

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

TUESDAY, FEBRUARY 14, 2017

MUSTANG SUD ADMINISTRATIVE OFFICES
7985 FM 2931
AUBREY, TEXAS

Members Present: Eddy Daniel, Chris Boyd, Evan Groeschel, Philip Sanders, Thomas Smith, and Ronny Young

Members Absent: Joseph Helmberger and Ron Sellman

Staff: Drew Satterwhite, Allen Burks, Velma Starks, Carolyn Bennett

Visitors: Peter M. Schulmeyer, Collier Consulting
Neal Welch, City of Sanger
Frank Sudduth

1. Pledge of Allegiance and Invocation

President Daniel 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 Daniel called the meeting to order at 10:01am, 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 Directors for public comment.

4. Consider and act upon approval of Minutes from the December 13, 2016 board meeting and public hearing

After review and discussion, motion was made by Thomas Smith and seconded by Chris Boyd to approve the Minutes from the December 13, 2016 board meeting and public hearing. Motion passed unanimously.

5. Consider and act upon approval of invoices and reimbursements.

After a review, Chris Boyd made a motion to approve Resolution 2017-02-14-17-01. Thomas Smith 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) Quarterly Investment Report

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

c. Rules and Bylaws Committee

President Daniel stated there is an agenda item to discuss the Temporary Rules.

d. Groundwater Monitoring and Database Committee

President Daniel stated there is also an agenda item to discuss the geodatabase for the District's website.

e. Policy and Personnel Committee

No report.

f. Conservation and Public Awareness Committee

No report.

g. Management Plan Committee

1) Receive Annual Report on Management Plan.

Board Members were provided with the annual report for the District's Management Plan for their reference and review.

Board will adopt the Management Plan in March.

h. Desired Future Condition Committee

President Daniel stated there is an agenda item to discuss the Desired Future Conditions process for the District.

7. Consider and act upon Amendments to the District's Temporary Rules

President Daniel requested General Manager Satterwhite review the amendments with the Board. Mr. Satterwhite stated the amendments were made as requested by the Board, and the red-lined version of the Rules was posted on the website for the public's review. Mr. Satterwhite reviewed and discussed the red-lined version of the Temporary Rules with the Board.

Thomas Smith moved to approve the Temporary Rules as amended as of March 1, 2017. The motion was seconded by Ronny Young and passed unanimously.

8. Consider and act upon District's Fund Balance Allocations and Policy

President Daniel stated the Board has discussed this policy at previous meetings, and approved a listing of seven items to be funded utilizing the District's Fund Balance. The Board discussed an amount of \$825,000 being set aside for the seven approved items (Assigned Fund Balance). Discussion ensued regarding an additional amount of 25% for cash flow purposes (Unassigned Fund Balance). It was the consensus of the Board that the amount set aside for Unassigned Fund Balance be reviewed at the next meeting after additional analysis is provided for the Board to consider.

Ronny Young made a motion to table Agenda Item 8. The motion was seconded by Thomas Smith and passed unanimously.

9. Provide update on Geodatabase Qualifications Solicitation and possible action on the selection of a firm

Ronny Young, Chair of the Committee for the geodatabase upgrade, provided the Board with an update on the process for interviewing prospective geodatabase providers. Mr. Young stated all presentations went smoothly. Mr. Young then expressed the Committee's reasoning for selecting INTERA as the most qualified firm for providing these services.

General Manager Drew Satterwhite stated every presenter had a lot to offer the District. President Daniel stated the staff will need to invest a substantial amount of time with INTERA to work out scoping and pricing. Mr. Daniel also stated that the geodatabase is crucial to the District managing groundwater, enforcing rules, and day to day administration of the District. Mr. Satterwhite informed the Board that the Red River Committee Members unanimously voted for Intera as well. This will allow for sharing costs of many aspects of the system.

Ronny Young made a motion to select INTERA as the most qualified firm for the District's geodatabase, and the District staff to work with INTERA to develop a scope and proposal for the geodatabase. Thomas Smith seconded the motion and the motion passed unanimously.

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

President Daniel informed the Board regarding the GMA 8 meeting held on January 31st. The Desired Future Conditions resolution and Explanatory Report were unanimously approved by the Board. The next steps are to submit the Explanatory Report to the Texas Water Development Board for their approval. The Board discussed the next round of Joint Planning, current legislature considerations, and the regional planning groups planning coinciding with Groundwater Management Areas and the next phase of setting DFCs.

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

General Manager Satterwhite updated the Board regarding Strittmatter Irrigation and Supply.

The deadline for payment of the fines assessed Strittmatter Irrigation and Supply was February 13, 2017. Kristen Fancher, District General Counsel, will now begin filing paperwork with District Court in Denton County for this matter. The Board requested staff consult the District General Counsel regarding new filings from Strittmatter for drilling additional wells.

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

General Manager Satterwhite reviewed the well summary report with the Board. Currently there are 1,808 wells registered in the District. Mr. Satterwhite discussed obtaining a plaque for Kenny Klement's family to present to them in recognition of his service on the Board. Mr. Satterwhite further discussed a visioning workshop for the permanent rules development, and current legislative activities.


13. Open Forum / discussion of new business for future meeting agendas

The Management Plan update will be on a future agenda for consideration, and a Vision Workshop will be necessary for permanent rules development and is being scheduled for the April board meeting.

14. Adjourn public meeting

President Daniel declared the meeting adjourned 11:00am.

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Recording Secretary



Secretary-Treasurer