

**PANHANDLE GROUNDWATER
CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING
DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas**

February 27, 2019 • 9:00 a.m.

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice President
Chancy Cruse	Secretary
Charles Bowers	Director
Butch Collard	Director
Joy Shadid	Director
John R. Spearman	Director
Jim Thompson	Director
C.E. Williams	General Manager
Peter Winegeart	Assistant General Manager
Jennifer Puryear	Meteorologist
Britney Britten	PR/Education

Guests Present: Brett Friemel, Ryan Berry, Zach Berry, David Hodges, Desten Hodges, Jamie Rocha, Scott McLaughlin, Nick Bamert, Austin Bamert, Denny Babcock, Dustin Babcock, Chris Ollinger, Brett Britten, Kelvin Ollinger, Lewis Davis and Leland Gable

1. CALL TO ORDER

President Hardcastle called the meeting to order at 9:05 a.m.

2. PUBLIC COMMENT

President Hardcastle opened the floor for public comments.

Nick Bamert with Bamert Seed Company in Muleshoe expressed concern on the 1-acre foot rule. He said 1-acre foot is too restrictive to maintain his farm operations in this area. He was also disappointed he did not get notice on the rule changes beforehand. He feels the 1-acre foot rule will greatly affect our area economically, whether by effecting land value or what people will be able to produce in our area.

Leland Gable asked the Board to consider lifting the 1-acre foot rule in times of drought to allow producers to finish growing their crops. He also asked for an estimated number of acres the 1-acre foot rule will affect concerning irrigated farmers.

General Manager CE Williams addressed Mr. Gable's question about the estimated number of affected acres and said we allow contiguous acres and have the ¼ mile waiver to help with some situations, but we need to continue with this process of gathering contiguous acreage tract information and Operating Permits before we can understand how the 1-acre foot rule will affect producers. He also noted the 1-acre foot rule has been in District rules since 2004. In response to the lifting of the 1-acre foot rule, the 3-year rolling average for production will take into consideration the wet and dry years.

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES

a. Board Meeting 1/17/19

Joy Shadid made the motion to approve the 1/17/19 Board Meeting minutes as written, seconded by Charles Bowers. Motion passed unanimously.

4. CONSIDERATION AND POSSIBLE ACTION TO RATIFY JANUARY 2019 EXPENDITURES

John R. Spearman, Jr. made the motion to approve the January 2019 expenditures, seconded by Jim Thompson. Motion passed unanimously.

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

Public discussion on this topic included historical reasons why the District collects production and transportation reports. Williams noted entities are charged 1 cent per thousand gallon transported outside of District limits. Williams also stated he would inquire about the City of Amarillo transporting water to Canyon, Texas.

Charles Bowers made the motion to approve the quarterly production and transportation reports, seconded by Butch Collard. Motion passed unanimously.

6. CONSIDERATION AND POSSIBLE ACTION ON SEALED BID FOR PROPERTY IN CARSON COUNTY

- a. Lot 13 thru 16, Block 24, OT at 805 Chamberlain, Skellytown, TX Bid: \$500

John R. Spearman, Jr. made the motion to accept the sealed bid for the property in Carson County, seconded by Joy Shadid. Motion passed unanimously.

7. CONSIDERATION AND POSSIBLE ACTION ON AG LOANS TO FARMERS

- a. Chris Rapstine

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

8. CONSIDERATION AND POSSIBLE ACTION TO CANCEL BOARD OF DIRECTORS ELECTION ON MAY 4, 2019 FOR PRECINCTS 4 AND 8

Chancy Cruse made the motion to cancel the election in Precincts 4 and 8, seconded by Jim Thompson. In a vote of 6 for and Charles Bowers and Danny Hardcastle abstaining, 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

IRRIGATIONS WELLS –

1. CA-1326 Billy Bob Brown 480 ac 8” to be drilled by Hydro by 1/10/19 in the S2 of Sec 48, Blk 2, TT RR Survey (being located 5 mi S of Panhandle on FM 207, on E side of Hwy 207) Carson County Texas **EASEMENT ON FILE**
2. CA-1327 Currie Smith 1,920 ac 8” to be drilled by Hydro by 2/1/19 in the NW4 of Sec 35, Blk 2, TT RR Survey (being located approx. 3 mi N of Panhandle on Hwy 207 to FM 2385, E on FM 2385 1 mi) Carson County Texas

3. CA-1329 Mark Urbanczyk 640 ac 8" to be drilled by Hydro by 2/1/19 in the NW4 of Sec 29, Blk 7, I&GN Survey (being located approx. 1 ½ mi N of Hwy 60 on CR V, approx. 3 mi W of White Deer) Carson County Texas **EASEMENT ON FILE**
4. GR-784 Mike Johnson 640 ac 6" to be drilled by Magic Circle by 3/1/19 in the NE4 of Sec 92, Blk 23, H&GN Survey (being located in the SE corner of the intersection of Co Rd X and Co Rd 28) Gray County Texas

Williams informed the Board number one on the consent agenda under irrigation wells needs to be respaced, and it needed to be excluded from discussion and voting.

Chancy Cruse made the motion to accept drilling permits 2-4, seconded by Joy Shadid. Motion passed unanimously.

10. STAFF

Jennifer Puryear, PGCD Meteorologist, gave an update on the Winter Level Measurements program. Puryear gave an overview to give insight to public attendees how the District program operates. She noted the overall trend for the static measurement for 2018 is decline.

11. MANAGER'S REPORT

Williams showed a map of administratively complete and pending Operating Permits to show staff progress since the rule changes. The map also indicated the number and locations of meters throughout the District. Williams said we need to continue gathering information on contiguous acreage tracts in order to know how many people will be affected by the recent rule changes.

Williams gave an update on the informational rules meeting held at the District office on February 20, 2019. With over 50 attendees, the main questions and concerns of the public were the 1-acre foot rule and meters. This prompted discussion on how and why the 1-acre foot rule was implemented in 2004. President Hardcastle noted it is important that we balance the economics of our area and our 50/50 DFC. Studies have been performed to ensure the 1-acre foot will meet the 50/50 goal, while it is unclear if increasing the allowable will still allow us to meet the 50/50 goal.

Charles Bowers made a comment regarding his unforeseeable health issues over the last year affecting his attendance for many of the meetings from July 2018 until January 2019. He stated he did not agree with the rule of leasing neighboring water rights and adjoining those with other contiguous acreage tracts. In his opinion, including those acres is not conservation, giving someone the ability to pump a lot of water. He also stated he did not agree with the fact that four of the nine precincts were not represented during the December Rules vote. He stated he is in favor of meters and believes they will be an important part in our future to help regulate groundwater. In his opinion, he stated leasing the neighboring water rights is creating a loophole in our rules and will inevitably not be fair to all constituents. He said he believes the Board and Staff will be able to work together to create a rule is equal to all constituents.

The Board discussed meter installations and maintenance, and ultimately asked the staff to gather more information about people and companies in our area that can assist with installs, repairs and maintenance. They asked for a list to be put together before the next meeting. PivoTrac and AgSense were brought up by public attendees as an alternative way to calculate annual production instead of using a meter. Staff is going to research these two programs and others like them to see if they are a viable replacement for meters.

Williams gave the Board a draft copy of the latest revisions to the Management Plan. He said the changes made are reflective of the recent rule changes. The Board was advised to take a week to review the plan and instruct staff if we are ready to post the plan for a hearing to be scheduled in conjunction with our next Board meeting.

Williams then showed an example of a small contiguous acreage tract that included 75 acres of land with a well pumping 400 GPM which was drilled in the 1960s. He mentioned the maximum rate of production for this tract is 337.5 GPM, and the producer was currently over-pumping on his rate by 62.5 GPM. The board discussed and decided this issue needs to be address as an action item at their next scheduled meeting.

12. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting is scheduled for Friday, March 29, 2019 at 9:00 a.m.

13. ADJOURN

Jim Thompson made the motion to adjourn at 12:25 p.m., seconded by Butch Collard. Meeting adjourned.

Chancy Cruse, Secretary

Danny Hardcastle, President