

PANHANDLE GROUNDWATER CONSERVATION DISTRICT

BOARD OF DIRECTOR'S REGULAR MEETING

DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas
August 7, 2025– 9:00 a.m.

Those Present Were:	Chancy Cruse	President
	Devin Sinclair	Vice President
	Lee Peterson	Secretary
	Wes Stockett	Director
	Bill Breeding	Director
	Charles Bowers	Director
	John R. Spearman Jr.	Director
	Marcus Hardcastle	Director
	Britney Britten	General Manager
	Ashley Ausbrooks	Hydrogeologist/PM
	Jake Robinson	Meter Specialist/Field Tech
	Korri Packard	PR/Education Director

Guests Present: Andrew Cook, City of Amarillo.

1. CALL MEETING TO ORDER

President Chancy Cruse called the meeting to order at 9:05 a.m.

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

None.

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES FROM JULY 31, 2025

a) Tax Abatement Meeting Minutes

Director Breeding motioned to approve the minutes of the July 2025 Tax Abatement Meeting on July 31, 2025. Director Hardcastle seconded. The motion passed unanimously.

b) Regular Meeting Minutes

Director Spearman motioned to approve the minutes from the July 2025 Regular Meeting minutes on July 31, 2025. Director Stockett seconded. The motion passed unanimously.

4. REPORT FROM THE BUDGET COMMITTEE AND CONSIDERATION AND POSSIBLE ACTION ON THE 2025-2026 BUDGET

General Manager Britney Britten and the Budget Committee presented the 2025-2026 fiscal year budget to the Board. Britten informed the Board that the budget was provided to the Budget Committee ahead of their meeting on July 31st, 2025. Director Stockett noted that the committee made very few changes from the 2024-2025 budget. The proposed 2025-2026 budget will have a few categorical increases for the precipitation enhancement program, medical insurance, and for professional services to begin work on an education center.

Britten also informed the Board that the property tax income revenue is based on the no-new-revenue tax rate and projections generate approximately the same amount of revenue in property taxes as in the 2024-2025 fiscal year.

Director Hardcastle motioned to adopt the budget for the 2025-2026 fiscal year, seconded by Director Stockett. The motion passed unanimously.

5. CONSIDERATION AND POSSIBLE ACTION ON SETTING THE PROPOSED 2025-2026 TAX RATE

General Manager Britten explained the tax rate process and the Budget Committee recommended the Board adopt the proposed no-new-revenue tax rate of \$0.008041/\$100 valuation. Britten explained the proposed tax rate should be adopted at this time, and this process allows time to notice the proposed tax rate should anyone have public comments. The tax rate will officially be adopted in September.

Director Spearman motioned to adopt the proposed tax rate of \$0.008041/\$100 valuation for the 2025-2026 fiscal year, seconded by Director Peterson. The motion passed unanimously.

6. CONSIDERATION AND POSSIBLE ACTION TO NOMINATE CANDIDATES PLACED ON THE BALLOT FOR ELECTION TO THE ARMSTRONG COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS

General Manager Britten informed the Board that there are three board of director positions expiring for the Armstrong County Appraisal District. Of the three current board members, two have expressed that they do not want to serve another term. Director Stockett noted that he looked into other candidates, and he recommended that the Board nominate Shay Christian and Lee Whitaker along with current board member Tim Young to the appraisal district board.

Director Stockett motioned to nominate Tim Young, Shay Christian and Lee Whitaker to the Armstrong County Appraisal District Board of Directors, seconded by Director Breeding. The motion passed unanimously.

7. CONSIDERATION AND POSSIBLE ACTION ON LETTER OF NON-OBJECTION REGARDING SPECIAL PURPOSE FOREIGN TRADE SUBZONE FOR FERMI AMERICA PROJECT IN CARSON COUNTY

General Manager Britten informed the Board that Carson County and Panhandle ISD will be meeting to discuss and consider the letter of non-objection for Fermi America later this month. She explained that the foreign trade zone has been in effect since the 1990s and that it is a type of exemption for taxes and tariffs on imported goods. President Cruse noted that the Board would be interested in hearing more from the county and school district before moving forward with the letter of non-objection but did not want to hold up the approval process by tabling this item until the next meeting.

Director Breeding motioned to delegate authority to the presiding officer to approve the letter of non-objection regarding special purpose foreign trade subzone for Fermi America Project in Carson County on behalf of the District once the Carson County and Panhandle ISD letters have been reviewed by the District's General Counsel and presiding officer, seconded by Director Sinclair. The motion passed unanimously.

8. CONSIDERATION AND POSSIBLE ACTION TO REVIEW STATEMENTS OF QUALIFICATIONS FOR FINANCIAL AUDITING SERVICES

General Manager Britten stated that in July the District's auditor, Arturo Ortega, CPA announced that he would no longer be performing audits for governmental entities. The District has followed the Procurement Act guidelines to solicit proposals for qualifications to find a new auditor and received one proposal. Britten presented the proposal to the Board and noted that the District must first look at qualifications before receiving an official amount and follow up contract. Britten noted that the company has performed audits for the city of Amarillo and Amarillo ISD and is one of a few companies who do the type of governmental audits that the District needs.

Director Stockett motioned to approve the proposal for independent auditing services from CMMS CPAs & Advisors, PLLC., seconded by Director Hardcastle. The motion passed unanimously.

9. CONSIDERATION AND POSSIBLE ACTION ON ANNUAL REVIEW OF THE DISTRICT'S WATER QUALITY NETWORK

District Hydrogeologist Ashley Ausbrooks presented the District's biennial water quality results for the 2025 sampling season. Ausbrooks stated that District staff sampled 87.1% of the wells in Armstrong, Potter, Roberts, and Wheeler (Water Quality 1) counties this summer. She noted that this sets the District up well for the 2025-2026 biennial period to meet District Management Plan Objective 6.1a which states that at least 80% of the wells in the District Water Quality Network will be sampled on a biennial basis. Ausbrooks introduced a groundwater index rating system as a new tool to identify and rank overall

water quality of a particular well site based on an analysis and weighted total of all tested parameters. Ausbrooks then gave an overview of the results for each of the Water Quality 1 season counties (Armstrong, Potter, Roberts and Wheeler Counties).

To view all water quality results for the 2025 sampling season, please reference the full presentation attached to the minutes.

Director Hardcastle motioned to accept the 2025 water quality results, seconded by Director Breeding. The motion passed unanimously.

10. STAFF UPDATES

None.

11. PRESENTATION OF SERVICE AWARD TO ASHLEY AUSBROOKS

General Manager Britten presented Ms. Ausbrooks with her five year service certificate.

12. CONSIDERATION AND POSSIBLE ACTION ON CONSULTING AGREEMENT WITH RAINMAKER

District Attorney Monique Norman joined the meeting through a conference call and recommended the Board allow the General Manager to enter into a one year independent consulting agreement with Rainmaker. She also recommended the District add an indemnification clause, a waiver of liability, a set contract price for the District's separate services contract for the next season, an outline of the role and responsibilities of the General Manager within the framework of the contract, and the ability for the District to review and terminate the contract at any time. Norman added that once these recommendations have been added to the contract, she and President Cruse will review the final contract.

Director Peterson motioned to not object to the District General Manager entering into an independent consulting agreement with Rainmaker with the inclusion of an indemnification clause and liability waiver, an outline of duties which the General Manager will not perform, a clause stating that the District may review and force termination of the contract at any time, and a clause stating that Rainmaker will not increase the contract price for the District's separate services contract for the next season, following final contract review by the District's General Counsel and presiding officer. The motion was seconded by Director Breeding. The motion passed with seven for, and one against.

13. MANAGER'S REPORT

Britten presented her report to the Board of Directors in the Board Packets, which included past and upcoming meetings, District public education events, District well and website statistics, and a weather update.

14. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next Regular Board of Directors Meeting is scheduled for Thursday, September 18, 2025, at 9:00 a.m.

15. EXECUTIVE SESSION ON LISTED AGENDA ITEMS

At 10:31 a.m., the Board recessed into Executive Session as authorized by Chapter 551, Texas Government Code 551.071, Attorney Privilege and 551.074 Personnel Matters. The Board reconvened into regular session at 11:58 a.m.

16. ADJOURN

Director Peterson motioned to adjourn the meeting at 12:09 p.m., seconded by Director Stockett. The motion passed unanimously.



Chancy Cruse, President



Lee Peterson, Secretary