

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

TUESDAY MAY 8, 2018

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

Members Present: Ronny Young, Joe Helmberger, Thomas Smith, David Flusche, Maurice Schwanke, Ron Sellman, Evan Groeschel and Chris Boyd

Members Absent: Allen Knight

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

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

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 10:06 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 March 13, 2018 board meeting

Motion was made by Joe Helmberger to approve the minutes of the March 13, 2018 meeting. The motion was seconded by Maurice Schwanke, and passed unanimously.

5. Consider and act upon approval of invoices and reimbursements

After review and brief discussion Joe Helmberger made the motion to approve Resolution No. 2016-05-10-01. Evan Groeschel seconded the motion. Motion passed unanimously.

6. 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

1) Receive Quarterly Investment Report

General Manager Drew Satterwhite reviewed the Quarterly Investment Report with the Board

c. Groundwater Monitoring and Database Committee

General Manager Drew Satterwhite informed the Board that INTERA and the staff are communicating on the database upgrade module by module, next conference call is to be held Wednesday. Roll out of the system is anticipated in two months to allow staff to use the system to determine any necessary remedies that may need to be undertaken and to test the system. Use of the new system is anticipated to start after the fall billing cycle.

d. Management Plan Committee

1) Receive Annual Report

A hard copy and presentation of the Annual Report was provided to the Board at their March meeting for review. Following the March meeting, the draft Annual Report was also posted to the District's website. Joe Helmberger made the motion to accept the Annual Report. Maurice Schwanke seconded the motion. Motion passed unanimously.

2) Receive Quarterly Report

General Drew Satterwhite presented the Quarterly Report to the Board.

7. Consider and act upon authorization to solicit proposals for 2018 audit services.

General Manager Drew Satterwhite presented background information to the Board. In 2013, the Board had instructed the staff to solicit proposals for audit services for the fiscal year ending December 31, 2013 through fiscal year ending December 31, 2017. Some entities consider it a best practice to rotate auditors and/or audit firms every 5 years. Therefore the staff requested the Board's guidance in this matter.

The Board advised the Staff to solicit for proposals, allowing the current firm to submit. If the current firm is ultimately selected, then the Board shall make a discuss in further detail as to whether the Lead Auditor should be changed.

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

Kristen Fancher, Legal Counsel advised the Board that the petition deadline for DFCs was past with no petitions filed.

General Manager Drew Satterwhite informed the Board that the GMA-8 meeting will be held June 27 at 10 a.m. at the Cleburne Conference Center. Ronny Young asked Joe Helmberger to be on standby to attend the GMA-8 meeting in the event he is unable to attend. Mr. Helmberger indicated he would mark his calendar to attend if need be.

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

a. Alpha Omega Water Well Service

The Board assessed a \$100 minor violation fine for failure to timely file well report.

b. Hydrous Americas Cable Park, LLC

Kristen Fancher advised the Board that Show Cause Hearing would be the next step.

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 reported the well registration for March and April to the Board. Lake Kiowa pumping test was completed Tuesday/Wednesday. Good data was obtained and sent to James Beach.

11. Receive presentation regarding permanent rules development.

a. Consider and act upon action items for rules development

Kristen Fancher, Legal Counsel and James Beach, District Hydrogeologist with WSP, discussed the feedback from previous meetings. The Board discussed various topics.

The Board decided that Historic Use District Data could be 2012 through effective date of rules, or TWDB 2010 or 2011 data.

The Board determined that the level of Drought Buffer should be 15% of Historical Use Permit.

If not long term usage, term permit is to be used.

The Board will look at details on how to consider a replacement well with a higher GPM, how historic permit credit or additional permit to be applied.

A rule will need to be added to address the well being drilled within 20 feet of the location stated in the application, to be verified by District field staff.

Management Zones will be used to handle conditions limited to one or more specific areas in the District.

James Beach provided the Board with a draft outline of hydrogeological report guidelines. Hydrogeological report requirements would include: Well Construction, Hydrogeological Setting, Water Quality, Interference Analysis and DFC/MAG Analysis.

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

No new business was discussed

13. Adjourn public meeting

President Young declared the meeting adjourned at 11:49 a.m.

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Velma Starks

Recording Secretary



Secretary/Treasurer