

MINUTES OF THE BOARD OF DIRECTORS' BOARD MEETING AND PERMIT HEARING
RED RIVER GROUNDWATER CONSERVATION DISTRICT

THURSDAY, JULY 25 2019

GREATER TEXOMA UTILITY AUTHORITY
BOARD ROOM
5100 AIRPORT DRIVE
DENISON TX 75020

Members Present: Chuck Dodd, David Gattis (arrived 10:05), Harold Latham, Mark Patterson, Mark Gibson, Mark Newhouse, and Billy Stephens

Members Absent:

Staff: Drew Satterwhite, Allen Burks, Paul Sigle Theda Anderson, Carolyn Bennett, Debi Atkins, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal
Robin McCoy, Senator Pat Fallon's Office

Board Meeting

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

Board President Mark Patterson called the meeting to order at 10 a.m., established a quorum was present, and declared the meeting open to the public.

2. Public comment

No public comments.

3. Consider and act upon approval of Minutes of June 27, 2019, Board Meeting.

Board Member Chuck Dodd made a motion to approve the minutes of the June 27, 2019 meeting. The motion was seconded by Board Member Billy Stephens. The motion passed unanimously.

4. Review and approval of monthly invoices.

General Manager Satterwhite reviewed the monthly invoices with the Board of Directors. Board Member Billy Stephens made a motion to approve Resolution 2019-07-25-01. Board Member Mark Gibson seconded the motion. Motion passed unanimously.

5. Receive monthly financial information.

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

Board moved to Item 7 to allow time for Board Member David Gattis to arrive. Board Member David Gattis arrived as the Committee was being appointed.

6. Budget and Finance.

a. Consider and act upon 2020 Operating Budget.

General Manager Drew Satterwhite provided background information for the Board. The District's fiscal year is based on a calendar year from January 1st through December 31st, while many of the groundwater producers who pay production fees operate on fiscal years that begin October 1st through September 30th. The Budget Committee met on July 17th and reviewed the proposed budget. During the Budget Committee meeting, discussion was held regarding the well registration and permit application fees. The Budget Committee directed staff to review the amount of effort involved with the new permit applications and to report back to the full Board for discussions of a tiered system for application and permit fees. The Committee would like for the Board to discuss the possibility of have 3 tiers for 1) exempt wells, 2) non-exempt wells that do not require a hydro report (<200 gpm), and 3)non-exempt wells that require a hydro report as a part of the application process (>200 gpm). The Board discussed the 3 tiers and the rates for each. The Board discussed the Fund Balance and decided it was adequate until clarified by Fund Balance Committee consisting of David Gattis, Mark Newhouse and Harold Latham.

Board Member David Gattis made the motion to divide the fees into 3 tiers:

1. Exempt wells, \$100
2. Non-exempt wells that do not require a hydro report (<200 gpm), \$600
3. Non-exempt wells that require a hydro report as a part of the application process (>200 gpm), \$1500

These fees will become effective January 1, 2020. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

Board Member Chuck Dodd made the motion to approve the Budget and Rate Fees as presented. Board Member David Gattis seconded the motion. Motion passed unanimously.

b. Consider and act upon 2020 Groundwater Production Fee and Fee Schedule.

Board Member Chuck Dodd made the motion to approve the Budget and Rate Fees as presented. Board Member David Gattis seconded the motion. Motion passed unanimously.

c. Receive Quarterly Investment Report.

General Manager Drew Satterwhite reviewed the Quarterly Investment Report with the Board.

7. Establish committee to elect officers.

General Manager Drew Satterwhite informed the Board that the Bylaws need an update regarding the wording pertaining to when officers are to be elected. The terms of Board members end August 31 and the wording states the officers should be elected at the August meeting. The Committee to elect officers was established with Harold Latham, David Gattis and Mark Newhouse.

