

**AGENDA**  
**RED RIVER GROUNDWATER CONSERVATION DISTRICT**  
**BOARD OF DIRECTORS SPECIAL MEETING**  
**GTUA BOARD ROOM**  
**5100 AIRPORT DRIVE**  
**DENISON, TEXAS 75020**  
**3:00 P.M., MONDAY, FEBRUARY 21, 2011**

Notice is hereby given that a meeting of the Board of Directors of the Red River Groundwater Conservation District will be held on the 21<sup>st</sup> day of February, 2011, at 3:00 p.m. in the GTUA Board Room, 5100 Airport Drive, Denison TX, 75020, at which time the following items will be discussed:

**Agenda:**

- I. Call to Order
- II. Introduction of Visitors
- III. Consider and act upon approval of Minutes of January 31, 2010 Meeting
- IV. Citizens to be Heard
- V. Consider and act upon budget and temporary methods for financing the District
- VI. Consider and act upon approval of proposal and contract for the development of geodatabase and web-based application for the District
- VII. Consider and act upon entering into an agreement related to the development of geodatabase and web-based application with other groundwater conservation districts in Groundwater Management Area 8
- VIII. Consider and act upon Administrative Services Agreement with the Greater Texoma Utility Authority
- IX. Consider and act upon proposed rules by the Securities and Exchange Commission regarding municipal advisors pursuant to implementation of the Dodd-Frank Act.
- X. Consider and act upon proposed legislation.
- XI. Consider and discuss draft Temporary Rules

XII. Discuss future meeting date and agenda

XIII. Adjourn

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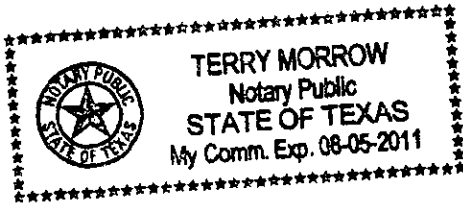
<sup>1</sup>The Board may vote and/or act upon each of the items listed in this agenda.

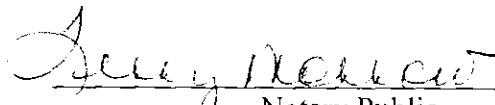
<sup>2</sup>At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Red River Groundwater Conservation District Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

This is to certify that I, Carmen Catterson, posted this agenda on the outdoor bulletin board of the Administrative Offices of the Greater Texoma Utility Authority, on the west side of the building, by 5:00 p.m. on February 16, 2011. I also provided this agenda to the County Clerks in Fannin and Grayson Counties with a request that it be posted.

  
Carmen Catterson

Sworn and subscribed to before me this 16 day of February 2011.



  
Notary Public

(S E A L)

PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING, AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT CARMEN CATTERSON AT (903) 786-4433 TWO (2) WORKING DAYS PRIOR TO THE MEETING, SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

ATTACHMENT III

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

**MONDAY, JANUARY 31, 2011**

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

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Members Present: George "Butch" Henderson, Don Wortham, David Gattis, Don Morrison, John Young

Members Absent: George Olson, Harold Latham

Staff: Jerry Chapman, Carolyn Bennett and Carmen Catterson

Visitors: Brian Sledge, Lloyd Gosselink Firm (via conference call)  
Joe Alaniz, Tri-Tex Grass  
Mark Newhouse, Bois d'Arc MUD  
Doug O'Connor, Trinity Turf  
Bob Patterson, Upper Trinity GCD  
Randy Price, Tri-Tex Grass  
Michelle Reed, Bois d'Arc MUD  
Joey Rickman, City of Honey Grove  
Bill Schindler, Tri-County Sod

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I. Call to Order

President Henderson called the meeting to order at 2:00 p.m.

II. Introduction of Visitors

All visitors and Board members introduced themselves and the entity they represented.

At this time, President Henderson moved out of agenda order to Item XI to allow the citizens a chance to comment before the Executive Session.

XI. Citizens to be heard

Mr. O'Connor questioned whether the Board had a proposal for Temporary Rules. The Board responded that the Temporary Rules are still in draft form. Once the proposal for Temporary Rules is available, it will be provided to the public for review.

Mr. Price thanked the Board for the opportunity to review the rules before they are finalized. He requested the Board consider agriculture for a complete exemption.

Mr. O'Connor again stressed his desire for all agriculture to be exempted from metering and fee payments.

III. Consider and act upon approval of Minutes of November 30, 2010 Meeting.

Secretary/Treasurer Wortham motioned to approve the Minutes of the November 30, 2010 Meeting. The motion was seconded by Board Member Gattis and passed unanimously.

IV. Consider and discuss legislation and activities concerning Groundwater Management Area 8

Pursuant to Government Code Section 551.071, the Board of Directors adjourned into closed Executive Session at 2:06 p.m. to discuss the following:

Legal Matters

The Board reconvened into Regular session at 2:56 p.m. President Henderson stated no action was taken on items discussed during the Executive Session.

V. Consider and discuss draft Management Plan

Mr. Chapman reported that the staff contacted Freese & Nichols for additional information needed for the Plan. Freese & Nichols is currently compiling the data. More information will be presented to the Board as it arrives.

VI. Consider and discuss draft Temporary Rules

The Rules Committee met twice in January. Secretary/Treasurer Wortham and Board Member Gattis reported the Committee made great progress on drafting the rules, but need to meet at least one more time before they will have any recommendations for the Board. The current draft rules are included the packet. Board Member Morrison expressed concern about the definition of agriculture contained in Section 2.1. It currently exempts domestic, livestock and poultry. He believes that all wells not used exclusively for domestic wells should be metered, but any agricultural wells should not be charged fees. The Board briefly discussed definitions of agriculture and uses of wells

VII. Consider and act upon approval of proposal and contract for the development of geodatabase and web-based application for the District

The Board cannot act on any issues that require funds at this meeting. The Board's legislation and bylaws are designed that a supermajority of 6 out of 7 board members must agree on all financial matters. This is provided for information only.

The Authority provides administrative support to the North Texas GCD (NTGCD). The NTGCD is slightly farther along than the Red River GCD, due to funding received from the three counties. The NTGCD requested proposals in 2010 for the creation of a geodatabase to help streamline the collection of well information and to help monitor groundwater usage. Three proposals were received by the

NTGCD in December 2010. The NTGCD decided that the presentation by CDM provided the best proposal with the most economical cost. CDM will search existing databases, including Texas Commission on Environmental Quality, the Texas Water Development Board, and the Texas Department of Licensing and Registration. They will compile the information into the database and provide it for both the Board and for public use. Mrs. Catterson explained that the system would be based on the ESRI software and would be hosted on CDM's servers. The District and the public would access the information by internet. Well owners could search the map by location and choose the correct forms to fill out and could submit them by internet or print and mail the forms. Future phases can include payment options and water usage reporting. Those would be determined by the Board at a later date.

President Henderson explained that the District is charged with developing a geodatabase to manage the information. CDM's proposal was the lowest and the most expansive. They also provided an option to tier the costs based on the number of participants in the program. The NTGCD engaged CDM's services at the last meeting. Prairie Lands GCD has also adopted the CDM program. This will provide the lowest tier for cost. Each entity would have its own contract with CDM, but the basic scope for the three districts would be the same. Any additional requests would be an additional cost.

Board Member Morrison motioned to issue a Notice of Intent to CDM alerting them to the desire of the Board to participate in the program. The motion was seconded by Board Member Young and passed unanimously.

This item was tabled until next month.

VIII. Consider and act upon entering into an agreement related to the development of geodatabase and web-based application with other groundwater conservation districts in Groundwater Management Area 8

Discussion for this item was held previously under Item VII.

This item was tabled until next month.

IX. Consider and act upon budget and temporary methods for financing the District.

The District has already incurred approximately \$28,000 in charges to the Authority in the past year and a half. If the Board enters into a contract with CDM, it will cost the Board approximately \$45,000. Groundwater Management Area 8 also needs funds to support their activities and the Authority will be providing administrative services for the next year. President Henderson provided a draft budget for the Board's approval. The budget includes the amount owed to the Authority for the past year and includes a portion of the cost for CDM. The District has to be funded by the water users based on the groundwater pumped. Also provided to the Board is a list of 51 known entities in the two counties and how much each entity would owe based on the proposed budget. Two payment options are shown – yearly and quarterly. Each entity would have an option to pay for the entire year at once or to pay quarterly. The budget of \$150,000 would equal out to approximately \$0.03 per 1,000 gallons of groundwater pumped. Mr. Patterson explained that in his experience \$0.03 per 1,000 gallons is a very low cost and is usually not practical. The Upper Trinity GCD is currently operating at \$0.22 per 1,000 gallons and has been unable to lower the cost.

This item was tabled until next month.

X. Consider and act upon Administrative Services Agreement with the Greater Texoma Utility Authority

President Henderson requested the Board review the agreement by the next meeting. He had no comments or changes.

This item was tabled until next month.

XII. Discuss future meeting date and agenda

The Board briefly discussed possible meeting dates, and agreed to schedule the next meeting for Monday, February 21, 2011 at 3:00 PM.

The Board briefly discussed a courtesy copy received from the Texas Department of Licensing and Registration of a request for confidentiality of well information. Mr. Patterson reported that the information is kept from the public, but water districts still have access to all information.

XIII. Adjourn

Upon motion by Board Member Morrison seconded by Board Member Gattis and passed unanimously, the Board adjourned at approximately 3:50 p.m.

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Recording Secretary

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Secretary-Treasurer

**ATTACHMENT V**



**RED RIVER GROUNDWATER CONSERVATION DISTRICT  
PROPOSED BUDGET**

<b>REVENUES</b>	<b>2011 Proposed</b>
Percentage-based billing	\$150,000.00
Groundwater Use Fees	\$0.00
Groundwater Transport Fees	\$0.00
Permit Fees	\$0.00
Well Registration Fees	\$0.00
Late Payment Fees	\$0.00
Returned Check Fees	\$0.00
Fines	\$0.00
Grant Revenue	\$0.00
Interest Revenue	\$0.00
Transfer from Fund Balance	\$0.00
Miscellaneous Revenue	\$0.00
<b>Total Revenues</b>	<b>\$150,000.00</b>
<b>EXPENSES</b>	
	<b>2011 Proposed</b>
<b>Payroll Expenses</b>	
Salaries - Overtime	\$0.00
Payroll Taxes	\$0.00
Health Insurance	\$0.00
Retirement	\$0.00
Unemployment	\$0.00
Workers Compensation	\$0.00
Miscellaneous Payroll	\$0.00
<b>Total Payroll Expenses</b>	<b>\$0.00</b>
<b>Administrative Expenses</b>	
Director's Insurance/Bonds	\$700.00
Membership Dues & Subscriptions	\$1,000.00
Travel/Training	\$1,000.00
Office Supplies	\$0.00
Office Equipment	\$0.00
Advertising	\$0.00
Printing	\$0.00
Postage	\$0.00
Rent	\$0.00
Utilities	\$0.00
Phone	\$0.00
Returned Check Expense	\$0.00
Miscellaneous	\$1,800.00
<b>Total Administrative Expenses</b>	<b>\$4,500.00</b>
<b>Contract Services</b>	
Legal	\$7,500.00
Engineering	\$0.00
Accounting	\$0.00
Audit	\$0.00
Administrative Support	\$77,000.00
Administrative Support - 2010	\$30,000.00
IT Support	\$31,000.00
Other	\$0.00
<b>Total Contract Services Expenses</b>	<b>\$145,500.00</b>
<b>Debt Service</b>	
Tri-County Loan	\$0.00
<b>Total Debt Service Expenses</b>	<b>\$0.00</b>
<b>Total Expenses</b>	<b>\$150,000.00</b>
<b>Revenue Over Expenses</b>	<b>\$0.00</b>
<b>Estimated Year-End Fund Balance</b>	<b>\$0.00</b>

RED RIVER SUMMARY OF EXPENSES

	Cummulative Costs	jul-nov 2010	Dec-10	Jan-10
Administration				
Ccatterson	6842.50	6142.50	700.00	
Cbennett	12932.25	10524.25	2408.00	
Jchapman	6000.00	5520.00	480.00	
Meetings & Conf	441.32	434.84	6.48	
Copies	1240.50	1173.40	67.10	
Office Supplies	106.78	74.00	32.78	
Phone System	840.85		840.85	
Telephone	157.61		77.69	79.92
Total	28561.81	23868.99	4612.90	79.92

	Entity	2006 Groundwater Production, gallons	Percent of Total	Total Cost \$ 150,000.00
1	Arledge Ridge WSC	40,703,800	0.82%	\$ 1,227.03
2	Bailey	10,982,448	0.22%	\$ 331.07
3	Bartley Woods WSC	75,125,560	1.51%	\$ 2,264.68
4	Bells	54,441,900	1.09%	\$ 1,641.17
5	Bois d'Arc MUD	65,322,000	1.31%	\$ 1,969.15
6	Collinsville	87,437,900	1.76%	\$ 2,635.84
7	Denison	76,170,000	1.53%	\$ 2,296.17
8	Desert WSC	53,243,500	1.07%	\$ 1,605.04
9	Dial WSC	13,684,300	0.28%	\$ 412.52
10	Dodd City	30,459,831	0.61%	\$ 918.22
11	Dorchester	73,413,000	1.48%	\$ 2,213.06
12	Ector	31,212,000	0.63%	\$ 940.89
13	Gober MUD	13,895,000	0.28%	\$ 418.87
14	Gunter	63,009,000	1.27%	\$ 1,899.42
15	Honey Grove	111,541,000	2.24%	\$ 3,362.43
16	Howe	98,382,100	1.98%	\$ 2,965.76
17	Kentuckytown WSC	127,140,000	2.56%	\$ 3,832.67
18	Ladonia	54,567,795	1.10%	\$ 1,644.96
19	Lannius MUD	2,939,681	0.06%	\$ 88.62
20	Lattimore Materials Co.	1,919,262	0.04%	\$ 57.86
21	Leonard	81,896,000	1.65%	\$ 2,468.78
22	Luella SUD	130,231,000	2.62%	\$ 3,925.85
23	Luminant Valley Steam Electric Plant	26,084,270	0.52%	\$ 786.32
24	Marilee SUD	205,902,337	4.14%	\$ 6,206.98
25	Northwest Grayson WCID #1	53,930,000	1.08%	\$ 1,625.73
26	Oak Creek Mobile Village	1,735,000	0.03%	\$ 52.30
27	Pink Hill WSC	73,694,000	1.48%	\$ 2,221.53
28	Pottsboro	13,998,510	0.28%	\$ 421.99
29	Randolph WSC	9,432,900	0.19%	\$ 284.36
30	Ravenna-Nunlee WSC	17,901,050	0.36%	\$ 539.63
31	Sadler	12,470,900	0.25%	\$ 375.94
32	Savoy	27,329,400	0.55%	\$ 823.85
33	Semgas, LP	6,395,000	0.13%	\$ 192.78
34	Sheppard AFB	2,415,900	0.05%	\$ 72.83
35	Sherman	1,615,100,000	32.46%	\$ 48,687.64
36	South Grayson WSC	232,419,000	4.67%	\$ 7,006.34
37	Southmayd	17,118,479	0.34%	\$ 516.04
38	Southwest Fannin SUD	202,536,900	4.07%	\$ 6,105.53
39	Southwest Water	152,702,800	3.07%	\$ 4,603.27
40	Starr WSC	83,906,800	1.69%	\$ 2,529.39
41	Tioga	47,636,260	0.96%	\$ 1,436.01
42	Tom Bean	69,706,219	1.40%	\$ 2,101.31
43	Trenton	40,624,100	0.82%	\$ 1,224.62
44	Two Way SUD	187,973,000	3.78%	\$ 5,666.50
45	Van Alstyne	123,436,000	2.48%	\$ 3,721.01
46	West Leonard WSC	54,325,200	1.09%	\$ 1,637.65
47	White Shed WSC	83,306,400	1.67%	\$ 2,511.29
48	Whitesboro	187,740,700	3.77%	\$ 5,659.50
49	Whitewright	90,490,000	1.82%	\$ 2,727.85
50	Windom	14,381,600	0.29%	\$ 433.54
51	WSWS Co.	23,493,858	0.47%	\$ 708.23
	Total GW Production	4,975,903,660	100.00%	\$ 150,000.00

	Entity	2006 Groundwater Production, gallons	Percent of Total	Total Cost \$ 37,500.00
1	Arlidge Ridge WSC	40,703,800	0.82%	\$ 306.76
2	Bailey	10,982,448	0.22%	\$ 82.77
3	Bartley Woods WSC	75,125,560	1.51%	\$ 566.17
4	Bells	54,441,900	1.09%	\$ 410.29
5	Bois d'Arc MUD	65,322,000	1.31%	\$ 492.29
6	Collinsville	87,437,900	1.76%	\$ 658.96
7	Denison	76,170,000	1.53%	\$ 574.04
8	Desert WSC	53,243,500	1.07%	\$ 401.26
9	Dial WSC	13,684,300	0.28%	\$ 103.13
10	Dodd City	30,459,831	0.61%	\$ 229.56
11	Dorchester	73,413,000	1.48%	\$ 553.26
12	Ector	31,212,000	0.63%	\$ 235.22
13	Gober MUD	13,895,000	0.28%	\$ 104.72
14	Gunter	63,009,000	1.27%	\$ 474.86
15	Honey Grove	111,541,000	2.24%	\$ 840.61
16	Howe	98,382,100	1.98%	\$ 741.44
17	Kentuckytown WSC	127,140,000	2.56%	\$ 958.17
18	Ladonia	54,567,795	1.10%	\$ 411.24
19	Lannius MUD	2,939,681	0.06%	\$ 22.15
20	Lattimore Materials Co.	1,919,262	0.04%	\$ 14.46
21	Leonard	81,896,000	1.65%	\$ 617.19
22	Luella SUD	130,231,000	2.62%	\$ 981.46
23	Luminant Valley Steam Electric Plant	26,084,270	0.52%	\$ 196.58
24	Marilee SUD	205,902,337	4.14%	\$ 1,551.75
25	Northwest Grayson WCID #1	53,930,000	1.08%	\$ 406.43
26	Oak Creek Mobile Village	1,735,000	0.03%	\$ 13.08
27	Pink Hill WSC	73,694,000	1.48%	\$ 555.38
28	Pottsboro	13,998,510	0.28%	\$ 105.50
29	Randolph WSC	9,432,900	0.19%	\$ 71.09
30	Ravenna-Nunlee WSC	17,901,050	0.36%	\$ 134.91
31	Sadler	12,470,900	0.25%	\$ 93.98
32	Savoy	27,329,400	0.55%	\$ 205.96
33	Semgas, LP	6,395,000	0.13%	\$ 48.19
34	Sheppard AFB	2,415,900	0.05%	\$ 18.21
35	Sherman	1,615,100,000	32.46%	\$ 12,171.91
36	South Grayson WSC	232,419,000	4.67%	\$ 1,751.58
37	Southmayd	17,118,479	0.34%	\$ 129.01
38	Southwest Fannin SUD	202,536,900	4.07%	\$ 1,526.38
39	Southwest Water	152,702,800	3.07%	\$ 1,150.82
40	Starr WSC	83,906,800	1.69%	\$ 632.35
41	Tioga	47,636,260	0.96%	\$ 359.00
42	Tom Bean	69,706,219	1.40%	\$ 525.33
43	Trenton	40,624,100	0.82%	\$ 306.16
44	Two Way SUD	187,973,000	3.78%	\$ 1,416.62
45	Van Alstyne	123,436,000	2.48%	\$ 930.25
46	West Leonard WSC	54,325,200	1.09%	\$ 409.41
47	White Shed WSC	83,306,400	1.67%	\$ 627.82
48	Whitesboro	187,740,700	3.77%	\$ 1,414.87
49	Whitewright	90,490,000	1.82%	\$ 681.96
50	Windom	14,381,600	0.29%	\$ 108.38
51	WSWS Co.	23,493,858	0.47%	\$ 177.06
	Total GW Production	4,975,903,660	100.00%	\$ 37,500.00

ATTACHMENT VI

# NTGCD

## Scope of Services

### Project Overview

The North Texas Groundwater Conservation District (NTGCD) requires a GIS database and a web-based application with GIS capabilities for managing information from well-owners within the NTGCD boundary. This project is the first phase in a multi-phased approach to meeting that need. In this project, CDM will collect existing GIS well data from government entities and compile that information to design and create a GIS database. Well data will be obtained via an online web application whereby well owners can choose the location of their well and submit registration information. The location information and details about the well will be available for online viewing. Future phases are to include self-reporting well usage, payment processing, broader functionality and information available with the application and continued GIS maintenance and analysis.

### Scope of Services

#### **Task 1 - Needs Assessment**

CDM will conduct a brief needs assessment to determine future requirements for GIS data management and application development. This needs assessment will consist of a meeting/interview with board members or board designated representatives. As well, CDM will also conduct research as to online procedures followed by other established Texas Groundwater Conservation Districts (these may be determined by the NTGCD Board-not to exceed five districts).

**Deliverable:** Memorandum containing a summary of findings and recommendations for proceeding with future project phases.

**Assumptions:** None.

**Schedule:** To be completed within two weeks of notice to proceed.

## Task 2 - GIS

CDM will create a database design and obtain existing Well data and associated information from the following sources:

- TWDB
- TCEQ
- USGS
- Railroad commission
- TDLR
- Water Well Drillers of Texas

Additionally, parcel GIS data will be gathered from Cook, Denton and Collin Counties.

**Deliverable:** Geodatabase with well locations and existing well attribute information. Parcel layers from County Appraisal districts.

**Assumptions:** GIS data layers will be input as-is with minimal analysis. It is likely the source data is not current or spatially accurate.

**Schedule:** To be completed within 4 weeks of notice to proceed

## Task 3 - WebGIS Development – Phase I

CDM will develop an externally-facing public website utilizing Esri's ArcGIS Server and Flex technology to assist the District in collecting, compiling, and managing well locations and supporting information. The website will allow users to self-register their well or wells and allow them to view and edit the information submitted. The website will be hosted on CDM's server for the first year. The website will contain the following functionality:

- Website will launch via link from NTGCD home page
- Website will support public access via Username and Password
  - User creates Login (email address) and password on Login Creation Screen
- Website will support collection of information for Residential and Commercial Wells (all wells within district)
  - Information collected will include current data collected on the Texas Department of Licensing and Regulation Well Report and additional information for 'location description text'
- Add New Well (Map Interface with Base Map Layers and Data Entry Form)
  - User clicks on map to initialize the input forms for data collection
  - User inputs data fields including Text Description and X,Y location from Well Driller's Report

- Data Validation and Mandatory fields will be enforced
- Map Selection Tool and Edit Mode to update existing information
- Well Locations and Data will be required to be 'approved' by an Administrator
- For multiple wells for a single owner, repetitive information will be pre-populated on the data input screen.
- PDF version of the Data Entry form will be made available for users with no internet access.
- Administrative Console for Reviewing, Editing, Approving and Reporting data.

CDM will provide 2 days of onsite training on the use of the system for administrators.

**Deliverables:**

- Public facing website for the purpose of collecting well information in the North Texas Groundwater Conservation District
- Training for board members and other designated representatives of NTGCD

**Assumptions:** CDM will host the final GIS application. Application will not be responsible for editing information collected in GIS Task (above). Expected user load of no more than 20 concurrent users.

**Schedule:**

The application will be delivered in three phases – Prototype, Beta, and Final Release. NTGCD will have the opportunity to review the website and provide comments at the Prototype and Beta releases.

The Prototype will be delivered 4 weeks after notice to proceed.

The Beta release will be delivered 6 weeks after notice to proceed.

The Final Release will be delivered 8 weeks after notice to proceed.

**WebGIS Development – Phase II (Post April, 2011 – Not Budgeted)**

CDM will develop additional functionality to the externally-facing public website allowing users to report their monthly water usage and pay their bill online. Phase II will add the following functionality upon agreement between NTGCD and CDM:

- User console for reporting monthly water usage
- System will calculate the amount owed by the user
- User console or interface to online payment system (to be determined).
- Additional functionality added to the Administrative console to track non-payment, late payment, or missing reporting.
- Reporting Module to allow pre-determined or custom data reporting.



### **GIS Maintenance (Post April, 2011 – Not budgeted)**

CDM will provide ongoing maintenance support for the GIS based on time and materials. Maintenance tasks will include (but not limited to):

- Quality control of registrant data entry
- Analysis and reporting comparing data from existing sources with owner data entry

### **Web GIS Hosting (Post 2011 – Not Budgeted)**

CDM will provide a WebGIS hosting service to NTGCD for the Well Tracking website including 4 quarterly updates of GIS data.

### **Fees for Consulting Services**

CDM shall be paid a lump sum fee of \$69,268 for Tasks 1, 2, and 3 outlined in this document (including ODCs). Fees shall be billed monthly based on the percentage complete per task. Fees per task are summarized as follows:

NTGCD Only:

Task 1 – \$3,222

Task 2 – \$14,088

Task 3 – \$51,258

Other Direct Costs - \$700

*NTGCD and Second Entity: (Cost Per Entity) Assuming all requirements are exactly the same as NTGCD.*

*Task 1 – \$3,222*

*Task 2 – \$13,488*

*Task 3 - \$33,810*

*Other Direct Costs - \$700*

*NTGCD and Second and Third Entity: (Cost Per Entity) Assuming all requirements are exactly the same as NTGCD.*

*Task 1 – \$3,222*

*Task 2 – \$13,288*

*Task 3 - \$27,994*

*Other Direct Costs - \$700*

ATTACHMENT VIII

**ADMINISTRATIVE SERVICES AGREEMENT  
BETWEEN THE GREATER TEXOMA UTILITY AUTHORITY AND  
THE RED RIVER GROUNDWATER CONSERVATION DISTRICT**

STATE OF TEXAS	§	STATE OF TEXAS
	§	
GREATER TEXOMA UTILITY AUTHORITY	§	RED RIVER GROUNDWATER
	§	CONSERVATION DISTRICT

This Agreement, made and entered into by and between the Greater Texoma Utility Authority, hereinafter referred to as (“Authority”) and the Red River Groundwater Conservation District in Fannin and Grayson Counties, Texas, hereinafter referred to as (“District”).

WITNESSETH:

WHEREAS, the District is experiencing a need for administrative services in order to achieve the objectives provided in its enabling legislation and Chapter 36 of the Texas Water Code; and

WHEREAS, the Authority has staff experienced in water related activities; and

WHEREAS, the District has determined that it is in the best interest of the District to engage the Authority to assist in providing administrative assistance in establishing the District’s programs and activities; and

WHEREAS, the District has determined that the proposal dated October 19, 2010, from the Authority, as said proposal is modified and supplemented herein, is in the best interest of the District and that the Authority is qualified and capable of providing such services;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and of the terms and conditions hereinafter set forth, the parties agree as follows:

1. The Proposal. The term "Proposal" as used herein refers to the Proposal made and submitted by the Authority to the District dated January 31, 2011, as amended, modified, or supplemented herein. (attached hereto as “Exhibit A”)

The Proposal is a general guideline for the commencement of administrative activities and related services. Said Proposal is amended and superseded by specific terms of this Agreement, which may be amended in writing from time to time upon agreement of the Authority and the District.

2. Administrative Services. The Authority shall perform administrative services for the District at the direction of the District Board, and the District Board President to the extent that the Board President’s direction does not conflict with any District or Authority rule, policy, or order of the District or Authority Board. Such directions from the District Board and Board President regarding the performance of administrative services shall supplement any specific services delineated in this Agreement or the attached Proposal. Administrative services shall include, but not be limited to recording and communication services, database collection and well registration services, as well as assistance in developing personnel policies, operating procedures, refining of temporary rules and developing a management plan. Administrative services

shall also include performance of the duties of the "General Manager" as set forth in the District's Temporary District Rules, Bylaws, rules and orders, subject to the directions and orders of the District Board and Board President. The Authority shall not retain outside professional services to be reimbursed by the District without prior authorization from the District. The District Board shall retain ultimate authority in decision-making under the District's Rules.

3. Charges and Payment.

(A) The District acknowledges the changes which have been incurred with the Authority in the amount of \$ \_\_\_\_\_, and agrees to pay these charges as a part of this Agreement.

(B) Monthly payments shall be made by the District to the Authority for actual costs incurred including hourly wages and benefits of the Authority employees, extra travel costs to and from the District, and other direct costs, including fees for professional services. The Authority shall invoice the District for any such services performed hereunder during the preceding thirty (30) day period, said invoice to be presented by the 25<sup>th</sup> day of the following month. Said invoice shall be itemized in such a manner that the District may determine the reasonableness of the charges submitted. The District shall pay the full amount of invoices received from the Authority by the tenth day of the month following receipt of any such invoice unless notice of protest or disagreement is given to the Authority within seven (7) business days after receipt of said invoice. Failure of the Authority and the District to agree upon payment of such invoice within thirty (30) days of protest shall be grounds for termination under Paragraph 4 unless the parties can otherwise agree in writing to a schedule of payment.

4. Terms of Agreement. The Term of this Agreement shall be for a 12-month period commencing as of the effective date of this Agreement, which shall be the later date that the District or the Authority executes this Agreement. This Agreement may be renewed upon expiration of the 12-month term of this Agreement by written agreement between the parties. Either the District or the Authority may terminate this agreement for any reason at any time upon ninety (90) days written notice of termination to the other party. Should the Authority or the District elect to terminate this Agreement, the District shall remain responsible for its share of any costs for which it is obligated that remain existing and unpaid as of the effective date of termination.

5. Indemnity. Neither the District nor the Authority shall be liable to the other for loss, either direct or consequential. All such claims for any and all loss, however caused, are hereby waived. Said absence of liability shall exist whether or not the damage, destruction, injury, or loss of life is caused by the negligence of either party or of any of their respective agents, servants, or employees. It is contemplated that each party shall look to its respective insurance carriers for reimbursement of any such loss. Neither party shall have any interest or claim in the other's insurance policy or policies, or the proceeds thereof, unless it is specifically covered therein as an additional insured. Nothing contained in this Agreement is intended by either party to create a partnership or joint venture, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint any party as an agent of any other party, for any purpose whatsoever. It is understood and agreed that by execution of this Agreement, no governmental powers or immunities are waived or surrendered by either the District or the Authority.

6. Independent Contractor. The Authority is, and shall perform this agreement as, an independent contractor, and as such, shall have and maintain complete control over all of its employees, subcontractors, agents, and operations. Neither the Authority nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, subcontractor, employee, officer or servant of the District. No

employee or agent of the District shall be, represent, act, or purport to act or be deemed to be the agent, representative, subcontractor, employee, officer, or servant of the Authority.

7. Surety Bond. Any officer, employee, or agent of the Authority who collects, pays, or handles any funds of the District shall furnish good and sufficient bond payable to the District in an amount determined by the District Board to safeguard the District. The bond shall be conditioned on the faithful performance of that person's duties and on accounting for all funds and property of the District. The bond shall be signed or endorsed by a surety company authorized to do business in Texas. The District Board hereby determines that the initial amount of each bond shall be set at \$50,000.00, and may alter the amount pursuant to a minute order or resolution adopted at a properly noticed meeting. The District Board shall provide the Authority with notice of any such alternative amount. The District shall reimburse the Authority for its out-of-pocket costs incurred in connection with the purchase of bonds payable to the District. Any such out-of-pocket costs exceeding \$2500.00 per year shall require prior approval of the District Board. The Authority shall limit the collection, payment, or handling of District funds only to the officers, employees, and agents of the Authority who have been bonded in accordance with this paragraph.

8. No Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the parties hereto, and all duties and responsibilities undertaken pursuant to this Agreement shall be for the sole and exclusive benefit of the parties hereto, and not for the benefit of any other party. There are no third party beneficiaries to this Agreement.

9. Assignment. This Agreement shall not be assignable except at the written consent of the Authority and the District hereto, and if so assigned, shall extend to and be binding upon the successors and assigns of the Authority and the District thereto.

10. Notices. All notices given under this agreement shall be deemed properly served if delivered in writing personally, or sent by certified mail to George "Butch" Henderson, President, Red River Groundwater Conservation District, 5100 Airport Drive, Denison, TX 75020-8448, and to the Authority addressed to the General Manager, Greater Texoma Utility Authority, 5100 Airport Drive, Denison, TX 75020-8448. Date of service of notice served by mail shall be the date on which such notice is deposited in a post office of the United States Postal Service. Either party may change their respective addresses for notice by providing notice of such address change in the aforesaid manner with specific reference to this Agreement.

11. Authority Financial Obligations. Nothing in this agreement shall be construed to require the Authority to expend funds from any source other than the revenues received hereunder. All costs required by valid rules, regulations, laws, or orders passed or promulgated by the United States of America, the State of Texas, and regulatory or judicial branches thereof having lawful jurisdiction shall be the responsibility of the District.

12. Entire Agreement. This agreement embodies the entire understanding between the Authority and the District hereto relative to the subject matter hereof and shall not be modified, changed or altered in any respect except in writing signed by the Authority and the District.

13. Governing Law and Severability. This agreement shall be governed by the laws of the State of Texas and the venue in Grayson County, Texas. The provisions of this agreement shall be deemed to be severable and the invalidity of or inability to enforce other provisions hereof. In the event of a conflict between the terms of this Agreement and any exhibit attached hereto, the terms and conditions of this Agreement shall take precedence.

14. Interpretation. Although drawn by the Authority, this contract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party. Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused the signatures of their legally authorized representatives to be affixed hereto, having been duly approved by the respective governing bodies and effective on the last date of execution as set forth below.

GREATER TEXOMA UTILITY AUTHORITY  
5100 AIRPORT DRIVE  
DENISON TX 75020-8448

RED RIVER GCD  
5100 AIRPORT DRIVE  
DENISON TX 75020-8448

BY: \_\_\_\_\_  
President

BY: \_\_\_\_\_  
President

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

ATTEST:

ATTEST:

\_\_\_\_\_  
Secretary-Treasurer

\_\_\_\_\_  
Secretary

## Scope of Services

- I. Recording and Communication Services
  - Act as point of contact for well owners by answering questions regarding rules
  - Provide all postings for meetings and submit to county clerks
  - Provide notice postings in timely manner
  - Mail notices and rules as needed
  - Prepare agenda after consultation with President
  - Prepare and e-mail draft minutes to Board of Directors
  - Complete minutes after review by Board of Directors
  - Maintain website as needed
  - Establish and maintain paper and electronic filing system
  - Provide written communications to well owners, TWDB and others as needed
  - Draft correspondence for signature by designated persons
  
- II. Database Collection on Registered and Non-Registered Wells in the District
  - Research TCEQ records to determine number of and extent of existing well data
  - Research records from Texas Well Driller's Association and TWDB
  - Establish database with information from TCEQ, Texas Well Driller's Log and TWDB (paper and digital)
  - Develop mapping program, which will depict wells in each RRGCD county
    - \* Recommend utilizing ArcView GIS software for this process
  - Work with well owners to register wells and collect well registration fees
  
- III. Development of Personnel and Other Policies
  - Prepare and present drafts of personnel policies for review by appropriate committee and Board of Directors
  - Prepare and present drafts of operating procedures for future staff to follow
  - Assist Board of Directors in training personnel for District at appropriate time
  
- IV. Assistance for Rule Development
  - Assist Board of Directors in refining temporary rules
  - Assist Board of Directors in the development of a Management Plan
  
- V. Accounting
  - Provide accounting services including keeping financial records, issuing invoices, paying invoices, etc.

### Approach to Provision of Services

- Staff is able to work diplomatically with well owners and others
- Use 800 number on all letterhead and other communication for calls to make contact easier for well owners
- Well-acquainted with TWDB staff
- Utilize assistance from Texas Association of Groundwater District members
- Coordinate District activities with GMA 8 activities
- Develop records and procedures in a manner that will make for easy transition when desired
- Much of the work can be accomplished by internet
- The RRGCD is not required to complete all of its goals the first year
- The RRGCD should not feel as if it is the first GCD to address an issue – usually a TAG member can advise of their experience on the same problem.
- All District expenses will become an added cost to the water producers and ultimately water customers
- The first five years budgets will require a debt repayment line item

### Estimated Cost of Services

The Authority is a public agency. The Board's approach to provision of services has always been to seek reimbursement for the costs of providing the services requested. These costs include:

- The salary and employer personnel costs (social security, worker's compensation insurance, retirement, and accounting, etc.)
- Mileage for travel required at the rate set annually by IRS
- Any direct expenses required to provide the services requested (telephone charges, copies, postage, and similar expenses directly associated with the project)
- Billing Rates:
  - Secretary/Mapping Technician - \$35 per hour
  - Project Coordinator - \$43 per hour
  - Administration - \$80 per hour
  - Accounting - \$100 per month

Contracting for services is not unusual. The Northern Trinity Groundwater Conservation District currently has an agreement with the Benbrook Water Authority and the North Texas Groundwater Conservation District has contracted for services with GTUA.



Estimated  
RRGCD Draft Budget  
12-Month Period

I.	Recording and Communication Services	
	• Secretary/Mapping Technician – 20-25%	500 hours x \$35/hr = \$17,500
	• Administration – 3%	60 hours x \$80/hr = \$4,800
II.	Data Collection on Regulated and Non Regulated Wells	
	• Secretary/Mapping Technician – 15-20%	300 hours x \$35/hr = 10,500
	• Project Coordinator – 25%	520 hours x \$43/hr = 22,360
	* Field well site visits not included	
III.	Development of Personnel and Other Policies	
	• Administration – 3%	60 hours x \$80/hr = \$4,800
IV.	Assistance in Rule Development	
	• Administration – 6%	135 hours x \$80/hr = \$10,800
V.	Accounting and Finance	
		\$110 per month x 12 = \$1,320
		\$120 per quarter x 4 = \$480

Direct Costs

Telephone	\$600
Supplies – Files	\$500
Copies (10¢ each)	*
Mapping Software	\$1,500
Mileage (50¢ per mile)	
Field Records	\$1,200

ESTIMATED TOTAL COST: \$76,360

ATTACHMENT X



# **PRESS RELEASE**

State Senator Troy Fraser  
The Capitol, Room 1E.15  
Austin Texas, 78701

**FOR IMMEDIATE RELEASE**

January 12, 2011

Contact: Janice McCoy

(512) 463-0124

## **FRASER FILES WATER RIGHTS MEASURE**

State Senator Troy Fraser, R-Horseshoe Bay, authored legislation on Wednesday, January 12 which would clarify groundwater ownership. Senate Bill 332 would clearly state that landowners have a vested ownership interest in the groundwater beneath their property.

The legislation has been filed because some entities are challenging the Rule of Capture in court. The Rule of Capture was established in 1904 by the Texas Supreme Court. The court ruled that groundwater was the private property of a landowner and that a landowner could be held liable for harming a neighbor's well by exercising their right to capture the groundwater.

"For over 100 years, landowners have believed that the Rule of Capture gives them a vested private property right in the groundwater beneath their land," said Fraser. "And, that the property right gives the ability to drill a well and produce groundwater for their use."

The legislation is intended to work in conjunction with local groundwater conservation district regulation. Under the legislation, groundwater conservation districts could still require a landowner to get a permit and limit the amount of groundwater that can be produced. However, the legislation would prevent a district from "taking" a landowner's right to capture the water beneath the land.

"Landowners recognize that locally elected groundwater conservation districts play an important role in helping manage water to ensure it is available for future generations," said Fraser. "But there is a big difference between managing how much water is pumped and denying property owners the right to access the water beneath their land."

A vested ownership interest is a property right that a landowner can legally protect. The right to produce groundwater is a property right that is exclusively the landowner's. No one else can come onto private property, drill a well, and start pumping groundwater. If someone were to attempt it, the landowner could legally stop them.

"As Chairman of the Senate Committee on Natural Resources, I believe the issue of groundwater rights needs to be debated by the Legislature." Fraser said. "The management of this important asset is key to developing the State Water Plan and ensuring that water is available for the future."

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*Senator Fraser represents a 21-county region in the geographic center of the state. He is the Chairman of the Senate Committee on Natural Resources. He also sits on the following standing Senate Committees: Business and Commerce, Nominations, State Affairs, and International Relations and Trade.*

By: FRASER

S.B. No. 332

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the vested ownership interest in groundwater beneath  
3 the surface and the right to produce that groundwater.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 36.002, Water Code, is amended to read as  
6 follows:

7 Sec. 36.002. OWNERSHIP OF GROUNDWATER. (a) A landowner, or  
8 the landowner's lessee or assign, has a vested [The] ownership  
9 interest [and rights of the owners of the land and their lessees and  
10 assigns] in and right to produce groundwater below the surface of  
11 the landowner's real property [are hereby recognized], and nothing  
12 in this code may [shall] be construed as granting the authority to  
13 deprive [depriving] or divest a landowner or the landowner's lessee  
14 or assign [divesting the owners or their lessees and assigns] of the  
15 ownership interest in the groundwater or the right to produce  
16 groundwater [rights], except as those rights and interests may be  
17 reasonably limited [or altered] by rules promulgated by a district.

18 (b) A rule promulgated by a district may not discriminate  
19 between an owner [owners] of land, or the owner's lessee or assign,  
20 whose land [that] is irrigated for production and an owner [owners]  
21 of land, or the owner's lessee or assign, [their lessees and  
22 assigns] whose land [that] was previously irrigated for production  
23 and is now enrolled or participating in a federal conservation  
24 program.

1 SECTION 2. Section 36.101, Water Code, is amended by  
2 amending Subsection (a) and adding Subsection (a-1) to read as  
3 follows:

4 (a) A district may make and enforce rules, including rules  
5 limiting groundwater production based on tract size or the spacing  
6 of wells, to provide for conserving, preserving, protecting, and  
7 recharging of the groundwater or of a groundwater reservoir or its  
8 subdivisions in order to control subsidence, prevent degradation of  
9 water quality, or prevent waste of groundwater and to carry out the  
10 powers and duties provided by this chapter. During the rulemaking  
11 process the board shall:

12 (1) consider all groundwater uses and needs;

13 (2) consider the rights and interests under Section  
14 36.002; and

15 (3) ~~shall~~ develop rules which are fair and impartial  
16 and that do not discriminate between land that is irrigated for  
17 production and land that was irrigated for production and enrolled  
18 or participating in a federal conservation program.

19 (a-1) Any rule of a district that discriminates between land  
20 that is irrigated for production and land that was irrigated for  
21 production and enrolled or participating in a federal conservation  
22 program is void.

23 SECTION 3. Section 36.108(c), Water Code, is amended to  
24 read as follows:

25 (c) The presiding officer, or the presiding officer's  
26 designee, of each district located in whole or in part in the  
27 management area shall meet at least annually to conduct joint

1 planning with the other districts in the management area and to  
2 review the management plans and accomplishments for the management  
3 area. In reviewing the management plans, the districts shall  
4 consider:

5 (1) the goals of each management plan and its impact on  
6 planning throughout the management area;

7 (2) the effectiveness of the measures established by  
8 each management plan for conserving and protecting groundwater,  
9 ~~and~~ preventing waste, and protecting the rights and interests  
10 under Section 36.002, and the effectiveness of these measures in  
11 the management area generally;

12 (3) any other matters that the boards consider  
13 relevant to the protection and conservation of groundwater and the  
14 prevention of waste in the management area; and

15 (4) the degree to which each management plan achieves  
16 the desired future conditions established during the joint planning  
17 process.

18 SECTION 4. The changes in law made by this Act apply only to  
19 a rule adopted by a groundwater conservation district on or after  
20 the effective date of this Act or to a permit issued or application  
21 filed pursuant to a rule adopted on or after the effective date of  
22 this Act.

23 SECTION 5. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2011.