

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

WEDNESDAY, MAY 17, 2012

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

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

Members Absent: Don Wortham

Staff: Jerry Chapman, Carolyn Bennett and Carmen Catterson

Visitors: Jonathan Cannon, Herald Democrat
Alex Moser, AL Moser Drilling Co.
Susan Moser, AL Moser Drilling Co.
Joey Rickman, City of Honey Grove
Edgar Rountree, Desert WSC
Joe Strong, Fannin County Commissioners Court
Tammy, AL Moser Drilling Co.

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

President Henderson called the work session to order at 2:04 PM. All members were present except Vice Secretary/Treasurer Wortham.

2. Public Comment.

No public comments received.

3. Consider approval of Minutes of April 18, 2012, board meeting

Board Member Gattis motioned to approve the Minutes of the April 18, 2012 public hearing and board meeting. The motion was seconded by Vice President Olson and passed unanimously.

4. Review and approval of monthly invoices.

Board Member Gattis asked if the staff had coordinated with the attorney in April and the staff responded that the attorney coordinated with legal notices.

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

5. Consider and act upon approval of the District Management Plan

Board Member Gattis requested that the date of the plan be modified to May 17, 2012 and that the page numbers be added to the table of contents. The staff agreed to make those modifications. Board Member Gattis requested that each document referenced in the Plan be added to the document as an appendix. The Board discussed this and requested that the documents be compiled in a separate document for research purposes. The Board also requested that on Page 3, Paragraph 2, the word "all" be removed, on Page 3, Paragraph 4, the last sentence should be removed and replaced with "The District will endeavor to consider and respect individual property rights when acting on related matters." On Page 6, the fiscal year should be corrected to January 1, 2012. On Page 9, Section H1 is a fragment and needs to be completed.

Board Member Gattis motioned to approve the District Management Plan with the recommended changes. The motion was seconded by Board Member Morrison and passed unanimously.

6. Receive report from Investment Committee and consider and act upon approval of Investment Policy.

The Committee has reviewed the draft Investment Policy and made modifications. The Committee recommends tabling this item until the next meeting where a clean draft of the policy can be provided to the Board. The District also needs a Fund Balance Policy and does not have one currently. President Henderson requested the Investment Committee draft a Fund Balance Policy for recommendation at the next meeting.

Board Member Patterson motioned to table the Investment Policy until the next meeting. The motion was seconded by Board Member Gattis and passed unanimously.

7. Receive update on Water Well Geodatabase and Web-Based Application

The staff had hoped to have the geodatabase and website running before the meeting. The consultant purchased the wrong hosting package and had to purchase the correct package, which caused a delay. The cost will be approximately \$2,400 per year, which is less than the budgeted \$4,800.

The site was also delayed due to changes in the payment processing system. Initially, the District intended to use Wells Fargo as the payment processor. However, that would require the District accept a high level of liability. The USTI ASYST accounting program has a module that can process online credit card payments.

The consultant is also recommending discussing the Scope of a Phase II. The second phase will include additional functionality that was not included in the initial project scope. This will be discussed in the future.

8. Receive report from Budget Committee and discuss 2013 Budget

The Budget Committee has not met at this time, but will meet within the next few weeks.

9. Consider and act upon application for non-exempt well on property owned by US Fish and Wildlife Service at Hagerman Rescue

This is a well application that was anticipated and has not been received at this time, so this item is not needed. Mr. Moser asked about the registration process for a 100-300 gallon per minute well in the Woodbine Aquifer and the criteria needed to determine an approval to drill. Mr. Chapman responded that for the well in question he spoke with Mr. Bill Hutchison with LBG-Guyton Associates, a hydrogeologist who responded that the well would not have been a problem. The oil drilling company opted to utilize an existing well, rather than drill on Hagerman Refuge.

President Henderson stated that it is not the Board's intention to hinder or handicap the drilling of water wells, but it is the Board's responsibility to protect and conserve the aquifer. The Board will also be willing to call

a special meeting to approve well applications that are needed in a timely manner. A well drilled with a production of 80-100 gallons per minute for commercial operations would be a non-exempt well and subject to metering, reporting and paying for usage.

9A. Consider and act upon multiple non-exempt well applications for LMBH Partners, LLC.

Five wells were submitted for approval on a 100-acre tract of land. The use will be agricultural and a catfish farm. Mr. Chapman contacted Mr. Hutchison and discussed the applications. The wells will be in the Red River Alluvial Aquifer and the property is a significant distance from other properties. Mr. Hutchison did not see any problems with approving the well applications. The Board agreed with the recommendations of the staff and Mr. Hutchison.

Mr. Chapman also discussed a well application that was received for a well to be drilled 30 feet away from a shallow well. The new well will be pressure cemented to approximately 50 feet, which should prevent the wells from interfering with each other.

10. General Manager's Report

The Texas Alliance of Groundwater Districts (TAGD) provided a statement on ownership of groundwater and what constitutes a taking for review and consideration. The Texas AgriLife organization is very active in the area and will be providing a presentation in Grayson County on June 7th at 6:00 PM in the Grayson County Courthouse. The staff will provide emails and online advertisement of the meeting. The staff will also post flyers in feed stores and at large animal veterinarian clinics. The local Extension Agent Chuck Jones also has a mailing list of people they work with in various committees. The meeting in Fannin County will be held on June 26th at 6:00 PM at Leonard Civic Center.

Mr. Chapman wrote the Railroad Commission last month regarding the injection well that was advertised. The Railroad Commission responded that they would add the District to the mailing list and alert with any updates.

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

The next meeting will be held on June 21st at 2:00 PM.


12. Adjourn

Upon motion by Board Member Patterson seconded by Board Member Gattis and passed unanimously, the Board adjourned at approximately 3:01 PM.

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Recording Secretary



Secretary-Treasurer