

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

**THURSDAY, JANUARY 15, 2014**

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

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

Members Absent: None

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

Visitors: Frank Baker, City of Van Alstyne  
Alex Moser, Moser Drilling  
Joey Rickman, City of Honey Grove

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

President Patterson called the meeting to order at 2:05 PM. The Board members introduced themselves and the manner of their appointment to the public. All members were present.

2. Public Comment.

No comments received.

3. Consider approval of Minutes of November 21, 2013 board meeting

Board Member Purcell requested that a reference to where the voting requirements could be located in the policies or legislation.

Board Member Gattis motioned to approve the Minutes of the November 21, 2013 board meeting with the requested amendment. The motion was seconded by Vice President Latham and passed unanimously.

4. Review and approval of monthly invoices.

Mr. Chapman briefly reviewed the monthly invoices. The Lloyd Gosselink legal bill included charges for questions posed by the staff on the District's authority to regulate pumping for oil and gas use, and enforcement activities. Mr. Brian Sledge has since left the Lloyd Gosselink firm. The contract with Mr. Sledge's new firm was approved at the November meeting.

Board Member Gattis motioned to approve the monthly invoices for a total of \$29,979.31. The motion was seconded by Board Member Newhouse and passed unanimously.

5. Receive Monthly Financial Information

Mr. Satterwhite reviewed the monthly financial information with the Board. The District has approximately \$100,000 between the checking and savings account. The staff expects the production fees to exceed the projected \$250,000. An aging report was provided as requested by the Board. Issues with receiving payment from the City of Sherman have been resolved and future payments should be made on time. The City of Tom Bean paid, but overpaid by approximately \$2,000. The City requested the check be returned and a new check was issued on Monday. The Bridges at Preston golf course has changed ownership and legal counsel will most likely be needed to collect fees.

Board Member Purcell requested the aging report be modified to show a 30-60-90 day report. Mr. Chapman responded that he would discuss the report with Debi Atkins, the District's Finance Officer to see how it could be modified. Board Member Purcell stressed that he would like to see the report show up to 180 days past due to provide additional accountability.

6. Consider and act upon selection of independent auditors for 2013 fiscal activities

The Board has previously selected an auditor each year. The previous auditor was Rutherford Taylor & Co. from Greenville, Texas. Proposals have been received and are due by January 31<sup>st</sup>. The Board only meets every other month and the auditor will need to be selected by the end of February and an engagement letter signed to make sure that the auditor can complete the audit in time for it to be presented at the June meeting. Mr. Chapman recommended that the Board either meet in February or appoint a committee to select an auditor to be confirmed at the March meeting. President Patterson requested volunteers and confirmed a committee of Vice President Latham and Board Member Purcell. Board Member Purcell asked Mrs. Atkins to provide the request for proposals.

Board Member Gattis motioned to appoint a committee of Mr. Latham and Mr. Purcell and provide them with the authority to execute an engagement letter with an auditing firm to be confirmed at the next meeting. The motion was seconded by Board Member Gibson and passed unanimously.

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

President Patterson reported that he was tasked with contacting Mr. Eddy Daniel to discuss engaging LBG Guyton, but was unable to make contact. Mr. Chapman spoke with Mr. Daniel at the North Texas GCD board meeting on January 14<sup>th</sup>. Mr. Daniel apologized for not returning phone calls, but stated he had no objection to Red River GCD cooperating with the North Texas GCD but could not speak for the southern districts working with LBG Guyton. Mr. Chapman agreed with comments made at the previous meeting that LBG Guyton has more experience working with the updated model.

Mr. Chapman also recommended the Board consider hiring a separate consultant to represent the Red River GCD. He expressed that the Red River GCD should have a representative who solely represents the District and will help to defend DFCs. Most other groundwater districts will be hiring individual consultants. Mr. Bill Hutchison, a hydrogeologist that has worked with the Red River GCD previously has expressed willingness to represent the District individually for the DFC process.

