

**PANHANDLE GROUNDWATER
CONSERVATION DISTRICT
BOARD OF DIRECTOR'S REGULAR MEETING – BY TELECONFERENCE - MINUTES**

DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas
July 22, 2020 – 9:00 a.m.

The Board of Directors of Panhandle GCD held a regular meeting on Wednesday, July 22, 2020 at 9:00 a.m., by teleconference* to discuss and, if appropriate, act upon the following items:

***Participants were asked to dial in call (844)844-0014 – Access Code: 610970**

Board members or staff present in person or by phone were:

Phillip Smith	President
William Breeding	Secretary
Danny Hardcastle	Director
Charles Bowers	Director
F.G. Butch Collard	Director
Brett Britten	Director
CE Williams	General Manager
Monique Norman	District Legal Representation
Britney Britten	PR/Education

Guests Present by Phone: Kent Satterwhite, Steve Byrum

1. CALL MEETING TO ORDER

The meeting was called to order at 9:00 a.m.

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

There was no public comment.

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES FROM APRIL 28, 2020

Danny Hardcastle made the motion to approve the minutes as written, seconded by William Breeding. Motion passed unanimously.

4. CONSIDERATION AND POSSIBLE ACTION ON EXPENDITURES

a) April 2020

Butch Collard made the motion to approve April expenditures, seconded by Brett Britten. Motion passed unanimously.

b) May 2020

Brett Britten made the motion to approve May expenditures, seconded by Charles Bowers. Motion passed unanimously.

c) June 2020

William Breeding made the motion to approve June expenditures, seconded by Butch Collard. Motion passed unanimously.

A copy of the April, May and June 2020 expenditures is attached to these official minutes.

5. REPORT FROM BUDGET COMMITTEE AND CONSIDERATION AND POSSIBLE ACTION OF THE 2020-2021 BUDGET

CE Williams reported that the budget committee met by conference call and the committee included President Phillip Smith, Director Danny Hardcastle, Director Chancy Cruse and Director Butch Collard. He said the budget has not changed much from last year, but he did note that a few of the appraisal districts had not sent the property valuations to the District yet. He also said a representative with Gray County called and said their county's valuation would be down due to Oil & Gas business dropping.

Charles Bowers made the motion to approve the 2020-2021 Budget, seconded by Butch Collard. Motion passed unanimously.

A copy of the 2020-2021 proposed budget is attached to these official minutes.

6. CONSIDERATION AND POSSIBLE ACTION ON THE 2020-2021 TAX RATE

Williams said since the appraisals districts had not sent over the valuations for each county, he did not have the final effective tax rate. Monique Norman, lawyer for the District, said the Board could adopt the effective tax rate presented in the budget, or they could table the item until all the counties sent in their valuations.

Butch Collard made the motion to table the 2020-2021 tax rate until each county sent in their valuations, seconded by Charles Bowers. Motion passed unanimously.

7. CONSIDERATION AND POSSIBLE ACTION TO NOMINATE CANDIDATES TO THE CARSON COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS

Williams said Chris Rapstine is our representative and his is willing to serve on the board again.

Charles Bowers made the motion to nominate Chris Rapstine to the Carson County Appraisal District Board of Directors, seconded by Brett Britten. Motion passed unanimously.

8. CONSIDERATION AND POSSIBLE ACTION ON RAINWATER HARVESTING REBATE APPLICATION

Charles Bowers made the motion to approve Steve Byrum's rainwater harvesting rebate for \$18,802.69, seconded by Danny Hardcastle. Motion passed unanimously.

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

9. 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

Williams said the City of Frith had not sent in their numbers for the transportation report. He also said most of the production numbers seemed to be up a little more than usual probably due to the dry weather.

Charles Bowers made the motion to approve the production and transportation reports, seconded by Williams Breeding. Motion passed unanimously.

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

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

a) Parcel 7427 Bid: \$50.00	s) Parcel 9690 Bid: \$50.00
b) Parcel 7281 Bid: \$50.00	t) Parcel 9727 Bid: \$100.00
c) Parcel 7554 Bid: \$55.55	u) Parcel 9835 Bid: \$50.00
d) Parcel 7650 Bid: \$100.00	v) Parcel 9898 Bid: \$100.00
e) Parcel 8169 Bid: \$175.00	w) Parcel 9899 Bid: \$100.00
f) Parcel 8420 Bid: \$50.00	x) Parcel 9922 Bid: \$100.00
g) Parcel 8619 Bid: \$117.77	y) Parcel 9925 Bid: \$100.00
h) Parcel 8750 Bid: \$52.00	z) Parcel 9929 Bid: \$100.00
i) Parcel 8937 Bid: \$50.00	aa) Parcel 9930 Bid: \$100.00
j) Parcel 9246 Bid: \$55.55	bb) Parcel 9931 Bid: \$100.00
k) Parcel 9263 Bid: \$50.00	cc) Parcel 9932 Bid: \$100.00
l) Parcel 9321 Bid: \$55.55	dd) Parcel 9933 Bid: \$100.00
m) Parcel 9332 Bid: \$50.00	ee) Parcel 9934 Bid: \$100.00
n) Parcel 9413 Bid: \$50.00	ff) Parcel 9935 Bid: \$50.00
o) Parcel 9494 Bid: \$55.59	gg) Parcel 9936 Bid: \$50.00
p) Parcel 9599 Bid: \$50.00	hh) Parcel 9937 Bid: \$50.00
q) Parcel 9688 Bid: \$50.00	ii) Parcel 9961 Bid: \$150.00
r) Parcel 9689 Bid: \$50.00	jj) Parcel 9962 Bid: \$60.00

William Breeding made the motion to approve bids a-jj, seconded by Brett Britten. Motion passed unanimously.

11. CONSIDERATION AND POSSIBLE ACTION ON POTTER COUNTY PRIVATE SALE

- a) 1302 N Lincoln St Sold For: \$15,835.00

William Breeding made the motion to approve the Potter County private sale, seconded by Brett Britten. Motion passed unanimously.

12. CONSIDERATION AND POSSIBLE ACTION ON SPACING EXCEPTION TO SELF

- a) Brett Buckingham, WH-364

Director Hardcastle explained he spoke with Mr. Buckingham about the well he needed a spacing exception on. He said the previous well caved in on Buckingham, causing him to drill test holes to find a better well. He said Buckingham is limited in his options for a new well because he would have to move closer to property lines. Buckingham's plan is to reclassify the closest well, the one that caved, from an 8 inch to a 3 inch well, but he would still be 53 yards too close to the new 6 inch well he is planning to drill. By rule, a 6 inch well should be 225 yards away from the closest 3 inch well, and these wells are 172 yards apart. Hardcastle said his plan is to pump the 3 inch well to fill spray tanks, and not to irrigate with it. Director Bowers said if the board decides to grant the exception, he would like to see the District send him written notification stating that eventually pumping both wells could lead to the loss or damage of both wells. Williams said in the past when this exception has been granted, the written notification removes liability from the District and also states the spacing rules are in place for a reason, and pumping both wells is such close proximity can affect the production and longevity of both wells.

Butch Collard made the motion to grant the spacing exception to Brett Buckingham, seconded by Charles Bowers. In a vote of 5 for and 1 against, the motion passed.

13. 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 –

- a. Paul Hathaway requests to reclassify well #529504 located in the NE4 of Sec 65, Blk A8, H&GN Survey in Wheeler Co from an 8” to a 6”.
- b. Brett Buckingham requests to reclassify well #547903 located in the NW4 of Sec 73, Blk 13, H&GN Survey in Wheeler Co from an 8” to a 3”.

Williams said Agenda Item 13 a) is no longer needing to be reclassified.

Danny Hardcastle made the motion to approve Agenda Item 13 b), seconded by Charles Bowers. Motion passed unanimously.

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

- 1) CA-1341-R Douglas Detwieler – An 8” well to be drilled on 320 ac by Matt Lichtie by May 1, 2020 in the SW4 of Sec 1, Blk M4, JH Gibson Survey (being located approx. 5 mi W of Panhandle on FM 293 to CR H, then approx. 1 ¼ mi S on CR H) Carson County
REPLACEMENT WELL
- 2) CA-1346-R Judy Pruett – An 8” well to be drilled on 320 ac by Matt Lichtie by May 1, 2020 in the NE4 of Sec 8, Blk 2, TT RR Survey (being located approx. 3 mi E of Panhandle on Hwy 60 to CR R, then approx. 1 ½ mi S on CR R) Carson County **REPLACEMENT WELL**
- 3) CA-1347 Shadid & O’Neal – An 8” well to be drilled on 1920 ac by Matt Lichtie by June 1, 2020 in the SW4 of Sec 28, Blk T, H&GN Survey (being located approx. 9 mi SW of Panhandle on Hwy 60 to FM 2373, then N on FM 2373 approx. 9mi) Carson County
- 4) DO-507 Trey Pearson – A 2” well to be drilled on 89.45 ac by First Priority Irr. by May 5, 2020 in the SE4 of Sec unnbrd, Blk unnbrd, DE Raines Survey (being located approx. 2 ½ mi N of US 287 on CR 24) Donley County
- 5) GR-807 Lewis Davis – A 6” well to be drilled on 1790 ac by Hydro Resources by May 4, 2020 in the NW4 of Sec 64, Blk 3, I&GN Survey (being located 154 yds S of the intersection of Hwy 273 & Loop 171) Gray County
- 6) GR-808 Lindel Farms – A 6” well to be drilled on 2079 ac by Hydro Resources by July 1, 2020 in the SW4 of Sec 177, Blk M2, BS&F Survey (being located approx. 12 mi E of Pampa on Hwy 152 & FM 1474) Gray County
- 7) RO-237 Don Whitney – An 8” well to be drilled on 320 ac by Hydro Resources by June 1, 2020 in the NW4 of Sec 115, Blk 2, I&GN Survey (being located approx. ½ mi N of the Gray Co line & approx. ½ mi S of the Hwy 70, FM 282 intersection. E side of Hwy 70, S side of FM 282) Roberts County
- 8) WH-364 Brett Buckingham – A 6” well to be drilled on 340 ac by Kelly Faulk by July 1, 2020 in the NW4 of Sec 73, Blk 13, H&GN Survey (being located 4 mi E of Shamrock on I-40 to Hwy 2168, then 3 mi N on Hwy 2168 to CR X, then 1 mi E on CR X to CR 22, then approx. ¼ mi S on CR 22, well on E side of CR 22) Wheeler County
- 9) WH-365 Paul Hathaway – A 6” well to be drilled on 660 ac by Hydro Resources by July 1, 2020 in the NW4 of Sec 65, Blk A5, H&GN Survey (being located approx. ½ mi N of Mobeetic city limits on CR 48) Wheeler County

WELL #1

- 10) WH-366 Paul Hathaway – A 6” well to be drill on 660 ac by Hydro Resources by July 1, 2020 in the NE4 of Sec 65, Blk A5, H&GN Survey (being located approx. ¼ mi N of Mobeetie city limits on CR 48) Wheeler County
WELL #2

Danny Hardcastle made the motion to approve Agenda Item 13 1-10, seconded by Brett Britten. Motion passed unanimously.

14. REPORT ON ANNUAL REVIEW OF DEPLETION

The board was provided with the July 2020 Panhandle Water News – Water Level issue, which showed the 1-year change in the District’s Winter Water Level Network.

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

15. REPORT ON ANNUAL WATER QUALITY RESULTS

District GIS Technician Kevin James presented a PowerPoint to the Board on the annual water quality network results.

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

16. CONSIDERATION AND POSSIBLE ACTION TO APPOINT A PERSONNEL COMMITTEE

Williams said with the turnover happening during the last couple of years, he suggested a personnel committee could consult and possibly restructure duties and responsibilities for current staff members. He suggested the current Board officers and the past president could serve on the committee.

The committee consists of President Phillip Smith, Vice President Chancy Cruse, Secretary William Breeding and Past President Danny Hardcastle.

F.G. Butch collard made the motion to appoint the current board officers and the past president to the personnel committee, seconded by Brett Britten. Motion passed unanimously.

17. DISCUSSION ON CONTIGUOUS ACREAGE TRACT IN PGCD RULE 1 h) AND RULE 4.2 d)

Director Bowers expressed his concern with the contiguous acreage tract rule defined in Rule 1 h) and mentioned in Rule 4.2 d). He said he is concerned with leasing water rights to be able to pump more water. Monique Norman said by law the District cannot discriminate what control operators have over land, whether it is by leasing or actually owning the property. Williams also noted the leasing of water rights is allowed in Chapter 36 of the Water Code, and it has been in the District’s rules since 2004. Director Collard said if you have a landowner and tell the tenant who is leasing the property they aren’t allowed to pump the water because they do not own it, then you have effectively decreased the property value for the landowner. Director Britten said the only thing the leasing provision did was allow people to pump more water, which is not conservation. He said if you have a quarter section of land with a well that pumps 1,000 gallons per minute, you would obviously be over your 1 acre-foot allowable, but all you have to do is lease the section of land next to you, and you can pump 2 acre-feet. Bowers asked if staff could get a list of the operating permits where operators went out to lease additional land to be able to pump more water. Norman reminded the board that each operator must be treated the same, whether they are agriculture, municipal or oil and gas, and she said our permitting system and rules ensure we are treating everyone equally. She said how we permit, and incentive conservation may be two separate issues. Bowers said once we can have normal meetings again, he believed the board should consider putting together rules committee to begin working on the amendment process and see how we can make the rules fair for everyone.

18. STAFF UPDATES

No staff updates.

19. MANAGER'S REPORT

Williams spoke with the Board about a quote from Inera to develop a web-based database to house most of the District's data. The Board agreed the District should move forward with the project.

A copy of the Manager's Report is attached to these official minutes.

20. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting is scheduled for August 20, 2020 at 9:00 a.m.

21. ADJOURN

President Smith adjourned the meeting at 11:56 a.m.


William Breeding, Secretary


Phillip Smith, President