

**RED RIVER
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

**BOARD ROOM
GREATER TEXOMA UTILITY AUTHORITY
5100 AIRPORT DRIVE
DENISON, TEXAS 75020**

**THURSDAY
OCTOBER 17, 2013**

AGENDA

AGENDA
RED RIVER GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING
GREATER TEXOMA UTILITY AUTHORITY BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
THURSDAY, OCTOBER 17, 2013

Notice is hereby given that a meeting of the Board of Directors of the Red River Groundwater Conservation District will be held on the 17th day of October, 2013 at 2:00 pm in the Greater Texoma Utility Authority Board Room, 5100 Airport Drive, Denison TX, 75020, at which time the following items may be discussed, considered, and acted upon, including the expenditure of funds:

Agenda:

1. Call to order, declare meeting open to the public, and take roll.
2. Administer Oaths of Office
3. Consider and act upon election of Officers for October 2013 through August 2015
4. Consider and act upon Resolutions of Appreciation for and presentation of Plaques of Appreciation to previous Board members
5. Public Comment
6. Consider approval of Minutes of August 15, 2013, Board Meeting
7. Review and approval of monthly invoices.
8. Receive monthly financial information
9. Consider and act upon Administrative Services contract with the Greater Texoma Utility Authority for 2014
10. Consider and act upon authorization to seek proposals for the management and maintenance of the well registration website
11. Consider and act upon appointing a representative for Groundwater Management Area 8 and receive update on Groundwater Management Area 8 activities
12. Receive Management Plan Quarterly Report Regarding Assessment of Drought in District
13. Consider and act upon enforcement actions on non-compliant well owners
14. General Manager's report: The General Manager will update the Board on operational, educational and other activities of the District

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

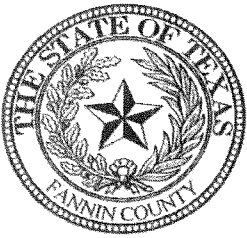
16. Adjourn

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

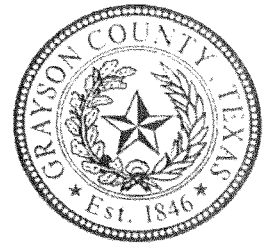
²At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Red River Groundwater Conservation District Board may meet in executive session on any of the above agenda items or other lawful items 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.

³ Persons with disabilities who plan to attend this meeting, and who may need assistance, are requested to contact Carmen Catterson at (800) 256-0935 two (2) working days prior to the meeting, so that appropriate arrangements can be made.

ATTACHMENT 3



**RED RIVER GROUNDWATER
CONSERVATION DISTRICT
AGENDA COMMUNICATION**



DATE: October 14, 2013

SUBJECT: AGENDA ITEM NO. 3

**CONSIDER AND ACT UPON ELECTION OF OFFICERS FOR OCTOBER 2013 THROUGH
AUGUST 2015**

The Nominating Committee appointed by the Board at the August meeting met on the afternoon of October 14th and are pleased to offer the nominations to the following persons to serve as officers for the 2013-2015 term.

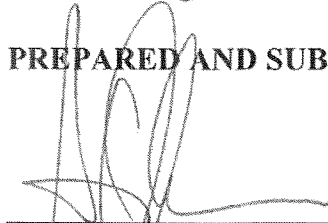
President – Mark Patterson, representative for the Grayson County Small Cities

Vice President – Harold Latham, representative for the Fannin County Commissioners Court

Secretary/Treasurer – Don Wortham, representative for the Grayson County Non-Municipal Retail Water Providers

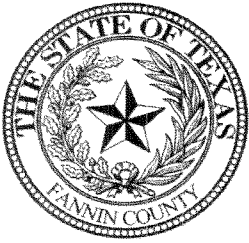
We believe these officers represent the experience and leadership that will be necessary to sustain the District during the next two years.

PREPARED AND SUBMITTED BY:

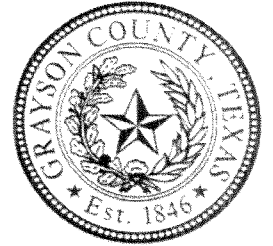


George Olson, Chairman of Nominating Committee

ATTACHMENT 4



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: October 14, 2013

SUBJECT: AGENDA ITEM NO. 4

CONSIDER AND ACT UPON RESOLUTIONS OF APPRECIATION FOR AND PRESENTATION OF PLAQUES OF APPRECIATION TO PREVIOUS BOARD MEMBERS

ISSUE

Resolutions of Appreciation for and presentation of Plaques of Appreciation to previous Board members

BACKGROUND

The Board of Directors has customarily adopted Resolutions of Appreciation and presented a plaque to retiring Board members who have served on the Board. Mr. Butch Henderson was appointed by the City of Leonard in 2009 to represent the groundwater municipalities in Fannin County. He served as president of the Board of Directors for four years. Mr. Don Morrison was appointed to the Board in 2009 to represent the non-municipal rural water suppliers in Fannin County. Mr. George Olson was appointed by the City of Sherman and served as Vice President for four years.

CONSIDERATIONS

All three members faithfully attended Board meetings.

STAFF RECOMMENDATIONS

The staff recommends the Board consider adopting Resolutions of Appreciation and presenting the retired Board members with the customary appreciation plaque for their service.

ATTACHMENTS

Resolutions of Appreciation

PREPARED AND SUBMITTED BY:

A handwritten signature in cursive script that reads "Jerry W. Chapman". The signature is written in black ink and is positioned above a horizontal line.

Jerry W. Chapman, General Manager

RESOLUTION NO. 2013-10-17-01

RED RIVER GROUNDWATER CONSERVATION DISTRICT

A RESOLUTION BY THE RED RIVER GROUNDWATER CONSERVATION DISTRICT
RECOGNIZING

BUTCH HENDERSON

WHEREAS, the Red River Groundwater Conservation District wishes to recognize

BUTCH HENDERSON

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of groundwater by faithfully participating in the activities of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE RED RIVER GROUNDWATER
CONSERVATION DISTRICT THAT: the District conveys its sincere appreciation and gratitude to

BUTCH HENDERSON

for service provided to the District and the groundwater producing municipalities in Fannin County.

On motion of _____, seconded by _____,
the foregoing Resolution was passed and approved on this the 17th day of October, 2013 by the
following vote:

AYE:

NAY:

ABSTAIN:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary-Treasurer

RESOLUTION NO. 2013-10-17-02

RED RIVER GROUNDWATER CONSERVATION DISTRICT

A RESOLUTION BY THE RED RIVER GROUNDWATER CONSERVATION DISTRICT
RECOGNIZING

DON MORRISON

WHEREAS, the Red River Groundwater Conservation District wishes to recognize

DON MORRISON

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of groundwater by faithfully participating in the activities of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE RED RIVER GROUNDWATER
CONSERVATION DISTRICT THAT: the District conveys its sincere appreciation and gratitude to

DON MORRISON

for service provided to the District and the non-municipal retail water providers in Fannin County.

On motion of _____, seconded by _____,
the foregoing Resolution was passed and approved on this the 17th day of October, 2013 by the
following vote:

AYE:

NAY:

ABSTAIN:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary-Treasurer

RESOLUTION NO. 2013-10-17-03

RED RIVER GROUNDWATER CONSERVATION DISTRICT

A RESOLUTION BY THE RED RIVER GROUNDWATER CONSERVATION DISTRICT
RECOGNIZING

GEORGE OLSON

WHEREAS, the Red River Groundwater Conservation District wishes to recognize

GEORGE OLSON

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of groundwater by faithfully participating in the activities of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE RED RIVER GROUNDWATER
CONSERVATION DISTRICT THAT: the District conveys its sincere appreciation and gratitude to

GEORGE OLSON

for service provided to the District and the City of Sherman in Grayson County.

On motion of _____, seconded by _____,
the foregoing Resolution was passed and approved on this the 17th day of October, 2013 by the
following vote:

AYE:

NAY:

ABSTAIN:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary-Treasurer

ATTACHMENT 6

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

THURSDAY, AUGUST 15, 2013

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

Members Present: George "Butch" Henderson, George Olson, Don Wortham, David Gattis, Harold Latham, Don Morrison, Mark Patterson

Members Absent: None

Staff: Jerry Chapman, Debi Atkins, Carolyn Bennett, Wayne Parkman and Carmen Catterson

Visitors: Robin McCoy, Senator Estes Office
Alex Moser, Moser Drilling
Coe Perry, Rutherford Taylor & Co.
William Purcell
Allen Stewart

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

President Henderson called the meeting to order at 3:08 PM. All members were present except Vice President Olson.

2. Public Comment.

No comment received.

3. Consider approval of Minutes of April 18, 2013 board meeting

Board Member Morrison motioned to approve the Minutes of the April 18, 2013 board meeting. The motion was seconded by Board Member Gattis and passed unanimously.

4. Review and approval of monthly invoices.

Mr. Chapman reviewed the invoices provided for payment with the Board.

Vice President Olson arrived at 3:10 PM.

Board Member Gattis motioned to approve the monthly invoices for a total of \$65,032.79. The motion was seconded by Secretary/Treasurer Wortham and passed unanimously.

5. Receive Monthly Financial Information

Mr. Chapman reviewed the financial information with the Board. the groundwater production fees of \$171,114.81 have been billed through the cycle ending June 30, 2013. 32 entities have not recorded their June 2013 readings yet. The software line item is over budget, which is due to the use of the fund balance from 2012.

At this time, President Henderson moved out of posted order to Item 7 to accommodate the auditors running behind.

7. Consider and act upon 2014 budget and establish production fees

The Board has suggested each year for the staff to develop a budget for the next year during the summer in order to provide the rates and budget to the public water suppliers who use this budget to develop their own. Mr. Chapman reviewed the proposed budget, which includes estimated income of \$250,000. The budget does not include any dramatic increases in costs. The field services line item is increased to account for additional time spent by the field technician visiting wells. The other line items are very similar to the 2013 budget. The web maintenance and accounting costs have been increased. The accounting staff is being required to spend extra time on billing due to well owners not responding with meter readings in a timely fashion. The staff is not recommending an increase of the production rate. The \$0.06 per 1,000 gallons should be sufficient to fund the District.

Vice President Olson confirmed that the District is not required to carry a fund balance. Mrs. Atkins agreed that the fund balance was not required, but is useful if an unexpected expense occurs. The staff agreed that the current rate would generate a fund balance, but would be hesitant to consider lowering the fee until some historical data is available.

Mr. Purcell addressed the Board and asked if the invoices would show how many days delinquent. However, this is the first billing cycle so that information is not available.

Vice President Olson motioned to adopt the 2014 budget. The motion was seconded by Board Member Patterson and passed unanimously.

Vice President Olson motioned to adopt the \$0.06 per 1,000 gallons production fee for non-exempt production and \$0 for agricultural use. The motion was seconded by Secretary/Treasurer Wortham and passed unanimously

At this time President Henderson moved back to posed agenda order with Item 6.

6. Consider and act upon 2012 audit

Mr. Perry reviewed the audit with the Board. He stated that the audit received a Clean Opinion and had no findings. The District ended 2012 with a fund balance of \$118,000. He explained the District's position financially at the end of 2012.

Mr. Chapman requested Mr. Perry provide explanation of the Capital Asset Policy that was requested by his firm and is on the agenda for the Board to consider. Mr. Perry explained that the policy would outline what would be included on the audit to capitalize the asset over a period of years. The policy should be in place in the event that the District does purchase items over a certain amount.

Board Member Morrison motioned to approve the 2012 audit as presented. The motion was seconded by Board Member Gattis and passed unanimously.

8. Consider and act upon Policy concerning Capital Asset Management

As explained previously by Mr. Perry, the policy would provide a guide for the audit on which purchases are capitalized.

Vice President Olson motioned to approve a Policy concerning Capital Asset Management as presented. The motion was seconded by Board Member Gattis and passed unanimously.

9. Consider and act upon establishing a Public Information Act Policy and Procedure

Mrs. Bennett explained that occurrences have happened where citizens have requested information to be provided on wells near them. Legal counsel drafted a policy and revised the form to follow the State Public Information Act policy. Mr. Chapman explained that the North Texas GCD recently experienced a situation where the policy became necessary. A consultant requested access to a database that contained a large volume of private information. The staff contacted the attorney to seek authority to release the information.

Mr. Stewart asked if well information would be directed to the State to provide and the Board disagreed and specified that if the District is in possession of information they are required to provide them upon request. Board Member Morrison asked about the procedures being considered by the District. The Board discussed this and clarified that the State mandates the amount of time available to respond to a request.

Vice President Olson motioned to establish a Public Information Act Policy and Procedure. The motion was seconded by Board Member Patterson and passed unanimously.

10. Receive Management Plan Quarterly Report Regarding Assessment of Drought in District

Mr. Chapman directed the Board's attention to the attachments in the agenda packet. The State Climatologist's opinion has expressed that the current weather patterns will exist through the next year, which will not provide relief from the drought. The drought has not dissipated and is expected to persist. There are approximately 288 utility systems in Texas in the emergency category of less than 180 days of water supply. Fortunately, the North Texas area does not have any utilities in that dire of a circumstance.

11. Establish committee to provide recommendations for election of officers for 2013-2015 and a representative for Groundwater Management Area 8

Mr. Chapman explained that the Board is governed by the enabling legislation designed by Representative Phillips and Senator Estes. He introduced Ms. McCoy with Senator Estes' office. Four of the positions on the Board are up for either replacement or re-election. Board Member Gattis has been re-appointed by the City of Sherman. Secretary/Treasurer Wortham has received nearly enough votes to be re-appointed, but still needs two votes. In Fannin County, two terms are ending and both members have expressed their intent to not serve another term. Two nominees have been provided for the Fannin county municipal representative. Two votes have been received by each of the nominees. Two cities have placed this matter on their agendas. The non-municipal retail water supplier position has received no nominees.

Board Member Gattis asked if the Board could elect officers. The Board discussed this, but since two of the current Board members are exiting, the Board agreed a committee should be formed. Mr. Chapman explained that the staff has been working with Board Member Latham to try to find a nominee to serve. The Fannin County Commissioners Court has the final say on the appointment to the Board.

Mr. Chapman asked if the two exiting members would agree to serve for one more meeting to provide additional time to find a replacement Board member. Both agreed to serve at the next meeting.

Board Members Patterson, Latham and Olson agreed to form a committee to select officers and a representative for Groundwater Management Area (GMA 8).

Mr. Chapman explained that GMA 8 has not met since February 2012. However, since the groundwater availability model is nearing completion, GMA 8 will need to begin meeting soon. GMA 8 is going to have a large task of developing desired future conditions for the aquifers before 2017. There have already been disagreements among the groundwater districts in GMA 8. The representative will need to be able to be active and involved.

12. Consider and act upon enforcement actions on non-compliant well owners

The staff operates under a set of Temporary Rules that were amended on December 12, 2012. They are not perfect, but are what the District operates under. The staff has some suggestions to amend the Rules to refine the Rules. Mr. Chapman stated that the staff understood their role to enforce the rules uniformly among the well owners.

A number of well owners have not been fully responsive to efforts to obtain compliance by registering and metering their well and reporting usage. The staff needs direction on the four golf courses that have not registered or started reporting usage.

Vice President Olson asked if not registering was due to be filed as a penalty and sent to the attorney for follow up. The Board agreed that they had designed a policy to send the non-compliant well owners to the attorney for follow up and a warning to comply or receive a violation.

Mr. Chapman agreed that the staff has run out of options and wanted to alert the Board that the situation was occurring and that the staff felt the attorney needed to be consulted. Mr. Chapman explained the staff tries to not be heavy-handed. Vice President Olson clarified that the Board wants the staff to provide a limited amount of time after which a penalty will be assessed and the penalty to actually be assessed. The Rules do not specify how many times the staff needs to notify the well owner or how many days out of compliance they should be before a penalty is charged. Vice President Olson explained that the staff should be fair, but less lenient. Mr. Chapman agreed to contact the attorney and have them contact the non-compliant well owners.

Board Member Morrison asked if an additional production fee could be added to well owners that report late. Mrs. Atkins is doing her best to keep up with the well readings and billings. The accounting system can only generate invoices when meter readings are received. If no meter readings are received, the accounting system considers the well to not be in service and no bill is generated.

The District has issued two invoices – one in March 2013 and one in June 2013. The Rules do not have a penalty for failure to submit meter readings. The penalties are for late payment, but a payment or a late fee cannot be calculated without meter readings being submitted. The Board discussed adding this feature to the Temporary Rules.

If meter readings are submitted late, the billings will have to be specially created for the non-compliant well owners. The staff sent a reminder by both mail and email and still did not receive meter readings from 32 cities and special utility districts.

Vice President Olson asked what would make the job easier for the staff. Mr. Chapman stated that revising the Rules to provide a penalty for late submission of the meter readings would possibly be the best method. This would enable the staff to penalize those who must have special billings created and encourage compliance. Vice President Olson then requested the staff research the situation and develop recommendations to help solve the problem.

13. General Manager's Report

Some of the wells listed on the well registration summary came from Mrs. Bennett comparing the District's database with the State's database and finding wells that were required to be registered. This was again to be fair and require all well drillers to follow the same set of rules.

The Texas Groundwater Summit is being held at the end of the month and Mr. Chapman will be attending. The Texas Water Development Board (TWDB) will have new commissioners appointed this afternoon. The commissioners will be full-time employees and a new Executive Administrator will be appointed.

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

With regards to Mr. Chapman's pending retirement, the Greater Texoma Utility Authority Board of Directors will meet on August 19th and the Screening Committee will meet to discuss additional candidates for Mr. Chapman's position. The next meeting will be scheduled on Thursday, September 19, 2013 at 2:00 PM.

Mr. Stewart asked if the Board took action to require agricultural wells to be metered. The Board explained that several other groundwater districts require agricultural wells to be metered. The Board is required to establish desired future conditions and without information about how much water is coming out of the aquifer, the desired future conditions will not be accurate. Mr. Stewart asked if the Board decided that too much water was being pumped would they shut off the water. President Henderson explained that the Board is only wanting a report on the amount of water being removed from the aquifer and hopes to never be required to limit the amount of groundwater being pumped to grow crops. Board Member Patterson explained that having production information provides the District proof on why a certain amount of water is necessary for the District to be allotted by the GMA 8 and the State. Mr. Chapman provided a brief history on the creation of the District. Mr. Stewart expressed dissatisfaction with the amount of power afforded to the Board. The Board explained their matter of appointment.

15. Adjourn

Board Member Morrison motioned to adjourn, seconded by Board Member Patterson and passed unanimously. The Board adjourned at approximately 4:20 PM.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 7

RESOLUTION NO. 2013-10-17-04

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE MONTHS OF SEPTEMBER AND OCTOBER 2013

The following liabilities are hereby presented for payment:

Accounting

USTI eBilling Fees - August	10.56
USTI eBilling Fees - September	10.40

Administrative Services

GTUA - August	17,833.43
GTUA - September	10,255.99

Direct Costs

Mileage Reimbursement	236.43
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Geodatabase

IT Nexus - September Maintenance	500.00
IT Nexus - October Maintenance	500.00

Legal Services

Lloyd Gosselink - July	6,643.00
Lloyd Gosselink - August	518.00

Membership Dues

Texas Alliance of Groundwater Districts	1,000.00
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GRAND TOTAL: \$ 37,507.81

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT THAT the Secretary-Treasurer is hereby authorized to make payments in the amounts listed above.

On motion of _____ and seconded by _____, the foregoing Resolution was passed and approved on this, the 17th day of October 2013 by the following vote:

AYE:
NAY:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary/Treasurer

ATTACHMENT 8

Red River Groundwater Conservation District

Statement of Revenue and Expenditures

10/14/2013 1:37pm

Revised Budget
For General Fund (00)

For the Fiscal Period 2013-9 Ending September 30, 2013

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues					
00-01-46002 GW Production Cost	\$ 62,500.00	\$ 0.00	\$ 250,000.00	\$ 149,751.73	40.10%
00-01-46005 Late Fees	0.00	0.00	0.00	0.00	0.00%
00-01-46007 Registration Fees	0.00	1,500.00	0.00	7,600.00	0.00%
00-01-46010 Well Drillers Deposit	0.00	0.00	0.00	200.00	0.00%
Total General Fund Revenues	\$ 62,500.00	\$ 1,500.00	\$ 250,000.00	\$ 157,551.73	36.98%
Expenditures					
00-01-77010 Administrative Cost	\$ 8,333.33	\$ 5,291.50	\$ 100,000.00	\$ 56,403.97	43.60%
00-01-77020 Advertising	208.33	0.00	2,500.00	0.00	100.00%
00-01-77027 Auditing	0.00	0.00	5,000.00	0.00	100.00%
00-01-77030 Accounting	1,000.00	1,000.00	12,000.00	9,007.50	24.94%
00-01-77031 Banking Fees	0.00	0.00	0.00	0.00	0.00%
00-01-77032 Contract Services	2,500.00	7,300.00	30,000.00	17,300.00	42.33%
00-01-77035 Field Technician	2,916.67	3,216.00	35,000.00	41,470.45	(18.49%)
00-01-77040 Direct Cost	833.33	140.09	10,000.00	2,270.29	77.30%
00-01-77450 Dues & Subscription	83.33	0.00	1,000.00	64.00	93.60%
00-01-77480 Equipment	416.67	0.00	5,000.00	0.00	100.00%
00-01-77500 Fees- GMA8	352.60	0.00	4,231.25	0.00	100.00%
00-01-77610 Fuel	0.00	0.00	0.00	0.00	0.00%
00-01-77810 Insurance	325.58	0.00	3,907.00	315.00	91.94%
00-01-77855 Internet Fees	291.67	2,591.90	3,500.00	2,591.90	25.95%
00-01-77970 Legal	416.67	177.50	5,000.00	11,537.50	(130.75%)
00-01-78010 Meetings and Conferences	166.67	220.88	2,000.00	772.11	61.39%
00-01-78030 Office Supplies	0.00	0.00	0.00	89.88	0.00%
00-01-78310 Rent	200.00	200.00	2,400.00	1,800.00	25.00%
00-01-78600 Software Maintenance	166.67	(9,391.90)	2,000.00	785.00	60.75%
00-01-78750 Telephone	166.67	116.56	2,000.00	1,026.38	48.68%
00-01-78770 Transportation-Mileage	833.33	81.36	10,000.00	1,530.57	84.69%
Total General Fund Expenditures	\$ 19,211.52	\$ 10,943.89	\$ 235,538.25	\$ 146,964.55	37.60%
General Fund Excess of Revenues Over Expenditures	\$ 43,288.48	\$ (9,443.89)	\$ 14,461.75	\$ 10,587.18	26.79%

Red River Groundwater Conservation District

Statement of Revenue and Expenditures

Revised Budget

10/14/2013 1:37pm

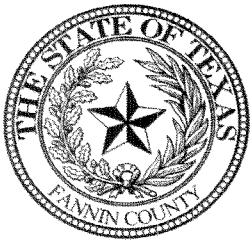
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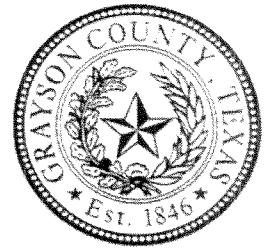
For the Fiscal Period 2013-9 Ending September 30, 2013

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Total Revenues	\$ 62,500.00	\$ 1,500.00	\$ 250,000.00	\$ 157,551.73	36.98%
Total Expenditures	\$ 19,211.52	\$ 10,943.89	\$ 235,538.25	\$ 146,964.55	37.60%
Total Excess of Revenues Over Expenditures	\$ 43,288.48	\$ (9,443.89)	\$ 14,461.75	\$ 10,587.18	26.79%

ATTACHMENT 9



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: OCTOBER 2, 2013

SUBJECT: AGENDA ITEM NO. 9

CONSIDER AND ACT UPON 2013 ADMINISTRATIVE SERVICES CONTRACT WITH GREATER TEXOMA UTILITY AUTHORITY

ISSUE

Renewal of contract with Greater Texoma Utility Authority (GTUA) for administrative services for 2014

BACKGROUND

In 2011, the Board has authorized an agreement with GTUA to provide administrative services to the District. These administrative services include a general manager, field services, secretarial services and accounting services. The accounting services have been increased in cost to \$15,000 to account for the increased time required to bill the groundwater producers. The Board of Directors of GTUA is satisfied with the outcome of the agreement and have indicated their desire to continue the arrangement. An item will be placed on the Authority's October agenda for consideration of the agreement.

CONSIDERATIONS

This contract contains the same provisions as the contract executed for 2013. The amounts identified in the contract are consistent with the 2014 budget adopted by the District.

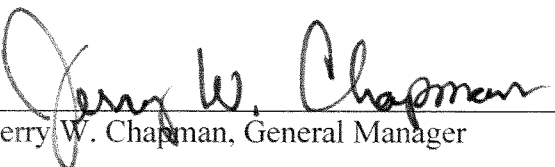
STAFF RECOMMENDATIONS

The staff recommends that the contract between the District and GTUA be approved.

ATTACHMENTS

2014 Administrative Services contract with GTUA
2014 Budget

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager

**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 10, 2013 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 Scope of Services. The term "Scope of Services" as used herein refers to the Scope of Services made and submitted by the Authority to the District dated October 10, 2013, as amended, modified, or supplemented herein. (attached hereto as “Exhibit A”)

The Scope of Services is a general guideline for the commencement of administrative activities and related services. Said Scope of Services 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 Scope of Services. 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. 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 25th 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 costs incurred in connection with providing administrative services to the District. Any such out-of-pocket costs exceeding \$2,500.00 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, PO Box 1214, Sherman, TX 75091-1214, and to the Authority addressed to the President, 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
PO BOX 1214
SHERMAN TX 75091-1214

BY: _____
President

BY: _____
President

DATE: _____

DATE: _____

ATTEST:

ATTEST:

Secretary-Treasurer

Secretary-Treasurer

Exhibit "A"

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 for Registered and Non-Registered Wells in the District
 - Work with chosen database development firm to create the well registration system for the District
 - Operate and maintain well registration website and map, which will depict wells in each District county
 - Work with well owners to register wells and collect well registration fees
 - Employ field technician to locate and verify wells in each District county

- 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 development of permanent rules
 - Assist Board of Directors in the development and implementation of a Management Plan

- V. Accounting
 - Provide accounting services including keeping financial records, issuing invoices, paying invoices, etc.
 - Prepare and present monthly financial statements
 - Assist Board of Directors with development of budget
 - Prepare and provide documentation for audit

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 Alliance 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

Estimated Cost of Services

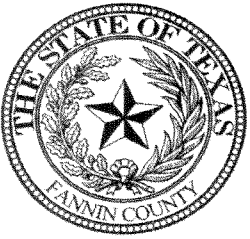
The Authority is a public agency. The Board's approach to provision of services has always been to seek reimbursement for the costs of providing the services requested. These costs include:

- 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)
- The contract for services will not exceed \$100,000 for administration and \$15,000 for accounting without prior authorization from the Board of Directors
- Field personnel costs will be an expense of the District, which will include salary, benefits, transportation and other costs directly associated with verification of well and pumping information
- Billing Rates:
 - Administration – \$80 per hour
 - Project Coordinator - \$45 per hour
 - Secretary/Mapping Technician - \$37 per hour
 - Finance Officer - \$60 per hour
 - Accounting Assistant - \$38 per hour
 - Office Clerk - \$20 per hour
 - Field Technician - \$42 per hour
 - Operation Supervisor - \$52 per hour

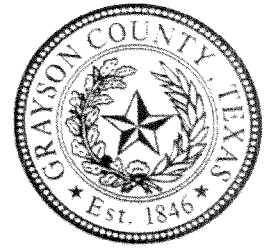
**RED RIVER GROUNDWATER CONSERVATION DISTRICT
BUDGET YEAR 2014**

	Approved Budget 2013	Actual 5/30/2013	Est @ 12/31/2013	Proposed Budget 2014
Income				
46002 GW Production Cost	\$250,000.00	84,586.49	203,007.58	\$250,000.00
Total Income	<u>\$250,000.00</u>	<u>84,586.49</u>	<u>203,007.58</u>	<u>\$250,000.00</u>
Gross Profit	\$250,000.00	84,586.49	203,007.58	\$250,000.00
Expense				
77010 ADMINISTRATIVE COST	\$100,000.00	30,916.60	74,199.84	\$100,000.00
77030 ACCOUNTING	12,000.00	5,070.00	12,168.00	15,000.00
77033 ADS-LEGAL	2,500.00		0.00	2,500.00
77027 AUDITING	5,000.00		0.00	5,000.00
77035 BANKING FEES			0.00	
77855 CONTRACT SERVICES			0.00	
Web Maintenance	20,000.00	13,300.00	19,300.00	6,000.00
Hydro-Geologist	10,000.00		0.00	10,000.00
77040 DIRECT COST	10,000.00	1,486.30	3,567.12	5,000.00
77450 DUES & SUBSCRIPTIONS	1,000.00	64.00	153.60	1,000.00
77550 EQUIPMENT	5,000.00		0.00	2,000.00
77555 FEES-GMA8	4,231.25		0.00	4,000.00
77035 FIELD SERVICES	35,000.00	23,844.00	57,225.60	50,000.00
77610 FUEL			0.00	
77810 INSURANCE & BONDING	3,907.00	315.00	756.00	3,000.00
77840 INTERNET SERVICES	3,500.00	2,798.60	3,500.00	3,500.00
77970 LEGAL	5,000.00	601.00	1,442.40	5,000.00
78010 MEETINGS AND CONFEREN	2,000.00	221.48	531.55	2,000.00
78310 RENT	2,400.00	1,000.00	2,400.00	2,400.00
78600 SOFTWARE MAINT	2,000.00	1,285.00	1,285.00	2,000.00
78770 TRANSPORTATION	10,000.00	920.06	2,208.14	5,000.00
78750 TELEPHONE	2,000.00	568.79	1,365.10	2,000.00
78775 WATER QUALITY ISSUES				
78780 WELL MONITORING/TESTING				
Total Expense	<u>\$235,538.25</u>	<u>82,390.83</u>	<u>180,102.35</u>	<u>\$225,400.00</u>
Contingencies	\$14,132.30			\$24,600.00
Total Expenditures	\$249,670.55			250,000.00
Net Income	<u>\$329.45</u>	<u>2,195.66</u>	<u>22,905.22</u>	<u>0.00</u>

ATTACHMENT 10



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: **October 11, 2013**

SUBJECT: **AGENDA ITEM NO. 10**

CONSIDER AND ACT UPON AUTHORIZATION TO SEEK PROPOSALS FOR MANAGEMENT AND MAINTENANCE OF THE WELL REGISTRATION WEBSITE

ISSUE

Consideration of a request for authorization to seek proposals for management and maintenance of the well registration website

BACKGROUND

Existing Board members will recall that the Board had authorized development of a website approximately two years ago. At that time, the Alan Plummer engineering firm provided consulting assistance with the development of a website. The maintenance of a site was contracted with Brian Besier of IT Nexus, an individual from Denton, Texas. Mr. Besier was to be paid a sum of \$500 per month for maintenance and management activities associated with the well registration website.

CONSIDERATIONS

Over the last year, it is becoming increasingly difficult to obtain modifications to the website when requested by the staff. While the development of the website itself has been quite satisfactory, the maintenance functions to be performed by Mr. Besier have characteristically been delayed or denied. The staff feels that this circumstance has continued to a point where it is no longer productive to try to force maintenance activities out of the current contract.

OPTIONS/ALTERNATIVES

The Board could instruct the staff to continue working with Mr. Besier to try to reach a resolution. Or, the Board can provide authorization for the staff to seek proposals with other companies for the management and maintenance of the system.

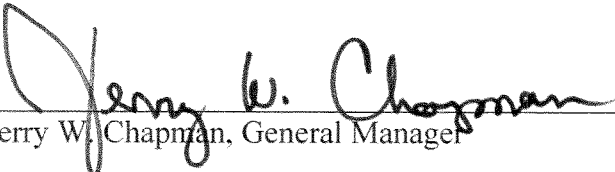
STAFF RECOMMENDATIONS

The staff recommends that the Board authorize the staff to seek proposals for the management and maintenance of the well registration system.

ATTACHMENTS

IT Nexus Maintenance Contract

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager



Software Maintenance Agreement

IT Nexus, Inc., 4624 Rader Pass, San Antonio, Texas 78247
TEL 210-656-0300 | FAX 210-656-0301

Software Maintenance Agreement No. SMA2012RRG

DEFINITIONS

“Software” means the actual copy of all or any portion of the Red River Groundwater Conservation District Well Registration application software.

ARTICLE 1 – TERM AND FEE

The initial term of this Agreement shall begin on receipt of order (renewal date) and shall continue for twelve (12) consecutive months at the fee(s) noted in the IT Nexus Software Maintenance Agreement Quotation. Thereafter, Licensee may continue the service for maintenance and update at the then current fee. Should Licensee decide to extend this Agreement, Licensee shall issue a purchase order in advance of the renewal date at the quoted price. Payment is due monthly in advance. Licensee agrees to pay IT Nexus invoices within thirty (30) days of receipt.

ARTICLE 2 – SOFTWARE MAINTENANCE AND UPDATE SERVICE

Software support and maintenance will apply only to unmodified Software. Software updates are provided only for the standard hardware platform and operating system described in the Software documentation. IT Nexus supports the Licensee’s users with the installation and maintenance of Well Registration application and logging of enhancement requests and bugs submitted by the Licensee. Under this Agreement IT Nexus will:

1. Fix any bugs reported by the Licensee and confirmed by IT Nexus to be associated with the Software.
2. Support RRGCD’s hosted ArcGIS Server instance.
3. Technical phone and e-mail support for RRGCD.
4. Log and track reported bugs and problem requests.
5. Provide minor application enhancements (up to 2 hours development per month) Unused development hours will be rolled over and allowed to accumulate while the software is under maintenance agreement to accommodate larger development tasks.

Licensee may contact IT Nexus Technical Support at:

IT Nexus Software Technical Support
Telephone: 940-591-9699
E-mail: ITNSupport@itnexus.com

Hours: 8:00 a.m. to 5:00 p.m. Central Time (Monday through Friday except IT Nexus holidays)

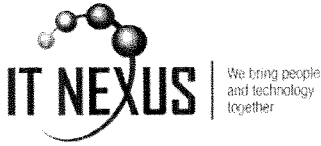
ARTICLE 3 – TERMINATION

This Agreement may be terminated by either party giving the other party thirty (30) days notice of intent to terminate prior to the end of the term identified in Article 1 of this Agreement. Should the RRGCD terminate the maintenance agreement, banked development hours will be forfeited. IT Nexus will honor any accumulated development hours for a period of 180 days should ITN terminate the agreement.

ARTICLE 4 – LIMITATION OF LIABILITY AND REMEDIES

IT Nexus will use commercially reasonable efforts to provide corrections or work-around solutions for any errors reported and determined to be in the Software or the documentation at no cost to Licensee for the term of this Agreement.

Except for the above expressed limited warranty, IT Nexus disclaims all other warranties of any kind, either express or implied, including, but not limited to, the implied warranties of merchantability, fitness for a particular purpose, noninterference, system integration, and non-infringement. IT Nexus does not warrant



Software Maintenance Agreement

IT Nexus, Inc., 4624 Rader Pass, San Antonio, Texas 78247
TEL 210-656-0300 | FAX 210-656-0301

that the Software or documentation will meet Licensee's needs, or that licensee's operation of the same will be uninterrupted or error free, or that all nonconformities can or will be corrected.

If IT Nexus fails to fulfill its obligations under this Agreement, Licensee's sole and exclusive remedy is the right to terminate this Agreement immediately for the affected Software. In no event shall IT Nexus be liable to Licensee for costs of procurement of substitute goods or services; lost profits; lost sales or business expenditures; investments; or commitments in connection with any business, loss of any goodwill, or for any indirect, special, incidental or consequential damages arising out of or related to this Agreement or use of the Software or documentation, however caused, on any theory of liability, and whether or not IT Nexus has been advised of the possibility of such damage. These limitations shall apply notwithstanding any failure of essential purpose of any limited remedy.

ARTICLE 5 - APPLICABLE LAWS

The laws of the State of Texas and rules and regulations pursuant thereto shall be applied in the interpretation, execution, and enforcement of this Agreement.

ARTICLE 6 - ENTIRE AGREEMENT

This Agreement constitutes the sole and entire agreement of the parties as to the subject matter set forth herein and supersedes any previous agreements, understandings, and arrangements between the parties relating to such subject matter. Any modification(s) or amendment(s) to this Agreement must be in writing and signed by an authorized representative of each party.

The parties have agreed to these terms and have executed this Agreement on the date last signed below.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of the last date written below.

Red River GCD
(Licensee)

IT NEXUS, INC.

By:

George "Butch" Henderson
Authorized Signature

By:

Brian J. Besier
Authorized Signature

Printed Name: George "Butch" Henderson

Printed Name: Brian J. Besier

Title: President

Title: President

Date: July 25, 2012

Date: July 13, 2012

Licensee Contact Information

Contact: Jerry Chapman, General Manager

Installation Address: 5100 Airport Drive

City, State, ZIP: Denison, TX 75020

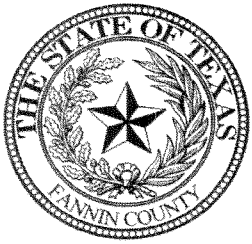
Telephone: 800-256-0935

FAX: 903-786-8211

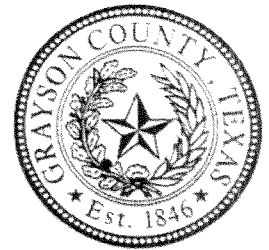
E-mail:

IT Nexus Client No. 12_RRG_001

ATTACHMENT 11



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: October 11, 2013

SUBJECT: AGENDA ITEM NO. 10

CONSIDER AND ACT UPON APPOINTING A REPRESENTATIVE FOR GROUNDWATER MANAGEMENT AREA 8 AND RECEIVE UPDATE ON GROUNDWATER MANAGEMENT AREA 8 ACTIVITIES

ISSUE

Appointment of a representative for Groundwater Management Area 8 (GMA 8) and receive update on GMA 8 activities

BACKGROUND

Groundwater management in Texas has been delegated by the Legislature to groundwater conservation districts. The Texas Water Development Board (TWDB) has divided the State into 16 groundwater management areas. These management areas are generally consistent with the major aquifers located throughout the State.

GMA 8 encompasses 57 counties stretching from the Red River south to Burnet County on the north side of Austin. Within GMA 8 there are currently 12 groundwater conservation districts. These districts will be responsible for developing a protocol and management plan for managing the groundwater resources in the Trinity and Woodbine Aquifers for the next 50 years.

The State Legislature has established dates for Defined Future Conditions (DFCs) for each of the groundwater management areas in Texas. By May 2016, each of the groundwater management areas are required to file with the TWDB. A DFC means the amount of water to be left in the aquifer in 50 years. This is going to be a complicated and contentious process based on the number of groundwater producers throughout the State. It will be no less complicated in GMA 8 since it involves such a large area and multiple groundwater producers.

GMA 8 met recently in Cleburne, Texas to discuss their future course of action. At that time, the GMA 8 members determined they would begin meeting quarterly starting January 22, 2014. They believe that at least quarterly meetings will be required to read and examine the updated groundwater availability model and to set in motion the process for establishing DFCs in the 57 counties in GMA 8. This is an extremely important function and one in which the Red River GCD needs to be involved.

OPTIONS/ALTERNATIVES

Outline options or alternatives

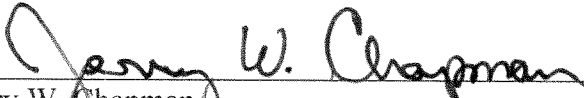
CONSIDERATIONS

Identify any legal, fiscal or operational considerations

STAFF RECOMMENDATIONS

The staff recommends the Board name a representative and an alternate representative to GMA 8 to represent the Red River GCD at the meetings and represent the District's interests as the process proceeds.

PREPARED AND SUBMITTED BY:

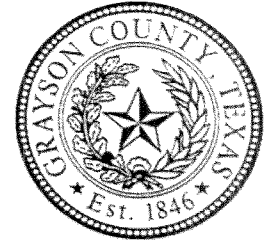


Jerry W. Chapman
General Manager

ATTACHMENT 12



RED RIVER
GROUNDWATER CONSERVATION DISTRICT
FANNIN COUNTY AND GRAYSON COUNTY



General Manager's Quarterly Report
September 2013

Management Plan
Assessment of the Status of Drought in the District

The following is a quarterly report on the existing drought conditions:

As of September 30, 2013 the Texas Water Development Board Drought Information Summary reflected the North Central Texas Area to be slightly dry or favorably moist in crop moisture index, in a mild drought according to the Palmer Drought Severity Index, precipitation near normal, high risk for fire according to the Keetch-Byram Drought Index, Reservoir Storage Index abnormally low, and Stream Flow Index near normal.

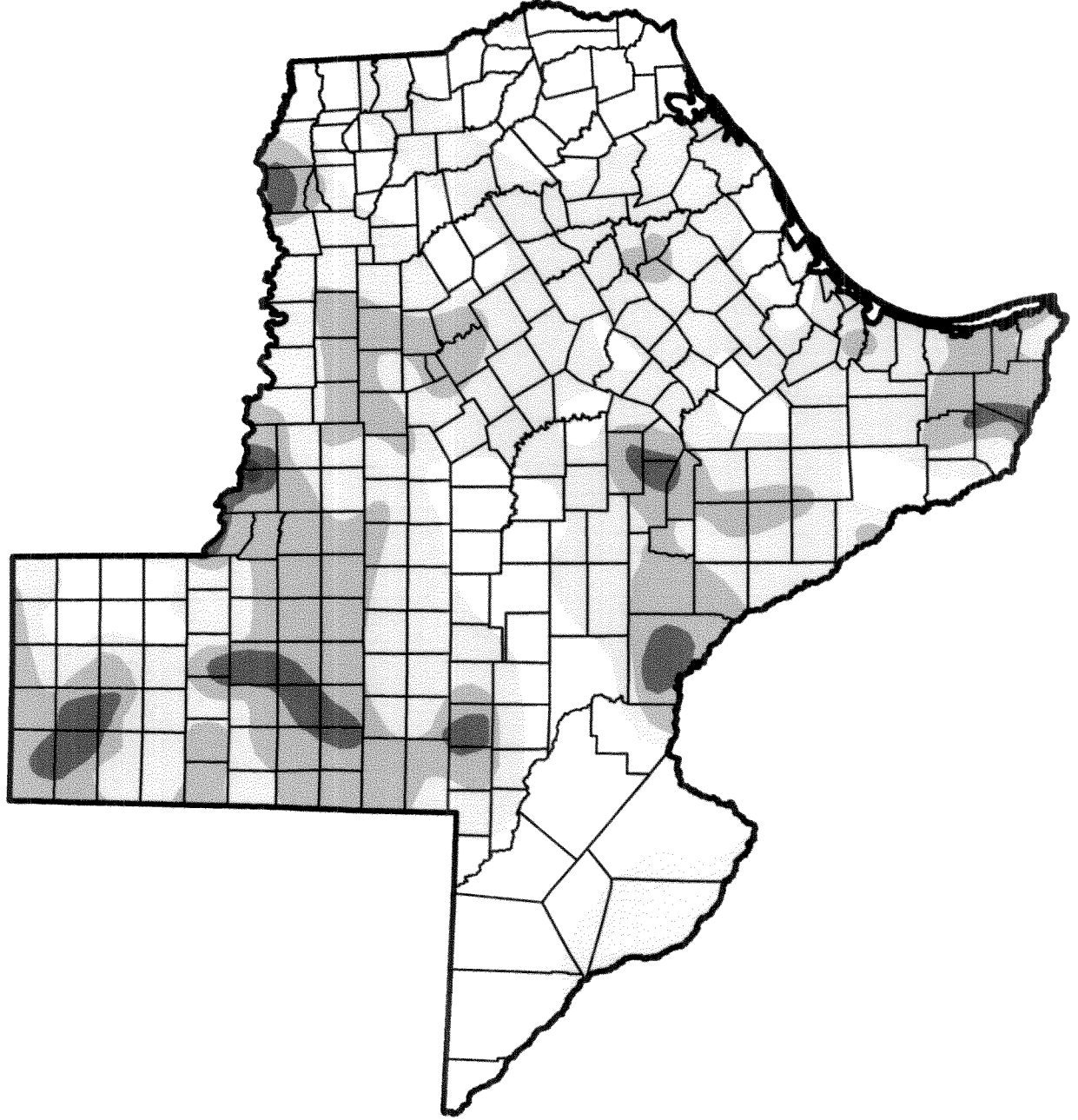
The U.S. Drought Monitor map for Texas reflects this area in a moderate drought as of October 1, 2013. As mentioned in prior reports, John Nielsen-Gammon, the State Climatologist, has projected that maximum temperatures in Texas could be up to five degrees higher by 2060. His findings indicate that the trend toward warmer temperatures began decades ago. Prior studies show that as temperatures rise, a variety of problems emerge, such as water shortages, more crop failures, longer and more severe droughts and greater difficulty in controlling air pollution.

The Texas Water Development Board website reflected as of October 7, 2013 Lake Texoma is 88.7% full, with a water level of 612.93. The NOAA report for the Sherman – Grayson County area reflected rainfall in the amount of 1.11 inches in July, and .25 inch in August. There is no report for September, due to the government shutdown.

Rainfall and drought maps routinely provided were not available for this report, also due to the government shutdown. Attached are the U.S. Drought Monitor map for Texas and U.S. Seasonal Drought Outlook map.

U.S. Drought Monitor Texas

October 1, 2013
(Released Thursday, Oct. 3, 2013)
Valid 7 a.m. EDT



Intensity:

- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
David Miskus
NOAA/NWS/NCEP/CPC



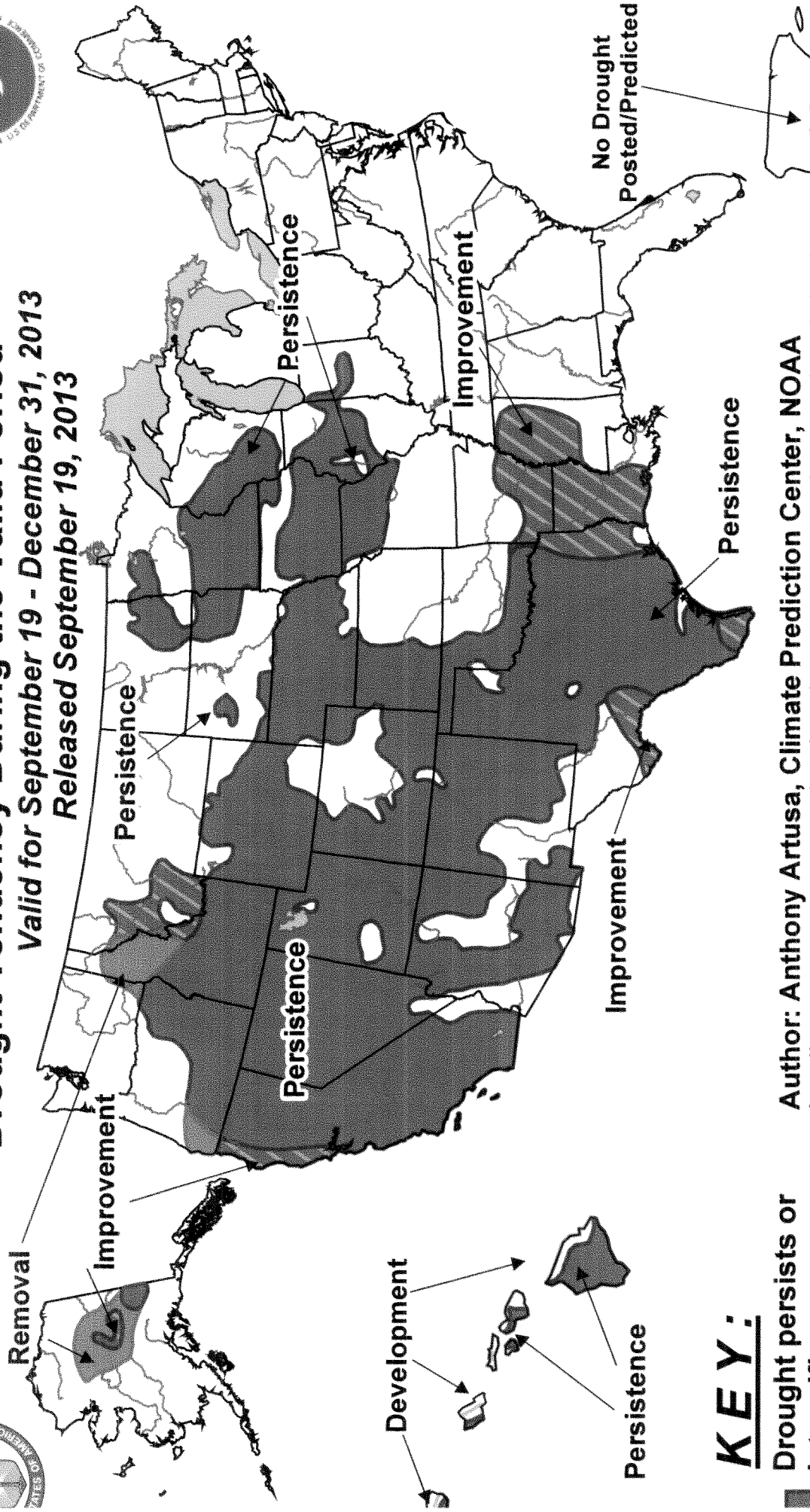


U.S. Seasonal Drought Outlook





Drought Tendency During the Valid Period

Valid for September 19 - December 31, 2013

Released September 19, 2013



KEY:

-  Drought persists or intensifies
-  Drought remains but improves
-  Drought removal likely
-  Drought development likely

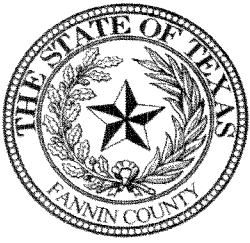
Author: Anthony Artusa, Climate Prediction Center, NOAA

http://www.cpc.ncep.noaa.gov/products/expert_assessment/season_drought.html

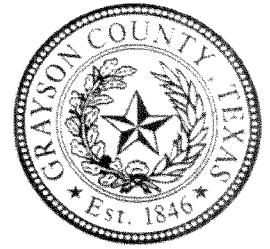
Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Short-term events -- such as individual storms -- cannot be accurately forecast more than a few days in advance. Use caution for applications -- such as crops -- that can be affected by such events. "Ongoing" drought areas are approximated from the Drought Monitor (D1 to D4 intensity). For weekly drought updates, see the latest U.S. Drought Monitor.

NOTE: The Green and Brown hatched areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period although drought will remain. The Green areas imply drought removal by the end of the period (D0 or none)

ATTACHMENT 13



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: OCTOBER 14, 2013

SUBJECT: AGENDA ITEM NO. 13

CONSIDER AND ACT UPON ENFORCEMENT ACTIONS ON NON-COMPLIANT WELL OWNERS

ISSUE

Enforcement actions on non-compliant well owners

BACKGROUND

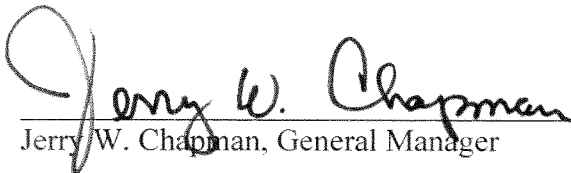
The District has established Temporary Rules for well registration and metering and reporting groundwater produced from the non-exempt wells within the District's boundaries. The District's regulations were adopted initially in 2011 and have been subsequently modified in order to maintain current with the existing legislative requirements.

The District began the registration process on April 1, 2012 and has registered most non-exempt wells and some exempt wells throughout Fannin and Grayson Counties. However, some non-exempt well owners have failed to register, meter and/or report groundwater production. In the past the District has provided procedures for the staff to follow in seeking compliance with these well owners. At the present time, four (4) well owners have been referred to the District's legal counsel for further efforts to register the wells, collect water production information and collect fees. In this case all four are golf courses in Grayson County.

STAFF RECOMMENDATIONS

The staff recommends that the attorneys be authorized to proceed with enforcing the District's rules on the non-compliant well owners.

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager

ADJOURN