

**RED RIVER
GROUNDWATER
CONSERVATION
DISTRICT**

BOARD MEETING

**BOARD ROOM
GREATER TEXOMA UTILITY AUTHORITY
5100 AIRPORT DRIVE
DENISON, TEXAS 75020**

**THURSDAY
APRIL 18, 2019**

AGENDA
RED RIVER GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS BOARD MEETING
GREATER TEXOMA UTILITY AUTHORITY BOARD ROOM
5100 AIRPORT DRIVE
DENISON, TEXAS 75020
THURSDAY, APRIL 18, 2019

Board Meeting

The regular Board Meeting will begin at 10:00 a.m.

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. Call to order, establish quorum; declare meeting open to the public.
2. Public Comment.
3. Consider and act upon approval of Minutes of February 21, 2019, Board Meeting.
4. Review and approval of monthly invoices.
5. Receive monthly financial information.
6. Discussion and possible action on how long to keep delinquent accounts on the books as receivables.
7. Receive Report from the Fund Balance Committee and possibly take any action
8. Receive Quarterly Report on Management Plan.
9. Receive Annual Report on Management Plan.
10. Update and possible action regarding the process for the development of Desired Future Conditions (DFC).
 - a. Contract with WSP for GMA 8
 - b. Interlocal Agreement with GMA 8 Districts
11. Consider and act upon compliance and enforcement activities for violations of District Rules.
 - a. Kevin Crawford
12. General Manager's report: The General Manager will update the Board on operational, educational and other activities of the District.

- a. Management Plan Update
- b. Monitoring Well Update
- c. Meter Calibration

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

14. Adjourn.

¹*The Board may vote and/or act upon each of the items listed in this agenda.*

²*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 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.*

⁴*For 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 3

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

THURSDAY, FEBRUARY 21, 2019

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

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

Members Absent: None

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

Visitors: Kristen Fancher, Fancher Legal (arrived 10:15 a.m.)
Angela Silmon, well owner
Kevin Crawford, well owner
Chris Browning, US Lime Company
Wes Spruiell, THI Water Well
Robin McCoy, Senator Pat Fallon

Permit Hearing

Agenda:

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

Board President Mark Patterson called the meeting to order at 10:01 a.m., established a quorum was present, declared hearing open to the public, and introduction of the board.

2. Review the Production Permit Application of:

Applicant: U.S. Lime Company, 5429 LBJ Freeway, Suite 230, Dallas, TX 75240

Location of Well: 14707 U.S. Hwy 75, Van Alstyne, TX 75495; Latitude: 33 26'49.2" N

Longitude: 96 36'21.1" W; on the west side of Highway 75 in Van Alstyne between Hodgins Road and Bear Road

Purpose of Use: Industrial; lime slurry production

Requested Amount of Use: 30 million gallons per year

Production Capacity of Well: 120 gallons per minute

Aquifer: Woodbine Aquifer

General Manager Drew Satterwhite reminded the Board that they had received documentation

pertaining to the U.S. Lime Company application. The permit hearing had been posted 10 days prior to today's meeting. No contests were submitted within 3 days prior to the meeting. The Board had a brief discussion with Chris Browning, U.S. Lime Company representative.

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.

Board Member Chuck Dodd made the motion to grant the Production Permit Application. Board Member David Gattis seconded the motion. Motion passed unanimously.

5. Adjourn or continue permit hearing.

Board President Patterson adjourned the permit hearing at 10:09.

Board Meeting

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

Board President Mark Patterson called the meeting to order at 10:09 a.m., established a quorum was present, and declared the meeting open to the public.

2. Public comment

No public comments.

3. Consider and act upon approval of Minutes of January 16, 2019, Board Meeting.

Board Member David Gattis made a motion to approve the minutes of the January 16, 2019 meeting. The motion was seconded by Board Member Billy Stephens. The motion passed unanimously.

4. Review and approval of monthly invoices.

General Manager Satterwhite reviewed the monthly invoices with the Board of Directors. Board Member Billy Stephens made a motion to approve Resolution 2019-02-21-01. Board Member David Gattis seconded the motion. Motion passed unanimously.

5. Receive monthly financial information.

General Manager Drew Satterwhite reviewed the monthly financial information with the Board. The District's General Counsel needs to be asked when items can be removed from the books.

6. Discussion and action on applications submitted prior to adoption of Permanent Rules.

General Manager Drew Satterwhite provided background information for the Board. The District's

Permanent Rules became effective January 1, 2019, include changes to the amount of time, including extensions, which an applicant has to complete a well. Under old Temporary Rules an applicant had 365 days to drill and complete with option for an additional 365 day extension. Under new Permanent Rules an applicant of a non-Public Water System well has 240 days to commence, drill and complete a well with the option of an additional 240-day extension. A Public Water System applicant has 365 days to commence, drill and complete a well with the option of 2 additional 365 –day extensions.

Tom Bean has an application that expires in March, the Board decided to give them 365-day additional extension. The Board decided that each application should be considered case by case.

Board Member David Gattis made the motion to give Tom Bean the 365-day additional extension. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

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

General Manager Drew Satterwhite informed the Board that GMA 8 met on November 30, 2018 and selected WSP (James Beach) as the Administrative Consultant. GMA 8 appointed a committee consisting of Drew Satterwhite, Joe Cooper and Dirk Aaron to develop a contract and scope of services. The Committee has reviewed the scope of services and is waiting on cost from WSP. The information will be sent to the GMA 8.

NTGCD serves as the administrative district and requested that an interlocal agreement be created between the GMA 8 districts to share in the consultant costs.

8. Consider and act upon compliance and enforcement activities for violations of District Rules.
a. Kevin Crawford

General Manager Drew Satterwhite informed the Board that the District had received information that a well was drilled in Grayson County without an application. Kevin Crawford is the owner/driller and says he drilled the well himself. Mr. Crawford told the Board he had borrowed a rig from a friend who owed him a favor and drilled the well himself.

Pursuant to the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, §551.071, consultation with attorney, the Red River Groundwater Conservation District Board adjourned into Executive Session at 10:30 a.m.

The Board convened into Regular Session at 10:51 a.m. No action was taken on any items discussed during Executive Session.

Board Member David Gattis made the motion that Kevin Crawford, owner/driller be fined a major violation of \$500 for drilling without an application. Mark Newhouse seconded the motion. Motion passed unanimously.

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

a. Meter Calibration

General Manager informed the Board that NTGCD authorized the purchase of the flow meter

calibration services at their February 12, 2019 meeting. The RRGCD had authorized the purchase at the January 16, 2019 board meeting contingent upon NTGCD authorizing the purchase.

b. Management Plan Update

General Manager Drew Satterwhite informed the Board that the Management Plan Appendices need to be updated with the Permanent Rules and the current MAGS.

c. Meter Verification Services

No update.

d. Update on Database Development

General Manager Drew Satterwhite reported they are working on issues regarding meter rollovers and meter change outs. The accounting staff has been informed that Quickbooks requires an account server update which involves the purchase of a new server (\$1,845). The cost is to be divided among GTUA, NTGCD and RRGCD. Board Member Chuck Dodd made the motion to purchase the new server. Billy Stephens seconded the motion. Motion passed unanimously.

e. Injection/Disposal Well Monitoring Program

General Manager Drew Satterwhite informed the Board that Well Monitoring Program letters, agreements and brochures had been sent to Public Water Supply systems. Paul Sigle, Allen Burks, Wayne Parkman and Theda Anderson attended an A&M AgriLife presentation. A&M AgriLife provides a water testing service at a reasonable rate.

General Manager Drew Satterwhite reported that there are no wells affected in the Bois d'Arc Lake Project area. A concern was that any wells in the area would be properly plugged.

A brief discussion was held regarding private well owners need be made aware that they cannot connect into Public Water Supply systems.

10. Open Quorum/discussion of future agenda items.

The next scheduled Board Meeting is March 21, 2019.

15. Adjourn.

President Patterson declared the meeting adjourned at 11:14 a.m.

#####

Recording Secretary

Secretary-Treasurer

ATTACHMENT 4

RESOLUTION NO. 2019-04-18-01

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER
CONSERVATION DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE
MONTHS OF FEBRUARY AND MARCH

The following liabilities are hereby presented for payment:

<u>Administrative Services</u>	<u>Amount</u>
GTUA - February 2019	19,819.12
GTUA - March 2019	13,800.41
<u>Contract Services</u>	
ESRI - Server maintenance renewal (mapping for database)	2,518.76
IT Nexus - March 2019 software maintenance for well database	600.00
IT Nexus - April 2019 software maintenance for well database	600.00
WSP USA - hydrogeo services through February 2019	1,830.00
<u>Direct Costs</u>	
Nextraq - March 2019 GPS Tracking	39.95
<u>Insurance</u>	
Bayless-Hall - Public Official Bond Renewal	315.00
<u>Legal</u>	
Fancher Legal services January 2019	3,230.80
Fancher Legal services February 2019	1,934.00
Fancher Legal services March 2019	1,356.40
<u>Software Maint</u>	
USTI - Asyst account software renewal 3/1/19-8/31/19	922.75
<u>Transportation/fuel/maint</u>	
NTGCD - Use of Truck while RRGCD truck is being repaired.	95.70
GRAND TOTAL:	<u>\$ 47,062.89</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 18th day of April 2019

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

Red River Groundwater Conservation District**Balance Sheet****For General Fund (00)****March 31, 2019****Assets**

00-01-10001	Checking Account	161,456.53
00-01-10010	Investments-CD	200,868.95
00-01-10025	Accounts Receivable	10,031.72
00-01-10026	A/R Texas Rain Holding Co	2,600.00
00-01-10031	A/R Buena Vista Turf Farms	1,100.00
00-01-10040	Interest Receivable	(714.57)
00-01-10101	Allowance for Uncollectible Accounts	(1,530.00)
00-01-10200	PP Expense	966.73
Total		<u>374,779.36</u>
Total Assets		<u>\$ 374,779.36</u>

Liabilities and Fund Balance

00-01-23100	Accounts Payable	12,204.03
00-01-23150	Deposits to be Refunded	11,500.00
Total		<u>23,704.03</u>
Total Liabilities		<u>23,704.03</u>
00-01-35100	Fund Balance	73,069.05
00-01-35120	Current Year Excess of Revenue over Expenses	351,872.74
Total		<u>424,941.79</u>
		<u>(73,866.46)</u>
Total Fund Balances		<u>351,075.33</u>
Total Liabilities and Fund Balances		<u>\$ 374,779.36</u>

Red River Groundwater Conservation District
Statement of Revenue and Expenditures

4/11/2019 11:02am

Page

1

Revised Budget
For General Fund (00)
For the Fiscal Period 2019-3 Ending March 31, 2019

Account Number	Current Budget	Current Actual	Annual Budget	YTD Actual	Remaining Budget %
Revenues					
00-01-46002 GW Production Cost	\$ 78,750.00	\$ 0.00	\$ 315,000.00	\$ 1,643.53	99.48%
00-01-46006 Violation Fees	0.00	500.00	0.00	1,000.00	0.00%
00-01-46007 Registration Fees	625.00	400.00	7,500.00	800.00	89.33%
00-01-46100 Interest Income	167.10	0.00	2,005.24	(714.57)	135.64%
Total General Fund Revenues	\$ 79,542.10	\$ 900.00	\$ 324,505.24	\$ 2,728.96	99.16%
Expenditures					
00-01-77010 Administrative Cost	\$ 9,166.67	\$ 7,724.50	\$ 110,000.00	\$ 28,124.00	74.43%
00-01-77020 Advertising	125.00	4.00	1,500.00	100.95	93.27%
00-01-77027 Auditing	0.00	0.00	4,750.00	0.00	100.00%
00-01-77031 Banking Fees	8.33	0.00	100.00	0.00	100.00%
00-01-77032 Contract Services	3,416.67	600.00	41,000.00	7,620.76	81.41%
00-01-77035 Field Technician	6,666.67	4,359.50	80,000.00	17,338.50	78.33%
00-01-77040 Direct Cost	500.00	123.30	6,000.00	951.48	84.14%
00-01-77045 Field Permitting Specialist	2,500.00	345.00	30,000.00	8,855.00	70.48%
00-01-77450 Dues & Subscription	141.67	0.00	1,700.00	0.00	100.00%
00-01-77480 Equipment	166.67	0.00	2,000.00	735.58	63.22%
00-01-77500 Fees- GMA8	166.67	0.00	2,000.00	0.00	100.00%
00-01-77610 Fuel	291.67	135.66	3,500.00	208.15	94.11%
00-01-77810 Insurance	372.33	644.50	4,468.00	1,281.75	71.31%
00-01-77855 Internet Fees	83.33	0.00	1,000.00	1,349.10	(34.91)%
00-01-77970 Legal	2,916.67	1,356.40	35,000.00	6,521.20	81.37%
00-01-78010 Meetings and Conferences	433.33	438.04	5,200.00	694.27	86.65%
00-01-78310 Rent	200.00	200.00	2,400.00	600.00	75.00%
00-01-78600 Software Maintenance	1,166.67	50.00	14,000.00	972.75	93.05%
00-01-78750 Telephone	208.33	182.16	2,500.00	596.48	76.14%
00-01-78770 Transportation-Mileage	0.00	373.90	0.00	647.45	0.00%
Total General Fund Expenditures	\$ 28,530.68	\$ 16,536.96	\$ 347,118.00	\$ 76,595.42	77.93%
General Fund Excess of Revenues Over Expenditures	\$ 51,011.42	\$ (15,636.96)	\$ (22,612.76)	\$ (73,866.46)	

ATTACHMENT 6



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: April 12, 2019

SUBJECT: AGENDA ITEM NO. 6

DISCUSSION AND POSSIBLE ACTION ON HOW LONG TO KEEP DELINQUENT ACCOUNTS ON THE BOOKS AS RECEIVABLES

ISSUE

The District staff needs guidance on how long the Board would like to keep seeing receivables on delinquent accounts which are presented on the monthly financial report.

BACKGROUND

At the February meeting, the Board requested that an item be brought back on a future agenda to discuss how long the District should keep delinquent accounts on the books as a receivable.

CONSIDERATIONS

The District staff has discussed with the Auditors and the District's Legal Counsel. There is no rule or law that defines how long the District should carry these instances on the books. The District staff will be prepared to discuss options at the meeting.

STAFF RECOMMENDATIONS

The staff will request guidance from the Board of Directors on this item.

PREPARED AND SUBMITTED BY:

A handwritten signature in blue ink, appearing to read "Drew Satterwhite", is written over a horizontal line.

Drew Satterwhite, P.E., General Manager

ATTACHMENT 8



RED RIVER
GROUNDWATER CONSERVATION DISTRICT
FANNIN COUNTY AND GRAYSON COUNTY



General Manager's Quarterly Report
Date: March 31, 2019
Red River GCD Management Plan

This quarterly briefing is being provided pursuant to the adopted Management Plan for the quarter ending March 31, 2019.

Well Registration Program:

Current number of wells registered in the District: 873

Aquifers in which the wells have been completed: Trinity and Woodbine

Well Inspection/Audit Program:

2018
Well Inspections

Month	Fannin	Grayson	Total
January	7	5	12
February	1	7	8
March	5	4	9
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	13	16	29

ATTACHMENT 10



RED RIVER GROUNDWATER CONSERVATION DISTRICT AGENDA COMMUNICATION



DATE: April 12, 2019

SUBJECT: AGENDA ITEM NO. 10

DISCUSSION AND POSSIBLE ACTION REGARDING THE PROCESS FOR THE DEVELOPMENT OF DESIRED FUTURE CONDITIONS ("DFC")

ISSUE

The Groundwater Management Area ("GMA") 8 will be meeting in the next 45 days and there will be action items on the agenda for discussion of the Contract with WSP for GMA8 and an Interlocal Agreement relating to the Contract

BACKGROUND

The GMA 8 has recently gone out for Statements of Qualifications ("SOQ") in order to find a consulting team to guide the group through the next round of joint planning. At the last meeting, the GMA 8 representatives ranked the four (4) consulting teams and ultimately voted to select a team led by WSP with the help of Blanton and Associates. At the same meeting, the GMA 8 assigned Drew Satterwhite, Joe Cooper and Dirk Aaron to negotiate a contract with the team in order to provide at the next GMA 8 meeting for consideration. The attached contract reflects all comments provided by the committee and the negotiated price. These documents have been sent to the GMA 8 representatives in order to receive feedback, if any, prior to the next meeting where we anticipate this to be up for consideration.

The North Texas GCD is the administrative District for GMA 8 and is typically the entity that engages in contracts associated with GMA 8 activities. The North Texas GCD Board requested an interlocal agreement be developed so that they have contractual obligations with the other districts to ensure they are reimbursed for their activities as they relate to contracting with consultants. The attached agreement is what will be sent to the GMA 8 prior to the next meeting. Other District's attorneys may have slight revisions, but we expect the concept of this agreement to remain the same.

CONSIDERATIONS

The District staff feels that it would be good for the Board to review the attached Scope of Work and Costs for the consulting work, along with the interlocal agreement so that the Board can provide David Gattis (Representative) and Harold Latham(Alternate Representative) with guidance on the upcoming GMA 8 vote.

STAFF RECOMMENDATIONS

The staff recommends authorizing the District's GMA 8 representatives to vote in favor of both items with flexibility to consider any changes brought about by other Districts.

ATTACHMENTS

WSP Scope of Work

WSP Costs

Draft Interlocal Agreement

PREPARED AND SUBMITTED BY:



Drew Satterwhite, P.E., General Manager

**INTERLOCAL AGREEMENT REGARDING
GROUNDWATER MANAGEMENT AREA 8 FUNDING FOR DEVELOPMENT OF
DESIRED FUTURE CONDITIONS JOINT PLANNING**

THIS INTERLOCAL AGREEMENT REGARDING GROUNDWATER MANGEMENT AREA 8 FUNDING FOR DEVELOPMENT OF DESIRED FUTURE CONDITIONS JOINT PLANNING (the "**Agreement**") is entered into between the Central Texas Groundwater Conservation District, Clearwater Underground Water Conservation District, Middle Trinity Groundwater Conservation District, North Texas Groundwater Conservation District, Post Oak Savannah Groundwater Conservation District, Prairielands Groundwater Conservation District, Red River Groundwater Conservation District, Southern Trinity Groundwater Conservation District, and the Upper Trinity Groundwater Conservation District (collectively, the "**Participating Districts**" or "**Parties**" and individually a "**Participating District**" or "**Party**"), pursuant to the provisions of the Interlocal Cooperation Act, Chapter 791, Texas Government Code.

WHEREAS, each Party is a political subdivision of the State of Texas created under the authority of Article XVI, Section 59, of the Texas Constitution, and operates pursuant to the provisions of Chapter 36 of the Texas Water Code, and each Party's respective enabling act; and

WHEREAS, each Party's boundaries are wholly or partially within Groundwater Management Area 8 ("**GMA 8**"), as delineated by the Texas Water Development Board (the "**TWDB**") pursuant to Section 356.21 of TWDB Rules, Title 31 Texas Administrative Code § 356.21, as amended; and

WHEREAS, the groundwater conservation districts within GMA 8 ("**GMA Districts**") selected a consultant to perform the services required to develop and prepare the explanatory report required under Section 36.108 of the Texas Water Code (the "Explanatory Report") for the upcoming round of Desired Future Conditions ("**DFCs**") joint planning for the relevant aquifers within GMA 8; and

WHEREAS, each Party has the authority provided in Chapter 791, Texas Government Code, its respective enabling act, Chapter 36 of the Texas Water Code, including, but not limited to, Sections 36.1086, 36.205, and 36.207 of the Texas Water Code, as amended, to enter into any and all such contracts as necessary to achieve the intent and purposes set forth herein; and

WHEREAS, the Parties desire to contract with each other in support of the collective development of DFCs and preparation of the Explanatory Report; and

WHEREAS, the Parties further desire to contract with each other regarding funding of the consultant work required to develop and prepare the next round of DFCs and related Explanatory Report.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises and agreements of the Parties contained in this Agreement, the Parties agree as follows:

I. SCOPE AND FUNDING

1.1 **Scope of Services.** The GMA 8 Districts have selected WSP and Blanton & Associates (“*Consultant*”) in accordance with the Professional Services Procurement Act, Chapter 2254, Texas Government Code (“*Act*”), to perform the professional services necessary to fulfill the DFC adoption and development and preparation of the Explanatory Report requirements of Section 36.108 of the Texas Water Code as of the effective date of this Agreement. The scope of work to be provided by Consultant is set forth in **Exhibit A**, attached hereto and incorporated herein for all purposes.

1.2 **Funding of Consultant Services.**

- (a) The GMA 8 Districts have negotiated a contract price pursuant to the Act, which is more particularly set forth in **Exhibit B**, attached hereto and incorporated herein for all purposes. The North Texas Groundwater Conservation District (“*NTGCD*”) has been appointed by the groundwater conservation districts in GMA 8 as the administrative district for GMA 8, and NTGCD shall serve as the entity that will contract with Consultant to perform the services under Section 1.1 of this Agreement; provided, however that each Participating District has the same obligations, interest and right to the data and information prepared by Consultant by virtue of the funding the work performed. The contract between NTGCD and Consultant is entered into on behalf of all of the Participating Districts in the interest of efficiency, and shall at a minimum include terms related to Force Majeure, remedies for breach, and any applicable representations and warranties to ensure timely delivery of the work product set forth in Exhibit A.
- (b) The Participating Districts agree to each fund an equal pro rata share of the total contract price for the performance of the services set forth in Exhibit A. The Participating Districts’ equal pro rata share of costs to perform the services in Exhibit A shall include all costs incurred as set forth under Exhibit B (the “*Primary Costs*”). In the event the Participating Districts agree after the effective date of this Agreement to fund any additional costs for services beyond the Primary Costs, including but not limited to, any item identified as an “Optional Task” in the scope of work in Exhibit A, the Participating Districts hereby agree to fund such additional costs in the same equal pro rata share manner as that for the Primary Costs.
- (c) This Agreement is intended to address the funding of the Primary Costs and only those additional costs incurred as agreed to by all Participating Districts. Nothing in this section or the Agreement shall be construed to require a Party to fund any additional cost beyond the Primary Costs to which that Party does not agree to fund. Similarly, nothing in this section or the Agreement shall be construed as limiting a Party hereto, individually or in conjunction with any other Party/Parties comprising the Participating Districts, from separately funding any other services beyond the Primary Costs.
- (d) In the event a GMA 8 District that is not a Participating District or other entity approved by the Participating Districts desires to contribute funding to the Primary Costs and/or approved additional costs, such contribution shall thereby reduce each

Party's share of the funding on a pro rata basis.

1.3 **Payment of Consultant Services Costs.**

- (a) Upon receipt of an invoice from Consultant, NTGCD shall send an email to each Participating District with the following: (i) a copy of the Consultant invoice; and (ii) a separate invoice from NTGCD reflecting the equal pro rata share due from each Participating District. Payment is due from each Participating District by check mailed to NTGCD not later than thirty (30) days from the date of the NTGCD invoice. NTGCD shall tender one payment to Consultant on behalf of the Participating Districts, and has the discretion whether to do so prior to or after receipt of payment from some or all of the Participating Districts. The Participating Districts agree to provide payment to NTGCD as set forth herein under all circumstances, unless the Participating Districts each agree to halt or refuse payment on a particular Consultant invoice due to a dispute over services performed.
- (b) In the event a Participating District is unable to timely pay for any reason whatsoever (the "***Breaching District***"), such inability to pay does not relieve the Participating District of the funding obligations hereunder, but shall require the other Participating Districts to equally absorb the pro rata share of the Breaching District's amounts owed to NTGCD. Any breach of this Agreement by a Participating District shall result in the non-breaching Participating Districts having the ability to exercise all of the legal rights and remedies available under law and equity against such Breaching District.
- (c) Any funding received from a third party under Section 1.2(d) towards payment of a Consultant invoice or total previously paid by the Participating Districts shall serve as a credit on any future payments owed by the Participating Districts. Any such credit shall be reflected on the following NTGCD invoices delivered to the Participating Districts under Subsection (a) of this section.

II. GENERAL PROVISIONS

- 2.1 **Recitals.** The recitals in this Agreement are true and correct.
- 2.2 **Cooperation.** During the Term of this Agreement, the Parties agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement.
- 2.3 **Compliance with Laws.** All activities of the Parties under this Agreement shall be in compliance with all applicable Federal, State, and Local rules, laws, and regulations.
- 2.4 **Authority.** This Agreement is made in part under the authority conferred in Chapter 791, Texas Government Code and Sections 36.1086, 36.205, and 36.207 of the Texas Water Code, as amended. Each Party represents and warrants that it has the full right, power and authority to execute this Agreement.
- 2.5 **Severability.** The provisions of this Agreement are severable and, if any provision of this Agreement is held to be invalid for any reason by a court or agency of competent

jurisdiction, the remainder of this Agreement will not be affected and this Agreement will be construed as if the invalid portion had never been contained herein.

- 2.6 **Assignment.** The assignment of this Agreement by any Party is prohibited without the prior written consent of all of the other Parties. All of the respective covenants, undertakings, and obligations of each of the Parties will bind that Party and will apply to and bind any successors or assigns of that Party.
- 2.7 **Source of Payment; Pledge to Secure Payment.** The Parties represent and covenant that payments to be made by it under this Agreement and under the Consultant Contract shall constitute funds from the current fiscal year's revenues, as appropriated by each Party's Board of Directors through each Party's annual budget adopted in accordance with the applicable procedures of each Party.
- 2.8 **Third Party Beneficiaries.** Except as expressly provided for herein with regard to the Consultant, nothing in this Agreement, express or implied, is intended to confer upon any person or entity, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.
- 2.9 **Entire Agreement.** This Agreement contains the entire agreement of the Parties regarding the subject matter hereof and supersedes all prior or contemporaneous understandings or representations, whether oral or written, regarding the subject matter.
- 2.10 **Interpretation and Reliance.** No presumption will apply in favor of any Party in the interpretation of this Agreement or in the resolution of any ambiguity of any provisions hereof. Headings and captions used in this Agreement are for reference purposes only, and shall have no bearing on the interpretation of this Agreement.
- 2.11 **Relationship of Parties.** This Agreement is based upon the active participation of the Parties. Neither the execution nor the delivery of this Agreement shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement between the Parties, except for the contractual arrangements specifically set forth in this Agreement. No Party shall have any power to assume or create any obligation on behalf of the other Party.
- 2.12 **Amendments.** Any amendment of this Agreement must be in writing and will be effective if it is signed by the authorized representatives of each the Parties.
- 2.13 **Applicable Law; Venue.** This Agreement will be construed in accordance with Texas laws. Venue for any action arising hereunder will be in a court of competent jurisdiction.
- 2.14 **Notices.** Any notices given under this Agreement will be effective if (i) forwarded to a Party by hand-delivery; (ii) transmitted to a Party by confirmed telecopy; or (iii) deposited with the U.S. Postal Service, postage prepaid, certified, to the address of the Party indicated below:

[NOTE: INSERT ADDRESSES FOR EACH DISTRICT]

- 2.15 **Counterparts; Effect of Partial Execution.** This Agreement may be executed simultaneously in multiple counterparts, each of which will be deemed an original, but all of which will constitute the same instrument.
- 2.16 **Effective Date.** The effective date of this Agreement shall be the last date of execution of the Parties in the signature pages below.

(Signature Pages Follow)

(Signature page of North Texas Groundwater Conservation District to Interlocal Agreement Regarding Groundwater Management Area 8 Funding for Development of Desired Future Conditions Joint Planning)

NORTH TEXAS GROUNDWATER CONSERVATION DISTRICT:

By: _____

Printed Name: _____

Title: _____

Date: _____

ATTEST: _____

Printed Name: _____

[NOTE: EACH DISTRICT WILL HAVE AN IDENTICAL SIGNATURE PAGE LIKE THIS ONE]

EXHIBIT A



March 29, 2019

Subject: Scope of Work for GMA 8 Development and Adoption of DFCs Scope of Work for GMA 8 Development and Adoption of DFCs

TASK 1 – JOINT GROUNDWATER PLANNING MEETINGS

WSP and Blanton and Associates (B&A) will work with GMA 8 to align schedules, deadlines, meeting dates, and to open lines of communication between GMA 8 districts, stakeholders, and the TWDB. WSP will participate in ten relevant meetings in conjunction with or on behalf of GMA 8. However, WSP will not be responsible for the scheduling or organization of meetings.

As directed by GMA 8, we will coordinate with district attorneys throughout the process to allow for legal review of the DFCs and Explanatory Report. WSP will work with the GMA 8 administrator to provide input for upcoming agendas, provide technical updates at each meeting to address selected portions of the agenda, and provide guidance for upcoming tasks and deadlines. WSP will review and provide comments on minutes from GMA administrator only and will not interact with individual districts.

B&A will attend selected GMA Joint Committee meetings and will support WSP in providing administrative services to GMA 8 to ensure all required TWC and TAC joint planning deadlines and requirements, and the requirements of the Administrative Procedures adopted by GMA 8 are met. B&A will support WSP in preparation of written progress reports to GMA 8, as required by WSP.

The cost estimate assumes that James Beach will attend ten GMA 8 meeting, and Velma Danielson will attend five meetings. Any additional meeting(s) that attended on behalf of GMA 8 will be billed on a per meeting basis.

TASK 2 – MODELING AND TECHNICAL ASSISTANCE RELATED TO DFCs

WSP will perform modeling using the accepted TWDB model for the Trinity and Woodbine aquifers. Datasets and pertinent intermediate files will be retained to ensure reproducibility. WSP will work to develop understandable graphics, tables, and maps to help GMA 8 understand the data going into the model and the results from the models. All modeling efforts will be well-documented to ensure transparency and reproducibility. We will work with GCDs as necessary to develop pumping files to ensure the model is consistent with their desires and that of GMA 8. WSP will work with GMA 8, the TWDB and each GCD as necessary to work through any potential debates regarding model application or assumptions to the satisfaction of GMA 8.



Because it is difficult to scope and budget every potential GAM run that might be needed for the project, the scope and budget will incorporate only one model run (Run 3.1 (Round 3, Run 1)), which will be limited to any new pumping volumes provided by each district. The deliverable from the run will be simulated water level decline (drawdown) as was developed and reported in tabular format for the previous Explanatory Report.

Any additional runs will be considered as optional tasks, and the budget estimated based on the scope of the run, the report, results and deliverables developed from the run.

WSP assumes there will be no significant changes to the nine factors and the associated explanatory report sections. If public comments require a more detailed assessment or significant interaction and effort, WSP will prepare a budget for GMA 8 to consider.

Aquifer Use and Conditions:

WSP/B&A will rely on guidance from the GCDs regarding aquifer uses. As appropriate and to the degree authorized by GCDs, WSP/ B&A will also assess aquifer conditions and uses based upon publicly-available information, such as GCD Groundwater Management Plans, existing or new groundwater availability model runs, other TWDB information, the 2017 State Water Plan and information available regarding the 2021 regional water planning efforts, to show current groundwater demands and use levels in each county and across GMA 8.

State Water Plan Needs and Strategies:

The team will summarize existing and new water supply needs and water management strategies based upon GDC Groundwater Management Plans, the 2017 State Water Plan and potentially information available from the 2021 regional water plans. B&A will support WSP in obtaining GMA 8 input, and with preparing and presenting a written report at a GMA 8 meeting.

Hydrological Conditions:

WSP will analyze and summarize information from GCD Groundwater Management Plans, existing or new groundwater availability model runs, including estimates of average annual recharge to the aquifer, average annual discharge from wells and springs including discharge to any surface water bodies or streams, annual flow volume into and out of the aquifer, and total estimated recoverable storage from the Texas Water Development Board.

Environmental Impacts:

The team will assess existing information, including GAM runs to assess interactions between groundwater and surface water, identify any possible impacts of the DFC on potential environmental assets including groundwater and surface water interactions, and prepare an assessment to be included in the explanatory report. We don't anticipate significant change to the Explanatory Report, but will work with GCDs to address the issue as appropriate.

Subsidence Impacts:

WSP will use the recently published subsidence report and analysis tool to determine potential impacts of the proposed DFCs on subsidence and provide a written report to the Committee.



Socioeconomic Impacts:

The team will gather existing information and prepare documentation to describe socioeconomic impacts reasonably expected to occur with the adoption and implementation of proposed DFCS within GMA 8. B&A will prepare a summary of socioeconomic information related to water planning in general for WSP review and comment. B&A will support WSP in obtaining GMA 8 input, and with preparing and presenting a written report at a GMA 8 meeting.

Private Property Impacts:

Our team will rely heavily on GCDs and their legal teams to help assess private property impacts and will document how GMA 8 considered this factor during the process to set the DFCS in the explanatory report. We don't anticipate significant change to the Explanatory Report, and will allow district attorneys to address the issue as appropriate.

DFC Feasibility:

In conjunction with the GCDs and their legal team, WSP will evaluate the feasibility of achieving the DFCS, based on the aquifer's hydrogeology, the GCDs' authority to manage pumping and use, water level and use monitoring, and present that information to GMA 8, along with a discussion of possible approaches to assess feasibility.

TASK 3 – EXPLANATORY REPORT

The WSP Team will prepare the explanatory report with the guidance of GMA 8 and their legal teams to ensure that the explanatory report adheres to the requirements of Chapter 36 and communicates the level of detail appropriate for GMA 8.

Components of the ER that will require updating include but are not limited to:

- Addition of the Cross Timbers aquifer DFCS discussion or non-relevant discussion (or both) to section 3.0 and or 6.0
- Factor Considerations – Section 3.2: 1) Subsidence impacts – the discussion needs to incorporate analyses results from the subsidence tool, and 2) Socioeconomic impacts – some of the language incorporated in this section may be updated
- Section 5.0 – Recommendations by Advisory Committees and Public Comments will likely be replaced in entirety or appended with relevant material
- Tables and figures: WSP assumes that many of the tables will be updated and re-formatted. WSP also assumes that only the figures that require updating will be replaced.
- Appendices: There are 42 unique appendices. WSP will update appendices as necessary for new model runs or other relevant changes to the Explanatory Report.

TASK 4 – TECHNICAL SUPPORT AFTER DFC ADOPTION

The team will assist GMA 8 after the DFCS are adopted to help navigate any potential comments from TWDB or any other issues that might arise because of the adopted DFCS or modeling runs.



OPTIONAL TASK – ADDITIONAL MEETINGS

If GMA 8 would like WSP to attend more than ten meetings on their behalf, WSP will charge GMA 8 a flat rate of ____ for each additional meeting.

OPTIONAL TASK – ADDITIONAL MODEL RUNS

The cost of an additional model run will depend on the complexity of the desired model run. The cost of any potential additional model run will be estimated based upon the specifications of the request. These cost estimates will be provided by WSP as needed throughout the project.

OPTIONAL TASK – SB 1010 COMPARISON REPORT

If SB 1010 is passed, and if a report is needed by GMA 8 within a reasonable timeframe within this round of joint planning, WSP can support the development of the report. We will provide GMA 8 with a proposed scope and budget for this optional task upon request.

WSP suggests using a District survey modeled after the questionnaire developed by GMA 1. WSP suggests presentation of the survey data in a tabular matrix (see below) that would be populated per GCD.

GCD	COUNTIES	WELL PRODUCTION FOR SPACING (GPM)	MINIMUM WELL SPACING FROM EXISTING WELLS (FEET)	MINIMUM SPACING FROM PROPERTY LINES (FEET)	PRODUCTION LIMITS	TOTAL MAG VOLUMES (AFY)	DFCS (TOTAL 50-YR FEET OF DRAWDOWN)	EXEMPT WELLS	MINIMUM TRACT SIZE
-----	----------	--------------------------------------	---	---	-------------------	----------------------------	---	--------------	--------------------

ASSUMPTIONS:

Our scope and cost estimate are based on 2018 requirements in Chapter 36 and does not include any effort needed to address requirements that may result from the 86th Texas Legislative Session or interim efforts.

EXHIBIT B

GMA 8 Cost Estimate for DFC Development and Adoption and Update of Explanatory Report		Task Total
Task #	Description	
1- MEETINGS		\$ 40,700
	MEETINGS (10 meetings)	\$ 32,900
	Meeting - Prep & Post	\$ 7,800
2 & 3 - TECHNICAL AND EXPLANATORY REPORT UPDATE		\$ 55,484
	One Model Run	\$ 7,680
	Aquifer Use and Conditions	\$ 5,538
	Hydrologic Conditions	\$ 5,538
	SWP Needs and Strategies	\$ 3,910
	Environmental Impacts	\$ 4,650
	Subsidence Impacts	\$ 1,958
	Socioeconomic Impacts	\$ 4,180
	Private Property Impacts	\$ 1,410
	DFC Feasibility	\$ 1,740
	Other Relevant Information	\$ 1,740
	Explanatory Report	\$ 17,140
4 - TECH SUPPORT AFTER ADOPTION		\$ 3,736
	As needed	\$ 3,736
	Total (optional costs not included)	\$ 99,920

ATTACHMENT 12

Red River Groundwater Conservation District

Well Registration Summary As of February 28, 2019

Well Type	Total Registered		Total RRGCD	New Registrations
	Fannin County	Grayson County		
Domestic	153	271	424	1
Agriculture	18	28	46	2
Oil/Gas	0	21	21	0
Surface Impoundments	6	14	20	0
Commercial	8	13	21	0
Golf Course	0	15	15	0
Livestock	15	24	39	0
Irrigation	0	7	7	0
Public Water	59	214	273	0
Monitoring	0	3	1	0
Total	259	610	867	3

Red River Groundwater Conservation District

Well Registration Summary As of March 31, 2019

Well Type	Total		Total RRGCD	New Registrations
	Total Registered Fannin County	Registered Grayson County		
Domestic	155	273	428	4
Agriculture	17	28	45	-1
Oil/Gas	0	21	21	0
Surface Impoundments	6	14	20	0
Commercial	9	13	22	1
Golf Course	0	15	15	0
Livestock	16	24	40	1
Irrigation	0	7	7	0
Public Water	59	215	274	1
Monitoring	0	3	1	0
Total	262	613	873	6

ADJOURN