

**PANHANDLE GROUNDWATER
CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING**

District Office – Windmill Room
201 W. Third Street, White Deer, Texas

Thursday December 20, 2018

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice-President
Chancy Cruse	Secretary
Joy Shadid	Director
John R Spearman, Jr	Director
C.E. Williams	General Manager
Peter Winegeart	Asst. Manager
Monique Norman	Attorney
Bill Mullican	Professional Geoscientist
Britney Britten	PR/Education
Jennifer Puryear	Meteorologist
Julie Bennett	Admin. Asst.

Guests Present: Paul Argonbright, City of Wheeler; Mark Cadra, Rusty Early, Raymond Henry, Matt Hinton, Scott Honeyfield, PSC; Bob McCain, Chad Pernell, CRMWA; Kevin Ratliff, Troy Ritter, Jan Shaw, Lee Shaw, Barry Smith, Shane Stokes, City of Pampa; Gary Turley, City of Pampa; Lance Weaver, Lance Williams

AGENDA ITEM 1 – CALL TO ORDER

President Danny Hardcastle called the meeting to order at 8:13 am

AGENDA ITEM 2 – PUBLIC COMMENT

President Hardcastle opened the floor for public comments.

There was no public comment

AGENDA ITEM 3 – CONSIDERATION AND POSSIBLE ACTION ON MINUTES

a. Board Meeting 11.15.18

Phillip Smith made the motion to approve the 11.15.18 Board Meeting minutes as written, seconded by John R Spearman, Jr, Motion passed unanimously.

A copy is attached to these minutes

AGENDA ITEM 4 – CONSIDERATION AND POSSIBLE ACTION TO RATIFY THE EXPENDITURES

a. November 2018

John R Spearman, Jr made the motion to ratify the November 2018 expenditures, seconded by Phillip Smith, motion passed unanimously.

A complete copy of the financial statement(s) is attached to these minutes

AGENDA ITEM 5 – CONSIDERATION AND POSSIBLE ACTION ON AG LOAN TO FARMERS

Lance Williams

Phillip Smith made the motion to approve the Ag Loan Request from Lance Williams in the amount of \$70,821.00 for the purchase of a 1296' 8 Tower 2018 Valley Center Pivot Irrigation System to be located on Section 122, Block 7, I&GN Survey, Carson County Texas owned by Lance & Danielle Williams, seconded by Joy Shadid, motion passed unanimously.

AGENDA ITEM 6 – CONSIDERATION AND POSSIBLE ACTION FOR AUTHORIZATION TO SUBMIT APPLICATION FOR TWDB GRANT

General Manager C.E. Williams addressed the Board seeking authorization to submit application for a TWDB grant in the amount of \$150,000 for meters at a 50/50 cost share. Mr. Williams added that if approved this money will be used first then District funds for the District's 50/50 meter cost share program in place now.

After discussion John R. Spearman, Jr. made the motion to authorize General Manager C.E. Williams to submit application for the TWDB grant, seconded by Joy Shadid, motion passed unanimously.

AGENDA ITEM 7 – CONSIDERATION AND POSSIBLE ACTION ON INTERLOCAL AGREEMENT WITH THE CITY OF CLARENDON ON ABANDONED PROPERTIES

General Manager C.E. Williams stated that the City of Clarendon is requesting an agreement that would allow the City to clean up dilapidated and abandoned properties and assign to the City of Clarendon the District's rights to proceeds from the re-sale of the properties to offset the cost of the cleanup. The agreement will also release the District of any responsibility or liability from the clean up demolition.

Chancy Cruse made the motion to approve the agreement with the City of Clarendon on abandoned properties, seconded by Phillip Smith, motion passed unanimously.

AGENDA ITEM 8 – CONSIDERATION AND POSSIBLE ACTION TO “ERROR OFF” OF THE 2018 CARSON COUNTY TAX ROLL ALL TAXES ONE DOLLAR OR LESS TOTALING \$42.00

Chancy Cruse made the motion to “error off” all taxes one dollar or less totaling \$42.00 from the 2018 Carson County Tax Roll, seconded by Phillip Smith, motion passed unanimously

AGENDA ITEM 9 – CONSIDERATION AND POSSIBLE ACTION ON BOUNDARY ISSUES BETWEEN HIGH PLAINS AND PANHANDLE CONSERVATION DISTRICTS

General Manager C.E. Williams stated that there has not been any new information or changes on the boundary issue. No Action Taken

AGENDA ITEM 10– CONSIDERATION AND POSSIBLE ACTION ON AN EXTENSION FOR CITY OF AMARILLO WATER WELL PERMIT CP-1117A-Mult-M17

Phillip Smith made the motion to approve an extension for City of Amarillo Water well Permit CP-1117A-Mult-M17 to October of 2020, seconded by Chancy Cruse, motion passed unanimously.

AGENDA ITEM 10– CONSENT AGENDA DRILLING PERMITS

The following items are a part of the Consent Agenda. All Well Permit requests in **Agenda Items A -B** have been thoroughly reviewed by staff, are administratively complete and the General Manager is recommending issuance.

RECLASSIFY WELLS – None

A. Drilling Permits for wells with 4” pump or smaller DOMESTIC WELLS

1. **DO-491-DW-DAVID & BUFFIE SMITH-** A 1” well to be drilled on .402 ac by John Morrow by 11/26/18 in the SE4 of Section 33, Blk CV6, GC&SF Survey (being located @ 508 S Kearney St inside Clarendon City Limits) Donley County, Texas
2. **PO-566-DW-MIKE SPANGLER** - A 1” well to be drilled on .82 ac by K-Ran by 11/20/18 in the NW4 of Section 127, Block 2, AB&M Survey (being located @ 5400 Northside Dr in Northside Acres on the S side of Loop 335 N and approx. ¼ mi W of N Western St approx. ¼ mi N of Amarillo City Limits) Potter County, Texas

John R Spearman, Jr. made the motion to approve Agenda Item 10, A 1-2, seconded by Joy Shadid, motion passed unanimously.

B. DRILLING PERMITS FOR WELLS LARGER THAN 4”

1. **GR-795-BARRY SMITH** – A 5” well to be drilled on 1280 ac by Magic Circle by 1/1/19 in the SE4 of Section 15, Block 30, H&GN Survey (being located approx. 4 mi N of I-40 on W side of Hwy 273 and between Co Rds V & W, approx. 3 ¼ mi N of McLean) Gray County, Texas
2. **GR-796-KELVIN OLLINGER-** An 8” well to be drilled on 468 ac by Raymond Litchie by 11/26/18 in the SW4 of Sec 51, Blk B3, H&GN Survey (being located approx. 7/10 mi S of I-40 on Airport Rd then W approx. ½ mi to well location, approx. 1 mi SE of Groom) Gray County Texas
3. **CA-1303-SCOTT McLAUGHLIN-** An 8” well to be drilled on 320 ac by Etter Water Well by no date in the SW4 of Sec 23, Blk 7, I&GN Survey (being located ¼ mi S of Co Rd 17 on Co Rd BB, then E to well location) Carson County Texas

John R Spearman, Jr made the motion to approve Agenda Item 8, B, 1-3, seconded by Phillip Smith, motion passed unanimously.

President Danny Hardcastle recessed the regular meeting at 8:40 am

12. **Recess for Rules Hearing at 9:00 AM**

President Hardcastle called the regular meeting back to order at 10:17 am

AGENDA ITEM 14-CONSIDERATION AND POSSIBLE ACTION TO ADOPT PANHANDLE GROUNDWATER CONSERVATION DISTRICT RULE CHANGES

Phillip Smith made the motion to approve the rules as posted and allow for any minor non-substantive changes, seconded by Chancy Cruse, motion passed 4-1 with John R. Spearman, Jr. voting against.

AGENDA ITEM 13 – STAFF UPDATES

Assistant Manager Peter Winegeart was recognized for five years of service and given a length of service bonus of \$1,250

AGENDA ITEM 15 – CONSIDERATION AND POSSIBLE ACTION TO ADOPT THE DISTRICT METER STANDARDS

After discussion Joy Shadid made the motion to adopt the District Meter Standards, seconded by John R. Spearman, Jr., motion passed unanimously.

AGENDA ITEM 16 – MANAGERS REPORT

Managers Report Attached – No Action Taken

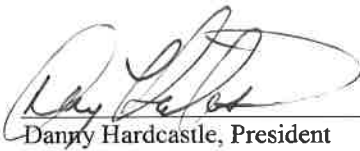
AGENDA ITEM 17-CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting date is Thursday January 17, 2019 at 9:00 am

AGENDA ITEM 18-ADJOURN

Phillip Smith made the motion to adjourn at 10:42 am, seconded by John R. Spearman, Jr, meeting adjourned


Chancy Cruse, Secretary


Danny Hardcastle, President

PANHANDLE GROUNDWATER CONSERVATION DISTRICT

BOARD OF DIRECTORS HEARING

District Office – Windmill Room
201 W. Third Street, White Deer, Texas

Thursday December 20, 2018

9:00 A.M.

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice-President
Chancy Cruse	Secretary
Joy Shadid	Director
John R. Spearman, Jr	Director
C. E. Williams	General Manager
Peter Winegeart	Asst. Manager
Monique Norman	Attorney
Bill Mullican	Professional Geoscientist
Steve Shumate	Geoscientist
Britney Britten	PR/Education
Jennifer Puryear	Meteorologist
Julie Bennett	Admin. Asst.

Guests present: Paul Argonbright, City of Wheeler; Mark Cadra, Rusty Early, Raymond Henry, Matt Hinton, Scott Honeyfield, PSC; Bob McCain, Chad Pernell, CRMWA; Kevin Ratliff, Troy Ritter, Jan Shaw, Lee Shaw, Barry Smith, Shane Stokes, City of Pampa; Gary Turley, City of Pampa; Lance Weaver, Lance Williams

AGENDA ITEM 1 – Call to Order

President Danny Hardcastle called the hearing to order at 9:05 A.M.

AGENDA ITEM 2 – INTRODUCTIONS

All present introduced themselves.

AGENDA ITEM 3- PRESENTATION OF PROPOSED PANHANDLE GROUNDWATER CONSERVATION DISTRICT RULE CHANGES.

General Manager C.E. Williams welcomed everyone stating that this public hearing is being held in accordance with Chapter 36.101 of the Texas Water Code and Rule 10 of the Panhandle Groundwater Conservation District Rules.

Mr. Williams continued stating that the District has been working on the rule changes for over a year with a lot of effort from the Staff and Board. He went on to make a presentation of the high points of the major rule changes.

A copy of the presentation is attached to these minutes

AGENDA ITEM 4 – PUBLIC COMMENT AND DISCUSSION

Floyd Hartman with the City of Amarillo stated that the new rules simplify the process and maintain consistency with the rules from 2004. Mr. Hartman asked the Board to consider making the quarter-mile waiver larger than 640 acres.

Kent Satterwhite with CRMWA stated that he is involved with water throughout the state and very familiar with water districts throughout the state and clear to him that Panhandle Groundwater is the best in the state and applauds the hard work from the Staff and the Board and feels like the District is headed in the right direction.

Paul Argonbright with the City of Wheeler stated that after visiting with President Hardcastle and C.E. Williams he understands the District doesn't distinguish between irrigation wells and municipal wells; however, he is asking the District to reconsider that policy. Mr. Argonbright added that there will be a substantial cost to the City and the tax payers to come into compliance with the new rules and take money away from the maintenance and repair of their water system.

Brian Guymon with the Underwood Law Firm representing the City of Wheeler stated that there should be more consideration given for the situations the cities face with the proposed rules. He feels there should be a grandfather provision for these wells that were drilled years before Wheeler County came into the District. Mr. Guymon added the cost to the City of Wheeler will be in the hundreds of thousands of dollars with no added income and would like to see an exemption to cities in respect to the proposed rule changes.

General Manager C.E. Williams responded to Floyd Hartman's comment. Mr. Williams stated that the District is willing to give some flexibility without allowing huge acreages corner to corner. C.E. added that the District Rules are required to apply to everyone the same; therefore the District has the task of deciding what's reasonable yet achieve the conservation of the aquifer.

The District's Attorney Monique Norman also responded on Mr. Hartman's comment stating that the statute allows for contiguous acreage based on science and property rights. The more contiguous acreage tracts that are allowed corner to corner of sections, causing checker boarding, effects other property owners. Ms. Norman added the aquifer doesn't work that way either and that's the reason why, per the chapter 36 of the water code and hydrologically the District doesn't allow large contiguous acreage tracts joined corner to corner.

Ms. Norman continued responding to comments made by Mr. Argonbright and Mr. Guymon concerning the City of Wheeler stating that state law doesn't allow the District to treat beneficial use differently. The State Supreme Court ruled that groundwater rights are property rights, so to not consider the property rights around a well, municipal or otherwise and allowing wells to pump and not control the water rights around the wells would be a major legal concern to the District.

General Manger C.E. Williams responded the comments made by Mr. Argonbright and Mr. Guymon concerning the City of Wheeler stating that he understands the cost to bring the city into compliance; however, CRMWA, City of Amarillo and many independent farmers and ranchers have spent substantial sums of money over the years to be in compliance with District rules. Mr. Williams also stated that he would like to see some conservation by the City to help come into compliance. Mr. Williams continued stating that by law the District has to treat everyone the same and therefore there cannot be a grandfather clause just for municipalities. C.E. also stated that by producing more water than they have water rights for the argument could be made that the City is stealing their neighbor's water and the District has to take that into consideration as well.

President Danny Hardcastle responded to the comments made by Mr. Argonbright and Mr. Guymon concerning the City of Wheeler stating that if a waiver is granted to the City of Wheeler's wells then by law a waiver would have to be given to all wells drilled before coming into the District.

President Hardcastle polled the Board asking if they had any questions or comments.

Director Phillip Smith asked those in attendance if they had any questions.

Leland Gable addressed the Board asking what happens if everyone is producing within their one-acre foot, but there is still depletion of the aquifer.

President Hardcastle stated that the Board has written in a five year sunset provision. The provision allows the Board, at the end of five years, to look at the data from the well measurements the District will continue to get annually and if it looks like the draw down will keep the District from meeting the 50/50 standard will be decided if the one-acre foot allowable needs to be changed.

Director Joy Shadid thanked everyone for their feedback on the one-quarter mile waiver and asked if anyone else had an opinion on the waiver.


Amy Zybach from Wheeler stated that she is in favor of the one-quarter mile waiver, because it will help the City of Wheeler and the feedyard in Wheeler come into compliance.

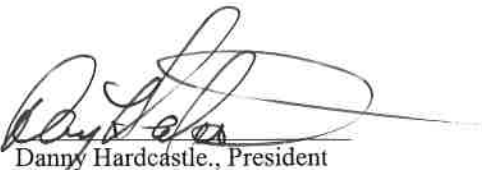
General Manager C.E. Williams stated that the District received some written comments concerning the metering of windmills, which was never intended, so the staff made some changes to the draft before posting clarifying that meters will not be required on windmills and solar wells.

The Board reviewed some minor clerical changes recommended by the staff before consideration of adoption of the rules.

AGENDA ITEM 6 – Adjourn

The hearing adjourned at 9:52 AM


Chancy Cruse, Secretary


Danny Hardcastle., President