

# **RED RIVER GROUNDWATER CONSERVATION DISTRICT**

## **PERMIT HEARING AND BOARD MEETING**

**Greater Texoma Utility Authority Board Room  
5100 Airport Drive  
Denison, Texas 75020**

**THURSDAY  
OCTOBER 16, 2025  
10:00 AM**

NOTICE OF PUBLIC MEETING  
OF THE  
BOARD OF DIRECTORS OF THE

**RED RIVER GROUNDWATER CONSERVATION DISTRICT**  
**Thursday, October 16, 2025, at 10:00 a.m.**

**MEETING LOCATION:**  
**Greater Texoma Utility Authority Board Room**  
**5100 Airport Drive**  
**Denison, Texas 75020**

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**Board Member Qualification for Office**

Board Member qualification for office will begin at 10:00 a.m.

1. Administer Oath of Office to new and reappointed Board Members.
2. Receive signatures on Oath of Office and Statement of Appointed Officer forms.

**Permit Hearing**

The Permit Hearing will begin upon completion of the Board Member qualification for office.

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 Application:

**Agenda:**

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

**New Production Permits**

- a. **Applicant:** Legacy Ridge Country Club II, LLC; 2201 Country Club Rd, Bonham, TX 75418  
**Location of Well (Existing):** 2201 Country Club Rd, Bonham, TX 75418; Latitude: 33.599231°N Longitude: 96.151234°W; about 1,460 feet south of E US HWY 82 and about 4,910 feet west of County Road 2925, in Fannin County.  
**Purpose of Use:** Golf Course Irrigation  
**Requested Amount of Use:** 67,567,016 gallons per year  
**Production Capacity of Well:** 300 gallons per minute  
**Aquifer:** Woodbine
- b. **Applicant:** Lynn Gibbs; PO Box 57, Telephone, TX 75488  
**Location of Well:** 6515 FM 2554, Ivanhoe, TX 75447; Latitude: 33.825480°N Longitude: 96.094210°W; about 3,700 feet south of the Red River and about 3,900 feet west of County Road 2120, in Fannin County.

**Purpose of Use:** Agriculture

**Requested Amount of Use:** 12,000,000 gallons per year

**Production Capacity of Well:** 199 gallons per minute

**Aquifer:** Woodbine

3. Public Comment on the Production Permit Application (verbal comments limited to three (3) minutes each).
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.
5. Adjourn or continue permit hearing

## **Board Meeting**

The Board Meeting will begin upon the adjournment of the 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 September 18, 2025, Board Meeting.
5. Budget and Finance.
  - a. Review and approval of monthly invoices.
  - b. Receive monthly financial information.
  - c. Receive Quarterly Investment Report.
6. Receive Quarterly Report on Management Plan.
7. Consider and act upon updating the Investment Policy.
8. Discussion and possible action on District’s policies regarding issuing payment of invoices.
9. Update and possible action regarding the process for the development of Desired Future Conditions (DFC).
10. Consider and act upon Task Order #3 with LRE Water, LLC for the District’s Database Improvements Project
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. Update on Injection/Disposal Well Monitoring Program
  - b. Well Registration Summary
  - c. District’s Website
13. Open forum / discussion of new business for future meeting agendas.
14. Adjourn.

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

<sup>2</sup>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.*

<sup>3</sup> *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.*

<sup>4</sup> *For questions regarding this notice, please contact Velma Starks at (800) 256-0935, at [rrgcd@redrivergcd.org](mailto: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, September 18, 2025**

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

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

Members Absent:

Staff: Paul Sigle, Kristi Krider, Stacy Patrick, Allen Burks, and Velma Starks

Visitors: Kristen Fancher, Fancher Legal

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**Board Member Qualification for Office**

Board Member qualification for office will begin at 10:02 a.m.

1. Administer Oath of Office to new and reappointed Board Members.

Oath of Office was administered by Velma Starks, Notary Public, to Chuck Dodd and David Gattis.

2. Receive signatures on Oath of Office and Statement of Appointed Officer forms.

**Permit Hearing**

**Agenda:**

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

Board President Mark Patterson called the Permit Hearing to order at 10:05 a.m., established quorum, declared hearing open to the public, and introduced the Board.

2. Review the Production Permit Application of:

**New Production Permits**

- a. **Applicant:** Norberto Gonzalez; PO Box 29955, Dallas, TX 75229  
**Location of Well:** 14799 US Hwy 75, Van Alstyne, TX 75495; Latitude: 33.447680°N  
Longitude: 96.609680°W; about 1,120 feet south of Hodgins Rd and about 1,900 feet west of  
HWY 75, in Grayson County.  
**Purpose of Use:** Commercial/Small Business (Concrete Production)

**Requested Amount of Use:** 6,000,000 gallons per year  
**Production Capacity of Well:** 50 gallons per minute  
**Aquifer:** Woodbine

General Manager Paul Sigle reviewed the permit application with the Board. Board Member Mark Gibson made a motion to approve the application. Board Member John Keen seconded the motion. Motion passed unanimously.

- b. **Applicant:** Legacy Ridge Country Club II, LLC; 2201 Country Club Rd, Bonham, TX 75418  
**Location of Well (Existing):** 2201 Country Club Rd, Bonham, TX 75418; Latitude: 33.599231°N Longitude: 96.151234°W; about 1,460 feet south of E US HWY 82 and about 4,910 feet west of County Road 2925, in Fannin County.  
**Purpose of Use:** Golf Course Irrigation  
**Requested Amount of Use:** 1,500,000 gallons per year  
**Production Capacity of Well:** 302 gallons per minute  
**Aquifer:** Woodbine

General Manager Paul Sigle informed the Board that there was confusion on the amount requested. Discussion was held. Board Member Harold Latham made a motion to table this item. Board Member Chuck Dodd seconded the motion. Motion passed unanimously.

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

No public comment

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.

Permits were voted on individually.

5. Adjourn or continue permit hearing

Board President Mark Patterson adjourned the permit hearing at 10:15 a.m.

### **Board Meeting**

1. Pledge of Allegiance and Invocation.

Board President Mark Patterson led the group in the Pledge of Allegiance and Chuck Dodd offered the invocation for the group.

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

Board President Mark Patterson called the meeting to order at 10:15 a.m., established a quorum was present, and declared the meeting open to the public.

3. Public Comment.

No Public Comment.



4. Consider and act upon the election of officers.

Board Member Billy Stephens made a motion to keep current officers. Current officers are Mark Patterson as President, Harold Latham as Vice President, and Mark Gibson as Secretary. Board Member John Keen seconded the motion. Motion passed unanimously.

5. Consider and act upon approval of Minutes of July 24, 2025, Board Meeting.

Board Member Chuck Dodd made a motion to approve the minutes of the July 24, 2025, meeting. The motion was seconded by Board Member Billy Stephens. Motion passed unanimously.

6. Budget and Finance.

- a. Review and approval of monthly invoices.

General Manager Paul Sigle reviewed the invoices with the Board. Discussion was held. Board Member Billy Stephens made a motion to approve the monthly invoices. Board Member David Gattis seconded the motion. Motion passed unanimously.

- b. Receive monthly financial information.

General Manager Paul Sigle reviewed the District's monthly financial information with the Board. Discussion was held.

7. Consider and act upon 2026 Operating Budget

General Manager Paul Sigle provided background information for the Board. Discussion was held. Board Member Chuck Dodd made a motion to approve the Operating Budget. Board Member Mark Gibson seconded the motion. Motion passed unanimously.

8. Consider and act upon Engagement Letter for Audit Services for Fiscal Year Ending December 31, 2025.

General Manager Paul Sigle provided background information for the Board. Discussion was held. Board Member Harold Latham made a motion to approve Engagement Letter for Audit Services for Fiscal Year Ending December 31, 2025. Board Member David Gattis seconded the motion. Motion passed unanimously.

9. Consider and act upon the First Amendment to Interlocal Cooperation Contract Between the Red River Groundwater Conservation District and the State office of Administrative Hearings

General Manager Paul Sigle provided background information for the Board. The current Contract ended August 31, 2025, and the purpose is to amend the Contract to extend the term of the Contract through August 31, 2027. Board Member Chuck Dodd made a motion to approve the First Amendment to Interlocal Cooperation Contract Between the Red River Groundwater Conservation District and the State office of Administrative Hearings. Board Member John Keen seconded the motion. Motion passed unanimously. Discussion was held.

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

- a. Receive report of Run 4.1 and Run 4.2 for DFC Planning

General Manager Paul Sigle stated GMA 8 meeting was held August 29, 2025. Report was included in the packet. Mr. Sigle reviewed the report with the Board. Discussion was held. James Beach, Advanced Groundwater Solution, LLC, is reviewing the information. The next GMA 8 meeting is to be scheduled in late October.

- b. Discussion and Possible action on production for additional runs

No action taken.

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

No issues

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

- a. Update on Injection/Disposal Well Monitoring Program

No update.

- b. Well Registration Summary

General Manager Paul Sigle reviewed the well registration summary with the Board. Six new wells were registered in July and eight 8 new wells were registered in August.

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

Tabled Legacy Ridge Country Club II, LLC application will need to be on agenda for Oct. 16, 2025 meeting.

- 14. Adjourn.

Board President Mark Patterson declared the meeting adjourned at 10:43 a.m.

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Recording Secretary

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Secretary-Treasurer

ATTACHMENT 5 a.

**RESOLUTION NO. 2025-10-16-01**

**A RESOLUTION BY THE BOARD OF DIRECTORS OF THE RED RIVER GROUNDWATER CONSERVATION  
DISTRICT AUTHORIZING PAYMENT OF ACCRUED LIABILITIES FOR THE MONTH OF SEPTEMBER**

The following liabilities are hereby presented for payment:

	<u><b>Amount</b></u>
<u><b>Administrative Services</b></u>	
GTUA - Monthly expenses for September 2025	\$19,675.96
<u><b>Advertisement</b></u>	
Texas Alliance of Groundwater Districts - 2025-26 Level 4 dues	\$2,200.00
<u><b>Contract Services</b></u>	
Advanced Groundwater Solutions - Hydrogeologic consulting through September 2025	\$7,387.50
<u><b>Direct Costs</b></u>	
Statewide Plat Service - Monthly service charge for July and August 2025	\$100.00
<u><b>Legal</b></u>	
Kristen Fancher - legal service through 9/30/2025	\$1,624.00
Stacey Reese Law PLLC - legal service for July 2025	\$1,258.00
Stacey Reese Law PLLC - legal service for September 2025	\$878.00
<u><b>Meetings &amp; Conferences</b></u>	
Feast on This - September BOD lunch	\$414.00
 <b>GRAND TOTAL:</b>	 <b><u><u>\$33,537.46</u></u></b>

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 16th. day of October 2025

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 September 30, 2025

### ASSETS

#### Current Assets

##### Checking/Savings

10001 CASH-First United	19,244.29
10025 A/R CONSUMPTION	41,076.27
10101 ALLOWANCE FOR UNCOLLECT	-1,530.00
10210 A/R WELL APPLICATION FEES	-5,054.32
10010 INVESTMENTS	944,439.07
10230 PP EXPENSES	3,023.19

<b>TOTAL ASSETS</b>	<b><u>1,001,198.50</u></b>
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### LIABILITIES & EQUITY

#### Liabilities

##### Current Liabilities

##### Accounts Payable

23100 ACCOUNTS PAYABLE	29,565.46
23150 DRILLERS DEPOSIT LIAB	16,750.00
23160 DEPOSIT - SOAH	6,715.68

<b>Total Other Current Liabilities</b>	<b><u>53,031.14</u></b>
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<b>Total Current Liabilities</b>	<b><u>53,031.14</u></b>
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<b>Total Liabilities</b>	<b>53,031.14</b>
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#### Equity

35100 RETAINED EARNINGS	1,152,942.58
Net Income	-204,775.22

<b>Total Equity</b>	<b><u>948,167.36</u></b>
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<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>1,001,198.50</u></b>
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**RED RIVER GROUNDWATER**  
**Profit & Loss Budget vs. Actual**  
**September 30, 2025**

	<b>Current Actual</b>	<b>Current Budget</b>	<b>YTD Actual</b>	<b>Total Budget</b>	<b>% of Budget Remaining</b>
<b>Income</b>					
46002 GW PRODUCTION	0.00	0.00	177,187.55	267,948.07	33.87%
46005 LATE FEES	0.00	0.00	6,540.67	0.00	0.00%
46006 VIOLATION FEES	0.00	0.00	0.00	0.00	0.00%
46010 WELL DRILLER FEES	0.00	0.00	-6,106.30	0.00	0.00%
46015 REGISTRATION FEES	2,000.00	833.00	8,350.00	10,000.00	16.50%
46020 PERMITTING FEES	0.00	583.00	4,200.00	7,000.00	0.00%
46100 INTEREST INCOME	0.00	1,250.00	19,691.68	15,000.00	-31.28%
<b>Total Income</b>	<b>2,000.00</b>	<b>2,666.00</b>	<b>209,863.60</b>	<b>299,948.07</b>	<b>30.03%</b>
<b>Gross Profit</b>	<b>2,000.00</b>	<b>2,666.00</b>	<b>209,863.60</b>	<b>299,948.07</b>	
<b>Expense</b>					
77010 ADMINISTRATIVE COST	7,832.00	7,500.00	82,030.00	90,000.00	8.86%
77020 ADVERTISING	0.00	333.00	2,003.00	4,000.00	49.93%
77027 AUDITING	0.00	0.00	7,350.00	7,350.00	0.00%
77030 BAD DEBT	0.00		-5,085.85	-5,085.85	
77031 BANKING FEES	73.55	83.00	766.25	1,000.00	23.38%
77032 CONTRACT SERVICES	14,229.82	13,916.00	82,241.19	167,000.00	50.75%
77035 FIELD TECH	6,195.50	4,583.00	48,995.25	55,000.00	10.92%
77040 DIRECT COST	676.56	375.00	5,861.29	4,500.00	-30.25%
77045 FIELD PERMITTING SPECIAL	2,496.00	2,917.00	22,816.50	35,000.00	34.81%
77450 DUES & SUBSCRIPTIONS	0.00	83.00	0.00	4,000.00	100.00%
77480 EQUIPMENT	0.00	3,203.00	57,882.12	38,432.00	-50.61%
77500 FEES-GMA8	2,413.87	2,400.00	5,907.50	9,600.00	38.46%
77810 INSURANCE AND BONDING	335.91	416.00	3,256.77	5,000.00	34.86%
77850 GENERIC SOFTWARE SVC	0.00	208.00	0.00	2,500.00	100.00%
77970 LEGAL	14,435.87	1,667.00	66,267.34	20,000.00	-231.34%
77980 Legal - Legislature	0.00	2,500.00	0.00	30,000.00	100.00%
78010 MEETINGS AND CONFEREN	1,502.11	500.00	5,047.98	6,000.00	15.87%
78310 RENT	650.00	650.00	5,850.00	7,800.00	25.00%
78600 SOFTWARE MAINTENANCE	0.00	4,167.00	18,004.25	50,000.00	63.99%
78750 TELEPHONE	223.90	250.00	2,120.15	3,000.00	29.33%
78770 - TRANSPORTATION	613.89	333.00	3,325.09	4,000.00	16.87%
<b>Total Expense</b>	<b>51,678.98</b>	<b>46,084.00</b>	<b>414,638.83</b>	<b>539,096.15</b>	<b>23.09%</b>
<b>Net Income</b>	<b>-49,678.98</b>	<b>-43,418.00</b>	<b>-204,775.23</b>	<b>-239,148.08</b>	



ATTACHMENT 5 c.

Red River Groundwater Conservation District  
Quarterly Investment Report  
For the Quarter Ended  
September 30, 2025

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

Presented by Red River Groundwater Conservation District Investment Officers:

  
Paul Sigle  
General Manager

  
Debi Atkins  
Finance Officer

Investment Holdings  
9/30/2025

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Face Amount/Par Value	Book Value	Market Price	Market Value	Life (Day)	Yield
First United (DDA)		0.00%	7/1/2025	6/30/2025	\$ 49,339.52	\$ 49,339.52	1.00	\$ 49,339.52	1	0.00%
East West (CD)		3.91%	8/28/2026	8/28/2025	\$ 544,439.07	\$ 544,439.07	1.00	\$ 544,439.07	332	3.99%
EastWest (CD)		4.22%	3/2/2026	2/28/2025	\$ 400,000.00	\$ 400,000.00	1.00	\$ 400,000.00	153	4.31%
Weighted Ave Maturity in yrs					\$ 993,778.59	\$ 993,778.59		\$ 993,778.59	486	
									(1)	0.67

(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.

Book/Market Value Comparison

Description	Coupon/ Discount	Maturity Date	June 30, 2025			September 30, 2025		
			Face Amount/ Par Value	Book/Market Value	Purchases/ Adjustments	Sales/Adjust/ Call Maturity	Face Amount/ Par Value	Book/Market Value
First United (DDA)	0.00%	10/1/2025	49,638.63	49,638.63	201,719.04	232,459.28	18,898.39	\$ 18,898.39
East West (CD)	4.41%	8/28/2025	520,952.42	520,952.42		520,952.42	-	\$ -
East West (CD)	4.31%	8/28/2025	120,000.00	120,000.00		120,000.00	-	\$ -
East West (CD)	3.91%	8/28/2026			544,439.07		544,439.07	\$ 544,439.07
East West (CD)	4.22%	3/2/2026	400,000.00	400,000.00			400,000.00	\$ 400,000.00
			\$ 1,090,591.05	\$ 1,090,591.05	\$ 746,158.11	\$ 873,411.70	\$ 963,337.46	\$ 963,337.46



ATTACHMENT 6



# RED RIVER

## GROUNDWATER CONSERVATION DISTRICT

FANNIN COUNTY AND GRAYSON COUNTY



### General Manager's Quarterly Report

Date: September 30, 2025

### Red River GCD Management Plan

This quarterly briefing is being provided pursuant to the adopted Management Plan for the quarter ending September 30, 2025.

#### Well Registration Program:

Current number of wells registered in the District: **1,292**

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

#### Well Inspection/Audit Program:

**2025**

#### Well Inspections

Month	Fannin	Grayson	Total
January	1	17	18
February	10	12	22
March	6	22	28
April	13	16	29
May	0	4	4
June	0	8	8
July	4	6	10
August	14	11	25
September	5	7	12
October			
November			
December			
<b>Total</b>	<b>53</b>	<b>103</b>	<b>156</b>

**Number of Exempt wells inspected (as of September 30, 2025)**

<b>County</b>	<b>Number of Wells Inspected (2025)</b>	<b>Total Number of Completed Wells*</b>	<b>%</b>
<b>Fannin</b>	31	320	10%
<b>Grayson</b>	43	614	7%
<b>Total</b>	<b>74</b>	<b>934</b>	<b>8%</b>

**Number of Non-Exempt wells inspected (as of September 30, 2025)**

<b>County</b>	<b>Number of Wells Inspected (2025)</b>	<b>Total Number of Completed Wells*</b>	<b>%</b>
<b>Fannin</b>	22	93	24%
<b>Grayson</b>	56	231	24%
<b>Total</b>	<b>78</b>	<b>324</b>	<b>24%</b>

\*Plugged wells have been excluded

\*Total number of completed wells is estimated.

- Assumptions
  - Wells that have completion dates are assumed to be complete.
  - Wells with application dates through 6/7/2024 are assumed to be complete.
  - Wells that have been inspected are assumed to be complete.



ATTACHMENT 7

## EXHIBIT “A”

### RED RIVER GROUNDWATER CONSERVATION DISTRICT

#### INVESTMENT POLICY

APPROVED: October ~~19, 2023~~ 17, 2024

PROPOSED: October ~~17, 2024~~ 16, 2025

## EXHIBIT "A"

### 1.01 PURPOSE

This policy with respect to district investments has been adopted by the Board of Directors (the "Board") of Red River 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, Finance Officer and Sr Accountant 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 by the Federal Deposit Insurance Corporation (FDIC), or its successor; or the National Credit Union Share Insurance Fund (NCUSIF), or its successor, 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 must 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 or NCUSIF insurance. The minimum level of Letters of Credit shall be 100% of principal plus anticipated accrued interest, less the applicable level of FDIC or NCUSIF 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 or NCUSIF 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 succeeding 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 36.151 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 adopted on November 19, 2020, supersedes any prior policies adopted by the Board regarding investment or securitization of District funds.

On motion of \_\_\_\_\_ seconded by \_\_\_\_\_, the foregoing resolution was adopted by the Board of Directors of the Red River Groundwater Conservation District this 17<sup>th</sup> day of October, 2024<sup>5</sup> by the following vote:

\_\_\_\_\_ Voted "For"

\_\_\_\_\_ Voted "Against"

\_\_\_\_\_ Abstained

at a regular meeting of the Board of Directors of the Red River Groundwater District.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary-Treasurer

Policy source: Board Policy Manual, Section 20.00, Policies on Finance



ATTACHMENT 10

## Attachment A

### TASK ORDER # 3

This Task Order is made this the 11th day of September, 2025, by and between the Red River Groundwater Conservation District and North Texas Groundwater Conservation District ("Client") and LRE Water, LLC ("Consultant") pursuant to the terms and conditions set forth in the Master Services Agreement executed between the Parties on the 7th day of August, 2024, ("Agreement"), which incorporated this Task Order by reference.

1. The Services to be performed by Consultant under this Task Order are as follows:

Task	Cost	Task Description
3.1 - Field Services	\$11,000	<p><b>Fix to workable state:</b> Stabilize the Field Services application so that it performs its intended <u><b>core functions</b></u> reliably before any <u><b>contingent enhancements</b></u> are introduced.</p> <p><u><b>Core Functions:</b></u></p> <p><b>Well Inspections</b></p> <ul style="list-style-type: none"><li>-Data collection(meter readings, GPS, and conditions)</li><li>-Single photo capture and upload capabilities</li><li>-Capture meter details (brand, size, multiplier, units)</li></ul> <p><b>Water Level Readings</b></p> <ul style="list-style-type: none"><li>-Data collection related to water depth measurements</li><li>-Record water usage meter readings</li><li>-Support different measurement units</li><li>-Historical tracking and validation</li></ul> <p><b>Main Database Integration</b></p> <ul style="list-style-type: none"><li>-Receive and send data with main database system</li><li>-Photo storage and management</li><li>-Data synchronization with main database</li></ul> <p><b>Application Models (data tables)</b></p> <ul style="list-style-type: none"><li>-Well identification and location data</li><li>-Meter information and readings</li><li>-Inspection notes and photos</li><li>-User tracking and timestamps</li><li>-Attention flags for wells requiring follow-up</li></ul> <p><u><b>*Contingent Enhancements*</b></u></p> <p><b>Mobile/Desktop View Fix:</b> Redesign the interface for optimal viewing on both standard mobile and desktop platforms.</p> <p><b>Wells in Registration Approval:</b> Ensure inspections are marked as completed and add the following:</p> <ul style="list-style-type: none"><li>- Forfeit Driller Deposit: Input for forfeiting the driller deposit.</li></ul>

		<ul style="list-style-type: none"> <li>- Approval Date: Include a field for the approval date.</li> <li>- Completion Date: If known, add the well's completion date.</li> </ul> <p><b>Inspection Enhancements:</b> Improve the inspection process with features including:</p> <ul style="list-style-type: none"> <li>- Ability to archive inspections.</li> <li>- Create a queue for inspections.</li> <li>- Display well number, well name, and owner.</li> <li>- Improve capabilities of the search navigation to allow for more parameters to be used (well name, owner name, address, and well number).</li> </ul> <p><b>Data Import/Export:</b> Improve upon the current methods of data uploads to allow for well level timeseries csv data to be uploaded and assigned to a well. Allow for export of complete water level records for selected well.</p> <p><b>Photo Uploads:</b> Allow multiple photos to be uploaded and a standard naming format for the photos. Ability to change photo names after uploading.</p>
3.2 - Continued Accounting Enhancements	\$3,000	<p><b>Export File for QB Input:</b> Enable file export that includes all necessary information for QuickBooks input.</p> <p><b>Late Meter Reading Tracking:</b> Implement tracking for late meter readings, including consecutive late quarters, following the District supplied breakdown of fees.</p> <p><b>Additional Contacts:</b> Add fields for additional contacts, including email addresses. A rolodex style contact tab to show connected contacts to a well/permit.</p> <p><b>Archive Accounts:</b> Provide the ability to archive accounts as needed.</p>
3.3 – Continued Usability Enhancements	\$3,000	<p><b>User Information:</b> Add the ability to archive user accounts.</p> <p><b>Meter Readings:</b> Add permit tracking to compare total production with permitted amounts based on submitted meter readings.</p> <p><b>Aquifer Designation Bug:</b> A bug will not allow for an aquifer to be assigned to the well information. Update wells with existing table from the District and allow for aquifers to be set in the user interface (UI).</p> <p><b>Deletion Bug:</b> When deleting a well, the well will sometimes not actually be removed from the list of wells in well info.</p>

3.4 – District Overview	\$6,000	<b>Overview refresh:</b> Development of up to four interactive “widgets” that provide a high-level snapshot of the District’s current status. The District may select preferred items from the list of available options listed at the end of this proposal document. Additional widgets can be added dependent on project budget.
3.5 – Well Approvals	\$5,000	<p><b>Driller Compliance:</b> The ability to flag drillers who are out of compliance with the District’s rules and place their approvals “On Hold” until the flag is removed.</p> <p><b>Notice To Proceed (NTP):</b> Create an automated process for the District to send NTP to customers.</p> <p><b>Additional Well Information on Approval:</b> Add fields for construction data, pump details, completion dates and others requested by the District.</p> <p><b>Linked Permit Fields:</b> Add fields related to the permit information such as the requested/permitted production, aquifer, permit questions, and hydro reports.</p> <p><b>Electronic Signatures:</b> Enable the ability for District staff to use a check-box to allow for an electronic signature on the NTP document.</p>
3.6 – Well Registration	\$8,000	<p><b>Registration Choice Refresh:</b> A user will be able to choose between registering an “exempt” or a “non-exempt” well. When choosing a “non-exempt” registration the user will be required to either apply for a permit or select an existing permit. Information boxes will clearly identify the differences between the two registration types. The permit application pdf will be converted to an online form.</p> <p><b>Additional Well Information on Approval:</b> Add fields for construction data, pump details, completion dates and others requested by the District.</p> <p><b>Linked Permit Fields:</b> Add fields related to the permit information such as the requested/permitted production, aquifer, permit questions, and hydro reports.</p>
3.7 – Signal fire Integration	\$4,000	<p><b>Signal Fire Telemetry Data:</b> Add all existing telemetry wells used by the District to an automated data retrieval and database update. Daily reporting with up to 4 data pulls a day.</p> <p><b>New Well Methods:</b> Create easy to follow documentation for adding or removing wells into/from the system.</p>



3.8 – Project Management, Maintenance	\$3,000	<p><b>Project Management:</b> Based on an estimated half-hour to one hour per month for the LRE project manager in managing project tasks, developing project status reports, and in communicating with Client.</p> <p><b>Maintenance:</b> Routine maintenance, backups, critical patches, monitoring, and fixes due to breaks caused by software and browser updates.</p>
Total	\$44,000	

2. The Project Schedule is as follows:

The project is planned to be completed over a **10-month period**, starting immediately upon receiving authorization to proceed. The schedule is designed to be flexible and adaptive to the needs of the Client. Priority tasks, as identified by the Client, will be addressed first, with other tasks managed concurrently as they arise. Progress will be continuously monitored, and adjustments will be made as necessary.

Throughout the 10-month period:

- Month 1-10: Work will proceed on high-priority tasks first, followed by concurrent tasks to address chosen areas identified in the “List of Improvements.”
- Regular feedback and review sessions will be held with Client staff to ensure alignment with requirements and priorities.
- System-wide testing and quality assurance will be conducted as progress is made, with any necessary adjustments and fixes being applied promptly.

3. The Compensation to be paid to Consultant for the performance of the Services under this Task Order is set forth as follows:

Time and Materials up to the total of **\$44,000.00** as specified in the Task 3 outline table.

4. Deliverables to be provided under this Task Order are as follows:

**Continued Usability Enhancements:**

Implement an archive function for user accounts; enhance the meter-reading module to track submitted readings against permit limits and calculate total production versus permitted amounts; fix the aquifer designation bug and importing the District’s existing aquifer lookup table, updating well records accordingly, and enabling aquifer selection in the UI; correct the deletion workflow so that wells are reliably removed from the Well Info list when deleted.

**District Overview:**

Consultant will complete up to four of the District-selected options below.

1. **Well & Permit Status** – Summary of active, pending, and expiring permits.
2. **Groundwater Pumpage** – Year-to-date pumpage vs. permitted volumes.
3. **Water Level Trends** – Average change in monitoring well levels, by aquifer.
4. **Compliance & Reporting** – Status of submitted vs. overdue reports.
5. **District At-a-Glance Metrics** – Key figures such as total wells, total permits, and permitted vs. pumped acre-feet.
6. **Recent Activity Feed** – Latest applications, inspections, and updates logged in the system.
7. **Financial Overview** – Summary of fees collected, outstanding balances, and recent transactions.

**Custom Widget Option**

The District may also propose an additional widget not listed above to address unique priorities or data needs.

**Field Services: \*Contingent – To be completed only if Core Enhancements are Completed and sufficient task budget remains.\***

Interface for seamless mobile and desktop use; enable multi-photo uploads with standardized and editable filenames; enhance the registration approval workflow by marking inspections complete and adding fields for forfeiting driller deposits, approval dates, and known completion dates; upgrade inspection management with archive capability, a queued inspection system; display of well number, name, and owner, a refined search function; and bolster water-level measurement tools with robust data export and import functionality.

**Continued Accounting Enhancements:**

Build an export function to generate QuickBooks-ready files containing all requisite data; implement late meter-reading tracking that flags overdue submissions and calculates consecutive late quarters in accordance with the District's fee schedule; add fields for multiple contacts (including email) and create a rolodex-style tab linking contacts to wells or permits; and introduce an account-archiving capability for administrative management.

**Well Approvals:**

We will implement driller compliance checks that flag non-compliant drillers and

place their approvals on hold until resolved; automate the Notice to Proceed (NTP) dispatch process for customers; expand the approval form to capture additional well details (construction data, pump specifications, completion dates, and other District-requested information); link permit metadata, including requested and permitted production, aquifer designation, permit-specific questions, and hydrogeologic reports, to the well approval record; and enable staff to apply electronic signatures via a simple checkbox on the NTP document.

**Well Registrations:**

Refresh the well registration workflow so users can choose between exempt and non-exempt wells with clear guidance; require non-exempt registrations to apply for a new permit via an online form or select an existing permit; enhance the approval interface with additional well details such as construction parameters, pump specifications, completion dates and other District requested information; and incorporate linked permit fields including requested versus permitted production, aquifer designation, permit questions and hydrogeologic reports directly into the registration process.

**Signal Fire Integration:**

We will integrate all existing Signal Fire telemetry wells into an automated data retrieval and database update workflow with up to four daily data pulls.

District Selected Widgets: [       ]

Optional Custom Widget Description: [    ]

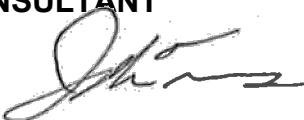
**CLIENT**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Printed or Typed)

\_\_\_\_\_  
Date

**CONSULTANT**

\_\_\_\_\_  


\_\_\_\_\_  
Signature

Jordan Furnans

\_\_\_\_\_  
Name (Printed or Typed)

9/15/25

\_\_\_\_\_  
Date

ATTACHMENT 12 b

# RED RIVER GROUNDWATER CONSERVATION DISTRICT

## Well Registration Summary

(as of 9/30/2025)

Well Type	Fannin	Grayson	Total RRGCD	New Registrations September 2025
Domestic	288	501	789	7
Public Water	63	200	263	0
Livestock	17	31	48	0
Agriculture	27	28	55	0
Commercial	10	23	33	0
Surface Impoundments	13	20	33	0
Oil / Gas	0	17	17	0
Golf Course	1	14	15	0
Irrigation	2	10	12	1
Monitoring	1	11	12	0
Industrial	0	11	11	0
*Other	1	3	4	0

<b>TOTALS</b>	<b>423</b>	<b>869</b>	<b>1292</b>	<b>8</b>
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**NOTE: Plugged wells have been excluded**

**\*Construction Water**



ADJOURN