

# UPPER TRINITY GROUNDWATER CONSERVATION DISTRICT

MONDAY, OCTOBER 17, 2011

## MINUTES OF MEETINGS OF THE BOARD OF DIRECTORS

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### REGULAR BOARD MEETING

DISCUSS, CONSIDER, AND TAKE APPROPRIATE ACTION, INCLUDING EXPENDITURE OF FUNDS AS NECESSARY OR APPROPRIATE, ON THE FOLLOWING AGENDA ITEMS:

1. Welcome guests and members of the public.  
The meeting convened at 5:05 PM.
2. Roll call, establish a quorum, declare the board meeting open to the public.

Directors Present:

Mike Berkley, Dan Caudle, Mike Massey, Tracy Mesler, Ross Mueller, JoRuth Sandel, Tim Watts

President Massey declared a quorum was present and called the meeting to order.

3. Consent Agenda:

Each of these items is recommended by the Staff and approval thereof will be strictly on the basis of the Staff recommendations. Approval of the Consent Agenda authorizes the General Manager or his designee to implement each item in accordance with the Staff recommendations. The consent agenda will be approved as a block. Any Board member that has questions regarding any item on the consent agenda may have the item pulled and considered as a regular item on the agenda. Any items so pulled for separate discussion will be considered as the first items following approval of the consent agenda.

- A. Approval of minutes from Board meetings on September 19, 2011 & October 4, 2011.
- B. Approval of bank statement ending September 30, 2011, and current financial report of the District.

Budget amendments:

- Move \$10,000 from Salary to Temporary Wages
- Move \$750 from Equipment Installation to Dues & Fees

Director Mesler moved to amend the budget as listed above; the motion was seconded by Director Berkley. Motion carried unanimously

- C. Payment of bills/invoices received through October 17, 2011.
  - Director Mueller reimbursement \$55.50
  - Director Mesler reimbursement \$675.81
  - Director Sandel reimbursement \$61.05

- D. Reimburse General Manager, Office Manager and or Director of Field Operations for invoices/ bills paid on behalf of the District through October 17, 2011.

Director Mesler moved to adopt the consent agenda with the changes as listed; the motion was seconded by Director Mueller. Motion carried unanimously.

4. Any items from consent agenda that were pulled for further discussion.  
No items were pulled from the consent agenda for further discussion.
5. President's report on orientation workshop for members of the Board.  
The participants, agenda, time and place for the workshop were discussed.
6. Committee Reports and Charges.
  - A. Policy & Personnel Committee:
    - (i) Committee report on recommendations for changes to District's Personnel Policy regarding benefits and employee probationary period.
    - (ii) Action as necessary on recommendations from committee based on its report provided under Agenda Item 6.A. (i).  
This topic was moved to next month's agenda.
  - B. Budget & Finance Committee:
    - (i) Committee report on proposed 2012 Budget.  
A revised budget for 2012 was distributed to the Board. There was some discussion about projected income, large expenses, and staff salaries. "Resolution #11-004, Setting Water Use Fees for 2012" was distributed. "Resolution #11-005, Adopting a Budget for 2012" was then passed to the Board.
    - (ii) Action as necessary on recommendation(s) from committee based on its report provided under Agenda Item 6.B. (i).  
Director Sandel moved to adopt Resolution #11-004, Setting Water Use Fees for 2012 at \$.22 (22cents)/1,000 gallons; the motion was seconded by Director Caudle. Motion carried unanimously.  
Director Mesler moved to adopt Resolution #11-005, Adopting a Budget for 2012, of \$1,337,750.00; the motion was seconded by Director Sandel. Motion carried unanimously.
  - C. Special Committee:
    - (i) Committee report regarding possible purchase/ lease of property for District office.
    - (ii) Action as necessary on recommendation(s) from committee based on its report provided under Agenda Item 6.C. (i).  
This topic was reserved for an Executive Session to discuss individual properties and financial information.
7. General Manager's report: The General Manager will brief the Board on the following items, which may be discussed, considered, and acted upon by the Board, including authorizing the initiation of, managing, or resolving enforcement action or litigation where applicable.
  - A. Staff recommendation(s) regarding possible methods and locations to accumulate rainfall data in the areas where the District monitors water wells.  
  
The General Manager reported on methods used to collect rainfall data, and cautioned that it is not legally defensible. Director Caudle presented additional data.
  - B. Report on staff progress in obtaining readings from District's monitoring wells.  
  
Staff plans to be done with readings by the end of December, which will help with the Phase II schedule. Letters to be mailed to the well owners are printed and waiting for the final December readings; they will also include the hydrograph for each monitored well.
  - C. Report on failure of containment pond resulting in major loss of stored groundwater in Montague County by one or more oil & gas producers.

Staff has examined the pit and noticed Canaan is pumping out rainwater so they can line the pit. Canaan will notify UTGCD when they replace the inadequate meter with a new one. The General Manager recommends a show cause hearing, but will collect more information before setting a hearing. Discussion will resume in the November Board meeting.

- D. Request Board approval to attend National Groundwater Conference in Las Vegas, Nevada in November including authorization for payment of travel expenses.

The General Manager requested reimbursement for the travel expenses to the conference, which is November 29 through December 2. Director Watts moved to authorize the General Manager's travel expenses to the National Groundwater Conference in Las Vegas, not to exceed \$1,000; the motion was seconded by Director Caudle. Motion carried unanimously.

- E. Update on District administrative and operational matters.

- There was an issue with Jones Drilling in Bowie. UTGCD issued a \$250 penalty and the driller paid it.
  - Peck's Drilling recently drilled a well without submitting an application. Director Mesler moved to notify Peck's Drilling that they had committed a major violation of District Rules and that the penalty for such violation is \$250.00. If Peck's Drilling wished to contest the violation a Show Cause Hearing would be granted and at such hearing the District could pursue all remedies available under the Temporary Rules of the District. The motion was seconded by Director Sandel. Motion carried unanimously.
  - The Board designated Tonya Taylor as the Records Retention Officer and required her to attend all appropriate training in a timely fashion to fulfill her obligations. Director Mesler moved to appoint Tonya Taylor as the Records Retention Officer for the District and require that she complete all necessary training as soon as possible; the motion was seconded by Director Caudle. Motion carried unanimously.
  - UTGCD will host an outdoor booth at the East Parker County Chamber of Commerce's Business Expo 2011 on Thursday, October 20.
  - The General Manager attended the Texas Water Conservation Association Conference in San Antonio last week. He met the new Railroad Commissioner and looks forward to working with him on future projects.
  - TCEQ just notified UTGCD that we have another application for clean air on a sand mine operation in Hood County. The General Manager has the approximate location, but more information must be collected about the mine.
  - Cresson Crossroads' new well applications will expire. The General Manager drafted a letter to Cresson Crossroads. He is awaiting Legal approval. Meanwhile, all 64 refund checks have been signed.
  - President Massey shared a reduced version of the Well Monitoring Agreement with the Board. No Board action is required to allow staff to place the form into immediate use.
8. Quarterly report by District's Investment Officer.  
Investment Officer, Bob Patterson, reported on UTGCD investments and checking account balance. He recommended investing in another certificate of deposit. The Investment Committee may move forward if they choose to invest in an existing depository. Otherwise, it may require further Board discussion.
9. Report on monitoring program for injection wells within the District.  
President Massey distributed copies of a new injection well application in Montague County and copies of the final disposition regarding a previous application.
10. Report on Texas Railroad Commission H-11 applications within the District.  
There were no new applications to discuss.
11. Review line item expenditures and adopt budget amendment(s) as necessary.  
This issue was addressed earlier in the meeting.

12. Discuss options to shorten District board meetings.

Suggestions include:

- Have less topic discussion.
- Submit expenses prior to the meeting.
- Take shorter breaks.
- Let the Secretary/Treasurer keep minutes instead of the President.
- Staff should close out Financials on the last business day of the month prior to a Board meeting and submit available financial information at least one full week prior to scheduled Board meeting.
- The General Manager can submit his report in writing to the Board prior to the meeting.
- Board members should read the agenda packet before the meeting.
- Committees should submit their reports in writing ahead of time. Critical updates will be discussed verbally.

13. Public comment.

No public comment.

At 6:43 PM, Board entered an Executive Session to deliberate the purchase, exchange, lease or value of property.

At 6:49 PM, Board reconvened for open session. No action was taken.

14. Determine time and place for next meeting.

Next regular board meeting is scheduled for November 14, 2011 at 5:00 PM in the Springtown office.

15. New business to be placed on the next meeting agenda.

No new business was discussed.

16. Adjourn board meeting.

The meeting adjourned at 6:52 PM.

PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS this

14<sup>th</sup> day of NOVEMBER, 2011.

Attest:

Mike Massey  
Mike Massey, President

Tim Watts  
Tim Watts, Secretary / Treasurer