

# PANHANDLE GROUNDWATER CONSERVATION DISTRICT

## BOARD OF DIRECTORS MEETING AND

### PUBLIC HEARING ON AMENDMENTS TO DISTRICT'S MANAGEMENT PLAN

DISTRICT OFFICE - Windmill Room  
201 W. Third Street, White Deer, Texas  
July 25, 2019 - 9:00 a.m.

Those present were:

|                     |                           |
|---------------------|---------------------------|
| Phillip Smith       | President                 |
| Bill Breeding       | Secretary                 |
| F. G. Butch Collard | Director                  |
| John R. Spearman    | Director                  |
| Jim Thompson        | Director                  |
| Brett Britten       | Director                  |
| Danny Hardcastle    | Director                  |
| C.E. Williams       | General Manager           |
| Bill Mullican       | Professional Geoscientist |
| Jennifer Puryear    | Meteorologist             |
| Britney Britten     | PR/Education              |
| Steve Shumate       | Hydrogeologist            |
| Kelly Lane          | Field Tech                |

Guests Present: Chad Pernell, Mike Friemel, Jason Sides and Dennis Babcock

1. CALL TO ORDER

President Phillip Smith called the meeting to order at 9:10 a.m.

2. PUBLIC COMMENT – Please limit comments to 3 minutes.

No public comment.

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES

a. Board Meeting 06/27/19

*Danny Hardcastle made the motion to approve the minutes as written, seconded by Jim Thompson. Motion passed unanimously.*

**A copy of the 6/27/19 Minutes are attached to these minutes.**

4. CONSIDERATION AND POSSIBLE ACTION TO RATIFY JUNE 2019 EXPENDITURES

*Jim Thompson made a motion to approve the June 2019 Expenditures, seconded by F.G. Butch Collard. Motion passed unanimously.*

5. REPORT FROM BUDGET COMMITTEE AND CONSIDERATION AND POSSIBLE ACTION ON THE 2019-2020 BUDGET

Director Danny Hardcastle reported on the Budget Committee's meeting. Hardcastle, Director Jim Thompson, President Smith and General Manager, CE Williams met on 7/16/19 to discuss the 2019-2020 proposed budget. Hardcastle said the one of the highlights and changes from last year's budget is the \$350,000 allocated for the meter cost-share program, which expires in September of this year.

Last year, that money was budgeted to come out of District reserves, and he said it seems like we will not use near what we allocated. In 2020's proposed budget, only \$80,000 is budgeted to come out of reserves. Another main highlight was employee medical insurance, due to premiums spiking in the last few years, the committee is recommending continuing coverage of the employee premiums and 80 percent of dependent premiums. For those employees without dependents, the District is proposing a \$1,000 Health Savings Account. Hardcastle said these additions will help us remain competitive with other entities and allow us to retain good employees and to attract new employees. Last year, the District budgeted \$65,000 for employee medical insurance, and the proposed budget this year is budgeting \$85,000. Last year the District budgeted for a Compliance Office, that salary was broken down to give an average of three percent merit and cost of living raises. Last year's approved budget was \$1,915,601.21. The proposed budget for 2019-2020 is \$1,612,840.00. Hardcastle again noted the biggest difference in the budgets was the money allocated from reserves for the meter cost-share program. Hardcastle said the Board could act on the budget today, but the District did not have the certified values information from the counties, so they would be unable to act on the proposed tax rate. However, the proposed 2019-2020 budget would result in a 7.9 percent tax rate increase. He explained during the last legislative session; a tax law passed that would **require** rollback elections in each precinct if the District increases its tax rate by more than three percent. Current law says the precincts are subject to the rollback election at a greater than eight percent increase. The committee feels at this time, the 7.9 percent increase is reasonable since the District has not raised its tax rate in quite some time. Williams said to have an election in each of the eight counties would be very costly. Hardcastle said since our tax rate is so low, the cost of the election would most likely equal the three percent increase. He also said the 7.9 percent increase results in about \$90,000 more in tax revenue District-wide.

Director John R. Spearman, Jr. asked if the certified values information coming in from the counties was less than usual, and Williams said some were less, and some were more, but the official information is needed before the proposed tax rate can be correctly calculated.

Hardcastle said our current tax rate is .009055 and the proposed tax increase will be about .0096 approximately. Williams said he will have the exact calculation once the rest of the counties send their certified values.

***F.G. Butch Collard moved to approve the 2019-2020 proposed budget, seconded by John R. Spearman, Jr. In a vote of 6 for and 1 abstention by Brett Britten, the motion passed.***

**A copy of the budget is attached to these minutes.**

6. CONSIDERATION AND POSSIBLE ACTION ON 2019-2020 TAX RATE

Without the certified values from all the counties, Williams said this item would be discussed at the next meeting.

7. CONSIDERATION AND POSSIBLE ACTION ON QUARTERLY PRODUCTION REPORTS AND OUT OF DISTRICT TRANSPORTATION REPORTS FROM THE CITY OF AMARILLO, CONOCO PHILLIPS, CRMWA, THE CITY OF BORGER, THE CITY OF FRITCH, THE CITY OF MEMPHIS, THE CITY OF CLARENDON, BRICE-LESLEY AND GREENBELT WATER AUTHORITY

***Bill Breeding made the motion to approve the quarterly production and transportation reports, seconded by Brett Britten. Motion passed unanimously.***

**A copy of the reports is attached to these minutes.**

8. CONSIDERATION AND POSSIBLE ACTION TO APPOINT A REPRESENTATIVE TO THE AMARILLO TIRZ #2 BOARD

***Jim Thompson made the motion to appoint F.G. Butch Collard as the District's Amarillo TIRZ #2 Representative, seconded by Bill Breeding. In a vote of 6 for and 1 against, the motion passed.***

9. CONSENT AGENDA – DRILLING PERMITS

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

**RECLASSIFY WELLS – None**

## IRRIGATION WELLS –

1. CA-1332-R Wade Ritter – A 6” well to be drilled on 640 ac by Matt Litchie by June 1, 2019 in the NW4 of Sec 74, Blk 7, I&GN Survey (being located approx. 2 mi S of Hwy 60 on CR U, at the intersection of CR U & CR 13, on the S side of CR 13 and E side of CR U) Carson County Texas **REPLACEMENT WELL**
2. CA-1334-R Charles Britten – A 6” well to be drilled on 1,733 ac by Matt Litchie by June 21, 2019 in the NW4 of Sec 157, Blk B3, H&GN Survey (being located approx. 3 mi W of Groom, at I-40 & CR X, S side of I-40, E side of CR X) Carson County Texas **REPLACEMENT WELL**
3. DO-501-MUN-R Red River Water Authority – A 4” well to be drilled on 2 ac by unknown driller by unknown date in the SW4 of Sec 3, Blk C3, TT RR Survey (being located on the E side of Howardwick on Pampa Dr on the edge of the city limits) Donley County Texas **REPLACEMENT WELL**
4. GR-802 Merten Family Enterprises – An 8” well to be drilled on 635 ac by Hydro by July 17, 2019 in the SW4 of Sec 29, Blk 3, I&GN Survey (being located approx. 3 mi E of Pampa on Hwy 60 to CR 13, then approx 1 ½ mi N on CR 13, well location on E side of CR 13) Gray County Texas
5. WH-309 Georgia Tipps – An 8” well to be drilled by Howard Drlg by unknown date in the SW4 of Sec 23, Blk M-1, H&GN Survey (being located 4 mi E of the intersection of FM 1046 & Hwy 83 to FM 3306, then approx. ½ mi N on FM 3306, well located on E side of FM 3306)

*Danny Hardcastle made the motion to approve consent agenda items 1-5, seconded by Jim Thompson. Motion passed unanimously.*

## 10. STAFF UPDATES

District Hydrogeologist, Steve Shumate gave the Board an update on the District’s Water Quality Network samples taken this year. He presented a map showing areas throughout the District with levels of Iron, Chlorides, Fluorides and Sulfates outside of the state’s drinking water standards.

## 11. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting is scheduled for August 8, 2019 at 9:00 a.m. in the District’s Windmill Room.

## 12. MANAGER’S REPORT

**A copy of the Manager’s Report is attached to these minutes.**

**The Board recessed at 9:50 a.m.**

## 13. CALL TO ORDER

President Smith called the Hearing to order at 11:01 a.m.

## 14. INTRODUCTIONS

There were no introductions.

15. PRESENTATION OF PROPOSED AMENDMENTS TO DISTRICT MANAGEMENT PLAN  
CE Williams, PGCD General Manager

Williams gave a presentation on the legal requirements of a Public Hearing regarding a Management Plan, an overview of what a Management Plan means for the District, what has changed since the last Plan was adopted two years ago and the next steps in adopting the proposed Management Plan.

**A copy of the presentation and proposed Management Plan is attached to these minutes.**

16. PUBLIC COMMENT – Public questions and comments on District’s proposed Management Plan (Limited to 3 minutes each, please fill out a “Request to Speak” form prior to the discussion of the agenda item.)

Hardcastle asked if it was clear within the Management Plan if the production rule of 1-acre foot per contiguous acre applies not only to the Ogallala Aquifer, but all aquifers within the District. After reviewing the plan, it was decided to add a sentence to the Dockum Aquifer DFC section stating the production rule applies to the Dockum Aquifer as well.

17. ADJOURN PUBLIC HEARING

The Public Hearing adjourned at 11:16 a.m.

18. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AND ADOPTION OF THE  
RESOLUTION FOR DISTRICT MANAGEMENT PLAN TO SUBMIT TO TWDB FOR APPROVAL

*Danny Hardcastle moved to approve and adopt the Management Plan, instructing Staff to make non-substantive changes as necessary, seconded by Jim Thompson. Motion passed unanimously.*

19. ADJOURN

*Jim Thompson made a motion to adjourn, seconded by Bill Breeding. Meeting adjourned at 11:19 a.m.*



William W. Breeding, Secretary



Phillip Smith, President