

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

TUESDAY JULY 10, 2018

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

Members Present: Ronny Young, Thomas Smith, Maurice Schwanke, Ron Sellman, Evan Groeschel and Allen Knight

Members Absent: Chris Boyd, David Flusche, and Joe Helmberger

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

Visitors: Kristen Fancher, Fancher Legal
James Beach, WSP
Pete Schulmeyer, Collier Consulting
Neal Welch, City of Sanger
Carl Deaton, Hankins, Eastup, Deaton, Tonn & Seay

Public Hearing

Agenda:

1. Call to Order, declare hearing open to the public, and take roll.

President Ronny Young called the meeting to order at 10:02, declared hearing open to the public and took roll.

2. Conduct Show Cause hearing under Rule 9.6 on the following for alleged violations of District Rules, discuss, consider, receive testimony, and take appropriate action, including without limitation authorizing the District to initiate a civil lawsuit to enforce compliance with the District Rules, including recovery of civil penalties, costs, and attorney's fees, and all other appropriate legal and equitable relief.

A. Hydrous Americas Cable Park, LLC, 75387 Baxtershire Dr., Dallas 75230

No Hydrous Americas Cable Park, LLC representative was present. After brief discussion an additional \$500 dollar fine was decided upon to be paid within 60 days. Legal action was discussed. Thomas Smith made the motion to add \$500 dollars to current violation fee to be paid within 60 days, to pursue lawsuit, including legal fees, and injunction to shut them down until they come into compliance pursuant to state law. Ron Sellman seconded the motion. Motion passed unanimously.

3. Adjourn or continue show cause hearing.

President Ronny Young adjourned the show cause hearing at 10:08 a.m.

Board Meeting

The regular Board Meeting will begin at 10:05 a.m. or upon the adjournment of the above-noticed Public Hearing, whichever is later.

1. Pledge of Allegiance and Invocation

President Ronny Young 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 Young called the meeting to order 10:09 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 Director for public comment.

4. Consider and act upon approval of the minutes from the May 8, 2018 board meeting

Motion was made by Thomas Smith to approve the minutes of the May 8, 2018 meeting. The motion was seconded by Evan Groeschel, and passed. Ron Sellman abstained.

5. Consider and act upon approval of invoices and reimbursements

After review and brief discussion Allen Knight made the motion to approve Resolution No. 2018-07-10-01. Ron Sellman seconded the motion. Motion passed unanimously.

6. Consider and act upon 2017 Audit.

Carl Deaton, auditor with Hankins, Eastup, Deaton, Tonn & Seay presented the audit to the Board. Mr. Deaton discussed the District's fee rate in relation to budget, and the fact that enforcement of rules and fee payments is a necessary part of ensuring the District's functionality. Ron Sellman made the motion to accept the audit as presented. Allen Knight seconded the motion. Motion passed unanimously.

7. 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. Board requested a report showing comparison from last year at the same time could be provided in the future.

2) Consider and act upon 2019 Operating Budget and Adopt Rate Schedule

General Manager Drew Satterwhite reviewed the proposed budget and reminded the Board that NTGCD provides the administrative services for GMA-8. GMA-8 will be selecting a consultant at the next meeting which will have an effect on the budget. Each of the GMA-8 districts are asked to provide funding for GMA-8 business. The Budget Committee (Ronny Young, Allen Knight, and Evan Groeschel) suggested that after a selection is made, adjustments could be made as necessary. No changes were made to the production fee rate schedule. Ron Sellman made the motion to adopt the proposed budget as presented. Evan Groeschel seconded the motion. Thomas Smith had stepped out of the meeting. The motion passed unanimously with Thomas Smith absent.

b. Groundwater Monitoring and Database Committee

General Manager Drew Satterwhite updated the Board on the progress and anticipates to be working with the new database after the billing cycle.

c. Management Plan Committee

1) Receive Quarterly Report

General Drew Satterwhite presented the Quarterly Report to the Board.

8. Consider and act upon a District Vehicle Replacement Policy

General Manager Drew Satterwhite presented the Board with a proposed policy relating to vehicle replacement. After a discussion, Ron Sellman made the motion to accept the policy with an amendment to state when a District vehicle reaches 75,000 miles or 4 years-old or experiences any major problems, whichever is sooner, the District staff shall initiate efforts to seek prices on a new vehicle. Maurice Schwanke seconded the motion. Motion passed unanimously.

9. Consider and act upon opening an account with TexSTAR

General Manager Drew presented background information to the Board relating to opening an account with TexStar. After a discussion, Thomas Smith made the motion to open an account with TexSTAR. Allen Knight seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite reported to the Board that the GMA-8 met on June 27th. The Districts reported on their Management Plan and Rules. The GMA-8 will use the RFQ process to hire a consultant.

