

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

And

Public Meeting on Amendments to Management Plan

District Office – Windmill Room

201 W. Third Street, White Deer, Texas

Thursday February 23, 2017

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice-President
Chancy Cruse	Secretary
Butch Collard	Director
Joy Shadid	Director
John R Spearman, Jr.	Director
Jim Thompson	Director
C. E. Williams	General Manager
Bill Mullican	Professional Geoscientist
Steve Shumate	Geo-Hyrdologist
Julie Bennett	Admin. Asst.

Guests present: Kent Satterwhite, CRMWA; Stephen Warminski, White Deer

AGENDA ITEM 1 – Call to Order

President Hardcastle called the meeting to order at 9:08 a.m.

AGENDA ITEM 2 – Public Comment

President Hardcastle opened the floor for public comments.

No comments were made at this time.

ACTION ITEMS

AGENDA ITEM 3 – CONSIDERATION AND POSSIBLE ACTION ON MINUTES

- a. Board Meeting 1/19/17

After discussion Phillip Smith made the motion to approve the minutes as written, seconded by Jim Thompson, motion passed unanimously.

A copy is attached to these minutes

AGENDA ITEM 4 – CONSIDERATION AND POSSIBLE ACTION ON EXPENDITURES

- a. January 2017

After review John R Spearman, Jr. made the motion to approve the January 2017 financials, seconded by Joy Shadid, motion passed unanimously.

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

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

- a. Davy Hodges

Jim Thompson made the motion to approve the loan request from Davy Hodges (Hodges Stock Farm) for \$59,000 for eight years at a rate of 1.86%, seconded by Chancy Cruse, motion passed unanimously.

- b. Haiduk Farms, LLC

General Manger C.E. Williams stated that the Haiduk family is requesting approval for \$150,000, which would include the cost of the underground pipe. Gary Sutherland recommends funding the entire \$150,000 contingent on the District having first lien on the land, and the land being deeded as Haiduk Farms, LLC., along with the sprinkler system as collateral. C.E. added that at this time the land is deeded as Haiduk Family Trust but the family is in the process of changing the name.

Chancy Cruse made the motion to approve the loan request from Haiduk Farms, LLC for \$150,000 for eight years at a rate of 1.86% contingent on the land being deeded as Haiduk Farms, LLC and the District having first lien on the property, along with the sprinkler system as collateral, seconded by Jim Thompson, motion passed unanimously.

AGENDA ITEM 6 – CONSIDERATION AND POSSIBLE ACTION RAINWATER HARVESTING REBATE

- a. Stephen Warminski – Rainwater Harvesting Rebate Request for a system to be installed on a 4,880 sq. ft. lean-too shed located on his property at 1531 FM 294, White Deer. The system will include (4) 3000 gallon tanks.

Stephen Warminski addressed the Board stating that he also wants to install a system on his house and understands that per the program's guidelines he is only eligible for one project per year. However, he would like to have the gutters installed on the lean-too and house at the same time since they are at the same site, and asked the Board to consider allowing him to add the cost of approximately \$1200 for gutters on the house onto this project.

The Board discussed if the guidelines defined what a project is and if the house could be added to this application and be considered one project. The Board decided that the installation of a system on the house and lean-too could be considered one project, and that Board action would be taken on the application for the lean-too at this meeting. Mr. Warminski was instructed to submit an amendment to the application for a system on the house, and due to the fact the cost is estimated to be under \$5000 it could be approved at the administrative level.

Phillip Smith made the motion to approve the rebate application from Stephen Warminski for \$3,591 or not more than 50% of the total cost of the rainwater harvesting system, seconded by Joy Shadid, motion passed unanimously.

AGENDA ITEM 7– CONSIDERATION AND POSSIBLE ACTION TO CANCEL ELECTION ON MAY 6, 2017 FOR BOARD OF DIRECTORS FOR PRECINCTS 1, 3, 5, 7 AND 9

Due to each candidate in each precinct being unopposed, the elections for each precinct was cancelled. The incumbents to be sworn in at the May 2017 board meeting are:

Director Precinct 1: Phillip Smith
 Director Precinct 3: John R. Spearman, Jr
 Director Precinct 5: Chancy Cruse
 Director Precinct 7: William W. Breeding
 Director Precinct 9: F.G. (Butch) Collard

Joy Shadid made the motion to cancel the May 6, 2017 election, seconded by Phillip Smith, motion passed unanimously.

AGENDA ITEM 8 – CONSIDERATION AND POSSIBLE ACTION ON ANY CHANGES TO MANAGEMENT PLAN

Geoscientist and District Consultant Bill Mullican addressed the Board stating, it is required by the State to update the District's management plan every five years, and the last management plan was adopted in 2012.

Mr. Mullican stated that the District's main goal is achieving its DFC, which is the 50/50 management standard, and the goals and objectives of the District are driven by that standard; therefore, he believes there are two parts to the management plan. One part consisting of goals, objectives and standards specific to Panhandle Groundwater District, and the other part is goals and objectives from the State Water Plan required by statute to be included verbatim and addressed by the District.

Bill continued, stating that since adoption of the last management plan in 2012, many changes have occurred, including adoption of the 2017 Texas Water Plan; therefore, all goals, management objectives, and performance standards have been updated to reflect Panhandle GCD priorities. The Blaine Aquifer is now reclassified as non-relevant for the purposes of joint-planning and therefore no longer has an adopted DFC. Recharge enhancement Program, due to withdrawal of cooperative support by TWDB, is no longer included as a relevant goal in the management plan, and management objectives and performance standards have been adjusted to reflect completion of the updated High Plains Aquifer Groundwater Availability Model. Bill also made the Board aware of the updated statement of the DFC by GMA 1, which was approved in November 2016, extending the standard to 2062. He added that even more important is that the DFC is a continuation of the management goal adopted by Panhandle GCD in 1998; therefore the District has operated and will continue to operate under a consistent management and regulatory structure of almost 20 years.

Bill went on to present and review the High Plains MAG numbers and the Desired Future Conditions (DFC) for the next 50 years adopted by GMA 1, and stated that the numbers indicate that a combination of weather conditions and groundwater management practices has enabled the PGCD to keep the goal of the desired future conditions.

Bill concluded stating that the High Plains GAM, which was financed by the PGCD in partnership with the High Plains UWCD, North Plains GCD, was approved in January 2016 and is now the State's plan; however, the TWDB is requiring the outdated GAM numbers be used in the updated management plan. In doing this, when the TWDB allows the use of the updated numbers, it will cause the Board to hold another Public Hearing in about two months just to add the new numbers; therefore Bill requested that when the Board takes action on the proposed management plan they give himself and General Manager, C.E. Williams latitude with the TWDB during the review process to do whatever is necessary for the management plan to be approved.

A copy of the presentation is attached to these minutes

AGENDA ITEM 9 – CONSIDERATION AND POSSIBLE ACTION 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

While reviewing the reports, President Hardcastle instructed General Manager Williams to contact Brice-Lesley Water Supply concerning their 2016 water usage, due to the fact the usage is higher than in the last 5 years.

After review Phillip Smith made the motion to approve the quarterly production and out of district transportation reports from the City of Amarillo, Conoco Phillips, CRMWA, the City of Borger, the City of Memphis, the City of Clarendon, Brice-Lesley and Greenbelt Water Authority, seconded by Jim Thompson, motion passed unanimously.

AGENDA ITEM 10 - CONSIDERATION AND POSSIBLE ACTION ON ERRORING OFF ALL TAXES ONE DOLLAR (\$1) OR LESS FROM THE CARSON COUNTY APPRAISAL DISTRICT TAX ROLL FOR YEAR 2016 TOTALING \$50.00

Phillip Smith made the motion to approve the erroring off all taxes one dollar (\$1) or less from the Carson County Appraisal District tax roll for year 2016 totaling \$50, seconded by Butch Collard, motion passed unanimously.

AGENDA ITEM 11 – CONSIDERATION AND POSSIBLE ACTION ON NOMINATION OF CHRIS RAPSTINE FOR THE 2017-2018 BOARD OF DIRECTOR FOR THE CARSON COUNTY APPRAISAL DISTRICT

John R. Spearman, Jr. made the motion to nominate Chris Rapstine for the 2017-2018 Board of Directors for the Carson County Appraisal District, seconded by Phillip Smith, motion passed unanimously.

AGENDA ITEM 12 – 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 –

No wells to reclassify at this meeting

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

** indicated well log has been received

1. AR-64-DW – Chad Brown – A 1” well to be drilled by 4M by 1/20/17 on 3 ac in the SE/4 of Sec. 65. Blk 6, I&GN Survey (being located approx. 12 ½ mi S of Hwy 287 on W side of Co Rd 1 & on N side of FM 1268) Armstrong County, Texas
2. DO-475-DW – Chris Durham – A 1” well to be drilled by K-Ran by 2/28/17 on .344 ac in the SW/4 of Sec. 2, Blk. G, J G Adair Survey (being located @ 250 Frederick on Lots 32-34, Cherokee Subdivision in Howard wick, Texas) Donley County, Texas
3. PO-510-DW – Long Rock Concrete. A 1” well to be drilled by 4M Drilling by 12/30/16 on 1 ac in the NE/4 of Sec. 218, Blk 2, AB&M Survey (being located @ 10600 Arlie Rd in Chaparral Hills Addn. approx. ¼ mi S of Givens Ave and ¼ mi W of N Georgia St., N or Amarillo City Limits) Potter County Texas

4. **PO-511-DW-R – Norma Johnson/Terry Meadows** - A 1” well to be drilled by Etter Water Well by 1/20/17 on 2.73 ac in the SE/4 of Sec. 90, Blk. 9, BS&F Survey (being located @ 11901 East View Dr. in Bishop Estates approx. 2 ¼ mi W of intersection of W Loop 335 & FM 1061 and approx. ¾ mi S, approx. 3 mi W of Amarillo City Limits) Potter County, Texas **Replacement Well**
5. **PO-512-DW – Mark & Nancy Farrington** A 1” well to be drilled by Currie Drlg by no date on 2.5 ac in the NE/4 of Sec 113, Blk 9, BS&F Survey (being located @ 2100 Blue Quail Dr. in Eagle Tree Addn. approx. 3 mi W on I-40 from Amarillo City Limits then N on S Dowell Rd approx. 3 mi then W approx. ½ mi to address) Potter County Texas
6. **PO-513-DW – Michael B. Stennett** A 1” well to be drilled by K-Ran Drilling by no date on 1.15 ac in the SW/4 of Sec 92, Blk, BS&F Survey (being located @ 1355 Daws Dr. in Eagle Tree Addn approx. 3 mi W of Amarillo on I-40, then approx. 2 ½ mi N on S Dowell Rd then E approx. ½ mi to Daws Dr then N past first house on W side of road) Potter County Texas

IRRIGATION WELLS

7. **WH-331 – Mark Cadra** – A 4” well to be drilled by Faulk Drlg by 7/2017 on 960 ac in the SW/4 of Sec. 4, Blk. 24, H&GN Survey (being located approx. 5 mi N of I-40 on FM 453, then E approx. 1/3 mi and N approx. ¼ mi) Wheeler County, Texas.
8. **WH-332 – Robert D Macina** – A 4” well to be drilled by Faulk Drlg by no date on 160 ac in the SE/4 of Sec 108, Blk 23, H&GN Survey (being located ½ mi E of intersection of FM 453 & Co. Rd. X, N side of road, approx. 3 1/3 mi N of I-40) Wheeler County Texas
9. **WH-333 – Robert D Macina** – A 4” well to be drilled by Faulk Drlg by no date on 160 ac in the SE/4 of Sec. 126, Blk. 23, H&GN Survey (being located 1 ½ mi N of intersection of FM 453 & Co Rd X, W side of FM 453, approx. 4 ½ mi N of I-40) Wheeler County, Texas **1 of 2 wells**
10. **WH-334 – Robert D Macina** – A 4” well to be drilled by Faulk Drlg by no date on 160 ac in the SE/4 of Sec 126, Blk 23, H&GN Survey (being located 1 ½ mi N of intersection of FM 453 & Co Rd X, W side of FM 453, approx. 4 ½ mi N of I-40) Wheeler County Texas **2 of 2 wells**

Joy Shadid made the motion to approve Agenda Item 12, A 1-10, seconded by Chancy Cruse, motion passed unanimously.

OTHER WELLS

11. **DO-473-Oth – Texas Parks & Wildlife** – A 4” well to be drilled by Talon/LPE 9/1/2016 on 525 ac in the NE/4 of Sec 63, Blk C6, GC&SF Survey (being located on the W side of Leila Lake on the W side of Co Rd 18, approx. 7 mi E of Clarendon on the S side of Hwy 287) Donley County Texas

President Hardcastle began stating that approval of this well was tabled at the January 19th meeting due to the Texas Parks & Wildlife not paying the fine for drilling without an administratively complete single well permit application, and in order to find out if a TPDES permit was applicable for this well.

General Manger C.E. Williams stated that to date the fine has not been paid, and that a TPDES permit is for pollution discharge; therefore does not apply to this well. Mr. Williams suggested that the Board instruct the staff to notify Mr. Poole with The Texas Parks and Wildlife that the operation of the well is to be shut down until the fine is paid and the permit application is approved.

After discussion Chancy Cruse made the motion to remove this item from the table for consideration, seconded by Jim Thompson, motion passed unanimously.

John R. Spearman, Jr. made the motion to require Texas Parks and Wildlife shut down the operation of the well until the fine has been paid and the well permit application has been approved by the Board, seconded by Chancy Cruse, motion passed unanimously.

B. Drilling Permits for wells larger than 4”

1. **DO-471 – Michael Newhouse** – A 5” well to be drilled by Faulk Drlg by 2/28/17 on 160 ac in the SE/4 of Sec 38, Blk C6, GC&SF Survey (being located approx. 4 ½ mi E from Clarendon on Hwy 287, then N on Co Rd 17 approx. 2 mi on W side of road to beginning of property) Donley County Texas
2. **CA-1291 – Garner Stamps** – A 6” well to be drilled by Hydro by 2/28/17 on 636 ac in the SE/4 of Sec 52, Blk T, H&GN Survey (being located NW of Panhandle, W 11 mi then 1 ¼ mi N on Co Rd C on W side) Carson County Texas **In Study Area 12-1**
3. **GR-774-R – Dan Steed** – An 8” well to be drilled by Hydro by 2/28/17 on 640 ac in the SE/4 of Sec 174, Blk B2, H&GN Survey (being located 2 ¼ mi W of Hwy 70 on N side of Baggerman Rd and W side of Ranch Rd 294) Gray County Texas **Replacement Well**

John R Spearman, Jr. made the motion to approve Agenda Item 12- B, 1-3, seconded by Chancy Cruse, motion passed unanimously.

AGENDA ITEM 13 – CONSIDERATION AND POSSIBLE ACTION SET FUTURE MEETING DATES.

The next meeting date is set for Thursday March 23rd at 9:00 am

AGENDA ITEM 14 – STAFF UPDATES

General Manager C.E. Williams stated, that Director Charles Bowers raised the question of whether or not cumulative percent decline that has a persistent patterning through time be a way to designate a conservation area. District Hydro-Geologist Steve Shumate created a map of the Donley County study areas overlaying the last eight years of percent decline contour lines. During review and discussion of the presentation C.E. and Steve both made the Board aware that there is no usable pattern, and not be reliable in delineating conservation areas. After further review and discussion the Board thanked Steve for the presentation.

A copy of the presentation is attached to these minutes

AGENDA ITEM 15 – MANAGERS REPORT

No Action Taken – Managers Report Attached

The Board Recessed at 11:45

AGENDA ITEM 16 – CALL TO ORDER

President Danny Hardcastle called the Public Hearing to order at 1:34 p.m.

AGENDA ITEM 17 – INTRODUCTIONS

No introductions were made due to the fact the only guest present was CRMWA General Manager, Kent Satterwhite

AGENDS ITEM 18 – PRESENTATION OF PROPOSED AMENDMENTS TO DISTRICT MANAGEMENT PLAN

Due to the fact the only guest present at the public Hearing was CRMWA General Manager Kent Satterwhite, who was present during the presentation made during the regular meeting, the presentation was not made.

AGENDA ITEM 19 – PUBLIC COMMENT – Public question and comments on Districts proposed management plan (limited to 5 minutes each; please fill out a “Request to Speak” form prior to the discussion of agenda item.)

Kent Satterwhite, CRMWA General Manager, spoke stating that he is in favor of the proposed updated management plan.

AGENDA ITEM 20 – ADJOURN PUBLIC MEETING

President Hardcastle adjourned the Public Hearing at 1:35 p.m.

President Danny Hardcastle reconvened the regular meeting at 1:35 p.m.

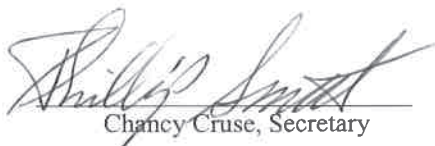
AGENDA ITEM 21 – CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE CHANGES TO THE MANAGEMENT PLAN AS DISCUSSED IN THE HEARING AND ADOPTION OF RESOLUTION TO SUBMIT TO TWDB FOR APPROVAL

Joy Shadid made the motion to submit the proposed updated management plan to the TWDB for approval and give General Manager C.E. Williams, and District Consultant Bill Mullican the latitude to make any non-substantive changes needed for approval, seconded by Phillip Smith, motion passed unanimously.

John R. Spearman, Jr. made the motion to approve Resolution No. MP 17-01 to be submitted to the TWDB for approval, seconded by Jim Thompson, motion passed unanimously.

AGENDA ITEM 22 - ADJOURN

Jim Thompson made the motion to adjourn at 1:39 p.m., seconded by Butch Collard, meeting adjourned


Chancy Cruse, Secretary


Danny Hardcastle, President