

**MINUTES OF THE JANUARY 17, 2012
BOARD OF DIRECTORS MEETING OF
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session January 17, 2012 at 9:00 a.m. in the Amarillo College Community Room Number 126, 1220 East First Street, Dumas, Texas 79029. The following persons were present:

Members Present:

Daniel L. Krienke;
Bob Zimmer;
Gene Born;
Wesley Spurlock;
Brian Bezner; and,
Harold Grall.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Dale Hallmark, Assistant General Manager/District Hydrologist;
Kirk Welch, Assistant General Manager
Kristen Alwan, Executive Assistant;
Karen Mannis, Permitting Specialist; and
Casey Tice, Compliance Coordinator.

Others present during part or all of the meeting:

Dana Moreland;
Thomas Marek;
Jerry Michels;
Amy Haschke;
Qinguri Xue;
Brent Bean;
Leon New;
Daniel Ford;
Brad Easterling;
Karllyle Haaland;
John M. Sweenen;
Tom Lavin;
Jon Gamel;
Michelle Sutherland;
Justin Garrett;
Coy Barton;
David Ford;
Sabrina Leven;
Louis Leven;
Kelsie Orr;
Greg Howard;
Bryce Williams;
Breg Batenhorst; and,
C.C. Sysombath;
F. Keith Good, Attorney;
Claire Y. Walsh, Attorney; and
Ellen Orr, Paralegal.

President Zimmer declared a quorum present and called the meeting to order at 9:02 a.m.

Harold Grall gave the invocation.

At 9:05 a.m., the meeting was recessed to conduct a Public Hearing on the District's intent to repeal its existing Rule 3.4 and to adopt Proposed Rule 3.4. The President of the Board closed the Public Hearing at 9:23 a.m.

The regular Board Meeting was reconvened at 9:24 a.m.

President Zimmer asked if there were persons present who desired to make Public Comment. No public comment was received.

Wesley Spurlock moved to approve items 2a through 2e of the Consent Agenda, consisting of the approval of the Minutes of the November 8, 2011 Board of Directors Meeting; the approval of un-audited District expenditures from November 1, 2011 through December 31, 2011, including the General Manager's Expense and Activity Report; the approval of payment of professional services and out of pocket expenses to Lemon, Shearer, Phillips & Good, P.C. in the amount of \$10,521.98 for November 1, 2011 through December 31, 2011; to adopt a resolution to not collect the optional personal property taxes for personal boats, personal vehicles, airplanes, motor homes and trailers in 2012 in Dallam, Sherman, Hansford, Ochiltree, Lipscomb, Hartley, Moore and Hutchinson Counties, Texas; and to approve the homestead exemptions for 2012 as follows: 5 % or \$5,000 – Homestead; \$50,000 - Over 65; \$50,000 - Disability SS; and the maximum percentage for Disabled Veterans. Danny Krienke seconded the motion and the motion was unanimously approved by the Board.

Coy Barton of Keeney, Hembree & Company presented the audited financial report prepared for the North Plains Groundwater Conservation District as of September 30, 2011. Danny Krienke moved to approve the North Plains Groundwater Conservation District Annual Financial Report for the year ended September 30, 2011. Brian Bezner seconded the motion and it was unanimously approved by the Board.

Danny Krienke moved to approve payment to Keeney, Hembree & Company in the amount of \$19,550.00 for auditing services and preparation of the North Plains Groundwater Conservation District Annual Financial Report for the year ended September 30, 2011. Brian Bezner seconded the motion and it was unanimously approved by the Board.

Danny Krienke moved to approve the letter of engagement between the District and Keeney, Hembree & Company for Audit and Non-Audit Services to be performed for 2011-2012. Brian Bezner seconded the motion and it was unanimously approved by the Board.

By consensus, the Board tabled item 3d of the Action Agenda.

A Schedule of Well Permits was presented to the Board for its review. Wesley Spurlock moved to approve all of the following permits as active and complete wells because the wells are properly equipped and otherwise comply with District Rules:

COUNTY	OWNER	WELL	C L	MAX	QURT	SEC	BLK	SUR	YARDS NS	YARDS EW
DALLAM	LARSEN FARM LLC	DA-3965	C	800	SW	20	5	CSS	299S	319W
DALLAM	LARSEN FARM LLC	DA-3968	C	800	NW	19	5	CSS	47N	538W
DALLAM	LARSEN FARM LLC	DA-4006	C	800	NW	20	5	CSS	71N	811W
DALLAM	LARSEN FARM LLC	DA-4007	C	800	NE	20	5	CSS	244N	70E
DALLAM	LARSEN FARM LLC	DA-4012	C	800	NE	19	5	CSS	815N	203E
DALLAM	LARSEN FARM LLC	DA-4019	C	800	NW	55	5	CSS	109N	109E
DALLAM	LARSEN FARM LLC	DA-4022	C	800	NW	56	5	CSS	761N	768W
DALLAM	LARSEN FARM LLC	DA-4024	C	800	SE	56	5	CSS	723S	128E
DALLAM	LARSEN FARM LLC	DA-4054	C	800	SE	55	5	CSS	245S	18E
DALLAM	LARSEN FARM LLC	DA-4056	C	800	SW	41	5	CSS	658S	849W

DALLAM	LARSEN FARM LLC	DA-4057	C	800	SW	40	5	CSS	372S	21W
DALLAM	LARSEN FARM LLC	DA-4059	C	800	SW	42	5	CSS	451S	437W
DALLAM	LARSEN FARM LLC	DA-4060	C	800	NW	43	5	CSS	442N	420W
DALLAM	LARSEN FARM LLC	DA-4061	C	800	SW	55	5	CSS	444S	440W
DALLAM	LARSEN FARM LLC	DA-4062	C	800	SW	19	5	CSS	421S	336W
DALLAM	LARSEN FARM LLC	DA-4074	C	800	SW	40	5	CSS	347S	878W
DALLAM	LARSEN FARM LLC	DA-4075	C	800	NW	52	5	CSS	449N	431W
DALLAM	LARSEN FARM LLC	DA-4107	C	800	NW	27	5	CSS	823N	220W
DALLAM	LARSEN FARM LLC	DA-4108	C	800	SE	27	5	CSS	131S	708E
DALLAM	LARSEN FARM LLC	DA-4109	C	800	NW	27	5	CSS	128N	158W
DALLAM	LARSEN FARM LLC	DA-4110	C	800	NE	27	5	CSS	124N	763E
DALLAM	LARSEN FARM LLC	DA-4192	C	800	NW	42	5	CSS	833N	223W
DALLAM	LARSEN FARM LLC	DA-4193	C	800	SE	43	5	CSS	454S	433E
DALLAM	LARSEN FARM LLC	DA-4217	C	800	NE	44	5	CSS	125N	772E
DALLAM	LARSEN FARM LLC	DA-4218	C	800	NW	43	5	CSS	121N	113W
DALLAM	LARSEN FARM LLC	DA-4223	C	800	NW	53	5	CSS	773N	213E
DALLAM	LARSEN FARM LLC	DA-4227	C	800	SW	53	5	CSS	127S	119W
DALLAM	LARSEN FARM LLC	DA-4238	C	800	SE	42	5	CSS	451S	427E
DALLAM	LARSEN FARM LLC	DA-4241	C	800	NE	53	5	CSS	770N	780E
DALLAM	LARSEN FARM LLC	DA-4244	C	800	SW	21	5	CSS	750S	883E
DALLAM	LARSEN FARM LLC	DA-4248	C	800	NW	54	5	CSS	445N	421W
DALLAM	LARSEN FARM LLC	DA-4249	C	800	NW	54	5	CSS	793N	759W
DALLAM	PILLANS FAMILY TRUST	DA-4304	C	800	NW	47	4	CSS	140N	209W
DALLAM	LARSEN FARM LLC	DA-4325	C	800	SE	37	5	CSS	635S	139E
DALLAM	LARSEN FARM LLC	DA-4333	B	400	SE	53	5	CSS	301S	20E
DALLAM	CHESTNUT FARMS INC	DA-4416	B	400	SE	55	7	CSS	101S	101E
DALLAM	LARSEN FARM LLC	DA-4422	C	800	NW	19	5	CSS	863N	177W
DALLAM	LARSEN FARM LLC	DA-4446	C	800	NE	43	5	CSS	864S	708E
DALLAM	LARSEN FARM LLC	DA-4454	C	800	SW	55	5	CSS	859S	360W
HARTLEY	LARSEN FARM LLC	HA-3907	C	800	NE	18	5	CSS	601N	540E
HARTLEY	GUSTIN,MITCHEL L, BOWERS	HA-3926	C	800	SE	3	1	ETRR	113S	773E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3929	C	800	NE	3	1	ETRR	855N	56E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3932	D	1200	NW	3	1	SA&MG	787N	5W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3933	D	1200	SW	3	1	SA&MG	830S	869W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3935	C	800	SW	3	1	SA&MG	29S	875W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3937	D	1200	NE	13	Q	H&GN	854N	861E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3938	D	1200	NW	13	Q	H&GN	879N	11W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3939	D	1200	NE	4	1	SA&MG	482N	493E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3976	C	800	SE	3	1	ETRR	850S	763E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3977	C	800	SW	4	1	ETRR	854S	733W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3979	C	800	SW	4	1	ETRR	120S	828W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3980	C	800	NW	24	Q	H&GN	135N	55W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3981	C	800	NW	24	Q	H&GN	429N	460W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3982	C	800	SE	24	Q	H&GN	471S	447E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3983	C	800	NE	13	Q	H&GN	403N	455E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3984	C	800	NE	13	Q	H&GN	155N	866E

HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3985	C	800	SW	13	Q	H&GN	409S	402W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-3986	C	800	NE	4	1	ETRR	418N	463E
HARTLEY	LARSEN FARM LLC	HA-4010	C	800	NE	17	5	CSS	475N	549E
HARTLEY	LARSEN FARM LLC	HA-4013	C	800	SW	17	5	CSS	438S	338W
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-4039	C	800	NE	24	Q	H&GN	429N	477E
HARTLEY	GUSTIN,MITCHEL L,BOWERS	HA-4047	C	800	SW	24	Q	H&GN	831S	107W
HARTLEY	LARSEN FARM LLC	HA-4068	C	800	SE	22	5	CSS	3S	364E
HARTLEY	LARSEN FARM LLC	HA-4073	C	800	SW	18	5	CSS	860S	616W
HARTLEY	LARSEN FARM LLC	HA-4087	C	800	SW	26	12	CSS	447S	428E
HARTLEY	LARSEN FARM LLC	HA-4088	C	800	SW	27	12	CSS	455S	434W
HARTLEY	LARSEN FARM LLC	HA-4089	C	800	NE	40	12	CSS	424N	463E
HARTLEY	LARSEN FARM LLC	HA-4091	C	800	NE	39	12	CSS	431N	434E
HARTLEY	LARSEN FARM LLC	HA-4094	C	800	SE	39	12	CSS	463S	432E
HARTLEY	LARSEN FARM LLC	HA-4100	C	800	SW	56	13	CSS	490S	436W
HARTLEY	LARSEN FARM LLC	HA-4101	C	800	SE	56	13	CSS	483S	452E
HARTLEY	LARSEN FARM LLC	HA-4104	C	800	SE	41	13	CSS	459S	449E
HARTLEY	LARSEN FARM LLC	HA-4141	B	400	NW	25	12	CSS	801N	786E
HARTLEY	LARSEN FARM LLC	HA-4148	B	400	NW	39	12	CSS	113N	752W
HARTLEY	LARSEN FARM LLC	HA-4150	B	400	NE	39	12	CSS	104N	119E
HARTLEY	LARSEN FARM LLC	HA-4155	B	400	SE	39	12	CSS	214S	810E
HARTLEY	LARSEN FARM LLC	HA-4158	B	400	NW	56	13	CSS	120N	114W
HARTLEY	LARSEN FARM LLC	HA-4159	B	400	NW	56	13	CSS	117N	733W
HARTLEY	LARSEN FARM LLC	HA-4160	B	400	NW	56	13	CSS	790N	716W
HARTLEY	LARSEN FARM LLC	HA-4161	B	400	NW	56	13	CSS	759N	103W
HARTLEY	LARSEN FARM LLC	HA-4162	B	400	NE	56	13	CSS	113N	767E
HARTLEY	LARSEN FARM LLC	HA-4163	B	400	SW	56	13	CSS	308S	835W
HARTLEY	LARSEN FARM LLC	HA-4164	B	400	SE	56	13	CSS	843S	726E
HARTLEY	LARSEN FARM LLC	HA-4165	B	400	SE	56	13	CSS	140S	141E
HARTLEY	LARSEN FARM LLC	HA-4166	B	400	NW	41	13	CSS	80N	130W
HARTLEY	LARSEN FARM LLC	HA-4167	B	400	NE	41	13	CSS	680N	783E
HARTLEY	LARSEN FARM LLC	HA-4168	B	400	SE	41	13	CSS	804S	135E
HARTLEY	LARSEN FARM LLC	HA-4171	C	800	SW	27	12	CSS	142S	761W
HARTLEY	LARSEN FARM LLC	HA-4172	B	400	NE	39	12	CSS	792N	158E
HARTLEY	LARSEN FARM LLC	HA-4173	B	400	SW	39	12	CSS	810S	686W
HARTLEY	LARSEN FARM LLC	HA-4175	C	800	NW	27	12	CSS	397N	876W
HARTLEY	TAILGATE FARMS	HA-4181	C	800	SE	6	1	SPRR	125S	651E
HARTLEY	LARSEN FARM LLC	HA-4228	C	800	SW	16	5	CSS	850S	141W
HARTLEY	LARSEN FARM LLC	HA-4229	C	800	SW	16	5	CSS	114S	852W
HARTLEY	LARSEN FARM LLC	HA-4247	C	800	SW	20	5	CSS	107S	652W
HARTLEY	LARSEN FARM LLC	HA-4251	C	800	SE	20	5	CSS	120S	220E
HARTLEY	FOUR STAR MIDDLEWATER	HA-4278	C	800	NW	37	12	CSS	867N	391W
HARTLEY	LARSEN FARM LLC	HA-4299	C	800	SW	20	5	CSS	90S	22W
HARTLEY	LARSEN FARM LLC	HA-4328	C	800	NW	17	5	CSS	332N	773W
HARTLEY	LARSEN FARM LLC	HA-4329	C	800	NE	17	5	CSS	318N	141E
HARTLEY	LARSEN FARM LLC	HA-4330	C	800	SE	16	5	CSS	846S	387E
HARTLEY	LARSEN FARM LLC	HA-4450	C	800	SE	17	5	CSS	876S	432E
HARTLEY	BONNIE MCKIE	HA-4646	C	800	SW	53	48	H&TC	440S	424W
HANSFORD	0408 TXUS OCHILTREE LLC	HN-3658	D	1200	SW	9	1	WCRR	48S	30W
HANSFORD	0408 TXUS OCHILTREE LLC	HN-3659	D	1200	SE	8	1	WCRR	128N	107E
HANSFORD	0408 TXUS OCHILTREE LLC	HN-3685	D	1200	SW	11	1	WCRR	324S	232W
HANSFORD	0408 TXUS OCHILTREE LLC	HN-3692	D	1200	SE	3	1	WCRR	103S	178E
HANSFORD	0408 TXUS	HN-3693	D	1200	SE	9	1	WCRR	400S	107E

	OCHILTREE LLC									
HANSFORD	DAN CARTEL	HN-4518	D	1200	SE	82	2	GH&H	273S	576E
HANSFORD	FRONTIER FEEDYARD LTD	HN-4686	C	800	SE	26	1	WCRR	42S	250E
HUTCHINSON	WOMBLE CATTLE	HU-4417	D	1200	SW	6	M- 24	TC&RY	623S	109W
MOORE	THREE G FARMS	MO-3871	C	800	SE	320	44	H&TC	104S	462E
MOORE	PAULA GIBSON	MO-3940	D	1200	NE	368	44	H&TC	315N	190E
MOORE	POTTER VALLEY FARMS	MO-4421	C	800	SW	108	3-T	T&NO	868S	890W
OCHILTREE	RONALD HANSKA REV TRUST	OC-4114	D	1200	SE	104	4-T	T&NO	110S	123E
OCHILTREE	DONNA DAVIS	OC-4280	D	1200	NW	1	13	T&NO	468N	111W
SHERMAN	CHESHER FAMILY	SH-4324	C	800	SE	176	1-T	T&NO	102S	536E
SHERMAN	W&C LAND AND CATTLE LTD	SH-4337	B	400	SE	60	1-T	T&NO	440S	123E
SHERMAN	W&C LAND AND CATTLE LTD	SH-4338	B	400	SW	12	1-T	T&NO	344S	603W
SHERMAN	W&C LAND AND CATTLE LTD	SH-4339	B	400	NE	43	1-T	T&NO	678N	366E
SHERMAN	W&C LAND AND CATTLE LTD	SH-4342	B	400	SW	45	1-T	T&NO	213S	149W
SHERMAN	W&C LAND AND CATTLE LTD	SH-4351	B	400	SW	60	1-T	T&NO	52S	11W
SHERMAN	DONNA WELLS	SH-4353	C	800	SW	41	2-B	GH&H	809S	45W
SHERMAN	WAYLAND BAPTIST UNIVERSITY	SH-4357	D	1200	NW	62	3-T	T&NO	164N	309W
SHERMAN	BILL REED	SH-4425	D	1200	SE	274	1-T	T&NO	831S	659E
SHERMAN	ROY BIERSCHEK	SH-4458	C	800	NE	136	1-T	T&NO	101N	744E
SHERMAN	ROY BIERSCHEK	SH-4459	C	800	NE	136	1-T	T&NO	411N	432E
SHERMAN	ROY BIERSCHEK	SH-4460	C	800	NE	136	1-T	T&NO	678N	756E
SHERMAN	JOHN EWERS	SH-4483	B	400	NW	270	1-T	T&NO	111N	329W
SHERMAN	DONELSON LAND & CATTLE CO	SH-4649	C	800	NE	143	1-T	T&NO	105N	445E

Harold Grall seconded the motion and the motion passed by a majority vote of the Board with Gene Born opposing the motion.

Leon New discussed the District's 100-12 Demonstration Program and the Conservation Innovation Grant. It was reported to the Board that the 2011 growing season results are in and the report is currently being prepared for distribution by the end of January. In 2011 the district had nine growers participate in the program. Three growers completed the program as follows:

- Harold Grall - 178 Bushels, 18.78" Irrigation, 10" less than 20 fields that Averaged 164 Bu. \$95 less Cost.
- Steve Shields - 153 Bushels, 31.21" Irrigation including pre-irrigation.
- Danny Krienke - 121 Bushels, 21.32", 9 Inches less than 4 fields that Averaged 168 Bu, 1 @ 203 Bu.

Extreme drought forced three growers to harvest corn silage and three growers to abandon their crop.

District staff has contacted last year's participants by letter and will be contacting them personally over the next couple of weeks to see if they wish to participate in the 2012 demonstration.

The district is already receiving requests to make presentations regarding the District's 200-12 Demonstration Project and the Texas High Plains Initiative for Strategic and

Innovative Irrigation Management and Conservation. Currently, the District's presentation list is as follows:

Pioneer "Texas Panhandle Crop Production Clinics, Dumas 1/9, Dalhart 1/10, and Spearman 1/12.

Texas AgriLife High Plains Irrigation Conference, Amarillo Civic Center, January 19th
Texas Panhandle Water Conservation Symposium, Amarillo February 8th:

USCID "Irrigated Agriculture Responds to Water Use Challenges Strategies for Success" Conference, April 3-6 (200/12 Presentation April 4th - 30 minutes).

Thomas Marek, Dr. Jerry Michaels and Dr. Brent Bean presented reports to the Board regarding research activities related to the North Plains Groundwater Conservation Research Field.

The Board recessed at 10:58 a.m. and reconvened at 11:13 a.m. and Dr. Jerry Michaels and Dr. Brent Bean continued their report to the Board regarding research activities related to the North Plains Groundwater Conservation District Research Field.

Steve Walthour reported that on December 9th, the Water Conservation Advisory Council publicly announced the 2011 winners of the Save Texas Water Blue Legacy Award in Agriculture. The Council recognized the North Plains Groundwater Conservation District Agriculture Committee for their Excellence in Collaborative Partnership. In 2009, the members of the agriculture committee, along with the rest of the district board, began planning a demonstration project based on their long-term perspective of irrigated agriculture in the region. In 2010, the three agriculture committee members dedicated their own irrigated acres for the first year of the "200-12 Project," largely at their own expense. They believed it was the role of the groundwater conservation district to show producers how to save water, not just require that they do it. The resulting demonstration project is the "200-12 Reduced Irrigation on Corn Project" The "200-12 Project" is a five-year, on-farm demonstration that shows how currently available water conservation technologies and irrigation management practices can reduce groundwater use and allow farmers to remain profitable and financially viable with restricted and diminishing groundwater resources. Members of the North Plains Groundwater Conservation District Agriculture Committee: Danny Krienke, Harold Grall, and Phil Haaland. The general manager accepted the award on behalf of the board members at the 2011 Texas Irrigation Expo in McAllen, Texas, on Dec. 9 where Council member Robert Mace presented the winners with their awards.

The Council also recognized three families and their farming operations for successfully promoting and incorporating water conservation through efforts in their operations including D & D Farms and the Ford Family of Dumas, TX. For the Fords, dryland farming in the Panhandle is unpredictable with moisture being the limiting factor. The Fords utilize strip-tillage as a method to help keep the moisture in the soil and cut irrigation costs.

The Blue Legacy Award in Agriculture is an annual award that recognizes the outstanding water conservation efforts and successes of the agriculture community. Award winners were selected based on their demonstrated willingness and commitment to incorporate water conservation practices into their operations as well as their leadership to furthering water conservation in their community's or within the industry. This year's award selection committee consisted of representatives from Texas Farm Bureau, Texas Department of Agriculture, Texas AgriLife Extension, and Water Conservation Advisory Council.

The award program provides an opportunity to broaden water conservation awareness in the agriculture industry. The Council hopes to use these success stories to promote the agricultural industry's efforts in water conservation as well as promote the individuals themselves as credible spokespersons.

At 11:47 the Board recessed for lunch and reconvened at the District office at 603 East First Street, Dumas, Texas 79029 at 1:30 p.m.

Michelle Sutherland, PE of Daniel B. Stephens & Associates, Inc. presented a three dimensional model of the Ogallala aquifer for Lipscomb County Texas to the Board. The project includes 3- D visualizations of the stratigraphy and projected future groundwater volumes of the Ogallala Aquifer. The project was initiated by the Board to develop a regional detailed hydrogeological dataset and estimate of groundwater availability.

Wesley Spurlock moved that the General Manager be authorized to enter into a contract with the Center for Geospatial Technology, Texas Tech University (TTU) to undertake the proposed database work contingent upon expenditures not exceeding \$40,000. Gene Born seconded the motion and it was unanimously approved by the Board.

The General Manager reported to the Board that several Production Report late filers for 2010 filed their Reports before January 15, 2012 to take advantage of the reimbursement program approved by the Board. The District has sent letters reminding all eligible late filers of their options to file their reports early to receive reimbursement in December 2011 and January 2012.

Tom Lavin, of Lavin Architects, provided results from its study regarding the District's facilities. Mr. Lavin submitted architectural plans to the Board, and made a presentation which explored several potential options in remodeling the District office as compared to the option of constructing a new office building. Mr. Lavin discussed the costs involved with each option with the Board.

Harold Grall moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.074 to deliberate the purchase, exchange, lease or value of real property with a third-party. Wesley Spurlock seconded the motion and it was unanimously approved by the Board.

Executive Session: At 3:13 p.m. the Board went into Executive Session to deliberate the purchase exchange lease or value of real property with a third party. At 4:20 p.m., Director Brian Bezner moved that the Board reconvene into regular session. Harold Grall seconded the motion and it was unanimously approved by the Board.

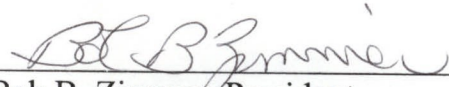
At 4:22 p.m. the Board reconvened into regular session.

By consensus, the Board set its next regular Board meeting and its rulemaking hearing for February 14, 2012 at 9:00 a.m. in the District office.

Steve Walthour presented the General Manager's Report, including information concerning upcoming meetings and conferences; the General Manager's activity summary; and the District activity summary.

District Directors reported to the Board regarding meetings and/or seminars attended, weather conditions and economic development in each Director's precinct.

Gene Born moved to adjourn the meeting. Brian Bezner seconded the motion and it was unanimously approved by the Board. President Zimmer declared the meeting adjourned at 4:38 p.m.


Bob B. Zimmer, President


Brian Bezner, Secretary

**CERTIFIED AGENDA OF
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT
BOARD OF DIRECTORS' EXECUTIVE SESSION**

Under penalty of perjury, the undersigned presiding officer certifies the following facts are true and correct and the following topics, and none other, were deliberated, discussed or reviewed in an Executive Session of the North Plains Groundwater Conservation District Directors which was convened on January 17, 2012:

Persons Present:

Bob Zimmer, President
Brian Bezner, Secretary
Gene Born, Director
Danny Krienke, Director
Wesley Spurlock, Director
Brian Bezner, Director
Harold Grall, Director
Steven D. Walthour, General Manager of the District
Kirk Welch, Assistant General Manager of the District
F. Keith Good, Attorney for the District
Claire Y. Walsh, Attorney
Ellen Orr, Paralegal

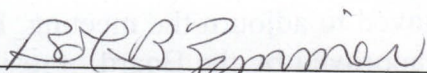
Beginning Time: 3:13 p.m.

Ending Time: 4.20 p.m.

Topics Deliberated and Applicable Exception to the Texas Open Meetings Act:

1. Deliberation by the Board regarding the purchase, exchange, lease, or value of real property because deliberation in an open meeting would have a detrimental effect on the position of the District in negotiations with a third person.

Exempt from the Open Meetings Act pursuant to Texas Government Code Section 551.074.



Bob Zimmer, Presiding Officer