

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

District Office – Windmill Room  
201 W. Third Street, White Deer, Texas

Thursday November 15, 2018

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice-President
Chancy Cruse	Secretary
Butch Collard	Director
John R Spearman, Jr	Director
Jim Thompson	Director
C.E. Williams	General Manager
Peter Winegeart	Asst. Manager
Bill Mullican	Professional Geoscientist
Britney Britten	PR/Education
Jennifer Puryear	Meteorologist
Julie Bennett	Admin. Asst.

Guests Present: Paul Argonbright, City of Wheeler; Mark Cadra, Rusty Early, Raymond Henry, Matt Hinton, Scott Honeyfield, PSC; Bob McCain, Chad Pernel, CRMWA; Kevin Ratliff, Troy Ritter, Jan Shaw, Lee Shaw, Barry Smith, Shane Stokes, City of Pampa; Gary Turley, City of Pampa; Lance Weaver, Lance Williams

AGENDA ITEM 1 – CALL TO ORDER

President Danny Hardcastle called the meeting to order at 9:09 am

AGENDA ITEM 2 – PUBLIC COMMENT

President Hardcastle opened the floor for public comments.

Shane Stokes City Manager for City of Pampa addressed the Board concerning the proposed rule changes. Mr. Stokes stated that the contiguous acreage mandate will affect three of their wells that were drilled in the 1950s according to the rules at the time and feels that they should be grandfathered. If the City is forced to purchase more water rights it will cause an unneeded debt burden on the citizens of Pampa. Mr. Stokes added that the City has a SCADA System that monitors the pumping of the city wells and the cost of metering all the wells will also be costly to the City.

Scott Honeyfield with PCS addressed the Board on behalf of the City of Wheeler concerning proposed rule 4.2. Mr. Honeyfield stated that the City's three wells were drilled before Wheeler County came into the District and drilled to state specifications. The cost to bring the wells into compliance with the new rule would cost the City \$200,000 to \$1,000,000, and that the time frame of one year would not be enough time to bring wells into compliance; therefore, suggests the rule be tabled until the cost to the cities can be considered.

Raymond Henry addressed the Board concerning wells being drilled in the McClellan Creek area of Gray County by Barry Smith. Mr. Henry stated that the aquifer is shallow with a weak water table and concerned that the drilling of these wells will affect the quality and amount of water in the area and to the City of McLean.

Barry Smith addressed the Board stating that he owns a couple of thousand acres in the area and his property is higher than Mr. Henry's and has outstanding water. Mr. Smith stated that he owns the land and that he owns the water.

Paul Argonbright with the City of Wheeler stated that City of Shamrock's City Manager could not attend the meeting and asked him to address the Board on their behalf. Mr. Argonbright stated that he City of Shamrock has the same issue with its wells as the City of Wheeler, but do not have the funds to purchase the needed water rights.

AGENDA ITEM 3 – CONSIDERATION AND POSSIBLE ACTION ON MINUTES

- a. Board Meeting 10.23.18

***Phillip Smith made the motion to approve the 10.23.18 Board Meeting minutes as written, seconded by Butch Collard, Motion passed unanimously.***

A copy is attached to these minutes

AGENDA ITEM 4 – CONSIDERATION AND POSSIBLE ACTION TO RATIFY THE EXPENDITURES

- a. October 2018

***Jim Thompson made the motion to ratify the October 2018 expenditures, seconded by Phillip Smith, motion passed unanimously.***

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

AGENDA ITEM 9 – CONSIDERATION AND POSSIBLE ACTION ON PERMIT #GR-795 FOR BARRY SMITH. 1280 AC. 6" IRRIGATION WELL IN SE4 SECTION 15. BLOCK 30. H&GN SURVEY BEING LOCATED APPROX 3 ½ MILES N OF MCLEAN ON HWY 273 ON WEST SIDE BETWEEN COUNTY ROADS V AND W IN GRAY COUNTY TEXAS

General Manager C.E. Williams stated that Mr. Smith has made application to drill a water well in the above stated location; however, the exact location of the well will not be known until after the test holes are drilled. Mr. Williams added that the District does not have authority over surface water and as long as the well meets the spacing and production criteria under the District's rules it is the Staff's recommendation that the permit be issued.

President Danny Hardcastle asked Mr. Smith if he is aware of the District's current production rules and if it is his intention to operate within those rules. Mr. Smith stated that he is aware of the rules and will comply.

***Chancy Cruse made the motion to allow the Staff to issue well permit #GR-795 upon meeting the rules of the District, seconded by John R Spearman, Jr., motion passed unanimously.***

AGENDA ITEM 11 – CONSIDERATION AND POSSIBLE ACTION ON FINAL DRAFT RULES FOR HEARING

General Manager C.E. Williams and President Danny Hardcastle addressed the representatives from the Cities of Pampa and Wheeler, stating that per state law the District cannot regulate use; therefore, the rules for a city cannot be different from anyone else. They made them aware that these are not new rules but bringing older wells into existing standards in order to conserve the water and achieve the Districts 50/50 standard.

Discussion ensued between the representatives from the cities and the Board concerning the water rights and pumping issues and possible remedies.

General Manager C.E. William continued stating that the Staff received some negative feedback on requiring meters on wells with 2" inside column pipe. Mr. Williams stated that there are wells that are fitted with 2" column pipe, but only produce 35 gpm or less; therefore, the meter standards were amended to only require meters on wells that produce more than 35 gpm.

C.E. added that there are some minor issues that the Board needs to act on.

1. What year meter data to start using in calculating the three-year rolling average

*After discussion Chancy Cruse made the motion to begin using the 2020 meter data in calculating the three-year rolling average and enforcement of exceeding the one acre foot allowable to begin in 2022, seconded by John R. Spearman, Jr, motion passed unanimously.*

2. The cap on the 50/50 meter cost share program

*After Discussion Chancy Cruse made the motion to set the cap to fifty percent of the meter only up to \$1500, seconded by John R. Spearman, Jr., motion passed unanimously.*

*Phillip Smith made the motion to send the final draft of the proposed rule changes to the public hearing scheduled for Thursday December 20<sup>th</sup> at 9:00 am, seconded by John R. Spearman, Jr., motion passed unanimously.*

AGENDA ITEM 5 – 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

*After review Phillip Smith made the motion to approve the quarterly production and out of district transportation reports, seconded by Butch Collard, motion passed unanimously*

AGENDA ITEM 6 – CONSIDERATION AND POSSIBLE ACTION ON THE 2018 ANNUAL REPORT  
PR/Education Director Britney Britten presented the 2018 Annual Report to the Board.

*After review and discussion John R Spearman, Jr. made the motion to approve the 2018 Annual Report, seconded by Jim Thompson, motion passed unanimously.*

AGENDA ITEM 7 – CONSIDERATION AND POSSIBLE ACTION ON BOUNDARY ISSUES BETWEEN HIGH PLAINS AND PANHANDLE GROUNDWATER CONSERVATION DISTRICTS

*Due to there not being any new information or changes on the boundary issue Phillip Smith made the motion to table agenda item 7 until further information is obtained, seconded by John R. Spearman, Jr., motion passed unanimously.*

AGENDA ITEM 8– 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 – None

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

1. GR-794-DW-R-CRYSTAL PAYNE - A 1” well to be drilled on 5 ac by Etter Water Well by 11/2/18 in the SW4 of Section 67, Blk E, D&P Survey (being located approx. 1 mi N of Donley Co line & approx. 7/10 mi s of Allenreed on the E side of FM 291 & approx. 1 mi S of I-40) Gray County, Texas  
Replacement

2. **WH-350-DW-R-RODNEY SHEA WEATHERLY** - A 1" well to be drilled on 2.9 ac by Arrow Drlg by 11/15/18 in the NW4 of Section 8, Block A3, H&GN Survey (being located approx. 7 mi E of City of Wheeler on Hwy 152, then N on CR 22 approx. ½ mi to well location on E side of Co Rd 22) Wheeler County, Texas **Replacement**

**OTHER WELLS**

3. **WH-352 – MATT HINTON** - A 4" well to be drilled on 640 ac by 3T by 10/31/18 in the NE4 of Section 57, Block 24, H&GN (being located SW of Wheeler approx. 6 mi E of Gray Co Line on Ranch Rd 2473, then as it turns S continue E on pasture road approx. ¾ mi then approx. ¾ mi N to well location) Wheeler County, Texas

*Butch Collard made the motion to approve agenda item 8, A, 1-3, seconded by John R Spearman, Jr., motion passed unanimously.*

**B. DRILLING PERMITS FOR WELLS LARGER THAN 4"**

1. **DO-489 – KELVIN OLLINGER** – An 8" well to be drilled on 320 ac by Hydro by 10/31/18 in the SE4 of Section 50, Block B3, H&GN Survey (being located approx. 1 1/3 mi S of I-40 on Co Rd 2, then W approx. 1/3 mi to well location) Donley County, Texas

*Jim Thompson made the motion to approve Agenda Item 8, B, 1, seconded by Chancy Cruse, motion passed unanimously.*

**AGENDA ITEM 10-STAFF UPDATES**

There were no staff updates at this meeting.

**AGENDA ITEM 12 – MANAGERS REPORT**


Managers Report Attached – No Action Taken

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

The next meeting date is set for Thursday December 20th

**AGENDA ITEM 14 – Adjourn**

Phillip Smith made the motion to adjourn at 12:09 pm, seconded by Butch Collard, meeting adjourned

  
Chancy Cruse, Secretary

  
Danny Hardcastle, President