

**MINUTES OF THE BOARD OF DIRECTORS' BOARD MEETING
NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**

TUESDAY, JUNE 13, 2017

**MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS**

Members Present: Eddy Daniel, P.E., Allen Knight Chris Boyd, Philip Sanders, Thomas Smith, P.E., Ron Sellman, Ronny Young, Joseph Helmberger, P.E., and Evan Groeschel

Members Absent:

Staff: Drew Satterwhite, P.E., Allen Burks, Wayne Parkman, Carolyn Bennett, Velma Starks

Visitors: Peter M. Schulmeyer, Collier Consulting
Neal Welch, City of Sanger
Carl Deaton, Hankins, Eastup, Deaton, Tonn & Seay Certified Public Accountants

1. Pledge of Allegiance and Invocation

President Daniel led the group in the Pledge of Allegiance and provided the invocation.

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

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

3. Presentation of Service Appreciation Plaque to Eddy Daniel.

General Manager Satterwhite expressed appreciation for President Daniel's leadership and hard work during his eight years on the board and serving as president. Mr. Satterwhite also acknowledged Mr. Daniel's hard work and leadership as Chairman of the GMA8 Committee. The Board of Directors echoed Mr. Satterwhite's sentiments. President Daniel's thanked the Board of Directors for their hard work and support throughout the last 8 years.

Eddy Daniel left after presentation.

4. Administer Oath of Office to newly appointed Board Members.

Carolyn Bennett administered the Oath of Office to newly appointed Board Members – Evan Groeschel, Thomas Smith, and Allen Knight who was appointed to replace Eddy Daniel as Collin

County Groundwater Producers Board representative.

5. Public Comment

There were no citizens present requesting to appear before the Board of Directors for public comment.

6. Consider and act upon approval of Minutes from the April 11, 2017 board meeting

After review and discussion, motion was made by Chris Boyd and seconded by Thomas Smith to approve the Minutes from the April 11, 2017 board meeting. Motion passed unanimously.

7. Consider and act upon approval of invoices and reimbursements.

General Manager Satterwhite commented on the Sledge Law legislative item. He updated the board on the legislative bills. He reminded the Board that they had budgeted \$10,000 with the option of board review to pay more than budgeted if necessary or amend budget. The board discussed the \$10,363.00 and decided to increase the budget amount to \$15,000.00. The Board decided to put an item on the next agenda for a budget amendment. Chris Boyd made the motion to approve the liabilities. Thomas Smith seconded the motion. Motion passed unanimously.

8. Consider and act upon 2016 Audit

Carl Deaton, Partner with Hankins, Eastup, Deaton, Tonn & Seay Certified Public Accountants presented the audit. Joseph Helmberger made the motion to accept the audit as presented. Ron Sellman seconded the motion. Motion passed unanimously.

Board requested that legal counsel be asked regarding a contract for GMA8 members.

9. Receive reports from the following Committees*:

a. Budget and Finance Committee

1) Receive Monthly Financial Information

General Manager Satterwhite reviewed the financial information with the Board.

b. Groundwater Monitoring and Database Committee

1) Update on Database Development

General Manager Satterwhite reported on the meetings that have been held with INTERA and the progress that is being made.

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

General Manager Satterwhite informed the Board we are waiting on TWDB to tell us that the Explanatory Report administrative is complete.

11. Appointment of a Budget Committee

The Board decided to put this on next month's agenda.

12. Appointment of a Nominating Committee for Election of Officers

The Board appointed Philip Sanders, Thomas Smith, and Ron Sellman to serve on the Nominating Committee.

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

a. Strittmatter Irrigation & Supply, Inc. lawsuit

General Manager Satterwhite provided a brief overview of the where the lawsuit stood. The Board requested that Kristen put together a confidential information report for the Board.

b. District rules and procedures

General Manager Satterwhite requested Board direction on the f discovery of unregistered non-exempt wells. The Board discussed charging late fees, payment of past production based on formulas to calculate the amounts due, and credits to producers already fined for nonpayment. The Board decided that the District should allow 90 days for installation of a meter after first contact, at 91 days a violation is to be assessed. Send certified letters to the well owners informing them of the need to register the well. The District staff will work with legal counsel to develop a protocol for the unregistered wells, as well as how to handle the past unregistered well owners who have already paid based upon the formulaic approaches. Philip Sanders made motion, subject to approval and other recommendations by legal counsel, to set a time frame for notified well owners to register their well(s), allow 90 days for installation of a meter, with a violation assessed if the well owner does not register their well or meter their well within established timeframes. A Thomas Smith seconded the motion. Motion passed unanimously.

The Board then discussed a well located on wedding venue property. The Board concurred with the determination the well is non-exempt.

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

a. Update on oil and gas and disposal/injection well monitoring activities with the Railroad Commission of Texas

No report

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

Legal Counsel and Hydrogeologist will be at next meeting to discuss future spacing and permanent rules. Other items requested on the next agenda include election of officers, appointment of a committee for budget and permanent rules. The Board requested staff to submit a letter to non-exempt well owners stating that no rate increase is anticipated.

16. Adjourn public meeting

Ronny Young declared the meeting adjourned 11:13 a.m.

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Velma Starks
Recording Secretary

Erin Crossley
Secretary-Treasurer