

**MINUTES OF THE NOVEMBER 12, 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 November 12, 2019, at 8:00 a.m. in the Conference Room in the Richard S. Bowers Water Conservation Learning Center Building at the North Plains Water Conservation Center, 6045 West County Road E., Dumas, Texas 79029-7201. The following persons were present:

Members Present at 8:02 a.m.:

Daniel L. Krienke, President
Bob B. Zimmer, Vice-President;
Mark Howard, Secretary; and
Harold Grall, 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;
Curtis Schwertner, Natural Resource Specialist;
Paige Glazner, Conservation Outreach Assistant; and
Krista Markham, Public Information Officer.

Others present during part or all of the meeting:

Mandi Boychuk, Natural Prairie & Northside Farmland;
Nicholas Kenny;
F. Keith Good, General Counsel for the District; and
Ellen Orr, Paralegal.

President, Daniel L. Krienke declared a quorum present and called the meeting to order at 8:02 a.m. Director, Harold Grall, gave the invocation and President Krienke led the pledge.

Director Zac Yoder arrived to participate in the meeting at 8:03 a.m.

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 October 15, 2019 Meeting of the Board of Directors; the review and approval of un-audited District expenditures for October 1, 2019 through October 31, 2019, including the General Manager's expense and activity report; and the review and approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from October 1, 2019 through October 31, 2019, in the amount of \$5,181.29.

Mark Howard moved to approve the Consent Agent. Harold Grall seconded the motion and it was unanimously approved by the Board.

Gene Born arrived to participate in the meeting at 8:05 a.m.

Action Agenda 3.b. - Consider Action to ratify the creation of a debt service account and a sinking and interest account as required by the Texas Water Development Board Agriculture Loan Agreement.

The General Manager reported that the Texas Water Development Board (TWDB) Agricultural Loan Agreement requires the District to establish and maintain a federally insured interest and sinking account separate and apart from any other accounts of the District, from which it will pay the TWDB loan principal and accrued interest. The District is also required to establish and maintain a federally insured Default Reserve account, separate and apart from other accounts of the District. The District will be required to deposit into the Default Reserve account, an amount equal to at least the average principal interest payment over the duration of the loan with TWDB. The TWDB notified the General Manager that the accounts needed to be set up before the loan could be closed. The General Manager has created three accounts with Perryton National Bank, the creation of three accounts and funded the accounts with \$100.00 as follows:

An account to receive the TWDB Loan Funds;
A Debt Service Fund Account; and
A Default Reserve Account.

Since the District is borrowing funds from the Texas Water Development Board to Loan funds to growers for upgrading or replacing current irrigation systems with more efficient equipment the Board budgeted \$1,000,000.00 under the TWDB Agriculture Loan Program. 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. For the first year the interest on \$1,000,000 at a 1.59% interest rate will be \$8,038.30.

The Texas Water Development Board Agriculture Loan Program Debt Service Fund holds monies to pay principal and interest on the District's debt to the Texas Water Development Board. Each year the Board must adopt a separate budget to pay the interest and principal of 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 General Manager requested that the Board ratify the General Manager's action to set up separate accounts to receive the TWDB funds, to create a Debt Service Fund, and to create a Default Reserve Account and place funds in the Debt Service Fund Account, and in the Default Reserve Account as follows:

**TEXAS WATER DEVELOPMENT BOARD
AGRICULTURE LOAN PROGRAM FUND**

Description	Budget Amount
Transfer In	\$ 100.00

**TEXAS WATER DEVELOPMENT BOARD
AGRICULTURE LOAN PROGRAM DEBT SERVICE ACCOUNT**

Description	Budget Amount
Income	
Transfer In	\$ 108,038.30
Expenses	
Principal	\$ 100,000.00
Interest	<u>8,038.30</u>
Total Expenses	\$108,038.30
Net Income/Expense	\$ 0.00

**TEXAS WATER DEVELOPMENT BOARD
AGRICULTURE LOAN PROGRAM DEFAULT RESERVE ACCOUNT**

Description	Budget Amount
Investment Income	\$ 100.00

Director, Justin Crownover, arrived to participate in the meeting at 8:07 a.m.

Harold Grall moved that the Board ratify the General Manager's action to set up separate accounts to receive the TWDB loan funds, to create a Debt Service Fund, and to create a Default Reserve Account and place funds in the Debt Service Fund Account, and in the Default Reserve Account as follows:

**TEXAS WATER DEVELOPMENT BOARD
AGRICULTURE LOAN PROGRAM FUND**

Description	Budget Amount
Transfer In	\$ 100.00

**TEXAS WATER DEVELOPMENT BOARD
AGRICULTURE LOAN PROGRAM DEBT SERVICE ACCOUNT**

Description	Budget Amount
Income	
Transfer In	\$ 108,038.30
Expenses	
Principal	\$ 100,000.00
Interest	<u>8,038.30</u>
Total Expenses	\$108,038.30
Net Income/Expense	\$ 0.00

**TEXAS WATER DEVELOPMENT BOARD
AGRICULTURE LOAN PROGRAM DEFAULT RESERVE ACCOUNT**

Description	Budget Amount
--------------------	----------------------

Investment Income	\$ 100.00
-------------------	-----------

Bob B. Zimmer seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.c. - 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 16 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. It was noted by the General Manager that Director, Justin Crownover, had a Well on the Well Permit Schedule presented to the Board, MO-10660.

WELL	CLASS	SEC	BLK	SUR	NS	EW
DA-0290	A	NW	1	1	SPRR	47 N
DA-10515	C	NE/4	16	1	BS&F	830 N
DA-10663	C	SE/4	31	2	B&B	137 S
HA-0506	A	SE	136	48	H&TC	883 S
HA-10665	C	SE/4	45	2	B&B	445 S
HN-10600	B	SW/4	83	45	H&TC	105 S
HN-10601	B	SE/4	83	45	H&TC	101 S
HU-10699	C	NE/4	None	None	J J HALL	7.85 N
MO-10213	B	NW/4	397	44	H&TC	102 N
MO-10419	C	NE/4	387	44	H&TC	35 N
MO-10660	C	NE/4	362	44	H&TC	103 N
MO-10677	C	SW/4	347	44	H&TC	546 S
MO-10700	C	NE/4	280	44	H&TC	918 N
MO-10701	C	SE/4	280	44	H&TC	103 S
OC-10681	D	SW/4	95	13	T&NO	105 S
OC-10682	D	NW/4	97	13	T&NO	613 N

Zac Yoder moved to approve Well Permit MO-10660 noting that the Well is properly equipped and otherwise complies with District Rules. Bob B. Zimmer seconded the motion and it was approved by the majority vote of the Board with Justin Crownover abstaining from the vote.

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

Action Agenda 3.d. - Receive presentation from Zachary Yoder regarding how he uses weather stations in his farming operation.

Director, Zac Yoder, made a presentation to the Board regarding use of weather stations in his farming operation.

Curtis Schwertner, Natural Resource Specialist, was recognized for five years of service. Krista Markham, the District's Public Information Officer, was introduced to the Board.

Action Agenda 3.a.- Consider recommendation to approve a Credit Analyst – Loan Officer for funds related to the Texas Water Development Board Agricultural Loan Agreement.

Kirk Welch, Assistant General Manager — Outreach, stated that under direction from the Board, District staff has solicited proposals for a person, or persons to perform the functions of analyzing the loan applications for credit worthiness and then making loan recommendations to the Board accordingly. Three proposals were received and were presented to the Board. The proposals received were:

1. Alvia Calvert (Dumas) and Lanny Crow (Sunray), both retired from Happy State Bank, submitted a proposal as follows:

Re: RFP Loan Application Reviews

Alvia Calvert and Lanny Crow (HSB retired banker from Sunray- 20+ years ag lending) would tag team the review, and recommendation of approval or denial for North Plains Ground Water Conservation Districts loan applications at \$250 per loan request.

In addition to the above fee, Calvert and Crow will charge \$125 per hour, plus normal IRS approved mileage reimbursement over 15 miles for attendance at any Board or committee meetings, due diligence required by the Board, interaction with loan customers or lawyers, that might occur in the event collection efforts, foreclosure, or bankruptcy should occur.

2. Gary Sutherland, sales agent and land appraiser for Clift Scott and Associates, with over 50 years of experience in agricultural loans, submitted the following proposal:

As per my conversation with Steve Walthour a couple of weeks ago, I would be happy to review your loan applications in the same manner as I have been doing for the Panhandle Groundwater District for more than 25 years.

Because I live in Pampa there would be a "Trip Charge" of \$ 225 for each trip plus my time in your office to conduct the Reviews. Time in the office would be at \$ 150 per hour and I would want at least a one week notice prior to your Board Meeting to give me a window of time to get there. The initial loans might require more than an hour to review, but after "startup" I would expect that most loans would take less than an hour to conduct the review.

3. Andrew McMurray, Senior Loan Officer, Ag Resource Management, Amarillo, Texas proposed a flat fee of 2.0% per the dollar amount of the loan to conduct the review.

Calvert and Sutherland's resumes were presented to the Board. Andrew McMurray did not provide a resume.

The General Manager recommended that Alvia Calvert and Lanny Crow be selected to provide the services of credit analyst/loan reviewer based on their experience in ag lending and their respective residences in proximity to the District office.

Harold Grall moved that Alvia Calvert be selected to provide the services of credit analyst/loan reviewer for the District and that Mr. Calvert be permitted to select, at his choice, any qualified person to assist him. Zac Yoder seconded the motion, and the President called for a roll-call vote:

Zac Yoder: Yes;
Gene Born: Abstain;
Daniel L. Krienke: No;
Bob B. Zimmer: No;
Mark Howard: No;
Harold Grall: Yes; and
Justin Crownover: No.

The motion failed.

Justin Crownover moved that Gary Sutherland be selected to provide the services of credit analyst/loan reviewer for the District. Zac Yoder seconded the motion and President Krienke called for a roll-call vote:

Zac Yoder: Yes;
Gene Born: Yes;
Daniel L. Krienke: Yes;
Bob B. Zimmer: Yes;
Mark Howard: Yes;
Harold Grall: Yes; and
Justin Crownover: Yes.

The motion passed unanimously.

Action Agenda 3.e.- Receive report regarding Groundwater Management Area 1 Joint Planning and Region A Water Planning.

Mr. Walthour presented the following report to the Board:

Groundwater Management Area 1 Joint Planning

On October 28th, the GMA 1 districts selected Bob Zimmer to lead the third round of joint planning. The districts selected Daniel Krienke as the Region A Water Planning Representative for GMA-1. Mr. Krienke lead the first round of planning and Mr. Zimmer lead the second round and now the beginning of third round of planning. GMA-1 received a presentation from Wade Oliver of INTERA regarding aquifer uses or conditions within the management area including conditions that differ substantially from one geographic area to another as required by Texas Water Code 36.108(d)(1). A copy of the presentation was presented to the Board. The next GMA-1 meeting is scheduled for December 12th.

Region A Water Planning

The Region A Water Planning Group has scheduled two meetings on November 12th that include an Agriculture Committee meeting in the morning and a full planning group meeting in the afternoon. Topics to be discussed will include addressing the issue of inaccurate agricultural water use estimates provided by the Texas Water Development Board.

Dr. Steve Amosson is concerned that the water estimates provided by the TWDB are not accurate. Dr. Amosson requested that a subcommittee be formed to investigate whether Region A should request a study be performed to determine agriculture water use. The

subcommittee consists of Daniel L. Krienke, Steve Walthour, Dr. Steve Amosson, Brent Auvermann and Ben Weinheimer. On October 1, the Region A Interim Agriculture Water Use Subcommittee met at Texas AgriLife Extension and Research Center in Amarillo. Dr. Amosson lead the discussion. Dr. Amosson emphasized that a thorough understanding of agricultural water use is critical to the future of the region and agriculture in Region A. Dr. Amosson presented the following in support of his concerns:

"In 2020, the total water use in Region A is projected to be 2,125,631 acre-feet. Ninety percent of this water use is for irrigated crops and two percent for livestock in the region. Better information on agricultural water use can help in assuring TWDB baseline estimates are correct. Many of the agricultural conservation strategies considered are dependent on knowing the water use by crops. There are a lot of discrepancies between irrigated acreage and irrigated crop estimates."

The Subcommittee discussed the need to do a study. Steve Walthour suggested that instead of doing a study, that the region could work on an annual standard method to review and adjust the Texas Water Development Board's draft water use estimate. Mr. Walthour volunteered to prepare a draft based on what the District does now.

The following was Mr. Walthour's analysis of how the new method could be developed:

Texas Water Development Board Process

The Texas Water Development Board (TWDB) staff provided the work process document for Irrigation Estimates (CIWT_IrrigationEstimates_2018-0223_WPD_P_D) referenced in this report. Beginning in 2003, TWDB entered into an agreement with the U.S. Department of Agriculture's Farm Service Agency (FSA) to get acreage data for irrigated crops in each county of the state. It is important to note that after that, starting in 2003, water use estimates were no longer just on-farm irrigation water use estimates. TWDB staff started accounting for conveyance loss, wastewater reuse, and included more non-traditional crop types (e.g. golf courses). In some regions, TWDB staff estimated irrigation application rates based on evapotranspiration data from weather stations maintained by the Texas A&M AgriLife Research and Extension Service. TWDB staff obtained surface water permit data for irrigation water releases/diversions from the Texas Commission on Environmental Quality (TCEQ). TWDB staff compared annual irrigation estimates to NASS data. TWDB staff requested that Texas groundwater conservation districts review and comment on annual draft irrigation estimates.

Expanding upon the 2003–2009 methodology, TWDB staff currently utilizes geographic information systems to refine irrigation rates based on quantitative adjustment factors derived from gridded climatological data. Remote sensing is also used to improve geographic allocation of reported surface water diversions and irrigated acres. TWDB staff compares annual irrigation estimates to more and more external sources of data when they become readily available: U.S. Department of Agriculture's National Agricultural Statistics Service, Agricultural Census, Farm and Ranch Irrigation Surveys, and the U.S. Geological Survey irrigation water use reports. TWDB staff encourages comments and revisions of the irrigation estimates by qualified local irrigation water experts, in addition to groundwater conservation districts (e.g. irrigation districts).

North Plains GCD Methodology

North Plains GCD has worked with the TWDB since at least 2007 to improve the TWDB Agriculture Water Use Estimates in our area. Though the information is important for regional planning, the District has not placed the TWDB crop water use program as a high priority. However, the water use information has become more critical to Groundwater Management Area 1 Joint Planning as well as regional water planning. From 2010 through to 2017, the District retained Leon New, Agriculture Irrigation Engineer, to review the TWDB draft spreadsheets and modify the spreadsheets based on his personal knowledge, personal contact with irrigators, review of USDA data and review of county-

wide groundwater production reporting by growers. He would revise crop irrigation in inches. For the past few years, the TWDB staff has accepted our estimates.

Last year, Mr. Walthour reviewed the TWDB draft data by comparing the total county-wide groundwater production reported to the district by growers, reviewed the crop use data from approximately 1000 reports filed by growers related to the TWDB meter grant program offered through the district, assessed growers that do not participate in USDA programs and conducted personal surveys of individual growers.

North Plains GCD Future Method

Beginning this year, North Plains GCD enhanced its crop water use review method for the draft TWDB data. The District can continue to use all the information listed above. Additionally, the District can select irrigation flow meters across the District that water only one crop type and estimate the number of acres irrigated by that meter through field surveys and grower surveys by District staff. District staff can then estimate water use by acre-inches based on the flow meter readings and the number of acres for those representative fields. Since the development of new farming practices and technologies that require accurate water application estimates, growers are able to make better estimates of irrigation water inches applied to their crops. The field surveys and grower surveys should be enough to provide a representative sample in each county to provide a more reasonable crop water use estimate. To augment the crop water, use survey, the District can use its GIS capabilities and satellite imagery to delineate irrigation fields in the District.

Areas Outside of District Jurisdictions

North Plains GCD can estimate agriculture crop water use for those adjacent areas in Hartley, Moore and Hutchinson counties outside the District's jurisdiction by using the field and grower survey method as well GIS.

The District can provide a data set for confined animal feeding operation water use for those CAFOs that have installed flow meters upon request.

Conclusion

Mr. Walthour believes that each of the five districts in the Region A have most of the tools he has mentioned above to perform the annual survey and estimate of crop water uses. Oldham County is not part of a groundwater conservation district. Agriculture water use in Oldham and other areas can be performed through an annual field and grower survey, as well as GIS.

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

By consensus, the Board dispensed with its regular December 10, 2019 Board Meeting in lieu of the District's Christmas Party being held on December 10, 2019. By consensus, the Board set its next regular Board meeting for January 21, 2020 9:00 a.m.

President Krienke had to depart the meeting at 9:10 a.m. to attend a Regional A Water Planning Meeting in Amarillo, Texas. President Krienke turned the meeting over to Vice-President Bob B. Zimmer.

General Manager, Steve Walthour, also departed the meeting at 9:10 a.m.

Vice-President Zimmer recessed the meeting at 9:10 a.m. and reconvened the meeting at 9:18 a.m.

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

Vice-President Zimmer stated that the General Manager's Report, was included in the Board packet for the Board's review and that Nicholas Kenny would make the Water Conservation Center harvest update report.

Nicholas Kenny presented the NPGCD Water Conservation Center Harvest Update report to 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 Director reports were presented to the Board regarding meetings and/or seminars attended, weather conditions and economic development in each Director's precinct.

Discussion Agenda 4 b. - Committee Reports.

No Committee reports were presented.

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 9:40 a.m.



Daniel L. Krienke, President



Mark Howard, Secretary

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

Vice-President Zimmer stated that the General Manager's Report, was included in the Board packet for the Board's review and that Nicholas Kenny would make the Water Conservation Center harvest update report.

Nicholas Kenny presented the NPGCD Water Conservation Center Harvest Update report to 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 Director reports were presented to the Board regarding meetings and/or seminars attended, weather conditions and economic development in each Director's precinct.

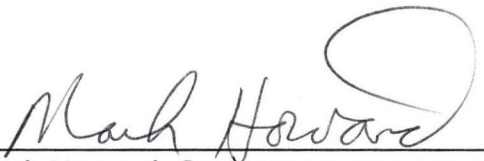
Discussion Agenda 4 b. - Committee Reports.

No Committee reports were presented.

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 9:40 a.m.

Bob B. Zimmer, President



Mark Howard, Secretary

**MINUTES OF THE OCTOBER 15, 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 October 15, 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 9:00 a.m.:

Daniel L. Krienke, President
Bob B. Zimmer, Vice-President;
Gene Born, Director;
Justin Crownover, Director; and
Zac Yoder, Director.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Kirk Welch, Assistant General Manager — Outreach;
Kristen Blackwell, Executive Assistant;
Odell Ward, Program Coordinator — GIS/Monitor Wells; and
Paige Glazner, Conservation Outreach Assistant.

Others present during part or all of the meeting:

Mandi Boychuk, Natural Prairie & Northside Farmland; and
Ellen Orr, Paralegal.

President, Daniel L. Krienke declared a quorum present and called the meeting to order at 9:00 a.m. Director, Gene Born, gave the invocation and President Krienke 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 August 29, 2019 Meeting of the Board of Directors; the review and approval of un-audited District expenditures for August 1, 2019 through September 30, 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 August 1, 2019 through September 30, 2019, in the amount of \$11,087.36; the review and approval of a tax sale for Lot 6, Block 6, 1937 Addition, More County, Texas, commonly known as 712 Avenue L, Sunray, Texas; and review and consider adopting the following resolutions requested by Amarillo National Bank as part of the process to change from John Hancock to Empower for the District's 457 plan:

**RESOLUTION BY
North Plains Groundwater Conservation District**

On October 15, 2019 the following resolutions were adopted effective July 9, 2019: Such resolutions have not been modified or rescinded as of the date hereof.

RESOLVED, that North Plains Groundwater Conservation District names Steven D. Walthour, along with any partners of North Plains Groundwater Conservation District to sign independently on behalf of the Plan Administrator, North Plains Groundwater Conservation District, for the Plan.

RESOLVED, that Amarillo National Bank is named Discretionary Trustee, and 3(38) for all assets of the Plan.

RESOLVED, that Amarillo National will be the Investment Manager for the plan and Empower will be the Record-Keeper and Third-Party Administrator.

FURTHER RESOLVED, that the Amarillo National Bank menu options are approved as available investment options for the North Plains Groundwater Conservation District 457 Plan.

Bob B. Zimmer moved to approve the Consent Agenda, including without limitation, the adoption of the resolutions proposed by Amarillo National Bank. Gene Born seconded the motion and it was unanimously approved by the Board.

Mark Howard arrived to participate in the meeting at 9:04 a.m.

Action Agenda 3.b. - *Review and consider adopting a policy regarding North Plains GCD standard agenda item "Public Comment" to comply with Texas Government Code, Section 551.007 as revised by the 86th Texas legislature.*

The General Manager stated that the 86th Texas Legislature amended Texas Government Code, Section 551.007 to provide the public more opportunity to comment during an open meeting as follows:

Sec. 551.007. PUBLIC TESTIMONY. (a) This section applies only to a governmental body described by Sections 551.001(3)(B)-(L).

- (b) A governmental body shall allow each member of the public who desires to address the body regarding an item on an agenda for an open meeting of the body to address the body regarding the item at the meeting before or during the body's consideration of the item.
- (c) A governmental body may adopt reasonable rules regarding the public's right to address the body under this section, including rules that limit the total amount of time that a member of the public may address the body on a given item.
- (d) This subsection applies only if a governmental body does not use simultaneous translation equipment in a manner that allows the body to hear the translated public testimony simultaneously. A rule adopted under Subsection (c) that limits the amount of time that a member of the public may address the governmental body must provide that a member of the public who addresses the body through a translator must be given at least twice the amount of time as a member of the public who does not require the assistance of a translator in order to ensure that non-English speakers receive the same opportunity to address the body.
- (e) A governmental body may not prohibit public criticism of the governmental body, including criticism of any act, omission, policy, procedure, program, or service. This subsection does not apply to public criticism that is otherwise prohibited by law.

Bob B. Zimmer moved to adopt the following policy:

NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT POLICY REGARDING PUBLIC PARTICIPATION IN DISTRICT BOARD MEETINGS

I. PURPOSE

- A. The Board of Directors ("Board") of North Plains Groundwater Conservation District ("District") recognizes the value of participation by the public in deliberations and decisions on District matters. At the same time, the Board recognizes the importance of conducting orderly and efficient proceedings, with opportunity for expression of all participants' respective views.
- B. The purpose of this policy is to provide procedures to assure open and orderly public discussion.

II. GENERAL STATEMENT OF POLICY

It is the policy of the Board during District Board meetings, to encourage discussion by the public regarding subjects related to the management of the District. The Board may adopt reasonable time restrictions on public expression in order to facilitate free discussion by members of the public and to facilitate a productive Board meeting.

III. THE PUBLIC'S OPPORTUNITY TO BE HEARD

The District's Board will strive to give all members of the public, an opportunity to be heard and to have their commentary considered and evaluated. However, such commentary must be within the limits of the law and this policy and be subject to reasonable time restrictions.

IV. PROCEDURES

- A. Members of the public who wish to address the Board at a District board meeting are encouraged to notify the General Manager of the District in advance of the board meeting. A member of the public, who wishes to address the Board shall, prior to the meeting, provide his or her name, e-mail address, the name of the entity represented (if any), and the subject to be covered or the issue to be addressed on the Board Meeting Attendance Sheet at the Board meeting location.
- B. The District Board chair will recognize one speaker at a time. Only those speakers recognized by the chair will be allowed to speak. Individuals who interfere with or interrupt speakers, the District Board, or the proceedings, may be ruled out-of-order and may be directed to leave the meeting.
- C. General Public Comments at each Board meeting are hereby limited to three (3) minutes; comments regarding a specific agenda item are hereby limited to three (3) minutes per agenda item; and all multiple, specific agenda item comments are limited to a maximum of nine (9) minutes, collectively. If a group or organization wishes to address the Board on a topic, the Board reserves the right to require designation of one or more representatives or spokespersons to speak on behalf of the group or organization. Provided, however, the Board retains the discretion to expand the discussion time of any agenda item commentary to a reasonable period of time, as determined by the Board.
- D. Depending upon the number of persons in attendance seeking to be heard, the Board reserves the right to impose such other limitations and restrictions as necessary in order to provide for an orderly board meeting and an efficient and fair opportunity for those present to be heard.

Personal attacks by anyone addressing the Board are unacceptable. Persistence in such remarks by an individual shall terminate that person's privilege to address the Board.

Mark Howard seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.c. - 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. It was noted by the General Manager that Director, Zac Yoder, had two Wells on the Well Permit Schedule presented to the Board, DA-10585 and DA-10598.

WELL	CLASS	SEC	BLK	SUR	NS	EW
DA-10516	C	10	W H Pardue	NONE	1111 S	1783 E
DA-10559	C	39	2	B&B	35 S	839 W
DA-10566	C	11	W H Pardue	NONE	648 S	506 W
DA-10585	B	6	3	CSS	855 N	569 E
DA-10598	B	5	6	CSS	112 S	137 E
DA-9760	B	25	1	BS&F	478 S	856 W
HA-10041	B	23	2	BS&F	467 S	627 W
HA-10058	C	22	49	H&TC	312 S	610 W
HA-10416	B	13	5	GH&H	566 S	789 W
HA-11142	D	None	None	J Whiting	60 S	348 E
MO-10235	B	11	M-2	None	128 S	427 W
MO-10347	C	14	Q	H&GN	838 N	861 E
MO-10526	C	367	44	H&TC	280 N	232 W
MO-10527	C	367	44	H&TC	67 S	54 W
MO-10532	C	369	44	H&TC	24 N	558 E
MO-10533	C	388	44	H&TC	23 S	626 W
MO-10544	C	372	44	H&TC	115 N	420 E
MO-10545	B	372	44	H&TC	129 N	158 E
MO-10580	C	11	Q	H&GN	104 N	862 E
OC-10611	D	92	13	T&NO	13 S	702 W
SH-10548	D	132	1-T	T&NO	471 N	333 E
SH-10550	B	132	1-T	T&NO	838 S	103 E
SH-10588	C	5	1-T	T&NO	259 N	856 W

Bob B. Zimmer moved to remove Well Permits DA-10585 and DA-10598 from the Well Permit Schedule to be considered by the Board and to approve all of the remaining Well on the Well Permit Schedule, noting that the Wells are properly equipped and otherwise comply with District Rules. Mark Howard seconded the motion and it was unanimously approved by the Board.

Justin Crownover moved to approve Well Permits DA-10585 and DA-10598, noting that the Wells are properly equipped and otherwise comply with District Rules. Bob B. Zimmer seconded the motion and it was approved by the majority vote of the Board with Zac Yoder abstaining from the vote.

Action Agenda 3.d. - Receive report and consider action regarding the Agriculture Equipment Loan Program.

Assistant General Manager, Kirk Welch, reported that following the approval of the application at the TWDB meeting in September, the loan agreement began its routing process through the necessary departments at the TWDB. Based on the resolution by this Board of Directors, the General Manager has the authority to complete all documents necessary to finalize the loan. The TWDB sent the final loan agreement and it was signed on October 14, 2019. A copy of the signed agreement was provided at the Board. The closing is scheduled for November 1, 2019. Mr. Welch stated that the District's interest rate for the loan was 2.03% and the District will change an interest rate of 3.03% for any money it lends in this program. Mr. Welch stated that District staff will be working with the TWDB and with the District's legal counsel to provide all necessary documentation in a timely manner to complete the closing as scheduled. District staff has begun promotion of the loan opportunity.

Harold Grall arrived to participate in the meeting at 9:18 a.m.

Action Agenda 3.e.- Receive report and consider action regarding Panhandle Water Planning Group Interim Agriculture Water Use Subcommittee.

Mr. Walthour stated that on Tuesday October 2, 2019, an interim subcommittee on agriculture water use met to discuss a study on agriculture water use for Region A to develop more accurate water use information currently supplied by the Texas Water Development Board for regional water planning. The committee included Daniel L. Krienke, Stephen Amosson, Brent Auvermann, Ben Weinheimer, and Steve Walthour. The committee determined that developing a method of calculating annual agriculture water use rather than preparing a study may be more beneficial to regional water planning. Mr. Walthour explained that the Texas Water Development Board forwards its water use estimates every year to the District and the District takes those estimates and adjusts the TWDB information using annual groundwater production reported in the District and information gathered through the TWDB meter reimbursement program that requires crop-type reporting along with meter readings. Ben Weinheimer reported that a workgroup that includes the Cattle Feeders is under contract to prepare livestock water use in the area for USDA. By using the District's groundwater production information, the workgroup can develop a potentially better estimate of livestock water use.

Mr. Walthour stated that he would develop a draft method for subcommittee review by November 1.

The General Manager reported that he believes this project will allow the North Plains GCD and the other districts in the Panhandle Planning Region to provide a more consistent estimate of agriculture groundwater use.

Action Agenda 3.f.- Receive report and consider action regarding Groundwater Management Area - 1 Joint Planning Committee meeting to be held on October 28, 2019.

Steve Walthour reported to the Board that on August 26th, Groundwater Management Area- 1 Joint Planning Committee voted to split the costs to implement a contract allowing Intera to provide turnkey project management and technical reporting for the current round of joint planning as follows:

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

This split would mean that North Plains GCD would pay approximately \$50,000 over three budgeting cycles.

The General Manager stated that he believes that the District's staffing and professional resources can be better served in developing a better groundwater production and groundwater level decline product for District stakeholders by allowing Intera to do a turnkey project.

The next GMA meeting is set for October 28th at the Panhandle Regional Planning Commission. The primary agenda items for the meeting include:

- Action as may be necessary regarding GMA #1 Officers and Membership;
- Appointment of GMA#1 representative to the Panhandle Water Planning Group (Region A – Regional Water Planning); and
- Presentation by INTERA regarding aquifer uses or conditions within the management area, including conditions that differ substantially from one geographic area to another as required by Texas Water Code 36.108(d)(1).

Action Agenda 3.g.- Receive Quarterly Investment Report ending September 30, 2019.

As the District's finance officer, the General Manager presented the quarterly investment report ending September 30, 2019 to the Board. The General Manager stated that the report contained a scrivener's error in the fourth column title on page two of the report which stated "Balance as of June 30, 2019" and should state "Balance as of September 30, 2019" and as corrected, 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 September 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 corrected Quarterly Investment Report as presented for the period ending September 30, 2019.

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

Action Agenda 3.h.- Receive Report and Consider Action Regarding Agriculture Irrigation Program Outreach.

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

WCC Demonstrations

Cotton

The final irrigation on SDI Cotton occurred on September 15 and 16; two 3-hour and 45-minute applications (approximately 0.55") following a two-week dry down. This decision was made based on the boll load, rapid soil dry down, and NOAA projection of a slightly drier and warmer fall. Total irrigation on the RACE Trial SDI cotton was 7.8-8.2" on the higher irrigated blocks and 4.6" on the lower irrigation blocks. Yield estimates were made on September 10 and showed an estimated yield of 2-2.5 bales/acre.

The final irrigation on the cotton in the West Pivot was initiated on September 13 and completed on September 16 with a seasonal application across the field of 9.22". Boll counts were performed on September 10 with a yield range from 2.5 – 3 bales/acre. The early observation is that the cotton plants successfully filled many of the gaps in the field, but the higher planted populations showed a clear advantage in maturity and total bolls. The 3.5" of rainfall that occurred between September 30 and October 4 are a real challenge for all of the cotton on the WCC. Signs of new growth were noted on October 8 and a solid freeze was expected on October 10 (26°F). Boll opener was scheduled for aerial application between October 9-10.

Harvest dates have not been projected.

Corn

The North SDI Corn irrigation was terminated on September 14 with a total irrigation amount applied of 14.7 – 15.2" and approximately 10" of in-season rainfall. Yield estimates from kernel counts range from 200 - 220 bushels/acre across the 4 different populations.

The final irrigation on the East Pivot Corn was initiated on September 14 and scheduled for termination on October 21. The seasonal application across the East pivot was 19.5", again with approximately 10" of in-season rainfall. Yield estimates across the hybrids in the East pivot range from 220 – 260 bushels/acre.

Grain corn moisture as of October 8 was 27.1% in the SDI and 27.6% in the East Pivot. Early October rains are slowing drying. Projected harvest dates will soon be determined. Gypsum blocks and soil moisture monitoring equipment will remain in the field up until harvest dates and final soil moisture content will be determined at harvest. Late season rainfall will be taken into consideration as soil storage for the next crop.

Ag Water Minute Radio

Ag Water minute radio production has slowed down as the changes in the fields have slowed down. District staff is monitoring rotation of relevant spots to try to avoid burn out on any one message.

Cotton and Conservation Video Series

Since early June the District and Texas A&M have completed 28 Cotton and Conservation videos along with some bonus segments. 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
Introduction	92
06-04-19 NPWCC	32
06-05-19 Sherman County	21
06-11-19 Dallam County	18
06-12-19 Moore County Dryland	14
06-19-19 Sherman County	23
06-25-19 NPWCC	53
06-26-19 Moore County Dryland	15
06-26-19 Dallam County	15
How to do Stand Counts	24
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 Sherman County	8
08-13-19 Dallam County	17
08-20-19 NPWCC	18
08-20-19 Sherman County	55
08-27-19 Dallam County	16
09-05-19 NPWCC	10
09-10-19 Dallam County	20

09-19-19 Bell & Kenny	10 (long form 30 minutes)
09-24-19 Dallam County	14
09-27-19 NPWCC	4
09-30-19 Sherman County	4

Irrigation Conservation Initiative – 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. The Board now has the discretion to apply those funds to other conservation activities. Cameron Turner with the TWDB suggested that the District could make use of the funds to support equipment purchases for current and future Master Irrigator graduates, as a way to realize conservation benefits from the money as soon as possible. The contracts with TWDB do allow for the funds to be used in this manner.

Qualified growers have submitted applications for approximately \$35,000 in reimbursements prior to the deadline. The total remaining in the original grants after this deduction is approximately \$265,000.

Related to the suggestion of using the grant money in support of the Master Irrigator Program, District staff has gathered information regarding the status of funding for Master Irrigator Program for 2019. Three graduates of the 2019 Master Irrigator class applied for funding from the North Plains Environmental Quality Incentives Program but were deferred to the regular EQIP program because the entire \$400,000 allotted 2019 had already been used by other graduates. This was the result of graduates taking more than the \$20,000 maximum that they agreed to in the contracts signed by all participants in Master Irrigator Program.

NRCS has been responsible for the reimbursement process from the beginning of the program. Local NRCS representatives state that it is against NRCS policy to limit the amount that a grower applies for. In past years it has worked-out because there was enough money to accommodate all the requests, or NRCS has provided additional funds to meet extra demand. In 2019, the demand was more than available funds. In future years, the District will attempt to get prior approval of the applications before they are funded by NRCS.

Out of the three applications that were deferred, one was not able to get funded for their conservation projects. The amount of the project would total not more than \$20,000 based on the agreed limit. Another 2019 graduate was not able to get funded but did not qualify for EQIP because he installed the equipment without a contract with NRCS.

Mr. Welch stated that the Board may choose to fund some, all, or none, of the 2019 graduates who did not get any funding; fund all of the graduates who didn't get NPGCD EQIP, whether they qualified for regular EQIP, or not; or reserve all of the funding for the Master Irrigator Class of 2020. The Board may also choose to direct the funds to other conservation projects.

Mr. Welch requested direction from the Board as to the future use of Irrigation Conservation Initiative funds.

Justin Crownover moved that the District use the balance of the Irrigation Conservation Initiative funds for The Master Irrigator Program. Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.i.- Receive 2018 Annual Report.

Mr. Walthour stated that the District's 2018 annual report is intended to give an annual update on North Plains Groundwater Conservation District's progress on each of the strategic goals included in its management plan. This report is based on the new management plan that was adopted in March of 2018.

With the passing of Senate Bill 1 in 1997, the 75th Texas Legislature required groundwater conservation districts to design management plans to meet specific strategic goals as outlined in the legislation. Senate Bill 1 created a statewide groundwater management and planning process, while preserving local control over the process through the districts. The districts are required to examine and revise their management plan at least every five years. This report will be presented to the Board in a timely manner and then made available to the public. This report will also be used during the upcoming legislative session to inform legislators of the District's activities and accomplishments. A copy of the most current annual report is available for public review on the District website at www.northplainsgcd.org and at the District office.

Kirk Welch, Assistant General Manager – Outreach, presented the District's 2018 Annual Report to the Board.

Action Agenda 3.i.- Receive report and consider action regarding a proposal to require Districts in the same aquifer or aquifer subdivision to adopt the similar rules.

The General Manager reported to the Board that Texas Farm Bureau (TFB) is currently holding Policy Development meetings across the state for members to consider and discuss policy topics. This process is the mechanism by which county members express positions on issues that affect them as TFB develops its legislative policy. One question that TFB has posed in the context of this process is whether TFB should support requiring that GCDs cooperate in developing rules under a consistent regulatory system unless the hydrology and conditions of the aquifer justify different rules. Some groundwater conservation districts have engaged in this process by adopting resolutions on this question.

County Farm Bureaus may submit resolutions to the Texas Farm Bureau state office by Friday, October 25. Policy proposals approved by county Farm Bureaus will be considered by the TFB Resolutions Committee in early November. The committee's recommendations will be forwarded to the TFB Annual Meeting for consideration by the voting delegates.

During 86th Legislative Session, Senate Bill 1010 relating to rules adopted by groundwater conservation districts overlying a common aquifer sought to require that a district could not enforce its rules if they were not similar to other districts over the same aquifer unless the district is authorized by other law specifically to make or enforce the rule; or provides in the district's management plan developed under Section 36.1071 an explanation of the district's reasoning to support its making or enforcing the rule.

North Plains opposed SB1010. The purpose of this item is so the board can discuss and consider any action as it believes is necessary to address this issue.

The District's General Counsel prepared the following proposed Resolution which was presented to the Board regarding this matter:

RESOLUTION # 2019-0003
A RESOLUTION BY THE
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT
REGARDING TEXAS FARM BUREAU GROUNDWATER POLICY

Recitals

The North Plains Groundwater Conservation District ("District") was created by the adoption of an Enabling Act ("Act") by the 54th Texas Legislature in 1955 which was codified on April 1, 2019, into Chapter 8887 of the Special District Local Laws Code;

The District was the second groundwater conservation district created by the Texas Legislature;

Since 1955, the District has served the needs of property owners and residents in Hansford, Dallam, Sherman, Ochiltree, and Lipscomb Counties, Texas and portions of Hartley, Hutchison, and Moore Counties, Texas by managing, conserving, protecting, and preserving the groundwater resources in the District. The District has been recognized by state and federal agencies as a "robust" district "leading the way, not only in agriculture and water conservation, but in successfully providing education and training resources for producers in the North Texas Panhandle"; and

Management practices, regulatory policies, and rules developed and implemented by local groundwater conservation districts are based on local aquifer conditions and usage trends, best available local groundwater science, including geology and hydrology, and local socio-economic considerations; and

Texas Farm Bureau ("TFB") is in the process of developing its Legislative Policy Manual; and

The current TFB policies support local control of groundwater conservation districts, which is compatible, not only with the District's groundwater management practices and policies, but also with groundwater conservation districts throughout the State of Texas; and

TFB may consider changing its policy to encourage the Texas Legislature to require groundwater conservation districts, which are regulating common aquifers, to adopt "common rules"; and

Such a policy gives little or no consideration to local science, unique aquifer conditions and usage, differing socio/economic issues, or specific legislative restrictions.

Therefore, the North Plains Groundwater Conservation District Board of Directors adopted the following resolution:

Resolution

BE IT RESOLVED, AND IT IS HEREBY RESOLVED, on the 15th day of October, 2019, that the Board of Directors of the District does hereby declare its general support of the current TFB Legislative Policy Manual used during the 86th Session of the Texas Legislature and encourages its re-adoption.

BE IT FURTHER RESOLVED, that the Board of Directors of the District encourages the TFB to avoid the issue of "common rules" in any revisions of the TFB Legislative Policy Manual and thereby permit the regional planning processes in the various Groundwater Management Areas to address any actual need for "common rules".

Bob B. Zimmer moved that the Board adopt the Resolution proposed by the District's General Counsel regarding Texas Farm Bureau Groundwater Policy. 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 to the Board, 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 without 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.

Action Agenda 3.k.- Consider action to amend Employment, Office and Employee Policy Manual regarding Health Reimbursement Account.

Mr. Walthour stated that the District makes available to qualifying employees, the ability to participate in a Health Reimbursement Account or Arrangement (HRA). HRA's are health benefit plans that reimburse employees for out-of-pocket medical expenses and individual health insurance premiums. Health Reimbursement Accounts are funded solely by the employer and sets the parameters for the Health Reimbursement Account. The District's Employee Policy Manual states that in the event an employee retires, quits or is terminated from employment with the District, unused dollars remain with the employee. However, the District's account administrator does not offer the option to continue servicing the account once an employee leaves the district.

The General Manager requested that the Board amend the District's HRA as follows:

The District makes available to qualifying employees the ability to participate in a Health Reimbursement Account or Arrangement (HRA). HRA's are health benefit plans that reimburse employees for out of pocket medical expenses and individual health insurance premiums. Health Reimbursement Accounts are funded solely by the employer and sets the parameters for the Health Reimbursement Account. In the event an employee retires, quits or is terminated from employment with the District, unused dollars are subject to the contract between the District and the HRA provider.

Zac Yoder moved that the Board amend the District's HRA as follows:

The District makes available to qualifying employees the ability to participate in a Health Reimbursement Account or Arrangement (HRA). HRA's are health benefit plans that reimburse employees for out of pocket medical expenses and individual health insurance premiums. Health Reimbursement Accounts are funded solely by the employer and sets the parameters for the Health Reimbursement Account. In the event an employee retires,

quits or is terminated from employment with the District, unused dollars are subject to the contract between the District and the HRA provider.

Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.n.- Review performance and consider compensation adjustment of the General Manager.

Executive Session - Section 551.074 of the Texas Government Code.

At 10:13 a.m., Bob B. Zimmer moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.074, to discuss personnel matters. Mark Howard seconded the motion and it was unanimously approved by the Board.

Executive Session: At 10:13 a.m., the Board went into Executive Session. At 10:38 a.m., Justin Crownover moved that the Board reconvene into regular session. Mark Howard seconded the motion and it was unanimously approved by the Board.

The Board reconvened into regular session at 10:43 a.m.

Bob B. Zimmer moved to adopt the performance evaluation and compensation package for the General Manager beginning November 1, 2019, as discussed in Executive Session. Gene Born seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.a.- Consider fee proposal and letter agreement between the District and Parkhill, Smith and Cooper to develop an opinion of costs regarding District storage and meeting space.

Mr. Steve Walthour reported that on August 27, 2019 the Board authorized the General Manager to negotiate a contract with Parkhill, Smith and Cooper to develop an opinion of costs regarding the District's storage and meeting facilities. The District is interested in two projects. Project 1 is located at the District offices and involves renovating the existing storage facility (Option 1A) or providing a new storage/Conference facility across the street and converting the existing storage building area into parking (Option 1B). Project 2 is located at the North Plains Water Conservation Center and involves adding an entryway, toilet rooms, a small service kitchen, HVAC, and interior finish-out to the existing building (Lab Building). The proposed letter agreement and fees for services were presented to the Board. The services should not exceed \$18,000.

The General Manager recommended that the Board enter into the proposed letter agreement as presented with Parkhill, Smith and Cooper for design services and rendering an opinion of costs regarding the District's storage and meeting facilities.

Director Zimmer discussed issues with the Board regarding the proposed renovations and pros and cons that he believed could result. President Krienke appointed Director Zimmer to assist the Property Committee to define the needs of the District for meeting and storage space and to determine the most feasible method to achieve the same.

Mark Howard moved that the Board enter into the letter agreement as presented to the Board with Parkhill, Smith and Cooper for design service and rendering an opinion of costs regarding the District's storage and meeting facilities. Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.j.- Receive Fulcrum Field Application Demonstration.

Odell Ward, Program Coordinator — GIS/Monitor Wells, reported to the Board that as part of the RESPEC contract, RESPEC modified an inventory program called FULCRUM into a data collection tool for the District's field inspection team. The application is installed on District iPad computers and uses iPad's cellular connectivity, built-in camera and GPS location abilities to collect field data and deliver the information electronically to office staff. This increases District staff's efficiency, speeds permit turnaround, and eliminates errors caused by multiple data entry into various places.

District staff are currently using the program to collect data for pre-drilling, post-drilling and random site inspections. In the future, the District plans to incorporate various compliance inspections, water level data collection and, potentially, other inspections or investigations as needed. The program will also facilitate communication between the office staff and field staff while they are in the field. That improved communication will allow immediate response if necessary, as the need for inspections come into the office.

Mr. Ward then gave a demonstration to the Board of how District staff uses the FULCRUM application and how the data is transferred to the District's office staff.

Bob B. Zimmer departed the meeting at 11:10 a.m.

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 November 12, 2019 at 9:00 a.m.

Assistant General Manager — Outreach, Kirk Welch, announced that Julia Stanford had moved and was no longer a District employee. Mr. Welch stated that the District was presently taking applications for her position.

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

No District Director reports were presented 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 stated that the General Manager's Report, was included in the Board packet for the Board's review.

Discussion Agenda 4 b. - Committee Reports.

No Committee reports were presented.

Agenda 6 - Adjournment.

There being no further business to come before the meeting, Harold Grall moved to adjourn the meeting. Gene Born seconded the motion and it was unanimously approved by the Board. President Krienke declared the meeting adjourned at 11:12 a.m.



Daniel L. Krienke, President



Mark Howard, Secretary