

**NORTH TEXAS  
GROUNDWATER  
CONSERVATION  
DISTRICT**

**BOARD MEETING**

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

**TUESDAY  
DECEMBER 11, 2018  
10:00 AM**

# NOTICE OF PUBLIC MEETING

OF THE  
BOARD OF DIRECTORS of the

**NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**  
at the

**Mustang SUD Administrative Offices**

**7985 FM 2931**

**Aubrey, Texas**

**Tuesday, December 11, 2018**

## Board Meeting

The regular Board Meeting will begin at 10:00 a.m.

Notice is hereby given that the Board of Directors of the North Texas Groundwater Conservation District ("District") may discuss, consider, and take all necessary action, including expenditure of funds, regarding each of the agenda items below:

### Agenda:

1. Pledge of Allegiance and Invocation.
2. Call to order, establish quorum; declare meeting open to the public.
3. Public comment.
4. Consider and act upon approval of the minutes from the November 13, 2018, Board meeting.
5. Consider and act upon approval of invoices and reimbursements.
6. Receive reports from the following Committees\*:
  - a. Budget and Finance Committee
    - 1) Receive Monthly Financial Information
7. Consider and act upon adoption of a District Flow Testing Procedure Manual.
8. Consider and act upon permanent rules adoption, including well spacing, exemptions, permitting and other regulatory requirements related to water wells within the District.
9. Consider and act upon adoption of District Hydrogeological Report requirements.
10. Consider and act upon 2019 legislative consulting efforts.

11. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs).
12. Consider and act upon compliance and enforcement activities for violations of District rules.
13. General Manager's Report: The General Manager will update the board on operational, educational and other activities of the District.
14. Open forum / discussion of new business for future meeting agendas.
15. Adjourn public meeting.

\* Reports from District standing committees will include a briefing by each committee for the Board on the activities of the committee, if any, since the last regular Board meeting.

*The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.*

*These public meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting, please call (855) 426-4433 at least 24 hours in advance of the meeting to coordinate any special physical access arrangements.*

*For questions regarding this notice, please contact Velma Starks at (855) 426-4433, at [ntqcd@northtexasqcd.org](mailto:ntqcd@northtexasqcd.org), or at 5100 Airport Drive, Denison, TX 75020.*

At any time during the meeting or work session and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the North Texas Groundwater Conservation District Board may meet in executive session on any of the above agenda items or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); deliberation regarding personnel matters (§551.074); deliberation regarding security devices (§551.076); and deliberation regarding cybersecurity (§551.089). Any subject discussed in executive session may be subject to action during an open meeting.

ATTACHMENT 4

MINUTES OF THE BOARD OF DIRECTORS' BOARD MEETING AND PUBLIC HEARING  
NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

TUESDAY NOVEMBER 13, 2018

MUSTANG SUD ADMINISTRATIVE OFFICES  
7985 FM 2931  
AUBREY, TEXAS

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Members Present: Ronny Young, Allen Knight, Maurice Schwanke, David Flusche, Joe Helmberger, and Thomas Smith

Members Absent: Ron Sellman, Evan Groeschel, and Chris Boyd

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

Visitors: Kristen Fancher, Fancher Legal  
James Beach, WSP  
Peter M. Schulmeyer, Collier Consulting  
Jason Flynt, Barco Well Service  
Neal Welch, City of Sanger  
Dale Chepulis, Double D Drilling  
Nick Chepulis, Double D Drilling  
John Faulkner, Faulkner & Son Water Well  
Les Westbrook, Axis Drilling

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1. Pledge of Allegiance and Invocation

President Ronny Young led the group in the Pledge of Allegiance and Thomas Smith provided the invocation.

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

President Young called the meeting to order 10:02 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public Comment

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

4. Consider and act upon approval of the minutes from the October 9, 2018 board meeting

Motion was made by Thomas Smith to approve the minutes of the October 9, 2018 meeting.

The motion was seconded by Allen Knight, and passed unanimously.

5. Consider and act upon approval of invoices and reimbursements

After review and brief discussion Allen Knight made the motion to approve Resolution No. 2018-11-13-01. Thomas Smith seconded the motion. Motion passed unanimously.

6. Consider and act upon confirming execution of Engagement Letter for Audit Services for Fiscal year ending December 31, 2018.

General Manager Drew Satterwhite provided the board with background information. Board Member Joe Helmberger made the motion to authorize the engagement letter with McClanahan and Holmes, LLP for the 2018 audit. Board Member David Flusche seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite provided the board with background information. Board Member Joe Helmberger made the motion to accept the contract with Greater Texoma Utility Authority. Board Member Allen Knight seconded the motion. Motion passed unanimously.

8. Receive reports from the following Committees\*:

a. Budget and Finance Committee

1) Receive Monthly Financial Information

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

b. Investment Committee  
No Report

c. Groundwater Monitoring and Database Committee

General Manager Drew Satterwhite reported that the work is continuing on the database.

d. Management Plan Committee  
No Report

9. Consider and act upon legislative consulting efforts.

The Board felt that since the member who had requested this item to be placed on the agenda was not present, that the item should be tabled until the next meeting. Board Member Thomas Smith made the motion to table this item until the next meeting. Board Member David Flusche seconded the motion. Motion passed unanimously.

10. Consider and act upon permanent rules adoption.

Board President Ronny Young informed the Board that the District received written public

comments on the proposed rules, and has been actively working with all stakeholders, including well drillers, consultants, well owners and operators, pump installers, and pump dealers, to obtain information for the Board to consider prior to adopting the new rules. He recommended that the Board allow additional time for the public to provide written comments so that the District may fully review and consider all stakeholder comments before the rules are adopted. This would extend the public comment period to Wednesday, November 21<sup>st</sup>, and final adoption of the rules will be on the agenda for the regular board meeting on December 11<sup>th</sup>. Written comments will be accepted by email, mail, or hand-delivery at the District office. A brief discussion was held.

Board Member Maurice Schwanke made the motion to extend the public comment period until Wednesday, November 21<sup>st</sup> and adoption of the rules to be on the agenda for the December 11<sup>th</sup> meeting. Board Member David Flusche seconded the motion. Board Member Joe Helmberger voted against the extension of public comments until November 21<sup>st</sup>. Motion passed with vote of five (5) for and one (1) against the motion.

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

General Manager Drew Satterwhite informed the board that the GMA 8 will be meeting on November 30, 2018 to select a professional consultant from the applicants received.

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

a. Lonestar Water Wells –Dudley Boyd

General Manager Drew Satterwhite informed the Board that Lonestar Water Wells has failed to send completion and well logs within allowed time resulting in a minor violation of \$100 dollars. Board Member Thomas Smith made the motion to fine Lonestar Water Wells \$100 dollars minor violation fee. Board Member Allen Knight seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite reported that there have been 47 new well registrations during the month of October 2018.

14. Open forum/discussion of new business for future meetings

Board President Ronny Young asked those present if anyone had any further comments they would like to make to the Board.

Dale Chepulis, Double D Drilling commented that the Board stated that they have been working 18 months on the rules. He stated that the agendas should have given specific information as to what specific rules were going to be discussed at a particular meeting. He questioned why the board seemed to be rushing to adopt the rules. General Manager Drew Satterwhite informed him that Chapter 36 require that these rules be adopted. Mr. Chepulis stated that there should

be more communication and discussion between the board and drillers.

The Board suggested that a workshop with the drillers should be considered after the rules are adopted.

The next board meeting will be held December 11, 2018 at which time the rules are to be adopted.

15. Adjourn public meeting

President Young declared the meeting adjourned at 10:32 a.m.

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\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Secretary-Treasurer



ATTACHMENT 5

RESOLUTION NO. 2018-12-11-01

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER  
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE  
MONTH OF NOVEMBER

The following liabilities are hereby presented for payment:

| <u>Administrative Services</u>                                   | <u>Amount</u>       |
|--|---------------------|
| GTUA-November  | 27,821.48           |
| <br>   |                     |
| <u>Consultant</u>  |                     |
| WSP USA - Professional Services through October                  | 105.00              |
| <br>   |                     |
| <u>Direct Costs</u>  |                     |
| NexTraq-November 2018 GPS Tracking                               | 39.95               |
| United Systems Technology - E-Bill charges from 6/30/18-11/30/18 | 9.36                |
| <br>   |                     |
| <u>Injection Well Monitoring</u>                                 |                     |
| Statewide Plat Services - September 2018                         | 50.00               |
| Statewide Plat Services - October 2018                           | 56.40               |
| <br>   |                     |
| <u>Legal</u>   |                     |
| Kristin Fancher PLLC - October 2018 General Services             | 3,982.00            |
| <br>   |                     |
| <u>Meetings &amp; Conferences</u>                                |                     |
| Mustang SUD-BOD Room Rental November 2018                        | 75.00               |
| <br>   |                     |
| <b>GRAND TOTAL:</b>  | <b>\$ 32,139.19</b> |

On motion of \_\_\_\_\_ and seconded by

\_\_\_\_\_

the foregoing Resolution was passed and approved on this, the 11th day of December, 2018 by the following vote:

AYE:

NAY:

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary/Treasurer

ATTACHMENT 6 A-1

## North Texas Groundwater Conservation District

**Balance Sheet**

For General Fund (00)

November 30, 2018

**Assets**

|             |                             |                        |
|-------------|-----------------------------|------------------------|
| 00-01-10001 | Checking Account            | 183,062.94             |
| 00-01-10005 | Index Account               | 6,587.44               |
| 00-01-10008 | Cash- TexStar               | 908,870.56             |
| 00-01-10010 | Investments                 | 500,000.00             |
| 00-01-10025 | Accounts Receivable         | 145,705.24             |
| 00-01-10041 | A/R Saratoga UWCD           | 173.02                 |
| 00-01-10048 | A/R Strittmatter Irrigation | 14,000.00              |
| 00-01-10050 | A/R 440 Ranch               | 1,500.00               |
| 00-01-10052 | A/R Alpha Omega             | 100.00                 |
| 00-01-12001 | PP Expense                  | 2,375.90               |
|             | <b>Total</b>                | <u>1,762,375.10</u>    |
|             | <b>Total Assets</b>         | <u>\$ 1,762,375.10</u> |

**Liabilities and Fund Balance**

|             |  |                        |
|-------------|--|------------------------|
| 00-01-23100 | Accounts Payable                             | 34,802.83              |
| 00-01-23150 | Well Drillers Deposits                       | 43,650.00              |
|             | <b>Total</b>                                 | <u>78,452.83</u>       |
|             | <b>Total Liabilities</b>                     | <u>78,452.83</u>       |
| 00-01-35100 | Fund Balance                                 | 1,292,708.63           |
| 00-01-35110 | Current Year Excess of Revenue over Expenses | 163,166.99             |
|             | <b>Total</b>                                 | <u>1,455,875.62</u>    |
|             | Excess of Revenue Over Expenditures          | 228,046.65             |
|             | <b>Total Fund Balances</b>                   | <u>1,683,922.27</u>    |
|             | <b>Total Liabilities and Fund Balances</b>   | <u>\$ 1,762,375.10</u> |

North Texas Groundwater Conservation District

Statement of Revenue and Expenditures

Revised Budget

For General Fund (00)

For the Fiscal Period 2018-11 Ending November 30, 2018

| Account Number                     | Current Budget     | Current Actual      | Annual Budget        | YTD Actual           | Remaining Budget % |
|------------------------------------|--------------------|---------------------|----------------------|----------------------|--------------------|
| <b>Revenues</b>                    |                    |                     |                      |                      |                    |
| 00-01-46001 Well Production Fees   | \$ 0.00            | \$ 0.00             | \$ 698,000.00        | \$ 634,680.57        | 9.07%              |
| 00-01-46003 Well Registration Fees | 1,500.00           | 2,400.00            | 18,000.00            | 20,900.00            | (16.11%)           |
| 00-01-46005 Well Drillers Fees     | 0.00               | 0.00                | 0.00                 | 1,300.00             | 0.00%              |
| 00-01-46010 GMA8 Fees              | 0.00               | 0.00                | 10,000.00            | 1,730.20             | 82.70%             |
| 00-01-46015 Late Fees              | 0.00               | 0.00                | 0.00                 | 8,949.73             | 0.00%              |
| 00-01-46016 Penalty and Fines      | 0.00               | 0.00                | 0.00                 | 1,600.00             | 0.00%              |
| 00-01-46100 Interest Inc           | 0.00               | 7,997.49            | 1,500.00             | 13,975.78            | (831.72%)          |
| <b>Total General Fund Revenues</b> | <b>\$ 1,500.00</b> | <b>\$ 10,397.49</b> | <b>\$ 727,500.00</b> | <b>\$ 683,136.28</b> | <b>6.10%</b>       |

**Expenditures**

|  |                     |                     |                      |                      |               |
|--|---------------------|---------------------|----------------------|----------------------|---------------|
| 00-01-77012 Admin-Mileage              | \$ 208.33           | \$ 52.59            | \$ 2,500.00          | \$ 2,051.88          | 17.93%        |
| 00-01-77013 Admin-Secretarial          | 2,500.00            | 2,072.00            | 30,000.00            | 14,372.24            | 52.09%        |
| 00-01-77014 Admin-Project Coordinator  | 1,250.00            | 720.00              | 15,000.00            | 14,469.89            | 3.53%         |
| 00-01-77015 Admin-GM                   | 4,583.33            | 4,370.00            | 55,000.00            | 51,198.00            | 6.91%         |
| 00-01-77016 Admin-Clerical             | 2,750.00            | 2,580.00            | 33,000.00            | 30,300.00            | 8.18%         |
| 00-01-77025 Accounting                 | 2,083.33            | 4,381.50            | 25,000.00            | 25,321.50            | (1.29%)       |
| 00-01-77027 Auditing                   | 0.00                | 0.00                | 5,500.00             | 5,400.00             | 1.82%         |
| 00-01-77030 Advertising                | 83.33               | 0.00                | 1,000.00             | 1,451.55             | (45.16%)      |
| 00-01-77050 Banking Fees               | 0.00                | 0.00                | 0.00                 | 60.00                | 0.00%         |
| 00-01-77150 Consulting- Hydrogeo       | 7,083.33            | 105.00              | 85,000.00            | 33,956.27            | 60.05%        |
| 00-01-77325 Direct Cost                | 333.33              | 947.21              | 4,000.00             | 4,494.44             | (12.36%)      |
| 00-01-77450 Dues & Subscription        | 166.67              | 0.00                | 2,000.00             | 1,990.08             | 0.50%         |
| 00-01-77480 Equipment                  | 0.00                | 0.00                | 2,000.00             | 835.19               | 58.24%        |
| 00-01-77500 Fees-GMA8                  | 916.67              | 840.47              | 11,000.00            | 2,866.74             | 73.94%        |
| 00-01-77550 Field Tech                 | 10,416.67           | 8,279.50            | 125,000.00           | 97,747.00            | 21.80%        |
| 00-01-77560 Field Permitting/Geologist | 5,833.33            | 3,200.50            | 70,000.00            | 38,776.00            | 44.61%        |
| 00-01-77650 Fuel/Maintenance           | 250.00              | 182.69              | 3,000.00             | 3,019.48             | (0.65%)       |
| 00-01-77800 Injection Well Monitoring  | 58.33               | 50.00               | 700.00               | 544.80               | 22.17%        |
| 00-01-77810 Insurance                  | 0.00                | 339.42              | 4,000.00             | 4,270.10             | (6.75%)       |
| 00-01-77970 Legal                      | 4,166.67            | 0.00                | 50,000.00            | 40,938.43            | 18.12%        |
| 00-01-77975 Legal-Injection            | 833.33              | 0.00                | 10,000.00            | 16,840.20            | (68.40%)      |
| 00-01-78010 Meetings & Conferences     | 375.00              | 436.97              | 4,500.00             | 4,561.17             | (1.36%)       |
| 00-01-78310 Rent                       | 200.00              | 200.00              | 2,400.00             | 2,200.00             | 8.33%         |
| 00-01-78600 Software Maint             | 833.33              | 31.50               | 10,000.00            | 55,117.91            | (451.18%)     |
| 00-01-78610 Telephone                  | 166.67              | 179.50              | 2,000.00             | 2,306.96             | (15.35%)      |
| <b>Total General Fund Expenditures</b> | <b>\$ 45,091.65</b> | <b>\$ 28,968.85</b> | <b>\$ 552,600.00</b> | <b>\$ 455,089.63</b> | <b>17.65%</b> |

**General Fund Excess of Revenues Over Expenditures** \$ (43,591.65) \$ (18,571.36) \$ 174,900.00 \$ 228,046.65 (30.39%)

**North Texas Groundwater Conservation District  
Statement of Revenue and Expenditures  
YTD Comparative Statement  
For the Fiscal Period Ending November 2018**

| Account Number   | Previous YTD Actual  | YTD Actual           |
|--|----------------------|----------------------|
| <b>Revenue</b>   |                      |                      |
| 00-01-46001 Well Production Fees                             | 468,383.85           | 634,680.57           |
| 00-01-46003 Well Registration Fees                           | 14,800.00            | 20,900.00            |
| 00-01-46005 Well Drillers Fees                               | 0.00                 | 1,300.00             |
| 00-01-46010 GMA8 Fees  | (2,748.36)           | 1,730.20             |
| 00-01-46015 Late Fees  | 780.49               | 8,949.73             |
| 00-01-46016 Penalty and Fines                                | 2,600.00             | 1,600.00             |
| 00-01-46100 Interest Inc                                     | 1,907.19             | 13,975.78            |
| <b>Total General Fund Revenues</b>                           | <u>\$ 485,723.17</u> | <u>\$ 683,136.28</u> |
| <br><b>Expenditures</b>                                      |                      |                      |
| 00-01-77012 Admin-Mileage                                    | 1,869.81             | 2,051.68             |
| 00-01-77013 Admin-Secretarial                                | 20,643.00            | 14,372.24            |
| 00-01-77014 Admin-Project Coordinator                        | 19,452.00            | 14,469.89            |
| 00-01-77015 Admin-GM   | 48,156.00            | 51,198.00            |
| 00-01-77016 Admin-Clerical                                   | 30,533.52            | 30,300.00            |
| 00-01-77025 Accounting                                       | 17,702.65            | 25,321.50            |
| 00-01-77027 Auditing   | 5,400.00             | 5,400.00             |
| 00-01-77030 Advertising                                      | 1,238.43             | 1,451.55             |
| 00-01-77050 Banking Fees                                     | 25.00                | 60.00                |
| 00-01-77150 Consulting- Hydrogeo                             | 79,788.76            | 33,956.27            |
| 00-01-77175 Consulting - Model Runs                          | 0.00                 | 0.00                 |
| 00-01-77325 Direct Cost                                      | 5,103.88             | 4,494.44             |
| 00-01-77450 Dues & Subscription                              | 3,078.83             | 1,990.08             |
| 00-01-77480 Equipment  | 1,495.71             | 835.19               |
| 00-01-77500 Fees-GMA8  | 3,399.07             | 2,866.74             |
| 00-01-77550 Field Tech                                       | 109,981.50           | 97,747.00            |
| 00-01-77560 Field Permitting/Geologist                       | 740.00               | 38,776.00            |
| 00-01-77650 Fuel/Maintenance                                 | 2,619.71             | 3,019.48             |
| 00-01-77800 Injection Well Monitoring                        | 584.40               | 544.80               |
| 00-01-77810 Insurance  | 4,224.04             | 4,270.10             |
| 00-01-77970 Legal  | 36,661.80            | 40,938.43            |
| 00-01-77975 Legal-Injection                                  | 16,606.30            | 16,840.20            |
| 00-01-77980 Legal-Legislation                                | 14,095.00            | 0.00                 |
| 00-01-78010 Meetings & Conferences                           | 3,354.22             | 4,561.17             |
| 00-01-78310 Rent   | 2,200.00             | 2,200.00             |
| 00-01-78600 Software Maint                                   | 39,344.57            | 55,117.91            |
| 00-01-78610 Telephone  | 1,879.72             | 2,306.96             |
| <b>Total General Fund Expenditures</b>                       | <u>\$ 470,177.92</u> | <u>\$ 455,089.63</u> |
| <br><b>General Fund Excess of Revenues over Expenditures</b> | <br>\$ 15,545.25     | <br>\$ 228,046.65    |

ATTACHMENT 7

DATE: December 3, 2018

SUBJECT: AGENDA ITEM NO. 7

**CONSIDER AND ACT UPON ADOPTION OF A DISTRICT FLOW TESTING PROCEDURE MANUAL**

**ISSUE**

As the District moves into permanent rules and spacing becomes effective, the District staff believes there may need to have a flow testing procedure in place to provide field staff with guidance.

**BACKGROUND**

The District is expected to have permanent rules become effective at the beginning of 2019. Part of the permanent rules package includes new spacing requirements which vary based on the maximum instantaneous flow rate of a well. The District currently has the draft rules posted on the website and had a public comment period that extended to November 21, 2018. During the comment period, three (3) written comments were received by the District which were ultimately forwarded to the Board of Directors.

**CONSIDERATIONS**

During the public comment period, staff met, emailed and had phone conversations with several drillers and pump representatives that operate in the District. The conclusion from these conversations was 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.

**STAFF RECOMMENDATIONS**

The staff recommends that the Board review and consider adopting a Flow Testing Procedure.

**ATTACHMENTS**

Draft Flow Testing Procedure

PREPARED AND SUBMITTED BY:



\_\_\_\_\_  
Drew Satterwhite, P.E., General Manager



## District Flow Testing Procedure

The purpose of this document is to provide the District staff and water well contractors with guidance as to how the District will test the flow rates of new wells following the adoption of permanent rules. It is understood that spacing requirements will take effect upon adoption of permanent rules and that the new wells will be spaced from existing wells using a formula based upon the maximum flow rate of the new well. Furthermore, the District recognizes the difficulty in selecting a pump that will pump exactly what is desired by the well owner or contractor. This document explains the process the District will go through to determine the flow rate of a well and the acceptable margin for error allowed for pump selection.

### Process

- Check for the presence of flow restricting devices and ensure pump is running at 100% speed if equipped with VFD.
  - If VFD speed is not readily available, it is up to the well owner representative to demonstrate/prove the VFD is set to 100% speed.
- The well owner representative is responsible for having the well configured ahead of time so that the District staff can test the well by either of 2 methods described below:
  1. At the well head before the well is tied into the system that it will ultimately serve; or
  2. Through a bypass installed immediately downstream of the meter, but located within 50 feet downstream of the well head.
    - A “bypass” for these purposes means an installation downstream of the meter that is of equal size to the discharge pipe so that there is unobstructed flow for purposes of measuring the maximum flow capacity from a well.
- After District staff arrives on site and has flow metering equipment in place to record a reading, the well owner representative may run the pump for up to 15 minutes continuously prior to taking final flow reading.
  - The well owner representative can run the well ahead of the site visit in order to further stabilize water levels if desired, but District staff should not wait longer than 15 minutes for flow and water levels in well to stabilize once District staff has the metering equipment in place to record a flow reading.
- At the point where the flow has stabilized or the 15 minutes of run-time has concluded, whichever occurs first, the District staff will document the maximum flow rate.
  - The maximum flow rate will be allowed up to a 10% or up to 25 gpm margin for error, whichever is less.
    - Example 1: 17.36 gpm well must read < 19.1 gpm
    - Example 2: 500 gpm must read < 525gpm
- If a re-test is requested by the well owner representative, the District will re-visit the site one (1) additional time for the purposes of testing the flow.

ATTACHMENT 8

**RESOLUTION NO. 2018-12-11-01**

**A RESOLUTION AND ORDER OF THE BOARD OF DIRECTORS OF THE NORTH  
TEXAS GROUNDWATER CONSERVATION DISTRICT  
ADOPTING DISTRICT RULES**

WHEREAS, the North Texas Groundwater Conservation District (the "District") is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, Section 59, of the Texas Constitution as a groundwater conservation district, acting pursuant to and in conformity with Chapter 36, Texas Water Code and Act of May 19, 2009, 81st Leg., R.S., ch. 248, 2009 Tex. Gen. Laws 686, codified at Chapter 8856 of the Texas Special District Local Laws Code (the "District Act");

WHEREAS, under the direction of the Board of Directors of the District (the "Board"), and in accordance with Sections 36.002, 36.101, and 36.1071(f) of the Texas Water Code, and the District Act, the District has undertaken significant revisions to the District's Rules;

WHEREAS, Section 36.108 of the Texas Water Code requires the District to participate in the joint planning process and ultimately adopt a Desired Future Condition for each of the relevant aquifers within the District;

WHEREAS, Sections 36.101(b) and 36.1071(f) of the Texas Water Code require the District to adopt rules necessary to implement its Management Plan;

WHEREAS, the District has completed all statutory conditions precedent to adopting rules that will implement the District's Desired Future Conditions and Management Plan, including proposing Desired Future Conditions for adoption by Groundwater Management Area 8, adoption of the Desired Future Conditions applicable to the District by the District Board, and revising and readopting the District's Management Plan;

WHEREAS, the District Board has made all considerations required by Section 36.101(a) of the Texas Water Code in preparing revisions to the District Rules;

WHEREAS, Section 36.113 of the Texas Water Code requires the District to issue permits for wells that are not exempt from the District's permitting requirements;

WHEREAS, the District Board has conducted numerous public meetings, dating back to April 11, 2017, to thoroughly review and consider the District's Rules revisions;

WHEREAS, the District issued notice in the manner required by Section 36.101(d) of the Texas Water Code and held a public hearing on October 9, 2018, at 10:00 a.m. at the District's meeting place located at Mustang SUD Administrative Offices, 7985 FM 2931, Aubrey, Texas, to receive verbal and written comments on the revised District Rules;

WHEREAS, the District Board authorized an extension of the public comment period to November 21, 2018, providing additional time for the public to provide written comments on the revised District Rules;

WHEREAS, the District received three written comments, which have been thoroughly reviewed and considered by the District staff, legal counsel, and Board during the rulemaking process;

WHEREAS, the District has met with interested stakeholders in accordance with Section 36.101(j) of the Texas Water Code, and has reviewed and considered all comments received;

WHEREAS, the District has revised its proposed rules to incorporate language that is intended to address the comments received, including adding clarifying language, adopting a Flow Testing Procedure manual that provides the parameters for flow testing and an acceptable range for meeting the 17.36 gallons per minute (25,000 gallons per day) exemption, and allowing dose valves to be placed below the wellhead; and

WHEREAS, after the public hearing, the Board of Directors met in a regular board meeting on December 11, 2018, properly noticed in accordance with state law, and considered adoption of the attached District Rules and approval of this resolution after due consideration of all comments received.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT AS FOLLOWS:**

1. The above recitals are true and correct;
2. The Board of Directors hereby approves and adopts the amendments to the District Rules and the District Enforcement Policy and Civil Penalty Schedule, which are included as "Attachment A" to this Resolution;
3. The Board of Directors hereby adopts and incorporates the District's Response to Public Comments as "Attachment B" to this Resolution;
4. The attached District Rules shall take effect on January 1, 2019; and
5. The District's Board of Directors, its officers, District staff, and District legal counsel are further authorized to take any and all actions necessary to implement this Resolution.

**AND IT IS SO ORDERED.**

**PASSED AND ADOPTED** on this 11th day of December, 2018.

**NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**

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Ronny Young, Board President

ATTEST:

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Allen Knight, Board Secretary-Treasurer

## ATTACHMENT B

### DISTRICT'S RESPONSE TO PUBLIC COMMENTS

#### **I. Introduction**

Section 36.101(d) of the Texas Water Code sets forth the procedural requirements for the North Texas Groundwater Conservation District (“District”) to conduct a rulemaking hearing and adopt revisions to the District rules. A public hearing was held on October 9, 2018, at 10:00 a.m., at the District’s meeting place located at the Mustang Special Utility District offices, 7985 FM 2931, Aubrey, Texas. The District thereafter provided two additional extension periods for the public to provide written comments, with the public comment period closing at 5:00 p.m. on November 21, 2018.

The District received one verbal comment at its November 13, 2018, Board meeting on the proposed rules, and also received three sets of written public comments during the public comment period, including those from Gicon Pumps and Equipment (“Gicon”), Axis Drilling (“Axis”), and Collier Consulting (“Collier”).

#### **II. Response to Comments**

Gicon and Axis submitted written comments and the District also received verbal comments regarding the new 17.36 gallons per minute (25,000 gallons per day) exemption threshold for new wells, and primarily include logistical considerations related to water well pump selection and flow rate testing. The District received comments from Collier related to flow testing of wells. The District thoroughly reviewed the issues presented in these comments and has revised the rules to include reference to a Flow Testing Procedure manual in District Rule 4.4(a) that provides specific parameters for flow testing new wells and an acceptable range for meeting the 17.36 gallons per minute exemption threshold. The Flow Testing Procedure manual is a separate document from the rules that can be revised by the Board if needed in the future, and is intended to provide clarity and consistency to the public in the District’s flow testing procedures. The District also amended its rules to address the comments received on the 17.36 exemption threshold for new wells by specifically authorizing dole valves to be placed below the wellhead, as set forth in District Rule 1.1(9) (Definition of “Artificial Flow Restrictors”).

With regard to increasing the 17.36 gallons per minute exemption threshold, the District has thoroughly reviewed and considered the language and intent set forth in

Section 36.117(b) of the Texas Water Code, which sets the exemption threshold for water wells as follows:

In order for a well to be exempt, it must meet each of the following criteria:

1. Be used solely for domestic, livestock or poultry purposes;
2. Be located on a tract of land consisting of more than 10 acres in size; and
3. Be equipped not to exceed a pumping capacity of 25,000 gallons per day (17.36 gallons per minute).

Based on this language set forth in Section 36.117(b) of the Texas Water Code, the District finds that the exemption criteria authorized by law is significantly more restrictive than the new exemption criteria set by the District. Therefore, the changes made to address public comment with regard to the new 17.36 gallons per minute exemption criteria, as discussed above, resolve the logistical concerns presented while also preserving the District's objective of being consistent with the statutory language related to exemptions.

Collier presented a number of comments to the District's rules, which were thoroughly reviewed and considered by the District. Some comments, such as the comment regarding the definition of "Artificial Flow Restrictors" and the application of Rule 3.1(d) have since been revised to include clarifying language. In addition, a number of Collier's comments are addressed by specific language in Chapter 36 of the Texas Water Code. For example, the use of "historic" versus "historical" is based on Section 36.001(29) of the Texas Water Code, and other similar provisions that use the term "historic" throughout the statutes. Another similar example is the definition of "Groundwater," which is based on Section 36.001(5) of the Texas Water Code. Also, with regard to Section 6 of the rules, the District does not have the authority under Chapter 36 or its enabling legislation to restrict or limit the production of exempt wells. In addition, Rule 3.12(b) is the precise language from Section 36.1132 of the Texas Water Code. Other comments are believed to be addressed by the language in the rules. For example, Rule 3.17 allows for an Emergency Permit and can apply to Certificate of Convenience and Necessity holders if needed in the future. Also, Rule 4.2 states that well spacing is based on wells completed in the same aquifer (reference provided in the rule itself and in the associated chart).

ATTACHMENT 9





## AGENDA COMMUNICATION

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**DATE:** December 3, 2018

**SUBJECT:** AGENDA ITEM NO. 9

### CONSIDER AND ACT UPON ADOPTION OF A DISTRICT HYDROGEOLOGICAL REPORT REQUIREMENTS

#### ISSUE

As the District moves into permanent rules, the District will require a hydrogeological report to be submitted as part of the application process for wells capable of producing 200 gallons per minute or more.

#### BACKGROUND

The District Board reviewed the draft hydrogeological report requirements at the May 2018 meeting. All comments from that meeting have been incorporated into the draft document.

#### CONSIDERATIONS

A hydrogeological report will only be required on wells capable of producing 200 gallons per minute or more.

#### STAFF RECOMMENDATIONS

The staff recommends that the Board review and consider adopting Hydrogeological Report Requirements.

#### ATTACHMENTS

Draft Hydrogeological Report Requirements

#### **PREPARED AND SUBMITTED BY:**

Drew Satterwhite, P.E., General Manager

**NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT**  
**HYDROGEOLOGICAL REPORT GUIDELINES**

*Adopted pursuant to District Rules 3.10(a)(13), 3.10(b) and 3.15(b)*

**I. Introduction**

- A. Hydrogeological Reports that meet the criteria in these guidelines must be included with administratively complete applications for any of the following:
1. requests to drill and operate a proposed new well or well system with a proposed aggregate production capacity of 200 gallons per minute or more;
  2. requests to modify or increase an existing well or well system that would result in the existing well(s) being equipped to produce 200 gallons per minute or more; and/or
  3. exception to spacing requirements for wells covered by (1) or (2) above.
- B. Purpose of the Hydrogeological Report is to provide the District with hydrogeological information addressing the impacts of the proposed well on existing wells and in relation to the Desired Future Condition (DFC) for the applicable aquifer, as required by Sections 36.113(d) and 36.1132 of the Texas Water Code.
- C. Reports submitted pursuant to District Rules 3.10(a)(13), 3.10(b) and 3.15(b) and these guidelines are required to be sealed by a Professional Geoscientist or Professional Engineer licensed in the State of Texas.
- D. Hydrogeological Reports submitted to the District should follow the chronological order of the criteria set forth in Section II.

**II. Required Content of Hydrogeological Reports**

- A. Well construction specifics must include the following:
1. Details on all aspects of well.
  2. Schematic well construction diagram.
  3. Lithologic description of geology encountered during well drilling.
  4. Identify specific location through maps:
    - a. Maps showing location of property relative to county level, location of well relative to property boundaries, and other relevant features
- B. Discussion of hydrogeologic setting must include the following:
1. Identification of the aquifer.
  2. Discussion of surface and subsurface geology at well site.
    - a. Include whether there is any occurrence of any significant groundwater recharge features such as outcrop, surface water bodies, caves, sinkholes, faults or other geologic features.

3. Include depth interval of proposed water bearing zone and identify target production zone.
  4. Provide anticipated thickness of water bearing zone.
  5. Identify whether the target production zone is anticipated to be confined or unconfined.
  6. Provide estimates of thickness of confining layer at well site location.
  7. Provide specific aquifer parameters at the well site, including transmissivity, hydraulic conductivity and storativity based on the Texas Water Development Board (TWDB) approved Groundwater Availability Model for the aquifer.
    - a. Provide a discussion of the variability of wells in the area, if applicable.
  8. Identify all registered wells within a 1-mile radius of the proposed well using publicly-available District well database.
    - a. In the event the 1-mile radius does not include any registered wells, the radius will be extended to a 2-mile radius in order to address impacts under Section II(D)(3) of these guidelines.
  9. Include identification of streams or springs within 1-mile radius of the proposed well.
- C. Water quality analysis must include the following:
1. Include discussion of known quality in the area based on literature and well reports.
- D. Interference analysis must include the following:
1. Provide a quantitative analysis that shows the projected impacts from proposed production.
    - a. Simulation results must be included showing drawdown at 24 hours, 30 days, and 1 year (contoured with the smallest contour equal to 1-foot water level decline).
      - i. Include discussion of the methodology used for estimating drawdown, including software that was used, the assumptions and/or solution method employed.
      - ii. Include illustration and/or maps showing the estimated cone of depression. If there is more than one well in the group, two maps should be included demonstrating:
        - (1) contours for impacts from pumping the proposed well only;  
and
        - (2) contours for impacts from all wells in the system.
  2. For well systems, include a discussion of the amount or degree of interference that each of the system wells may exert on other same system wells.

3. Include a discussion of the estimated impacts on existing registered wells identified under Section II(B)(8) of these guidelines.

E. Desired Future Condition (DFC) and Modeled Available Groundwater (MAG) Analysis

1. Discussion of the proposed pumping amount in relation to the MAG, as well as the impact of the proposed pumping on the adopted DFC.

**III. Post-Drilling Requirements**

A. Mandatory requirements:

1. Geophysical logs required to be submitted upon completion of the well.
  - a. Geophysical logs must consist of a resistivity or induction curve and a spontaneous potential or gamma ray curve at a minimum.
  - b. Geophysical logs performed in the initial open-borehole are required and will consist of resistivity (self potential and gamma ray at a minimum).
  - c. Wells cased with PVC require induction and gamma ray logs.
  - d. All digital log files to be submitted in LAS format as well as printed.

B. Provide if available:

- a. Digital or tabulated data of water levels measured during drawdown, specific capacity, or pumping test;
- b. field parameters of specific conductivity, temperature and pH of measurements made during the drawdown or pumping test; and/or
- c. Any laboratory analysis completed on samples collected from the well after construction and development.

**IV. Additional Construction Requirements**

A. Measuring tube at least one inch in diameter to be installed from the well head to the bottom most screen interval in all new wells with a capacity to produce 200 gpm or more.

1. The measuring tube shall be a separate PVC pipe on the outside of casing.

ATTACHMENT 13

North Texas Groundwater Conservation District

Well Registration Summary

As of November-30-2018

| Well Type   | Total Registered<br>Collin County | Total Registered<br>Cooke County | Total Registered<br>Denton County | Total NTGCD | New Registrations<br>since Oct-31-2018 |
|---|-----------------------------------|----------------------------------|-----------------------------------|-------------|--|
| Agriculture   | 7                                 | 11                               | 40                                | 58          | 2                                      |
| Commercial / Small Business                           | 7                                 | 8                                | 34                                | 49          | 4                                      |
| Domestic Use (household / lawn watering at residence) | 74                                | 379                              | 664                               | 1119        | 15                                     |
| Filling a pond or other surface impoundment**         | 46                                | 15                               | 86                                | 148         | 6                                      |
| Golf course irrigation                                | 15                                | 2                                | 21                                | 38          | 0                                      |
| Industrial / Manufacturing                            | 7                                 | 11                               | 8                                 | 27          | 0                                      |
| Irrigation  | 84                                | 4                                | 197                               | 285         | 4                                      |
| Leachate  | 0                                 | 0                                | 0                                 | 0           | 0                                      |
| Livestock Watering                                    | 7                                 | 63                               | 41                                | 111         | 1                                      |
| Monitoring  | 0                                 | 0                                | 0                                 | 0           | 0                                      |
| Municipal / Public Water System                       | 34                                | 72                               | 222                               | 329         | 1                                      |
| Other   | 10                                | 6                                | 31                                | 47          | 0                                      |
| Piezometer  | 0                                 | 0                                | 0                                 | 0           | 0                                      |
| Poultry   | 0                                 | 0                                | 0                                 | 0           | 0                                      |
| Solely to supply water for rig actively***            | 1                                 | 1                                | 7                                 | 9           | 0                                      |
| Supplying water for oil or gas production*            | 0                                 | 5                                | 57                                | 62          | 2                                      |
| Not Specified   | 16                                | 9                                | 41                                | 66          | 0                                      |
| SUM   | 308                               | 586                              | 1449                              | 2348        | 35                                     |

ADJOURN