

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

IN-PERSON MEETING LOCATION:

Pilot Point ISD Administration Office
829 S. Harrison St.
Pilot Point, TX 76258

REMOTE ACCESS ALSO AVAILABLE AT:

Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/879603773>

or

Join by phone 408-650-3123 with access code: 879-603-773

Tuesday, January 12, 2021 – 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 North Texas Groundwater Conservation District ("District") will hold public hearings and a Board meeting in-person and via telephone and video conference call beginning at 10:00 a.m. on Tuesday, January 12, 2021. Please note for in-person attendance that the Board meeting location can only accommodate a limited number of attendees in order to comply with the Governor's proclamation related to in-person gatherings, and that remote access may be required in the event the capacity limitations are reached. Public comment can be provided whether participating in-person or remotely.

Members Present:	Thomas Smith, Ronny Young, Allen Knight, Lee K. Allison, Ron Sellman, and Joe Helmberger
Members Absent:	David Flusche
Staff:	Drew Satterwhite, Paul Sigle, Allen Burks, Nichole Sims, Debi Atkins, Wayne Parkman, and Velma Starks
Visitors:	Kristen Fancher, Legal Counsel Michelle Carte Peter Schulmeyer Jacob Dunkin Jason Flynt James Beach Dan Schulman Scott Kristen Mark Harkness

Permit Hearing

Agenda:

1. Call to Order; establish quorum; declare hearing open to the public; introduction of Board.

President Thomas Smith called the permit hearing to order at 10:05 a.m.

2. Review the Production Permit Applications of:

New Production Permits

1. Applicant: Denton Independent School District; 1307 N. Locust, Denton, TX 76201

Location of Well: FM 1385 and Fishtrap Road, Prosper, TX 76227; Latitude: 33.235611°N, Longitude: 96.891250°W; About 300 feet south on FM 1385 from the intersection of Union Park Blvd and FM 1385, and about 1150 feet east of FM 1385.

Purpose of Use: Landscape Irrigation

Requested Amount of Use: 17,340,000 gallons per year for 2021 and 6,700,000 gallons per year after 2021

Production Capacity of Well: 195 gallons per minute

Aquifer: Trinity (Paluxy) Aquifer

General Manager Drew Satterwhite reviewed the application with the Board

2. Applicant: Independence Water No. 2, LP; 3000 Turtle Creek Blvd, Dallas, TX 752019

Location of Well: Eagle Ct., Melissa, TX 75454; Latitude: 33.2967447°N, Longitude: 96.5534671°W; About 650 feet north on Liberty Way from the intersection of Liberty Way and Patton Drive, and about 1500 feet east of Liberty Way

Purpose of Use: Landscape Irrigation and Pond(s)/Surface Impoundment(s)

Requested Amount of Use: 20,080,000 gallons per year through 2022 and 15,480,000 gallons per year after 2022

Production Capacity of Well: 180 gallons per minute

Aquifer: Woodbine Aquifer

General Manager Drew Satterwhite reviewed the application with the Board

3. Applicant: Responsive Education Solutions; 1301 Waters Ridge Dr., Lewisville TX 75057

Location of Well: 4300 E. First St., Prosper, TX 75078; Latitude: 33.235139°N, Longitude: 96.734389°W; About 500 feet south on N. Custer Rd from the intersection of N 1st St. and N. Custer Rd, and about 500 feet west of N. Custer Rd.

Purpose of Use: Landscape Irrigation and Pond(s)/Surface Impoundment(s)

Requested Amount of Use: 9,360,000 gallons per year for 2021 and 5,190,000 gallons per year after 2021

Production Capacity of Well: 175 gallons per minute

Aquifer: Woodbine Aquifer

General Manager Drew Satterwhite reviewed the application with the Board

Permit Amendments

4. Applicant: City of Krum, 410 N. First Street, Krum, TX 76249

Location of Well: 4910 Masch Branch RD, Krum, TX 76249; Latitude: 33.257833°N, Longitude: 97.208028°W; About 125 feet west of Masch Branch Road and 900 feet south of the intersection of Masch Branch Road and FM 1173

Purpose of Use: Public Water Supply

Requested Amount of Use: 35,011,000 gallons per year

Production Capacity of Well: 300 gallons per minute (Increased from 200 gallons per minute)

Aquifer: Trinity (Antlers) Aquifer

General Manager Drew Satterwhite reviewed the application.

3. Public Comment on the Production Permit Applications.

There were no public comments

4. Consider and act upon the Production Permit Applications, including designation of parties and/or granting or denying the Production Permit Applications in whole or in part, as applicable.

Board Member Joe Helmberger made the motion to grant the Production Permits as presented excluding the Permit Amendment as requested by Ronny Young. Board Member Ron Sellman seconded the motion. Motion passed with 5 aye and 1 nay by Ronny Young.

Board Member Ron Sellman made the motion to grant the Permit Amendment as presented. Board Member Joe Helmberger seconded the motion. Motion passed unanimously.

5. Adjourn or continue permit hearing.

President Thomas Smith adjourned the permit hearing at 10:19 a.m.

Board Meeting

1. Pledge of Allegiance and Invocation

Board Member Joe Helmberger led the Pledge of Allegiance and provided the invocation.

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

Board President Thomas Smith called the meeting to order 10:19 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public Comment

There were no public comments.

4. Consider and act upon approval of the minutes from the November 10, 2020, Board meeting.

Board President Thomas Smith asked for approval of the minutes from the November 10, 2020 meeting. Board Member Allen Knight made the motion to approve the minutes. Board Member Lee Allison seconded the motion. Motion passed unanimously.

5. Consider and act upon approval of invoices and reimbursements, Resolution No. 2020-01-12-01.

General Manager Drew Satterwhite reviewed the liabilities with the Board. Board Member Joe Helmberger made the motion to approve Resolution No. 2020-01-12-01. Board Member Allen Knight seconded the motion. Motion passed unanimously.

6. Review and act upon approval of Investment Policy.

General Manager Drew Satterwhite provided background information for the Board. The Investment Policy is to be reviewed annually. During this last legislative session, nothing changed in regards to the PFIA act that would necessitate any amendments to our current policy. However, after consultation with a certified Financial Advisor the staff is recommending some minor redlined cleanup type changes. The Board also needs to approve broker/dealers PFIA training sources which are listed in the memo on an annual basis. Board Member Allen Knight made the motion to approve the Investment Policy with corrections to page 7 to be made and corrected policy to be emailed to Board. Board Member Lee Allison seconded the motion. Motion passed unanimously.

7. Receive reports from the following Committees*:

- a. Budget and Finance Committee
 - 1) Receive Monthly Financial Information

General Manager Drew Satterwhite reviewed the Financial Report.

- b. Investment Committee
 - 1) Receive Quarterly Investment Report

General Manager Drew Satterwhite reviewed the investment report.

8. Consider and act upon confirming execution of Engagement Letter from Audit Services for Fiscal year ending December 31, 2020.

General Manager Drew Satterwhite provided background information for the Board. In 2018, the Board instructed the staff to solicit proposals for audit services for a period up to five (5) years. McClanahan and Hollmes, LLP was selected by the Board at the September 11, 2018 meeting. The fees for the 2020 audit services will not exceed \$5,650 which is within the 3% increase limit imposed by their original proposal. Board Member Joe Helmberger made the motion to confirm the execution of the Engagement Letter with McClanahan and Holmes, LLP. Board Member Allen Knight seconded the motion. Motion passed unanimously.

9. Discussion and possible action on the requirement of the City of Highland Village's need to submit a Hydrogeological Report.

General Manager Drew Satterwhite provided background information. Discussion was held. Board Member Allen Knight made the motion that the hydrogeological report was required. Board Member Joe Helmberger seconded. Motion passed unanimously.

10. Update and possible action on E-Merchant services.

General Manager Drew Satterwhite provided background information for the Board. The new database by switching our accounting/billing software to QuickBooks would allow payment by credit card. The staff ran into issues setting this E-Merchant service up as Quickbooks would not approve our tax-exemption status without an IRS letter. Subsequently, we looked at other options through QuickBooks and settled on using Chase Bank through webpay.com. Board Member Joe Helmberger made the motion to authorize the use of Chase Bank for E-Merchant services. Board Member Ron Sellman seconded the motion. Motion passed unanimously.

11. Consider and act upon purchasing Acoustic Water Level Measuring Device.

General Manger Drew Satterwhite provided background information. The District monitors water levels on an annual basis for wells across Grayson and Fannin Counties. The District has tested 3 different devices in an effort to find a reliable way to measure water levels that would not require us to place any equipment "down hole" or inside the well. The District staff was pleased with the performance of the Eno Scientific Well Watch 700 and believes it will open up our ability to recruit more wells into the system as it is a low-risk way to get water level data. The cost of this unit is \$2,301, which the staff would propose to be split with Red River GCD. Discussion was held. Board Member Joe Helmberger made a motion to purchase the Acoustic Water Level Measuring Device. Board Member Ron Sellman seconded the motion. Motion passed unanimously.

12. Consider and discuss an Amicus brief in *Neches and Trinity Valleys GCD vs. Mountain Pure TX*.

This item was tabled at this time to be discussed later in Executive Session.

13. Discussion and possible action on the District's Hydrogeology Firm

a. Statement of Qualifications and selection

General Manager Drew Satterwhite provided background information. James Beach and John Nelson have started own firm Advanced Groundwater Solutions, LLC as of January 4, 2021. Board Member Ron Sellman made the motion to select AGS based upon qualifications. Allen Knight seconded the motion.

b. Proposal and Contract

General Manager Drew Satterwhite provided background information. Board Member Joe Helmberger made the motion to approve the Proposal and Contract. Board member Ron

Sellman seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite informed the Board that James Beach, WSP is GMA 8's hydrogeology firm. GMA 8 Representatives and General Manager Drew Satterwhite will have a discussion regarding James Beach before the June meeting. The plan is for GMA 8 to meet in June.

NTGCD will have DFC Public Hearing in February.

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

a. EnerCorp

General Manager Drew Satterwhite informed the Board that EnerCorp drilled a well without an application. Board Member Allen Knight made a motion to fine EnerCorp \$500.00. Board Member Lee Allison seconded the motion. Motion passed unanimously.

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

a. District's Disposal/Injection Well Program

There was no update.

b. Well Registration Summary

General Manager Drew Satterwhite reported that we have switched to our new database in December. The November report shows 17 registrations. The December report has a new format and shows 31 registrations.

Pursuant to Texas Open Meetings Act, Chapter 551.071, Government Code, Vernon's Texas Codes, Annotated, the Board convened into Executive Session at 11:16 a.m. for discussion concerning attorney-client matters (§551.071) regarding agenda item 12. The Board reconvened into regular session at 11:40 a.m. No action was taken on any items discussed during the Executive Session.

Item 12, the Amicus brief in *Neches and Trinity Valleys GCD vs. Mountain Pure TX.* was discussed. Board Member Joe Helmberger made the motion to contribute up-to \$2,000 to the Amicus brief. Board Member Allen Knight seconded the motion. Motion passed unanimously.

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

Going forward, the Board would like to have in-person only meetings.

15. Adjourn public meeting

Board President Thomas Smith declared the meeting adjourned at 11:45 a.m.

Velma Starks

Recording Secretary

R. Myers

Secretary-Treasurer