

**MINUTES OF THE JUNE 9, 2020
BOARD OF DIRECTORS MEETING OF
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session on June 9, 2020 at 9:30 a.m. at the law offices of the Lemon Law Firm, 315 South Main Street, Perryton, Texas 79070. Due to the restrictions of COVID-19, the meeting was held through Zoom Meeting in Perryton, Texas. The following persons participated in the Zoom Meeting:

Members Present at 9:30 a.m.:

Daniel L. Krienke, President
Mark Howard, Secretary;
Gene Born, Director;
Harold Grall, Director;
Justin Crownover; 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;
Curtis Schwertner, Natural Resource Specialist;
Shari Stanford, Permitting and Meter Program Coordinator; and
Paige Glazner, Conservation Outreach Assistant.

Others present during part or all of the meeting:

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

President, Daniel L. Krienke declared a quorum present and called the meeting to order at 9:30 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 March 10, 2020 Meeting of the Board of Directors; the review and approval of the Growers' Information Meeting held on March 10, 2020; and the review and approval of the Minutes of the Property Committee Meeting held on March 10, 2020; the review and approval of un-audited District expenditures for March 1, 2020 through May 31, 2020, 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 incurred from March 1, 2020 through May 31, 2020, in the amount of \$12,871.85; the review and approval of the Hansford County Tax Collection contract for 2020-2021; the review and adoption of an Order allowing Discounts from the Lipscomb County ad valorem tax due if paid before

January, 2020; and the review and approval of the Sherman County Appraisal District proposed 2021 budget.

President Krienke inquired whether the General Manager had reviewed the contracts which were listed in the Consent Agenda and if the contracts were in order for the Board's approval. Mr. Walthour replied that he had review the contracts and that they were in order for the Board's approval.

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

Action Agenda 3.a. - Receive report and consider action as needed regarding agriculture water conservation demonstration programs.

Steve Walthour stated that a report was in the Board packet that was submitted to the Board members regarding what was going on with the field this year. Mr. Walthour reported that Kirk Welch is here to answer any questions that the Board might have.

President Krienke inquired whether there were any questions, or comments.

Mr. Welch stated that Nich Kenny didn't have the log-in information for the meeting. Mr. Welch stated the he had just sent Mr. Kenny the log-in information and that he may be available in a few minutes to make some comments and answer questions once he gets logged on.

President Krienke stated that this item does not require Board action -- it is a report received.

Action Agenda 3.b. - Consider final compliance approval of water well permits as active and complete wells.

The General Manager stated that Mark Howard has some permits on the schedule of well permits so he may abstain from voting for the approval of his own permits as active and complete wells.

The report in the Board packet provided to the Board regarding the consideration of final compliance approval of water well permits as active and complete wells is as follows:

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 22 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	QUARTER	SECTION	BLOCK	SURVEY	N/S	E/W
DA-10430	D	NE/4	10	None	WH Pardue	543 N	620 E
DA-10543	C	SW/4	10	None	WH Pardue	506 S	876 W
DA-10847	B	NW/4	29	48	H&TC	843 N	110 W
DA-9490	C	SE/4	1	7	CSS	202 S	592 E

HA-10783	D	SW/4	296	44	H&TC	425 S	328 W
HA-10784	D	SW/4	336	44	H&TC	879 S	115 W
HN-11195	D	NE/4	188	2	GH&H	825 N	113 E
HN-9570	C	SW/4	21	1	WCRR	881S	437W
HU-10791	D	NE/4	NONE	NONE	J J HALL	1173 N	538 E
HU-10816	D	SE/4	NONE	NONE	J J HALL	1474 S	384 E
HU-10836	D	SE/4	106	5-T	T&NO	649 S	99 E
HU-10837	D	NE/4	129	5-T	T&NO	399 N	314 E
HU-10884	D	NE/4	107	5-T	T&NO	843 N	853 E
MO-10537	B	NE/4	9	0	ML Anglin	105 N	107 E
OC-10781	D	SE/4	913	43	H&TC	407 S	908 E
OC-10877	C	SW/4	938	43	H&TC	559 S	16 W
OC-11229	D	N CTR	24	4	GH&H	562 N	879 E
SH-10661	B	NW/4	8	1	PSL	213 N	906 W
SH-10819	B	SE/4	132	1-T	T&NO	477 S	104 E
SH-10963	C	NE/4	155	1-C	GH&H	659 N	41 E
SH-10964	C	NW/4	146	1-C	GH&H	56 N	86 W
SH-11164	B	SW/4	219	1-C	GH&H	102 S	105 W

President Krienke stated that the numbers are in your packet and he would consider a motion to approve all of the permits with the exception of the two permits that relate to Mark Howard. This would be the motion.

Justin Crownover moved to approve all of the permits with the exception of the two permits that relate to Mark Howard (Well Permits HA-10783 and HA-10784). Harold Grall seconded the motion and it was unanimously approved by the Board.

Justin Crownover moved to approve the Well permits of Mark Howard (Well Permits HA-10783 and HA-10784). Harold Grall seconded the motion and was approved by the majority vote of the Board with Mark Howard abstaining from the vote.

Action Agenda 3.c. - Consider General Manager's request to amend the District's 2019 – 2020 Budget.

President Krienke stated that the Board had this request in its packet and inquired whether the General Manager would like to briefly review the request.

The material in the Board packet presented to the Board is as follows:

The General Manager has reviewed the District 2019 – 2020 Budget to cover possible costs under specific budget items. General Manager requests the Board amend the 2019 - 2020 Budget as follows:

Budget Item description	Current Budget Amount	Increase or (Decrease)	Proposed Budget Amount	Explanation
Contracted Services	\$126,000.00	\$25,000.00	\$151,000.00	Increased to pay anticipated additional GMA-1 costs and collection costs.
Personnel	\$1,201,666.00	\$50,000.00	\$1,251,666.00	Increased to address authorized compensation increases and to cover unanticipated budget short fall related to changing pay periods in 2019.
Administration	148,500.00	(-25,000.00)	123,500.00	Decreased -Reduced travel and other administrative expenses.
Capital Outlay	\$300,000.	(-50,000.00)	\$250,000.00	Decreased – Reduced likelihood of contracting for capital projects in this fiscal year.
Conservation Outreach	\$495,000.00	(-25,000.00)	\$470,000.00	Decreased – Reduced because programs such as WaterWise are not going to be completed this fiscal year.

Conservation Demonstration Project	\$244,000.00	\$25,000.00	\$269,000.00	Increased to subcontracted services for additional funds complete demonstrations this year.
Total overall 2019-2020 budget change		0		No change in overall budget

The above proposed budget amendments reflect no change in the District's overall budget.

Mr. Walthour stated that he tried to do this at the middle of the year on things where we may need to move money around. This year, I have asked for some money to be moved – the contracted services which is primarily for our GMA-1 work; personnel - I'm moving some money to that budget to cover some of the costs of some raises that occurred after the budget was prepared last year and that was authorized by the Board. I'm sure that we are not going to use all of that for the year but at this point I need to do that with changes. You can see that I'm taking \$25,000 out of administration because we are not spending money there; we're not going to as many meetings and seminars this year where part of that money is located; in our capital outlay- I took \$50,000 out of that to help pay for other things because the likelihood of us actually doing a capital project between now and October 1 is getting slimmer by the day – it requires us to do a bunch of contracting. Conservation-outreach – this has to do with our programs like water wise and I took some money from that this year because we didn't do it and those types of programs. Lastly, I moved \$25,000 to the conservation demonstration project primarily to cover some of our filming cost and some of the other things that the Board added to that program. The total budget, as amended, will result in a net change of zero dollars for this year.

President Krienke stated that you have heard the changes that are requested for the budget – at this time we will need a motion.

Gene Born moved the Board amend the 2019 -2020 budget as follows:

- Increase Contracted Services from \$126,000.00 to \$151,000.00;
- Increase Personnel budget from \$1,201,666.00 to \$1,251,666.00;
- Decrease Administration budget from \$148,500.00 to \$123,500.00;
- Increase capital expenses budget from \$300,000.00 to \$250,000.00;
- Decrease Conservation Outreach budget from \$495,000.00 to \$470,000.00; and
- Increase Conservation Demonstration Project budget from \$244,000.00 to \$269,000.00.

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

Action Agenda 3.d. - Discuss development and schedule committee meetings regarding the 2020-2021 District Budget.

Mr. Walthour reported that in the Board packet there are preliminary values that the staff has received from all of the counties, except Sherman County. Sherman has not yet provided its values. For the preliminary values, some of them are reduced from 10 to 12 percent. Dallam County generally hits its preliminary value every year that they do it – it doesn't take a 10 percent discount off of it when it is doing preliminaries. As you can see, the numbers are generally down – the one number that is way down is Lipscomb County – it is one-half, we have been reported that it is one-half of what it was the previous year. So, I don't know what is going to happen. I suspect that these will be significantly down because of the oil and gas industry – some of those things that are

wrapping up. I will have a better idea as we put our budget together. We can expect lower tax values which will mean that our will increase. We will be developing those budgets this year with the committees. I'll give the committees a call or do something of that nature. We really need to have these meetings before July. The only committee meeting that I am going to have to schedule, if everyone shows up is the property committee that would have to be a public meeting because there is the Board committee of three, plus Director, Bob Zimmer, which makes a quorum. We will be looking at some of the drawings and details submitted by architects Parkhill, Smith & Cooper.

The report presented to the Board in the Board packet is as follows:

This item is to discuss the development of the 2020-2021 budget and set committee meetings to prepare committee recommendations before the July Board Meeting. Normally, the District has received preliminary appraisal information for each of the counties by June 1st. However, we have not received all preliminary appraisals yet. Since the District receives preliminary appraisals from eight different county appraisal districts, the General Manager assumes that the preliminary appraisals are computed eight different ways. For example, some CADs reduce their preliminary appraisals by 10% to 12% while other CADs do not. The appraisal process has not been completed in any county and therefore the final values will be different. The preliminary values for 2020 are as follows:

	CERTIFIED VALUES	PRELIMINARY VALUES
County	2019	2020
Dallam	935,109,799	938,729,086
Hansford	566,421,569	542,987,221
Hartley	752,067,804	717,499,720
Hutchison	114,574,960	92,851,552
Lipscomb	638,836,622	331,297,206
Moore	2,042,825,518	1,785,001,204
Ochiltree	1,515,365,792	1,243,389,922
Sherman	502,738,820	

The General Manager anticipates significant reductions in appraisal values for counties that rely on oil and gas property values to fund government.

The General Manager will provide additional information on appraisal status and schedule times for committees to meet to develop a budget at the Board Meeting.

Mr. Krienke stated that Steve will be in contact with those individual Board members on those committees and attempt to schedule meetings. Mr. Krienke quired the General Manager: "If there are less than 10 people, is that correct Steve, we could still meet like at the Water Center and spread out?"

Mr. Walthour stated that the District could do that, or Zoom, or whatever it needed to do. With the weather like it is, Zooming might be best because that way Board members are not having to take off and come over here in the middle of this summer. We will handle it whatever is the best way for all concerned.

Mr. Krienke inquired whether any Board members had any comments. President Krienke stated that the committee meeting dates will be worked out and held in a timely manner.

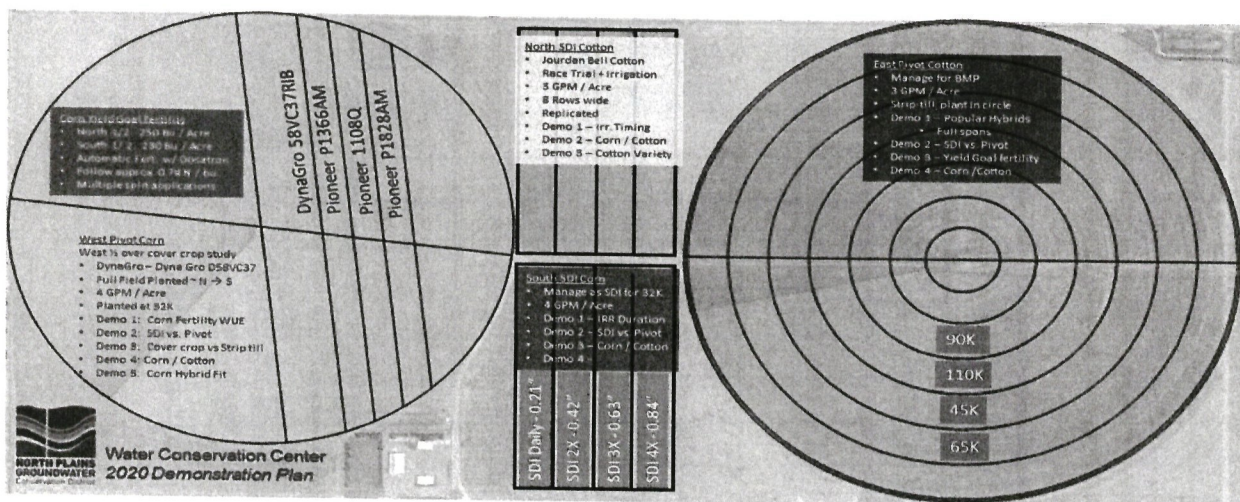
Continued Action Agenda 3.a. - Receive report and consider action as needed regarding agriculture water conservation demonstration programs.

Assistant Manager, Kirk Welch, stated that Nich is available and has prepared a report that was in the Board packet regarding Agenda Item 3.a. and may want to make a comment or two about the report.

The following is the report presented in the Board packet to the Board members:

Spring work has commenced at the Water Conservation Center and there are multiple points of discussion specifically relating to the corn / cotton rotation. This document is prepared to update the NPGCD Board on the status at the WCC for the June Board meeting.

Figure 1: 2020 WCC Field plan for Corn and Cotton Rotation



Cotton

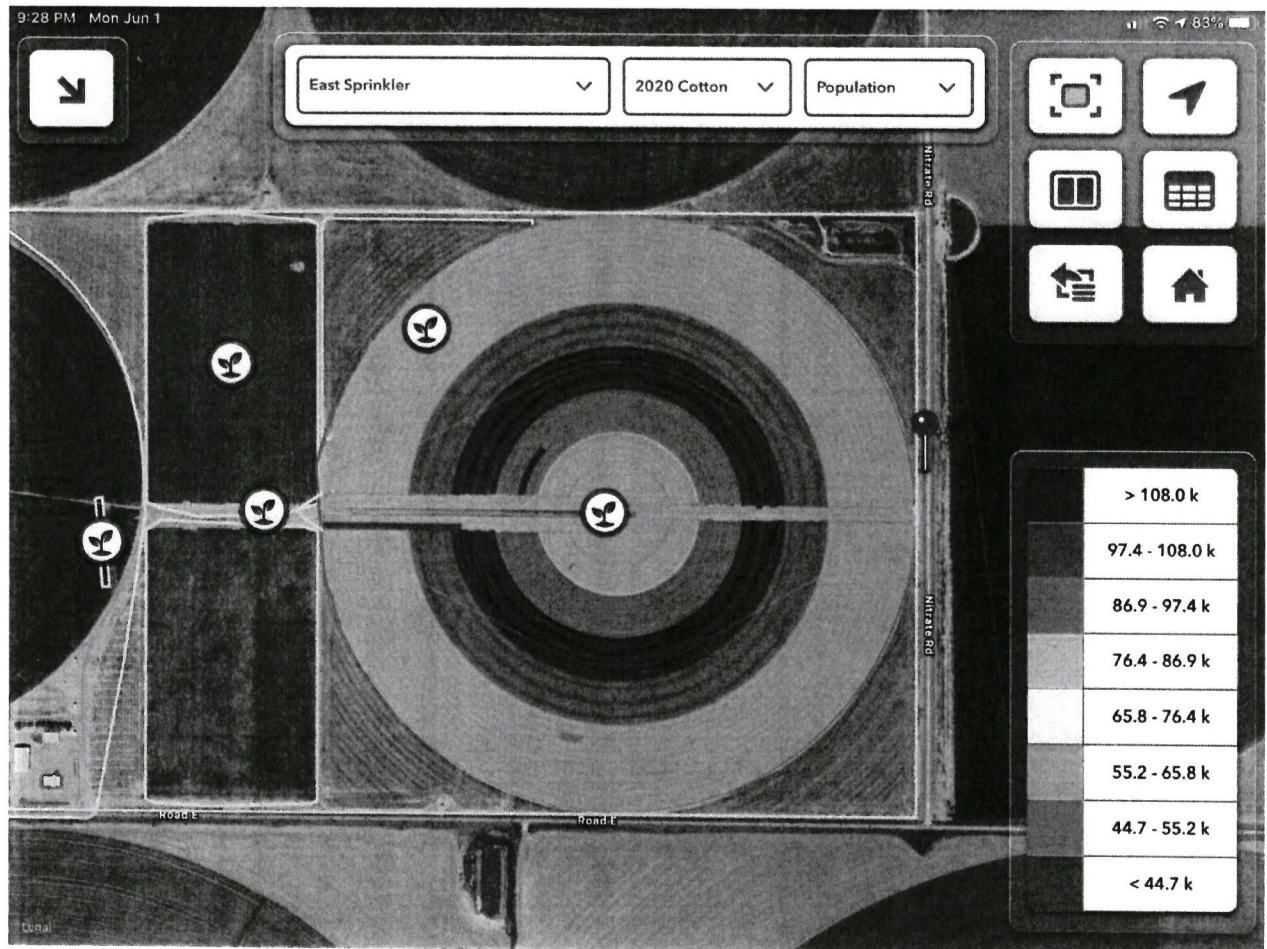
Cotton at the Water Conservation Center was planted on 4-6 May, in the following order:

1. East Pivot population plots and field (4-5 May)
2. North SDI Plots and Jourdan Bell's RACE plantings (6 May)

Gravimetric measurements were taken in each population treatment on 4-5 May to reference beginning soil moisture in the field. Cotton field evaluations will be taken in mid-June to include stand counts in quadrants of the pivot to help overcome spatial field discrepancies that may exist.

Ceres and Better Harvest have agreed to cooperate with Dr. Bell and NPGCD to develop algorithms for drone images in cotton utilizing public deliverable data from the cotton work at WCC. Cotton maturity and development stages are of specific consideration to validate recordings from 2019 work.

Figure 2: Cotton planting map on the West pivot, indicating the population demonstration



The early cotton stand is solid on the SDI and inconsistent in the East Pivot. There are multiple items of note in this phenomenon.

1. The air and soil temperature dropped for the week following cotton planting. Most notable is a low soil temperature of 49° F on 11 May. Air temperature was falling from planting to the date of 11 May rather than increasing after planting, resulting in 5 consecutive days with 0 GDUs.
2. A rainfall event occurred within a week of planting at WCC. The storm intensity was high and included hail. The seed line was covered with additional soil and compaction from the storm.
3. Light irrigation events and soil crust polymers were added to break the crusting. (Jackhammer)
4. The pivot began irrigation from 270* (due west on the road) working toward the North. A full circle irrigation was not achieved prior to the May 11-12 rainfall event (1.75 – 2.0" at WCC).
5. The North SDI was irrigated twice immediately following planting, creating preferential seed to soil contact, and rapid germination start, prior to the 11 May rainfall.

Figure 3: Cotton stand on 29 May 2020 at WCC in the East Pivot. Notice the strained stand of the cotton as well as what appears to be slight skips in the stand. Stand counts and evaluation will be performed in mid-June following final germination. Pictures by Curtis Schwertner.



Figure 4: Cotton stand on 29 May 2020 at WCC in the North SDI Plots. This is part of Dr. Bell's RACE trial and irrigation study. The SDI stand is noticeably more consistent than the pivot stand. Pictures by Curtis Schwertner.



Figure 5: Soil temperature for May 2020 at WCC. Notice the dramatic drop in soil temperature following the 5 May planting date, which impacts germination. Soil temp is more influential then ambient temps for germination.

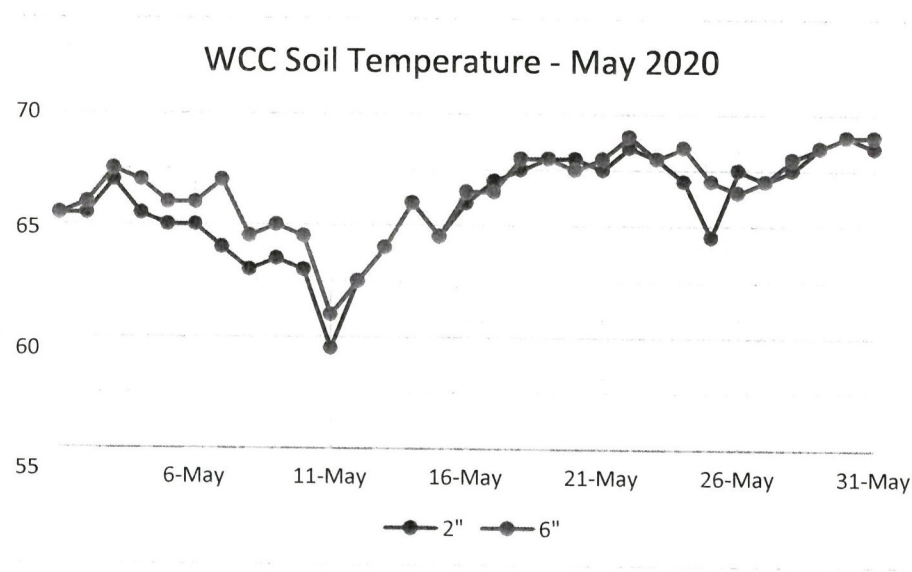
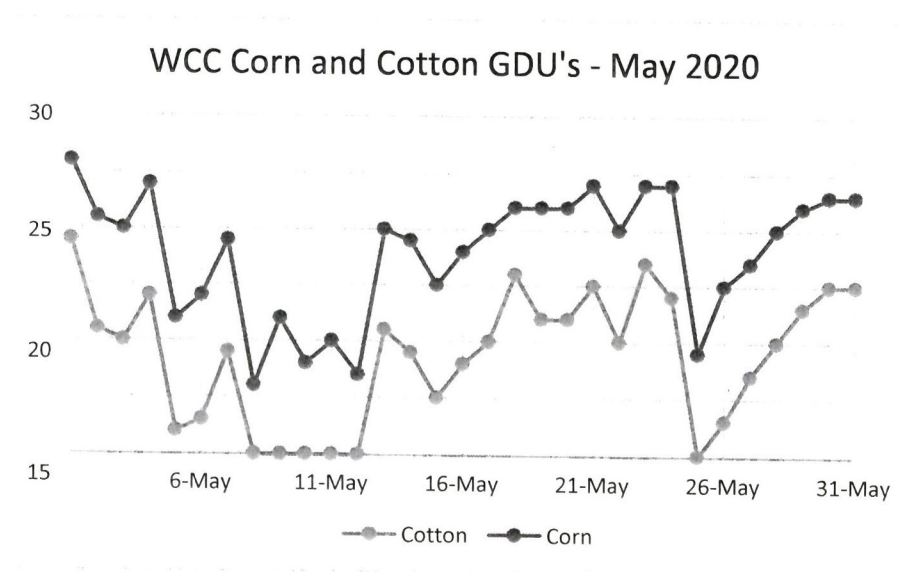


Figure 6: Corn and Cotton Growing Degree Units for May 2020.



Corn

WCC Corn planting occurred on 20-21 May. The two major corn projects are:

1. Corn hybrids and two fertility levels in the west pivot (230 Bu/acre and 250 Bu/acre).
2. SDI Irrigation timing / duration: 1x, 2x, 3x, and 4x (equal water volume applied)

Corn establishment has been excellent early. WCC corn planting conditions were ideal following multiple rainfall events and soil temperature ramping.

The west pivot was pre-watered with 2.31" in early April in addition to watering-in the pre-emergent herbicide. This decision is somewhat controversial and is a direct result of the corn/cotton rotation where the 2019 cotton crop in the west pivot heavily depleted soil moisture. A document discussing the decision-making process in relation to conservation for this pre-water event is being developed and the following considerations are most prominent:

1. Depleted soil profile is a real risk in a dry winter for a corn crop following cotton.

2. Late plant corn has a compressed early development period prior to pre-water where time to adequately refill the profile after planting may not be possible.
3. 2020 is the first year with the GroGuru permanent probes in place that demonstrate the actual depletion of the soil water during the winter.
4. Corn at the WCC has an imposed irrigation capacity limit of 4 GPM / acre.

Figure 7: WCC West Pivot planting map. Nominal planting population is 32K. The West side of the pivot overlays the Texas A&M Agrilife cover crop study which is active.

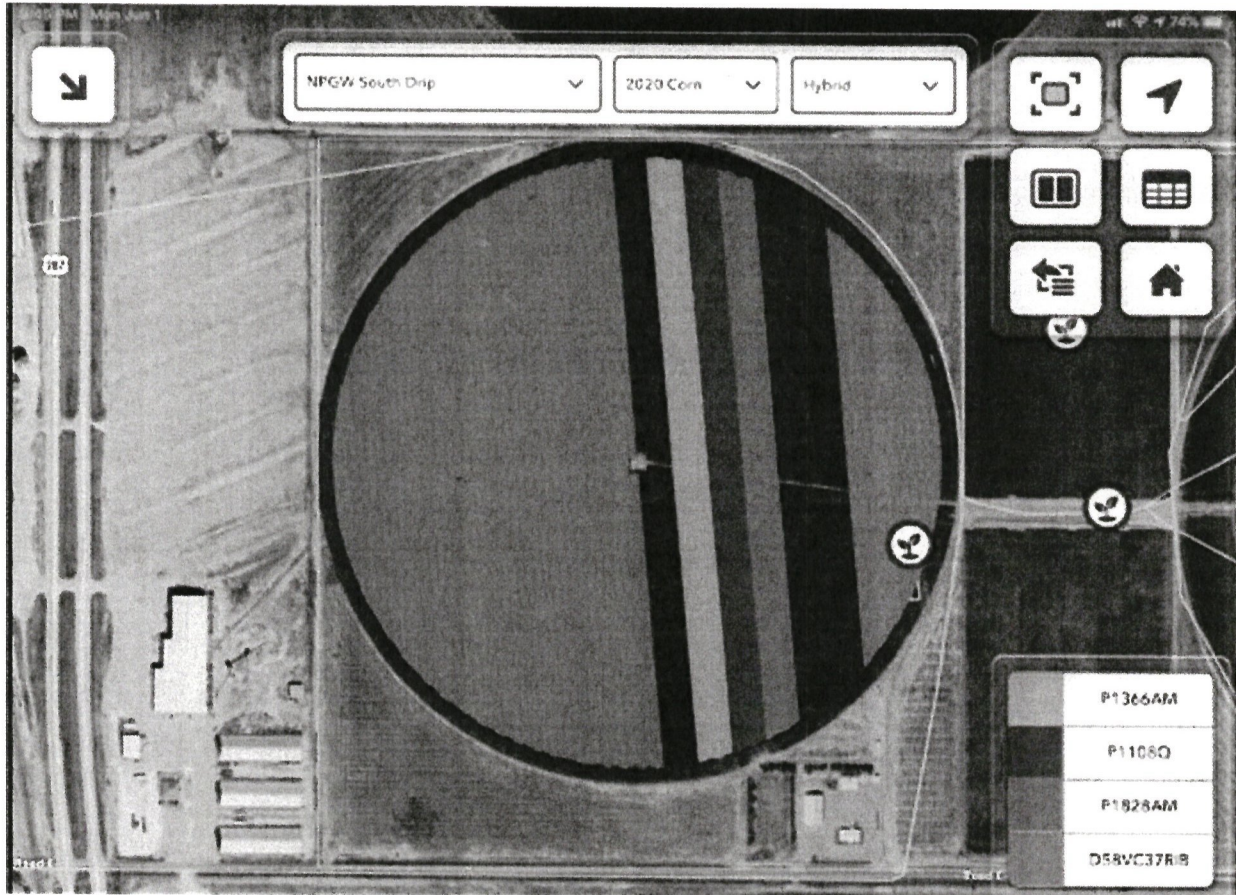
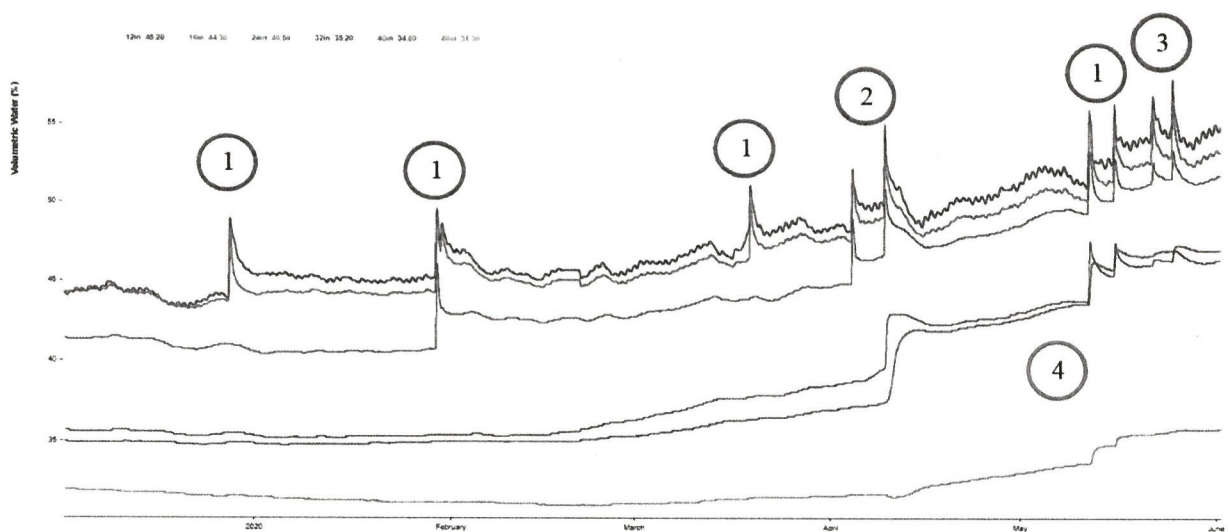


Figure 8: GroGuru chart of West Pivot corn documenting the winter months and early season irrigation. See Key below for narrative.



The above GroGuru chart is from a permanent probe that allows soil moisture monitoring to occur through the off-season. *At this point, we are already making irrigation decisions before AquaSpy probes are installed.* A point for interpretation of the chart is that the generally upward slope of the lines is the temperature rise that is occurring in the soil. The steps are most indicative of water movement. Below is the summary of the annotated points on the chart:

1. Rainfall events as captured by the soil moisture signature. Notice that early rainfall events only register in the top 16". The May rainfall event finally satisfies the upper portions of the profile and begins to store water to the 48" depth.
2. 2.31" pre-water applied over two weeks in early-April. This decision was made based on a 4-6" soil profile void just prior to planting. Notice that the first irrigation event only filled the top 16" and the second irrigation finally penetrated to 40" and was stored. These irrigation events will be included in the 2020 water balance.
3. In-season irrigation begins immediately after the 20 May planting date.
4. Filling the soil profile is necessary for 4 GPM / acre capacity and full-production corn. Notice the soil profile filling at 40" with the 2nd pre-water pass and the 48" level only rises with the 1.75" rainfall event just prior to planting. No water appears to have leached out the bottom of the 4' profile. Early corn irrigation will need to continue to fill the soil profile prior to the Critical Management Point (Late June).

Figure 9: West Pivot corn stand on 29 May – Pictures by Curtis Schwertner.



Figure 10: South SDI Corn – Notice the soil in the seed-line still looks like the strip-till pass compared to the pivot corn which has sealed over and cracked slightly. Pictures by Curtis Schwertner.



Master Irrigator

The Master Irrigator Class of 2020 has been postponed indefinitely due to the COVID-19 pandemic. The 2020 class was full by the third week of February with 25 paid participants, all with property within the district. Participants were notified and given the option of a refund or remaining in the program. Most have opted to keep their spot reserved until the program is rescheduled. The District has not determined if the 2020 Master Irrigator Program will be rescheduled or cancelled.

Loan Program

While there has been interests, there have been no applications submitted for the District's low-interest loan program. Social Media, direct e-mail to producers, news releases and farm industry events have been utilized to promote the program since it began. The District will continue to promote the loan program including utilizing a more aggressive paid radio and newspaper campaign.

Mr. Kenny gave a brief overview of the Center and reported that it is up and going; planting has occurred for both cotton and corn. Samples are being taken as necessary. Mr. Kenny stated that the take-home from the report is we are moving forward quite nicely this year; corn looks fantastic this far; and we had a bit of a hit on cotton based on the planting date. That has really been a revelation that I would like to continue to tease out throughout the year and maybe compare to past years. Just a tough cold snap for germination.

Mr. Kenny stated: "As an update on what I will be doing to work with Curtis and Stan, I will be in the area next week to grab our stand counts and that will give us our really important information on what we do with our cotton stand. Otherwise, the Center is moving forward with all of the projects that were proposed and approved, which include a hand full of overlaid projects in corn and a hand full of overlaid projects in cotton.

Harold Grall inquired what Mr. Kenny's thoughts were on the new permanent probes so far.

Mr. Kenny stated that: "We have learned a lot from the in-season probes. I think that the adoption of that has been a success over the last ten years and is in no small part due to the efforts of many of you. I think that after having a winter of permanent probes, I could hardly recommend an in-season only probe. The decisions that we had to make

in our early-season corn at the Center was heavily supported by data that was on the probe. Essentially, when we were looking at this corn-cotton rotation, one of the concerns we had was if we have a cotton crop and then a somewhat dry winter, what do we do with our early season water management? We've got really delayed planting dates in corn. Again, we figured that was a strategy that had been proven up the last couple of years. What the over-winter probes showed us is that we were about four and one-half to five inches short in our soil water storage going into the corn crop this year and what we had done was then instigated a pre-water event at the time of applying the pre-emergent herbicides and we were able to track with those probes (a month and one-half before we normally would have probes) how deeply our water penetrated. We were able to take water down to 40 inches and didn't move a drop past what is going to be the rooting zone. So, with confidence, we feel that that was a good decision to make in this, what I'm hoping, is a bit of an abnormal year. The information that we get over winter is vital. The long-term benefits potentially of it is that we will be able to calibrate the probes in the soil so that one can come back to the same place year after year after year and have a consistent reading across. The other benefit is that there is a huge cost-saving in it. It is much cheaper to maintain these permanent probes than it ever was to have the Aqua-Spy probes installed and removed year after year. So, in my opinion, it is an improvement on what we have been using for soil moisture probes. Mr. Kenny stated that there is still a lot to learn.

At the Center for reference, we have seven of these permanent probes installed. We've got one in a dryland corner, one in the east pivot, one in the west pivot and then four in the southern drip fields where we are monitoring all four irrigation strategies in drip and they all have a bit of a story to tell. The ones that are in the drip are deep probes – so they go down past five feet and the ones out in the two pivots are the dryland probes and are four feet probes. One thing that we will be working on directly with GroGuru is helping them with the temperature correlation. One of the things that David Sloan noticed, the expert on these, was that he had not over-wintered probes and the temperature really affects the water measurement during the winter. So that it could be potentially deceptive and show that the soil is a little drier than it actually is based upon the temperature effect. I'm pretty confident that by the end of the season that with the data that we are gathering that Mr. Sloan is going to be able to correct that and that we'll end up with even a better product. That is all software related.

Action Agenda 3.e. - Consider groundwater production reporting for 2019 and its relationship to Desired Future Conditions.

Mr. Walthour stated that he had prepared a report for the Board to review.

Mr. Walthour's report presented to the Board is as follows:

The District annually reviews groundwater production from the previous year and determines if there are conditions that may trigger District Rule 8.4 and District Rule 8.5 evaluation to reduce Allowable Annual Production. The determination in part is based on the Modeled Available Groundwater (MAG) measured in acre-feet to achieve the desired future conditions (DFCs) in the District. Texas Water Development Board GR16-029 MAG Report provides the model data for the assessment. The table below is a compilation of MAG for the Dockum aquifer, the Ogallala aquifer and the Rita Blanca aquifer DFCs.

County	Aquifer	Modeled Available Groundwater (Acre-Feet)					
		2020	2030	2040	2050	2060	2062
Dallam	Ogallala/Rita	387,471	287,205	225,573	166,890	112,864	103,258
Hansford	Ogallala	275,016	272,656	271,226	270,281	269,589	269,479
Hartley	Ogallala	397,585	271,523	212,321	154,433	100,407	90,842
Hutchinson	Ogallala	62,803	64,522	65,652	66,075	66,027	65,956
Lipscomb	Ogallala	266,809	266,710	266,640	266,591	266,559	266,557
Moore	Ogallala	214,853	172,621	139,322	105,016	73,384	67,650
Ochiltree	Ogallala	243,778	243,932	244,002	244,051	244,082	244,085
Sherman	Ogallala	398,056	348,895	281,690	212,744	148,552	136,776
Total	Ogallala	2,246,371	1,928,064	1,706,426	1,486,081	1,281,464	1,244,603
Dallam	Dockum	14,192	14,188	14,186	14,184	14,184	14,184
Moore	Dockum	4,801	4,532	4,493	4,417	4,289	4,261
Hartley	Dockum	11,602	10,766	10,524	10,560	10,815	10,895
Sherman	Dockum	127	127	127	127	95	93
Total	Dockum	30,722	29,613	29,330	29,288	29,383	29,433
East Zone MAG		848,406	847,820	847,520	846,998	846,257	846,077
West Zone MAG		1,428,687	1,109,857	888,236	668,371	464,590	427,959
Total District MAG		2,277,093	1,957,677	1,735,756	1,515,369	1,310,847	1,274,036

District groundwater production for 2019 was substantially less than production reported for 2018. While Lipscomb and Hutchison counties slightly exceeded the 5-year historical average, total District production was approximately 78,000 acre-feet below the average and almost 278,000 acre-feet below 2018 totals. The table below represents annual groundwater production in acre-feet from 2015 to 2019 collectively from all aquifers in the District.

County	2015	2016	2017	2018	2019	Average
Dallam	297,000	339,200	312,300	349,900	303,200	320,300
Hartley	332,700	391,600	376,000	422,600	349,200	374,400
Moore	156,700	185,700	173,100	200,600	157,700	174,800
Sherman	251,700	285,300	265,100	312,000	255,400	273,900
Hansford	148,800	170,400	146,700	190,800	162,300	163,800
Hutchinson	57,700	67,700	63,600	75,500	68,400	66,600
Lipscomb	39,400	42,300	44,200	44,200	43,400	42,700
Ochiltree	77,400	81,400	77,300	95,500	81,800	82,700
West	1,038,100	1,201,800	1,126,500	1,285,100	1,065,500	1,143,400
East	323,300	361,800	331,800	406,000	355,900	355,800
Total	1,361,400	1,563,600	1,458,300	1,691,100	1,421,400	1,499,200

Groundwater production within the District for 2019 is below the 2020 MAG. Hutchison County exceeds the 2020 MAG; however, the total groundwater production in East and West Groundwater Management Zones are below the district's target 2020 MAG and 2030 MAG. The table shows the 2020 MAG compared to 2019 Production in acre-feet by county and by management zone. The table below compares 2019 annual production to the District 2020 MAG.

County	MAG	2019 Production	2019 Percent Difference between MAG and Production	Average Production 2015-2019	Average Percent Difference between MAG and Production 2015-2019
Dallam	401,663	303,200	-24.51%	320,300	-20.26%
Hartley	409,187	349,200	-14.66%	374,400	-8.50%
Moore	219,654	157,700	-28.21%	174,800	-20.42%
Sherman	398,183	255,400	-35.86%	273,900	-31.21%
Hansford	275,016	162,300	-40.99%	163,800	-40.44%
Hutchinson	62,803	68,400	8.91%	66,600	6.05%
Lipscomb	266,809	43,400	-83.73%	42,700	-84.00%
Ochiltree	243,778	81,800	-66.44%	82,700	-66.08%
West	1,428,687	1,065,500	-25.42%	1,143,400	-19.97%
East	848,406	355,900	-58.05%	355,800	-58.06%
Total	2,277,093	1,421,400	-37.58%	1,499,200	-34.16%

Mr. Walthour also stated that his conclusions in the report are that the 2019 Annual Groundwater Production does not exceed the 2020 MAG and, therefore, there are no conditions that trigger District Rule 8.4 and District Rule 8.5 evaluation to reduce Allowable Annual Reduction.

In 2014, we are about 400,000 acre-feet in each of the East and West Zones below what the MAG would have said so I ask the District Board to accept that the Annual Production is less than the MAG and therefore, there is no need to make a reduction based on District Rule 8.5.

Mark Howard moved that the Board accept that the District's 2019 Annual Production does not exceed the 2020 MAG and, therefore, there are no conditions that trigger District Rule 8.4 and District Rule 8.5 to reduce Allowable Annual Reduction. Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.f. - Receive Hydrology and Groundwater Resources Report 2019-2020.

Assistant General Manager/Hydrologist, Dale Hallmark and Odell Ward, Program Coordinator — GIS/Monitor Wells, presented a written 2019-2020 Hydrology and Groundwater Resources Report to the Board. The report is available at the District office.

Action Agenda 3.g.- Receive North Plains GCD 2019 Annual Report.

General Manager, Steve Walthour, stated that Kirk Welch has completed the 2019 Annual Report and it is not yet in hard copy format. An electronic copy of the report was presented to the Board.

Action Agenda 3.h.- Receive report regarding Groundwater Management Area 1 Joint Planning.

General Manager, Steve Walthour, stated that the report is in the Board packet.

The following report was contained in the Board packet:

Groundwater Management Area 1 Joint Planning Committee met via Zoom on May 21, 2020. The committee received an update from the Texas Water Development Board regarding the timing of joint planning and the next round of Regional Water Planning. Wade Oliver of INTERA discussed the Dockum Aquifer proposed DFCs. The anticipated results from the Groundwater Availability model using the 2018 production data was not yet ready.

The next GMA-1 meeting is scheduled for June 25, 2020 at the Panhandle Regional Planning Commission in Amarillo.

Mr. Walthour reported that at the next meeting, the Joint Planning Committee for GMA-1 should have the opportunity to review the numbers of a new model run.

Action Agenda 3.i.- Receive report regarding Region A Water Planning Area.

The General Manager reported that Region A is scheduled to have a meeting in July to review its pre-proposal plan and the Water Development Board will be checking that off. Region A has already had its hearing. Mr. Walthour attended the hearing via Zoom. There was no public comment. Mr. Walthour stated that he is on the group to help review any written comments before they are presented to the Regional Water Planning group. The Regional Water Planning would be set for its next round of Regional Water Planning across the area. Mr. Walthour is also part of the Inter-Regional Planning Council which is meeting via Zoom on a regular basis to solve challenges between different Regional Water Planning groups and state-wide water availability challenges.

Action Agenda 3.j.- Receive report regarding USGS water quality sampling in the District.

President Krienke stated that the Board had an overview of the USGS water quality sampling in the District in the Board packet.

General Manager, Walthour, stated that COVID-19 has impacted the District's schedule for sampling this year. District staff anticipates that sampling may possibly be completed by the end of the District's fiscal year.

Odell Ward, District Program Coordinator and GIS Analyst, reported that he is supposed to receive a call on June 15, 2020 to determine if the District could begin sampling within the first or second weeks of July, 2020; and, if not, the District will review again on July 15 and attempt to reschedule for September 2020.

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

President Krienke stated that there were two items regarding compliance and asked the General Manager for commentary.

Mr. Walthour stated that he would comment regarding subparagraph 2. of Agenda Item 3.K. in the Board packet. The District had nine entities that filed production reports that apparently exceeded their production limit. District staff has worked through a couple of these reports and producers have provided the District with additional information to clear

the same. District staff anticipates having the remainder of these matters resolved throughout the summer.

In regard to Guy Burkett, the driller who drilled the Well without a Registration or Permit, the District has scheduled a Show Cause Hearing for July 2020. Mr. Walthour stated that General Counsel may wish to discuss this matter with the Board in closed session.

General Counsel, Keith Good, responded to Mr. Walthour that General Counsel and the Board should discuss the foregoing matter in Executive Session.

Action Agenda 3.I.- Discuss and ratify the engagement of the law firm of Brown & Fortunato, P.C. Amarillo, Texas, to assist the District with Employment Matters.

President Krienke stated that the Board would take this matter up after closed session, as well.

Executive Session - Section 551.071 of the Texas Government Code.

At 10:06 a.m., Gene Born moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.071, to obtain legal advice on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551. Zac Yoder seconded the motion and it was unanimously approved by the Board.

Executive Session: At 10:06 a.m., the Board went into Executive Session. At 11:00 a.m., Zac Yoder moved that the Board reconvene into regular session. Gene Born seconded the motion and it was unanimously approved by the Board.

The Board reconvened into regular session at 11:02 a.m. and Bob B. Zimmer joined the regular Board Meeting.

President Krienke stated at this time he would consider a motion that the General Manager and General Counsel move forward with a proposed settlement agreement with Mr. Guy Burkett.

Harold Grall moved that that the General Manager and General Counsel move forward with a proposed settlement agreement with Mr. Guy Burkett. Gene Born seconded the motion and it was unanimously approved by the Board.

President Krienke stated at this time he would consider a motion to ratify the engagement of the law firm of Brown & Fortunato, P.C. Amarillo, Texas, to assist the District with Employment Matters.

Gene Born moved that the Board ratify the engagement of the law firm of Brown & Fortunato, P.C. Amarillo, Texas, to assist the District with Employment Matters. Bob B. Zimmer seconded the motion and it was unanimously approved by 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.

Except as reported herein, no Committee reports were presented.

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.

Mr. Walthour reported that all District staff, Directors and General Counsel and staff (who are not required to complete cybersecurity training) have timely completed the cybersecurity training prescribed by House Bill 3834. This cybersecurity training will need to be completed annually by all District staff and Directors from this point forward.

Mr. Walthour stated that the District is still seeking a Natural Resource Specialists. Mr. Walthour has been interviewing and believes that he a good prospect. Shari Stanford has requested to be moved back to the field from Permitting. Shari knows the field requirements and activities very well, so she will be making that move. Mr. Walthour is still interviewing for a Natural Resource Specialist and is searching for a permitting person now.

Lastly, Mr. Walthour reported that the District's front lobby is being prepared to receive the public. At this point, a plexiglass type material is being installed to preclude germs from being spread to everyone in the area. The lobby has been revamped where the public has access to maps at the front desk without going into an office and leaning over the person who is doing the permitting or production reporting. Additional modifications will be made to the building, as required.

Mr. Walthour stated that he anticipated having all of his staff back in the District office on Monday, June 15, 2020, with the exception of a couple of staff members who definitely have health concerns.


Mr. Walthour also stated that at this point, the District has found that apparently, telephone and internet have worked well in issuing Permits and receiving production reports. Mr. Walthour stated: "If you are curious just how it held us up, just look at the number of permits issued over the phone and the internet the last two months."

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 on July 14, 2020 at 9:30 a.m.

Agenda 6 - Adjournment.

There being no further business to come before the meeting, President Krienke declared the meeting adjourned at 11:12 a.m.



Daniel L. Krienke, President



Mark Howard, Secretary