

RED RIVER GROUNDWATER CONSERVATION DISTRICT

PERMIT HEARING AND BOARD MEETING

Join by computer, tablet or smartphone at the following link:
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or

Join by phone 224-501-3412 with access code: 519-762-869

**THURSDAY
AUGUST 20, 2020**

NOTICE OF PUBLIC MEETING
OF THE
BOARD OF DIRECTORS OF THE
RED RIVER GROUNDWATER CONSERVATION DISTRICT

Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/519762869>

or

Join by phone 224-501-3412 with access code: 519-762-869

Thursday, August 20, 2020 – 10:00 a.m.

Notice is hereby given that, in accordance with Governor Abbott's March 16, 2020, action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the Board of Directors of the Red River Groundwater Conservation District ("District") will hold a Board meeting via telephone and video conference call beginning at 10:00 a.m. on Thursday, August 20, 2020. Any member of the public who wishes to participate remotely may do so through the remote access options provided above.

Permit Hearing

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

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 Applications:

Agenda:

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

Applicant: Southwest Fannin Special Utility District; 8046 W. State Hwy. 56, Savoy, TX 75479

Location of Well: FM 2645 & CR 1255, Savoy, Texas 75479; Latitude: 33.6393°N Longitude: 96.3135°W; about 735 feet south of the County Road 1255 and Farm Market 2645 intersection

Purpose of Use: Public Water System

Requested Amount of Use: 55,000,000 gallons per year; total production of 73,510,207 gallons per year (Historic Use Permit: 18,510,207 gallons per year; Proposed Production Permit: 55,000,000 gallons per year)

Production Capacity of Well: 300 gallons per minute

Aquifer: Trinity (Antlers) Aquifer

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

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 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 July 16, 2020, Board Meeting.
5. Budget and Finance.
 - a. Review and approval of monthly invoices.
 - b. Receive monthly financial information
 - c. Consider and act upon 2021 Operating Budget.
 - d. Consider and act upon 2021 Groundwater Production Fee and Fee Schedule.
6. Update and possible action regarding the process for the development of Desired Future Conditions (DFC).
7. Consider and act upon compliance and enforcement activities for violations of District Rules.
 - a. Porter Green
8. 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
9. Open forum / discussion of new business for future meeting agendas.
10. Adjourn.

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.

³ Persons 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, JULY 16, 2020

Join by computer, tablet or smartphone at the following link:
<https://global.gotomeeting.com/join/684459941>

or

Join by phone 571-317-3122 with access code: 684-459-941

Thursday, July 16, 2020 – 10:00 a.m.

Notice is hereby given that, in accordance with Governor Abbott's March 16, 2020, action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the Board of Directors of the Red River Groundwater Conservation District ("District") will hold a Board meeting via telephone and video conference call beginning at 10:00 a.m. on Thursday, July 16, 2020. Any member of the public who wishes to participate remotely may do so through the remote access options provided above.

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

Members Absent: Mark Newhouse and Billy Stephens

Staff: Drew Satterwhite, Allen Burks, Paul Sigle, Nichole Sims, Theda Anderson, Carolyn Bennett, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal
David Tomlinson, GTUA

Board Meeting

1. Pledge of Allegiance and Invocation.

General Manager Drew Satterwhite led the Pledge of Allegiance and Board Member Chuck Dodd provided the invocation.

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

General Manager Drew Satterwhite called the meeting to order at 10:05 a.m., established that 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 Minutes of June 18, 2020 Board Meeting.

Board Member David Gattis made a motion to approve the minutes of the June 18, 2020 meeting. The motion was seconded by Board Member Mark Gibson. The Board was individually polled. Motion passed unanimously.

5. Budget and Finance.

a. Review and approval of monthly invoices.

General Manager Drew Satterwhite reviewed monthly invoices with the Board. Board Member David Gattis made the motion to approve the monthly invoices. Board Member Mark Patterson seconded the motion. The Board was individually polled. Motion passed unanimously.

b. Receive monthly financial information.

General Manager Drew Satterwhite reviewed the monthly financial information with the Board.

c. Receive Quarterly Investment Report.

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

d. Consider and act upon authorizing a letter to non-exempt well owners regarding water use fees.

General Manager Drew Satterwhite informed the Board that a meeting with Budget Committee is planned in the near future. The plan is to bring a budget back to Board in August. Since most of the water providers operate on an October 1 to September 30 fiscal year, the Board was asked to consider writing a letter to non-exempt well owners informing them that rates will not increase. Board Member Mark Patterson made a motion to send a letter to non-exempt well owners. Board Member Chuck Dodd seconded the motion. The Board was individually polled. Motion passed unanimously.

6. Receive Quarterly Report on Management Plan.

General Manger Drew Satterwhite reviewed the Quarterly Report on Management Plan with Board.

7. Discussion and possible action regarding entering into an agreement with Texas A&M Agrilife for irrigation modeling.

General Manager Drew Satterwhite informed the Board that it had been recommended to have a third party look at the model developed to use for proposed permitted amounts. Texas A&M Agrilife was requested to look at current model. Phase One is for the District's model to be reviewed and have feedback provided. Phase Two would involve revision of the District's model, or creating a model for the District. Total cost for Phase One would not exceed \$1,400.00. North Texas GCD has approved their portion of the cost not to exceed \$700.00. The cost is not to exceed \$700 for Red River GCD to get the review underway. Board Member Mark Patterson made the motion to move forward with Phase One for the review of the model. Board Member Mark Gibson seconded the motion. The Board was individually polled. Motion passed unanimously

8. Discussion and Possible action regarding a temporary suspension of late fees levied by the District pursuant to District rules.

General Manager Drew Satterwhite reminded the Board that at the April Board Meeting, the Board temporarily suspended the 15% late fee for failure to make payments for the 1st quarter of 2020, due to the ongoing pandemic. The Board was asked if they wanted to extend the temporary suspension of late fees for the second quarter. Board Member Mark Paterson made a motion to extend the temporary suspension of late fees for the second quarter. Board Member Harold Latham seconded the motion. The Board was individually polled. Motion passed unanimously.

9. Consider and act upon resolution regarding temporary procedures for disbursements and related suspension of certain provisions of District Bylaws.

General Manager Drew Satterwhite reminded the Board that at the April meeting the Board approved a resolution to allow the General Manager to sign in addition to the Finance Officer stamping the Board President's signatures on checks, only after the Board has approved the liabilities related to such payments. The initial resolution was for a 90-day period. The 90 days expired today. The Board was asked to extend procedure for an additional 90 days. Board Member David Gattis made the motion to extend the temporary procedure for an additional 90 days. Board Member Chuck Dodd seconded the motion. The Board was individually polled. Motion passed unanimously.

10. Discussion of potential amendments to the District's Rules.

General Manager Drew Satterwhite reminded the Board that the Rules Committee (Chuck Dodd, Harold Latham and Mark Gibson) met, discussed the Rules, and subsequently provided potential amendments and comments to the Rules. The Board discussed the amendments at the February meeting and requested a Word version of the proposed rules for review. The plan was to discuss the amendments at the next meeting before scheduling a public hearing. The on-going pandemic did not allow for the Board to meet in person to discuss the Rules prior to setting a public hearing date.

General Manager Drew Satterwhite went through each potential change with the Board. The Board discussed additions and deletions, and the language to be used. A public hearing is to be scheduled for the September meeting.

11. Discussion of potential amendments to the District's Management Plan.

General Manager Drew Satterwhite reviewed the potential changes with the Board. The District's Management Plan has been pre-reviewed by TWDB. The public hearing for adoption of the amended Management Plan is to be scheduled for the September meeting.

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

General Manager Drew Satterwhite informed the Board that the GMA 8 meeting will be a virtual meeting on August 7, 2020. Three GMAs boundary changes are to be discussed. DFC statements and DFC Runs are also to be discussed at the meeting. Kristen Fancher, legal counsel, reminded the Board that DFC Public Hearings will need to be scheduled by end of year or beginning of next year.

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

Kristen Fancher, legal counsel, reported on the Porter Green enforcement activities. No response has been received from the letter sent March 25th which gave them 30 days to respond to the violations. Kristen Fancher will try to contact them next week. If there is no response a lawsuit is to be filed.

14. 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 Drew Satterwhite reported 11 registrations in the month of June.

b. Update on Injection/Disposal Well Monitoring Program

Kristen Fancher reported no activity

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

Budget Committee to prepare budget

Fund Balance to be discussed

Present Annual Report

Permit Hearing in August

August 20 meeting if not necessary, will cancel August meeting

16. Adjourn.

Board Member David Gattis made the motion to adjourn. Board Member Harold Latham seconded the motion. General Manager Drew Satterwhite declared the meeting adjourned at 11:18 a.m.

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Recording Secretary

Secretary-Treasurer

ATTACHMENT 5 a.

RESOLUTION NO. 2020-08-20-01

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

The following liabilities are hereby presented for payment:

<u>Administrative Services</u>	<u>Amount</u>
GTUA - June	16,024.57
GTUA - July	27,748.52
<u>Auditing</u>	
McClanahan & Holmes - Dec 2019 Audit	4,850.00
<u>Contract Services</u>	
WSP - Hydro Geo services through June	2,762.00
IT Nexus - July well database maintenance	600.00
IT Nexus - August well database maintenance	600.00
<u>Direct Costs</u>	
NexTraq - June GPS Tracking	39.95
NexTraq - July GPS Tracking	39.95
Vadim Municipal Software - e-billing fees Bill #124-126, formerly USTI	2.00
<u>Insurance</u>	
TWCA Risk Management - Renewal 7/1/20-7/1/21	3,852.00
TWCA Risk Management - Error and Omission amendment 7/1/20-7/1/21	2,204.00
<u>Legal</u>	
Fancher Legal - General Counsel thorough June	2,127.08
Fancher Legal - General Counsel thorough July	2,013.90
<u>Transportation</u>	
Bruce Sidham Grayson County Tax Assessor - Truck registration	7.50
GRAND TOTAL:	\$ 62,871.47

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 20th. day of August 2020

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 JULY 31, 2020****ASSETS****Current Assets****Checking/Savings**

10001 CASH-First United	183,800.63
10025 A/R CONSUMPTION	73,056.46
10026 A/R Texas Rain Holding Co	2,600.00
10230 A/R Violation Fees	1,900.00
10101 ALLOWANCE FOR UNCOLLECT	-1,530.00
10010 INVESTMENTS	260,000.00
10230 PP EXPENSES	5,735.00

TOTAL ASSETS	<u>525,562.09</u>
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LIABILITIES & EQUITY**Liabilities****Current Liabilities****Accounts Payable**

23100 ACCOUNTS PAYABLE	31,849.55
23150 DRILLERS DEPOSIT LIAB	12,100.00

Total Other Current Liabilities	<u>43,949.55</u>
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Total Current Liabilities	<u>43,949.55</u>
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Total Liabilities	43,949.55
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Equity

35100 RETAINED EARNINGS	499,139.29
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Net Income	<u>-17,526.75</u>
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Total Equity	<u>481,612.54</u>
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TOTAL LIABILITIES & EQUITY	<u>525,562.09</u>
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RED RIVER GROUNDWATER
Profit & Loss Budget vs. Actual
July 31, 2020

	<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	0.00	0.00	154,979.24	315,000.00	50.80%
46005 LATE FEES	0.00	0.00	1,916.78	0.00	0.00%
46006 VIOLATION FEES	500.00	0.00	1,900.00	0.00	0.00%
46015 REGISTRATION FEES	0.00	667.00	6,100.00	8,000.00	23.75%
46100 INTEREST INCOME	0.00	0.00	965.80	2,700.00	64.23%
Total Income	<u>500.00</u>	<u>667.00</u>	<u>165,861.82</u>	<u>325,700.00</u>	<u>49.08%</u>
Gross Profit	<u>500.00</u>	<u>667.00</u>	<u>165,861.82</u>	<u>325,700.00</u>	
Expense					
77010 ADMINISTRATIVE COST	12,093.00	9,166.67	62,739.75	110,000.00	42.96%
77020 ADVERTISING	0.00	700.00	0.00	700.00	100.00%
77027 AUDITING	0.00	0.00	4,850.00	4,893.00	0.88%
77031 BANKING FEES	0.00	0.00	24.00	100.00	76.00%
77032 CONTRACT SERVICES	3,362.00	2,650.00	23,339.01	31,800.00	26.61%
77035 FIELD TECH	9,164.50	6,666.67	40,717.00	80,000.00	49.10%
77040 DIRECT COST	-615.94	500.00	2,045.47	6,000.00	65.91%
77045 FIELD PERMITTING SPECIAL	6,198.50	2,916.67	17,712.00	35,000.00	49.39%
77450 DUES & SUBSCRIPTIONS	0.00	162.50	358.00	1,950.00	81.84%
77480 EQUIPMENT	213.19	166.67	471.05	2,000.00	76.45%
77500 FEES-GMA8	0.00	458.34	3,073.76	5,500.00	44.11%
77810 INSURANCE AND BONDING	321.00	302.00	2,455.50	3,624.00	32.24%
77855 INTERNET FEES	0.00	375.00	3,510.76	4,500.00	21.98%
77970 LEGAL	2,013.90	2,916.67	13,326.73	35,000.00	61.92%
78010 MEETINGS AND CONFEREN	69.00	433.34	1,416.46	5,200.00	72.76%
78310 RENT	200.00	200.00	1,400.00	2,400.00	41.67%
78600 SOFTWARE MAINTENANCE	0.00	1,250.00	2,616.20	15,000.00	82.56%
78750 TELEPHONE	416.62	208.34	1,575.29	2,500.00	36.99%
78770 - TRANSPORTATION	57.10	291.67	1,757.59	3,500.00	49.78%
Total Expense	<u>33,492.87</u>	<u>29,364.54</u>	<u>183,388.57</u>	<u>349,667.00</u>	<u>47.55%</u>
Net Income	<u>-32,992.87</u>	<u>-28,697.54</u>	<u>-17,526.75</u>	<u>-23,967.00</u>	

ATTACHMENT 5 c.



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: August 18, 2020

SUBJECT: AGENDA ITEMS NO. 5 c. & d.

CONSIDER AND ACT UPON 2021 OPERATING BUDGET AND ADOPT FEE SCHEDULE

ISSUE

2021 operating budget and fee schedule

BACKGROUND

In the past, the Board of Directors of the Red River Groundwater Conservation District ("District") has established the practice of trying to adopt a budget and fee schedule as early as possible. 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.

A draft 2021 budget has been prepared and was reviewed with the District's Budget Committee on July 30, 2020. All of the Committee's comments have been incorporated into the attached draft budget.

OPTIONS/ALTERNATIVES

The Board has the option to review this information and not take action at the August meeting. However, this would provide a short period of time for all non-exempt producers that operate on a fiscal year beginning October 1, 2019. At a minimum, the staff recommends the Board adopt the fee schedule in order to provide this information to the non-exempt producers.

The staff is available to meet with the Budget Committee again or the staff is prepared to move forward with the draft budget and fee schedule.

CONSIDERATIONS

The Board should feel an additional level of confidence in the District's budget and fee schedule being that the District's fees are at least 30% lower than the next lowest District in the region.

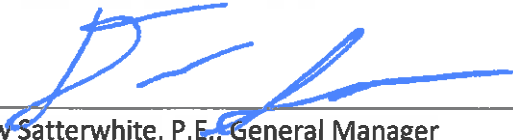
STAFF RECOMMENDATIONS

The staff requests direction from the Board on the budget and fee schedule.

ATTACHMENTS

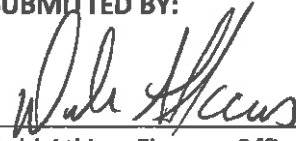
2021 Draft Budget
Fund Balance History
2021 Draft Fee Schedule
Resolutions

PREPARED AND SUBMITTED BY:



Drew Satterwhite, P.E., General Manager

SUBMITTED BY:



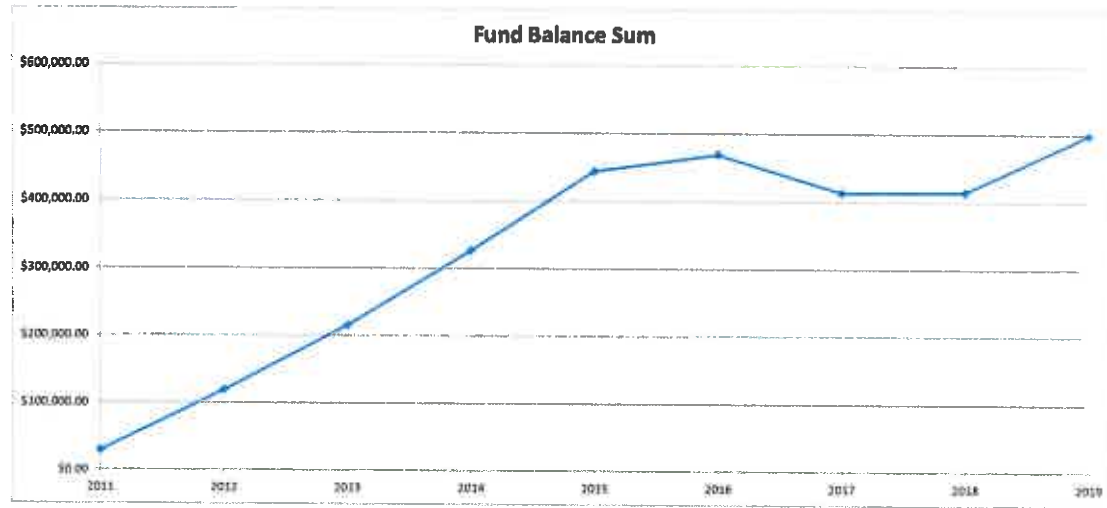
Debi Atkins, Finance Officer

RED RIVER GROUNDWATER CONSERVATION
DISTRICT
BUDGET YEAR 2021

	Actual 2019	Approved 2020	6/30/2020	EST @ 12-31-20	Proposed 2021
Income					
44002 GW Production Cost	357,879.11	315,000.00	74,357.69	297,430.76	310,400.00
44007 Registration Fee	2,400.00	8,000.00	6,100.00	12,200.00	10,000.00
46005 Late Fees	1,431.04	-	1,516.78	-	-
46006 Violation Fees	3,600.00	-	1,400.00	-	-
46010 Drillers Dep Forfeit	800.00	-	-	-	-
46100 Interest Inc	4,013.81	2,700.00	965.80	-	1,000.00
Total Income	370,123.96	325,700.00	84,340.27		321,400.00
Gross Profit					
Expense					
77010 ADMINISTRATIVE COST	99,112.75	110,000.00	50,646.75	101,293.50	105,000.00
77033 ADS-LEGAL	255.45	700.00	-	700.00	700.00
77027 AUDITING	4,750.00	4,893.00	4,850.00	4,850.00	4,995.50
77031 BANKING FEES	12.00	100.00	24.00	48.00	100.00
77032 CONTRACT SERVICES					-
Web Maintenance	7,200.00	1,800.00	3,600.00	7,200.00	-
Hydro-Geologist	29,627.34	30,000.00	16,977.01	33,954.02	30,000.00
77040 DIRECT COST	4,430.45	6,000.00	2,661.41	5,322.82	5,500.00
77460 DUES & SUBSCRIPTIONS	1,733.00	1,950.00	358.00	1,733.00	1,798.00
77660 EQUIPMENT	968.08	2,000.00	257.86	2,000.00	2,000.00
77665 FEES-GMA	977.20	5,500.00	3,073.76	6,147.52	3,181.82
77036 FIELD SERVICES	58,151.60	80,000.00	31,552.50	63,105.00	75,000.00
77045 FIELD PERMITTING SPECIALIST	28,681.00	35,000.00	11,513.50	23,027.00	35,000.00
77810 INSURANCE & BONDING	4,346.48	3,624.00	2,134.50	5,162.50	6,371.00
77866 INTERNET SERVICES	2,143.93	4,500.00	4,210.28	4,210.28	4,500.00
77670 LEGAL	26,819.70	35,000.00	11,312.80	22,625.60	35,000.00
78010 MEETINGS AND CONFEREN	4,587.35	5,200.00	1,347.46	2,694.92	5,200.00
78310 RENT	2,400.00	2,400.00	1,200.00	2,400.00	2,400.00
78600 SOFTWARE MAINT (database)	4,514.09	15,000.00	1,672.00	2,867.00	15,000.00
78770 TRANSPORTATION/FUEL/MAINT	2,646.14	3,500.00	1,700.49	3,400.98	3,500.00
78760 TELEPHONE	2,635.90	2,500.00	1,158.67	2,317.34	2,500.00
Total Expense	285,992.46	349,667.00	150,250.99	295,059.48	337,746.32
Contingencies					
Total Expenditures	285,992.46	349,667.00	150,250.99	295,059.48	337,746.32
Net Income	84,131.50	(23,967.00)	(65,910.72)	(295,059.48)	(16,346.32)

Year

	Contribution	Cash Equivalent
2011	\$ 29,157.00	\$ 29,157.00
2012	\$ 89,773.00	\$ 118,930.00
2013	\$ 96,693.00	\$ 215,623.00
2014	\$ 111,503.00	\$ 327,126.00
2015	\$ 117,686.00	\$ 444,812.00
2016	\$ 25,239.00	\$ 470,051.00
2017	\$ (56,388.00)	\$ 413,663.00
2018	\$ 1,345.00	\$ 415,008.00
2019	\$ 84,131.00	\$ 499,139.00



Production Income Summary					
	2017	2018	2019	Average	Median
Production Income	\$ 302,897.69	\$ 342,037.28	357,879.11	\$ 334,271	\$ 342,037
Gallons of Production	4,327,108,429	4,886,246,857	5,112,558,714	4,775,304,667	4,886,246,857
Production Income @ \$.07/1000	\$ 334,271				
Production Income @ \$.065/1000	\$ 310,395				
Production Income @ \$.06/1000	\$ 286,518				

ATTACHMENT 5 d.

Red River Groundwater Conservation District

2021 Fee Schedule

Well Registration Fee (up to 17.36 gpm)	\$100
New Well Registration & Production Permit Application Fee -(less than 200 gpm), <i>also applies to permit amendments</i>	\$600
New Well Registration & Production Permit Application Fee with Hydrogeological Report -(200 gpm and above)	\$1500
Well Driller Report Deposit Fee	\$100 refundable
Agricultural Water Use Fee	\$0
Non-Exempt Water Use Fee gallons	\$0.07 per 1,000
Meter seal replacement fee	\$100*

* For replacing seals for reasons other than well or meter failure

Failure to Report Meter Readings within 30-days	Major violation – See Appendix A of the Temporary Rules for Schedule of Violations
Failure to Pay Water Use Fee within 30-days	15%
Failure to Pay Use Fee within 60-days	Major Violation – See Appendix A of the Temporary Rules for Schedule of Violations

RESOLUTION NO. 2020-08-20-03

**RESOLUTION TO ESTABLISH 2021 WATER USE FEE RATES
FOR THE RED RIVER GROUNDWATER CONSERVATION DISTRICT**

THE STATE OF TEXAS

§

§

RED RIVER GROUNDWATER CONSERVATION DISTRICT

§

WHEREAS, the Red River Groundwater Conservation District (the "District") is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, Section 59, of the Texas Constitution as a groundwater conservation district, acting pursuant to and in conformity with Chapter 36, Texas Water Code and Act of May 25, 2009, 81st Leg., R.S., ch. 884, 2009 Tex. Gen. Laws 2313 codified at Chapter 8859 of the Texas Special District Local Laws Code (the "District Act");

WHEREAS, the District is a governmental agency and a body politic and corporate that is statutorily charged under Chapter 36 of the Texas Water Code and the District Act with protecting the quantity and the quality of groundwater within Grayson County and Fannin County;

WHEREAS, the District by rule, resolution, or order may establish, amend, pledge, encumber, and spend the proceeds from, and assess to any person production fees, based on the amount of groundwater authorized by permit to be withdrawn from a well or on the amount of water actually withdrawn, to enable the District to fulfill its purposes and regulatory functions as provided by the District Act;

WHEREAS, the District may assess a production fee for groundwater produced from a well or class of wells exempt from permitting under Section 36.117 of the Texas Water Code, except for a well exempt from permitting under Section 36.117(b)(1), which must be based on the amount of groundwater actually withdrawn from the well and may not exceed the amount established by the District for uses recognized as non-exempt pursuant to Chapter 36 of the Texas Water Code, the District Act, and rules promulgated by the District pursuant to the authority delegated therefrom;

WHEREAS, despite having authority to assess a production fee not to exceed 30 cents per each one thousand gallons of groundwater used annually for nonagricultural purposes, the Board determines that a production fee of seven (7) cents per each one thousand gallons of groundwater used annually for nonagricultural purposes represents an appropriate, fiscally conservative fee that adequately addresses anticipated budgeting and revenue considerations for the District;

WHEREAS, the District may adopt a different fee for groundwater used for agricultural purposes not to exceed \$1.00 per acre-foot used annually, and the Board determines it necessary and appropriate to keep the production fee of zero (0) dollars per acre-foot of groundwater used annually for agricultural purposes the same as that set by the Board in previous years;

WHEREAS, the Board recognizes that the assessment of such fees serves a legitimate regulatory purpose;

WHEREAS, the Board finds that the notice and hearing requirements for the meeting of the Board, held this day, to take up and consider adoption of this resolution have been, and are, satisfied; and

WHEREAS, the Board finds that the proposed resolution is merited and necessary to support the District's efforts in managing the groundwater resources within the boundaries of the District in a manner consistent with the requirements of Chapter 36, Water Code, and the District Act, and that it is supportable under the laws of the State of Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION DISTRICT AS FOLLOWS:

- (1) Each of the above recitals are true and correct.
- (2) The Board of Directors of the Red River Groundwater Conservation District hereby sets a water use fee rate for groundwater production for calendar year 2021 of seven cents per each one thousand gallons (\$0.07 / 1,000 gallons) of groundwater produced annually for nonagricultural purposes, which includes all commercial, municipal, industrial, manufacturing, public water supply, oil and gas, and other nonagricultural users within the District that are not exempt from the water use fee payment requirements set forth in the temporary rules adopted by the District. Such rate will be effective and assessed to groundwater production that occurs during 2021 (January 1, 2021 through December 31, 2021).
- (3) The Board of Directors of the Red River Groundwater Conservation District hereby sets a water use fee rate for groundwater production for calendar year 2021 of zero dollars per acre-foot (\$0.00 / acre-foot) of groundwater used annually for agricultural purposes. Such rate will be effective during 2021 (January 1, 2021 through December 31, 2021).
- (4) The Board of Directors, its officers, and the District staff are further authorized to take any and all actions necessary to implement this resolution.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 20th day of August, 2020.

RED RIVER GROUNDWATER CONSERVATION DISTRICT

By: _____
Board President

ATTEST:

Board Secretary-Treasurer

ATTACHMENT 8 a.

Red River Groundwater Conservation District

Well Registration Summary As of July 31, 2020

Well Type	Total Registered Fannin County	Total Registered Grayson County	Total RRGCD	New Registrations
Domestic	184	321	505	9
Agriculture	16	21	37	0
Oil/Gas	0	21	21	0
Surface Impoundments	6	14	20	0
Commercial	12	18	30	0
Golf Course	0	15	15	0
Livestock	17	25	42	0
Irrigation	0	10	7	0
Public Water	60	215	275	0
Monitoring	12	5	17	0
Total	307	665	969	9

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