

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

TUESDAY JULY 16, 2019

**PILOT POINT ISD ADMINISTRATION OFFICE
829 S. HARRISON ST/
PILOT POINT, TEXAS 76258**

Members Present: Ronny Young, Allen Knight, Ryan Henderson, Lee K. Allison, Thomas Smith, David Flusche, and Ron Sellman

Members Absent: Evan Groeschel and Joe Helmberger

Staff: Drew Satterwhite, Paul Sigle, Carolyn Bennett, Debi Atkins, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal
Tim Long, Billingsley
Peter M. Schulmeyer, Collier Consulting
Laura Robinson, Barco Well Service
Dylan Cyr, Barco Well Service
Roger McInnis, Villages at Legacy
Matt Van Hatt, Collier Consulting

Permit Hearing

Agenda:

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

President Ronny Young called the permit hearing to order at 10:02 a.m.

2. Review the Production Permit Applications of:

Applicant: Aqua Texas, Inc.; 9450 Silver Creek Road, Fort Worth, Texas 76108

Location of Well: 13720 George Foster Road, Ponder, Texas 76259; Latitude: 33.2376717° N, Longitude: 97.3705189° W

Purpose of Use: Public Water Supply

Requested Amount of Use: 25,242,000 gallons per year

Production Capacity of Well: 130 gallons per minute

Aquifer: Antlers (Trinity) Aquifer

Applicant: Lakes at Legacy, LLC; 10950 Research Road, Frisco, Texas 75034

Location of Well: 1212 Streamside Drive, Prosper, Texas 75078; Latitude: 33.222278° N Longitude: -96.846167° W

Purpose of Use: Landscape Irrigation and Filling Pond(s)

Requested Amount of Use: 20,660,000 gallons per year

Production Capacity of Well: 180 gallons per minute

Aquifer: Woodbine Aquifer

Applicant: U.S. Concrete, Inc.; 706 S Dallas Parkway, Prosper, Texas 75078

Location of Well: 706 S Dallas Parkway, Prosper, TX 75078; Latitude: 33.228726° N Longitude: 96.821191° W

Purpose of Use: Industrial Use at Concrete Plant

Requested Amount of Use: 11,600,000 gallons per year

Production Capacity of Well: 75 gallons per minute

Aquifer: Woodbine Aquifer

General Manager Drew Satterwhite reviewed the permits with the Board. The Board discussed the permits. Mr. Satterwhite provided information for the new board members regarding the DFCs and how they relate to the permitting process. Paul Sigle, Groundwater Technical Lead, provided MAG Reports for the Board.

3. Public Comment on the Production Permit Applications (verbal comments limited to three (3) minutes each).

There were no public comments.

4. Consider and act upon the Production Permit Applications, including designation of parties and/or granting or denying the Production Permit Applications in whole or in part, as applicable.

Board Member Thomas Smith made the motion to grant the Production Permit Applications as submitted and with special permit conditions as stipulated in Lakes at Legacy application. Board Member David Flusche seconded the motion. Motion passed unanimously.

5. Adjourn or continue permit hearing.

Board President Ronny Young adjourned the permit hearing at 10:25 a.m.

Board Meeting

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 Ronny Young called the meeting to order 10:28 a.m., established a quorum was present, and declared the meeting open to the public.

3. Act upon Election of Officers.

The nominees are Thomas Smith for President, Allen Knight for Vice President and Ron Sellman for Secretary/Treasurer. The office of President is a 2-year term which alternates by per the District's enabling legislation. Board Member Thomas Smith made the motion to elect the officers as presented. Board Member Ron Sellman seconded the motion. Motion passed unanimously.

4. Public Comment

There were no public comments.

5. Consider and act upon approval of the minutes from the June 11, 2019, Board meeting.

New Board President Thomas Smith asked for approval of the minutes from the June 11, 2019 meeting. Board Member Ron Sellman made the motion to approve the minutes. Board Member Ronny Young seconded the motion. Motion passed unanimously.

6. Consider and act upon approval of invoices and reimbursements, Resolution No. 2019-07-16-01.

General Manager Drew Satterwhite reviewed the liabilities with the Board. Board Member Allen Knight made the motion to approve Resolution No. 2019-07-16-01. Board Member David Flusche 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.

- 2) Consider and act upon 2020 Operating Budget and Adopt Rate Schedule

General Manager Drew Satterwhite provided background information to the Board. The District's fiscal year is based on a calendar year from January 1st through December 31st, while many of the groundwater producers who pay production fees operate on fiscal years that begin October 1st through September 30th. For this reason, the Board has attempted to establish production fees as early as possible in the budget planning process. The Budget Committee which consisted of Ron Sellman, Evan Groeschel and Joe Helmberger met on July 3, 2019. General Manager Drew Satterwhite presented the proposed budget and rate schedule. The Board discussed the budget and fee schedule. It was suggested that the fee schedule remain the same. The Board requested a study on possible legal cost if District were taken to court for the next time that we discuss fund balance policy. Board Member Ronny Young made the motion to accept the budget and fee schedule as presented. Board Member David Flusche seconded the motion. Motion passed unanimously.

- b. Investment Committee
 - 1) Receive Quarterly Investment Report

General Manager Drew Satterwhite reviewed the Quarterly Investment Report.

- c. Management Plan Committee
 - 1) Receive Quarterly Report

General Manager Drew Satterwhite Reviewed the Quarterly Report.

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

General Manager Drew Satterwhite informed the Board that GMA 8 will meet on Friday, July 26, 2019. Input for DFCs will begin in the next few months.

- 9. Consider and act upon compliance and enforcement activities for violations of District's Rules.
 - a. DWW Golf Management Company

General Manager Drew Satterwhite gave update on DWW Golf Management Company. The Board suggested scheduling a Show Cause Hearing for the month of September, allowing time for City of McKinney opportunity to assist with getting the system into compliance.

- 10. Consider and act upon monthly Board meeting time and location.

President Thomas Smith suggested that a letter be sent to Pilot Point ISD thanking them for the use of their facilities. The Board discussed and decided they would like to use the Pilot Point ISD Administration facilities for future meetings. Board Member Ryan Henderson made the motion to meet at the Pilot Point ISD Administration office for future meetings and to provide them with a \$75 fee per meeting. Board Member Ronny Young seconded the motion. Motion passed unanimously

The Board decided the next meeting will be held on Tuesday, August 27 due to regular meeting date conflicts.

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

- a. District's Disposal/Injection Well Program

A memo had been previously provided to the Board concerning the Injection Well Program and the current status of injection wells.

- b. Upcoming rules changes based on legislative changes

The Rules Committee was appointed: Ron Sellman, Ronny Young and Allen Knight.

- c. Changes to Hydrogeological Report Guidelines

General Manager Satterwhite stated the staff is developing a listing of items regarding the

Hydrogeological Report that are in need of clarification.

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

No future meeting items were discussed.

13. Adjourn public meeting

Board President Thomas Smith declared the meeting adjourned at 11:05 a.m.

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Velma Starks

Recording Secretary



Secretary-Treasurer