

**RED RIVER
GROUNDWATER
CONSERVATION
DISTRICT**

PERMIT HEARING AND BOARD MEETING

Greater Texoma Utility Authority Board Room
5100 Airport Drive
Denison, Texas 75020

**THURSDAY
SEPTEMBER 21, 2023
10:00 AM**

NOTICE OF PUBLIC MEETING
OF THE
BOARD OF DIRECTORS OF THE

RED RIVER GROUNDWATER CONSERVATION DISTRICT
Thursday, September 21, 2023, at 10:00 a.m.

MEETING LOCATION:
Greater Texoma Utility Authority Board Room
5100 Airport Drive
Denison, Texas 75020

Board Member Qualification for Office

Board Member qualification for office will begin at 10:00 a.m.

1. Administer Oath of Office to new and reappointed Board Members.
2. Receive signatures on Oath of Office and Statement of Appointed Officer forms.

Permit Hearing

The Permit Hearing will begin upon completion of the Board Member qualification for office.

Notice is hereby given that the Board of Directors of the Red River Groundwater Conservation District (“District”) will conduct a permit hearing on the following Production Permit Application:

Agenda:

1. Call to Order; establish quorum; declare hearing open to the public; introduction of Board.
2. Review the Production Permit Application of:

New Production Permit

- a. **Applicant:** Mustang Special Utility District, 7985 FM 2931, Aubrey, TX 76227
Location of Well: 108 Pike Rd, Gunter, TX 75058; Latitude: 33.459481°N, Longitude: 96.716618°W; about 845 feet east of Pike Rd and 186 feet north of Kerfoot Rd in Grayson County.
Purpose of Use: Public Water Supply
Requested Amount of Use: 350,998,550 gallons per year
Production Capacity of Well: 750 gallons per minute
Aquifer: Trinity (Antlers)

3. Public Comment on the Production Permit Application (verbal comments limited to three (3) minutes each).
4. Consider and act upon the Production Permit Application, including designation of parties and/or granting or denying the Production Permit Application in whole or in part, as applicable.
5. Adjourn or continue permit hearing

Board Meeting

The regular Board Meeting will begin upon adjournment of the above noticed Permit Hearing.

Notice is hereby given that the Board of Directors of the Red River 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 Minutes of August 24, 2023, Board Meeting.
 5. Budget and Finance.
 - a. Review and approval of monthly invoices.
 - b. Receive monthly financial information.
 6. Discussion on potential amendments to the District’s Rules.
 7. Update and possible action regarding the process for the development of Desired Future Conditions (DFC).
 8. Consider and act upon compliance and enforcement activities for violations of District Rules.
 9. General Manager’s report: The General Manager will update the Board on operational, educational and other activities of the District.
 - a. Well Registration Summary
 - b. Update on Injection/Disposal Well Monitoring Program
 10. Open forum / discussion of new business for future meeting agendas.
 11. Adjourn.
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¹The Board may vote and/or act upon each of the items listed in this agenda.

²At 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 Red River 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); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

³Persons with disabilities who plan to attend this meeting, and who may need assistance, are requested to contact Velma Starks at (800) 256-0935 two (2) working days prior to the meeting, so that appropriate arrangements can be made.

⁴For questions regarding this notice, please contact Velma Starks at (800) 256-0935, at rrgcd@redrivergcd.org or at 5100 Airport Drive, Denison, TX 75020.

ATTACHMENT 4

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

Thursday, August 24, 2023

**MEETING LOCATION:
GREATER TEXOMA UTILITY AUTHORITY
BOARD ROOM
5100 AIRPORT DRIVE
DENISON TX 75020**

Members Present: Chuck Dodd, David Gattis, Harold Latham, Mark Patterson, Mark Gibson, and Billy Stephens.

Members Absent: Mark Newhouse

Staff: Paul Sigle, Nichole Murphy, Wayne Parkman, Allen Burks, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal

Permit Hearing

Agenda:

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

Board President Mark Patterson called the Permit Hearing to order at 10:02 a.m., established quorum declared hearing open to the public and introduced the Board.

2. Review the Production Permit Application of:

New Production Permit

- a. **Applicant:** Norman O'Neal; 494 Kool Lane, Denison, TX 75021
Location of Well: 494 Kool Lane, Denison, TX 75021; Latitude: 33.709000°N Longitude: - 96.452250°W; about 2,525 feet west of FM 1753, near the end of Kool Ln, in Grayson County.
Purpose of Use: Irrigation/Landscape; Filling of a pond or other surface impoundment
Requested Amount of Use: 8,178,969 gallons per year
Production Capacity of Well: 30 gallons per minute
Aquifer: Trinity (Antlers)

General Manager Paul Sigle reviewed the permit with the Board. Discussion was held. If well not in Trinity, well will need to be amended to Woodbine. Board Member Chuck Dodd made the motion to approve the permit. Board Member Billy Stephens seconded the motion. Motion passed unanimously.

- b. **Applicant:** GlobalWafers America LLC; 200 FM 1417 West, Sherman, TX 75092
Location of Well: 3200 Northgate Drive, Sherman, TX 75092; Latitude: 33.593728°N
Longitude: 96.620264°W; about 645 feet north of FM 1417 and 4,615 feet west of US 75 in
Grayson County.
Purpose of Use: Industrial/Manufacturing
Requested Amount of Use: 332,640,000 gallons per year
Production Capacity of Well: 700 gallons per minute
Aquifer: Trinity (Antlers)

General Manager Paul Sigle reviewed b. and c. together for the Board. Discussion was held. If Sherman will give more surface water to them, they will use less ground water. Supplement well water usage based on what city can supply. If city will supply all water then no well water will be used.

Board went into Executive Session at 10:27 a.m.

Board went back into Regular Session at 10:38 a.m.

Single largest permit using up the remaining MAG. Actual usage is usually less than what is approved, which allows approval to go over MAG. Motion to approve with two stipulations, (1) The Amount of Authorized Production in this permit shall be automatically reduced by the amount of gallons of surface water and/or treated effluent that the City of Sherman sells/makes available to Permittee. Permittee shall provide the District with written confirmation of the number of gallons City of Sherman intends to sell/make available to Permittee and the expected date of delivery within ninety (90) days from the date that Permittee has reached an agreement with City of Sherman, (2) Permittee shall install a monitoring tube in the well as required by the District's Hydrogeological Report Requirements. Board Member Mark Gibson made the motion to approve permit with stipulations as stated by attorney Kristen Fancher. Board Member David Gattis seconded the motion. Motion passed unanimously.

- c. **Applicant:** GlobalWafers America LLC; 200 FM 1417 West, Sherman, TX 75092
Location of Well: 3200 Northgate Drive, Sherman, TX 75092; Latitude: 33.593758°N
Longitude: 96.620444°W; about 675 feet north of FM 1417 and 4,665 feet west of US 75 in
Grayson County.
Purpose of Use: Industrial/Manufacturing
Requested Amount of Use: 95,040,000 gallons per year
Production Capacity of Well: 200 gallons per minute
Aquifer: Woodbine

This permit was reviewed with Permit b. and voted upon with Permit b.

- d. **Applicant:** 4GLTD LLC; 5901 E US Hwy 377, Granbury, TX 76049
Location of Well: 1112 US Hwy 377, Pilot Point, TX 76258; Latitude: 33.426081°N Longitude:
96.931589°W; about 800 feet east of HWY 377 and 3,750 feet north of Grayson/Denton County
line, in Grayson County.
Purpose of Use: Agriculture (Turf grass irrigation)
Requested Amount of Use: 6,279,405 gallons per year
Production Capacity of Well: 300 gallons per minute
Aquifer: Woodbine

General Manager Paul Sigle reviewed permit with the Board. Board Member Chuck Dodd made the motion to approve the permit. Board Member Billy Stephens seconded the motion. Motion passed unanimously.

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

No public comments.

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

Permits were voted upon previously after being reviewed.

5. Adjourn or continue permit hearing

Board President Mark Patterson adjourned the permit hearing at 10:44 a.m.

Board Meeting

1. Pledge of Allegiance and Invocation.

Board President Mark Patterson led the group in the Pledge of Allegiance and Board Member Chuck Dodd offered the invocation for the group.

2. Call to order, establish quorum; declare meeting open to the public.

Board President Mark Patterson called the meeting to order at 10:45 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public Comment.

No public comments.

4. Consider and act upon approval of Minutes of July 20, 2023, Board Meeting.

Board Member David Gattis requested clarification in the minutes Item 9 b. to state that the balance and fine have been paid and there no longer is an issue. Board Member Chuck Dodd made a motion to approve the minutes of the July 20, 2023. The motion was seconded by Board Member David Gattis. Motion passed unanimously.

5. Budget and Finance.

- a. Review and approval of monthly invoices.

General Manager Paul Sigle reviewed the invoices with the Board. Board Member David Gattis made the motion to approve the monthly invoices. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

- b. Receive monthly financial information.

General Manager Paul Sigle reviewed the District's monthly financial information with the Board.

6. Consider and act upon 2024 Operating Budget

General Manager Paul Sigle reviewed the 2024 operating budget with the Board. The budget committee met and decided to reduce the fee rates from 6.5 cents to 6 cents per 1000 gallons. A database RFQ will be sent out for the District's Database. Board requested that a letter be sent out to emphasize the 6.5 cents to 6 cents fee rate providing more services for less money. Board Member Billy Stephens made the motion to approve the 2024 Operating Budget. Board Member Chuck Dodd seconded the motion. Motion passed unanimously. Board Member Chuck Dodd expressed appreciation to NTGCD for working with RRGCD.

7. Consider and act upon 2024 Groundwater Production Fee and Fee Schedule

Board Member David Gattis made the motion to approve the fee schedule. Board Member Billy Stephens seconded the motion. Motion passed unanimously.

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

General Manager Paul Sigle informed the Board that the GAM will be updated. The Technical Advisor Committee set up by GMA 8 will have a zoom meeting.

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

General Manager Paul Sigle informed the Board that there are issues with Sam Swope. There is an existing well on the property which has collapsed. Information has been sent to TDLR for their enforcement. The well is not registered.

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

- a. Well Registration Summary

General Manager Paul Sigle reviewed the well registration summary with the Board. Seven new wells were registered in July.

- b. Update on Injection/Disposal Well Monitoring Program

One well under review, more details next meeting.

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

Discussion of used up part of MAG. Estimate usage of exempt wells

Next meeting Sept. 21, 2023

12. Adjourn.

Board President Mark Patterson declared the meeting adjourned at 11:05 a.m.

Recording Secretary

Secretary-Treasurer

ATTACHMENT 5 a.

RESOLUTION NO. 2023-08-01

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH OF AUGUST

The following liabilities are hereby presented for payment:

	<u>Amount</u>
<u>Administrative Services</u>	
GTUA - Monthly expenses for August 2023	14,769.12
<u>Direct Costs</u>	
NexTraq - GPS tracking for September 2023	34.95
Federal Express - Porter Green Law Suite notes	76.24
<u>Injection Monitoring</u>	
Statewide Plat Service for July 2023	50.00
Statewide Plat Service for August 2023	56.40
<u>Legal</u>	
Fancher Law - BOD general legal services through August 2023	2,010.00
GRAND TOTAL:	<u><u>16,996.71</u></u>

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT THAT the Secretary-Treasurer is hereby authorized to make payments in the amounts listed above.

On motion of _____ and seconded by:

_____, the foregoing Resolution was passed and approved on this, the 21st. day of September 2023

by the following vote:

AYE:

NAY:

At a meeting of the Board of Directors of the Red River Groundwater Conservation District.

President

ATTEST:

Secretary/Treasurer

ATTACHMENT 5 b.

RED RIVER GROUNDWATER
Balance Sheet
As of August 31, 2023

ASSETS

Current Assets

Checking/Savings

10001 CASH-First United	237,150.94
10010 CASH-OZK	138,500.00
10025 A/R CONSUMPTION	34,501.95
10230 A/R Violation Fees	500.00
10101 ALLOWANCE FOR UNCOLLECT	-1,530.00
10010 INVESTMENTS	506,275.68
10230 PP EXPENSES	3,277.50

TOTAL ASSETS 918,676.07

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

23100 ACCOUNTS PAYABLE	16,885.52
23150 DRILLERS DEPOSIT LIAB	16,650.00

Total Other Current Liabilities 33,535.52

Total Current Liabilities 33,535.52

Total Liabilities 33,535.52

Equity

35100 RETAINED EARNINGS 849,390.66

Net Income 35,749.89

Total Equity 885,140.55

TOTAL LIABILITIES & EQUITY 918,676.07

RED RIVER GROUNDWATER
Profit & Loss Budget vs. Actual
August 31, 2023

	<u>Current Actual</u>	<u>Current Budget</u>	<u>YTD Actual</u>	<u>Total Budget</u>	<u>% of Budget Remaining</u>
Income					
46002 GW PRODUCTION	-65.00	81,750.00	160,974.27	327,000.00	50.77%
46005 LATE FEES	0.00	0.00	5,215.43	0.26	0.00%
46006 VIOLATION FEES	0.00	0.00	0.00	0.00	0.00%
46015 REGISTRATION FEES	3,000.00	525.00	12,000.00	6,300.00	-90.48%
46020 PERMITTING FEES	1,800.00	500.00	1,800.00	6,000.00	0.00%
46100 INTEREST INCOME	6,275.68	666.00	8,278.41	8,000.00	-3.48%
Total Income	<u>11,010.68</u>	<u>83,441.00</u>	<u>188,268.11</u>	<u>347,300.26</u>	<u>45.79%</u>
Gross Profit	11,010.68	83,441.00	188,268.11	347,300.26	
Expense					
77010 ADMINISTRATIVE COST	6,564.25	8,750.00	51,370.49	105,000.00	51.08%
77020 ADVERTISING	0.00	83.00	4.00	1,000.00	99.60%
77027 AUDITING	0.00	0.00	5,400.00	5,300.00	-1.89%
77031 BANKING FEES	51.39	92.00	452.12	1,100.00	58.90%
77032 CONTRACT SERVICES	0.00	3,500.00	9,882.52	42,000.00	76.47%
77035 FIELD TECH	3,988.00	7,916.00	38,101.00	95,000.00	59.89%
77040 DIRECT COST	160.00	400.00	2,184.90	4,800.00	54.48%
77045 FIELD PERMITTING SPECIAL	2,937.50	2,916.00	19,293.50	35,000.00	44.88%
77450 DUES & SUBSCRIPTIONS	0.00	333.00	2,000.00	4,000.00	50.00%
77480 EQUIPMENT	0.00	167.00	756.91	2,000.00	62.15%
77500 FEES-GMA8	0.00	83.00	0.00	1,000.00	100.00%
77810 INSURANCE AND BONDING	327.75	360.00	2,920.50	4,315.00	32.32%
77850 GENERIC SOFTWARE SVC	0.00	208.00	1,037.72	2,500.00	58.49%
77970 LEGAL	2,010.00	2,500.00	10,996.52	30,000.00	63.34%
78010 MEETINGS AND CONFEREN	530.29	433.00	3,000.50	5,200.00	42.30%
78310 RENT	200.00	200.00	1,600.00	2,400.00	33.33%
78600 SOFTWARE MAINTENANCE	0.00	1,250.00	0.00	15,000.00	100.00%
78750 TELEPHONE	205.36	225.00	1,914.49	2,700.00	29.09%
78770 - TRANSPORTATION	275.07	417.00	1,603.05	5,000.00	67.94%
Total Expense	<u>17,249.61</u>	<u>29,833.00</u>	<u>152,518.22</u>	<u>363,315.00</u>	<u>58.02%</u>
Net Income	<u><u>-6,238.93</u></u>	<u><u>53,608.00</u></u>	<u><u>35,749.89</u></u>	<u><u>-16,014.74</u></u>	

ATTACHMENT 6



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: September 15, 2023

SUBJECT: AGENDA ITEM NO. 6

DISCUSSION ON POTENTIAL AMENDMENTS TO THE DISTRICT'S RULES.

ISSUE

The District needs to amend rules to comply with laws adopted at the 2023 State Legislative Session.

BACKGROUND

The District first adopted permanent rules in late 2018 which became effective January 1, 2019. Permanent rule adoption was significant because it ushered in the District's permitting program in addition to well spacing. The District Rules were last amended in November of 2022.

CONSIDERATIONS

The staff is not requesting the Board to adopt any changes at this meeting. The staff would like to review the proposed changes with the Board prior to holding a public hearing. Following discussions with the Board, a public hearing will be scheduled for October or November to consider adopting amendments to the rules.

The 87th session of the Texas Legislature approved a bill requiring groundwater conservation districts to have a rule for the public to petition for rulemaking. The changes to the District's Rule are to meet those requirements.

PREPARED AND SUBMITTED BY:

Paul M. Sigle, General Manager

PROPOSED RULE 1.14

House Bill 2443 recently became effective that requires districts to amend their rules by December 1, 2023 to implement the new provision in Section 36.1025 (pasted below).

Sec. 36.1025. PETITION TO CHANGE RULES. (a) A person with a real property interest in groundwater may petition the district where the property that gives rise to the real property interest is located to adopt a rule or modify a rule adopted under this chapter.

(b) The district by rule shall prescribe the form for a petition submitted under this section and the procedure for the submission, consideration, and disposition of the petition.

(c) Not later than the 90th day after the date the district receives the petition, the district shall:

(1) deny the petition and provide an explanation for the denial; or

(2) engage in rulemaking consistent with the granted petition.

(d) Nothing in this section may be construed to create a private cause of action for a decision to accept or deny a petition filed under this section.

Added by Acts 2023, 88th Leg., R.S., Ch. 504 (H.B. [2443](#)), Sec. 1, eff. September 1, 2023.

The rule proposed for the district to adopt to implement House Bill 2443/36.1025 is as follows:

Rule 1.14

- (a) A person with a real property interest in groundwater in the District may file a petition with the District to request the adoption or modification of a rule.
- (b) Petitions must be submitted in writing to the District office and must comply with the following requirements:
 - (1) each petition must be signed and state the name and address of each person signing the petition;
 - (2) each petition must include:
 - (A) a brief description of the petitioner's real property interest in groundwater in the District;
 - (B) the text of the proposed rule prepared in a manner to show the words to be added or deleted from the text of a current rule, if any; and

(C) explanation of the purpose and necessity of the proposed rule or modification to the current rule.

(c) The General Manager may reject any petition for failure to comply with the requirements of Subsection (b) of this section and shall provide notice to the petitioner of the reason for the rejection.

(d) Within 90 days after submission of a petition that complies with this rule, the Board shall either deny the petition and provide a written explanation for the denial, or initiate rulemaking proceedings related to the petition as provided by Section 36.101, Water Code.

ATTACHMENT 9 a.

RED RIVER GROUNDWATER CONSERVATION DISTRICT
Well Registration Summary
 (as of 8/31/2023)

Well Type	Fannin	Grayson	Total RRGCD	New Registrations August 2023
Domestic	250	436	686	1
Public Water	60	196	256	0
Livestock	17	32	49	0
Agriculture	24	28	52	0
Commercial	10	19	29	0
Surface Impoundments	13	18	31	1
Oil / Gas	0	18	18	0
Golf Course	0	14	14	0
Irrigation	1	12	13	1
Monitoring	1	8	9	0
Industrial	0	7	7	2
*Other	1	0	1	0
TOTALS	377	788	1165	5

NOTE: Plugged wells have been excluded
***Construction Water**

ADJOURN