

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

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

Thursday March 1, 2018

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice-President
Chancy Cruse	Secretary
Charles Bowers	Director
Joy Shadid	Director
John R Spearman, Jr	Director
C.E. Williams	General Manager
Peter Winegeart	Asst. Manager
Britney Britten	PR/Education
Jennifer Puryear	Meteorologist
Steve Shumate	Hydrogeologist
Bill Mullican	Professional Geoscientist
Julie Bennett	Admin. Asst.

Guests Present: Janet Guthrie, Hemphill County UWCD; Jim Haley, Hemphill County UWCD, Kent Satterwhite, CRMWA

AGENDA ITEM 1 – CALL TO ORDER

President Hardcastle called the meeting to order at 1:35pm and welcomed the guests in attendance

AGENDA ITEM 2 – PUBLIC COMMENT

President Hardcastle opened the floor for public comments.

Jim Haley, Board President for the Hemphill County UWCD spoke stating that he and General Manager Janet Guthrie have been “making the rounds” sitting in on other district’s board meeting, and are glad to be here.

AGENDA ITEM 3 – CONSIDERATION AND POSSIBLE ACTION ON MINUTES

- a. Board Meeting 12.26.17

After discussion Phillip Smith made the motion the minutes as written, seconded by John R. Spearman, Jr., motion passed unanimously.

A copy is attached to these minutes

AGENDA ITEM 4 – CONSIDERATION AND POSSIBLE RATIFY THE EXPENDITURES

a. January 2018

John R. Spearman, Jr made the motion to approve the January 2018 financials, seconded by Charles Bowers, motion passed unanimously.

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

AGENDA ITEM 6 – CONSIDERATION AND POSSIBLE ACTION TO APPOINT SCHOLARSHIP COMMITTEE FOR 2018

After discussion President Danny Hardcastle appointed Joy Shadid, Phillip Smith and Butch Collard, and Jim Thompson as alternate to the Scholarship Committee.

AGENDA ITEM 7– CONSIDERATION AND POSSIBLE ACTION DONLEY COUNTY SHERIFF’S SALE

- | | | |
|--|------------------|---------------|
| a. Lot 234, Nocona Hills, Howardwick, Texas. | Minimum: \$1,301 | Bid: \$1,301 |
| b. Lot 235, Nocona Hills, Howardwick Texas | Minimum: \$2,012 | Bid: \$2,012 |
| c. Lot 47, Nocona Hills, Howardwick Texas | Minimum: \$ 905 | Bid: \$ 905 |
| d. Lot 59, Nocona Hills, Howardwick Texas | Minimum: \$ 325 | Bid: \$ 325 |
| e. Lot 61, Nocona Hills, Howardwick Texas | Minimum: \$ 749 | Bid: \$ 749 |
| f. Lot 65, Nocona Hills, Howardwick Texas | Minimum: \$ 328 | Bid: \$ 328 |
| g. Lots 112-113, Nocona Hills, Howardwick, Texas | Minimum: \$1,010 | Bid: \$ 1,010 |

Phillip Smith made the motion to approve the bids from the Donley County Sheriff's sale, seconded by Joy Shadid, 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 - None

B. DRILLING PERMITS FOR WELLS LARGER THAN 4”

1. **CA-1309 – Chris Ollinger** – An 8” well to be drilled on 320 acres by not known by no date located in the S center of Section 116, Block 7, I&GN Survey (being located on the N side of Co Rd 8 and W side of Co Rd X, 1 ¼ mi S of FM 293 and 2 ½ mi W of FM 294), Carson County, Texas
2. **CA-1305 – M&S Urbanczyk Children’s Trust** – An 8” well to be drilled on 1920 acres by Hydro by 2.9.18 located in the NW4 of Section 3, Block M4, JH Gibson Survey (being located approx. 5 ½ mi W of Panhandle on FM 293 on S side of FM 293) Carson County Texas **In Study Area 12-1**
3. **CA-1310-R – Dennis Babock** – An 8” well to be drilled on 310 acres by Lichtie Drilling by 3.15.18 located in the SW4 of Section 166, Block 7, I&GN Survey (being located approx. 3 mi N of Groom on E side of FM 295 between Co Rds 4 & 5, just on the N side of Co Rd 4) Carson County, Texas
Replacement

After discussion Joy Shadid made the motion to approve agenda item 8, B, 1-3, seconded by John R Spearman, Jr., motion passed unanimously.

AGENDA ITEM 5 - CONSIDERATION AND POSSIBLE ACTION ON FINAL CONCEPT PAPER ON RULE REVISIONS

General Manager C.E. Williams presented a rule revision concept paper intended to give the Board a clear overview of the next steps to the 2018 rule revisions based on Board guidance to the staff received at the January 26, 2018 board meeting.

Mr. Williams continued stating that PGCD Rule 11, which is currently a place holder and open for expansion, is where the staff proposes to establish the "Production Allowables" and "Contiguous Acreages" compliance framework. Williams added that Rule 15 would be substantially revised to reflect that the current PGCD programs related to depletion reviews, including updates to aquifer mapping, annual water level declines, and IRS depletion mapping continuing for more educational purposes. The annual foot decline would continue to be published annually in the July newsletter, and all enforcement provisions currently in Rule 15 would be moved to Rule 3.3 Enforcement.

C.E. then went on to present what the staff proposes be included in Rule 11

- 1 acre foot per acre allowable production
- Establish requirement to, and process for the designation of contiguous acreage
- Establish process to be utilized to calculate annual production each year for each meter and per acre production on contiguous acreage.
- Establish requirement for, and process to make available information regarding PGCD calculation of production annually and for the period of record, based on contiguous acreage and meter reading to owner and tenant via a password protected web portal. This provision will be important with respect to the PGCD's demonstration that Rule 11 is working to achieve adopted Desired Future Conditions.
- Issue Operating Production Permit for all contiguous acreages' with wells 3 inches in diameter or greater

C.E. stated that this rule would allow the District to focus on areas of production. The operating permit would more simply communicate to the landowner their allowable production. The annual meter reports showing their production, would allow the producer to make more informed decisions concerning their crops from year to year

Following questions concerning the ability of any piece of land to produce one-acre foot, C.E. stated that the one-acre foot is an allowable and not a guarantee that landowners will have the amount of water needed to pump the one-acre foot.

After questions concerning transitioning from using saturated thickness to production District Consultant Bill Mullican stated, that since 2004 the District Policy has been one-acre foot per acre owned regardless of saturated thickness. It was realized that going strictly off of saturated thickness for enforcement could cause a producer not producing more than the one-acre foot allowable to be enforced on based on thin saturated thickness. Bill added that the lines drawn on the map are open to scrutiny, whereas the meters are a more straight forward, defensible tool.

Further discussion ensued on the length of the rolling average on the meter readings, the definition of contiguous acres, whether the District can meet the 50/50 rule with using the one-acre foot rule District wide, spacing and production per section rules, what happens during a drought, and keeping Rule 15 as it is and make the creation of conservation areas and enforcement administrative.

President Hardcastle asked Bill Mullican, using the information available at this time, if the District transitions to the one-acre foot per acre owned allowable district wide will the DFC be met.

Bill said with the information available at this time the District will meet it's DFC.

President Hardcastle polled the Board asking if they had any concerns or comments about the proposed Rule 11 and making the change from percent decline to production based on metering. The Board seemed to be in consensus with what was presented and instructed the Staff to keep examining the proposed options.

A copy of the concept paper is attached to these minutes

AGENDA ITEM 9 – CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting date is set for Thursday April 12th at 9:00 am

AGENDA ITEM 10 – STAFF UPDATES

There we no staff updates at this meeting

AGENDA ITEM 11 – MANAGERS REPORT

Manager's Report attached – No action taken

President Hardcastle commented on the success of the Symposium and complemented the Staff on a job well done.

General Manager C.E. Williams reported that he met with the High Plains Board concerning the boundary line issue between the Districts, and that they are going to consult their attorney and let us know.

AGENDA ITEM 12 - ADJOURN

Danny Hardcastle made the motion to adjourn, seconded by Phillip Smith, meeting adjourned at 4:31 pm


Chancy Cruse, Secretary
as acting secretary


Daphy Hardcastle, President