

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

THURSDAY, MAY 21, 2015

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

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

Members Absent: David Gattis

Staff: Drew Satterwhite, P.E., Debi Atkins, Carolyn Bennett

Visitors: Sandra Barbey, Lass Water System
Rockie Martin, Pintail Farms
Chuck Dodd, Starr Water Supply Corporation

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

President Patterson called the meeting to order at 3:15 pm.

2. Public Comment.

Rockie Martin addressed the Board, specifically Fannin County representatives on how they correspond with landowners in Fannin County. Board Member Harold Latham replied public notices are posted for each meeting in media and at the county courthouse. Mr. Latham further stated Fannin County water users are required to report, without discrimination.

Chuck Dodd, representing Starr Water Supply Corporation addressed the Board concerning the District keeping expenses to a minimum, avoiding being big and intrusive – just performing activities of the bare minimum. Mr. Dodd expressed his discontent with the increase in fees in 2015 by \$0.01, salaries of the District staff, and questioned the District for its past meetings addressing investment of funds. Mr. Dodd invited the Board to meet with the area water supply corporations the first Thursday night of the month at the Golden Corral in Sherman, during which communication about the District's activities could be provided to the group.

President Patterson informed Mr. Dodd if he investigated the Groundwater Districts in Texas he would find the fees charged by the District are one of the lowest in the entire state. Mr. Patterson further stated there is a minimum level at which the District can be run, and as far as the fund balance, the District is facing expenses for groundwater availability modeling and setting the desired future conditions for the District. President Patterson stated the District is trying to protect the water and infrastructure for all entities. There is no intention to expend funds unnecessarily. Mr. Dodd stated he would appreciate communication from the Board on a regular basis.

3. Consider approval of Minutes of March 19, 2015 board meeting

Board Member Purcell asked that the March 19th minutes be amended to reflect that he had made a statement regarding Pintail Farms' violations that it would be best to issue a major violation on Pintail Farms as opposed to sequential fines which would have resulted in a larger amount in fines. The intent was to be lenient. Board Member Purcell moved to approve the March 19th minutes to reflect this information. The motion was seconded by Board Member Gibson and passed unanimously, with one member absent.

4. Review and approval of monthly invoices.

General Manager Satterwhite reviewed the monthly invoices with the Board for March and April. Board Member Newhouse moved to approve the monthly invoices for March and April. The motion was seconded by Secretary-Treasurer Wortham and passed unanimously, with one board member absent.

5. Receive Monthly Financial Information

Mr. Purcell commented on the fund balance reflecting the amount of \$350,000. Of this amount, \$60,000 is Accounts Receivable. The reason the Board had previous discussions regarding investing is that the Board was attempting to get the best interest earnings available. Mr. Satterwhite reviewed the monthly financial information with the Board.

6. Receive update and possible action on GMA 8 activities and development of Desired Future Conditions

Mr. Satterwhite reported to the Board on the current status of GMA8 and the modeling efforts. The GMA8 discussed Intera's proposal at their last meeting, and voted unanimously to approve Runs 5 and 6. Several of the Districts expressed a desire to have more of the Runs developed at a later date. The Red River Groundwater Conservation District's portion of the costs for these Runs 5 and 6 is \$7,521.00.

A Desired Future Conditions ("DFC") committee conference was held Monday, May 8th during which the committee discussed providing the DFC committee authorization to discuss Runs 7 and 8 and make a decision for the District regarding these runs and the funds to be expended. Board Member Purcell motioned to allow the DFC Committee to instruct Board Member Gattis on moving forward on the DFC process and the runs necessary to assist in this process. The motion was seconded by Board Member Newhouse and passed unanimously with one board member absent.

General Manager Satterwhite informed the Board Bill Mullican had requested all Districts in the GMA8 declare their non-relevant aquifers. Motion was made by Board Member Newhouse for the purpose of joint groundwater management planning that groundwater planning be for the Trinity and Woodbine Aquifers in the Red River Groundwater Conservation District. The motion was seconded by Board Member Latham and passed unanimously with one member absent.

At this time Kristen Fancher provide the Board with an update on legislative matters.

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

No report was provided. President Patterson asked the staff about Northern Challenge. Field Technician Wayne Parkman stated they are in compliance but their electric system has been hacked.

8. Receive 2014 Annual Report and 2015 1th Quarterly Report

Carolyn Bennett provided the 2014 Annual Report and the 1st Quarterly Report for 2015.

9. Consider and act upon establishing a budget committee for development of a 2016 budget

President Patterson, Board Member Purcell, and Board Member Gibson volunteered to serve on the Budget Committee for development of the 2016 budget

10. Consider and act upon contract with LBG Guyton for support and technical assistance related to Desired Future Conditions

General Manager Satterwhite discussed with the Board of Directors the requirements for the Red River Groundwater Conservation District ("RRGCD") to develop Desired Future Conditions ("DFC"), and the District's past experience with LBG Guyton Associates thus far in providing the services necessary to develop the required DFC. A proposal from LBG Guyton to provide assistance to the District for this process. Mr. Satterwhite reviewed the proposal with the Board. Motion was made by Vice President Gibson, seconded by Board Member Latham, and passed unanimously to accept LBG Guyton's proposal for assistance in the development of the District's DFC.

11. Consideration and possible action regarding the District's Legal Counsel

Mr. Satterwhite informed the Board of Directors that the partners of Sledge Fancher PLLC amicably decided to part ways last month. Since the split, the business name to Sledge Law and Public Strategies PLLC. Kristen Fancher has now moved to Smith, Robertson, Elliot and Douglas LLP. District staff has kept communication with both partners, Brian Sledge and Kristen Fancher, since the split to discuss the options going forward. The Board discussed the options regarding legal counsel for the District moving forward. The Board requested the staff to obtain a proposal from Kristen Fancher for legal counsel.

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

Mr. Satterwhite reported as of March 31, 2015 the total number of registered wells in Grayson County were 396 and Fannin County 142.

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

The next meeting was tentatively scheduled for July 23rd at 2:00pm.

11. Adjourn

The Board of Directors adjourned at 4:20pm.

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Recording Secretary



Secretary-Treasurer