

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

THURSDAY, JUNE 18, 2020

Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/184986813>

or

Join by phone 224-501-3412 with access code: 184-986-813

Thursday, June 18, 2020 – 10:00 a.m.

Notice is hereby given that, in accordance with Governor Abbott's March 16, 2020, action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the Board of Directors of the Red River Groundwater Conservation District ("District") will hold a permit hearing and Board meeting via telephone and video conference call beginning at 10:00 a.m. on Thursday, June 18, 2020. Any member of the public who wishes to participate remotely may do so through the remote access options provided above.

Members Present: Chuck Dodd, David Gattis, Mark Gibson, Harold Latham, Mark Patterson, and Billy Stephens

Members Absent: Mark Newhouse

Staff: Drew Satterwhite, Allen Burks, Wayne Parkman, Paul Sigle, Tasha Hamilton, Nichole Sims, Theda Anderson, Carolyn Bennett, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal
James Beach WSP
Michelle Carte, Upper Trinity Regional Water District
A.L. Moser
Tom Pruitt, City of Sherman
April Hatfield, McClanahan and Holmes, LLP
Michael Timpson, property owner

Board Meeting

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

General Manager Drew Satterwhite called the meeting to order at 10:05 a.m., established that the quorum was the same as was present in the Public Hearing, and declared the meeting open to the public.

2. Public comment

Michael Timpson expressed concern regarding Porter Green wells.

3. Consider and act upon approval of Minutes of April 16, 2020 Board Meeting.

Board Member Billy Stephens made a motion to approve the minutes of the April 16, 2020 meeting. The motion was seconded by Board Member Mark Gibson. The Board was individually polled. Motion passed unanimously.

4. Consider and act upon 2019 Audit.

April Hatfield, McClanahan and Holmes, LLP, auditor reviewed audit with Board. Board Member David Gattis made the motion to accept the audit. Board Member Chuck Dodd seconded the motion. The Board was individually polled. Motion passed unanimously.

5. Review and approval of monthly invoices.

General Manager Drew Satterwhite reviewed monthly invoices with the Board. Board Member Billy Stephens made the motion to approve the monthly invoices. Board Member Harold Latham seconded the motion. Motion passed unanimously.

6. Receive monthly financial information.

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

7. Appointment of a Budget Committee.

David Gattis, Chuck Dodd, and Mark Patterson were appointed to the Budget Committee.

8. Receive Quarterly Investment Report.

General Manager Drew Satterwhite reviewed Quarterly Investment Report with Board.

9. Consider and act upon updating the District's Investment Strategy.

General Manager Drew Satterwhite informed the Board that previously the Board directed the staff to invest \$200,000 into two equal CDs laddered at approximately 6-month increments. Fund balance continues to grow. Discussion was held regarding interest rates and investments. Mark Patterson made the motion to Strive to maintain the checking account balance of at least \$90,000 (approximately 3 months of expenditures). Place the remainder of District funds into FDIC insured or collateralized CDs. Strive to keep CD balances laddered in no longer than 12-month investments. Billy Stephens seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite informed Board that the last GMA 8 meeting was May 15. Next meeting is scheduled for August 7. The Cleburne Conference has been reserved, however; if the GMA 8 representatives do not want to meet in person, and if the Governor has not opened up meetings, the meeting will be held by telephone conference and video.

- a. Consider and act upon authorizing the District's GMA 8 representative to approve participation in Groundwater Availability Model Run 11.

James Beach WSP provided presentation on Run 11 results. Mark Patterson made the motion giving David Gattis, GMA8 representative, authorization to vote on Run 11 as long as no substantial changes were made to the run and if substantial changes are made, that a DFC committee will be formed to advise David on a decision. Mark Gibson seconded the motion. Motion passed unanimously.

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

- a. Well Registration Summary

General Manager Drew Satterwhite informed the Board

- b. Update on Injection/Disposal Well Monitoring Program

Kristen Fancher informed the Board that there is no update.

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

Pursuant to the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Cofes, Annotated §551.071, consultation with attorney, the Red River Groundwater Conservation District Board adjourned into Executive Session at 10:46 a.m. to discuss:

The Board convened into Regular Session at 11:12 a.m. No action was taken on any items discussed during Executive Session.

- a. C. Miller Drilling

Kristen Fancher, legal counsel, provided the motion that a \$400 minor violation be assessed for drilling four (4) wells without authorization. The fines were less than they are currently, because the violations occurred under old rules. Mark Patterson made the motion to assess the violation. Billy Stephens seconded the motion.

- b. Porter Green

Kristen Fancher, legal counsel, provided the motion. Part 1 to fine a \$500 major violation for continued noncompliance of the Board's previous order. Part 2 a final letter to be sent from attorney giving them 30 days to cease pumping or fix the problem, and pay the fine. Part 3 if after 30 days the fine is not paid, problem is not fixed or pumping not ceased, the attorney will file lawsuit consisting of injunction and penalties for non-compliance according to Chapter 36 and District rules. Board Member David Gattis made the motion. Billy Stephens seconded the motion. The Board was individually polled. Motion passed unanimously.

Michael Timpson, property owner, requested to address Board regarding Porter Green.

