

**PANHANDLE GROUNDWATER
CONSERVATION DISTRICT**
BOARD OF DIRECTOR'S REGULAR MEETING - MINUTES
DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas
January 28, 2020 - 9:00 a.m.

Those present were:

Phillip Smith	President
Chancy Cruse	Vice-President
John R. Spearman, Jr.	Director
Jim Thompson	Director
Danny Hardcastle	Director
Charles Bowers	Director
F.G. Butch Collard	Director
Brett Britten	Director
CE Williams	General Manager
Steve Shumate	Hydrogeologist
Britney Britten	PR/Education

Guests Present: James Allen, CPA, Jamie Rocha, Mike Friemel, Dale Brooks, Dennis Babcock, Dustin Babcock, Jason Sides, Brandon Sides, Ken Burger, Chad Pernel, Kent Satterwhite, Austin Bamert, Julie Allegretti, Scott McLaughlin, Jennifer Puryear, Lance Williams, Gerald Berry and Kelvin Ollinger.

1. CALL MEETING TO ORDER

The meeting was called to order at 9:05 a.m.

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

CE Williams, PGCD General Manager, gave a short presentation about past decisions, studies and meetings regarding the 1-acre-foot rule, and how the past Board of Directors decided to adopt that policy.

A copy of the presentation is attached to these official minutes.

Dennis Babcock, a producer from Carson County, said the one thing he sees missing from the Board's decision is a study of how the 1-acre-foot rule effects the economy and individuals in our area. He also stated the current rules allow and encourage neighbors to pump their neighbors water, whether they buy their water rights or not.

Lance Williams, also a Carson County producer said the District still meets their 50/50 rule of conserving 50 percent of the water for 50 years at the 1.5 acre-foot allowable, like District Consultant Bill Mullican showed at a previous meeting. He also said the District needs to be economically comparable to the other groundwater districts around us.

Several of the attendees expressed their concern regarding the 1 acre-foot per contiguous acre allowable, and a few said they would have to double crop or buy additional acreage for new production to continue making payments on their crop land. Jason Sides, a producer from the District, said purchasing additional water rights and pumping more water does not sound like water conservation.

Several attendees also expressed concern for the younger generation of farmers saying that PGCD's current rules are forcing them to purchase additional land, and making it harder for the younger farm to compete with them. Babcock said the rules are causing water rights and land costs to go up, also contributing to the hardships of young farms, and in his opinion, that does not sound like water conservation.

Director Charles Bowers suggested a 4-year rolling average, as opposed to the 3- or 5-year rolling average.

Attendees requested an ongoing agenda item to discuss District Rules at the next few meetings to continue the conversation and work toward rules that are equal for everyone.

President Smith called for a break at 10:15 a.m.

The meeting resumed at 10:30 a.m.

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES

- a) Hearing, Meeting & Workshop 11/14/19

Jim Thompson made the motion to approve the minutes as written, seconded by F.G. Butch Collard. Motion passed unanimously.

4. CONSIDERATION AND POSSIBLE ACTION ON EXPENDITURES

- a) November 2019
b) December 2019

a) Danny Hardcastle made the motion to approve the November 2019 Expenditures, seconded by Jim Thompson. Motion passed unanimously.

b) Charles Bowers made the motion to approve the December 2019 Expenditures, seconded by Danny Hardcastle. Motion passed unanimously.

5. EXECUTIVE SESSION CONCERNING PERSONNEL

The Board of Directors met in Executive Session from 11:49 a.m. to 12:40 p.m. The Directors recessed for lunch at 12:40 p.m. Executive Session commenced at 1:30 p.m. until 3:10 p.m.

No Action Taken during Executive Session.

6. CONSIDERATION AND POSSIBLE ACTION TO APPROVE 2018-2019 AUDIT

James Allen with Allen & Ortega, CPA presented the 2018-2019 audit. He said the District is financially sound, and he did not recommend any changes for the coming year. Director Bowers asked about lowering the current tax rate, and Allen said he did not recommend that at this time, especially with legislative changes in the last session regarding mandatory elections if the District wanted to raise the tax rate over 3 percent, which would not be cost effective.

F.G. Butch Collard made the motion to approve the 2018-2019 audit, seconded by Jim Thompson. Motion passed unanimously.

A copy the 2018-2019 Audit Report is attached to these official minutes.

7. 2019 ANNUAL WEATHER MODIFICATION EVALUATION REPORT

- *Presented by Dr. Arquímedes Ruiz-Columbié*

Dr. Columbié said the weather during the weather modification season in 2019 was different that years past. He said it seemed as if the season was one month behind with unusually cool temperatures well into May. He said he was happy to see PGCD changed their permit and extended their window of warning time up to 20 minutes. Columbié also spoke about a new technology where the weather modification airplanes use water instead of chemicals to seed the clouds and recommended the District research the new method to see if it would be a good fit for the program.

A copy of the 2019 Annual Weather Modification Evaluation is attached to these official minutes.

8. OPERATING PERMIT UPDATE

CE Williams said he covered the Operating Permit Update earlier in Public Comment during his presentation.

9. CONSIDERATION AND POSSIBLE ACTION TO ADOPT A RESOLUTION FOR THE MEMORANDUM OF UNDERSTANDING CONCERNING ABANDONED WELLS WITH TCEQ AND TDLR

Williams explained this is a way for PGCD, TCEQ and TDLR to work together concerning abandoned wells and explained what the responsibilities of the District would be by adopting the resolution.

F.G. Butch Collard made the motion to adopt a resolution for the memorandum of understanding concerning abandoned wells with TCEQ and TDLR, seconded by Charles Bowers. Motion passed unanimously.

A copy of the signed resolution is attached to these official minutes.

10. CONSIDERATION AND POSSIBLE ACTION ON METEOROLOGY CONTRACT

Williams said the West Texas Weather Modification Association (WTWMA) out of San Angelo submitted a contract to run the weather modification program remotely. The contract was for the 6-month season and would cost about \$33,000. He said at this time he was hopeful to get a meteorologist in house to run the program, but was glad to have the WTWMA as a back up solution. The association requested a 30-day notice period.

Charles Bowers made the motion to table the meteorology contract, seconded by Brett Britten. Motion passed unanimously.

A copy of the proposed meteorology contract is attached to these official minutes.

11. CONSIDERATION AND POSSIBLE ACTION ON 2018-2019 ANNUAL REPORT

Britney Britten presented the 2018-2019 Annual Report, noting the District met each of their goals during the fiscal year.

Jim Thompson made the motion to approve the 2018-2019 Annual Report, seconded by Charles Bowers. Motion passed unanimously.

A copy of the Annual Report is attached to these official minutes.

12. CONSIDERATION AND POSSIBLE ACTION ON APPOINTING A SCHOLARSHIP COMMITTEE

President Smith asked for volunteers to be on the scholarship committee. The committee consists of Jim Thompson, Brett Britten, Charles Bowers and Bill Breeding as the alternate.

13. CONSIDERATION AND POSSIBLE ACTION TO ERROR OFF TAXES ONE DOLLAR OR LESS IN CARSON COUNTY FOR 2019 TAX ROLL TOTALING ABOUT \$25

Danny Hardcastle made the motion to error off property taxes totaling less than one dollar in Carson County, seconded by F.G. Butch Collard. Motion passed unanimously.

14. CONSIDERATION AND POSSIBLE ACTION ON TAX DEEDS AND PROPERTY CARDS FOR TRUST PROPERTY IN THE CITY OF CLARENDON

a) Parcel 5598

Bid: \$301.00

Jim Thompson made the motion to accept the tax deed bid, seconded by Danny Hardcastle. Motion passed unanimously.

15. CONSIDERATION AND POSSIBLE ACTION ON DONLEY COUNTY SHERIFF'S SALE

- a) Lots 102 and S/2 of Lot 3, Block 17, OT of Hedley Bid: \$2,079.00

Chancy Cruse made the motion to accept the sheriff's sale bid, seconded by Brett Britten. Motion passed unanimously.

16. 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 –

1. Fraser Acres Water Supply requests to reclassify domestic well # 525925 in the NE4 of Section 66, Blk 3, I&GN (Rabbit Lane) in Gray Co from a 3" to a 4" well

Charles Bowers made the motion to approve the well reclassification, seconded by Jim Thompson. Motion passed unanimously.

DRILLING PERMITS FOR WELLS PUMPING MORE THAN 25,000 GALLONS A DAY OR 17.5 GPM

1. CA-1338 Ryan Berry - An 8" well to be drilled on 320 ac by Matt Litchie by 10.1.19 in the NW4 of Sec 1, Blk M-4, JH Gibson Survey (being located approx. 5 mi W of Panhandle on FM 293, at the intersection of FM 293 & CR H) Carson County
2. CA-1339 Grassland Farms, Inc. - An 8" well to be drilled on 459 ac by Matt Lichtie by 12.1.19 in the NW4 of Sec 84, Blk 2, TT RR Survey (being located NW of Panhandle at the intersection of CR 13 & CR M) Carson County
3. CA-1340 BLB Holdings – An 8" well to be drilled on 320 ac by Matt Lichtie by unknown date in the NW4 of Sec 59, Blk T, BS&F Survey (being located NW of Panhandle, 2 mi N of the intersection of FM 293 & CR I) Carson County
4. CA-1342 3 Sides – An 8" well to be drilled on 2550 ac by Etter Water Well by unknown date in the SE4 of Sec 53, Blk T, BS&F Survey (being located approx. 2 mi E of the Carson/Potter Co Line at the intersection of CR C & CR 14) Carson County
5. WH-362-DW Matt Moore – A 3" well to be drilled on 1926 ac by Roys Well Svc by 11.12.19 in the SE4 of Sec 1, D Tindale Survey (being located 1 mi S of Hwy 152 on CR 21 to CR M, then approx. 1 ½ mi E on CR M) Wheeler County

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

17. STAFF UPDATES

There were no staff updates.

18. MANAGER'S REPORT

Williams mentioned the upcoming Water Conservation Symposium for February 12th at the Amarillo Civic Center. He said the preparations and attendance were both coming along accordingly.

Director Bowers mentioned the use of AquaSpy's at many of his farms, and asked if there is some way we could cost-share those, and provide the education needed to use them efficiently. Williams said the last soil moisture probe cost-share was not successful, but it is something we should look into again. Bowers also asked if we should form a work group of area producers and board members to discuss District Rules. Williams said yes, we will also look into that.

19. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting date is set for March 11, 2020 at 9:00 a.m.

20. ADJOURN

The meeting adjourned at 3:47 p.m.


William W. Breeding, Secretary


Phillip Smith, President