

**MINUTES OF THE BOARD OF DIRECTORS' BOARD MEETING AND PUBLIC HEARING
RED RIVER GROUNDWATER CONSERVATION DISTRICT**

THURSDAY NOVEMBER 29, 2018

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

Members Present: Harold Latham, Mark Patterson, David Gattis, Chuck Dodd, and Mark Gibson

Members Absent: Mark Newhouse and Billy Stephens

Staff: Drew Satterwhite, Allen Burks, Wayne Parkman, Paul Sigle, Theda Anderson, Carolyn Bennett, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal
James Beach, WSP
Wendell Smith, US Lime
John Faulkner, Faulkner & Son
Ladd Holton, land owner

Board Meeting

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

President Patterson called the meeting to order at 10:00 a.m., established a quorum was present, and declared the meeting open to the public.

2. Public comment

No public comments.

3. Consider and act upon approval of Minutes of October 25, 2018, Board Meeting.

Board Member David Gattis made a motion to approve the minutes of the October 25, 2018 meeting. The motion was seconded by Board Member Chuck Dodd. The motion passed unanimously.

4. Review and approval of monthly invoices.

General Manager Satterwhite reviewed the monthly invoices with the Board of Directors. Board Member David Gattis made a motion to approve Resolution 2018-11-29-01. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

5. Receive monthly financial information.

General Manager Satterwhite reviewed the monthly financial information with the Board.

6. Consider and act upon 2019 Administrative Services Contract with Greater Texoma Utility Authority.

General Manager Drew Satterwhite provided background information for the Board. The District and GTUA entered into the original agreement in November 2010. This agreement was approved at the GTUA's November 19, 2018 meeting. This agreement has helped the District operate with the lowest production fees in the region. The scope of services remains the same as the contract executed for 2018. The budgeted amounts identified in the contract are consistent with the 2019 budget adopted by the District.

David Gattis made the motion to approve the 2019 Administrative Services Contract with GTUA. Mark Gibson seconded the motion. Chuck Dodd abstained. Motion passed with four votes.

7. Consider and act upon permanent rules adoption, including well spacing, exemptions, permitting and other regulatory requirements related to water wells within the District.

General Manager Drew Satterwhite reviewed the rule revisions made, with the recent changes being the result of public comments received since the public rulemaking hearing held on October 25, 2018. Board members discussed details and addressed questions. Kristen Fancher, Legal Counsel, reminded the Board that the discussion of rules began at the board meeting on July 13, 2017, and that the Board has extended the public comment period allowing for additional time for the public to provide and the Board to consider all public comment.

It was the consensus of the Board to discuss Item 8 at this time.

Upon returning to Item 7 Board Member Chuck Dodd made the motion to adopt the permanent rules, and Resolution 2018-11-29-01. Board Member Harold Latham seconded the motion. Motion passed unanimously.

8. Consider and act upon adoption of a District Flow Testing Procedure Manual.

General Manager Drew Satterwhite reviewed a proposed district flow testing procedure. Part of the permanent rules package includes new spacing requirements which vary based on the maximum instantaneous flow rate of a well. Public comments resulted in the conclusion that it would be very difficult to meet a desired flow rate on a new well without a margin for error. Given the implications of a flow rate being larger than expected on a new well, the District staff thought it would be wise to have a standard protocol for the staff to follow when testing a new well. The Board discussed the procedure and decided that three changes needed to be made and then to accept the procedure manual.

Chuck Dodd made the motion to accept the flow testing procedure manual with the three changes to be made upon approval. Harold Latham seconded the motion. Motion passed unanimously.

Board returned to Item 7.

9. Consider and act upon adoption of District Hydrogeological Report requirements.

General Manager Drew Satterwhite stated that when the Permanent Rules go into effect January 1, 2019, a hydrogeological report will be required as part of the application process on wells capable of producing 200 gallons per minute or more. A draft of the report requirements was reviewed at the May 2018 meeting. James Beach provided detailed information. The Board discussed the requirements and decided to make changes, changing the 1-mile radius to a 2-mile radius to identify wells within that distance.

Board Member David Gattis made the motion to adopt the District Hydrogeological Report requirements with the changes discussed. Board Member Harold Latham seconded the motion. Motion passed unanimously.

10. Consider and act upon Decennial Review of District Representation set forth in enabling legislation.

General Manager Drew Satterwhite provided the Board with background information. The District's enabling legislation reads as follows:

Sec. 8859.057. DECENNIAL REVIEW OF DISTRICT REPRESENTATION. (a) Not later than January 1, 2019, and every 10 years following that date, the board shall complete a review of the adequacy of representation of water users on the board based on groundwater production and use within the district.

(b) Not later than the 20th day following the date the review is complete, the board shall submit the review described in Subsection (a) and any recommendation the board may have relating to the reapportionment of directors or the representational structure of the board to each member of the house of representatives and each member of the senate whose state legislative district includes territory in the district.

Sec. 8859.053. APPOINTMENT OF DIRECTORS. (a) The board consists of seven directors as follows:

(1) one director appointed by the commissioners court of Fannin County at the discretion of the commissioners court;

(2) one director appointed by the commissioners court of Fannin County selected from a list of nominees submitted to the commissioners court by the governing bodies of the municipalities in Fannin County;

(3) one director appointed by the commissioners court of Fannin County selected from a list of nominees submitted to the commissioners court by the water services districts and water supply corporations that provide retail water service to customers in Fannin County, subject to the limitation provided by Subsection (f);

(4) two directors appointed by the governing body of the municipality in Grayson County that has the largest annual production of groundwater by volume for the four years preceding the appointment;

(5) one director appointed jointly by the governing bodies of the municipalities in Grayson County other than the municipality described by Subdivision (4); and

(6) one director appointed jointly by the governing boards of all water services districts and water supply corporations that provide retail water service to customers in Grayson County, subject to the limitation provided by Subsection (f).

The current Board representation is consistent with the original intent in creating the Board structure. The Board agreed that the staff and Board President draft a report to the representatives and senators in the District that recommends no changes to the current Board Structure in the enabling legislation.

Board Member Chuck Dodd made the motion that the report be drafted that no changes to the current Board Structure in the enabling legislation be made. Board Member Mark Gibson seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite informed the Board that GMA 8 would be meeting on Friday, November 30, 2018 to select a consultant to perform professional services related to the development of Desired Future Conditions for aquifers within GMA 8. The Committee will rank the four SOQs received. The one with the most points will be selected. At a future GMA 8 meeting the contract, scope, and cost will be determined.

12. Consider and act upon compliance and enforcement activities for violations of District Rules.

No action.

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

a. Disposal/Injection Well Monitoring Program

Kristen Fancher, legal counsel, reported that there was no update on the program.

General Manager Drew Satterwhite reported that eleven wells were registered in October.

12. Open Quorum/discussion of future agenda items.

The Board decided the next meeting will be held Wednesday, January 16, 2019 at 10 a.m.

13. Adjourn.

President Patterson declared the meeting adjourned at 11:22 a.m.

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Recording Secretary



Secretary-Treasurer