%
Total General Fund Expenditures	\$ 49,026.83	\$ 29,722.62	\$ 588,322.00	\$ 150,314.35	74.45%
General Fund Excess of Revenues Over Expenditures	\$ (45,443.49)	\$ (27,987.50)	\$ 140,678.00	\$ (16,307.77)	

ATTACHMENT 7



AGENDA COMMUNICATION

DATE: May 8, 2019

SUBJECT: AGENDA ITEM NO. 7

CONSIDER AND ACT UPON RESOLUTION OF APPRECIATION FOR MAURICE SCHWANKE

ISSUE

Resolution of Appreciation for Maurice Schwanke.

BACKGROUND

The Board of Directors has customarily adopted Resolutions of Appreciation and presented a plaque to retiring Board members who have served on the Board. Mr. Maurice Schwanke was appointed in March of 2018 to represent the Collin County Largest Municipal Groundwater Producer (City of Anna).

Mr. Schwanke was a dedicated Board Member and his contributions to the District have been invaluable.

STAFF RECOMMENDATIONS

The staff recommends the Board consider adopting Resolution of Appreciation for his service.

ATTACHMENTS

Resolution of Appreciation

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E.
General Manager

RESOLUTION NO. 2019-05-14-02

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

A RESOLUTION BY THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT RECOGNIZING

MAURICE SCHWANKE

WHEREAS, the North Texas Groundwater Conservation District wishes to recognize

MAURICE SCHWANKE

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of groundwater by faithfully participating in the activities of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT THAT: the District conveys its sincere appreciation and gratitude to

MAURICE SCHWANKE

for service provided to the District.

On motion of _____, seconded by _____, the foregoing Resolution was passed and approved on this the 14th day of May, 2019 by the following vote:

AYE:

NAY:

ABSTAIN:

At a meeting of the Board of Directors of the North Texas Groundwater Conservation District.

President

ATTEST:

Secretary-Treasurer

ATTACHMENT 13

North Texas Groundwater Conservation District

Well Registration Summary
As of April-30-2019

Well Type	Total Registered Collin County	Total Registered Cooke County	Total Registered Denton County	Total NTGCD	New Registrations since Mar-31-2019
Agriculture	8	12	41	61	0
Commercial / Small Business	7	8	35	50	1
Domestic Use (household / lawn watering at residence)	80	396	697	1175	15
Filling a pond or other surface impoundment**	46	14	92	153	0
Golf course irrigation	15	2	21	38	0
Industrial / Manufacturing	8	11	8	28	0
Irrigation	87	4	180	271	0
Leachate	0	0	0	0	0
Livestock Watering	7	65	53	125	0
Monitoring	0	0	0	0	0
Municipal / Public Water System	34	74	228	338	1
Other	11	7	33	51	1
Piezometer	0	0	0	0	0
Poultry	0	0	0	0	0
Solely to supply water for rig actively***	1	1	7	9	0
Supplying water for oil or gas production*	0	5	63	68	0
Not Specified	18	9	41	68	0
SUM	322	608	1499	2435	18

ADJOURN