

**MINUTES OF THE BOARD MEETING
RED RIVER GROUNDWATER CONSERVATION DISTRICT**

TUESDAY, OCTOBER 16, 2012

**AT THE GREATER TEXOMA UTILITY AUTHORITY
BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TX 75020**

Members Present: George "Butch" Henderson, George Olson, Don Wortham, David Gattis, Harold Latham, Don Morrison, Mark Patterson

Members Absent: None

Staff: Jerry Chapman, Debi Atkins, Alan Moore and Theda Anderson

Visitors: Jonathan Cannon, Herald Democrat
Alex Moser, AL Moser Drilling
Joey Rickman, City of Honey Grove
Daniel Walter

1. Call to order, declare meeting open to the public, and take roll.

President Henderson called the meeting to order at 2:02 PM. All members were present, except Secretary/Treasurer Wortham.

2. Public Comment.

Mr. Walter commented that he is considering purchasing property in Grayson County. He stated that he has discussed the ownership of groundwater with several organizations, and several are requesting that groundwater conservation districts adopt resolutions to specify that the property owners own the rights to the water and asked if the Red River GCD has adopted policies to that effect.

President Henderson explained that the Board feels that it is not the District's place to regulate property rights, including water. In order for the Board to consider taking action on a resolution regarding water rights would have to be included on a future resolution. Vice President Olson further commented that the District is following guidelines established by the State of Texas. Mr. Chapman explained the circumstances behind the Day case and water rights law.

3. Consider approval of Minutes of August 21, 2012, board meeting

Board Member Gattis motioned to approve the Minutes of the August 21, 2012 public hearing and board meeting. The motion was seconded by Board Member Patterson and passed unanimously.

4. Review and approval of monthly invoices.

Board Member Gattis motioned to approve the monthly invoices. The motion was seconded by Vice President Olson and passed unanimously.

5. Receive Monthly Financial Information and review 2012 budget performance

The monthly financial information was provided to the Board. The contract services line item is higher than the budgeted amount, but the Board has already authorized the use of the 2011 fund balance to pay for the difference in cost. The accounting line item is running higher due to the difficulty starting the new accounting systems, which is taking longer than expected. The third quarter statements have not been mailed at this time.

6. Consider and act on a policy relating to non-exempt wells not metered on or before July 1, 2012.

The staff requested guidance from the Board in circumstances where well owners did not register or meter their wells prior to July 1, 2012. This may be due to a lack of knowledge on behalf of the well owners. The major violation for not reporting usage is \$500 for a first violation, and the Board may wish for the staff to work with the well owners rather than automatically issuing a major violation.

President Henderson suggested using a softer approach and for the staff to work with the public to come to a mutual agreement. Mr. Chapman explained that this situation has already been encountered in the North Texas GCD and the staff has been working with several property owners to determine a fair charge for non-metered usage. Board Member Gattis asked if the non-metered wells will need more than 10 days to install a meter. Mr. Moser responded that he keeps several 2-inch meters on hand, but a 4-6 inch meter would have to be ordered, which would take additional time up to 60-90 days. The Board discussed possible options. Vice President Olson remarked that without a date for the leniency to expire, the well owner has no motivation to install the meter quickly.

The Board agreed to provide 30 days to show that they are striving to get into compliance and to work with the District. If the well owner does not work with the District or try to get into compliance quickly, the staff should escalate it to a major violation. The Board expressed that they only want the information, not the violations. 30-days should be reasonable for the first contact, but an ending date needs to be established.

Board Member Gattis motioned to allow 30-days for initial contact and response from the well owners and to allow the staff to work with well owners to obtain the required information. The motion was seconded by Board Member Latham and passed unanimously.

7. Receive Management Plan Quarterly Report Regarding Assessment of Drought in District

The staff provided the Board with the Quarterly Report Regarding the Assessment of Drought in the District in the year to date. Mr. Chapman reviewed the report with the Board. The area is currently in a moderate drought and the rainfall is several inches below the average.

8. Consider and discuss data collection needs for future evaluation of well permitting activities

Tim Morris, a local engineer brought the need for data collection to the staff's attention. The engineer spoke with the staff regarding the possibility that the Board may need to make a decision and the information available may not be sufficient. Four other groundwater districts are working on a groundwater availability model that will be finished in 2014. The participating districts will get information that is more specific for their areas than non-participating districts. The engineer recommended the District begin collecting additional data in order to support their decisions. Mr. Moore explained the need to collect additional data and the need for better information to support any decisions.

The staff has already started collecting water table and pumpage information from the City of Sherman and any other entities that collect it. Board Member Gattis recommended determining how to relate the archive data with the current data. The process of manipulating the data needs to be refined to relate the wells with other area wells. All studies must be done in concert with the other groundwater districts in Groundwater Management Area 8 (GMA 8).

The Board continued to discuss possible methods of collecting the data and working in concert with GMA 8 and the State. The District could spend a large sum of money updating the current groundwater model and attorneys would still be needed hired to defend the methods used to issue decisions. The Board agreed that this would be revisited in the future.

9. Review and consideration of 2011 irrigation use estimates information for the Texas Water Development Board (TWDB)

These estimates are provided by the TWDB each year for review and revision. The golf courses are not included in the estimates. Mr. Chapman recommended having the staff review the golf course acreage and provide the estimates to the TWDB. Mr. Chapman also recommended the staff contact the county agents for advice on revising the estimates. The Board discussed crops grown in the counties and recommended that the staff correct the numbers and submit it to the TWDB.

10. General Manager's Report

The water providers are currently paying based on 2010 production. Actual reports of water pumpage must be submitted to the District for July through December by March 2013. In 2013, the billings will be based on the actual production. This will create a 90-day delinquency as the reports are not due until March 2013 and are not late until April 1, 2013. This means no income will be received until March. This period is very long and should probably be tightened. The staff requested the Board adjust the Temporary Rules to reduce the time frame and to bill quarterly instead of semi-annually. In order to modify the rules, the staff will have to publish an ad in the Herald Democrat and hold a public hearing.

Board Member Latham asked if there was anything else that needed to be amended in order to maximize the use of the public hearing. Mr. Chapman stated that the staff had three or four items for the Board to consider amending in the Temporary Rules. The staff has not encountered this situation, but may find a well where the meter has been transferred. President Henderson agreed that the well should have a meter that stays unless replaced due to a malfunction. The Board agreed to include this in the public hearing. The staff also requested the Board to consider minimum billing. It is not very efficient for the staff to bill and receive payments for very small amounts. Mrs. Atkins recommended a billing for no less than \$10. This would cover the administrative costs to process the amounts owed and the check once received. The Board also does not have a transportation and reimbursement policy, but has been authorizing the payments on a case-by-case basis.

11. Open forum / discussion of new business for future meeting agendas

The Board tentatively scheduled a public hearing at 1:30 and a meeting at 2:00 PM on December 6th.

12. Adjourn

The Board adjourned at approximately 3:03 PM.

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Recording Secretary


Secretary-Treasurer