

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

THURSDAY, MARCH 20, 2014

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

Members Present: Mark Patterson, Harold Latham, Don Wortham, David Gattis, Mark Gibson, Mark Newhouse.

Members Absent: William Purcell

Staff: Jerry Chapman, Drew Satterwhite, Carolyn Bennett and Carmen Catterson

Visitors: Alex Moser, AL Moser Drilling
Joey Rickman, City of Honey Grove

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

President Patterson called the meeting to order at 2:01 PM. The Board members introduced themselves and the manner of their appointment to the public. All members were present except Board Member Purcell.

President Patterson thanked Mr. Chapman for all his years of service.

2. Public Comment.

No comments received.

3. Consider approval of Minutes of January 15, 2014 board meeting

Board Member Gattis motioned to approve the Minutes of the January 15, 2014 board meeting with the requested amendment. The motion was seconded by Vice President Latham and passed unanimously.

4. Review and approval of monthly invoices.

President Patterson commented that he felt a policy should be developed to require that legal expenses should be approved by the president or a committee before any work is undertaken. He requested Mr. Satterwhite to develop a policy and present at the next meeting for consideration.

Board Member Gattis motioned to approve the monthly invoices for a total of \$29,695.31. The motion was seconded by Board Member Gibson and passed unanimously.

5. Receive Monthly Financial Information

Mr. Satterwhite reviewed the monthly financial information with the Board. Only four accounts have past due balances. The City of Sadler did not receive their invoice and has promised a check is in the mail. Two of them are private property owners and Jetta has assumed responsibility for paying their invoices. The last is on a monthly billing cycle and their account will not be past due until May.

The Board asked about the status of all golf courses. Mr. Parkman responded that the ones who are registered are reporting and paying on time. However, Legacy Golf Course in Fannin County has refused to return Mr. Parkman's phone calls.

7. Consider and act upon confirming execution of engagement letter for auditor services for fiscal year ending December 31, 2013.

In January the Board authorized a committee to receive and review the audit proposals received. McClanahan and Holmes from Bonham, Texas was selected. The cost is \$3,750.

Board Member Gattis motioned to approve executing an engagement letter with McClanahan and Holmes for the 2013 Red River GCD audit. The motion was seconded by Board Member Newhouse and passed unanimously.

8. Consider and act upon authorizing services of a groundwater hydrologist to assist the District with the development of Desired Future Conditions (DFCs)

Each groundwater district is required to develop DFCs by May 2016. Groundwater Management Area 8 (GMA 8) includes 12 groundwater districts that must work together and agree on the final DFCs. LBG Guyton is working with three other districts in GMA 8 to provide interpretation of the DFCs and the Groundwater Availability Model (GAM). Mr. James Beach with LBG Guyton provided a scope of services and a proposal for 2014. The proposal is for \$17,400 for 2014 services. Funds are available, but will require a budget amendment.

Board Member Gattis motioned to enter into an agreement with LBG Guyton for services to assist with the development of DFCs. The motion was seconded by Board Member Gibson and passed unanimously.

9. Update and possible action on the Northern Trinity/Woodbine Aquifer GAM overhaul project and the development of proposed Desired Future Conditions (DFCs)

The GAM has progressed to a point where INTERA is requesting each district in GMA 8 to prepare proposed pumping conditions to enter into the model. These numbers must be submitted by May 31, 2014. Mr. Beach has recommended hosting a workshop to explain the importance of the GAM and the DFCs and to provide guidance to the District on developing pumping conditions. INTERA pushed the deadline back a month to provide them with more time to finish the model. The Board discussed whether to have a meeting in April and another in May or whether to have a workshop in April and a meeting in May. The Rules public hearing will be held with the Board meeting in May.

10. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs) including the consideration and possible approval of consulting services

At the last GMA 8 meeting, Bill Mullican provided a proposal to guide the DFC development and to prepare the final report for submission. The cost of the services would be shared among the participating districts in GMA 8. The cost would be \$3-5,000 per district for three years. Funds are available, but would have to be adjusted in a budget amendment.

Board Member Gattis motioned to participate in the GMA 8 consulting services in an amount not to exceed \$5,000 for three fiscal years. The motion was seconded by Vice President Latham and passed unanimously.

11. Consider and discuss amending Temporary Rules

Since the last Board meeting, the staff incorporated recommended changes into the Temporary Rules and provided them to the attorney for review. A Rules Committee meeting was held on Tuesday and minor revisions were made. Mr. Satterwhite explained the recommended changes.

These include adding a definition for a “capped well” and a “closed loop geothermal well”. The “domestic use” definition was adjusted to require it be used for drinking, washing or culinary purposes. This is to prevent property owners from drilling wells to irrigate property from claiming a domestic exemption. “Well system” was revised to further clarify a well system includes that wells pumping into the same storage tank, pond or swimming pool do constitute a system.

Test holes have been incorporated with a requirement that a plugging report be submitted within 30 days with no fee being charged. Well capping has been incorporated into Rule 3.7 with the requirements that wells with no pumps be capped to protect the aquifer.

The reporting cycles have been modified to provide 30 days to report usage. Replacement wells have been modified to require the owner cease pumping when the new well is drilled and that it must be plugged within 90 days. The date for spacing requirements to be provided to the public has been extended to December 31, 2016.

The Committee discussed spacing for replacement wells. Currently the rules require the new well be drilled within 25 feet for an exempt well and 50 feet for a non-exempt well. The Committee recommends that it be changed that it cannot be less than 100 feet from an existing well, other than the one being replaced and that a site plan be submitted to the District.

The District’s accounting system does not allow for multiple late charges to be incorporated. The Committee recommended changing the late charge to 15%. Board Member Gibson asked if the water losses could be modified to be reported annually in accordance with TCEQ reporting requirements. The Board agreed unanimously to incorporate the changes.

12. General Manager’s Report

Mr. Satterwhite explained that the staff began working on the agriculture grants from the TWDB. However, the grants require a water conservation plan and it is intended to work as a supplement to funds already being provided by the district.

The Sheppard AFB rents the Lake Texoma Annex. The District received a letter from them claiming Federal Sovereign Immunity. They have offered to continue reporting usage, but would not be paying any fees. The staff discussed this situation with other groundwater conservation districts in the state and discovered this is not an unusual situation.

6. Receive 2013 4th Quarter Report and 2013 Annual Report

The Board inadvertently skipped this item. Mrs. Bennett provided a summary of the report. The District has met all requirements.

Mr. Satterwhite commented on the Lake Texoma water levels contained in the report. GTUA has received many comments on the amount of water being pumped from the Lake. 2013 was one of the worst years on record and had one of the lowest years for production from the lake.

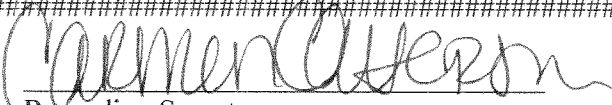
Rainfall amounts are behind by several inches this year. Wichita has banned outdoor watering and is going to limit indoor watering, too. They are also pumping their effluent directly back into the water treatment plant. Many organizations are drilling wells for irrigation purposes because they cannot use the public water supply to water outdoors.

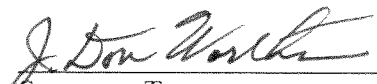
10. Open forum / discussion of new business for future meeting agendas

The next Board meeting was scheduled for May 15, 2014 at 2:00 PM. A workshop was tentatively scheduled for April 17, 2014 at 2:00 PM.

11. Adjourn

The Board adjourned at approximately 2:53 PM.


Recording Secretary


Secretary-Treasurer