

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

THURSDAY, SEPTEMBER 19 2019

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

Members Present: Chuck Dodd, David Gattis (arrived 10:05), Harold Latham, Mark Patterson, Mark Gibson, Mark Newhouse, and Billy Stephens

Members Absent:

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

Visitors: Kristen Fancher, Fancher Legal  
Marshall Tolleson, Extension Agent

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Permit Hearing

Agenda:

1. Call to Order; establish quorum; declare hearing open to the public; introduction of Board.

Board President Mark Patterson called the hearing to order at 10:00 a.m., established that a quorum was present; declared hearing open to the public; and introduction of Board.

2. Review the Production Permit Application of:

**Applicant:** City of Gunter, P.O. Box 349, Gunter, TX 75058

**Location of Well:** FM 121, Gunter, TX 75058; Latitude: 33.43763°N Longitude: 96.7070 °W; on the north side of FM 121 approximately 0.5 miles east of the FM 121 and Jc Maples Road Intersection

**Purpose of Use:** Public Water System

**Requested Amount of Use:** 96,084,106 gallons

**Production Capacity of Well:** 400 gallons per minute

**Aquifer:** Trinity (Antlers)

General Manager Drew Satterwhite reviewed the Production Permit Application with the Board. Discussion by the Board was held.

3. Public Comment on the Production Permit Application (verbal comments limited to three (3) minutes each).

There were no public comments on the Production Permit Application.

4. Consider and act upon the Production Permit Application, including designation of parties and/or granting or denying the Production Permit Application in whole or in part, as applicable.

Board Member Mark Newhouse made the motion to grant the Production Permit Application. Board Member Chuck Dodd seconded the motion. Board Members Mark Patterson and David Gattis abstained from voting. Motion passed with a vote of 5 ayes and 2 abstained.

5. Adjourn or continue permit hearing.

Board President Mark Patterson adjourned the permit hearing at 10:25 a.m.

### **Board Meeting**

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

Board President Mark Patterson called the meeting to order at 10:25 a.m., established a quorum was present, and declared the meeting open to the public.

2. Public comment

No public comments.

3. Administer Oath of Office.

Reappointed Board Members Mark Patterson, Mark Gibson, and Harold Latham were sworn in by Velma Starks, Notary Public.

4. Consider and act upon approval of Minutes of July 25, 2019, Board Meeting.

Board Member David Gattis made a motion to approve the minutes of the July 25, 2019 meeting. The motion was seconded by Board Member Mark Gibson. The motion passed unanimously.

5. 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 2019-09-19-01. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

Meeting was briefly adjourned at 10:30 a.m. and reconvened at 10:37 a.m.

6. Receive monthly financial information.

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

7. Consider and act upon amendment to the District's Bylaws.

General Manager Drew Satterwhite provided background information to the Board. In April 2017 the Board approved several amendments to the Bylaws in order to provide more clarity to the Director process. The current bylaws read: *"Each odd-numbered year at its regular August meeting, or at its next regular meeting if there is no August meeting, the Board shall meet and elect three Directors to serve as officers, whose titles shall be President, Vice-President, and Secretary/Treasurer. Officers shall be elected for terms of one year. Officers may serve multiple consecutive terms."* There are two issues, the first issue is that the Board Member terms expire on August 31 of each odd-numbered year and we believe it would make more sense for the appointments to occur at the September meeting after the new Board is in place. The second issue is that it calls for elections each odd-numbered year and then goes on to say that the terms are for one year. In order to provide clarity, we would like for the paragraph to read that Officers are appointed each year or that the terms are two years. After a brief discussion the Board decided to amend the Bylaws to read:

*Each odd-numbered year at its regular September meeting, or at its next regular meeting if there is no September meeting, the Board shall meet and elect three Directors to serve as officers, whose titles shall be President, Vice-President, and Secretary/Treasurer. Officers shall be elected for terms of two years. Officers may serve multiple consecutive terms.* Board Member Chuck Dodd made the motion to amend the Bylaws. Board Member Mark Newhouse seconded the motion. Motion passed unanimously.

8. Consider and act upon election of Officers.

The Nominating Committee (Harold Latham, Mark Newhouse and David Gattis) nominated the current slate of officers (President, Mark Patterson; Vice President, Harold Latham and Secretary/Treasurer, Mark Gibson). Board Member David Gattis made the motion to accept the nominations. Board Member Billy Stephens seconded the motion. Motion passed unanimously.

9. Receive Quarterly Report on Management Plan.

General Manager Drew Satterwhite presented the Quarterly Report to the Board.

10. Consider and act upon Engagement Letter for Audit Services for Fiscal Year Ending December 31, 2019.

General Manager Drew Satterwhite provided background information for the Board. In 2013 proposals for audit services for a period up to five years were solicited. The Board accepted McClanahan and Holmes at their March 2014 meeting. At the May 2018 meeting, the Board directed the Staff to request another 5-year term with McClanahan and Holmes. The Board also requested that the lead auditor be changed. McClanahan and Holmes provided a proposal letter that indicated their willingness to switch lead auditors. This letter also laid out their proposed fee increases each year at between 2% and 3%. The fees for the 2019 audit services will be \$4,850. Board Member David Gattis made the motion to authorize an engagement letter with McClanahan and Holmes, LLP of Bonham, Texas for the 2019 audit. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

11. Consider and act upon authorizing WSP to develop a sample Hydrogeological Report.

General Manager Drew Satterwhite provided background information for the Board. The District's Permanent Rules require a hydrogeological report to be submitted as part of the application process

for wells capable of producing 200 gallons per minute or more. This is a new requirement for applicants, drillers and engineers in our region and there has been some confusion as to exactly what is required by the District. The staff believes that it would be beneficial to have an example or sample report to provide to applicants so that they can more quickly understand what is being requested. We believe this will reduce the number times the applicants have to amend their reports prior to being declared administratively complete. The District staff requested that the Board discuss and consider authorizing WSP to perform the work necessary to develop a sample/example hydrogeological report. James Beach with WSP believes a report could be developed for each District at a cost of \$5,000 per District if costs are shared. Funds are available within the existing budget for Contract Services which is generally allocated to WSP's services to the District. A discussion was held by the Board. Board Member David Gattis made the motion to authorize WSP to develop a sample Hydrogeological Report. Board Member Mark Newhouse seconded the motion. Motion passed unanimously.

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

- a. Discussion and Possible action on revised Modeled Available Groundwater for the current planning cycle

General Manager Drew Satterwhite had met with the DFC Committee (Mark Patterson, David Gattis, and Harold Latham). Mr. Satterwhite explained the DFC process which takes place every five years. Paul Sigle, Groundwater Technical Lead, presented a presentation showing how data was and is used in determining the DFCs. A detailed discussion was held by the Board. The Board decided to use the same numbers for the model run as previously used. Board Member David Gattis made the motion to use the same numbers as previously used. Board Member Mark Newhouse seconded the motion. Motion passed unanimously.

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

- a. JT Rivers, LLC update

General Manager Drew Satterwhite informed the Board of information that was obtained after last month's Board Meeting. The Board discussed the situation and decided to gather more information and bring it before the Board at the next meeting. Board Member Chuck Dodd made the motion to defer previous violation. Board Member Mark Gibson seconded the motion. Board Member Mark Newhouse voted nay. Motion passed.

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

- a. Well Registration Summary

General Manger Drew Satterwhite reported that there are 5 new well registrations and a total of 911 registered wells in the district.

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

The next meeting is scheduled for Thursday, October 24, 2019 at 10 a.m.

16. Adjourn.

President Patterson declared the meeting adjourned at 12:10 a.m.

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*Velma Starks*  
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Recording Secretary

*Phil Mulder*  
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Secretary-Treasurer