

**NORTH TEXAS
GROUNDWATER
CONSERVATION
DISTRICT**

PERMIT HEARING AND BOARD MEETING

**Pilot Point ISD Administration Office
829 S. Harrison St.
Pilot Point, TX 76258**

**TUESDAY
MARCH 8, 2022
10:00 AM**

NOTICE OF PUBLIC MEETING

OF THE
BOARD OF DIRECTORS of the

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

Tuesday, March 8, 2022 at 10:00 a.m.

MEETING LOCATION:

**Pilot Point ISD Administration Office
829 S. Harrison St.
Pilot Point, TX 76258**

Permit Hearing

The Permit Hearing will begin at 10:00 a.m.

Notice is hereby given that the Board of Directors of the North Texas Groundwater Conservation District ("District") will conduct a permit hearing on the following Production Permit Applications:

Agenda:

1. Call to Order; establish quorum; declare hearing open to the public; introduction of Board.
2. Public Comment on the Production Permit Applications (verbal comments limited to three (3) minutes each).
3. Review the Production Permit Applications of:

New Production Permit

- a. **Applicant:** City of Melissa; 3411 Barker Ave, Melissa, TX 75454
Location of Well: 4001-4099 Liberty Way, Melissa, TX 75454; Latitude: 33.30346°N, Longitude: 96.558833°W; About 850 feet south of the Thockmorton Road and Liberty Way intersection and about 150 feet west of Liberty Way.
Purpose of Use: Landscape Irrigation and filling surface impoundments
Requested Amount of Use: 7,440,000 gallons per year
Production Capacity of Well: 75 gallons/minute
Aquifer: Woodbine
- b. **Applicant:** Ronald Ross LLC dba The Triple "R" Ranch & Winery; 2776 CR 125, Whitesboro, TX 76273
Location of Well: 2776 CR 125, Whitesboro, TX 76273, Latitude: 33.800521°N, Longitude: 96.976528°W; About 5,000 feet south of the CR 125 and CR 106 intersection and about 1,100 feet south of CR 125.
Purpose of Use: Landscape and vineyard irrigation and filling surface impoundment(s)
Requested Amount of Use: 5,167,000 gallons per year
Production Capacity of Well: 50 gallons/minute
Aquifer: Trinity (Antlers)

Permit Amendment

- c. **Applicant:** MM Celina 3200 LLC, 1800 Valley View Ln, Ste 300, Farmers Branch, TX 75234
Location of Well: County Line Road, Celina, TX 75009, Latitude: 33.353247°N, Longitude: 96.833197°W; about one mile south of the County Line Road and FM 455 intersection and about 900 feet east of County Line Road.
Purpose of Use: Construction
Requested Amount of Use: 35,618,000 gallons thru 2023
Production Capacity of Well: 190 gallons/minute
Aquifer: Trinity (Antlers)
Amendment: Increasing the requested amount of use from 26,418,000 to 35,618,000 gallons thru 2023
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.
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 North Texas 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 the minutes from the February 15, 2022, Board meeting.
5. Consider and act upon approval of invoices and reimbursements, Resolution No. 2022-03-08-1.
6. Receive reports from the following Committees*:
 - a. Budget and Finance Committee
 - 1) Receive Monthly Financial Information
7. Discussion of the District's Investment Options
8. Discussion and possible action regarding the purchase of a flow meter
9. Discussion and possible action regarding the purchase of a District Vehicle

10. Update and possible action regarding the process for the development of Desired Future Conditions (DFCs).
11. Consider and act upon compliance and enforcement activities for violations of District rules.
12. 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
 - b. Well Registration Summary
 - c. Mountain Pure vs. Neches and Trinity Valley GCD case update
13. Open forum / discussion of new business for future meeting agendas.
14. Adjourn public meeting.

* Reports from District standing committees will include a briefing by each committee for the Board on the activities of the committee, if any, since the last regular Board meeting.

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

These public meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting, please call (855) 426-4433 at least 24 hours in advance of the meeting to coordinate any special physical access arrangements.

For questions regarding this notice, please contact Velma Starks at (855) 426-4433, at ntgcd@northtexasgcd.org, or at 5100 Airport Drive, Denison, TX 75020.

At 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 North Texas 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); deliberation regarding personnel matters (§551.074); deliberation regarding security devices (§551.076); and deliberation regarding cybersecurity (§551.089). Any subject discussed in executive session may be subject to action.

ATTACHMENT 4

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

Tuesday, February 15, 2022 at 10:00 a.m.

**Pilot Point ISD Administration Office
829 S. Harrison St.
Pilot Point, TX 76258**

Please note for in-person attendance that the Board meeting location can only accommodate a limited number of attendees in order to comply with state requirements related to in-person gatherings. In the event in-person attendance exceeds any state or local requirements, the District may provide an option for virtual participation for any overflow attendees as necessary and authorized by law.

Members Present: Lee K. Allison, Joe Helmberger, Allen Knight, David Flusche, Ron Sellman, Jimmy Arthur, Ronny Young, and Thomas Smith

Members Absent: Greg Peters

Staff: Drew Satterwhite, Paul Sigle, and Velma Starks

Visitors: Kristen Fancher, Legal Counsel
Jason Flynt, Barco Well Service
Dale Chepulis, Double D Drilling Inc.

Permit Hearing

Agenda:

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

Board President Joe Helmberger called the Permit Hearing to order at 10:00 a.m.

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

No public comment.

3. Review the Production Permit Applications of:

New Production Permits

- a. **Applicant:** Mark Moseley, 15056 FM 407, Justin, TX 76247
Location of Well: 15056 FM 407, Justin, TX 76247; Latitude: 33.095996°N, Longitude: 97.382443°W; About 2,650 feet east of the FM 407 and South County Line Road intersection and about 1,400 feet north of FM 407.
Purpose of Use: Public Water System/RV Park
Requested Amount of Use: 821,250 gallons per year
Production Capacity of Well: 34 gallons/minute
Aquifer: Trinity (Antlers)

General Manager Drew Satterwhite reviewed the permit with the Board. Discussion was held. Board Member Ronny Young made the motion to approve the permit. Board Member Allen Knight seconded the motion. Motion passed unanimously.

- b. **Applicant:** Windsong Ranch Community Assoc., 1001 Windsong Parkway South, Prosper, TX 75078
Location of Well: Field Road, Prosper, TX 75078 Latitude: 33.243121°N, Longitude: 96.862588°W; About 1,700 feet south of the Prosper Road and North Teel Parkway intersection and about 500 feet west of North Teel Parkway.
Purpose of Use: Landscape Irrigation and Surface Impoundment(s)
Requested Amount of Use: 15,900,000 gallons per year
Production Capacity of Well: 170 gallons/minute
Aquifer: Trinity (Antlers)

- c. **Applicant:** Windsong Ranch Community Assoc., 1001 Windsong Parkway South, Prosper, TX 75078
Location of Well: Latitude: 33.23467°N, Longitude: 96.86306°W; The intersection of Pepper Grass Lane and Ash Creek Drive.
Purpose of Use: Landscape Irrigation and Surface Impoundment(s)
Requested Amount of Use: 9,360,000 gallons per year
Production Capacity of Well: 101 gallons/minute
Aquifer: Woodbine

General Manager Drew Satterwhite reviewed both Windsong Ranch Community Assoc. permits with the Board. Discussion was held. Board Member Allen Knight made the motion to approve the permits. Board Member Ron Sellman seconded the motion. Motion passed unanimously.

- d. **Applicant:** Rooted In, LLC, 12750 Pelzel Rd., Pilot Point, TX 76258
Location of Well: 12750 Pelzel Rd., Pilot Point, TX 76258 Latitude: 33.397555°N, Longitude: 96.874623°W; about 0.75 miles north of the Pelzel Road and FM 455 intersection and about 350 feet east of Pelzel Road.
Purpose of Use: Landscape Irrigation
Requested Amount of Use: 1,000,000 gallons per year
Production Capacity of Well: 30 gallons/minute
Aquifer: Woodbine

General Manager Drew Satterwhite reviewed the permit with the Board. Board Member Ronny Young made the motion to approve the permit. Board Member Ron Sellman seconded the motion.

Motion passed unanimously.

- e. **Applicant:** MM Celina 3200 LLC, 1800 Valley View Ln, Ste 300, Farmers Branch, TX 75234
Location of Well: County Line Road, Celina, TX 75009, Latitude: 33.353247°N, Longitude: 96.833197°W; about one mile south of the County Line Road and FM 455 intersection and about 900 feet east of County Line Road.
Purpose of Use: Construction
Requested Amount of Use: 26,418,000 gallons thru 2023
Production Capacity of Well: 190 gallons/minute
Aquifer: Trinity (Antlers)

General Manager Drew Satterwhite reviewed the permit with Board. The District staff noticed the permit for 26,418,000 gallons. The applicant actually needs 35,618,000. The Staff recommended that the Board approve the authorized amount, and then come back at next meeting to consider the amount that was left off in error. Discussion was held. Board Member Allen Knight made the motion to approve the 26,418,000 gallons. Board Member Thomas Smith seconded the motion. Motion passed unanimously.

- f. **Applicant:** Denton ISD, 230 N. Mayhill Rd, Denton, TX 76208
Location of Well: 3690 Hunter St, Aubrey, TX 76227, Latitude: 33.260422°N, Longitude: 96.900745°W; about 400 feet south of the Biggs Ave and Bridle Path Parkway intersection and about 50 feet east of Biggs Ave.
Purpose of Use: Landscape Irrigation
Requested Amount of Use: 4,360,000 gallons per year
Production Capacity of Well: 120 gallons/minute
Aquifer: Trinity (Antlers)

General Manager Drew Satterwhite reviewed the Permit with the Board. Discussion was held. Board Member Thomas Smith made the motion to approve the permit. Board Member Allen Knight seconded the motion. Motion passed unanimously.

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.

Each permit was voted on separately except the Windsong permits which were voted on together.

5. Adjourn or continue permit hearing.

Board President Joe Helmberger adjourned the permit hearing at 10:22 a.m.

Board Meeting

Agenda:

1. Pledge of Allegiance and Invocation

Board President Joe Helmberger led the Pledge of Allegiance and Board Member Ronny Young

provided the invocation.

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

Board President Joe Helmberger called the meeting to order at 10:23 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public Comment

There were no public comments.

4. Consider and act upon approval of the minutes from the January 11, 2022, Board meeting.

Board President Joe Helmberger asked for approval of the minutes from the January 11, 2022, meeting. Board Member Ron Sellman made the motion to approve the minutes. Board Member Allen Knight seconded the motion. Motion passed. Board Members Ronny Young and Thomas Smith abstained.

5. Consider and act upon approval of invoices and reimbursements, Resolution No. 2022-02-15-1.

General Manager Drew Satterwhite reviewed the liabilities with the Board. Discussion was held. Board Member Allen Knight made the motion to approve Resolution No. 2021-02-15-1. Board Member 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 Report with the Board.

7. Discussion and possible action regarding the District's declaration of Drought.

General Manager Drew Satterwhite reminded Board that the Board can declare "drought". Staff is not recommending to declare "drought" at this time. Rules state that "drought" could be declared which would allow permittees to use 15% more water. It was suggested that we wait until later before deciding to declare "drought".

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

General Manager Drew Satterwhite informed the Board that the Explanatory Report was submitted to TWDB in January. Juan Perez, TWDB, had follow-up questions which are currently being addressed.

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

None at this time.

10. 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

General Manager Drew Satterwhite sent out the report to Board. Three of the four wells met the RRC rules, one well was protested and the applicant removed the application.

b. Well Registration Summary

General Manager Drew Satterwhite reviewed the well registration summary with the Board. Fourteen new wells were registered.

c. Mountain Pure vs. Neches and Trinity Valley GCD case update.

General Manager Drew Satterwhite suggested that due to technical difficulties with Zoom, that the Mountain Pure vs Neches and Trinity Vallely GCD case update be moved to the next meeting when Kristen Fancher can attend in-person.

General Manager Drew Satterwhite informed the Board that as TAGD Vice President, he attended the Legislative and Business meeting last week.

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

Money investments

12. Adjourn public meeting

Board President Joe Helmberger declared the meeting adjourned at 10:47 a.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 5

RESOLUTION NO. 2022-03-08-1

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE
MONTH OF FEBRUARY

The following liabilities are hereby presented for payment:

<u>Administrative Services</u>	<u>Amount</u>
GTUA - January 2022	29,021.75
<u>Direct Costs</u>	
NexTraq - March GPS tracking	39.95
<u>Legal</u>	
Kristen Fancher PLLC - Legal services through February	832.00
<u>Meetings & Conferences</u>	
Pilot Point ISD - Meeting Room	75.00
GRAND TOTAL:	\$ <u><u>29,968.70</u></u>

On motion of _____ and seconded by _____ the
foregoing Resolution was passed and approved on this, the 8th day of March, 2022 by the following
vote:

AYE:
NAY:

President

Secretary/Treasurer

RESOLUTION NO. 2022-03-08-1

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS GROUNDWATER
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE
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The following liabilities are hereby presented for payment:

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<u>Legal</u>	
Kristen Fancher PLLC - Legal services through February	832.00
<u>Meetings & Conferences</u>	
Pilot Point ISD - Meeting Room	75.00
GRAND TOTAL:	\$ <u><u>29,968.70</u></u>

On motion of _____ and seconded by _____ the
foregoing Resolution was passed and approved on this, the 8th day of March, 2022 by the following
vote:

AYE:
NAY:

President

Secretary/Treasurer

ATTACHMENT 6 A-1

NORTH TEXAS GROUNDWATER

Balance Sheet

As of February 28, 2022

ASSETS

Current Assets

Checking/Savings

10001 Checking Account	1,837,834.78
10005 Cash-Index Account	719,901.01
10008 Cash - Tex Star	132.64
10025 Accounts Receivable	221,750.31
10033 A/R Penalties	3,800.00
10035 A/R GMA8 Members	71.33
10070 A/R Liens	14,000.00
10026 Allowance for Uncollectib	-22,900.00
12001 Prepaid Expenses	1,654.28

TOTAL ASSETS 2,776,244.35

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

23100 Accounts Payable	29,313.80
23150 Well Drillers Deposits	35,256.30

Total Liabilities 64,570.10

Equity

35100 Retained Earnings	2,765,953.11
Net Income	-54,278.86

Total Equity 2,711,674.25

TOTAL LIABILITIES & EQUITY 2,776,244.35

NORTH TEXAS GROUNDWATER
Profit & Loss Budget vs. Actual
February 28, 2022

	TOTAL				
	Feb 22	1 mo. Budget	YTD Actual	Total Budget	% of Budget remaining
Ordinary Income/Expense					
Income					
46003 - Registration Fees	3,700.00	2,166.67	6,400.00	26,000.00	75.38%
46004 - Well Driller Fees	0.00	0.00	0.00	0.00	0.0%
46005 - PRODUCTION FEES	-2.78	0.00	-2.78	710,000.00	100.0%
46006 Income GMA8	0.00	366.67	0.00	4,400.00	100.0%
46007 - Penalties	0.00	0.00	0.00	0.00	0.0%
46008 - Online Pay Fees	47.25	416.67	47.25	5,000.00	99.06%
46015 Late Fees	0.00	0.00	0.00	0.00	0.0%
Total Income	<u>3,744.47</u>	<u>2,950.00</u>	<u>6,444.47</u>	<u>745,400.00</u>	<u>99.14%</u>
Gross Profit	3,744.47	2,950.00	6,444.47	745,400.00	99.14%
Expense					
77010 ADMINISTRATIVE					
77013 Admin-Secretarial	648.00	1,833.33	1,632.00	22,000.00	92.58%
77014 Admin-Project Coordinator	62.50	1,333.33	175.00	16,000.00	98.91%
77015 Admin-GM	5,814.00	5,500.00	10,944.00	66,000.00	83.42%
77016 Admin-Clerical	1,929.50	3,554.17	5,312.50	42,650.00	87.54%
77040 ADMIN-MILEAGE	267.37	225.00	340.02	2,700.00	87.41%
77025 ACCOUNTING	3,810.00	2,916.67	6,810.00	35,000.00	80.54%
77027 AUDITING	0.00	485.00	0.00	5,820.00	0.0%
77030 ADVERTISING	0.00	166.67	0.00	2,000.00	100.0%
77050 BANKING FEES	75.10	425.00	83.00	5,100.00	0.0%
77150 CONSULTING-HYDROGEO SVC	0.00	2,833.33	0.00	34,000.00	100.0%
77325 DIRECT COSTS-REIMB	282.61	458.33	535.22	5,500.00	90.27%
77450 DUES & SUBSCRIPTION	0.00	615.67	0.00	7,388.00	100.0%
77480 EQUIPMENT	0.00	3,791.67	0.00	45,500.00	100.0%
77485 Equipment Database	0.00	1,250.00	0.00	15,000.00	100.0%
77500 FEES-GMA8	0.00	400.00	175.30	4,800.00	96.35%
77550 FIELD TECH	8,562.00	15,166.67	17,822.00	182,000.00	90.21%
77560 Field Permitting/Geologis	6,578.00	6,083.33	12,350.00	73,000.00	83.08%
77650 FUEL/MAINTENANCE	212.39	416.67	406.02	5,000.00	91.88%
77800 INJECTION WELL MONITORING	0.00	58.33	0.00	700.00	100.0%
77810 INSURANCE & BONDING	358.84	386.33	717.68	4,636.00	84.52%
77970 LEGAL					
77975 Legal-Injection	0.00	833.33	0.00	10,000.00	100.0%
77980 Legal-Legislation	0.00	0.00	0.00	0.00	0.0%
77970 LEGAL - Other	832.00	3,333.33	1,864.00	40,000.00	95.34%
78010 MEETINGS & CONFERENCES	446.21	666.67	964.59	8,000.00	87.94%
78310 Rent	200.00	200.00	400.00	2,400.00	83.33%
78600-SOFTWARE MAINT	200.00	333.33	231.16	4,000.00	94.22%
78610 TELEPHONE	84.17	316.67	359.02	3,800.00	90.55%
78780 Well Monitoring/Testing	0.00	450.00	0.00	5,400.00	100.0%
Total Expense	<u>30,362.69</u>	<u>54,032.83</u>	<u>61,121.51</u>	<u>648,394.00</u>	<u>90.57%</u>
Other Income/Expense					
Other Income					
46100 INTEREST INC	0.00	958.33	398.18	11,500.00	96.54%
Total Other Income	<u>0.00</u>	<u>958.33</u>	<u>398.18</u>	<u>11,500.00</u>	
Net Other Income	0.00	958.33	398.18	11,500.00	
Net Income	<u><u>-26,618.22</u></u>	<u><u>-50,124.50</u></u>	<u><u>-54,278.86</u></u>	<u><u>108,506.00</u></u>	

ATTACHMENT 7



AGENDA COMMUNICATION

DATE: March 4, 2022

SUBJECT: AGENDA ITEM NO. 7

DISCUSSION OF THE DISTRICT'S INVESTMENT OPTIONS

ISSUE

At the last Board meeting, the Board requested an agenda item on the next agenda to discuss investment options available to the District.

BACKGROUND

The District must invest within the constraints of the Public Funds Investment Act and our Investment Policy.

Over the last several years, CDs have been the best investment option available to us until recently. Since mid-2020, CD rates plunged to the point where our bank accounts have better interest returns.

We have attached a copy of our Investment Policy and the latest Quarterly Investment Report to discuss with the Board.

PREPARED BY:

Drew Satterwhite, General Manager

EXHIBIT "A"

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

INVESTMENT POLICY

REVIEWED AND APPROVED: October 12, 2021

EXHIBIT "A"

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

INVESTMENT POLICY

1.01 PURPOSE

This policy with respect to district investments has been adopted by the Board of Directors (the "Board") of North Texas Groundwater Conservation District (the "District") to establish the principles and criteria by which the funds of the District should be invested and secured (a) to preserve the principal, (b) to earn interest, (c) to address investment diversification, yield, and maturity, (d) to fulfill the duties of the designated Investment Officer of the District, (e) to comply with the types of authorized investments and to specify the maximum allowable stated maturity of the District's investments, and (f) to comply with the provisions of Texas law related to the investment and security of funds applicable to groundwater conservation districts ("Investment Laws"). The provisions of Chapter 36 of the Texas Water Code relating to investments and securities, the Public Funds Investment Act (the "Act") as amended in Chapter 2256 of the Texas Government Code, and other appropriate statutes are applicable to the investment of the District's funds.

1.02 POLICY OF INVESTMENT

- A. The preservation of principal shall be the primary concern of the District and the District Investment Officer. To the extent that the principal is protected, District funds shall be invested to yield the highest possible rate of return to meet the current and future financial needs of the District and to maintain liquidity, all while taking into consideration the strength of the financial institution, and complying with any Internal Revenue Code laws or regulations and procedures set forth in any bond resolutions or orders, adopted from time to time by the Board. Funds of the District shall be invested by the District's staff in accordance with the policy. Any resolution or order adopted by the Board relating to investment policies or procedures shall be in writing and shall be made available to requesting members of the public.
- B. Investment of funds shall be governed by the following investment objectives, in order of priority:
 1. Understanding suitability of investments to the District's requirements;
 2. Preservation and safety of principal;
 - a. Credit risk - the District will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment
 - b. Interest rate risk - the District will minimize the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates
 3. Liquidity;
 4. Marketability prior to maturity of each investment;
 5. Diversification; and
 6. Yield.

- C. The investment of the District's funds should be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed. The Investment Officer, to the extent possible, will attempt to match investments with anticipated cash flow requirements. Matching securities with cash flow dates will normally increase yield, will lock in higher yields, and reduce the need to sell securities prior to maturity, thus reducing market risk.

1.03 DELEGATION OF INVESTMENT AUTHORITY

- A. The Board shall designate by resolution one or more officers and/or General Manager and Finance Officer of the District to be responsible for the investment of its funds and be the District's Investment Officer(s). The Board resolution shall also authorize the Investment Officer to engage in investment transactions, deposit, withdraw, wire funds for investments, transfer and manage funds on behalf of the District. However, there shall be no transfer, expenditure, or appropriation of District funds, other than a transfer of the funds from one District account to another account of the District as stated above, unless by check or draft signed by two (2) members of the Board or authorized by separate order or resolution of the Board.
- B. The Investment Officer is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. The Board retains ultimate fiduciary responsibility.
- C. The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include reference to safekeeping, wire transfer agreements, banking services contracts, and other investment related activities.
- D. All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established.
- E. The Investment Officer's authority is effective until the District rescinds the authority or until: (1) termination of employment with the District for an Investment Officer who is an employee of the District; or (2) vacating the office of director for an Investment Officer who is a director of the Board.
- F. An officer or employee of a regional planning commission, council of governments or similar regional planning agency created under Chapter 391, Local Government Code, is ineligible to be designated as an investment officer under this policy.
- G. No person may deposit, withdraw, invest, transfer, or manage in any other manner funds of the District without the express written authority of the Investment Officer.
- H. Obtain and review competitive rates from qualified investment providers, financial institutions and broker/dealers.

1.04 PRUDENT PERSON RULE

- A. The actions of the Investment Officer in the performance of his or her duties as manager of the District's funds shall be evaluated using the "prudent person" standard. Investments shall be made with judgment and care under prevailing circumstances which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.
- B. The Investment Officer acting in accordance with written procedures exercising due diligence shall be relieved by personal responsibility for an individual security's performance provided that deviations from expectations are reported in a timely fashion to the governing body and appropriate action is taken to control adverse developments.

1.05 INVESTMENT STRATEGY BY FUND

Funds in the District accounts shall be invested by the Investment Officer as follows:

- a. Capital Projects Account: The District may choose to have a Capital Projects Account from time to time, and, if so, shall maintain as its primary objective to maximize the suitability of the investment in such funds to the financial requirements of the District while preserving the safety of principal with regard to monies collected or allocated for such fund.
- b. Operating Account: Funds in this account shall be invested to meet the operating requirements of the District as determined by the annual operating budget of the District, or by resolution of the Board.
- c. Debt Service Account: Funds in this account shall be invested to meet the debt service requirements of the District. In order to accomplish this, the District will invest such funds in amounts and maturity dates that most likely match the debt service requirements of the District.

1.06 AUTHORIZED INVESTMENTS

- A. Acceptable investments under this Policy shall be limited to the instruments listed below and as further described by the Act. If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the District until this Policy has been amended and the amended version is adopted by the Board:
 - 1. Obligations of the United States Government, its agencies and instrumentalities, , including the Federal Home Loan Banks, but excluding principal-only and interest-only mortgage backed securities, collateralized mortgage obligations, and real estate mortgage investment conduits; not to exceed two years to stated maturity,;
 - 2. Fully insured or collateralized certificates of deposit and other forms of deposit placed in compliance with the Act from any bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to stated maturity, to include certificates of deposit purchased through the CDARS program with a Texas bank; and

3. AAA-rated, constant dollar Texas Local Government Investment Pools as defined by the Act.
- B. Bids for investments, including certificates of deposit, may be solicited:
1. Orally;
 2. In writing;
 3. Electronically; or
 4. In any combination of those methods.
- C. All purchases of securities shall be made on a delivery versus payment basis assuring that no District funds are released before the security is received by the custodian.

1.07 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

- A. All investments made by the District will be made through either the District's banking services bank or an approved broker/dealer. The Board will review the list of broker/dealers annually. A list of at least three broker/dealers will be maintained of approved investment broker/dealers. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 153C-1 (uniform net capital rule).
- B. Securities broker/dealers supply the following as appropriate and when requested:
1. Proof of certification by the Financial Industry Regulatory Authority (FINRA) and provision of FINRA CRD number,
 2. Audited financial statements, and
 3. Proof of current registration with the Texas State Securities Board.
- C. Every broker/dealer and bank with which the District transacts business will be provided a copy of this Investment Policy for review. A qualified representative of the business organization shall execute a written instrument substantially to the effect that the organization has received and reviewed this policy. The business organization acknowledges the implementation of procedures and controls to preclude imprudent investment activities that are not authorized by the Investment Policy.

1.08 SAFEKEEPING AND COLLATERALIZATION

- A. Safekeeping of District Owned Securities.
1. All purchased securities shall be cleared to safekeeping on a delivery versus payment basis and held in safekeeping by an independent third party financial institution, or the District's banking services depository.
 2. All safekeeping arrangements shall be approved by the Investment Officer and an agreement of the terms executed in writing. The independent third party custodian shall be required to issue safekeeping receipts to the District listing each specific security, rate, description, maturity, cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is being held for the District or pledged to the District.
- B. Securities Pledged as Collateral

1. All securities pledged to the District for all bank time or demand deposits shall be held by an independent third party bank doing business in Texas. The safekeeping bank may not be within the same holding company as the bank from which securities are pledged.
2. Collateralization is required on all time and demand deposits over the FDIC insurance coverage.
 - a. In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level will be 102% of the deposit amount plus accrued interest on the deposit, less the applicable level of FDIC insurance.
 - b. Collateral will be held by an independent third party custodian. The custodian shall provide a written monthly report directly to the District listing all pledged collateral by description and par at a minimum. The investment officers will monitor adequacy of collateralization levels to verify market values and total collateral positions.
 - c. If the collateral pledged for a deposit falls below the deposit value of the deposit, plus accrued interest, less FDIC insurance, the institution holding the deposit will be notified by the investment officers and will be required to pledge additional collateral no later than the end of the next business day.

C. Authorized Collateral

1. The only types of collateral authorized by the District are:
 - a. Obligations of the U. S. Government, its agencies and instrumentalities including mortgage-backed securities which pass the bank test.
 - b. Obligations of a state or subdivision, city, county, school district of any state which is rated A or better by two nationally recognized rating agencies.
 - c. Letters of Credit issued by a Federal Agency or Instrumentality.
2. If the depository proposes a collateral pooling program, the Investment Officer will review and evaluate the program's risk and cost to the District for presentation to the Board. The pooling of collateral allows a bank to create a pool of securities for collateral purposes for multiple governments and will not result in securities pledged directly/specifically to each government.
3. Collateralized deposits often require release or substitution of collateral. Any broker/, dealer, or financial institution may automatically collateral of equal or greater value than the replaced security. The investment officers, or a designee, must provide written notification of the decision to the custodian/safekeeping agent holding the security prior to any security release. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The investment officers may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

1.09 INVESTMENT TRAINING

- A. The Investment Officer shall attend training, as required by Water Code 36.1561, from an independent source approved by the Board involving at least six (6) hours of instruction. The initial training shall occur within 12 months after the Investment Officer takes office or assumes his or her duty. The Investment Officer shall attend an investment training session not less than once in a two-year period and receive not less than four (4) hours of instruction related to the duties and investment responsibilities under Subchapter 2256 of the Act from an independent source approved by the Board.
- B. Training under this section must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Act.

1.10 REPORTING AND PERFORMANCE EVALUATION

- A. The Investment Officer shall submit a monthly report to the District Manager.
- B. Not less than quarterly, the Investment Officer shall prepare and submit to the Board a written report of investment transactions for all funds subject to this policy for the preceding reporting period. The report must:
 - 1. Describe in detail the District's investment position on the date of the report;
 - 2. Be prepared by the Investment Officer;
 - 3. Be signed by the Investment Officer;
 - 4. State the maturity date of each separately invested asset that has a maturity date;
 - 5. State the book value and the market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested; and
 - 6. State the compliance of the investment portfolio of the District with:
 - a. The investment strategy expressed in the District's Investment Policy; and
 - b. Relevant provisions of the Act.
- C. Market prices for market evaluations will be obtained from an independent source.
- D. In addition, the report shall explain the quarter's total investment return and compare the return with budgetary expectations.
- E. All reports shall be in compliance with the Act.

1.11 MISCELLANEOUS

- A. The District, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the District's established investment policies to review investment performance and to ensure investment security. The controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions.

- B. The District shall review this policy at least annually and adopt a resolution confirming the continuance of the policy without amendment or adopt an amended investment policy.
- C. This investment policy was reviewed and approved on December 12, 2017 and supersedes any prior policies adopted by the Board regarding investment or securitization of District funds.

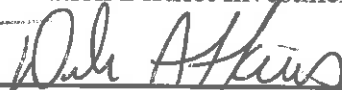
North Texas Groundwater Conservation District
Quarterly Investment Report
For the Quarter Ended
December 31, 2021

The investment portfolio of the North Texas Groundwater Conservation District is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Presented by North Texas Groundwater Conservation District Investment Officers:



Drew Satterwhite
General Manager



Debi Atkins
Finance Officer

Book/Market Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2021		Purchases/ Adjustments	Sales/Adjust/ Call Maturity	December 31, 2021	
			Face Amount/ Par Value	Book/Market Value			Face Amount/ Par Value	Book/Market Value
Independent (DDA)	0.50%	10/1/2021	\$ 1,592,443.97	\$ 1,592,443.97	408,472.35	147,085.40	\$ 1,853,830.92	\$ 1,853,830.92
Independent (ISS)	0.25%	10/1/2021	719,391.40	719,391.40	448.48		\$ 719,839.88	\$ 719,839.88
TexStar	0.01%	10/1/2021	88,130.13	88,130.13	2.05	88,000.00	\$ 132.18	\$ 132.18
			<u>\$ 2,420,179.35</u>	<u>\$ 2,420,179.35</u>	<u>\$ 408,922.88</u>	<u>\$ 235,085.40</u>	<u>\$ 2,573,802.98</u>	<u>\$ 2,573,802.98</u>

Investment Holdings
12/31/2021

Description	Ratings	Coupon/		Maturity Date	Settlement Date	Face Amount/Par		Book Value	Market Price	Market Value	Life (Day)	Yield
		Discount				Value						
Independent (DDA)		0.25%		1/1/2022	12/31/2021	\$ 1,853,830.92	\$ 1,853,830.92	1.00	\$ 1,853,830.92	1	0.25%	
Independent (ISS)		0.25%		1/1/2022	12/31/2021	719,839.88	719,839.88	1.00	719,839.88	1	0.25%	
TexStar		0.01%		1/1/2022	12/31/2021	132.18	132.18	1.00	132.18	1	0.10%	
						<u>\$ 2,573,802.98</u>	<u>\$ 2,573,802.98</u>		<u>\$ 2,573,802.98</u>	<u>1</u>		

(1) Weighted average life - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

ATTACHMENT 8

DATE: March 4, 2022

SUBJECT: AGENDA ITEM NO. 8

DISCUSSION AND POSSIBLE ACTION REGARDING THE PURCHASE OF A FLOW METER

ISSUE

During the budget planning cycle for this current fiscal year, the Board allocated funds to purchase an additional flow meter.

BACKGROUND

In 2014, the District purchased a portable flow meter for the purposes of verifying actual flow rates of the completed wells against the applied for flow rates. At that time, wells that were over 25gpm that were not domestic, livestock or poultry were considered non-exempt. The meter was purchased because we needed a more accurate way to determine capacity for wells that were borderline.

Upon the adoption of the permanent rules in 2019, the District began flow testing of every new well that is completed within the District. The reasoning for testing every well is primarily due to the spacing of wells being contingent upon flow rate, in addition to determining exemption status. This has significantly increased the use of our current flow meter.

We also anticipate an additional Field Technician starting employment with us in March 2022. The flow meter was budgeted so that we would have two (2) available at all times to help with scheduling. Most of the time, we are working with the drillers and they appreciate when we are able to perform the flow tests while they are already on-site in order to save them an additional trip. This is difficult to accomplish on occasion when we only have one (1) meter available. Also, there are occasions where we have issues with our current flow meter and we are unable to flow test while maintenance is being performed.

CONSIDERATIONS

Wayne Parkman, Field Technician, led the effort to shop for and compare the various flow meters available that would be suitable for the field staff. He contacted multiple vendors and ultimately narrowed it down the three (3) units. Many of the units that were eliminated from consideration were due to accuracy, cost, or vendors being unresponsive. Below is a summary of the three(3):

Brand	Model	Type	Price	Accuracy	Battery Life	Screen Type	Pipe Size Range	Warranty	Lead Time	Communication with Transmitter	Setup Time
Fuji Electric	Portaflow-C (FSC4)	Ultrasonic	\$6,149.00	1.00%	12 hrs.	4.7 inch color screen	.5" to 4"	1 year	In stock	Wire	5 mins or less
Badger Meter	Dynasonics DXN	Ultrasonic & Doplar	\$6,680.00	1.00%	9 hrs.	6x 3.6 inch outdoor readable color touch screen	.5" to 12"	1 year	4-5 weeks	Wire	5 mins or less
Panametrics	TransPort PT900	Ultrasonic	\$11,804.38	2.00%	18-20 hrs.	7" or 8" Tablet (Android operating system)	.5" to 24"	2 year	Not sepcified	Wire or Bluetooth	6 mins or less

The cheapest unit, Fuji Electric's Portaflow, is the same unit that the District currently owns. We believe this unit has performed well and is reliable. In addition, we are familiar with the unit and could share parts(Bars, chargers, etc.).

STAFF RECOMMENDATIONS

The staff recommends authorizing the purchase of a Fuji Electric Portaflow-C.

PREPARED BY:

A handwritten signature in black ink, appearing to read 'D. Satterwhite', written over a horizontal line.

Drew Satterwhite, General Manager

CHIEF OF POLICE

COMMUNICATIONS SECTION

1000 WEST 10TH AVENUE

DEPARTMENT OF PUBLIC SAFETY

1000 WEST 10TH AVENUE

DENVER, COLORADO 80202

TELEPHONE 333-3333

ATTACHMENT 12 b.

MEMORANDUM FOR THE CHIEF OF POLICE

FROM: SAC, DENVER (157-1000)

SUBJECT: [REDACTED]

2/10

RE: [REDACTED]

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT

Well Registration Summary

(as of 2/28/2022)

Well Type	Collin	Cooke	Denton	Total NTGCD	New Registrations February 2022
Domestic	86	582	964	1632	15
Public Water System	34	75	225	334	0
Irrigation	99	6	191	296	3
Surface Impoundment	58	17	119	194	1
Livestock	7	82	63	152	1
Oil / Gas	1	6	66	73	0
Agriculture	8	13	42	63	0
Commercial	6	8	39	53	0
Golf Course Irrigation	15	2	21	38	0
Other	9	6	18	33	0
Industrial / Manufacturing	8	13	9	30	0
Monitoring	0	0	3	3	0
TOTALS	331	810	1760	2901	20

NOTE: Plugged wells have been excluded

ADJOURN