

**NORTH TEXAS
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

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

**TUESDAY
JANUARY 9, 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, January 9, 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 December 12, 2017, 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
 - b. Investment Committee
 - 1) Receive Quarterly Investment Report
 - c. Groundwater Monitoring and Database Committee
 - d. Management Plan Committee
 - 1) Receive Quarterly Report
7. Consider and act upon accepting resignation of a District Board Member.
8. Consider and act upon Resolution of Appreciation for Philip Sanders.
9. Appointment the District's Rules Committee.

10. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs).
11. Consider and act upon compliance and enforcement activities for violations of District rules.
12. 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
13. Receive presentation regarding permanent rules development.
 - a. Consider and act upon action items for rules development
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 ntgcd@northtexasgcd.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
NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

TUESDAY DECEMBER 12, 2017

MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS

Members Present: Allen Knight, Ron Sellman, Thomas Smith, P.E., Ronny Young, and Chris Boyd

Members Absent: Joe Helmberger, P.E., Evan Groeschel, and Philip Sanders

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

Visitors: James Beach, LBG Guyton
Kristen Fancher, Fancher Law Firm
Pete Schulmeyer, Collier Consulting
Neal Welch, City of Sanger, Director Public Works

Public Meeting to Adopt Desired Future Conditions

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

President Young called the meeting to order at 10:16 a.m., established a quorum declared meeting open to the public each Board Member present stated his name.

2. Review of Desired Future Conditions applicable to the District.

President Young read the following statement regarding the Desired Future Conditions applicable to the District.

"This public meeting to adopt the Desired Future Conditions applicable to the North Texas Groundwater Conservation District (District) is held in accordance with Section 36.108(d-4) of the Texas Water Code. All notice requirements related to adoption of the Desired Future Conditions have been met.

The Desired Future Conditions were proposed for adoption by Groundwater Management Area 8 on April 1, 2016. The District held a public hearing on the Desired Future Conditions applicable to the District on May 10, 2016. Groundwater Management Area 8 thereafter adopted the Desired Future Conditions and Explanatory Report on January 31, 2017. All conditions precedent under Section 36.108 of the Texas Water Code have therefore been met prior to final adoption by the District.

The Desired Future Conditions applicable to the District are described in feet of drawdown by aquifer or aquifer layer, as follows:

District-wide average aquifer drawdown through 2070 of: 278 feet for Woodbine; 671 feet for Paluxy; 341 feet for Glen Rose; 569 feet for Twin Mountain; 290 feet for Antlers.

County-wide average aquifer drawdown through 2070 of: Collin County: 459 feet for Woodbine, 705 feet for Paluxy, 339 feet for Glen Rose, 526 feet for Twin Mountain, 570 feet for Antlers; Cooke County: 2 feet for Woodbine, 176 feet for Antlers; Denton County: 22 feet for Woodbine, 552 feet for Paluxy, 349 feet for Glen Rose, 716 feet for Twin Mountain, 395 feet for Antlers.”

3. Public Comment on District’s Desired Future Conditions (verbal comments limited to three (3) minutes each).

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

4. Consider and act upon adoption of the Desired Future Conditions applicable to the District.

Thomas Smith made the motion to adopt the Desired Future Conditions applicable to the District as presented. Allen Knight seconded the motion. Motion passed unanimously.

Board Meeting

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, 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 November 14, 2017 board meeting

Motion was made by Ron Sellman to approve the minutes of the November 14, 2017 meeting. The motion was seconded by Chris Boyd, and passed unanimously.

5. Consider and act upon approval of invoices and reimbursements

After review and brief discussion Thomas Smith made the motion to approve Resolution No.

2017-12-12-1. Chris Boyd seconded the motion. Motion passed unanimously.

6. Consider and act upon approval of Investment Policy

General Manager Drew Satterwhite provided the Board with background information. Some of the changes were the result of recent legislation. Debi Atkins reviewed the proposed Investment Policy changes with the Board. The Board requested that on page 4, section G., second sentence be changed to read "The investment committee shall meet annually or as needed to monitor and review the investments and collateral pledge agreements of the District."

The District's Investment Officers are designated by the resolution to be the Secretary of the Board of Directors, the General Manager and the Finance Officer.

Thomas Smith made the motion to accept the Investment Policy. 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.

b. Groundwater Monitoring and Database Committee

General Manager Drew Satterwhite informed the Board that INTERA is working on behind the scenes programing and should be shifting to the front end work this month.

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

Kristen Fancher reported that we are waiting on MAGs from the TWDB. May 1, 2021 is the deadline for the next proposed DFC.

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

No report.

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

General Manager Drew Satterwhite stated that 30 new wells have been registered in November.

General Manager Satterwhite reported that the first round of well monitoring has been accomplished. Staff is in the process of obtaining contracts for additional wells to be utilized in the monitoring program.

11. Receive presentation regarding permanent rules development.

a. Consider and act upon action items for rules development

Kristen Fancher reviewed a presentation regarding Rules development with the Board. The Board discussed options and requested that Kristen draft the wording for the rules for the Board to review.

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

The Board requested that a letter be sent to Cooke County to request that the County fill the vacancy on Board for Cooke County representative. Board also decided to have lunch provided at Board meetings.

13. Adjourn public meeting

President Young declared the meeting adjourned at 11:48 p.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 5

RESOLUTION NO. 2018-01-09-1

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE
MONTH OF DECEMBER 2017

The following liabilities are hereby presented for payment:

<u>Administrative Services</u>	<u>Amount</u>
GTUA - December	21,198.90
<u>Consultant</u>	
LBG Guyton - November 2017	10,082.24
<u>Direct Costs</u>	
Nextraq - December 2017	39.95
USTI - December 2017	0.56
<u>Legal</u>	
Kristen Fancher PLLC - November 2017	4,230.00
Sledge Law & Public Strategies - Through Oct 2017	86.00
<u>Legal- Injection</u>	
Sledge Law & Public Strategies - Through October 2017	919.45
<u>Meetings & Conferences</u>	
Mustang SUD - BOD Room Rental November	75.00
<u>Software Maintenance</u>	
Aquaveo - November 2017 well database maintenance	500.00
<u>Well Monitoring</u>	
Statewide Plat Service - November 2017	50.00
GRAND TOTAL:	\$ 37,182.10

On motion of _____ and seconded by _____ the
foregoing Resolution was passed and approved on this, the 9th day of January, 2018 by the following
vote:

AYE:
NAY:

President

Secretary/Treasurer

ATTACHMENT 6 A-1

Balance Sheet

For General Fund (00)

December 31, 2017

Assets

00-01-10001	Checking Account	144,113.81
00-01-10005	Index Account	205,699.88
00-01-10010	Investments	1,000,000.00
00-01-10025	Accounts Receivable	(4,900.09)
00-01-10035	A/R Central Texas GCD	184.87
00-01-10036	A/R Clearwater UWCD	184.87
00-01-10037	A/R Middle Trinity GCD	184.87
00-01-10038	A/R Northern Trinity GCD	184.87
00-01-10039	A/R Post Oak Savannah GCD	184.87
00-01-10040	A/R Prairielands GCD	184.87
00-01-10041	A/R Saratoga UWCD	184.87
00-01-10042	A/R Southern Trinity GCD	184.87
00-01-10043	A/R Upper Trinity GCD	184.87
00-01-10044	A/R Red River GCD	184.87
00-01-10048	A/R Strittmatter Irrigation	14,000.00
00-01-10050	A/R 440 Ranch	1,500.00
00-01-12001	PP Expense	2,976.00
	Total	<u>1,365,238.30</u>
	Total Assets	<u>\$ 1,365,238.30</u>

Liabilities and Fund Balance

00-01-23100	Accounts Payable	38,921.10
00-01-23150	Well Drillers Deposits	40,330.53
	Total	<u>79,251.63</u>
	Total Liabilities	<u>79,251.63</u>
00-01-35100	Fund Balance	1,292,708.63
00-01-35110	Current Year Excess of Revenue over Expenses	8,544.36
	Total	<u>1,301,252.99</u>
	Excess of Revenue Over Expenditures	(15,266.32)
	Total Fund Balances	<u>1,285,986.67</u>
	Total Liabilities and Fund Balances	<u>\$ 1,365,238.30</u>

North Texas Groundwater Conservation District
Statement of Revenue and Expenditures

1/4/2018 12:10pm

Page 1

Revised Budget
 For General Fund (00)
 For the Fiscal Period 2017-12 Ending December 31, 2017

Account Number	Previous YTD Budget	Previous YTD Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues					
00-01-46001 Well Production Fees	\$ 712,000.00	\$ 650,463.16	\$ 746,000.00	\$ 467,539.18	37.33%
00-01-46003 Well Registration Fees	5,000.00	20,400.00	10,000.00	16,000.00	(60.00%)
00-01-46005 Well Drillers Fees	0.00	2,200.00	0.00	0.00	0.00%
00-01-46010 GMA8 Fees	36,364.00	51,043.41	10,000.00	(899.66)	109.00%
00-01-46015 Late Fees	0.00	5,852.03	3,000.00	780.49	73.98%
00-01-46016 Penalty and Fines	0.00	15,250.00	1,500.00	2,600.00	(73.33%)
00-01-46100 Interest Inc	1,000.00	2,033.32	1,000.00	1,907.19	(90.72%)
Total General Fund Revenues	\$ 754,364.00	\$ 747,241.92	\$ 771,500.00	\$ 487,927.20	36.76%
Expenditures					
00-01-77012 Admin-Mileage	\$ 0.00	\$ 2,173.90	\$ 2,400.00	\$ 1,975.08	17.71%
00-01-77013 Admin-Secretarial	0.00	26,880.00	30,000.00	22,393.00	25.36%
00-01-77014 Admin-Project Coordinator	0.00	13,618.25	8,500.00	20,292.00	(138.73%)
00-01-77015 Admin-GM	0.00	45,027.50	50,000.00	52,296.00	(4.59%)
00-01-77016 Admin-Clerical	0.00	32,352.00	38,000.00	32,663.52	14.04%
00-01-77025 Accounting	20,000.00	26,246.50	20,000.00	19,181.65	4.09%
00-01-77027 Auditing	5,000.00	5,300.00	5,400.00	5,400.00	0.00%
00-01-77030 Advertising	1,000.00	1,303.40	1,000.00	1,801.93	(80.19%)
00-01-77050 Banking Fees	0.00	30.00	0.00	25.00	0.00%
00-01-77100 Consulting Services	0.00	0.00	0.00	0.00	0.00%
00-01-77150 Consulting- Hydrogeo	34,400.00	45,687.42	75,000.00	89,871.00	(19.83%)
00-01-77175 Consulting - Model Runs	5,000.00	0.00	20,000.00	0.00	100.00%
00-01-77325 Direct Cost	4,000.00	3,843.94	4,000.00	5,263.02	(31.58%)
00-01-77450 Dues & Subscription	1,600.00	1,608.00	2,000.00	3,078.83	(53.94%)
00-01-77480 Equipment	2,500.00	1,092.95	2,000.00	1,495.71	25.21%
00-01-77500 Fees-GMA8	40,000.00	41,175.54	11,000.00	3,399.07	69.10%
00-01-77550 Field Tech	95,000.00	108,793.60	120,000.00	119,882.50	0.10%
00-01-77560 Field Permitting/Geologist			70,000.00	740.00	98.94%
00-01-77650 Fuel/Maintenance	3,000.00	3,511.31	3,000.00	2,792.27	6.92%
00-01-77800 Injection Well Monitoring	700.00	576.30	700.00	634.40	9.37%
00-01-77810 Insurance	5,000.00	3,723.71	5,000.00	4,224.04	15.52%
00-01-77970 Legal	50,000.00	50,306.86	60,000.00	36,747.80	38.75%
00-01-77975 Legal-Injection	7,500.00	8,264.65	10,000.00	17,525.75	(75.26%)
00-01-77980 Legal-Legislation	0.00	0.00	15,000.00	14,095.00	6.03%
00-01-78010 Meetings & Conferences	2,000.00	3,220.34	3,000.00	3,597.92	(19.93%)
00-01-78310 Rent	2,400.00	2,400.00	2,400.00	2,400.00	0.00%
00-01-78600 Software Maint	7,500.00	7,933.93	30,000.00	39,344.57	(31.15%)
00-01-78610 Telephone	2,000.00	1,913.46	2,000.00	2,073.46	(3.67%)
Total General Fund Expenditures	\$ 288,600.00	\$ 436,983.56	\$ 590,400.00	\$ 503,193.52	14.77%
General Fund Excess of Revenues Over Expenditures	\$ 465,764.00	\$ 310,258.36	\$ 181,100.00	(15,266.32)	

ATTACHMENT 6 B-1

North Texas Groundwater Conservation District
Quarterly Investment Report
For the Quarter Ended
December 31, 2017

The investment portfolio of the North Texas Groundwater Conservation District is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Presented by North Texas Groundwater Conservation District Investment Officers:



Drew Satterwhite



Debi Atkins

Investment Holdings
December 31, 2017

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
Independent (DDA)		0.05%	1/1/2018	12/31/2017	\$ 144,113.81	\$ 144,113.81	1.00	\$ 144,113.81	1	0.05%
Independent (ISS)		0.15%	1/1/2018	12/31/2017	205,699.88	205,699.88	1.00	205,699.88	1	0.15%
Landmark Bank		1.41%	5/16/2018	11/10/2017	500,000.00	500,000.00	100.00	500,000.00	136	1.41%
Landmark Bank		1.59%	11/16/2018	11/10/2017	500,000.00	500,000.00	100.00	500,000.00	320	1.59%
					<u>\$ 1,349,813.69</u>	<u>\$ 1,349,813.69</u>		<u>\$ 1,349,813.69</u>	<u>169</u>	
									<u>(1)</u>	

(1) Weighted average life - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

Book/Market Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2017		Purchases/ Adjustments	Sales/Adjust/ Call Maturity	December 31, 2017	
			Face Amount/ Par Value	Book/Market Value			Face Amount/ Par Value	Book/Market Value
Independent (DDA)	0.05%	1/1/2018	\$ 518,542.81	\$ 518,542.81		(374,429.00)	\$ 144,113.81	\$ 144,113.81
Independent (ISS)	0.15%	1/1/2018	777,438.30	777,438.30		(571,738.42)	205,699.88	205,699.88
Landmark Bank	1.41%	5/16/2018			500,000.00		500,000.00	500,000.00
Landmark Bank	1.59%	11/16/2018			500,000.00		500,000.00	500,000.00
			<u>\$ 1,295,981.11</u>	<u>\$ 1,295,981.11</u>	<u>\$ 1,000,000.00</u>	<u>\$ (946,167.42)</u>	<u>\$ 1,349,813.69</u>	<u>\$ 1,349,813.69</u>

ATTACHMENT 6 D-1



COLLIN COUNTY - COOKE COUNTY - DENTON COUNTY

General Manager's Quarterly Report

Date: December 31, 2017

North Texas GCD Management Plan

This quarterly briefing is being provided pursuant to the adopted Management Plan for the quarter ending December 31, 2017.

Well Registration Program:

Current number of wells registered in the District: 2,062

Aquifers in which the wells have been completed: Trinity and Woodbine

Well Inspection/Audit Program:

**2017
Well Inspections**

Month	Collin	Cooke	Denton	Total
January	6	1	14	21
February	3	2	18	23
March	13	4	10	27
April	13	10	10	33
May	5	12	15	32
June	10	2	18	30
July	8	4	33	45
August	19	9	14	42
September	14	14	16	44
October	2	10	11	23
November	6	2	32	40
December	2	0	24	26
Total	101	70	215	386

ATTACHMENT 7



AGENDA COMMUNICATION

DATE: January 4, 2018

SUBJECT: AGENDA ITEM NO. 7

CONSIDER AND ACT UPON ACCEPTING RESIGNATION OF A DISTRICT BOARD MEMBER

ISSUE

Consider and act upon accepting the resignation of a North Texas Groundwater Conservation District Board Member.

BACKGROUND

Mr. Philip Sanders was appointed in June of 2009 to represent the Collin County Largest Groundwater Producer (City of Anna). Mr. Sanders was a dedicated Board Member and his contributions to the District have been invaluable.

Mr. Sanders informed the General Manager on December 12th, 2017 that he is resigning from the District's Board of Directors as he has resigned from his position with the City of Anna.

CONSIDERATIONS

State law requires that when a Board Member steps down in the middle of a term, that the Board of Directors must formally accept this resignation.

STAFF RECOMMENDATIONS

District staff recommends that the Board of Directors accept Mr. Phillip Sanders resignation from the Board of Directors.

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E.
General Manager

ATTACHMENT 8



AGENDA COMMUNICATION

DATE: January 4, 2018

SUBJECT: AGENDA ITEM NO. 8

CONSIDER AND ACT UPON RESOLUTION OF APPRECIATION FOR PHILIP SANDERS

ISSUE

Resolution of Appreciation for Philip Sanders.

BACKGROUND

The Board of Directors has customarily adopted Resolutions of Appreciation and presented a plaque to retiring Board members who have served on the Board. Mr. Philip Sanders was appointed in June of 2009 to represent the Collin County Largest Groundwater Producer (City of Anna).

Mr. Sanders was a dedicated Board Member and his contributions to the District have been invaluable.

STAFF RECOMMENDATIONS

The staff recommends the Board consider adopting Resolution of Appreciation for his service.

ATTACHMENTS

Resolution of Appreciation

PREPARED AND SUBMITTED BY:

Drew Satterwhite, P.E.
General Manager

RESOLUTION NO. 2018-01-09-02

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

A RESOLUTION BY THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT RECOGNIZING

PHILIP SANDERS

WHEREAS, the North Texas Groundwater Conservation District wishes to recognize

PHILIP SANDERS

for contributing toward furthering economic development of this area and for helping to promote effective planning and utilization of groundwater by faithfully participating in the activities of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT THAT: the District conveys its sincere appreciation and gratitude to

PHILIP SANDERS

for service provided to the District.

On motion of _____, seconded by _____, the foregoing Resolution was passed and approved on this the 9th day of January, 2018 by the following vote:

AYE:

NAY:

ABSTAIN:

At a meeting of the Board of Directors of the North Texas Groundwater Conservation District.

President

ATTEST:

Secretary-Treasurer

ATTACHMENT 12

North Texas Groundwater Conservation District

Well Registration Summary
As of December-31-2017

Well Type	Total Registered			Total NTGCD	New Registrations since Nov-30-2017
	Collin County	Cooke County	Denton County		
Agriculture	6	11	35	52	0
Commercial / Small Business	6	8	27	41	1
Domestic Use (household / lawn watering at residence)	77	312	554	945	8
Filling a pond or other surface impoundment**	44	13	59	117	3
Golf course irrigation	15	2	21	38	0
Industrial / Manufacturing	7	10	7	25	0
Irrigation	74	5	163	243	3
Leachate	0	0	0	0	0
Livestock Watering	7	58	38	103	3
Monitoring	0	0	0	0	0
Municipal / Public Water System	33	70	220	323	0
Other	10	6	26	42	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	54	60	0
Not Specified	14	10	39	64	0
SUM	294	511	1250	2062	18

ADJOURN