

**RED RIVER
GROUNDWATER
CONSERVATION
DISTRICT**

**PUBLIC HEARING
AND
BOARD MEETING**

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

**WEDNESDAY
DECEMBER 12, 2012**

PUBLIC HEARING AGENDA

AGENDA
RED RIVER GROUNDWATER CONSERVATION DISTRICT
PUBLIC HEARING
GREATER TEXOMA UTILITY AUTHORITY BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
1:30 P.M., WEDNESDAY, DECEMBER 12, 2012

Notice is hereby given that the Board of Directors of the Red River Groundwater Conservation District ("District") will hold a public hearing, accept public comment, and may discuss, consider, and take all necessary action regarding proposed revisions to the District's Bylaws on the 12th day of December, 2012, at 1:30 p.m. in the Greater Texoma Utility Authority Board Room, 5100 Airport Drive, Denison TX, 75020.

Agenda:

1. Call to Order and introduction of Board
2. Review draft amendment to the Temporary Rules
3. Public Comment (verbal comments limited to three (3) minutes each; written comments may also be submitted for the Board's consideration).
4. Adjourn or continue public hearing on revised Temporary Rules.

At the conclusion of the hearing or any time or date thereafter, the proposed Temporary Rules may be adopted in the form presented or as amended based upon comments received from the public, the Texas Water Development Board, District staff, attorneys, consultants, or members of the Board of Directors without any additional notice.

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.

RED RIVER GROUNDWATER CONSERVATION DISTRICT

NOTICE OF PUBLIC HEARING DECEMBER 12, 2012

NOTICE IS HEREBY GIVEN to all interested persons within Fannin and Grayson Counties, Texas:

That the Board of Directors of the Red River Groundwater Conservation District ("District") will hold a public hearing, accept public comment, and may take action on amending the temporary District Rules regulating water wells within the boundaries of the District, including Fannin and Grayson Counties, Texas. The proposed amendments to the temporary rules would accomplish the following: revise the District's metering requirements for non-exempt wells; establish enforcement protocols for non-compliant well owners and operators; change the District's existing semi-annual reporting and fee payment requirement to a requirement that well owners submit quarterly water production reports and fee payments to the District; and revise the District's rules related to drilling or altering a well, including revisions related to the extension of time for drilling a well and penalties for drilling with an expired well registration.

This rulemaking hearing will be held on Wednesday, December 12, 2012, beginning at 1:30 p.m. in the Administrative Offices of the Greater Texoma Utility Authority, 5100 Airport Drive, Denison, Texas 75020.

Any person who desires to appear at the hearing and present comment or other information on the proposed amendments to the District Rules may do so in person, by legal representative, or both. Comments may be presented verbally or in written form. Limits may be placed on the amount of time that each person is allowed to present verbal comments. Any person with a disability who needs special accommodations should contact Carmen Catterson at 800-256-0935. The hearing posted in this notice may be recessed from day to day or continued where appropriate. The Board may take action to adopt the rules amendments as proposed or with additional changes based upon comments and discussion at the hearing. The board may take action at the hearing or at a hearing or meeting at a later time or date.

A copy of the proposed amendments to the District Temporary Rules: (1) is available for reviewing or downloading at the following website: <http://www.redrivergcd.org>, (2) may be reviewed, inspected, or obtained in person at 5100 Airport Drive, Denison, Texas 75020, and (3) may be requested by email at: carmen@redrivergcd.org.

END OF AD

DRAFT TEMPORARY RULES

Red River Groundwater Conservation District

**Temporary Rules for Water Wells
in Fannin and Grayson Counties, Texas**

As Amended on March 21, 2012

Procedural History of Rules Adoption

These temporary rules of the Red River Groundwater Conservation District were initially adopted by the Board of Directors on August 29, 2011, at a duly posted public meeting in compliance with the Texas Open Meetings Act and following notice and hearing in accordance with Chapter 36 of the Texas Water Code. The temporary rules were subsequently amended, in accordance with all legal requirements on March 21, 2012, and _____ (date).

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Groundwater Conservation District
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Red River Groundwater Conservation District

District Rules

PREAMBLE

The Red River Groundwater Conservation District ("District") was created in 2009 by the 81st Texas Legislature with a directive to conserve, protect and enhance the groundwater resources of Fannin and Grayson Counties, Texas. The District's boundaries are coextensive with the boundaries of Fannin and Grayson Counties, and all lands and other property within these boundaries will benefit from the works and projects that will be accomplished by the District.

The Mission of the Red River Groundwater Conservation District is to develop rules to provide protection to existing wells, prevent waste, promote conservation, provide a framework that will allow availability and accessibility of groundwater for future generations, protect the quality of the groundwater in the recharge zone of the aquifer, insure that the residents of Fannin and Grayson Counties maintain local control over their groundwater, and operate the District in a fair and equitable manner for all residents of the District.

The District is committed to manage and protect the groundwater resources within its jurisdiction and to work with others to ensure a sustainable, adequate, high quality and cost effective supply of water, now and in the future. The District will strive to develop, promote, and implement water conservation, augmentation, and management strategies to protect water resources for the benefit of the citizens, economy and environment of the District. The preservation of this most valuable resource can be managed in a prudent and cost effective manner through conservation, education, and management. Any action taken by the District shall only be after full considerations and respect has been afforded to the individual property rights of all citizens of the District.

**SECTION 1.
DEFINITION, CONCEPTS, AND GENERAL PROVISIONS**

Rule 1.1 Definitions of Terms.

In the administration of its duties, the District follows the definitions of terms set forth in Chapter 36, Texas Water Code, and other definitions as follows:

- (1) "Agriculture" (or "agricultural") means any of the following activities:
 - 1. cultivating the soil to produce crops for human food, animal feed, or planting seed, or for the production of fibers;
 - 2. the practice of floriculture, viticulture, silviculture, and horticulture, including the cultivation of sod, and the cultivation of plants in containers or non-soil media, by a nursery grower;
 - 3. raising, feeding, or keeping animals for breeding purposes or for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;
 - 4. planting cover crops, including cover crops cultivated for transplantation, or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure;
 - 5. wildlife management; and
 - 6. raising or keeping equine animals.
- (2) "Animal Feeding Operation" (AFO) means: (1) a lot or facility (other than an aquatic animal production facility) where animals have been, are, or will be stabled or confined and fed or maintained for a total of 45 days or more in any 12-month period, and where the animal confinement areas do not sustain crops, vegetation, forage growth, or postharvest residues in the normal growing season over any portion of the lot or facility; or (2) any other facility regulated as an AFO or as a Concentrated Animal Feeding Operation by the TCEQ.
- (3) "Aquifer" means a water bearing geologic formation in the District.
- (4) "As equipped" for purposes of determining the capacity of a well means visible pipes, plumbing, and equipment attached to the wellhead or adjacent plumbing that controls the maximum rate of flow of groundwater and that is permanently affixed to the

well or adjacent plumbing by welding, glue or cement, bolts or related hardware, or other reasonably permanent means.

- (5) “Beneficial use” or “beneficial purpose” means use of groundwater for:
 1. agricultural, gardening, domestic, stock raising, municipal, mining, manufacturing, industrial, commercial, or recreational purposes;
 2. exploring for, producing, handling, or treating oil, gas, sulfur, lignite, or other minerals; or
 3. any other purpose that is useful and beneficial to the user that does not constitute waste.
- (6) “Board” means the Board of Directors of the District.
- (7) “District” means the Red River Groundwater Conservation District created in accordance with Section 59, Article XVI, Texas Constitution, Chapter 36, Texas Water Code, and the District Act.
- (8) “District Act” means the Act of May 25, 2009, 81st Leg., R.S., ch. 884, 2009 Tex. Gen. Laws 2313, codified at Tex. Spec. Dist. Loc. Laws Code Ann. ch. 8859 (“the District Act”), as may be amended from time to time.
- (9) “Domestic use” means the use of groundwater by an individual or a household to support domestic activity. Such use may include water for drinking, washing, or culinary purposes; for irrigation of lawns, or of a family garden and/or family orchard; for watering of domestic animals. Domestic use does not include water used to support activities for which consideration is given or received or for which the product of the activity is sold. Domestic use does not include use by or for a public water system. Domestic use does not include irrigation of crops in fields or pastures. Domestic use does not include water used for open-loop residential geothermal systems.
- (10) “Effective date” means August 29, 2011, which was the original date of adoption of these Temporary Rules.
- (11) “Emergency purposes” means the use of groundwater to fight fires, manage chemical spills, and otherwise address emergency public safety or welfare concerns.
- (12) “Exempt well” means a new or an existing well that is exempt under Rule 2.1 from certain regulatory requirements in these rules.
- (13) “Existing well” means a well that was in existence or for which drilling commenced prior to April 1, 2012.

- (14) “General Manager” as used herein is the appointed chief administrative officer of the District, as set forth in the District’s bylaws, or the District staff or other Board designee acting at the direction of the General Manager or Board to perform the duties of the General Manager.
- (15) “Groundwater” means water percolating below the surface of the earth.
- (16) “Groundwater reservoir” means a specific subsurface water-bearing stratum.
- (17) “Landowner” means the person who holds possessory rights to the land surface or to the withdrawal of groundwater from wells located on the land surface.
- (18) “Leachate well” means a well used to remove contamination from soil or groundwater
- (19) “Livestock” means, in the singular or plural, grass- or plant-eating, single- or cloven-hooved mammals raised in an agricultural setting for subsistence, profit or for its labor, or to make produce such as food or fiber, including cattle, horses, mules, asses, sheep, goats, llamas, alpacas, and hogs, as well as species known as ungulates that are not indigenous to this state from the swine, horse, tapir, rhinoceros, elephant, deer, and antelope families, but does not mean a mammal defined as a game animal in section 63.001, Parks and Wildlife Code, or as a fur-bearing animal in section 71.001, Parks and Wildlife Code, or any other indigenous mammal regulated by the Texas Department of Parks and Wildlife as an endangered or threatened species. The term “livestock use” does not include the use of water for any animal that is stabled, confined, or fed at a facility that is defined an Animal Feeding Operation.
- (20) “Maintenance Purposes” means the use of water to flush mains, fire hydrants or tanks as required by TCEQ.
- (21) “Meter” or “measurement device” means a water flow measuring device that can measure within +/- 5% of accuracy the instantaneous rate of flow and record the amount of groundwater produced from a well or well system during a measure of time, as specifically set forth under Section 8.
- (22) “Monitoring well” means a well installed to measure some property of the groundwater or the aquifer that it penetrates, and does not produce more than 5,000 gallons per year.
- (23) “New well” means a well for which drilling commenced on or after April 1, 2012.
- (24) “Nursery grower” means a person who grows more than 50 percent of the products that the person either sells or leases, regardless of the variety sold, leased, or grown. For the purpose of this definition, “grow” means the actual cultivation or propagation of the product beyond the mere holding or maintaining of the item prior to sale or lease and typically includes activities associated with the production or

multiplying of stock such as the development of new plants from cuttings, grafts, plugs, or seedlings.

- (25) "Penalty" means a reasonable civil penalty set by rule under the express authority delegated to the District through Section 36.102(b) of the Texas Water Code.
- (26) "Person" means an individual, corporation, Limited Liability Company, organization, government, governmental subdivision, agency, business trust, estate, trust, partnership, association, or other legal entity.
- (27) "Poultry" means chickens, turkeys, nonmigratory game birds, and other domestic nonmigratory fowl, but does not include any other bird regulated by the Parks and Wildlife as an endangered or threatened species. The term does not include any animal that is stabled, confined, or fed at a facility that is defined by Texas Commission on Environmental Quality rules as an Animal Feeding Operation or a Concentrated Animal Feeding Operation.
- (28) "Production" or "producing" means the act of extracting groundwater from an aquifer by a pump or other method.
- (29) "Public Water System" or "PWS" means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, which includes all uses described under the definition for "drinking water" in 30 Texas Administrative Code, Section 290.38. Such a system must have at least 15 service connections or serve at least 25 individuals at least 60 days out of the year. This term includes any collection, treatment, storage, and distribution facilities under the control of the operator of such system and used primarily in connection with such system, and any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system. Two or more systems with each having a potential to serve less than 15 connections or less than 25 individuals but owned by the same person, firm, or corporation and located on adjacent land will be considered a public water system when the total potential service connections in the combined systems are 15 or greater or if the total number of individuals served by the combined systems total 25 or greater at least 60 days out of the year. Without excluding other meanings of the terms "individual" or "served," an individual shall be deemed to be served by a water system if he lives in, uses as his place of employment, or works in a place to which drinking water is supplied from the system.
- (30) "Pump" means any facility, device, equipment, materials, or method used to obtain water from a well.
- (31) "Registrant" means a person required to submit a registration.
- (32) "Registration" means a well owner providing certain information about a well to the District, as more particularly described under Section 3.

- (33) “Rule” or “Rules” or “Temporary Rules” means these Temporary Rules of the District regulating water wells, which shall continue to be effective until amended or repealed.
- (34) “Substantially alter” with respect to the size or capacity of a well means to increase the inside diameter of the pump discharge column pipe size of the well in any way or to increase the size of the pump on the well.
- (35) “TCEQ” means the Texas Commission on Environmental Quality
- (36) “Transfer” means a change in a registration as follows, except that the term “transfer” shall have its ordinary meaning as read in context when used in other contexts:
- (a) ownership; or
 - (b) the person authorized to exercise the right to make withdrawals and place the groundwater to beneficial use.
- (37) “Waste” means one or more of the following:
- (a) withdrawal of groundwater from the aquifer at a rate and in an amount that causes or threatens to cause an intrusion into the aquifer unsuitable for agriculture, gardening, domestic, stock raising, or other beneficial purposes;
 - (b) the flowing or producing of water from the aquifer by artificial means if the water produced is not used for a beneficial purpose;
 - (c) the escape of groundwater from the aquifer to any other underground reservoir or geologic stratum that does not contain groundwater;
 - (d) pollution or harmful alteration of groundwater in the aquifer by saltwater or by other deleterious matter admitted from another stratum or from the surface of the ground;
 - (e) willfully or negligently causing, suffering, or allowing groundwater to escape into any river, creek, natural watercourse, depression, lake, reservoir, drain, sewer, street, highway, road, or road ditch, or onto any land other than that of the owner of the well unless such discharge is authorized by permit, rule, or other order issued by the Texas Commission on Environmental Quality under Chapters 11 or 26 of the Texas Water Code;
 - (f) groundwater pumped for irrigation that escapes as irrigation tailwater onto land other than that of the owner of the well unless permission has been granted by the occupant of the land receiving the discharge;

- (g) for water produced from an artesian well, “waste” has the meaning assigned by Section 11.205, Texas Water Code;
 - (h) operating a deteriorated well; or
 - (i) producing groundwater in violation of any District rule governing the withdrawal of groundwater through production limits on wells, managed depletion, or both.
- (38) “Well” means any artificial excavation located within the boundaries of the District dug or drilled for the purpose of exploring for or withdrawing groundwater from the aquifer.
- (39) “Well owner” means the person who owns a possessory interest in: (1) the land upon which a well or well system is located or to be located; (2) the well or well system; or (3) the groundwater withdrawn from a well or well system.
- (40) “Well system” means a well or group of wells tied to the same distribution system.
- (41) “Withdraw” means the act of extracting or producing groundwater by pumping or other method.
- (42) “Year” means a calendar year (January 1 through December 31), except where the usage of the term clearly suggests otherwise.

Rule 1.2 Authority of District.

The Red River Groundwater Conservation District is a political subdivision of the State of Texas organized and existing under Section 59, Article XVI, Texas Constitution, Chapter 36, Texas Water Code, and the District Act. The District is a governmental agency and a body politic and corporate. The District was created to serve a public use and benefit.

Rule 1.3 Purpose of Rules.

These Temporary Rules are adopted under the authority of Sections 36.101 and 36.1071(f), Texas Water Code, and the District Act for the purpose of conserving, preserving, protecting, and recharging groundwater in the District in order to prevent subsidence, prevent degradation of water quality, prevent waste of groundwater, and to carry out the powers and duties of Chapter 36, Texas Water Code, and the District Act.

Rule 1.4 Use and Effect of Rules.

These rules are used by the District in the exercise of the powers conferred on the District by law and in the accomplishment of the purposes of the law creating the District. These rules may be used as guides in the exercise of discretion, where discretion is vested. However, under no

circumstances and in no particular case will they or any part therein, be construed as a limitation or restriction upon the District to exercise powers, duties and jurisdiction conferred by law. These rules create no rights or privileges in any person or water well, and shall not be construed to bind the Board in any manner in its promulgation of the District Management Plan, amendments to these Temporary Rules, or promulgation of permanent rules.

Rule 1.5 Purpose of District.

The purpose of the District is to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution.

Rule 1.6 Construction.

A reference to a title or chapter without further identification is a reference to a title or chapter of the Texas Water Code. A reference to a section or rule without further identification is a reference to a section or rule in these Rules. Construction of words and phrases is governed by the Code Construction Act, Subchapter B, Chapter 311, Texas Government Code. The singular includes the plural, and the plural includes the singular. The masculine includes the feminine, and the feminine includes the masculine.

Rule 1.7 Methods of Service Under the Rules.

Except as provided in these rules, any notice or document required by these rules to be served or delivered may be delivered to the recipient or the recipient's authorized representative in person, by agent, by courier receipted delivery, by certified or registered mail sent to the recipient's last known address, by fax transfer to the recipient's current fax number or by e-mail and shall be accomplished by 5:00 p.m. on the date which it is due. Service by mail is complete upon deposit in a post office depository box or other official depository of the United States Postal Service. Service by fax transfer is complete upon transfer, except that any transfer completed after 5:00 p.m. shall be deemed complete the following business day. If service or delivery is by mail and the recipient has the right or is required to do some act within a prescribed period of time after service, three days will be added to the prescribed period. If service by other methods has proved unsuccessful, service will be deemed complete upon publication of the notice or document in a newspaper of general circulation in the District.

Rule 1.8 Severability.

If a provision contained in these Temporary Rules is for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability does not affect any other rules or provisions of these Temporary Rules, and these Temporary Rules shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in these rules.

Rule 1.9 Regulatory Compliance; Other Governmental Entities.

All registrants of the District shall comply with all applicable rules and regulations of the District and of all other governmental entities. If the District Rules and regulations are more stringent than those of other governmental entities, the District Rules and regulations are applicable.

Rule 1.10 Computing Time.

In computing any period of time prescribed or allowed by these Rules, order of the Board, or any applicable statute, the day of the act, event, or default from which the designated period of time begins to run is not included, but the last day of the period so computed is included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday, or legal holiday.

Rule 1.11 Time Limits.

Applications, requests, or other papers or documents required or allowed to be filed under these Rules or by law must be received for filing by the District within the time limit for filing, if any. The date of receipt, not the date of posting, is determinative of the time of filing. Time periods set forth in these rules shall be measured by calendar days, unless otherwise specified.

Rule 1.12 Amending of Rules.

The Board may, following notice and hearing, amend or repeal these rules or adopt new rules from time to time.

**SECTION 2.
APPLICABILITY OF REGULATORY REQUIREMENTS;
EXEMPTIONS**

Rule 2.1 Wells Exempt from Certain Fee Payment, Metering, and Reporting Requirements of These Temporary Rules.

- (a) The requirements of these Temporary Rules relating to the payment of Water Use Fees and Groundwater Transport Fees under Section 7, the requirement to install and maintain a meter under Section 8, and the requirement to report to the District the amount of water produced from a well under Section 3 do not apply to the following types of wells:
1. A well used solely for domestic use.
 2. An existing well or new well that does not have the capacity, as equipped, to produce more than 40,000 gallons per day and is used in whole or in part for and of the following: commercial, industrial, municipal, manufacturing, or public water supply use, use for oil or gas or other hydrocarbon exploration or

production, agricultural use, including without limitation the irrigation of crops or livestock or poultry use, or any other purpose of use other than solely for domestic use, except as provided by Subsection (b) of this rule.

3. Leachate wells, monitoring wells, and piezometers.

- (b) For purposes of determining whether the exemption set forth under Subsection (a)(2) applies, the capacity of a well that is part of a well system shall be determined by taking the sum of the capacities of each of the individual wells, as equipped, in the system. If the total sum of the capacities is greater than 40,000 gallons per day, the well system and the individual wells that are part of it are not exempt from the fee payment, metering, and reporting requirements of these rules.
- (c) A well exempted under Subsection (a) will lose its exempt status if the well is subsequently used for a purpose or in a manner that is not exempt under Subsection (a)(2).
- (d) A well exempted under Subsection (a)(2) will lose its exempt status if, while the well was registered as an exempt well, the District determines that the well had the capacity, as equipped, to produce more than 40,000 gallons per day. Such wells are subject to the fee payment, metering, reporting, and other requirements of these Temporary Rules, and may be subject to enforcement under Section 8.
- (e) The owner of an existing well that is exempt under this rule should nonetheless register the well with the District, as specifically described under Section 3. All new wells, whether exempt or not under this rule, are required to be registered with the District prior to drilling as set forth under Section 3.

Rule 2.2 Wells Subject to Fee Payment, Metering, and Reporting Requirements of These Temporary Rules.

All wells not described as exempt under Rule 2.1 are subject to the Water Use Fee and Groundwater Transport Fee payment (addressed in Section 7 of the Temporary Rules), metering, reporting, registration, and other requirements of these Temporary Rules. Such wells include all wells or well systems with a capacity, as equipped, to produce more than 40,000 gallons per day that are used in whole or in part for any purpose of use other than solely for domestic use.

Rule 2.3 Exemption from Certain Fees for Groundwater Used for Certain Emergency Purposes.

- (a) Groundwater produced within the boundaries of the District is exempt from the assessment of applicable Water Use Fees and Groundwater Transport Fees otherwise required by Section 7 if the groundwater is used by a fire department or an emergency services district solely for emergency purposes and the use is qualified under Subsection (b).

- (b) To qualify for the exemption provided for in Subsection (a), a fire department for emergency services district that uses groundwater produced from within the District, or a person that supplies groundwater produced from within the District to a fire department or emergency services district, shall submit to the District a Water Production Report that complies with Rule 3.10.

Rule 2.4 Exemption from Production Fees for Groundwater Used for Maintenance Purposes.

Groundwater used for the purposes of flushing lines, tanks or fire hydrants as required by TCEQ are exempt from fees if an approved metering device or an alternative measuring method approved by the District is used. These amounts shall be noted on the water production report and subtracted from the total amount pumped.

Rule 2.5 Exemption from Production Fees, Metering, and Reporting Requirements for Groundwater Used for Well Development.

Groundwater produced from a well during its development or rehabilitation, including groundwater used in pump tests, is exempt from the requirements relating to the payment of fees under Section 7, the requirement to install and maintain a meter under Section 8, and the requirement to report to the District the amount of water produced from a well under Section 3. However, use of the well must comply with those requirements before being placed into operation unless otherwise exempt under these rules.

**SECTION 3.
REGISTRATIONS, RECORDS, REPORTS, AND LOGS; PERMIT NOT
REQUIRED**

Rule 3.1 Purpose and Policy.

The accurate and timely reporting to the District of activities governed by these Rules is a critical component to the District's ability to effectively and prudently manage the groundwater resources that it has been charged by law with regulating. The purpose of Section 3 is to require the submission, by the appropriate person or persons, of complete, accurate, and timely registrations, records, reports, and logs as required throughout the District Rules. Because of the important role that accurate and timely reporting plays in the District's understanding of past, current and anticipated groundwater conditions within the District, the failure to comply with these rules may result in the assessment of additional fees, civil penalties, or other enforcement action by the District, as specifically set forth under Section 9.

Rule 3.2 Permit Not Required Under Temporary Rules.

No permit of any kind is required under these Temporary Rules. Notwithstanding Chapter 36, Water Code, a permit is not required under these Temporary Rules to drill, equip, operate, or

complete a well, produce water from a well, or to substantially alter the size or capacity of a well. Permitting requirements will be developed and adopted by the District in the future after it has had a sufficient opportunity to develop a management plan and carefully consider various regulatory approaches and how such approaches may impact landowners and other water users in the District while achieving proper management of the groundwater resources. Permitting rules will be adopted only after ample opportunity has been afforded the public to participate in the development of such rules.

Rule 3.3 Well Registration.

- (a) The following wells must be registered with the District:
 - 1. all new wells drilled on or after April 1, 2012, including new wells exempt under Rule 2.1;
 - 2. all existing wells not exempt under Rule 2.1.
- (b) Existing exempt wells should be registered to limit the location of future wells that could reduce the capacity of the existing exempt wells.
- (c) A person seeking to register a well shall provide the District with the following information in the registration application on a form provided by the District:
 - 1. the name and mailing address of the registrant and the owner of the property, if different from the registrant, on which the well is or will be located;
 - 2. if the registrant is other than the owner of the property, documentation establishing the applicable authority to file the application for well registration, to serve as the registrant in lieu of the property owner, and to construct and operate a well for the proposed use;
 - 3. a statement of the nature and purpose of the existing or proposed use of water from the well;
 - 4. the location or proposed location of the well, identified as a specific point measured by latitudinal, longitudinal, and elevation coordinates;
 - 5. the location or proposed location of the use of water from the well, if used or proposed to be used at a location other than the location of the well;
 - 6. the production capacity or proposed production capacity of the well, as equipped, in gallons per day, and the horsepower rating of the pump, as assigned by the pump manufacturer;
 - 7. a water well closure plan or a declaration that the applicant will comply with well plugging guidelines and report closure to the District;

- 8. a statement that the water withdrawn from the well will be put to beneficial use; and
 - 9. any other information deemed reasonably necessary by the Board.
- (d) The timely filing of an application for registration shall provide the owner of a well described under Subsection (a)(2) with evidence that a well existed before April 1, 2012, for purposes of grandfathering the well from the requirement to comply with any well location or spacing requirements of the District, and any other entitlements that existing wells may receive under these Temporary Rules or under permanent rules adopted by the District. A well that is required to be registered under this Rule and that is not exempt under Rule 2.1 shall not be operated after April 1, 2012, without first complying with the metering provisions set forth under Section 8.
- (e) Once a registration is complete, ~~which for new wells also includes receipt by the District of the well report required by Rule 3.7, and the well registration fee,~~ the registration shall be perpetual in nature, subject to being amended or transferred and subject to enforcement for violations of these Rules.

Rule 3.4 Time Period for Registration of Existing Non-Exempt and Exempt Wells.

- (a) The owner of an existing well described under Rule 3.3(a)(2) must register the well with the District between April 1 and June 30, 2012, and must install a meter on the well as set forth under Section 8 of these rules before July 1, 2012. Failure of the owner of such a well to timely register or install a meter on the well under this Rule shall subject the well owner to enforcement under these Rules.
- (b) The owner of an existing well exempt under Rule 2.1 may register the well with the District after April 1, 2012, to provide the owner with evidence that the well existed before the adoption of these Temporary Rules for purposes of grandfathering the well from the requirement to comply with any well location or spacing requirements of the District and any other entitlements that existing wells may receive under these Temporary Rules or under permanent rules adopted by the District.

Rule 3.5 Registration of New Wells or Alterations to Existing Wells Required Prior to Drilling or Alteration.

- (a) An owner or well driller, or any other person legally authorized to act on their behalf, must submit and obtain approval of a registration application and submit a well report deposit with the District before any new well, except leachate wells or monitoring wells, may be drilled, equipped, or completed, or before an existing well may be substantially altered with respect to size or capacity, beginning on or after April 1, 2012. The registration of a well is complete when the construction of the well is complete.

- (b) A registrant for a new exempt well has 360 days from the date of approval of its application for well registration to drill and complete the new well, and must file the well report with the District within 60 days of completion. However, such a registrant may apply for a 12-month extension at no additional cost to the registrant. A registrant may request a second extension period of up to 12 months in addition to the first 12-month extension, suitable to the size and complexity of the proposed well, at a cost of 100 dollars, payable to the District.
- (c) A registrant for a new non-exempt well has 240 days from the date of approval of its application for well registration to drill and complete the new well, and must file the well report with the District within 60 days of completion. However, a non-exempt well registrant may apply for a period of longer than 240 days in which to drill and complete the new well that is a suitable period based upon the size and complexity of the proposed well, which period shall not exceed two years. Such a registrant may also apply to the District for an additional one extension of an additional up to one year for a \$100.00 fee payable to the District. 240 days or may resubmit an identical well registration without the need to pay any additional administrative fee associated with the submittal of well registrations for new wells.
- (de) If the well report is timely submitted to the District, the District shall return the well report deposit to the owner or well driller. In the event that the well report required under this rule and Rule 3.7 is not filed within the applicable deadlines set forth under Subsections (b) and (c) of this rule, the driller or owner shall forfeit the well report deposit and shall be subject to enforcement by the District for violation of this rule.
- (ed) Notwithstanding any other rule to the contrary, the owner and driller of a new well are jointly responsible for ensuring that a well registration required by this section is timely filed with the District and contains only information that is true and accurate. Each will be subject to enforcement action if a registration required by this section is not timely filed by either, or by any other person legally authorized to act on the behalf of either.

Rule 3.6 General Provisions Applicable to Registrations.

- (a) Registration applications may be submitted to the District in person, by mail, by fax, or by internet when available by the District, using the registration form provided by the District.
- (b) A determination of administrative completeness of a registration application shall be made by the General Manager within five business days after the date of receipt of an application for registration, which for new wells must include receipt of the well report deposit and well registration fee. If an application is not administratively complete, the District shall request the applicant to complete the application. The application will expire if the applicant does not complete the application within 120 days of the date of the District's request. An application will be considered administratively complete and may be approved by the General Manager without notice or hearing if:

(1) it substantially complies with the requirements set forth under Rule 3.3(b), including providing all information required to be included in the application that may be obtained through reasonable diligence; and

(2) if it is a registration for a new well:

(A) includes the well ~~log-report~~ deposit and well registration fee; and

(B) proposes a well that complies with spacing, location, and well completion requirements of Section 4.

A person may appeal the General Manager's ruling by filing a written request for a hearing before the Board. The Board will hear the applicant's appeal at the next regular Board meeting. The General Manager may set the application for consideration by the Board at the next available Board meeting or hearing in lieu of approving or denying an application.

- (c) Upon approval or denial of an application, the General Manager shall inform the registrant in writing by regular mail of the approval or denial, as well as whether the well meets the exemptions provided in Rule 2.1 or whether it is subject to the metering, fee payment, and reporting requirements of these Rules.
- (d) An application pursuant to which a registration has been issued is incorporated in the registration, and the registration is valid contingent upon the accuracy of the information supplied in the registration application. A finding that false information has been supplied in the application may be grounds to refuse to approve the registration or to revoke or suspend the registration.
- (e) Submission of a registration application constitutes an acknowledgment by the registrant of receipt of the rules and regulations of the District and agreement that the registrant will comply with all rules and regulations of the District.
- (f) The District may amend any registration, in accordance with these Rules, to accomplish the purposes of the District Rules, management plan, the District Act, or Chapter 36, Texas Water Code.
- (g) If multiple wells have been aggregated under one registration and one or more wells under the registration will be transferred, the District will require separate registration applications from each new owner for the wells over 40,000 gallons per day retained or obtained by that person.
- (h) No person shall operate or otherwise produce groundwater from a well required under this section to be registered with the District before:
 - (1) timely submitting an accurate application for registration, or accurate application to amend an existing registration as applicable, of the well to the District; and

- (2) obtaining approval from the District of the application for registration or amendment application, if such approval is required under these Rules.

Rule 3.7 *Records of Drilling, Pump Installation and Alteration Activity, and Plugging.*

- (a) Each person who drills, deepens, completes or otherwise alters a well shall make, at the time of drilling, deepening, completing or otherwise altering the well, a legible and accurate well report recorded on forms prescribed by the District or by the Texas Department of Licensing and Regulation. As part of the well report, an accurate drillers' log shall be kept of the water well in accordance with the Texas Department of Licensing and Regulation, and a copy of the log must be included with the well report and submitted to the District under the terms of this Section.
- (b) The person who drilled, deepened, completed or otherwise altered a well pursuant to this rule shall, within 60 days after the date the well is completed, file the well report described in Subsection (a) with the District.
- (c) Not later than the 30th day after the date a well is plugged, a driller, licensed pump installer, or well owner who plugs the well shall submit a plugging report to the District, which shall be substantially similar form to the Texas Department of Licensing and Regulation Form a004WWD (Plugging Report) and shall include all information required therein.

Rule 3.8 *Transfer of Well Ownership.*

- (a) Within 90 days after the date of a change in ownership of a well exempt under Rule 2.1, the new well owner shall notify the District in writing of the effective date of the change in ownership, the name, daytime telephone number, and mailing address of the new well owner, along with any other contact or well-related information reasonably requested by the General Manager. The new well owner may, in addition, be required to submit an application for registration of an existing well if a registration does not yet exist for the well.
- (b) Within 90 days after the date of a change in ownership of a well that is not exempt under District Rule 2.1 from the fee payment, metering, and reporting requirements of these rules, the new well owner (transferee) shall submit to the District, on a form provided by the District staff, a signed and sworn-to application for transfer of ownership.
- (c) If a registrant conveys by any lawful and legally enforceable means to another person the real property interests in one or more wells or a well system that is recognized in the registration so that the transferring party (the transferor) is no longer the "well owner" as defined herein, and if an application for change of ownership under subsection (b) has been approved by the District, the District shall recognize the person to whom such

interests were conveyed (the transferee) as the legal holder of the registration, subject to the conditions and limitations of these District Rules.

- (d) The burden of proof in any proceeding related to a question of well ownership or status as the legal holder of a registration issued by the District and the rights there under shall be on the person claiming such ownership or status.
- (e) Notwithstanding any provision of this Rule to the contrary, no application made pursuant to Subsection (b) of this Rule shall be granted by the District unless all outstanding fees, penalties, and compliance matters have first been fully and finally paid or otherwise resolved by the transferring party (transferor) for all wells included in the application or existing registration, and each well and registration made the subject of the application is otherwise in good standing with the District.
- (f) The new owner of a well that is the subject of a transfer described in this rule (transferee) may not operate or otherwise produce groundwater from the well after 90 days from the date of the change in ownership until the new owner has:
 - (1) submitted written notice to the District of the change in ownership, for wells described in subsection (a); or
 - (2) submitted to the District a completed application for transfer of ownership, for wells described in subsection (b).

A new well owner that intends to alter or use the well in a manner that would constitute a substantial change from the information in the existing registration or that would trigger the requirement to register the well under these Rules must also submit and obtain District approval of a registration application or registration amendment application, as applicable, prior to altering or operating the well in the new manner.

Rule 3.9 Amendment of Registration.

A registrant shall file an application to amend an existing registration and obtain approval by the District of the application prior to engaging in any activity that would constitute a substantial change from the information in the existing registration. For purposes of this rule, a substantial change includes a change that would substantially alter the size or capacity of a pump or well, a change in the type of use of the water produced, the addition of a new well to be included in an already registered aggregate system, a change in location of a well or proposed well, a change of the location of use of the groundwater, or a change in ownership of a well. A registration amendment is not required for maintenance or repair of a well if the maintenance or repair does not increase the designed production capabilities of the pump.

Rule 3.10 Water Production Reports.

- (a) Not later than ~~March 1 and September 1~~ January 31, April 30, July 31, and October 31, of each calendar year, beginning in 2013, the owner of any non-exempt well within the

District must submit, on a form provided by the District, a quarterly report containing the following:

- (1) the name of the registrant;
- (2) the well numbers of each registered well within the District owned or operated by the registrant;
- (3) the total amount of groundwater produced by each well or well system during the immediately preceding reporting period;
- (4) the total amount of groundwater produced by each well or well system during each month of the immediately preceding reporting period;
- (5) the purposes for which the water was used;
- (6) for water used at a location other than the property on which the well is located, and that is not used by a fire department or emergency services district for emergency purposes or by a public water system:
 - (A) the location of the use of the water; and
 - (B) if the water was sold on a retail or wholesale basis, the name of the person to whom it was sold and the quantity sold to each person.
- (7) for water used at a location other than the property on which the well is located and that is used by a public water system, a description of identified system losses, including:
 - (A) an estimate of the total quantity, reported in gallons or in percentages of total annual production, of water lost to system loss, if known;
 - (B) the sources of system losses reported under Subpart (A); and
 - (C) the methods, if any, employed to address the system losses reported under this subsection;
- (8) the amount of groundwater produced for which a fee exemption is sought, if any, under Rule 2.4 for flushing lines, tanks, or fire hydrants, and the metering method(s) employed to determine the amount; and
- (9) additionally, for fire departments, emergency services districts, and any person that provides groundwater produced from within the District to a fire department or emergency services district and that seeks a fee payment exemption under Rule 2.3:

- (A) the total amount of groundwater produced or used, as applicable, solely for emergency purposes during each month of the reporting period provided under this Rule; and
- (B) the total amount of groundwater produced or used, as applicable, for any purpose other than emergency purposes during each month of the reporting period provided under this Rule.

(b) There shall be ~~two semiannual~~ four quarterly reporting periods each year. The report due ~~March 31~~ January 31 shall report groundwater produced during the reporting period of the immediately preceding ~~July 1~~ October 1 to December 31. The report due ~~September 30~~ April 30 shall report groundwater produced during the reporting period of the immediately preceding ~~January 1~~ June 30 to March 31. The report due ~~July 31~~ October 31 shall report groundwater produced during the reporting period of the immediately preceding ~~April 1~~ July 1 to September 30. To comply with this rule, the registrant of a well shall read each water meter associated with a well ~~within 15 days before or after March 31, within 15 days before or after June 30, within 15 days before or after September 30, and within 15 days before or after December 31~~ within 15 days before or after June 30th and within 15 days before or after December 31st each year and report the readings to the District on the form described in Subsection (a). Additionally, to comply with this rule, all applicable information required under Subsection (a) must be contained in the water production report filed with the District.

(c) The report required by Subsection (a) must also include a true and correct copy of the meter log required by District Rule 8.6. Once the District makes on-line submission of water production reports and meter logs available by internet to well owners, all such reports and logs may be submitted via internet.

(d) The first deadline to submit a report to the District under this Rule is:

- (1) ~~March 1, 2013~~ January 31, 2013, for existing wells and for new wells completed before July 1, 2012; and
- (2) no later than the first ~~September 1 or March 1~~ April 30, July 31, October 31, or January 31 following the date the well was completed for new wells completed on or after July 1, 2012.

(e) (THIS SUBSECTION RESERVED FOR TRANSITION LANGUAGE FOR SUBMISSION OF REPORTS AND PAYMENT OF FEES ACCORDING TO THE SEMI-ANNUAL PROCESS IN THE CURRENT RULES FOR WATER PRODUCED DURING THE PERIOD OF JULY 1 THROUGH DECEMBER 1, 2012)

SECTION 4.
SPACING AND LOCATION OF WELLS; WELL COMPLETION

Rule 4.1 Spacing and Location of Existing Wells.

Wells drilled prior to April 1, 2012, shall be drilled in accordance with state law in effect, if any, on the date such drilling commenced and are exempt from the spacing, location, and completion requirements of these rules to the extent that they were drilled lawfully.

Rule 4.2 Spacing and Location of New Wells.

- (a) All new wells must comply with the spacing and location requirements set forth under the Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code, unless a written variance is granted by the Texas Department of Licensing and Regulation and a copy of the variance is forwarded to the District by the applicant or registrant, and must be drilled and located in compliance with applicable rules and regulations of other political subdivisions.
- (b) After authorization to drill a new well has been granted by the District, the well may only be drilled at a location that is within ten (10) feet of the location specified in the registration.
- (c) Replacement wells must be actually drilled and completed so that they are located no more than 25 feet from the well being replaced for exempt wells or 50 feet for non-exempt wells.
- (d) New exempt wells must be spaced a minimum of 100 feet from existing wells registered with the District at the time the new exempt well registration is administratively complete.
- (e) All new non-exempt wells must provide sufficient hydrogeologic information to the District to demonstrate that the new well will not unreasonably impact exempt or non-exempt wells in the vicinity of the proposed well that are registered with the District at the time the new non-exempt well registration is administratively complete. The District's Board will adopt hydrogeologic criteria for use by well registration applicants in the implementation of this subsection no later than April 1, 2014.
- (f) Compliance with the spacing and location requirements of these rules does not necessarily authorize a person to drill a well at a specified location in the District. Agencies or other political subdivisions of the State of Texas that are located in whole or in part within the boundaries of the District may impose additional requirements related to the drilling or completion of water wells.

- (g) The owner and driller of a well are jointly responsible for ensuring that the well is drilled at a location that strictly complies with the location requirements of Subsection (b). If the board determines that a well is drilled at a location that does not strictly comply with the location requirements of Subsection (b), the Board may, in addition to taking all other appropriate enforcement action, require the well to be permanently closed or authorize the institution of legal action to enjoin any continued drilling activity or the operation of the well.

SECTION 5. REGULATION OF PRODUCTION; WASTE PROHIBITED

Rule 5.1 Temporary Production Limitations.

The maximum quantity of water that a person may withdraw from a well that is not exempt under Rule 2.1(a) is the amount of water the person produces and timely:

- (1) submits payment to the District for in accordance with the fee rate adopted by the District under Section 7; and
- (2) reports pumpage volumes to the District under Rule 3.10.

Rule 5.2 Regular Production Limitations.

In order to accomplish the purposes of Chapter 36, Texas Water Code, and the District Act, and to achieve the goals of the District Management Plan, the District may, after notice and hearing, establish groundwater production limitations for all wells when it adopts permanent rules for the District.

Rule 5.3 Waste Prohibited.

No person shall engage in any conduct subject to the District's regulatory jurisdiction that constitutes waste, as that term is defined herein.

A retail public utility that owns and operates a water pipeline from which groundwater escapes is not engaged in conduct subject to the District's regulatory jurisdiction so long as the retail public utility is pursuing in good faith a maintenance plan to discover and repair leaks and to identify and replace deteriorated waterlines consistent with the accepted standards of retail public water utilities located within the District.

SECTION 6 TRANSPORTATION OF GROUNDWATER OUT OF THE DISTRICT

Rule 6.1 General Provisions.

- (a) A person who produces or wishes to produce water from a well not exempt under Rule 2.1(a) that is located or is to be located within the District and transport such water for use outside of the district must register the well and submit timely payment of the Groundwater Transport Fee to the District under Rule 7.2 for any water transported out of the District. The District may require the person to install any meters necessary to report the total amount of groundwater transported outside of the District for reporting purposes and for purposes of calculating the Groundwater Transport Fee.
- (b) The District may not, in a manner inconsistent with rules and fees applied to production and use occurring wholly within the boundaries of the District, regulate production of groundwater or assess fees against the transport of water produced in an area of a retail public utility that is located inside the district boundaries and transported for use to an area that is within the same retail public utility but that is located outside the district boundaries.

Rule 6.2 Reporting.

A person transporting groundwater for use outside of the District and subject to the requirement to pay the Groundwater Transport Fee shall file period reports with the District describing the amount of water transported and used outside the District. The report shall be filed with the District in the same manner, for the same reporting periods, and by the same deadlines set forth for Water Production Reports under Rule 3.10. The report for groundwater transported shall be on the appropriate form provided by the District and shall state the following: (1) the name of the person; (2) the well registration numbers of each well from which the person has produced groundwater transported for use outside the District; (3) the total amount of groundwater produced from each well or well system during the immediately preceding reporting period; (4) the total amount of groundwater transported outside of the District from each well, well system or surface impoundment containing produced groundwater during each month of the immediately preceding reporting period; (5) the purposes for which the water was transported; and (6) any other information requested by the District.

**SECTION 7.
FEES AND PAYMENT OF FEES**

Rule 7.1 Water Use Fees.

- (a) A water use fee rate schedule shall be established by Board resolution annually at least 60 days before the end of the calendar year. The Board may adopt a different water use fee rate for water used for agricultural purposes than for water used for non-agricultural purposes. The rate shall be applied to the groundwater pumpage in the ensuing calendar year for each well not exempt under Rule 2.1. The District will review the account of any person changing the use of a well from non-exempt to exempt or vice versa to determine if additional water use fees are due or if a refund of water use fees is warranted.

- (b) Wells exempt under Rule 2.1 shall be exempt from payment of water use fees. However, if exempt well status is withdrawn, the District may assess fees and penalties in accordance with the District Rules.
- (c) No later than 30 days prior to the end of the calendar year, beginning with calendar year 2012, the District shall send by regular mail or e-mail to the owner or operator of each registered well that is required to pay the Water Use Fee a reminder statement setting forth the water use fee rate applicable to the water produced in the ensuing year, setting forth deadlines for submission of fee payments and production reports of meter readings, and other information deemed appropriate by the District. The initial Water Use Fee for production during the period from July 1, 2012, to December 31, 2012, will be established by the Board no later than January 1, 2012.

Rule 7.2 Groundwater Transport Fees.

The District shall impose a Groundwater Transport Fee of 1.5 times the District’s Water Use Fee rate for in-District use for groundwater produced in the District that is transported for use outside of the District, except as provided by Rule 6.1(b). The procedures, requirements, and penalties related to payment of the Water Use Fee shall apply to payment of the Groundwater Transport Fee.

Rule 7.3 Payments of Water Use and Groundwater Transport Fees.

- (a) All fees for groundwater production or transport in a calendar year must be paid to the District ~~semi-annually~~quarterly. Fees for water produced or transported between January 1st and ~~June 30th~~March 31 each year are due to the District by ~~September 1st~~April 30 of the same calendar year; fees for water produced or transported between ~~July 1st~~April 1 and June 30 each year are due to the District by July 31 of the same calendar year, fees for water produced or transported between July 1 and September 30 each year are due to the District by October 31 of the same calendar year, and fees for water produced or transported between October 1 and December 31 each year are due to the District by January 31 and ~~December 31st~~ each year are due to the District by ~~March 1st~~ of the following calendar year. Fee payments shall be submitted in conjunction with the Water Production Reports, monthly logs, and groundwater transport reports if applicable.
- (b) Any well that is subject to fee payment under this Rule and that provides water for both agricultural and non-agricultural purposes shall pay the water use fee rate applicable to non-agricultural purposes for all water produced from the well, unless the applicant can demonstrate through convincing evidence to the satisfaction of the District that a system is or will be in place so as to assure an accurate accounting of water for each purpose of use.
- (c) Notwithstanding anything to the contrary in these rules, ~~the~~ initial Water Use Fees and Groundwater Transport Fees to be submitted under Rules 7.1 and 7.2 shall be for

groundwater produced or transported during the period of July 1 to December 31, 2012, which shall be due to the District no later than ~~March 1, 2013~~ January 31, 2013.

Rule 7.4 Failure to Make Fee Payments.

- (a) Payments not received within 30 days following the date that Water Use Fees or Groundwater Transport Fees are due and owing to the District pursuant to Rule 7.3(a) will be subject to a late payment fee of the greater of the following:
 - (1) \$25.00; or
 - (2) Ten percent (10%) of the total amount of water use fees due and owing to the District.
- (b) Persons failing to remit all Water Use Fees or Groundwater Transport Fees due and owing to the District within 60 days of the date such fees are due pursuant to Rule 7.3(a) shall be subject to a civil penalty not to exceed three times the amount of the outstanding fees due and owing, in addition to the late fee penalty prescribed in Subsection (a) of this Rule, and may be subject to additional enforcement measures provided for by these Rules or by order of the Board.

Rule 7.5 Returned Check Fee.

The Board, by resolution may establish a fee for checks returned to the District for insufficient funds, accounts closed, signature missing, or any other reason causing a check to be returned by the District's depository.

Rule 7.6 Well Report Deposit.

The Board, by resolution, may establish a well report deposit to be held by the District as part of the well registration procedures. The District shall return the deposit to the depositor if all relevant well ~~logs-reports~~ are timely submitted to the District in accordance with these Rules. In the event the District does not timely receive all relevant well ~~logs-reports~~, or if rights granted within the registration are not timely used, the deposit shall become the property of the District.

Rule 7.7 Well Registration Fees.

The owner of any new well shall submit payment to the District of a \$100 non-refundable well registration fee per well, which is due by the same deadline established under these rules for registration of the well. The well registration fee must be received by the District in order for the District to find a registration application administratively complete. The purpose of the well registration fee is to cover the administrative costs to the District associated with registering the well and administering the rules of the District related to the well. The amount of the well registration fee has been determined by the District to be less than the actual administrative costs to the District of registering the well and administering the rules of the District with respect to the well, even in light of anticipated revenues to be received from other revenue sources.

Rule 7.8 Enforcement.

After a well is determined to be in violation of these rules for failure to make payment of water use fees on or before the 60th day following the date such fees are due pursuant to Rule 7.3, all enforcement mechanisms provided by law and these Rules shall be available to prevent unauthorized use of the well and may be initiated by the General Manager without further authorization from the Board.

Rule 7.9 Meter Sealing Fee.

The Board, by resolution, may establish a fee to recover all or part of its costs for removing and reapplying a District-tamper proof seal and verifying relevant well and meter information in situations where a well owner or operator submits a request to move a meter from one well to another.

**SECTION 8.
METERING**

Rule 8.1 Water Meter Required.

- (a) Except as provided in Rule 8.2, the owner of a well located in the District and not exempt under Rule 2.1 shall equip the well with a flow measurement device meeting the specifications of these Rules and shall operate the meter on the well to measure the flow rate and cumulative amount of groundwater withdrawn from the well. All meters that are existing at the time of the Effective Date of these rules, and at a minimum have the ability to measure the cumulative amount of groundwater withdrawn from the well, shall be considered existing and will not have to be replaced with meters that can also measure the flow rate, provided that the meter meets all other requirements herein. Except as provided in Rule 8.2, the owner of a new or existing well not exempt under Rule 2.1 that is located in the District shall install a meter on the well in compliance with the requirements herein prior to producing groundwater from the well on or after July 1, 2012.
- (b) All meters must be sealed in place by the District with a District tamper-proof seal. Except as provided by Rule 8.5, the meter must remain with the well except in cases where the well is modified or the meter no longer meets the accuracy standards set forth under this rule and Rule 8.4. In the event a well owner wants to move a meter from one well to another, the well owner must submit a request to the District to remove its meter seal and must pay to the District the meter sealing fee established under Rule 7.9. The District shall remove the seal within two business days of receiving a request from the well owner. The District may seal the well from which the meter was removed to prevent its operation without a meter, in addition to sealing the meter on the new well. The

readings on the meter must be recorded immediately prior to removal and at the time of reinstallation.

- (cb) A mechanically driven, totalizing water meter is the only type of meter that may be installed on a well registered with the District unless an approval for another type of reliable meter or alternative measuring method is applied for and granted by the District. The totalizer must not be resettable by the registrant and must be capable of a maximum reading greater than the maximum expected annual pumpage. Battery operated registers must have a minimum five-year life expectancy and must be permanently hermetically sealed. Battery operated registers must visibly display the expiration date of the battery. All meters must meet the requirements for registration accuracy set forth in the American Water Works Association standards for cold-water meters as those standards existed on the date of adoption of these Rules. Meters must be able to measure instantaneous flow rate of the groundwater produced from the well, except as follows: a meter that was installed on an existing well before the effective date that is not capable of measuring the instantaneous flow rate will not have to be replaced, provided that the meter has the ability to measure the cumulative amount of groundwater withdrawn from the well and meets all other requirements herein.
- (de) All meters must be installed within 25 feet of the well head. The water meter must be installed according to the manufacturer's published specifications in effect at the time of the meter installation, or the meter's accuracy must be verified by the registrant in accordance with Rule 8.4. If no specifications are published, there must be a minimum length of five pipe diameters of straight pipe upstream of the water meter and two pipe diameter of straight pipe downstream of the water meter. These lengths of straight pipe must contain no check valves, tees, gate valves, back flow preventers, blow-off valves, or any other fixture other than those flanges or welds necessary to connect the straight pipe to the meter. In addition, the pipe must be completely full of water throughout the region. All installed meters must measure only groundwater.
- (ed) Each meter shall be installed, operated, maintained, and repaired in accordance with the manufacturer's standards, instructions, or recommendations, and shall be calibrated to ensure an accuracy reading range of 95% to 105% of actual flow.
- (fe) The owner of a well is responsible for the purchase, installation, operation, maintenance, and repair of the meter associated with the well.
- (gf) Bypasses are prohibited unless they are also metered. This subsection shall not apply to any unmetered bypasses in existence on the effective date but shall apply to bypasses installed after that date. A person commits a major violation of these rules by using a bypass to avoid recording groundwater production on a well meter, which may also be subject to criminal prosecution by a local prosecuting authority.

Rule 8.2 Water Meter Exemption.

Wells exempt under Rule 2.1 shall be exempt from the requirement to obtain a water meter under Rule 8.1.

Rule 8.3 Metering Aggregate Withdrawal.

Where wells are part of an aggregate system, one or more water meters may be used for the aggregate well system if the water meter or meters are installed so as to measure the groundwater production from all wells included in the system. The provisions of Rule 8.1 apply to meters measuring aggregate pumpage.

Rule 8.4 Accuracy Verification.

- (a) **Meter Accuracy to be Tested:** The General Manager may require the registrant, at the registrant's expense, to test the accuracy of a water meter and submit a certificate of the test results. The certificate shall be on a form provided by the District. The General Manager may further require that such test be performed by a third party qualified to perform such tests. The third party must be approved by the General Manager prior to the test. Except as otherwise provided herein, certification tests will be required no more than once every three years for the same meter. If the test results indicate that the water meter is registering an accuracy reading outside the range of 95% to 105% of the actual flow, then appropriate steps shall be taken by the registrant to repair or replace the water meter within 90 calendar days from the date of the test. The District, at its own expense, may undertake random tests and other investigations at any time for the purpose of verifying water meter readings. If the District's tests or investigations reveal that a water meter is not registering within the accuracy range of 95% to 105% of the actual flow, or is not properly recording the total flow of groundwater withdrawn from the well or wells, the registrant shall reimburse the District for the cost of those tests and investigations within 90 calendar days from the date of the tests or investigations, and the registrant shall take appropriate steps to bring the meter or meters into compliance with these Rules within 90 calendar days from the date of the tests or investigations. If a water meter or related piping or equipment is tampered with or damaged so that the measurement of accuracy is impaired, the District may require the registrant, at the registrant's expense, to take appropriate steps to remedy the problem and to retest the water meter within 90 calendar days from the date the problem is discovered and reported to the registrant.
- (b) **Meter Testing and Calibration Equipment:** Only equipment capable of accuracy results of plus or minus two percent of actual flow may be used to calibrate or test meters.
- (c) **Calibration of Testing Equipment:** All approved testing equipment must be calibrated every two years by an independent testing laboratory or company capable of accuracy verification. A copy of the accuracy verification must be presented to the District before any further tests may be performed using that equipment.

Rule 8.5 Removal of Meter for Repairs.

A water meter may be removed for repairs and the well remain operational, or may be removed if necessary to modify the well, provided that the District is notified prior to removal and, if the well is to remain operational, the repairs are completed in a timely manner. If the meter on the well has already been sealed by the District, the District shall remove the seal within two business days of receiving a request from the well owner. The readings on the meter must be recorded immediately prior to removal and at the time of reinstallation. The record of pumpage must include an estimate of the amount of groundwater withdrawn during the period the meter was not installed and operating.

Rule 8.6 Water Meter Readings.

The registrant of a well not exempt under Rule 2.1 must read each water meter associated with the well and record the meter readings and the actual amount of pumpage in a log at least monthly. The logs containing the recordings shall be available for inspection by the District at reasonable business hours. Copies of the logs must be included with the Water Production Report required by District Rule 3.10, along with fee payments as set forth under Section 7. The registrant of a well shall read each water meter associated with a well within 15 days before or after June 30th and within 15 days before or after December 31st March 31, within 15 days before or after June 30, within 15 days before or after September 30, and within 15 days before or after December 31 each year, as applicable to the respective immediately preceding semi-~~annual~~ quarterly reporting period, and report the readings to the District on a form provided by the District along with copies of the monthly logs and payment of all Water Use Fees by the deadlines set forth for fee payment under Rule 7.3.

Rule 8.7 Installation of Meters.

A meter required to be installed under these Rules shall be installed before producing water from the well on or after July 1, 2012.

Rule 8.8 Enforcement.

- (a) It is a major violation of these Rules to fail to meter a well and report meter readings in accordance with this Section. After a well is determined to be in violation of these rules for failure to meter or maintain and report meter readings, all enforcement mechanisms provided by law and these Rules shall be available to prevent unauthorized use of the well and may be initiated by the General Manager without further authorization from the Board.
- (b) After July 1, 2012, the District shall send owners of new or existing wells not exempt under Rule 2.1 who have failed to comply with the metering requirements set forth in this section a certified letter notifying the well owner of the non-compliance. Within 30 days of the date the certified letter was mailed from the District, the well owner must provide

information to the District demonstrating that the well owner has taken steps to comply with the District's registration, metering, and fee payment rules, including past due fee payments under Rules 7.1 through 7.4. If the well owner fails to respond to the District and demonstrate progress towards compliance within 30 days of the date the District mailed the notification letter days, the well owner will receive a major violation according to the terms of the District's Enforcement Policy and Civil Penalty Schedule, Appendix A.

SECTION 9. INSPECTION AND ENFORCEMENT OF RULES

Rule 9.1 Purpose and Policy.

The District's ability to effectively and efficiently manage the limited groundwater resources within its boundaries depends entirely upon the adherence to the rules promulgated by the Board to carry out the District's purposes. Those purposes include providing for the conservation, preservation, protection and recharge of the groundwater resources within the District, to protect against subsidence, degradation of water quality, and to prevent waste of those resources. Without the ability to enforce these rules in a fair, effective manner, it would not be possible to accomplish the District's express groundwater management purposes. The enforcement rules and procedures that follow are consistent with the responsibilities delegated to it by the Texas Legislature through the District Act, and through Chapter 36 of the Texas Water Code.

Rule 9.2 Rules Enforcement.

- (a) If it appears that a person has violated, is violating, or is threatening to violate any provision of the District Rules, the Board may institute and conduct a suit in a court of competent jurisdiction in the name of the District for injunctive relief, recovery of a civil penalty in an amount set by District Rule per violation, both injunctive relief and a civil penalty, or any other appropriate remedy. Each day of a continuing violation constitutes a separate violation.
- (b) Unless otherwise provided in these rules, the penalty for a violation of any District rule shall be either:
 - (1) \$10,000.00 per violation; or
 - (2) a lesser amount, based on the severity of the violation, as set forth in an Enforcement Policy that may include a Civil Penalty Schedule, which is attached to these Rules as Appendix A and adopted as a Rule of the District for all purposes.
- (c) A penalty under this section is in addition to any other penalty provided by law and may be enforced by filing a complaint in a court of competent jurisdiction in the county in which the District's principal office or meeting place is located.

- (d) If the District prevails in a suit to enforce its Rules, the District may seek, in the same action, recovery of attorney's fees, costs for expert witnesses, and other costs incurred by the District before the court. The amount of attorney's fees awarded by a court under this Rule shall be fixed by the court.

Rule 9.3 Failure to Report Pumpage and/or Transported Volumes.

The accurate reporting and timely submission of pumpage and/or transported volumes is necessary for the proper management of water resources in the District. Failure of a well owner required by these Temporary Rules to submit complete, accurate, and timely pumpage and transportation reports may result in:

- (a) the assessment of any fees or penalties adopted under Rule 9.2 for meter reading and inspection as a result of District inspections to obtain current and accurate pumpage volumes; and
- (b) additional enforcement measures provided by these Rules or by order of the Board.

Rule 9.4 District Inspections.

No person shall unreasonably interfere with the District's efforts to conduct inspections or otherwise comply with the requirements, obligations, and authority provided in Section 36.123 of the Texas Water Code.

Rule 9.5 Notices of Violation.

Whenever the District determines that any person has violated or is violating any provision of the District's Rules, including the terms of any rule or order issued by the District, it may use any of the following means of notifying the person or persons of the violation:

- (a) **Informal Notice:** The officers, staff or agents of the District acting on behalf of the District or the Board may inform the person of the violation by telephone by speaking or attempting to speak to the appropriate person to explain the violation and the steps necessary to satisfactorily remedy the violation. The information received by the District through this informal notice concerning the violation will be documented, along with the date and time of the call, and will be kept on file with the District. Nothing in this subsection shall limit the authority of the District to take action, including emergency actions or any other enforcement action, without first providing notice under this subsection.
- (b) **Notice of Violation:** The District may inform the person of the violation through a written notice of violation issued pursuant to this rule. Each notice of violation issued hereunder shall explain the basis of the violation, identify the rule or order that has been violated or is being violated, and list specific required actions that must be satisfactorily completed—which may include the payment of applicable civil penalties—to address

each violation raised in the notice. Notices of violation issued hereunder shall be tendered by a delivery method that complies with District Rule 1.7. Nothing in this rule subsection shall limit the authority of the District to take action, including emergency actions or any other enforcement action, without first issuing a notice of violation.

- (c) **Compliance Meeting:** The District may hold a meeting with any person whom the District believes to have violated, or to be violating, a District Rule or District order to discuss each such violation and the steps necessary to satisfactorily remedy each such violation. The information received in any meeting conducted pursuant to this rule subsection concerning the violation will be documented, along with the date and time of the meeting, and will be kept on file with the District. Nothing in this rule subsection shall limit the authority of the District to take action, including emergency actions or any other enforcement action, without first conducting a meeting under this subsection.

Rule 9.6 Show Cause Hearing.

- (a) Upon recommendation of the General Manager to the Board or upon the Board's own motion, the Board may order any person that it believes has violated or is violating any provision of the District's Rules a District order to appear before the Board at a public meeting called for such purpose and show cause why an enforcement action, including the initiation of a suit in a court of competent jurisdiction, should not be pursued by the District against the person or persons made the subject of the show cause hearing.
- (b) No show cause hearing under subsection (a) of this Rule may be held unless the District first serves, on each person to be made the subject of the hearing, written notice not less than 20 days prior to the date of the hearing. Such notice shall include the following:
 - 1. the time and place for the hearing;
 - 2. the basis of each asserted violation; and
 - 3. the rule or order that the District believes has been violated or is being violated; and
 - 4. a request that the person cited duly appear and show cause why enforcement action should not be pursued.
- (c) The District may pursue immediate enforcement action against the person cited to appear in any show cause order issued by the District where the person so cited fails to appear and show cause why an enforcement action should not be pursued.
- (d) Nothing in this rule shall limit the authority of the District to take action, including emergency actions or any other enforcement action, against a person at any time regardless of whether the District holds a hearing under this Rule.

**SECTION 10.
EFFECTIVE DATE**

Rule 10.1. Effective Date.

These Rules take effect on August 29, 2011, which was the date of their original adoption. An amendment to these Rules takes effect on the date of its original adoption. It is the District's intention that the rules and amendments thereto be applied retroactively to activities involving the production and use of groundwater resources located in the District, as specifically set forth in these Rules.

APPENDIX A.
Enforcement Policy and Civil Penalty Schedule.

Red River Groundwater Conservation District
ENFORCEMENT POLICY AND CIVIL PENALTY SCHEDULE

General Guidelines

When the General Manager discovers a violation of the District Rules that either (1) constitutes a Major Violation, or (2) constitutes a Minor Violation that the General Manager is unable to resolve within 60 days of discovering the Minor Violation, the General Manager shall bring the Major Violation or the unresolved Minor Violation and the pertinent facts surrounding it to the attention of the Board. Violations related to water well construction and completion requirements shall also be brought to the attention of the Board.

The General Manager shall recommend to the Board of Directors an appropriate settlement offer to settle the violation in lieu of litigation based upon the Civil Penalty Schedule set forth below. The Board may instruct the General Manager to tender an offer to settle the violation or to institute a civil suit in the appropriate court to seek civil penalties, injunctive relief, and costs of court and expert witnesses, damages, and attorneys' fees.

I. Minor Violations

The following acts each constitute a minor violation:

1. Failure to timely file a registration on a new well that qualifies for an exemption under Rule 2.1.
2. Failure to conduct a meter reading within the required period.
3. Failure to timely notify District regarding change of ownership.
4. Failure to timely file a Well Report.
5. Failure to timely submit required documentation reflecting alterations or increased production.
6. Operating a meter that is not accurately calibrated.
- 6.7. Drilling an exempt or non-exempt well with an expired well registration.

CIVIL PENALTY SCHEDULE FOR MINOR VIOLATIONS

First Violation:	\$100.00
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Second Violation: **\$200.00**

Third Violation: **Major Violation**

A second violation shall be any minor violation within 3 years of the first minor violation. A third violation shall be any minor violation following the second minor violation within 5 years of the first minor violation. Each day of a continuing violation constitutes a separate violation.

II. Major Violations

The following acts each constitute a major violation:

1. Failure to register a well not exempt under Rule 2.1 where mandated by rules, including drilling, equipping, completing, altering, or operating a well without a compliant and approved registration.
2. Failure to timely meter a well when required.
3. Failure to submit accurate Water Production Report within the required period.
4. Failure to submit accurate Groundwater Transport Report within the required period.
5. Drilling a well in a different location than authorized or in violation of spacing requirements.*
6. Failure to close or cap an open or uncovered well.
7. Failure to submit Water Use Fees within 60 days of the date the fees are due.**
8. Failure to timely submit Groundwater Transport Fees within 60 days of the date the fees are due.**
9. Committing waste.
- 9.10. Tampering with or disabling a required meter or tampering with a tamper-proof District seal.

CIVIL PENALTY SCHEDULE FOR MAJOR VIOLATIONS

First Violation:	\$500.00
Second Violation:	\$1,000.00
Third Violation:	Civil Suit for injunction, damages, and escalated penalties

A second violation shall be any major violation within 3 years of the first major violation of the same level. A third violation shall be any major violation following the second major violation within 5 years of the first major violation. Each day of a continuing violation constitutes a separate violation.

* In addition to the applicable penalty provided for in the Civil Penalty Schedule for Major Violations, persons who drill a well in violation of applicable spacing requirements may be required to plug the well.

** In addition to the applicable penalty provided for in the Civil Penalty Schedule for Major Violations, persons who do not submit all Water Use Fees and Groundwater Transport Fees due and owing within 60 days of the date the fees are due pursuant to Rule 7.3(a) will be assessed a civil penalty equal to three times the total amount of outstanding Water Use Fees that are due and owing.

III. Water Well Construction and Completion Requirements

Failure to use approved construction materials: **\$500 + total costs of remediation**

Failure to properly cement annular space: **\$1,000 + total costs of remediation**

In addition to the civil penalties provided for in this schedule, persons who drill a well in violation of applicable spacing or completion requirements may be required to recomplete or reconstruct the well in accordance with the District's rules, or may be ordered to plug the well.

IV. Other Violations of District Rules Not Specifically Listed Herein

Any violation of a District Rule not specifically set forth herein shall be presented to the Board of Directors for a determination of whether the violation is Minor or Major, based upon the severity of the violation and the particular facts and issues involved, whereupon the procedures and the appropriate civil penalty amount set forth herein for Minor and Major Violations shall apply to the violation.

BOARD MEETING AGENDA

AGENDA
RED RIVER GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING
GREATER TEXOMA UTILITY AUTHORITY BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
WEDNESDAY, DECEMBER 12, 2012

Notice is hereby given that a meeting of the Board of Directors of the Red River Groundwater Conservation District will be held on the 12th day of December, 2012 at 2:00 pm or as upon adjournment of the public hearing, whichever is later 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. Public Comment
3. Consider approval of Minutes of October 16, 2012, Board Meeting
4. Consider and act upon revisions to Temporary Rules
5. Review and approval of monthly invoices.
6. Receive monthly financial information and consider 2012 budget amendment
7. Consider and act upon audit engagement letter with Rutherford, Taylor & Company, PC
8. Review State Brush Control Plan
9. Consider and act upon Resolution Regarding Records Management Policy
10. Consider and act upon a Resolution Relating to a Travel, Training and Expense Reimbursement Policy
11. Consider and act upon 2013 Administrative Services Agreement with the Greater Texoma Utility Authority
12. General Manager's report: The General Manager will update the Board on operational, educational and other activities of the District
13. Open forum / discussion of new business for future meeting agendas

14. Adjourn

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

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

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

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

TUESDAY, OCTOBER 16, 2012

**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, Alan Moore and Theda Anderson

Visitors: Jonathan Cannon, Herald Democrat
Alex Moser, AL Moser Drilling
Joey Rickman, City of Honey Grove
Daniel Walter

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

President Henderson called the meeting to order at 2:02 PM. All members were present, except Secretary/Treasurer Wortham.

2. Public Comment.

Mr. Walter commented that he is considering purchasing property in Grayson County. He stated that he has discussed the ownership of groundwater with several organizations, and several are requesting that groundwater conservation districts adopt resolutions to specify that the property owners own the rights to the water and asked if the Red River GCD has adopted policies to that effect.

President Henderson explained that the Board feels that it is not the District's place to regulate property rights, including water. In order for the Board to consider taking action on a resolution regarding water rights would have to be included on a future resolution. Vice President Olson further commented that the District is following guidelines established by the State of Texas. Mr. Chapman explained the circumstances behind the Day case and water rights law.

3. Consider approval of Minutes of August 21, 2012, board meeting

Board Member Gattis motioned to approve the Minutes of the August 21, 2012 public hearing and board meeting. The motion was seconded by Board Member Patterson and passed unanimously.

4. Review and approval of monthly invoices.

Board Member Gattis motioned to approve the monthly invoices. The motion was seconded by Vice President Olson and passed unanimously.

5. Receive Monthly Financial Information and review 2012 budget performance

The monthly financial information was provided to the Board. The contract services line item is higher than the budgeted amount, but the Board has already authorized the use of the 2011 fund balance to pay for the difference in cost. The accounting line item is running higher due to the difficulty starting the new accounting systems, which is taking longer than expected. The third quarter statements have not been mailed at this time.

6. Consider and act on a policy relating to non-exempt wells not metered on or before July 1, 2012.

The staff requested guidance from the Board in circumstances where well owners did not register or meter their wells prior to July 1, 2012. This may be due to a lack of knowledge on behalf of the well owners. The major violation for not reporting usage is \$500 for a first violation, and the Board may wish for the staff to work with the well owners rather than automatically issuing a major violation.

President Henderson suggested using a softer approach and for the staff to work with the public to come to a mutual agreement. Mr. Chapman explained that this situation has already been encountered in the North Texas GCD and the staff has been working with several property owners to determine a fair charge for non-metered usage. Board Member Gattis asked if the non-metered wells will need more than 10 days to install a meter. Mr. Moser responded that he keeps several 2-inch meters on hand, but a 4-6 inch meter would have to be ordered, which would take additional time up to 60-90 days. The Board discussed possible options. Vice President Olson remarked that without a date for the leniency to expire, the well owner has no motivation to install the meter quickly.

The Board agreed to provide 30 days to show that they are striving to get into compliance and to work with the District. If the well owner does not work with the District or try to get into compliance quickly, the staff should escalate it to a major violation. The Board expressed that they only want the information, not the violations. 30-days should be reasonable for the first contact, but an ending date needs to be established.

Board Member Gattis motioned to allow 30-days for initial contact and response from the well owners and to allow the staff to work with well owners to obtain the required information. The motion was seconded by Board Member Latham and passed unanimously.

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

The staff provided the Board with the Quarterly Report Regarding the Assessment of Drought in the District in the year to date. Mr. Chapman reviewed the report with the Board. The area is currently in a moderate drought and the rainfall is several inches below the average.

8. Consider and discuss data collection needs for future evaluation of well permitting activities

Tim Morris, a local engineer brought the need for data collection to the staff's attention. The engineer spoke with the staff regarding the possibility that the Board may need to make a decision and the information available may not be sufficient. Four other groundwater districts are working on a groundwater availability model that will be finished in 2014. The participating districts will get information that is more specific for their areas than non-participating districts. The engineer recommended the District begin collecting additional data in order to support their decisions. Mr. Moore explained the need to collect additional data and the need for better information to support any decisions.

The staff has already started collecting water table and pumpage information from the City of Sherman and any other entities that collect it. Board Member Gattis recommended determining how to relate the archive data with the current data. The process of manipulating the data needs to be refined to relate the wells with other area wells. All studies must be done in concert with the other groundwater districts in Groundwater Management Area 8 (GMA 8).

The Board continued to discuss possible methods of collecting the data and working in concert with GMA 8 and the State. The District could spend a large sum of money updating the current groundwater model and attorneys would still be needed hired to defend the methods used to issue decisions. The Board agreed that this would be revisited in the future.

9. Review and consideration of 2011 irrigation use estimates information for the Texas Water Development Board (TWDB)

These estimates are provided by the TWDB each year for review and revision. The golf courses are not included in the estimates. Mr. Chapman recommended having the staff review the golf course acreage and provide the estimates to the TWDB. Mr. Chapman also recommended the staff contact the county agents for advice on revising the estimates. The Board discussed crops grown in the counties and recommended that the staff correct the numbers and submit it to the TWDB.

10. General Manager's Report

The water providers are currently paying based on 2010 production. Actual reports of water pumpage must be submitted to the District for July through December by March 2013. In 2013, the billings will be based on the actual production. This will create a 90-day delinquency as the reports are not due until March 2013 and are not late until April 1, 2013. This means no income will be received until March. This period is very long and should probably be tightened. The staff requested the Board adjust the Temporary Rules to reduce the time frame and to bill quarterly instead of semi-annually. In order to modify the rules, the staff will have to publish an ad in the Herald Democrat and hold a public hearing.

Board Member Latham asked if there was anything else that needed to be amended in order to maximize the use of the public hearing. Mr. Chapman stated that the staff had three or four items for the Board to consider amending in the Temporary Rules. The staff has not encountered this situation, but may find a well where the meter has been transferred. President Henderson agreed that the well should have a meter that stays unless replaced due to a malfunction. The Board agreed to include this in the public hearing. The staff also requested the Board to consider minimum billing. It is not very efficient for the staff to bill and receive payments for very small amounts. Mrs. Atkins recommended a billing for no less than \$10. This would cover the administrative costs to process the amounts owed and the check once received. The Board also does not have a transportation and reimbursement policy, but has been authorizing the payments on a case-by-case basis.

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

The Board tentatively scheduled a public hearing at 1:30 and a meeting at 2:00 PM on December 6th.

12. Adjourn

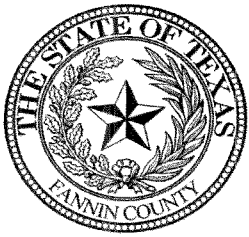
The Board adjourned at approximately 3:03 PM.

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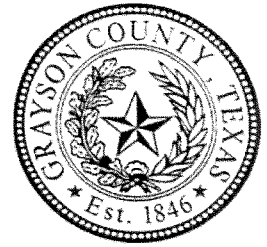
Recording Secretary

Secretary-Treasurer

ATTACHMENT 4



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 4

CONSIDER AND ACT UPON REVISIONS TO TEMPORARY RULES

ISSUE

Revisions to the Temporary Rules

BACKGROUND

The Board of Directors has previously adopted Temporary Rules governing its activities and responsibilities. The Board recognized at the time the original Temporary Rules were adopted that it would be necessary to modify the Rules in the future to make the implementation of the Board's responsibilities clearer and easier to understand. The Board of Directors assigned this task of revisions to the Rules Committee comprised of Board Members Gattis, Latham and Wortham. The Board members reviewed the existing Rules and met with the District staff to consider modifications. The proposed amendments to the Rules are intended to accomplish the following:

1. Revise the District's metering requirements for non-exempt wells
2. Establish enforcement protocols for non-compliant well owners and operators
3. Change the District's existing semi-annual reporting and fee payment requirement to a requirement that well owner submit quarterly water production reports and fee payments to the District; and
4. Revise the District's rules related to drilling or altering a well, including revisions related to the extension of time for drilling a well and penalties for drilling with an expired well registration.

These changes will be discussed at the public hearing on December 12, 2012 beginning at 1:30 PM.

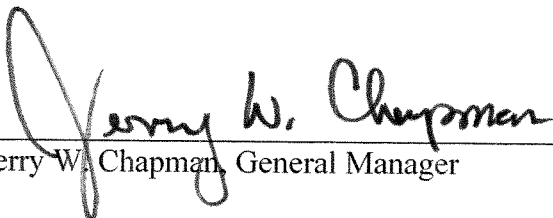
CONSIDERATIONS

One consideration should be noted related to fiscal activities. On January 1, 2013 the District will begin billing based on actual production. By changing the billing cycle to quarterly, rather than semi-annual, it will lessen the amount of time between payments received.

STAFF RECOMMENDATIONS

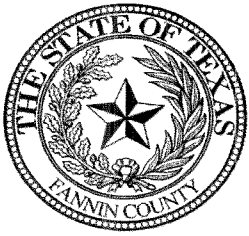
The staff recommends the Board consider modifying the Rules based on discussions held at the public hearing.

PREPARED AND SUBMITTED BY:

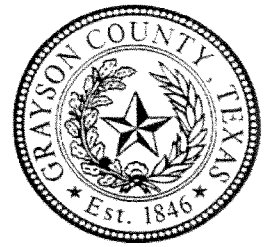


Jerry W. Chapman, General Manager

ATTACHMENT 6



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 6

RECEIVE MONTHLY FINANCIAL INFORMATION AND CONSIDER 2012 BUDGET AMENDMENT

ISSUE

Amendments to 2012 budget

BACKGROUND

Each year the Board of Directors adopts a budget for the District's operational activities. This budget may be changed throughout the year to reflect changed conditions associated with the District's activities.

OPTIONS/ALTERNATIVES

The Board can complete the 2012 fiscal year without making any adjustments to its budget. The result will be a variance in budget expenditures when audited by the independent auditing firm. The second option would be to modify the budget to more closely reflect actual expenditures.

CONSIDERATIONS

At the close of the 2011 fiscal year, the Board recognized that some funds would remain and be unused. Those funds were to be kept as a fund balance to be used as directed by the Board. Board members may recall that when Phase 2 of the contract with IT Nexus for the well registration website, it was undertaken with the knowledge that more funds would be needed in the contract services line item. It was also understood that other deductions would be made from other line items. A second point worth remembering is the cost of the ASYST accounting program was to be paid from the prior year's fund balance. These two changes are reflected on the proposed adjusted budget.

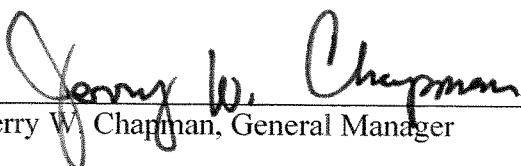
STAFF RECOMMENDATIONS

The Finance Officer and General Manager recommend the Board adopt the proposed budget, as adjusted.

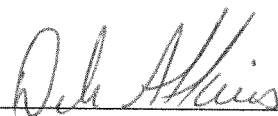
ATTACHMENTS

Proposed amended 2012 budget

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager



Debi Atkins, Finance Officer

**RED RIVER GROUNDWATER CONSERVATION DISTRICT
BUDGET YEAR 2012**

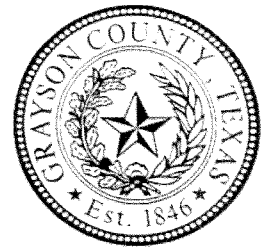
	APPROVED Budget 2012	Actual 9/30/2012	PROPOSED ADJU Budget 2012
Income			
46007 REG FEES		2,000.00	
46010 WELL DRILL DEP		800.00	
46002 GW Production Cost	250,999.75	197,856.31	254,819.50
Total Income	<u>250,999.75</u>	<u>200,656.31</u>	<u>254,819.50</u>
Gross Profit	250,999.75	200,656.31	254,819.50
Expense			
77010 ADMINISTRATIVE COS	100,000.00	55,505.73	100,000.00
77030 ACCOUNTING	4,300.00	6,156.25	9,000.00
77033 ADS-LEGAL	1,000.00	303.32	1,000.00
77027 AUDITING	5,000.00	3,750.00	3,750.00
77855 CONTRACT SERVICES	60,000.00	81,695.54	99,485.00
77040 DIRECT COST	5,000.00	3,464.52	5,000.00
77450 DUES & SUBSCRIPTIC	1,000.00	547.50	547.50
77550 EQUIPMENT	19,150.00	* 15,166.95	15,200.00
77555 FEES-GMA8	4,231.25	624.78	1,000.00
77035 FIELD PERSON	28,661.50	1,328.00	5,000.00
77610 FUEL	5,000.00		0.00
77810 INSURANCE & BONDII	3,907.00	2,837.00	2,837.00
77970 LEGAL	10,000.00	3,107.50	10,000.00
78010 MEETINGS AND CONF	2,000.00	429.11	1,000.00
78750 TELEPHONE	1,750.00	653.32	1,000.00
Total Expense	<u>250,999.75</u>	<u>175,569.52</u>	<u>254,819.50</u>
Net Income	<u>0.00</u>	<u>25,086.79</u>	<u>0.00</u>

* Funds from prior FB for Computer, Asyst Program (\$5,147)

ATTACHMENT 7



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 7

CONSIDER AND ACT UPON AUDIT ENGAGEMENT LETTER WITH RUTHERFORD, TAYLOR & COMPANY, PC

ISSUE

Engagement letter with Rutherford, Taylor & Company, PC for 2012 audit of financial records

BACKGROUND

While the District's enabling statute does not require an audit, nor does the Texas Water Code specifically require an audit, the Board began a practice in 2012 to audit the District's financial records annually. Audit firms were solicited in 2011 and Rutherford, Taylor & Company, PC was engaged to perform the 2011 audit.

CONSIDERATIONS

Public trust, openness and accountability suggests that an annual audit is the correct course of action for any board responsible for public funds.

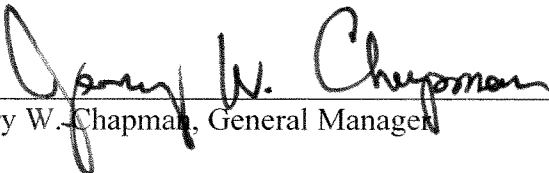
STAFF RECOMMENDATIONS

The staff recommends the Board consider engaging the services of an independent auditor. The Rutherford, Taylor & Company, PC firm submitted an engagement letter in the amount of \$3,500.

ATTACHMENTS

Audit engagement letter

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager

RUTHERFORD, TAYLOR & COMPANY, P.C.

A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

JAMES A. RUTHERFORD
(1917-2008)

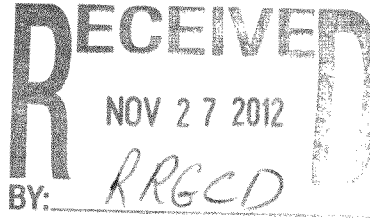
MICHAEL E. TAYLOR
CERTIFIED PUBLIC ACCOUNTANT

ROBERT K. LAKE
CERTIFIED PUBLIC ACCOUNTANT

GLENETTE COX
CERTIFIED PUBLIC ACCOUNTANT

2802 WASHINGTON STREET
GREENVILLE, TEXAS 75401-4115
908-455-6252
FAX 908-455-6667

1300 W. AUDIE MURPHY SUITE 5
FARMERSVILLE, TEXAS 75442
972-782-7572



November 21, 2012

Board of Directors
Red River Groundwater Conservation District
C/O Greater Texoma Utility Authority
5100 Airport Dr.
Denison, TX 75020

We are pleased to confirm our understanding of the services we are to provide for the Red River Groundwater Conservation District for the year ended December 31, 2012.

We will audit the Balance Sheet of Red River Groundwater Conservation District as of December 31, 2012, and the related statements of income and cash flows for the year then ended.

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement, if you have consulted with an attorney during the year. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements.

However, we will inform you of any material errors that come to our attention, and we will inform you of any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Management Responsibilities

You are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee the tax services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results in operations, and cash flows in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the company involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations or fraud or suspected fraud affecting the company received in communications from employees, former employees, regulators or others. In addition, you are responsible for identifying and ensuring the entity complies with applicable laws and regulations.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Michael E. Taylor is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit in April, 2013.

We estimate that our fee for these services on this engagement will be \$ 3,500. This fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Bills for our services are due when rendered and, as is our policy, that occurs after the audit engagement has been fully conducted and the audit reports delivered.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Michael E. Taylor, CPA
Rutherford, Taylor & Company, P.C.

RESPONSE:

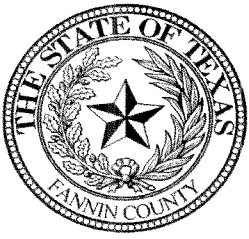
This letter correctly sets forth the understanding of Red River Groundwater Conservation District.

By: _____

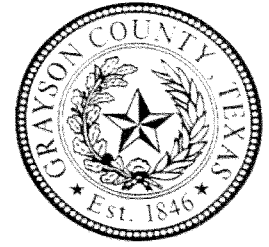
Title: _____

Date: _____

ATTACHMENT 8



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 8

STATE BRUSH CONTROL PLAN REVIEW

ISSUE

Management Goal G.3 contained in the Management Plan adopted by the District and approved by the Texas Water Development Board requires that the Board of Directors review the State Brush Control Plan at least annually to determine whether projects within the District will increase groundwater resources within the District.

CONSIDERATIONS

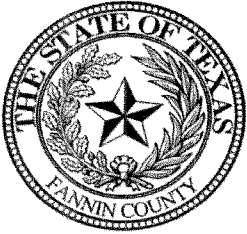
The District staff reviewed the State Brush Control Plan dated September 2009, which is the latest version of the Plan available. A report containing the results of the review is attached. A copy of the complete plan will be available at the meeting for review.

ATTACHMENTS

Report from staff containing the annual review of the Plan, as required by the Management Plan adopted by the District.

PREPARED AND SUBMITTED BY:

Jerry W. Chapman, General Manager



RED RIVER

GROUNDWATER CONSERVATION DISTRICT

FANNIN COUNTY AND GRAYSON COUNTY

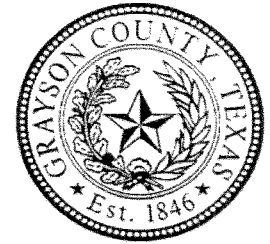
Annual Review

of

Texas State Soil & Water Conservation Board

State Brush Control Plan Dated September 2009

December 12, 2012



Red River Groundwater Conservation District Management Plan Objective G.3 – Brush Control – requires that the District evaluate the State Brush Control Plan at least once each year to determine whether projects within the District will increase groundwater resources of the District. The most recent State Brush Control Plan (“Plan”) is the September 2009 Plan by the Texas State Soil & Water Conservation Board (“TSSWCB”). The Plan is currently being revised. According to Johnny Oswald, Project Supervisor for the Texas Brush Control Program, in 2010 the TSSWCB went through a Sunset review and is changing the implementation of the program. New rules were put into effect in July 2012. Mr. Oswald indicated the Plan should be updated in early 2013.

Staff has reviewed the latest Plan available (2009), and the following information from the Plan is offered for the Board’s review. A complete copy of the Plan is will be available at the Board meeting, in the event you would like to review the Plan.

The following report was prepared using the TSSWCB State Brush Control Plan dated September 2009:

The U.S.D.A. Natural Resource Conservation Service (“NRCS”) estimates that brush in Texas uses about 10 million acre-feet of water annually, versus 15 million acre-feet per year for current human use. Possible benefits of brush control affecting water supplies are: additions to State water supplies, recharge of groundwater aquifers, and spring flow enhancement. The TSSWCB in cooperation with TAES, TWDB, USDA-NRCS, UCRA and LCRA have conducted several feasibility studies to determine economic benefits of the use of brush control to enhance water yield.

The Texas Legislature authorized the TSSWCB in 1985 through local Soil and Water Conservation Districts to conduct a program that includes cost-share assistance for the “selective control, removal, or reduction of noxious brush such as mesquite, salt cedar, or other brush species that consume water to a degree that is detrimental to water conservation.” The TSSWCB also has been mandated to designate

areas of critical need in the State in which to implement the Brush Control Program. Water needs and potential water yields that may be captured and used for public benefit are the primary considerations cited by the TSSWCB for determining the location of publicly funded (i.e. cost-share) brush control projects. Determination of the efficiencies with which controlling brush can yield additional water requires the evaluation of the intrinsic properties of the geology, soil, flora, and topography unique to each watershed and their interactions with each other in response to climatic conditions. Other criteria to be considered for selecting sites for brush control water cost and the potential impact on threatened or endangered species.

Investigation has taken place in several areas of the State concerning water yield following brush control. These studies indicate water savings of about 26,400 gallons/acre/year for treating heavy mesquite in an area that receives about 20 inches of average annual rainfall. Juniper, mesquite, and salt cedar have been shown to drastically reduce water yield in a watershed.

Fannin County lies in the Post Oak Savannah and Blackland Prairies. Grayson County lies in the Cross Timbers and Prairies, and the Blackland Prairies. The following are the trees and brush found in each area according to the Plan:

Post Oak Savannah (Fannin County): Short oak trees occur in association with tallgrasses. Thicketization occurs in the absence of recurring fires or other methods of woody plant suppression. This distinctive pattern of predominantly post oak and blackjack oak in association with tallgrasses also characterizes the vegetation of the Cross Timbers and Prairies vegetational area. Associated trees are elms, junipers, hackberries and hickories. Characteristic understory vegetation includes shrubs and vines such as yaupon, American beautyberry, coralberry, greenbriar and grapes.

Blackland Prairies (Fannin and Grayson Counties): Mesquite, huisache, oak and elm are common invaders on poor-condition rangelands and on abandoned cropland. Oak, elm, cottonwood and native pecan are common along drainages.

Cross Timbers and Prairies (Grayson County): The Cross Timbers and Prairies area in North Central Texas includes the Cross Timbers, Grand Prairie, and North Central Prairies land resource areas. The North Central Prairies are interspersed with rapidly drained sandstone and shaley ridges and hills occupied by scrub live oak, juniper and mesquite. Past mismanagement and cultivation have caused the uplands to be covered mostly by scrub oak, mesquite and juniper with mid-and shortgrass understories. The bottomland trees are primarily hardwoods such as pecan, oak and elm, but have been invaded by mesquite. Characteristic understory shrubs and vines include skunkbrush, saw greenbriar, bumelia and poison-ivy.

Increasing water yields with rangeland management involves many factors, including but not limited to climatic factors, vegetation factors, soil factors, and topographic factors. In order for a project to be eligible for State funding, it must be in a brush control area delineated by the State Board. The State Board will delineate brush control areas eligible for brush control projects and cost-share funding where

a water need exists based on the most recent regional water plan and where brush control has a strong potential to increase water yield. Watershed studies will consider the following criteria:

- Brush type, density, and canopy cover
- Geology and soils data
- Water needs or potential needs
- Hydrology
- Potential water yield
- Wildlife concerns
- Economics
- Landowner interest

As funds become available, watershed studies, which include water yield modeling, will be used by the State Board as a tool for delineating brush control areas. The State Board works with the TWDB and the regional planning groups to identify regional water needs.

Brush control areas are delineated by the State Board based on requests from local entities. To be eligible, the area must have water needs documented in the most recent water plan, and brush control must have the potential to increase water yield. Currently, 18 watersheds have been designated as brush control areas based on water need.

1. North Concho River Watershed
2. Twin Buttes Reservoir Watershed
3. Upper Colorado River Watershed
4. Pedernales River Watershed
5. Pecos River Watershed (Saltcedar)
6. Canadian River (Saltcedar)
7. Hubbard Creek Lake (Saltcedar)
8. Edwards Aquifer recharge zone
9. Nueces River Basin
10. Concho River Basin
11. Frio River Basin
12. Palo Pinto Lake Basin
13. Lake Fort Phantom Hill Basin
14. Lake Brownwood Basin
15. Lake Arrowhead Basin
16. Guadalupe River
17. Carrizo/Wilcox Aquifer
18. Bosque/Steel Creek

Watershed studies have been conducted in the following areas:

- North Concho River Basin
- Edwards Aquifer recharge zone
- Nueces River Basin
- Wichita River Basin
- Concho River Basin
- Upper Colorado River Basin
- Pedernales River Basin
- Canadian River Basin
- Frio River Basin
- Palo Pinto Lake Basin
- Lake Fort Phantom Hill Basin
- Lake Brownwood Basin
- Lake Arrowhead Basin
- Hubbard Creek Lake (Local Study)
- Pecos River (Local Study)

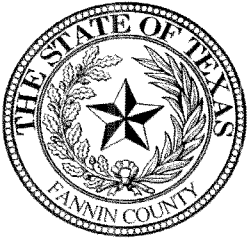
Local soils and water conservation districts or other agencies in cooperation with districts may develop project proposals within the State. The proposals should be submitted to the State Board for its prioritization and approval. The State Board, on its own initiative, may initiate projects development in cooperation with local soil and water conservation districts. A proposal must denote sufficient interest by a group of landowners and operators in a brush control area or part of a brush control area designated by the State Soil and Water Conservation Board to allow for eventual completion of the project.

Summary by Red River Groundwater Conservation District Staff:

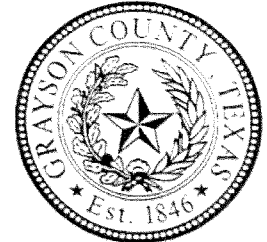
The TSSWCB has not conducted studies in the watersheds of the Red River Groundwater Conservation District (Fannin and Grayson Counties) to date. These studies are conducted in areas determined to be most critical, and as funds are available to the TSSWCB. There are currently no brush control areas delineated by the TSSWCB within the Red River Groundwater Conservation District.

A program addressing brush control by the District does not appear to be feasible at this time, as it does not appear to be cost effective without assistance through the cost-share program offered by the State. A link has been placed on the District website to the AgriLife Extension Texas A&M System for brush control information: <http://texnat.tamu.edu/about/brush-busters/>.

ATTACHMENT 9



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 9

CONSIDER AND ACT UPON RESOLUTION REGARDING RECORDS MANAGEMENT POLICY

ISSUE

Records of the District

BACKGROUND

Chapter 36, Section 36.065 of the Water Code outlines the requirements of managing the records of the District.

CONSIDERATIONS

The District is required to meet the requirements of Chapter 201, Local Government Code, and the rules adopted thereunder. The most efficient means of meeting these requirements is to adopt a resolution establishing a records management policy, and approving the Local Schedule GR, a retention schedule for records common to all local governments.

A copy of the schedules will be available at the meeting for Board Members wishing to review them.

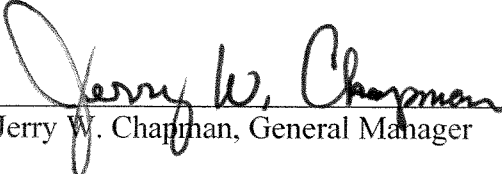
STAFF RECOMMENDATIONS

The staff recommends adoption of the accompanying resolution.

ATTACHMENT

Proposed resolution prepared using the model offered by the Texas State Library for small local governments.

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager

Red River Groundwater Conservation District
Records Management Policy
Resolution No. _____

WHEREAS, Title 6, Subtitle C, Local Government Code (Local Government Records Act), provides that each local government must establish an active and continuing records management program; and

WHEREAS, the Red River Groundwater Conservation District (“RRGCD”) desires to adopt a plan for that purpose and to prescribe policies and procedures consistent with the Local Government Records Act and in the interests of cost-effective and efficient recordkeeping; **NOW THEREFORE**:

SECTION 1. DEFINITION OF RECORDS OF THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT. All documents, papers, letters, books, maps, photographs, sound or video recordings, microfilm, magnetic tape, electronic media, or other information recording media, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the state, created or received by the RRGCD or any of its officers or employees pursuant to law or in the transaction of public business are hereby declared to be the records of the RRGCD and shall be created, maintained, and disposed of in accordance with the provisions of this resolution or procedures authorized by it and in no other manner.

SECTION 2. RECORDS DECLARED PUBLIC PROPERTY. All records as defined in Sec. 1 of this plan are hereby declared to be the property of the RRGCD. No official or employee of the RRGCD has, by virtue of his or her position, any personal or property right to such records even though he or she may have developed or compiled them. The unauthorized destruction, removal from files, or use of such records is prohibited.

SECTION 3. POLICY. It is hereby declared to be the policy of the RRGCD to provide for efficient, economical, and effective controls over the creation, distribution, organization, maintenance, use, and disposition of all records of this office through a comprehensive system of integrated procedures for the management of records from their creation to their ultimate disposition, consistent with the requirements of the Local Government Records Act and accepted records management practice.

SECTION 4. RECORDS MANAGEMENT OFFICER. The Administrative Assistant will serve as records management officer for the RRGCD as provided by law and will ensure that the maintenance, destruction, electronic storage, or other disposition of the records of this office are carried out in accordance with the requirements of the Local Government Records Act.

SECTION 5. RECORDS CONTROL SCHEDULES. Appropriate records control schedules issued by the Texas State Library and Archives Commission shall be adopted by the records management officer for use in RRGCD, as provided by law. Any destruction of records of the RRGCD will be in accordance with these schedules and the Local Government Records Act.

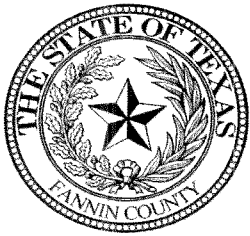
Passed and approved this _____ day of _____, 2012.

Don Wortham, Secretary-Treasurer

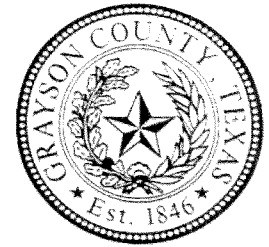
George Henderson, President

(S E A L)

ATTACHMENT 10



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 10

CONSIDER AND ACT UPON A RESOLUTION RELATING TO A TRAVEL, TRAINING AND EXPENSE REIMBURSEMENT POLICY

ISSUE

Adoption of a Travel, Training and Expense Reimbursement Policy

BACKGROUND

The Board has discussed in the past the need for a formal travel, training and expense reimbursement policy for expenses associated with District activities by the Board of Directors.

OPTIONS/ALTERNATIVES

The District could continue to specifically authorize reimbursements for travel expenses for District activities on a case by case basis. This policy does not provide for continuity of activities and may, in some cases, impede the orderly work of the District. The Board could adopt a policy that includes a framework that Board members and staff could expect to operate within and to be reimbursed on a routine basis, provided that their actions were consistent with the policy adopted.

CONSIDERATIONS

An independent auditor will prefer the District have a formally adopted travel and reimbursement policy.

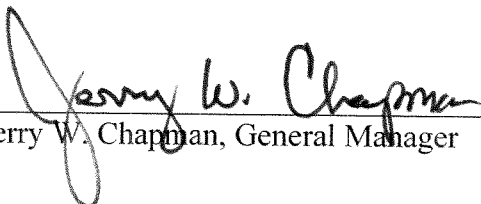
STAFF RECOMMENDATIONS

The staff has prepared a resolution that may be considered by the Board of Directors, along with an "Exhibit A", which outlines a travel, training and reimbursement policy.

ATTACHMENTS

Resolution

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager

RESOLUTION NO. 2012-12-12-___

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT RELATING TO A TRAVEL, TRAINING AND EXPENSE REIMBURSEMENT POLICY

WHEREAS, the Red River Groundwater Conservation District ("District") has determined a need to formally establish formal procedures addressing travel, training and expense reimbursement for expenses incurred on official business of the District; and

WHEREAS, the Board has appointed a committee of its membership to develop a set of policies that are consistent with general prevailing policies of local governments served by the District; and

WHEREAS, this Policy is attached to this Resolution as Exhibit "A";

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT that the Travel, Training, and Expense Reimbursement Policy attached to this Resolution as Exhibit "A" is approved and effective as of December 12, 2012.

Upon motion by _____, seconded by _____, the foregoing Resolution was passed and approved on this 12th day of December, 2012 by the following vote:

AYE:

NAY:

ABSTAIN:

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

President

ATTEST:

Secretary-Treasurer

Exhibit “A”

Red River Groundwater Conservation District Travel, Training and Expense Reimbursement Policy

Scope

Directors occasionally incur expenses in the performance of their official duties as a result of travel and training opportunities that promote the interests of the District. Therefore the District desires to establish standard regulations governing the payment for and reimbursement of such expenses. This policy provides for uniformity in submitting and handling of expenditure requests and establishes proper accounting for approved expenditures made for travel. This policy is implemented for the purpose of reducing the expenses of the District while still providing the District and Directors with the benefits to be gained from attendance at business and professional functions that are related to District business and that promote the current interests of the District. Examples of such functions include but are not limited to conferences and meetings that: are sponsored by organizations of which the District is a member; promote the legislative or other current interests of the District; or provide professional development opportunities for Directors in their official capacities.

Authorization

The District, when approved by the Board of Directors, will pay or reimburse a Director for actual expenses, including travel and training expenses that are reasonably and necessarily incurred while engaging in activities on behalf of the District. Approval by the Board of Directors at a duly noticed public meeting shall be required before any such expenses will be paid or reimbursed by the District. In the event that travel is conducted and expenses are incurred without prior authorization as outlined in this policy, the attendee may be responsible for all such expenses incurred. The Board of Directors shall be the sole authority in determining if expenses incurred by a Director qualify as actual expenses reasonably and necessarily incurred while engaging in activities on behalf of the District. Directors shall not be reimbursed for expenses associated with travel to and from the regular meetings of the Board of Directors.

General

The District will not pay any portion of a non District representative’s expenses including the additional room cost. Among the objectives of District travel is to effectively carry out District business at a minimum total cost to the District. An example would be arriving at a destination on a Saturday in order to take advantage of lower airfare even though a conference might start late on the following day. This discounted airfare plus lodging and meal costs for the extra day should be less than the total cost of the airfare that did not require a Saturday night stay. Actions and behaviors of Directors while traveling on District business at District expense reflect on the District. Professionalism is expected of members and representatives at all times during this type of travel. Any

action that is inappropriate or would give the appearance of being inappropriate should be avoided.

Responsibilities

A Director requesting approval for District paid travel or training expenses must submit a request to the Board President at least 7 days prior to the Board meeting at which the request will be considered. Registration forms, agendas, and an itemized cost estimate must accompany travel request. Travel receipts shall be turned in to the Secretary/Treasurer as soon as possible and within 15 days of return from any trip. Attendees are expected to attend each day and all portions of any conference seminar or training session paid for by the District. The attendee's signature on the Travel Report indicates that the expenditures are reasonable, prudent, true, and correct and have been made in accordance with this travel policy.

If documentation receipts and expense forms fail to comply with the policies stated herein then the matter will be brought to the attention of the Board of Directors by the Secretary/Treasurer. Payment will not be authorized unless and until all requirements are met. All travel records, documentation, receipts, and expense reports may be considered public information and potentially available for public inspection.

Authorized Expenses

All modes of travel (air, rental, personal vehicle, taxi, bus, train, or subway) should be chosen with consideration towards minimizing the loss of time effectiveness and productivity of the attendee, and the total cost to the District.

Air Travel. Directors should purchase round trip coach class tickets. When practical all airline reservations should be made sufficiently in advance to take advantage of airline discount fares if available. The Secretary/Treasurer may use Internet travel sites to confirm that air travel prices quoted from other sources are reasonable. Electronic or E-tickets should be utilized in order to avoid paper ticket surcharges.

Rental Vehicles. Directors are expected to obtain the lowest possible rental rate for cars when practical and to weigh the total cost and practicality of a rental car including taxes and parking costs versus the use of other forms of transportation such as taxi, shuttle, or mass transportation. A compact size car should be used unless several District personnel are pooling transportation. The District may reimburse car rental costs for travel that occurs the day before and the day after the conference or training session dates especially if the extra days were necessary in order to take advantage of discount airline fares. Car rental costs for personal use beyond these dates will not be reimbursed. Car rental insurance for liability and collision is not a reimbursable expense.

Mileage Reimbursement. When personal vehicles are used, Directors shall be reimbursed at the lesser of an advance purchase round trip coach class air fare purchased sufficiently in advance to take advantage of airline discount fares, or an amount based upon the number of miles multiplied by the IRS mileage reimbursement rate. Travel urgency, safety and health concerns, or the economy of using a personal vehicle at the

destination site in lieu of a rental vehicle may alter which reimbursement method is used. The payment of mileage will be based on the most direct route from the point of destination.

Parking. The District will pay reasonable expenses for airport parking required while an attendee is out of town on authorized District business. At the destination the District will also pay required parking fees for personal vehicles or rented vehicles.

Lodging. Expenses will be allowed for an adequate lodging room rate plus tax. Lodging should be a reasonable single accommodation. The District will not pay any portion of a non District representative's additional room cost. Receipts for lodging must be provided in order to obtain reimbursement and should show a detailed breakdown of all charges incurred on a daily basis. Personal items should be marked personal and deducted from the total hotel bill.

Regular Meals. The District will pay for actual and reasonable expenses for meals consumed during official travel as long as actual expenses do not exceed the per diem rate per meal. The District shall not pay for meals that are included in the registration for an event. Receipts for authorized meal expenses including a reasonable tip (generally 15%) must be submitted with the travel expense form for reimbursement.

Per Diem Rate. For overnight trips, Directors may elect to request per diem allowance* as follows:

Breakfast	\$10.00 if travel commences prior to 6:00 a.m.
Lunch	\$15.00
Dinner	\$20.00 if travel concludes after 7:00 p.m.

**The Per Diem rate includes all tips.*

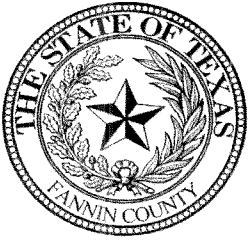
Daily Trips. For trips not requiring overnight stays the District will reimburse or pay for actual expenses incurred up to the maximum per meal allowed under the per diem rate including tips.

Incidentals. The cost of alcoholic beverages, laundry, dry cleaning, in room movies, loss of personal property, room service charges for meals that exceed the per diem rate, haircuts, newspapers, magazines, transportation to and from entertainment events, tours, health club expenses, and other expenses not set forth as eligible under this policy are specifically excluded from reimbursement.

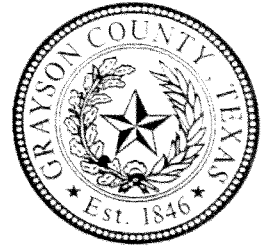
Exceptions

Exceptions to this policy may be approved by the Board of Directors only in exceptional circumstances and only in those cases where the best interests of the District are clearly manifested.

ATTACHMENT 11



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 11

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

ISSUE

Extension of the Administrative Services Agreement with the Greater Texoma Utility Authority (GTUA).

BACKGROUND

The Board has previously 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 Board has contracted with GTUA since 2011. The accounting services have been increased in cost to \$12,000 to account for the increased time required to bill the groundwater producers.

CONSIDERATIONS

Financial considerations is one of the most important concerns. Contracting with GTUA is significantly more cost effective than renting a building and hiring full-time staff.

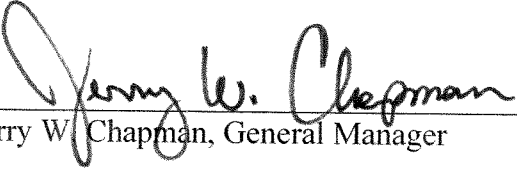
STAFF RECOMMENDATIONS

The staff believes that the agreement has been beneficial to both the District and GTUA and sees no reason for the contract to not be approved.

ATTACHMENTS

2013 Administrative Services Contract

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 November 1, 2012 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 November 1, 2012, 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

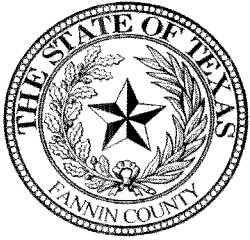
- Staff is able to work diplomatically with well owners and others
- Use 800 number on all letterhead and other communication for calls to make contact easier for well owners
- Well-acquainted with TWDB staff
- Utilize assistance from Texas Alliance of Groundwater District members
- Coordinate District activities with GMA 8 activities
- Develop records and procedures in a manner that will make for easy transition when desired

Estimated Cost of Services

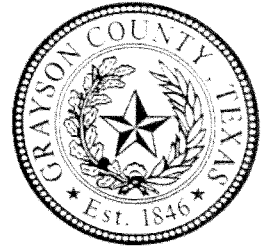
The Authority is a public agency. The Board's approach to provision of services has always been to seek reimbursement for the costs of providing the services requested. These costs include:

- 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 \$12,000 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 - \$35 per hour
 - Office Clerk - \$20 per hour
 - Field Technician - \$36 per hour
 - Operation Supervisor - \$52 per hour

ATTACHMENT 12



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: DECEMBER 3, 2012

SUBJECT: AGENDA ITEM NO. 12

GENERAL MANAGER'S REPORT


SUMMARY

1. The registered well information is attached for your information and use. There has not been much change since the last month. The field technician has experienced some health problems and has not been able to inspect wells in the past month.
2. 2011 Draft Agricultural Irrigation Estimates

ATTACHMENTS

Well Registration Summary

PREPARED AND SUBMITTED BY:



Jerry W. Chapman, General Manager

Red River Groundwater Conservation District

Well Registration Summary As of December 3, 2012

Well Type	Total Registered	Previous Month	New Registrations
Domestic	47	43	4
Agriculture	16	16	0
Oil/Gas	5	3	2
Commercial	4	4	0
Golf Course	7	7	0
Livestock	8	7	1
Irrigation	1	0	1
Public Water	231	228	3
Total	319	308	11

2011 Draft Agricultural Irrigation Estimates – Red River Groundwater Conservation District

The Red River Groundwater Conservation District was contacted by Cameron Turner, of the Texas Water Development Board regarding the preparation of estimates of agricultural irrigation for 2011.

Alan Moore and Wayne Parkman began the project by contacting the county's agricultural agents. They were very helpful in evaluating the baseline estimates from the TWDB. One area of concern was golf course irrigation. An internet search of golf courses provided a list of the courses. Wayne Parkman then used an area estimating tool on Google Earth to estimate the acres of all the listed courses.

After clarification by Cameron of the intent to only include self-supplied courses (ones with their own wells or surface water rights), the following values for golf courses were reached:

Grayson County – 385 acres

Fannin County – 160 acres

Total Agricultural Irrigation Water Use Estimates were then prepared:

Grayson County – 4414 acre-feet; 67% of which is groundwater

Fannin County – 6756 acre-feet; 11% of which is groundwater

ADJOURN