

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

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

Thursday July 12, 2018

Those present were:

Danny Hardcastle	President
Phillip Smith	Vice-President
Chancy Cruse	Secretary
Bill Breeding	Director
Joy Shadid	Director
Jim Thompson	Director
C.E. Williams	General Manager
Monique Norman (via conference call)	Attorney
Bill Mullican	Professional Geoscientist
Peter Winegeart	Asst. Manager
Britney Britten	PR/Education
Steve Shumate	Hydrogeologist
Julie Bennett	Admin. Asst.

Guests Present: Scott Honeyfield, Parkhill Smith & Cooper; Kent Satterwhite, CRMWA

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.

There were no public comments

AGENDA ITEM 3 – CONSIDERATION AND POSSIBLE ACTION ON MINUTES

- a. Board Meeting 5.24.18

*Jim Thompson made the motion to approve the May 24, 2018 meeting minutes as written, seconded by Bill Breeding, motion passed unanimously.*

A copy is attached to these minutes

AGENDA ITEM 4 – CONSIDERATION AND POSSIBLE RATIFY THE EXPENDITURES

- a. May 2018

*Bill Breeding made the motion to approve the May 2018 financials, seconded by Phillip Smith, motion passed unanimously.*

- b. June 2018

*Joy Shadid made the motion to approve the June 2018 financials, seconded by Chancy Cruse, motion passed unanimously.*

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

AGENDA ITEM 5 – CONSIDERATION AND POSSIBLE ACTION ON DONLEY CO SHERIFF'S SALE:

- a. Lot 783, Red Feather, Howardwick, Texas. Minimum Bid: \$600 Bid: \$600

*Bill Breeding made the motion to approve the bid of \$600 for Lot 783, Red Feather, Howardwick, Texas, seconded by Chancy Cruse, motion passed unanimously.*

AGENDA ITEM 6 – CONSIDERATION AND POSSIBLE ACTION ON AG LOAN (S) TO FARMERS

- a. Bobbie Ehmann

*Phillip Smith made the motion to approve the ag loan request from Bobbie Ehmann in the amount of \$113,071.96 for the purchase of a 2018 2327.5" 16 Tower Zimmatic Center Pivot Irrigation System, seconded by Jim Thompson, motion passed unanimously.*

- b. O'Neal Shadid Partnership

*Jim Thompson made the motion to approve the ag loan request from the O'Neal-Shadid Partnership in the amount of \$94,440.29 for the purchase of a 2018 2220" 13 Tower Zimmatic Center Pivot Irrigation System, seconded by Bill Breeding, motion passed with Joy Shadid abstaining.*

AGENDA ITEM 7 – CONSIDERATION AND POSSIBLE ACTION ON ANNUAL REVIEW TO DISTRICT INVESTMENT POLICY

General Manager C.E. Williams stated that there are on recommended changes to the District's investment policy; however, a resolution is required annually re-adopting the existing policy.

*Bill Breeding made the motion to approve the resolution re-adopting the District's Investment Fund Policy, seconded by Joy Shadid, motion passed unanimously.*

AGENDA ITEM 8 - CONSIDERATION AND POSSIBLE ACTION ON BOUNDARY IN POTTER AND ARMSTRONG COUNTIES

General Manager C.E. Williams made the Board aware that the High Plains Underground Water Conservation District Board of Directors met Tuesday July 10<sup>th</sup> and in response to the letter drafted by Panhandle District's Attorney Monique Norman stating that our District does not recognize their GIS boundary voted to request the Potter-Randall Appraisal District change the boundary between PGCD and HPWD to High Plains' GIS boundary. Williams stated that Ms. Norman found an opinion from the Texas Attorney General on a case very similar concerning a boundary dispute between two school districts. The opinion states that an appraisal district cannot annex property out of one district to another without going through a prescribed process, which in the District's case would be found in Chapter 36 or agreed to with a legislative re-drawing of the boundary or court action.

Scott Honeyfield with Parkhill Smith & Cooper addressed the Board as a landowner in the disputed area stating that he has several issues with the boundary change. First, he voted to be annexed by the Panhandle Groundwater Conservation District and doesn't understand how his property can be taken from one water district and put in another without an election. Second, how did High Plains establish their proposed boundary, adding that there needs to be a true legal description done by a licensed professional surveyor and filed with the state. Mr. Honeyfield concluded stating that it appears High Plains has major legal hurdles to overcome in order to put his land in their District.

Via conference call the District's Attorney Monique Norman brought the Board up to date on the boundary issue. In response to High Plains Board action Ms. Norman suggested a cordial informal letter be sent to the Potter-Randall Appraisal District stating that the District is disputing the legitimacy of the High Plains proposed boundary and that per the opinion from Attorney General Paxton, we don't believe appraisal districts are authorized under statute to determine a boundary that is being disputed. Adding that the District would like to resolve this issue with High Plains amicably, but if that is not possible the only way they can alter the boundary is to follow the procedures in Chapter 36 of the Texas Water Code, which would require a resolution by both districts and an election or a legislative act or court action.

*After further discussion Bill Breeding made to motion authorizing Monique Norman to send a letter to the Potter-Randall Appraisal District as outlined in conversation, seconded by Jim Thompson, motion passed unanimously.*

A copy of the Texas Attorney General's Opinion is attached to these minutes.

AGENDA ITEM 9– 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 –

1. DO-483-DEREK G HOWARD/HOWARD GENETICS Requests to reclassify DO-483 drilled on April 23, 2018 from a 6" irrigation well to a 5" irrigation well located in the NW4 of Section 6, Block C9, LH Carhart Survey, Donley County. This well produces 330 gpm

*Joy Shadid made the motion to approve Agenda Item 9, 1, seconded by Phillip Smith, motion passed unanimously.*

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

1. GR-786-DW – TERRY SCOBEE – A 1" well to be drilled on 4.5 ac by K-Ran by 5/25/18 in the NW4 of Section 127, Blk 3, I&GN Survey (being located from intersection of Price Rd and Hwy 152, approx. 6/10 mi W on Hwy 152, then S on Western St approx. 4/10 mi on E side of street outside of Pampa City Limits) Gray County, Texas

2. **AR-70-DW – CASH CROWELL** - A 1" well to be drilled on 10 ac by K-Ran by 6/14/18 in the NE4 of Section 167, Block B4, H&GN Survey (being located @ 1198 Hwy 287, approx. 3/10 mi W of Claude City Limits on S side of Hwy 287) Armstrong County Texas
3. **AR-71-DW-R – WACIE SWEENEY**- A 1" well to be drilled on 1.275 ac by K-Ran by 7/1/18 in the NW4 of Section 106, Block B4, H&GN Survey (being located approx. 2.6 mi E of Washburn on S side of Hwy 287) Armstrong County Texas      **Replacement Well**
4. **DO-484-DW – SAM DENNIS**- A 1" well to be drilled on .34 ac by John Morrow by 7/31/18 in the SW4 of Section 33, Block C6, GC&SF Survey (being located @ 617 West 3<sup>rd</sup> St in the city limits of Clarendon between Koogle & Ellerde Streets) Donley County Texas    **2 Easements on File and Approval Letter from City of Clarendon**
5. **PO-555-DW – BILLY ROCKHOLD**- A 1" well to be drilled on 1.5 ac by Etter by 7/6/18 in the NW4 of Section 220, Blk 2, AB&M Survey (being located 2 mi W from Hwy 287 & Cherry Ave, then s ½ mi on N Georgia then W to the first street (Rolling Trail) to first house on the E side of street on Lt Blk 0010, S2 of 4 & all of 5 in Rolling Hills Addn., outside Amarillo City Limits) Potter County Texas

#### **OTHER WELLS**

6. **GR-787-BARRY SMITH**- A 4" well to be drilled on 513 ac by Magic Circle by 5/31/18 in the NW4 of Section 30, Block R, A. Rowe Survey (being located approx. ¾ mi N of the intersection of Hwy 273 and Morse St., just outside city limits of McLean) Gray County Texas
7. **WH-346-OTH – RONALD R BROWN**- A 4" well to be drilled on 640 ac by First Priority by 5/31/18 in the SE4 of Section 48, Block 24, H&GN Survey (being located approx. ¾ mi S and ¾ mi E of intersection of FM 2473 and FM 1443 near pond in SE4) Wheeler County Texas

*Jim Thompson made the motion to approve Agenda Item 9, A, 1-7, seconded by Chancy Cruse, motion passed unanimously.*

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

1. **CA-1315 – LARRY KOETTING** – An 8" well to be drilled on 640 ac by Hydro by 5/18/18 in the N2 Center of Section 16, Block M4, JH Gibson Survey (being located from intersection of Co Rd G & Co Rd 10, approx. ½ mi W on Co Rd 10, then S to well location, approx. 1 ½ mi E of Ranch Rd 2373 and approx. 7 mi W of Panhandle approx. 1 ¾ mi N of Hwy 60) Carson County Texas.    **In Study Area 13-2**
2. **CA-1317 – JASON & TONI SIDES** – An 8" well to be drilled on 600 acres by Hydro by 6/15/18 in the SE4 of Section 19, Block 3, I&GN Survey (being located approx. 4 mi W f Panhandle on Hwy 60, then N on Co Rd J between 1/10 & 2/10 mi on W side of road) Carson County Texas
3. **GR-785 – RONALD R BROWN** – A 6" well to be drilled on 160 acres by First Priority by 5/31/18 in the NW4 of Section 91, Block 25, H&GN Survey (being located approx. 6/10 mi N of intersection of Co Rd Z and Co Rd 28 and McLean city limits on E side of road 28) Gray County Texas
4. **GR-788 – BARRY SMITH** A 5" well to be drilled on 513 ac by Magic Circle by 6/15/18 in the NW4 of Section 30, Block R, A Rowe Survey (being located approx. 5/6 mi N of the intersection of Hwy 273 and Morse St, just outside city limits of McLean) Gray County Texas
5. **WH-347 – RICK HARGROVE**- A 6" well to be drilled on 320 ac by First Priority by 7/31/18 in the SW4 of Section 73, Block 13, H&GN Survey (being located approx. 4 mi E of Shamrock on I-40 then N 2 mi on Dayberry Rd then E 1 1/3 mi N to well location) Wheeler County Texas

*Joy Shadid made the motion to approve Agenda Item 9, B, 1, 3, 4 & 5, seconded by Bill Breeding, motion passed unanimously.*

*Bill Breeding made the motion to approve Agenda Item 9, B, 2, with the correction changing the survey from I&GN to AB&M, seconded by Chancy Cruse, motion passed unanimously.*

AGENDA ITEM 10 – CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next meeting date is set for August 16<sup>th</sup> at 9:00 am

AGENDA ITEM 12 – Managers Report

Manager's report attached – No Action Taken

General Manager C.E. Williams handed out a red line strike-through copy of the amended District rules for the Board to review.

Scott Honeyfield spoke the Board on behalf of the Concerned Citizens of Carson County concerning proposed rule 11 – Well Closing and Protection of Water Quality. Mr. Honeyfield stated that he believes moving the last sentence of (a) “The District shall use any remedies authorized by law to protect groundwater quality from point source to non-point source pollution” would have more meaning if it was in a paragraph of its own. Scott also suggested other amendments to the rule and will email them to C.E. before formal action is taken on the rules.

AGENDA ITEM 11 – STAFF UPDATES- Steve Shumate – Report on 2018 Water Level Declines

District Hydrogeologist Steve Shumate reviewed and discussed the 2018 Water Level Decline report using the five-year average with the Board. Mr. Shumate stated that with 2017 being a wet year, the overall trend of decline was better than 2017, and there were even some areas of improvement. Steve also previewed the new interactive map that will soon be on the District's web-site.

AGENDA ITEM 13 – Adjourn

*Phillip Smith made the motion to adjourn, seconded by Jim Thompson, meeting adjourned at 11:27 am*

  
Chancy Cruse, Secretary

  
Danny Hardcastle, President