

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

TUESDAY, JULY 14, 2015

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

Members Present: Joseph Helmberger, Philip Sanders, Eddy Daniel, Kenny Klement (arrived at 10:10 a.m.), Ron Sellman, Ronny Young, Thomas Smith

Members Absent: Evan Groeschel and Chris Boyd

Staff: Drew Satterwhite, P.E., Carolyn Bennett, Debi Atkins, Velma Starks

Legal Counsel:

Visitors: Peter M. Schulmeyer, Collier Consulting Inc.
Neal Welch, City of Sanger
Axel and May Haubald, Greenwood
Bob Patterson, Northern Trinity GCD

1. Pledge of Allegiance and Invocation

Ronny Young 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 Smith called the meeting to order at 10:00 a.m., and established that a quorum was present, declaring the meeting open to the public.

3. Administer Oath of Office to reappointed Board Members

Carolyn Bennett administered the Oath of Office to reappointed Board members, Ron Sellman and Philip Sanders.

4. Consider report from Nominating Committee and Election of Officers

The Nominating Committee, comprised of Thomas Smith, Ronny Young and Eddy Daniel, met and provided a recommendation to the Board of Directors for Officers for the period of July 2015 through July 2017. Motion was made by Board Member Philip Sanders to nominate Eddy Daniel as President of North Texas Groundwater Conservation District, with Evan Groeschel as Secretary/Treasurer and Ronny Young as Vice President. The motion was seconded by Joseph Helmberger, and passed unanimously with a vote three members absent.

5. Public comment

There were no public comments from the visitors present.

6. Consider and act upon approval of Minutes from the May 12, 2015 board meeting

Mr. Satterwhite reported that changes needed to be made to the minutes of the May 12, 2015 meeting, Item #9, as requested by General Counsel Brian Sledge. The first paragraph was changed to read: "Pursuant to the Texas Open Meetings Act, Chapter 551.071, Government Code, President Thomas Smith convened the

Board into Executive Session to consult with the District's attorney regarding compliance and enforcement activities for violations of the District's Rules at 10:11 a.m." Motion by Thomas Smith to approve the Minutes of the May 12, 2015 board meeting with the revisions requested by General Counsel. The motion was seconded by Ron Sellman and passed with a unanimous vote, with three members absent.

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

General Manager Drew Satterwhite, P.E., presented and discussed the invoices and reimbursements with the Board of Directors. After discussion, motion was made by Philip Sanders to approve Res 2015-07-14-1. The motion was seconded by Ronny Young and passed unanimously with two members absent.

8. Consider and act upon 2014 Audit

The 2014 audit was presented to the Board of Directors by Carl Deaton of Hankins Eastup Deaton Tonn & Seay. Mr. Deaton reviewed the financial statement, balance sheets, and liability statement with the Board, and discussed governmental accounting standards requirements for reporting.

Motion was made by Joseph Helmberger, seconded by Thomas Smith, and passed unanimously with two members absent to approve the audit for Fiscal Year Ending December 2015.

9. Receive reports from the following Committees*:

a. Budget and Finance Committee

1) Receive Monthly Financial Information

The Board received and discussed the monthly financial information.

2) Consider and act preliminary 2016 Operating Budget and Fee Schedule

Mr. Satterwhite discussed the preliminary operating budget and fee schedule with the Board of Directors. Philip Sanders, Chairman of the Budget and Finance Committee, discussed with the Board the budget for 2016 and the Committee's review of the budget. Mr. Sanders compared the percentage differences between the averages of the previous years. Mr. Sanders stated the Committee is comfortable with leaving the fee schedule as is but wanted to wait to present the budget for approval until the next second quarter revenue is determined.

The Board discussed the budget line item for consulting for model runs, repayment of the interest-free loan from the three counties, and revenues expected for 2015.

Motion was made by Philip Sanders and seconded by Ronny Young to adopt Resolution No. 2015-07-14-2 and passed unanimously with two members absent, approving the fee schedule for 2016:

\$0.10 per gallon for non-exempt wells

\$1.00 per acre-foot for agriculture use

b. Investment Committee

No report provided

c. Rules and Bylaws Committee

No report provided

d. Groundwater Monitoring and Database Committee

No report provided

e. Policy and Personnel Committee

No report provided

f. Conservation and Public Awareness Committee

No report provided

g. Management Plan Committee

1) Receive Quarterly Report

General Manager Satterwhite presented the quarterly report to the Board of Directors.

h. Desired Future Condition Committee

This matter will be discussed under Item 10.

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

President Eddy Daniel stated a meeting of the GMA8 Board has been scheduled for September 2nd if any of the North Texas GCD Board Members wish to attend. GMA8 has agreed as a group on the initial model runs for the Desired Future Conditions. These should be completed prior to the September meeting. GMA8 members were provided an opportunity to revise the 2010 numbers provided by the Texas Water Development Board in their GAM run, and this effort should result in a better GAM run for the GMA8 members.

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

General Manager Satterwhite stated there are no new violations to report, the two from the last meeting have provided the necessary funds or data to bring them into compliance. District staff is working on another group of violators and will report to the Board on them if it becomes necessary.

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

Mr. Satterwhite reported to the Board regarding injection wells and the legislative session.

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

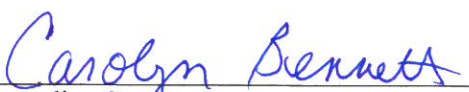
Next Board meeting to be August 11th, at Mustang SUD at 10:00 a.m.

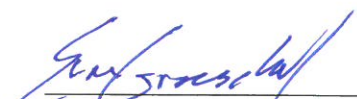
Kenny Klement discussed detention dams being constructed in the future to provide water.

14. Adjourn public meeting

The Board adjourned at 11:01 a.m.

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Recording Secretary


Secretary-Treasurer