

**MINUTES OF THE AUGUST 27, 2019
BOARD OF DIRECTORS MEETING OF
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session August 27, 2019, at 9:00 a.m. in the Conference Room of the Hampton Inn & Suites, 2010 South Dumas Avenue, Dumas, Texas 79029. The following persons were present:

Members Present at 9:05 a.m.:

Bob B. Zimmer, Vice-President;
Mark Howard, Secretary;
Gene Born, Director;
Harold Grall, Director;
Justin Crownover, Director; and
Zac Yoder, Director.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Dale Hallmark, Assistant General Manager — Hydrologist/Production Services;
Kirk Welch, Assistant General Manager — Outreach;
Kristen Blackwell, Executive Assistant;
Odell Ward, Program Coordinator — GIS/Monitor Wells;
Julia Stanford, Conservation Outreach Specialist; and
Paige Glazner, Conservation Outreach Assistant.

Others present during part or all of the meeting:

F. Keith Good, Attorney; and,
Ellen Orr, Paralegal.

Vice-President, Bob B. Zimmer declared a quorum present and called the meeting to order at 9:05 a.m. Director, Harold Grall, gave the invocation and Vice-President Zimmer led the pledge.

1 – Public Comment

No Public Comment was made to the Board.

2 – Consent Agenda

The Consent Agenda was discussed by the Board and consisted of: the review and approval of the Minutes of the regularly scheduled July 9, 2019 Meeting of the Board of Directors; the review and approval of un-audited District expenditures for July 1, 2019 through July 31, 2019, including the General Manager's expense and activity report; the review and approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from July 1, 2019 through July 31, 2019, in the amount of \$5,132.46; the review and approval of the Dallam County Collection Contract for 2020-2021; the review and approval of the tax sale of all of Lot 93, Unit J, Double Diamond Estates, Moore County, Texas located at Schoenhals Lane, Fritch Texas; the review, approval and execution of a tax deed to R.B. Lynn to clear all ad valorem tax debt on multiple tracts of land in Hutchinson County, Texas; consider accepting bids on three properties in Hansford County, Texas that failed to sell at the Tax Sale; and consider Lipscomb Tax Assessor-Collector Corrected 2018 Tax Roll Reconciliation.

Gene Born moved to approve the Consent Agenda. Harold Grall seconded the motion and it was approved by the majority vote of the Board, with Justin Crownover being absent from the room.

At 9:09 a.m., Director Justin Crownover returned to the Conference Room to participate in the meeting.

Action Agenda 3.a. - Review draft of Proposed Order, finalize, adopt and enter the Order concerning the Prestage Farms of Oklahoma, LLC Application for Exception to District Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5.

General Counsel, F. Keith Good presented a proposed NPGCD Board Order No. 019-002 concerning the Prestage Farms of Oklahoma, LLC's Application for Exception to District Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5. as follows:

Recitals

On or about May 20, 2019, Marvin W. Jones, Esq., filed an Application for Exception to the North Plains Groundwater Conservation District's ("District") Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5, on behalf of Prestage Farms of Oklahoma, LLC, an Oklahoma limited liability company ("Prestage"). In the Application for Exception, Prestage requested that the District grant Prestage an exception to District Rule 3.4, or alternatively grant Prestage an exception to District Rules 3.7 and 5.1.

District Rule 11.2.3 requires that any Application for Exception filed with the District shall be heard and considered by the Board at a Board meeting within sixty (60) days after submittal.

On June 11, 2019, the District set the Prestage Application for Exception for hearing at 9:00 a.m. Daylight Saving Time at the Hampton Inn & Suites Conference Room, 2010 South Dumas Avenue, Dumas, Texas 79029.

District Rule 11.2.3. identifies the parties who are to receive notice of the Prestage exception hearing from the District.

All required parties were timely provided notice of the Prestage exception hearing, in the manner specified and mandated by the Rules of the District.

At 9:00 a.m. on July 9, 2019, the District Board of Directors (Board) convened a formal hearing on the Prestage Application for Exception to District Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5.

The following members of the District Board were present: Daniel L. Krienke, President; Bob B. Zimmer, Vice President; Mark Howard, Secretary; Gene Born, Director; Harold Grall, Director; Justin Crownover, Director; and Zac Yoder, Director.

Dana Moreland served as the Court Reporter for the hearing.

Prestage appeared at the hearing in person through Kelli Johnson, and through its attorney of record, Marvin W. Jones. The District appeared at the hearing in person through its General Manager, Steven D. Walthour, and through its General Counsel, F. Keith Good.

Board President, Daniel L. Krienke, served as the Presiding Officer for the hearing.

The hearing began at 9:17 a.m. Daylight Savings Time on July 9, 2019.

Witnesses Kelli Johnson and Steven D. Walthour were sworn by the Court Reporter, Dana Moreland.

Evidence offered at the hearing by Prestage and the District was admitted into evidence by the Presiding Officer.

The hearing was closed by the Presiding Officer at 10:36 a.m. Daylight Savings Time on July 9, 2019.

Findings

All matters in controversy, including questions of fact, were submitted to the Board. The Board, upon examining the Prestage Request For Exception on file with the District, hearing evidence and arguments of counsel, and reviewing the District Rules cited, finds as follows:

District Rule 3.4 – Replacement Well Spacing, provides: *A replacement Well, in order to be considered as such, must be drilled within fifty (50) yards of the Well being replaced and not elsewhere. It must not be located toward any other Owner's Well or Authorized Well Site that causes it to violate spacing Rules of the District.*

District Rule 3.7 – Maximum Permitted Well Density, provides: *The maximum permitted Well density of a Groundwater Production Unit, including Capped Wells, shall be:*

1. *Applied to the GPU acreage basis on a Section or part of a section within the GPU.*
2. *One Well for GPUs of acreages less than 64 acres.*
3. *One Well per each 64 acres of Groundwater Production Units of acreages greater than 64 acres. For GPUs comprised of acreages not evenly divisible by 64, the total maximum permitted Well density, including Capped Wells, shall be equal to the number of acres divided by 64 and the result rounded up to the next whole number.*

District Rule 5.1. – Water Well Flow Meters or Alternative Measuring Method Required, provides:

1. *All Owners of Wells in existence prior to October 14, 2003 which are reworked to increase production, and all Wells drilled after October 14, 2003 shall:*
 - A. *Install a Water Meter to measure the Groundwater production from the Well; and*
 - B. *Report Annual Production from the new Well and other Wells on the GPU in accordance with these Rules.*

District Rule 5.1.4.A. – Water Well Flow Meters or Alternative Measuring Method Required, provides: *Except as provided in Rule 5.1.4 B., the Owner must install Meters at the pump on all Wells in the GPU within 365 days after the date the permit or amended permit was approved.*

District Rule 5.1. – Water Well Flow Meters or Alternative Measuring Method Required, provides:

5. *The Metering System shall remain on the Well and be in proper operating condition at all times when Groundwater is being produced. If the Metering System ceases to operate*

correctly and/or it becomes necessary to remove the Metering System to make repairs and the Well is in operation, the Owner, or the Owner's legal representative shall within 30 days:

- A. Inform the District of the date the Metering System ceased to operate, the date the Metering System will be removed, and the totalizer reading of the Meter or the calculated Groundwater usage at the time the Metering System is removed;*
- B. Inform the District of the date the Metering System was replaced and the totalizer reading of the Meter at the time the Meter was replaced, if the Metering System utilizes an hour Meter, the number of hours on the Meter at the time of the replacement; and*
- C. Make a determination of the amount of Groundwater, which was produced during the time the Metering System was not in operation. The General Manager shall work with the Well Owner to select the determination method.*

Prestage Well SH-2009 ("Well SH-2009") was drilled on Section 117, Block 1-C, G.H.&H RR Survey, Sherman County, Texas ("Section 117") in 1997, before the District adopted well density rules in 2005.

The second Prestage Well in Section 117, SH-1919, was also drilled in 1997.

The original intent of Rule 3.4 was to protect a Well site that would otherwise be out of compliance with current District Rules, unless an easement was obtained from an adjacent owner.

A Replacement Well, under District Rule 3.4., changes an existing well site location and is not considered an additional well; therefore, if the well being replaced is plugged, the District well density rule (Rule 3.7) does not apply.

The Texas Commission on Environmental Quality ("TCEQ") also regulates the Prestage property in Section 117 as a Concentrated Animal Feeding Operation ("CAFO").

Prestage's TCEQ General Permit to Discharge Wastes No. TXG920000 (effective July 2014) requires that Prestage must not locate or operate retention control structures within one hundred fifty feet (50 yards) from wells used exclusively for private water supply.

A Prestage waste pond, which is a retention control structure, is located within 150 one hundred fifty feet (50 yards) of the Prestage Well SH-2009.

In order to comply with the TCEQ spacing rule, a replacement well cannot be located within fifty (50) yards of Prestage Well SH-2009.

The alternative location for the Prestage Replacement Well SH-10285 is properly located away from the property line of Section 117 and complies with well spacing Rule 3.1.

Prestage applied and received a permit for Well SH-10285 as an additional well since Prestage could not drill a replacement well within 50 yards of Well SH-2009 consistent with District Rule 3.4.

Well SH-2009 has been plugged. Plugging Well SH-2009 is the most effective method of preventing degradation of water quality consistent with Texas Water Code Section 36.101.

Well SH-10285 protects private property rights of adjacent owners consistent with Texas Constitution and Texas Water Code by moving the well site away from an adjacent owners' property line to an area consistent with Rule 3.1.

Well SH-10285 protects private property rights of Prestage Farms consistent with the Texas Constitution and the Texas Water Code by allowing Prestage to continue to use no more than two wells on the property as they have done since 1997.

Each Corner of Section 117 is solely owned and operated by Prestage.

Each Corner has two wells that supply the Prestage finishing operation.

Two wells on three additional acres in the northeast corner of Section 124, adjacent to Section 117, supply groundwater to the northwest corner of Section 117.

Each Corner uses a central collection point to measure all groundwater produced.

The four Corners of Section 117 have each annually produced less than 30 acre-feet of groundwater and annual groundwater withdrawals from any of the four corners of Section 117 have not exceeded the District's production limitations.

The four Corners collectively are less than the 640 acres and are solely owned by Prestage.

District Rule 5.1.4.B. provides for GPUs that are 640 acres or less and are not contiguous with the Owner's other GPUs, the Owner shall install a Meter on any new well and may continue to utilize an Alternative Metering System on the other Wells in the GPU.

Under District Rule 5.1.4.B., a meter is required at Prestage Well SH-10285 only, and not on the existing wells which are metered at central collection points.

Prestage, with the exception of Prestage Well SH-10285, is otherwise in compliance with District Rules.

Orders

IT IS THEREFORE ORDERED that the District hereby grants Prestage an exception to District Rule 3.4., adopted by the District on April 14, 2015, by waiving the requirement that a Replacement Well must be within fifty (50) yards of the well being replaced and thereby authorizing Prestage Well SH-10285 to qualify as a Replacement Well for the Plugged Prestage Well SH-2009.

IT IS FURTHER ORDERED that Prestage install a District-approved flow Meter on Prestage Well SH-10285.

IT IS FURTHER ORDERED that all relief not expressly granted herein is denied.

IT IS FURTHER ORDERED that all costs of this action shall be taxed against Prestage.

Mark Howard moved that the Board adopt NPGCD Board Order No. 019-002 as presented by the District's General Counsel. Gene Born seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.b. - Consider final compliance approval of Water Well Permits as active and complete wells.

The General Manager reported that District Rule 2.13 provides, after the site inspection is complete, and it is determined that the Well (and all Wells within the Groundwater Production Unit) is/are in compliance with the Rules of the District, and the Well Permit application, the General Manager shall submit the Well Permit to the Board for final compliance approval.

The General Manager reported that the District staff had processed 23 Water Well Permits which are ready for Board consideration and approval. These permits, listed in the table below, represent completed Wells that have been inspected and are in compliance with District Rules. The inspections verify that the Wells were completed as required by the respective Permits, including proper Well location, Well classification, maximum yield, and proper installations of check valves and flow meters. Copies of the individual permits were presented to the Board.

WELL	CLASS	SEC	BLK	SUR	NS	EW
DA-1241	C	71	1	ME HAYS	189 S	135
DA-10345	C	18	2	B&B	460 S	457 E
DA-10383	C	43	2	CSS	424 S	434 E
DA-10405	C	19	5	CSS	823 N	123 E
DA-10538	C	30	2	B&B	108 N	225 E
HA-9975	B	136	48	H&TC	103 N	805 W
HA-9976	B	136	48	H&TC	101 N	430 W
HA-9977	C	-	-	HD	290 N	261 W
HA-10707	B	61	48	H&TC	142 N	114 W
HN-10528	C	7	2	SA&MG	206 S	57 W
HU-10623	C	-	-	WM NEIL	675 N	1117 E
HU-10650	C	-	-	WM NEIL	270 N	1211 W
HU-10651	C	-	-	WM NEIL	709 N	891 W
HU-10652	C	-	-	WM NEIL	1900 N	1181 W
HU-10653	C	-	-	WM NEIL	2221 N	118 W
MO-10476	C	412	44	H&TC	43 N	493 E
MO-10503	C	386	44	H&TC	315 N	54 E
MO-10519	C	389	44	H&TC	732 N	453 E
MO-10520	C	389	44	H&TC	313 N	513 E
MO-10522	C	389	44	H&TC	235 N	102 E
OC-10434	D	1024	43	H&TC	461 N	710 W
OC-10472	D	119	13	T&NO	635 N	648 W
OC-10483	C	837	43	H&TC	500 S	383 W

Harold Grall moved to approve the Well Permits on the Well Permit Schedule, noting that the Wells are properly equipped and otherwise comply with District Rules. Zac Yoder seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.c. - Consider action to adopt District Budget for 2019-2020.

The General Manager reported to the Board that as a taxing entity, the District must propose a budget to determine its fiscal needs before setting a tax rate. The General Manager stated that he has analyzed the District's fund balance reserves and developed a preliminary 2019-2020 budget for the purposes of developing and estimating a tax rate and providing a starting point for the Board to finally adopt a budget.

The District began the 2018-2019 budget year with \$2,031,616.26 funds in reserves. As of June 26, 2019, the District's cash and certificates of deposit has grown to \$2,660,977.21. By the end of this fiscal year (EOY) the General Manager estimated that

the funds will be reduced by approximately \$233,000 leaving \$2,427,000 in reserves to begin the 2019-2020 budget year.

Normally the District does not spend all the expense budget. The Board had proposed a budget on July 9, 2019. The General Manager recommended that the Board amend its proposed budget on those items that are highlighted in blue as the 2019-2020 Final Budget. The General Manager recommended amending the 2019-2020 budget as follows:

Income:

Description	Preliminary 2019-2020 Budget	2019-2020 Final Budget	Explanation
Taxes	2,240,722.52	2,272,640.00	Last Years Total Taxes
Penalties and Interest	12,850.00	15,600.00	EOY Estimate
Delinquent Taxes	14,800.00	14,800.00	
North Plains Water CC	42,000.00	42,000.00	
Refunds	5,000.00	5,000.00	
Sale of Assets	0.00	5,000.00	Surplus vehicle sales
Fees for District Services	130,000.00	130,000.00	
Other Income	25,000.00	25,000.00	
TWDB Grant - Dashboard	0.00	0.00	Clos e
TWDB 3-4-5 Demonstration Grant	0.00	0.00	Clos e
TWDB Meter/ Equipment Grants	150,000.00	150,000.00	
TWDB ICI Grants	200,000.00	200,000.00	Convert to Board authorized program payment
USDA/NRCS Grant	40,000.00	40,000.00	
TWDB AGRI Loan Program	1,000,000.00	1,000,000.00	Agriculture Equipment Loan Program
Investment Income	20,000.00	20,000.00	
Dallam Co. PGMA fees	70,000.00	70,000.00	
Export Fees	40,000.00	40,000.00	
Total Income	3,990,372.52	4,030,040.00	

Expense:

Description	Preliminary 2019-2020 Budget	2019-2020 Final Budget	Explanation
Director's Expense	65,000.00	65,000.00	
Personnel	1,201,666.00	1,201,666.00	
Administrative	148,500.00	148,500.00	
Contracted Services	126,000.00	126,000.00	CAD and GMA-1 Costs
Professional Fees	183,000.00	183,000.00	Interim Legislative Year
Tech., Comm., & Utilities	140,000.00	140,000.00	
Vehicle; Bldg; Field; Supplies	91,000.00	91,000.00	Vehicle and Building Maint. & Repair, fuel
Capital Outlay	300,000.00	300,000.00	Construction fund, equipment vehicle
Aquifer Science	250,000.00	250,000.00	USGS/ field data costs/ observation wells
Conservation Outreach	495,000.00	495,000.00	Radio, Meter program, ICI/MI program, etc
Conservation Demo Project	244,000.00	244,000.00	See detail in current Budget & EOY
North Plains WCC	10,000.00	10,000.00	Small equipment and repair
Transfer Out	62,409.00	62,341.00	WWC Irrigation Equipment - Principle \$62,000 and Interest \$341.00
TWDB AGRI Loan Program	1,000,000.00	1,000,000.00	New Loan for Irrigation Conservation
Total Expenses	4,316,575.00	4,316,507.00	
Total Net Income/Expenses	-326,202.48	-286,467.00	

The expense budget includes additional costs for the county appraisal districts, the GMA-1 joint planning, a construction fund, replacing a vehicle, additional funds to drill replacement observation wells and increased funds in the Conservation Outreach for the radio conservation segments, and master irrigator incentives. The Conservation Demonstration Project budget was increased to cover the Cotton & Conservation Project, and various irrigation conservation demonstrations. The expense budget assumes that all the irrigation loan funds will be loaned in the first year.

An income analysis shows that the District plans to receive \$1,390,000 in federal and state grants and a TWDB loan that accounts for 34% of the budget income. Most of these funds are essentially pass-through payments for flow meter reimbursements, irrigation equipment reimbursements, and low-cost loans for irrigation equipment. Currently, the District has a USDA grant for \$40,000 that covers part of the District’s Master Irrigator program.

Income from taxes and PGMA Fees account for \$2,373,040 or 59% of the budget income. The remaining \$267,000 or 7% of anticipated income is from export fees, WCC lease contracts, investment income, surplus sales, and permit fees. These income streams provide administration, material and staffing support for all the District’s conservation and regulatory programs. A short list of programs include: the District’s conservation programs related to the federal and state conservation grants and low-cost irrigation loans; on-farm conservation demonstration programs, conservation outreach, irrigation technical assistance related to the Master Irrigator Program, Cotton Conservation videos, adult and student programs, aquifer science, groundwater production reporting, water quality investigations, other regulatory programs, and mandated intergovernmental actions. Approximately \$300,000 is planned to be taken from the District’s reserves to cover the remaining expenses. Below is a table summary of the District’s projected income for the 2019-2020 fiscal year that will be used to pay for District programs.

Grants and Outside Assistance	1,390,000.00	34%
Taxes - PGMA Fees	2,373,040.00	59%
Other regulatory, WCC and investment income	<u>267,000.00</u>	<u>7%</u>
Subtotal	4,030,040.00	100%

The General Manager recommended that the Board adopt the 2019-2020 fiscal budget as amended.

Gene Born moved that the Board adopt a total income and expense budget for fiscal year 2019-2020 as follows:

Income

Description	2019-2020 Income Budget
Taxes	2,272,640.00
Penalties and Interest	15,600.00
Delinquent Taxes	14,800.00
North Plains Water CC	42,000.00
Refunds	5,000.00
Sale of Assets	5,000.00
Fees for District Services	130,000.00
Other Income	25,000.00
TWDB Meter/ Equipment Grants	150,000.00
TWDB Irrigated Agriculture Grants	200,000.00
USDA/NRCS Grant	40,000.00
TWDB AGRI Loan Program	1,000,000.00
Investment Income	20,000.00

Dallam Co. PGMA fees	70,000.00
Export Fees	40,000.00
Total Income	4,030,040.00

Expense Budget

Description	2019-2020 Expense Budget
Director's Expense	65,000.00
Personnel	1,201,666.00
Administrative	148,500.00
Contracted Services	126,000.00
Professional Fees	183,000.00
Tech., Comm., & Utilities	140,000.00
Vehicle; Bldg.; Field; Supplies	91,000.00
Capital Outlay	300,000.00
Aquifer Science	250,000.00
Conservation Outreach	495,000.00
Conservation Demo Project	244,000.00
North Plains WCC	10,000.00
Transfer Out	62,341.00
TWDB AGRI Loan Program	1,000,000.00
Total Expenses	4,316,507.00
Total Net Income/Expenses	-286,467.00

and that the District use a portion of its reserves to address the \$286,467 deficit in total net income compared to expenses. Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.d.- Consider action to adopt debt service fund budgets for Texas Water Development Board default reserve account and contract for 2019-2020.

Mr. Walthour stated that each year, the Board prepares and adopts a budget for the following year. Since the District borrowed funds from the Texas Water Development Board to purchase capital items for the Water Conservation Center, the General Manager has budgeted \$62,341 for principal and interest under the District's Water Conservation Center budget item in the District's General Budget. Instead of accounting for the principal and interest owed in the District's General Budget, the District must adopt a debt service fund budget for the Texas Water Development Board contract and a debt service fund budget default reserve account.

The Texas Water Development Board Contract Debt Service Fund holds monies to pay principal and interest with the District's loan debt to the Texas Water Development Board. Each year the Board will adopt a separate budget to pay the interest and principal on the loan.

As part of the Texas Water Development Board loan contract, the District established a default reserve account that includes two percent of the loan amount. The account is an interest-bearing account and the District is required to track the interest for the account. The Debt Service Fund for Default Reserve Account is for the interest income related to the Default Reserve Account.

The General Manager recommended to the Finance and Budget Committee that it propose that the Board adopt the Debt Service Fund Budgets as follows:

TEXAS WATER DEVELOPMENT BOARD CONTRACT DEBT SERVICE FUND BUDGET

<u>Description</u>	<u>Budget Amount</u>
Income	
Transfer In	\$62,341.00
Expenses	
Principal	\$62,000.00
Interest	<u>341.00</u>
Total Expenses	\$62,341.00
Net Income/Expense	\$0.00

TEXAS WATER DEVELOPMENT BOARD DEFAULT RESERVE ACCOUNT DEBT SERVICE FUND BUDGET

<u>Description</u>	<u>Budget Amount</u>
Investment Income	\$100.00

Mark Howard moved that the Board adopt debt service fund budgets as follows:

TEXAS WATER DEVELOPMENT BOARD CONTRACT DEBT SERVICE FUND BUDGET

<u>Description</u>	<u>Budget Amount</u>
Income	
Transfer In	\$62,341.00
Expenses	
Principal	\$62,000.00
Interest	<u>341.00</u>
Total Expenses	\$62,341.00
Net Income/Expense	\$0.00

TEXAS WATER DEVELOPMENT BOARD DEFAULT RESERVE ACCOUNT DEBT SERVICE FUND BUDGET

<u>Description</u>	<u>Budget Amount</u>
Investment Income	\$100.00

Gene Born seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.e.- Review last year's tax rate, the 2019 effective tax rate and the 2019 rollback rate and consider a new tax rate.

The General Manager stated that on August 5, 2019, the staff notified the Amarillo Globe News to publish 2019 Property Tax Rates for North Plains Groundwater Conservation District. District staff published Notice on the District's website. A copy of the Notice was

presented to the Board. The Notice begins the process for setting a tax rate for the District. The District is funded through ad valorem taxes, fees and grants.

Ad valorem taxes are based on certified property values in the District. From year to year, the certified taxable property values may increase or decrease within each county. The table below shows the certified values by county for the last five years.

CERTIFIED VALUES					
County	2015	2016	2017	2018	2019
Dallam	803,102,856	854,627,537	892,889,155	898,572,736	935,109,799
Hansford	657,620,582	552,556,961	521,523,254	543,520,467	566,421,569
Hartley	609,979,400	607,891,134	677,107,188	722,720,265	752,067,804
Hutchison	186,668,380	121,890,140	112,744,190	120,874,840	114,574,960
Lipscomb	910,776,732	564,658,748	622,855,165	631,672,875	638,836,622
Moore	2,149,580,872	1,888,090,299	1,933,338,389	1,989,268,573	2,042,825,518
Ochiltree	2,159,858,960	1,485,046,565	1,430,482,148	1,488,422,874	1,515,365,792
Sherman	626,051,650	515,290,433	503,931,340	506,939,140	502,738,820
	8,103,639,432	6,590,051,817	6,694,870,829	6,901,991,770	7,067,940,884

Funds generated are calculated by multiplying the total taxable value of properties within the District and the tax rate set by the District. It presents information about three tax rates. Last year's tax rate (0.033136/\$100) is the actual rate the taxing unit used to determine property taxes last year. This year's effective tax rate (0.032600/\$100) would impose the same total taxes as last year if you compare properties taxed in both years. This year's rollback tax rate (0.035200/\$100) is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. For 2019, the rollback rate is 8 percent of the effective tax rate. In 2020, the roll back rate will be 2.5 percent of the No-New-Tax Rate (effective tax rate). In each case, these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

**Published and Posted Notice Regarding 2019 Property Tax Rates
for North Plains Groundwater Conservation District**

This notice concerns 2019 property tax rates for North Plains Groundwater Conservation District. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's effective tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's rollback tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

General Fund

Last year's tax rate:

Last year's operating taxes	\$ 2,272,640
Last year's debt taxes	\$ 0
Last year's total taxes	\$ 2,272,640
Last year's tax base	\$ 6,858,521,861
Last year's total tax rate	0.033136/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$ 2,291,407
÷ This year's adjusted tax base (after subtracting value of new property)	\$ 7,012,227,570
= This year's effective tax rate (Maximum rate unless unit publishes notices and holds hearings.)	0.032600/\$100

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent health care expenditures)		\$ 2,291,407
÷	This year's adjusted tax base	\$ 7,012,227,570
=	This year's effective operating rate	0.032600/\$100
x	1.08 = This year's maximum operating rate	0.035200/\$100
+	This year's debt rate	0.000000/\$100
=	This year's total rollback rate	0.035200/\$100

Statement of Increase/Decrease

If North Plains Groundwater Conservation District adopts a 2019 tax rate equal to the effective tax rate of 0.032600 per \$100 of value, taxes would increase compared to 2018 taxes by \$2,566.

Schedule A

- Unencumbered Fund Balances

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
NPGCD FUNDS HELD ACCOUNT	\$500,000

This notice contains a summary of actual effective and rollback rates' calculations. You can inspect a copy of the full calculations at 603 E 1st Street, Dumas TX 79029.

Name of person preparing this notice: Steven D. Walthour, P.G.

Title: General Manager

Date prepared: August 5, 2019

Mr. Walthour stated that after review of the budget, the Board may vote to adopt a tax rate up to the effective rate, or to propose a rate above the effective rate. If the Board votes to increase above the effective rate, the Board must schedule two (2) public hearings. The second hearing must not be held earlier than the third day after the date of the first hearing. After the dates for the two (2) hearings have been set, the District must publish a quarter page ad "Notice of Public Hearing on Tax Increase" in a newspaper of general circulation within the District. After holding the two (2) public hearings, the District must follow a strict timetable. The meeting to vote on the tax rate must take place no less than three (3) days and no more than fourteen (14) days after the second public hearing. The District must post an Open Meetings Notice with the Secretary of State and the County Tax Assessor Offices within the District at least 72 hours prior to adopting the tax rate.

Mr. Walthour reported that for the past six tax years, the Board has adopted the effective tax rate.

The General Manager recommended that the Board adopt the 2019 effective tax rate of 0.032600 of taxable value per \$100 of property value as the District tax rate for 2019.

Gene Born moved that the Board adopt the 2019 effective tax rate of 0.032600/\$100 of taxable value as the District ad valorem tax rate for 2019. Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.f.- Review and consider Dallam County non-taxed area production fees to pay the area’s share for District administration and services.

The General Manager reported to the Board that 2019 is the fourth year that the District has collected production fees from the Dallam County untaxed area to pay for the District’s regulation of groundwater.

In August 2013, the Dallam County Priority Groundwater Management Area was annexed by the North Plains Groundwater Conservation District pursuant to Title 2, Texas Water Code (TWC), Chapters 35 and 36. The District held an election for the residents within the annexed area to vote for the levy of an ad valorem tax to pay for the District's regulation of groundwater in the District. Ad valorem taxes allow the cost of District operations to be shared by all owners in an area that chooses to be taxed based on the owner’s property values, regardless of whether the landowner uses water in the area, or on the amount of water usage. Most of the votes cast in the election were against the levy of the tax. In voting not to pay taxes, the community tasked the nonexempt well owners to shoulder the burden of the District’s costs for groundwater management. TWC Section 36.1071(h) provides, if most of the votes cast at the election are against the levy of a maintenance tax, the District shall set fees authorized by this chapter in accordance with Section 35.013(g-1), to pay for the District's regulation of groundwater in the District. For the 2018-2019 budget year, the Board reduced the production fees by 10 percent by adopting adopt a \$0.90 per acre foot for non-exempt groundwater produced for agricultural purposes and \$4.50 per acre foot on all other non-exempt uses.

For groundwater production in 2019, the General Manager recommended that the Board adopt no change to the current fee amounts.

Gene Born moved that the Board adopt no change to the current Production Fee amounts for groundwater production in 2019. Zac Yoder seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.h.- Consider General Manager’s request to amend the District’s 2018-2019 Budget to address end of year expenses.

Mr. Walthour stated that the District’s information technology contractor has recommended the District upgrade its computers because the current computers struggle to run Windows 10 operating system, the GIS applications and the media applications used by the District. The General Manager has reviewed the District’s 2018 – 2019 Budget to cover possible costs under specific budget items. General Manager requested that the Board amend the 2018-2019 budget as follows:

Budget Item description	Current Budget Amount	Increase or (Decrease)	Proposed Budget Amount	Explanation
Conservation Demo Project	220,000.00	30,000.00	250,000.00	Move funding to cover additional field demonstration activities.
Conservation Outreach	495,000.00	-30,000.00	465,000.00	Move funding to cover additional field demonstration activities.
Net Budget Change		0.00		No change in overall budget

Mr. Walthour stated that this proposed budget amendment will not change the District’s overall budget 2018-2019 budget.

Zac Yoder moved that the Board amend the 2018-2019 budget as follows:

- Increase conservation demonstration budget from \$220,000.00 to \$250,000: and
- Decrease conservation outreach budget from \$495,000.00 to \$465,000.00.

Justin Crownover seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.i.- Receive report and consider action regarding Groundwater Management Area - 1 Joint Planning Committee.

The General Manager and Bob B. Zimmer presented the following report to the Board:

The Groundwater Management Area- 1 Joint Planning Committee met on August 6, 2019, related to developing a contract with Intera. The District representative (Director Zimmer), provided two potential options. The first option was to split the costs to implement a contract that would have Intera do the project turnkey as follows:

- North Plains GCD pays 1/3 of costs;
- Panhandle GCD pays 1/3 of costs;
- Hemphill County UWCD and High Plains UWCD split the remaining 1/3 of costs; and,
- All districts would evenly split meeting costs at the Panhandle Regional Planning Commission.

This split would mean that North Plains would pay approximately \$40,000 over three budgeting cycles without modeling and approximately \$50,000 with modeling. The reason for the proposed split is that PGCD and the District benefit more from the Joint Planning since groundwater pumped in these districts account for approximately 95 percent of all water pumped in GMA-1. The proposed costs do not include the District's internal evaluation costs which would be approximately half of the costs from the most recent joint planning. Representatives from Panhandle GCD were hesitant to approve this method of payment because Panhandle GCD's board would only accept an even split between the districts to pay for the planning costs. Naturally High Plains UWCD and Hemphill UWCD were supportive of the split.

Director Zimmer offered a second option that North Plains would lead the GMA-1 Joint Planning Process, with Intera providing technical support and the Panhandle Regional Planning Commission providing administrative services in addition to providing meeting facilities in preparing the report. The modeling and administrative costs would be split evenly between the districts. Wade Oliver and Steve Walthour met that afternoon and outlined a concept for Intera to provide a proposal for technical support and modeling services which would allow North Plains GCD to lead the joint planning process. The new proposal will be considered by the Joint Planning Committee on August 26th.

Mr. Zimmer stated that there are 3 proposals for the GMA's consideration regarding joint planning:

- | | |
|---|---------------|
| 1. Intera performs all of the work | \$151,000 |
| 2. NPGCD prepares the explanatory report | \$ 85,000; or |
| 3. No new model run and Intera performing all of the work | \$118,000. |

North Plains would pay its respective portion of these costs.

Action Agenda 3.j.- Receive report and consider action as needed regarding Texas Water Development Board agriculture conservation loan agreement, District agriculture irrigation demonstration conservation programs and other water conservation education initiatives.

The General Manager and the Assistant General Manager — Outreach, Kirk Welch, presented the following reports to the Board:

TWDB Agriculture Conservation Loan Agreement

The Texas Water Development Board is scheduled to consider the District's application for a \$1,000,000 loan for pivot irrigation systems at their board meeting on September 5th. The General Manager will attend the meeting to provide any additional information the Board may require. The District will ask that the closing date for funding be after October 1, 2019 to be counted as income for the 2019-2020 fiscal year.

If the application is approved, District staff will begin advertising for the loan reviewer position. Once the reviewer is hired, District staff will begin publicizing the availability of the loans using traditional means and social media. District administration will process the loan applications and the loans that are recommended by the loan reviewer and approved by the Board.

North Plains Meter Reimbursement Program

The District has operated a meter reimbursement program since gaining three grants from the TWDB starting in 2014. That first grant was for \$600,000 and the District spent \$574,592.69 by the end of the grant meter installation period in March of 2017. Under that first grant, the District reimbursed half of the cost of 673 meters.

The District's meter reimbursement program is currently operating under the second TWDB grant of \$800,400. As of August 2019, the District has reimbursed half the cost of an additional 327 meters for a total of \$292,368.85. The installation period for this second grant expires December 31, 2019. At the current rate of meter reimbursement, it is estimated that by the end of this year that the District will reimburse an additional \$20,000.

Grant	Year	Meters	Cost	Contract Maximum	Actual Expense
14135817	2015	370	\$300,368.82		
14135817	2016	254	\$228,720.58		
14135817	2017	49	\$45,503.29	\$600,000.00	\$574,592.69
15135818	2017	92	\$83,281.36		
15135818	2018	198	\$175,065.92		
15135818	2019	37	\$34,021.57	\$800,400.00	\$292,368.85
Total		1000	\$866,961.54		

The third contract is for \$295,050 and the District will use it after December 31, 2019. The meter installation deadline for this third contract is December 31, 2021.

Cotton

The WCC has received about 12" of rain since January 1, 2019.

Cotton is approaching its final irrigation. Unless there are special circumstances such as extreme drought or a very heavy mid-late boll load, we are more concerned about terminating cotton prior to a freeze event.

Cotton population work in the West Pivot is progressing well. As expected, there are longer internodes than normal, filling the field gaps. Stand counts showed 50-55% stands which equates to 20K-60K plant per acre populations. The sparse stands were relatively uniform in terms of distribution and varied in terms of maturity at fruiting. The results from this project are going to be very telling as 3 of the 4 populations would have otherwise been terminated in a normal production setting. This will provide an economic comparison against corn replant, cotton replant, and multiple populations.

All cotton was treated in early August with 28 oz Mepiquat Chloride (flown on) following the initial treatment of 2 oz of Stance in early July (ground rig).

Cotton fertility is being evaluated as a late observation based on Nutrien tissue sampling that recommended additional fertility inputs. Jourdan Bell and David Reinart have been included in this discussion.

Boll retention has been excellent. Water application has been modified for more frequent, shallow applications to limit runaway and provide readily available water to support boll retention.

The RACE trial has been actively managed to create two different irrigation protocols beginning with 1-inch at square and another at flowering. The "control" was not irrigated during this July interval. Basically, two inches were designed to be pulled from a corn crop to apply on the cotton, prior to pollination. Results will be telling.

Corn

The corn completed pollination very well and ended pollination with a 2' profile. This is considered a success as the temperature and daylength will begin to drop following mid-August, allowing the crop to catch back up to finish grain-fill strong. Crop stage is blister to early fill.

Drip corn is showing 4 different water use patterns for the 4 different populations. The highest population (40K) is actually showing the slowest water uptake of the group. Initial indications are:

1. We must verify populations for each probe to ensure data is corresponding correctly;
2. Higher populations may actually be providing too much shade and inhibiting overall canopy sunlight capture; and
3. Supports the concept that there is indeed an ideal population for maximum yield.

Mite outbreaks are present in the North One-half of the East pivot and drip zones. One Onager application was made in July but was ineffective. 4 oz of Zeal was applied in mid-August and Adam Ford is contacting the Onager representative for reimbursement.

The multiple soil sensors in the East Pivot are showing differences in water extraction across the 4 different Hybrids; both volume of water extraction and depth of extraction. This will be an interesting study at the end of the season.

Ag Water Minute Radio

Ag Water minute radio spots are going forward with Bill Bob Thrash (KXDJ). Adjustments have been made in the production schedule to try to keep the content timely.

ICI Funds to be Offered to Master Irrigators on October 1

At the July Board meeting, the Board decided to begin making the Irrigation Conservation Initiative funds available to other conservation programs subject to Board approval after October 1, 2019. Approximately \$275,000 is left from the original \$300,000 that was available to irrigators who qualified by participating in a District field day. An e-mail will be sent to the eligible individuals informing them of the date that their exclusive claim to the funds will end. After the deadline, District personnel will contact the NRCS to determine how many Master Irrigators were turned-down for the designated NPGCD EQIP Fund because the fund was depleted by other graduates. District staff will then contact those growers for priority access to the funds. The balance of the funds will then be made available to the 2020 Master Irrigator graduates.

Cotton and Conservation Video Series

Since early June the District and Texas A&M have completed 19 videos. The video series can be found on the District’s website at northplainsgcd.org/cotton. Below, are the numbers of views for each segment in the Cotton and Conservation Series.

Cotton & Conservation Video Views

Video Title	YouTube Views	Facebook Views
Introduction	92	76
06-04-19 NPWCC	32	35
06-05-19 Sherman County	21	46
06-11-19 Dallam County	18	40
06-12-19 Moore County Dryland	14	20
06-19-19 Sherman County	23	23
06-25-19 NPWCC	53	24
06-26-19 Moore County Dryland	15	Uploaded 7/1/19
06-26-19 Dallam County	15	24
How to do Stand Counts	24	Uploaded 7/1/19
07-02-19 NPWCC	14	
07-08-19 Sherman County	11	
07-09-19 Dallam County	11	
07-19-19 NPWCC	54	
07-24-19 Sherman County	7	
07-30-19 Dallam	21	
07-31-19 NPWCC	3	
08-05-19 NPWCC	13	
08-09-19	9	

Ag Demonstration Text Update List

To join, text WCC to 313131.

The meeting was recessed at 9:55 a.m. and was reconvened at 10:02 a.m.

Action Agenda 3.k.- Consider action directing the General Manager to amend 2018-2019 Budget based on consultation with Auditor and report any changes to the Board for review.

The General Manager reported to the Board, that at the end of each fiscal year, the Board requires that the District's Auditor perform a financial audit of the District's operations. As a result of the audit and in consultation with the Auditor, the District may be compelled to amend its books pursuant to fiscal policy, state and/or local law. The General Manager requested that the Board direct the General Manager to amend the 2018-2019 Budget, if necessary, based on consultation with the Auditor and report any changes to the Board for review.

The General Manager does not anticipate that a budget amendment will be required because of the audit and in consultation with the Auditor because of the District's fiscal policy, state and/or local law after the end of the fiscal year.

Harold Grall moved that the Board direct the General Manager to amend the 2018-2019 budget if necessary, based on consultation with the Auditor. Zac Yoder seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.l.- Receive Quarterly Investment Report ending June 30, 2019.

As the District's finance officer, the General Manager presented the quarterly investment report ending June 30, 2019 to the Board. The report reflected the District's investment transactions for all District funds subject to the District's Public Funds Investment Policy.

The report described in detail the District's investment position as of June 30, 2019; stated the maturity date of each separately invested asset that has a maturity date; and stated the compliance of the investment portfolio of the District with the investment strategy expressed in the District's investment policy; and relevant provisions of Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act").

The Board has directed that public funds investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. The order of investment priorities are as follows:

1. Preservation and safety of principal;
2. Liquidity; and,
3. Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds, or funds under the District's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and whether the investment decision was consistent with the District's written investment policy.

The District may invest in obligations of, or guaranteed by, governmental entities as provided in Section 2256.009(a) of the Act.

The General Manager recommended that the Board accept the Quarterly Investment Report for the period ending June 30, 2019.

Justin Crownover moved that the Board accept the Quarterly Investment Report for the period ending June 30, 2019 as presented by the General Manager. Mark Howard seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.m.- Receive report and consider action regarding compliance and contested matters before the District.

The General Manager reported that in July 2019, District staff began a program to actively and temporarily cover uncovered or open wells in the District. If a well-bore is open and District field staff can cap the well without dismantling owner equipment, they have been instructed to cap the well with a steel plate and seal it with an adhesive or caulk. If they can't cap the well due to installed equipment, the owner is instructed to cap the well.

Open-hole-wells represent a danger to human and animal life and pose an increased risk of aquifer contamination from surface pollution. The cost to the District in time and materials is modest and is covered in current budgets. When the well is capped, District staff send a compliance letter to the owner/operator, informing them of the temporary cap and instructing them to secure the well in a more permanent manner. Wells will be revisited to ensure the issues are addressed. Areas near municipalities are given priority in site visits but eventually all wells will be visited and a search for un-registered wells is undertaken. As of August 12, 2019, District staff have sealed 56 wells of which about half required a letter to the owner/operator for further action.

In June and July, the District has responded to waste complaints regarding irrigation water crossing land with permission from the adjacent owner. District personnel have followed up on the June complaint and have observed that the irrigator had created a ditch to divert water from crossing the land of the adjacent owner. The second waste complaint is still under investigation.

Mr. Walthour reported that presently, there are one or two late production reporting fees.

Action Agenda 3.g.- Provide input regarding District storage and meeting space needs to develop an opinion of costs by Parkhill Smith and Cooper.

On July 9th, the Board directed the General Manager to seek an "Opinion of Cost" for potential construction at the Water Conservation Center and the property located on 1st Place Street from a qualified Architectural/Engineering firm.

The General Manager proposed that the District seek an Opinion of Cost for three potential projects:

1. Conversion of the WCC Lab to a meeting space;
2. Construction of a storage space with potential meeting facilities at the District's property on 1st Place Street in Dumas; and
3. Remodel the existing storage facility behind District offices at 603 East 1st Street.

Conversion of the WCC Lab to a meeting space

The District's meeting space and Board room in the Richard Bowers Learning Center (RBLC) at the WCC will hold approximately 35 persons. Larger meetings are held in the large barn, or the District leases a meeting room from the Hampton Inn. The Master Irrigator Program stretched the current meeting space at the WCC. An option to develop additional meeting space is to convert the WCC Lab north of the RBLC into a meeting room. The barn is a metal structure approximately 30 feet by 60 feet with a concrete floor. There is utility access to the building. Based on a rough preliminary estimate, a WCC Lab meeting space should provide about 15 to 20 square feet per occupant, which would hold approximately 100 persons for a meeting, if the entire building footprint is used for the primary meeting space. The General Manager proposed that restrooms, a small preparation kitchen, and a storage room be added to the building. If the improvements were added into the current building structure, the number of occupants for a meeting would be reduced. A HVAC system will be required to heat and cool all, or part of, the building.

Construction at the District's property on 1st Place Street in Dumas

The District purchased the property at 1st Place Street south of the District offices to expand parking and to develop storage that was cleaner than the current storage and replace the storage building behind the District office with climate-controlled storage. In 2018, the District installed covered parking for eight vehicles. The District graveled the access pending development of the remainder of the property. In 2017, the District retained a landscape architect to provide design suggestions for a District sign and landscaping at the WCC and concepts for the 1st Place property. The initial designs for the 1st Place property are included in this item. The District elected to flip the location of parking from the east side of the property to the west side and to cover the parking. The remainder of the lot would tightly accommodate a building up to a 30 foot by 60 foot which would limit any landscaping for demonstration purposes. Since the District has moved most of its fabrication work to local vendors and moved storage related to field equipment such as ATVs to the WCC, the size of climate-controlled storage can be reduced to approximately 900 to 1000 square feet if the storage is properly laid out. Currently, meetings at the District's office are held in the General Manager's office, which can accommodate eight to ten persons around the conference table. Occasionally, the General Manager abandons his office when the meeting space is required and does not include him.

Potentially, a public meeting space could be added to the storage structure at 1st Place. However, adding a meeting space would require a restroom facility and water. Currently the property has special zoning for storage. Constructing a meeting space will require getting permission from the City of Dumas.

Remodel the existing storage facility behind the District's offices at 603 East 1st Street

Originally, the current 900 square foot storage building behind the District office was slated for removal to make way for better parking and vehicle flow. During the initial meeting with the architectural firm of Parkhill, Smith and Cooper, the General Manager inquired about what would be required to update the building to be a cleaner storage. The Parkhill representative reported that the structure appeared to be in good condition, so the building could be reskinned, insulated, and finished to assist in keeping dust out, and equipped with a HVAC to make the building climate-controlled.

Paul Hare, of Parkhill, Smith and Cooper was present at the meeting and discussed the District's meeting and storage place needs with the Board.

Discussion Agenda 4 a. - District Director Reports regarding meetings and/or seminars attended, weather conditions and economic development in each director's precinct.

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

Discussion Agenda 4 c. - General Manager's Report.

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

Discussion Agenda 4 b. - Committee Reports.

No Committee reports were presented, except as reported above

Discussion Agenda 5.- Discuss Items for Future Board Meeting Agendas and Set Next Meeting Date and Time.

By consensus, the Board set its next regular meeting for October 15, 2019 at 9:00 a.m.

Agenda 6 - Adjournment.

There being no further business to come before the meeting, Justin Crownover moved to adjourn the meeting. Mark Howard seconded the motion and it was unanimously approved by the Board. Vice-President Zimmer declared the meeting adjourned at 11:06 a.m.


Bob B. Zimmer, Vice-President


Mark Howard, Secretary

**NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT
BOARD MEETING**

9:00 AM Tuesday, August 27, 2019

HAMPTON INN & SUITES

2010 South Dumas Avenue, Dumas, TX, 79029

Call Meeting to Order and Establish a Quorum.

Opening Prayer

Pledge

1. Public Comment

2. Consent Agenda

- a. Review and approval of Minutes of meetings as follows:
 - Regular Board Meeting held July 9, 2019
- b. Review and approval of District expenditures for July 1, 2019 through July 31, 2019.
- c. Consider approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from July 1, 2019 through July 31, 2019.
- d. Consider approval of Dallam County Collection Contract for 2020-2021.
- e. Consider approval of tax sale for all of Lot 93, Unit J, Double Diamond Estates, Moore County, Texas Schoenhals, Lane, Fritch, Texas.
- f. Consider execution of a tax deed to R.B. Lynn, his successors, heirs, and assigns to clear all ad valorem debt on multiple tracts of land in Hutchison County.
- g. Consider Hansford County Tax Sale
- h. Consider Lipscomb Tax Assessor/Collector Corrected 2018 Tax Roll Reconciliation

3. Action Agenda

- a. Review draft of Proposed Order, finalize, adopt and enter the Order concerning the Prestage Farms of Oklahoma, LLC Application for Exception to District Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5.
- b. Consider final compliance approval of Water Well Permits as active and complete wells.
- c. Consider action to adopt District Budget for 2019-2020.
- d. Consider action to adopt debt service fund budgets for Texas Water Development Board default reserve account and contract for 2019-2020.
- e. Review last year's tax rate, the 2019 effective tax rate and the 2019 rollback rate and consider a new tax rate.
- f. Review and consider Dallam County non-taxed area production fees to pay the area's share for District administration and services.
- g. Provide input regarding District storage and meeting space needs to develop an opinion of costs by Parkhill Smith and Cooper.
- h. Consider General Manager's request to amend the District's 2018-2019 Budget to address end of year expenses.

- i. Receive report and consider action regarding Groundwater Management Area - 1 Joint Planning Committee.
- j. Receive report and consider action as needed regarding Texas Water Development Board agriculture conservation loan agreement, district agriculture irrigation demonstration conservation programs and other water conservation education initiatives.
- k. Consider action directing the General Manager to amend 2018-2019 Budget based on consultation with Auditor and report any changes to the Board for review.
- l. Receive Quarterly Investment Report ending June 30, 2019
- m. Receive report and consider action regarding compliance and contested matters before the District.
- n. Closed Session. The Board of Directors of the District may go into a closed session under the authority of the Government Code, Chapter 551, Texas Open Meetings Act, to discuss:
 - a. Consider recommendation(s) regarding matters discussed in closed session.
 - Consultation with Attorney – Attorney/Client Privileged Consultations (§551.071)
 - Consultation with general counsel regarding pending compliance matters before the District, exempt from the Open Meetings Act pursuant to §551.071 of the Government Code.
- o. Consider recommendation(s) regarding matters discussed in closed session.

4. Discussion Agenda

- a. District Director Reports regarding meetings and/or seminars attended, weather conditions and economic development in each director's precinct.
- b. Committee reports
- c. General Manager's report
 - i. Upcoming meetings and conferences
 - ii. General Manager's activity summary
 - iii. Permits Issued in July 2019
 - iv. District activity summary

5. Discuss Items for Future Board Meeting Agendas and Set Next Meeting Date and Time.

6. Adjournment.

At any time during the meeting and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the North Plains Groundwater Conservation District Board may meet in executive session for consultation concerning attorney-client matters (§551.071).

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Directors of the North Plains Groundwater Conservation District, is a true and correct copy of said Notice; and that I posted a true and correct copy at a place convenient to the public at the District office, at 603 East First, Dumas, Texas, and the Notice was posted on **August 15, 2019**, on or before **5:00 pm** and will remain so posted continuously for at least 72 hours immediately preceding the day of said Meeting; a true and correct copy of the Notice was furnished to each county clerk of the county or counties in which the above District is located.

Additionally, I certify that the above Notice of Meeting was furnished to the Secretary of State on or before **5:00 pm August 15, 2019**.

Dated this the **15th** day of **August, 2019**

North Plains Groundwater Conservation District

By: **Kristen Lane
Blackwell**

Digitally signed by Kristen Lane Blackwell
DN: cn=Kristen Lane Blackwell, o=North Plains
Groundwater Conservation District, ou,
email=klane@northplainsgcd.org, c=US
Date: 2019.08.15 10:53:16 -05'00'

Kristen L. Blackwell, Executive Assistant



Kristen Lane

[Log Off](#)

Open Meeting Submission

TRD: 2019004826**Date Posted:** 08/15/2019**Status:** Accepted**Agency Id:** 0978**Date of Submission:** 08/15/2019**Agency Name:** North Plains Groundwater Conservation District**Board:** North Plains Groundwater Conservation District**Date of Meeting:** 08/27/2019**Time of Meeting:** 09:00 AM (###:## AM Local Time)**Street Location:** 2010 S Dumas Avenue**City:** Dumas**State:** TX**Liaison Name:** Kristen Lane**Liaison Id:** 7**Additional Information Obtained From:** Kristen Blackwell, Executive Assistant**Agenda:** Call Meeting to Order and Establish a Quorum.
Opening Prayer
Pledge
1. Public Comment

2. Consent Agenda

a. Review and approval of Minutes of meetings as follows:

&#61607; Regular Board Meeting held July 9, 2019

b. Review and approval of District expenditures for July 1, 2019 through July 31, 2019.

c. Consider approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from July 1, 2019 through July 31, 2019.

d. Consider approval of Dallam County Collection Contract for 2020-2021.

e. Consider approval of tax sale for all of Lot 93, Unit J, Double Diamond Estates, Moore

County, Texas Schoenhals, Lane, Fritch, Texas.

f. Consider execution of a tax deed to R.B. Lynn, his successors, heirs, and assigns to clear all ad valorem debt on multiple tracts of land in Hutchison County.

g. Consider Hansford County Tax Sale

h. Consider Lipscomb Tax Assessor/Collector Corrected 2018 Tax Roll Reconciliation

3. Action Agenda

a. Review draft of Proposed Order, finalize, adopt and enter the Order concerning the Prestage Farms of Oklahoma, LLC Application for Exception to District Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5.

b. Consider final compliance approval of Water Well Permits as active and complete wells.

c. Consider action to adopt District Budget for 2019-2020.

d. Consider action to adopt debt service fund budgets for Texas Water Development Board default reserve account and contract for 2019-2020.

e. Review last year's tax rate, the 2019 effective tax rate and the 2019 rollback rate and consider a new tax rate.

f. Review and consider Dallam County non-taxed area production fees to pay the area's share for District administration and services.

g. Provide input regarding District storage and meeting space needs to develop an opinion of costs by Parkhill Smith and Cooper.

h. Consider General Manager's request to amend the District's 2018-2019 Budget to address end of year expenses.

i. Receive report and consider action regarding Groundwater Management Area - 1 Joint Planning Committee.

j. Receive report and consider action as needed regarding Texas Water Development Board agriculture conservation loan agreement, district agriculture irrigation demonstration conservation programs and other water conservation education initiatives.

k. Consider action directing the General Manager to amend 2018-2019 Budget based on consultation with Auditor and report any changes to the Board for review.

l. Receive Quarterly Investment Report ending June 30, 2019

m. Receive report and consider action regarding compliance and contested matters before the District.

n. Closed Session. The Board of Directors of the District may go into a closed session under the authority of the Government Code, Chapter 551, Texas Open Meetings Act, to discuss:

a. Consider recommendation(s) regarding matters discussed in closed session.

 Consultation with Attorney - Attorney/Client Privileged Consultations (§551.071)

 Consultation with general counsel regarding pending compliance matters before the District, exempt from the Open Meetings Act pursuant to §551.071 of the Government Code.

o. Consider recommendation(s) regarding matters discussed in closed session.

4. Discussion Agenda

a. District Director Reports regarding meetings and/or seminars attended, weather conditions and economic development in each director's precinct.

b. Committee reports

c. General Manager's report

i. Upcoming meetings and conferences

ii. General Manager's activity summary

iii. Permits Issued in July 2019

iv. District activity summary

5. Discuss Items for Future Board Meeting Agendas and Set Next Meeting Date and Time.

6. Adjournment.

At any time during the meeting and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the North Plains Groundwater Conservation District Board may meet in executive session for consultation concerning attorney-client matters (§551.071).

New Submission

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Kristen Lane

From: TexReg@sos.texas.gov
Sent: Thursday, August 15, 2019 10:58 AM
To: Kristen Lane
Subject: S.O.S. Acknowledgment of Receipt

Acknowledgment of Receipt

Agency: North Plains Groundwater Conservation District

Liaison: Kristen Lane

The Office of the Secretary of State has posted
notice of the following meeting:

Board: North Plains Groundwater Conservation District

Committee:

Date: 08/27/2019 09:00 AM "TRD# 2019004826"

Notice posted: 08/15/19 10:58 AM

Proofread your current open meeting notice at:

[http://texreg.sos.state.tx.us/public/pub_om_lookup\\$.startup?Z_TRD=2019004826](http://texreg.sos.state.tx.us/public/pub_om_lookup$.startup?Z_TRD=2019004826)

Addressee	Start Time	Time	Prints	Result	Note
Dallam Clerk	08-15 10:24	00:00:54	003/003	OK	
Hartley Clerk	08-15 10:25	00:00:38	003/003	OK	
Hansford Clerk	08-15 10:27	00:00:59	003/003	OK	
Lipscomb Clerk	08-15 10:28	00:00:44	003/003	OK	
Moore Clerk	08-15 10:29	00:00:53	003/003	OK	
Ochiltree Clerk	08-15 10:35	00:01:19	003/003	OK	
Sherman Clerk	08-15 10:36	00:00:37	003/003	OK	
Hutchinson Clerk	08-15 10:42	00:01:24	003/003	OK	

Note

TMR:Timer TX, POL:Polling, ORG:Original Size Setting, FME:Frame Erase TX,
 DPG:Page Separation TX, MIX:Mixed Original TX, CALL:Manual TX, CSAC:CSAC,
 FWD:Forward, PC:PC-FAX, BND:Double-Sided Binding Direction, SP:Special Original,
 FCODE:F-Code, RTX:Re-TX, RLY:Relay, MBX:Confidential, BUL:Bulletin, SIP:SIP Fax,
 IPADR:IP Address Fax, I-FAX:Internet Fax

Result

OK: Communication OK, S-OK: Stop Communication, PW-OFF: Power Switch OFF,
 TEL: RX from TEL, NG: Other Error, Cont: Continue, No Ans: No Answer,
 Refuse: Receipt Refused, Busy: Busy, M-Full: Memory Full, LOVR:Receiving length Over,
 POVR:Receiving page Over, FIL:File Error, DC:Decode Error, MDN:MDN Response Error,
 DSN:DSN Response Error, PRINT:Compulsory Memory Document Print,
 DEL:Compulsory Memory Document Delete, SEND:Compulsory Memory Document Send.

NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT

BOARD MEETING

9:00 AM Tuesday, August 27, 2019

HAMPTON INN & SUITES

2010 South Dumas Avenue, Dumas, TX, 79029

Call Meeting to Order and Establish a Quorum.

Opening Prayer

Pledge

1. Public Comment

2. Consent Agenda

- a. Review and approval of Minutes of meetings as follows:
 - Regular Board Meeting held July 9, 2019
- b. Review and approval of District expenditures for July 1, 2019 through July 31, 2019.
- c. Consider approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from July 1, 2019 through July 31, 2019.
- d. Consider approval of Dallam County Collection Contract for 2020-2021.
- e. Consider approval of tax sale for all of Lot 93, Unit J, Double Diamond Estates, Moore County, Texas Schoenhals, Lane, Fritch, Texas.
- f. Consider execution of a tax deed to R.B. Lynn, his successors, heirs, and assigns to clear all ad valorem debt on multiple tracts of land in Hutchison County.
- g. Consider Hansford County Tax Sale
- h. Consider Lipscomb Tax Assessor/Collector Corrected 2018 Tax Roll Reconciliation

3. Action Agenda

- a. Review draft of Proposed Order, finalize, adopt and enter the Order concerning the Prestage Farms of Oklahoma, LLC Application for Exception to District Rules 3.4; 3.7; 5.1.1.; 5.1.4.A.; and 5.1.5.
- b. Consider final compliance approval of Water Well Permits as active and complete wells.
- c. Consider action to adopt District Budget for 2019-2020.
- d. Consider action to adopt debt service fund budgets for Texas Water Development Board default reserve account and contract for 2019-2020.
- e. Review last year's tax rate, the 2019 effective tax rate and the 2019 rollback rate and consider a new tax rate.
- f. Review and consider Dallam County non-taxed area production fees to pay the area's share for District administration and services.
- g. Provide input regarding District storage and meeting space needs to develop an opinion of costs by Parkhill Smith and Cooper.
- h. Consider General Manager's request to amend the District's 2018-2019 Budget to address end of year expenses.

Kristen Lane

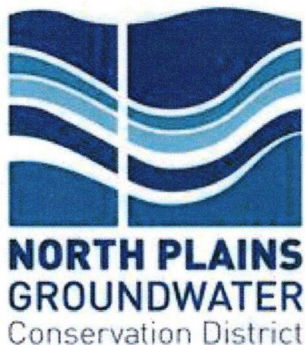
From: Kristen Lane
Sent: Thursday, August 15, 2019 11:15 AM
To: '2kidsinc@windstream.net'; 'blake@revelationoil-gas.com'; 'bob@harden-assoc.com'; 'bvwoody@xit.net'; 'cc.sysombath@amarillo.gov'; 'chuck1113@hotmail.com'; 'Craig.Jones@netafim.com'; 'cullum.jefferies@ubs.com'; 'dejongd@agrivisionfm.com'; 'diamondmlc@gmail.com'; 'dschwalk@ptsi.net'; 'editor@borgernewsherald.com'; 'editor@moorenews.com'; 'f.giesbrecht@yahoo.com'; 'hberngen@hilmarcheese.com'; 'jhunt@netafimusa.com'; 'johnneufeld84@gmail.com'; Julia Stanford; 'kwelch@northplainsgcd.org'; 'kxitamfm@xit.net'; Kyle Kleypas; 'marty.jones@sprouselaw.com'; 'mbaumann@ktc.com'; 'rspielman@xit.net'; 'shackelford.jerry@gmail.com'; Sleven@rnaagllc.com; 'SR.Ragsdale@hotmail.com'; 'stardm@xit.net'; 'terry.childers@amarillo.gov'; 'wfarmsinc@gmail.com'
Subject: Board Meeting
Attachments: Agenda.pdf

The next meeting of the board of directors is Tuesday August 27, 2019 at 9:00 AM. The meeting will be held in the meeting room at the Hampton Inn & Suites located at 2010 S Dumas Avenue.

A copy of the agenda is attached.

Thank you,

Kristen Lane Blackwell
Executive Assistant
PO Box 795/603 E. 1st Street
Dumas TX 79029
Phone: 806.935.6401 Fax: 806.935.6633 Mobile: 806.683.8933



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