

**MINUTES OF THE MARCH 9, 2021
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 March 9, 2021, at 9:00 a.m. at the offices of North Plains Groundwater Conservation District, 603 East First Street, Dumas, Texas 79029. Due to the restrictions of COVID-19, the meeting was held through Zoom Meeting in Dumas, Texas. The following persons participated in the Meeting:

Members Present at 9:01 a.m.:

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

Staff present during part or all of the meeting:

Steve Walthour, General Manager;
Kirk Welch, Assistant General Manager;
Kristen Blackwell, Administration Manager;
Paige Glazner, Conservation Outreach Assistant;
Odell Ward, Field Supervisor;
Dusty Holt, Permitting Specialist;
Dale Hallmark, Hydrologist; and,
Curtis Schwertner, Natural Resource Specialist.

Others present during part or all of the meeting:

Scotty Schilling;
Cheri Dejong;
Tom Forbes, Esq.
F. Keith Good, General Counsel for the District; and,
Ellen Orr, Paralegal.

President Zimmer declared a quorum present and called the meeting to order at 9:01 a.m. Director, Gene Born, gave the invocation and Director, Harold Grall, 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 Agriculture Committee Meeting held on February 8, 2021; the review and approval of the Minutes of the regularly scheduled Board of Directors Meeting held on February 9, 2021; the review and approval of un-audited District expenditures for February 1, 2021 through February 28, 2021, 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 incurred from February 1, 2021 through February 28, 2021, in the amount of \$4,762.50.

Daniel L. Krienke moved to approve the review and approval of the Minutes of the Agriculture Committee Meeting held on February 8, 2021; and the review and approval of the Minutes of the regularly scheduled Board of Directors Meeting held on February 9, 2021. Harold Grall seconded the motion and it was unanimously approved by the Board.

Harold Grall moved to approve the remaining items on Consent Agenda, consisting of the review and approval of un-audited District expenditures for February 1, 2021 through February 28, 2021, 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 incurred from February 1, 2021 through February 28, 2021, in the amount of \$4,762.50. Daniel L. Krienke seconded the motion, and the motion was unanimously approved by the Board.

Action Agenda 3.a. - Consider Bobby and Dana Nelms request to lower or remove 2020 tax fees and penalties for the property ID R000053230 located at 303 Elm Street, Darrouzett, Texas.

The General Manager reported that on February 8, 2021, the District received a request by Bobby and Dana Nelms to lower or remove 2020 ad valorem tax fees and penalties for the Property ID R000053230 located at 303 Elm Street, Darrouzett, Texas. A copy of the Nelms' letter and a copy of the Nelms' 2020 ad valorem tax statement from the Lipscomb County Appraisal District for the property was presented to the Board. The Lipscomb County Appraisal District indicated that the Nelms owe \$28.20.

The District has in the past has allowed for a different tax fee or reduced penalty upon request from a county appraisal district (CAD) when the CAD has indicated that it had made an error. The General Manager reached out to the Lipscomb CAD to inquire if there is an error. The County Appraiser indicated that there was no error or other issue.

After review of the request letter and determining that there has not been sufficient evidence presented that the Lipscomb CAD erred in preparing a tax statement, the General Manager recommended that the Board deny the request by Bobby and Dana Nelms to lower or remove 2020 ad valorem tax fees and penalties for the Property ID R000053230 located at 303 Elm Street, Darrouzett, Texas.

No Board action was taken on this item.

Action Agenda 3.b. - Consider City of Follett request for assistance to purchase a control system for a water tower and two wells.

The General Manager reported that on March 1, Scotty Schilling contacted him and discussed the District providing assistance in purchasing a control system for a water tower and two wells. We discussed it and I decided to place the request on the Board Agenda. Scotty was seeking a grant for the City of Follett of approximately \$12,000. Scotty has asked to tell you what the City's needs are.

Scotty Schilling stated that the City needed some help because it uses 30 million gallons of water a year and can only account for 22 million gallons. The City has an antiquated system on its water tower and it runs over 3 or 4 times a month, If it starts running over at 1:00 o'clock in the morning and isn't discovered until 6:00 o'clock in the morning when somebody gets out and it happens consistently --- you know, and I know the District is about saving water and that's why I came to you. It is a water-savings matter and it benefits 450 people in our community and if we could get the equipment it will save electricity and it will save water.

Mr. Walthour stated that he has contacted the Panhandle Regional Planning Commission and the City if filing an application with it, I believe, or are putting together an application to the Water Development Board for a larger grant from what PRPC has told me. Mr. Walthour inquired whether the City has added this equipment to that list that was on that grant?

Mr. Schilling replied, no, it wasn't added to it. Our water lines are so bad, I mean we're going to burn through that just fixing water lines and replacing them that are so bad and not even get 1/5 of what we need to get done with it you know.

Mr. Walthour stated that he checked with PRPC and there are multiple applications available for that grant money. At this point, only about 50% of it is will probably get approved by the board (meaning 50% of the grant applications). This is similar to what we do when we do applications for agricultural irrigation use to the Water Development Board. We are in a competitive bid and it's never a sure thing that we are going to get the funding. We make an application, and with Kirk's help, we've been very successful in getting that pass-through grant application stuff. The City of Follett is the first time any public water supply, that I can recall, has asked us to help find money, or to assist with a project. We don't have any money in our budget listed to buy this system.

Mr. Schilling stated that he understood that and that his only complaint with this deal is you charge all of us city people the same tax, ok, and that's fine, you guys do a great job conserving water and everything but why don't you work for all taxpayers, city people included, in procuring this money instead of just farmers. You know your two biggest users are farmers and cities and that's my complaint with it, you charge us the tax but then we get --- we get the benefit, yeah, you conserve water --- outside that --- but help us, too, all the municipalities.

Mr. Walthour stated that he was going to go ahead and finish his recommendation. I'm recommending that the Board support the City of Follett's application to the PRPC and direct District staff to assist the City of Follett in applying for funds from other potential sources to cover that funding. That's what we've done with the agricultural irrigation grants and we will certainly do that for the City of Follett.

Mr. Zimmer inquired of Mr. Schilling what type of water tower the City of Follett had?

Mr. Schilling responded that it was a 50,000-gallon tower and was probably installed in the 70s. It's phone lines and it does it off of pressures. They hang up, the old needles – you know they have looked at it – and we just don't have a lot of money to spend. Our budget is pretty tight all of the time. I can install the overflow control, and if it starts overflowing it'll shut the wells off and alert us. We can put flowmeters in and digitally keep track of all our gallons used.

Mr. Zimmer inquired how much does that overflow control system cost?

Mr. Schilling responded, that's hard to know. What we have now wouldn't work. You couldn't put the overflow switch on. It wouldn't work because the system is so antiquated. I mean it's a 70s vintage. It's just phone lines, and if a squirrel gets in the phone lines and chews it through, it'll run all night, and that happens quite frequently.

Mr. Zimmer inquired how far away the wells were from the water tower?

Mr. Schilling responded that the most-distant well was half a mile away from the water tower and the other well was in between. The proposal is for a cellular-based system on the cloud network we'll get a text whenever things are going wrong, or pressures aren't where they should be.

Mr. Walthour inquired of Mr. Schilling, if any other cities have the proposed overflow control system in your area?

Mr. Schilling responded, yes, I think Higgins has a radio-based system – Darrouzett, I'm not sure -- but yes, the town of Amarillo, of course, it is big and has such a system. There are 50,000 systems that you can get, but this is the one that I researched and liked the best for our City.

Mr. Grall stated that he had a question. My question to Steve and the rest of the Board to what extent do we usually help municipalities? Are we getting into something – are we staying in our lane here, or are we opening up a door that we can't close, not that we don't like to reach out and help people.

Mr. Walthour responded, I think as far as helping any public water supplier to go find funding, I see this as a conservation matter. The reason that we received irrigation grants was because a large group of the community did not have meters on their wells and requested financial assistance for meters. Well, we didn't write checks to buy meters directly, what we did was go to the Water Development Board and we have been successful in getting funding that's passed through that is 50/50. If a municipal water supplier came to us, I think the first thing we would measure is it a conservation issue -- and it certainly is --- it is the same as us getting meters for industrial users, but to help someone to apply -- to help advocate via letter that says we think this is a great conservation project, at the very least, we can certainly do that, and we can spend some of our time --- I don't have a whole staff --- but we can look into this to see if we can find some other funding resources.

Mr. Zimmer stated, Harold, I'll answer that. It doesn't matter who it is, if they produce water in our District, and we can help in the sense of conservation --- it doesn't matter because we represent all five stakeholders -- all types of stakeholders. I don't have a problem if we can help find something. I believe that TCEQ could probably help.

Mr. Grall stated that we have never been bought a request like this, to my knowledge, and that is why I am asking. Scotty has a great argument.

Mr. Zimmer stated these little towns, they need assistance.

Mr. Grall responded, they do. They don't have the tax base to be able to have an EEC -- that's what we do here in Dumas -- so they are a little bit more limited in accessing some of the money that we do.

Mr. Zimmer stated to Mr. Schilling that he knew a person that he could call that might be able to help him. I will talk to him, and if it works, we'll get back to you. I have an idea that I will follow up on also.

Mr. Schilling responded, ok, I appreciate it.

Mr. Walthour stated that he requested that the Board authorize Mr. Walthour and District staff to start helping Scotty look for some funding for the City of Follett on this. I really don't need the Board authorization, but I think that since it was a formal request to the Board, Board action is appropriate.

Gene Board moved that the Board authorize the General Manager and District staff to assist Scotty Schilling in obtaining funding resources to assist the City of Follett in purchasing a control system for a water tower and two wells. Daniel L. Krienke 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 29 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.

Permit Number	Permit Status	Well Class	Quarter	Section	Block	Survey	Yards N S	Yards EW
DA-11108	Board	B	SE/4	15	6	CSS	103 S	161 E
DA-11386	Board	D	SW/4	12	3	CSS	454 S	435 W
DA-11402	Board	B	NW/4	30	48	H&TC	764 N	173 W
DA-11480	Board	C	SE/4	6	48	H&TC	592 S	805 E
HA-11246	Board	C	NE/4	51	2	B&B	450 N	451 E
HA-11247	Board	C	NW/4	69	2	B&B	431 N	405 W
HA-11351	Board	C	NW/4	1	1	J Poitevent	26 N	49 W
HA-11354	Board	C	NE/4	29	12	CSS	103 N	117 E
HA-11359	Board	C	SE/4	103	48	H&TC	30 N	403 E
HA-11379	Board	C	NW/4	27	LE	G&M	607 N	128 W
HA-11380	Board	C	NW/4	3	LE	G&M	333 N	82 W
HN-11253	Board	D	NE/4	10	3	GH&H	140 N	292 E
HN-11319	Board	A	NW/4	86	4-T	T&NO	111 N	106 W
HN-11324	Board	D	SE/4	18	1	CIF	270 S	107 E
HN-11350	Board	B	SW/4	89	2	GH&H	289 S	110 W
HU-11479	Board	C	SW/4	44	5-T	T&NO	103 S	766 E
HU-9074	Board	D	SE/4	54	M-23	Robert Sikes	207 S	2023 E
LI-11342	Board	D	NE/4	113	10	HT&B	149 N	118 E
MO-11242	Board	B	NW/4	194	3-T	T&NO	122 N	125 W
MO-11326	Board	D	SE/4	258	44	H&TC	45 S	545 E
MO-11337	Board	C	SW/4	18	Q	H&GN	198 S	556 W
MO-11347	Board	B	NW/4	352	44	H&TC	367 N	169 W
MO-11352	Board	B	SW/4	14	Q	H&GN	75 S	35 W
SH-11088	Board	C	NE/4	41	3-T	T&NO	236 N	713 E
SH-11297	Board	B	SW/4	375	1-T	T&NO	101 S	372 W
SH-11299	Board	B	SW/4	375	1-T	T&NO	107 S	118 W
SH-11300	Board	B	SW/4	375	1-T	T&NO	364 S	139 W
SH-11348	Board	B	SE/4	268	1-T	T&NO	119 S	206 E
SH-11349	Board	B	SE/4	268	1-T	T&NO	107 S	449 E

It was noted that Director, Mark Howard, had two Well Permits on the Well Permit Schedule, Well Permit HA-11379 and Well Permit HA-11380.

Daniel L. Krienke moved to approve HA-11379 and Well Permit HA-11380 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 approved by the majority vote of the Board with Mark Howard abstaining from the vote.

Daniel L. Krienke moved to approve all of 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 report and consider action regarding the District's agriculture conservation programs and other conservation education programs.

Assistant General Manager, Kirk Welch, presented the following report to the Board:

Nich Kenny was not able to join us today, but at this point, I believe he has gotten everyone caught up with updates of the 2020 season. At the end of my report, I will be addressing a hybrid meeting that is planned for April the 15th that will be available via Zoom, but also live, for stakeholders regarding the 2020 demonstrations at the WCC. Jourdan Bell will be a presenter at that meeting with the possibility of some other speakers. A morning meeting with a lunch is what is planned at this moment, and it could be at the WCC, or we might have to look for an alternative location to accommodate the conferencing. I want to make sure that we don't have any issues. Next on my list, is that we have received news that The Master Irrigator Program has received a Blue Legacy Award from the Texas Water Conservation Advisory Council -- there's a paragraph in your summary in the Board packet that talks a little bit about that --- but The Master Irrigator in 2018 received the Environmental Excellence Award and the 2012 program received this Blue Legacy Award, as well, from the Texas Water Conservation Advisory Council, which was actually created originally by the legislature, or the legislature directed the Water Development Board to create this Advisory Council, to be a resource for water conservation information to basically state government -- to the Governor, the Lieutenant Governor and the legislature. One of the big things that they do is recognize conservation activities throughout the state --- so it's obviously a great honor. We've received other awards, including the Epic Project, as well as, Leon New's award. I feel like it's great recognition for The Master Irrigator program.

In speaking of The Master Irrigation, we are full force in getting prepared for our first session of the 2021 class that will begin on March 24th. That's going to be the first session and then classes will be held on successive Wednesdays the 31st, April 7th, and then April 14th. This week is the last week for accepting applications, that's Friday, March 12th. Thereafter, based on recommendations from the Ag Committee, we will finalize our class of 2021 and be reaching out and contacting all of those who are going to be a part of that class. Any applicants who don't make it into the class of 2021 will then be moved to first in line on the waiting list for 2022 class.

In addition, I don't know if I did report this last month, but we've made application to the Water Development Board to secure funding for the 2023 Master Irrigator program. So far, historically, we have not had issues with filling the class and that is the direction of the Board to continue The Master Irrigator program, as long as we have interest in the course. So, we'd like to try to make the financial arrangements for 2023 and have that taken care of.

We do have a commencement speaker for the last day of the program and that is Brooke Paup of the Texas Water Development Board. I believe Director Paup will be accessing and participating via the Zoom platform to congratulate our graduates.

The other item that's listed here is our agricultural loan program. Based on recommendations from the Ag Committee, the Board directed management to move forward with any action necessary to cancel that loan program. The General Manager has been actively involved in that process.

President Zimmer inquired where the Grower's Day was going to be held.

Mr. Welch responded that it's a little bit of a moving target --- we would like to do it at the Water Conservation Center and will be testing to make sure that we can accommodate a hybrid-type meeting such as a live and teleconference-type meeting, at that location. If we can't do it there, we will have to obtain an alternative location that will be announced later.

Mr. Walthour stated that he was extremely pleased that the District was holding The Master Irrigator program again this year. Mr. Walthour inquired if the end of this week was the last day to sign up?

Mr. Welch responded that the end of the week was the last day to sign up.

Mr. Walthour stated that we have a couple of different companies which have signed up multiple people for The Master Irrigator program. Single individuals that sign up that are not associated with companies will be given preference in getting into the course before companies with multiple individuals that have signed up to attend. We are ready to go on it. If you know of someone that wants to get in on it, they need to get in touch with us now.

Mr. Welch stated that he believes that it is important to let them know that if they put in an application now there's really not a guarantee that they will be in the 2021 class because we are close to full, but they would certainly go onto the waiting list for 2022.

Mr. Zimmer stated that he thinks it is very assuring that that we still have that many people willing to participate in the program.

Mr. Krienke inquired whether the District would want to invite Nich Kenny and maybe Dr. Steve Amosson to join that virtual award to get them recognition for their work concerning The Master Irrigator program.

Mr. Walthour responded, if we know when it is, we're still trying to figure out when that's held – it's on the 18th, and we're trying to figure out when the time is. I don't have a problem doing that if we could just figure out the timing.

Mr. Welch stated that the organizers have mentioned that they may have to limit to just one recipient of the award because of the teleconference -- the nature of the presentation --- and so we may just have one representative on camera. Certainly, you we may want to try to mention some other people --- that may be a possibility.

Mr. Walthour stated that we may be able to put more people on camera in his office.

Mr. Zimmer stated that the 18th was GMA day so Steve and I are trying to coordinate that with GMA.

Mr. Walthour thanked Mr. Welch for all of his work on the project.

Action Agenda 3.e. - Receive report regarding 2020 Annual Production Reporting.

Mr. Walthour reported that out of all of the reports the District submitted, District staff is down to approximately 15 reports. Most of them, we have gotten responses back and we have been told that we are going to receive them. I have a few that I will be calling Board members in those counties, not for the Board member to call them, but for you to confirm that we are talking to the right person. I have already found out this morning on the ones that Bob, and I reviewed, two of the three that we looked at, there is probably a change in who has been farming the property, and that is the reason that we have not gotten the report. There is one in Dallam and Zac, that is going to be a question, if you know Richard Mason, and whether you have any information on that person, and I will talk to you about that later.

I'm just looking through my list, and we have a John Franz, from Hartley – I'll be checking with you, Mark, to see whether you know of any mitigating circumstances.

Really, right now, the ones that we are concerned about are the ones on which we apparently don't have good contact information, because they are not returning our calls.

Also, during the production reporting, we have had numerous people concerned about water use and production and declining water in areas in the District. I have looked at that and thought about it. This Summer, I would like to do a study. We would select some areas that would include a segment of all water user groups, from public water suppliers, irrigated agriculture, industrial user, feed lots and dairies, and look at an area and do draw-down studies on a weekly basis throughout the Summer to look at capturing how much pumping levels are falling off by reading meters throughout the season for the ones that have meters on their wells and then come back and do a report later. I can discuss that a little bit more. Since I have some funding available to do this in other resources, I would be looking at trying to put this together and just trying to compare the production in an area over time and see how that effects our water level drops on what we have left as far as pumping in gallons per minute well capacities. I think this will help address some of the issues about some of the changes in the way we have seen irrigated agriculture develop in this area. We've got people who are pumping more throughout the year now than just growing a corn or cotton crop. This information would help us in evaluating whether we are meeting our Desired Future Conditions – and whether we need to make any tweaks to our Rules—or just leave our Rules the way they are. I don't think that we are at a point where we have enough information to make any changes in the way we are doing our production reporting. I ask the Board to authorize District staff to do this study.

Mr. Zimmer stated, let me give the rest of the Directors a little background about where Steve is headed with this. Harold, I understand that you had a person come to you asking about lowering the annual allowable, is that correct? Do you want to speak on that? And then I've got something to add.

Mr. Grall responded, yes, and his reasoning was the dairies, and, you know, that is the talk of the town, especially in Moore County. We have another huge dairy being built and I don't know whether there are any more of them. I don't believe any of the Directors want to go down the path of lowering production limits at this point. We just want to gather some information to see whether these are normal losses or declines that we're going to continue to see. It's just a proactive way of gathering some data so we can do a better job of telling what's going on, basically.

Gene Born stated that the other day a person from Booker called him and said he had heard a rumor that we were considering lowering the allowable production and he was all for it. He thought that we should lower it and that's the first Mr. Born had heard about it.

Mr. Zimmer stated, since the last Board meeting, I've had five different farmers talk to me and each conversation started with: is the District going to lower the annual allowable?

Mr. Zimmer stated that he talked to them a little bit and these were larger, prominent farmers in the area and then they followed up and said, well, we would like for the District to lower it and four of the five asked to go all the way to one foot. I talked to them, and I finally asked the sixth farmer his thoughts and he said, well, the talk is, there are so many wells being drilled that we think that the District is going to have to cut back on production because of the volume of wells being drilled. I told him to understand that the Board does not watch the quantity of wells drilled, we have to watch the volume of water produced annually against the MAG. It doesn't matter to the Board whether you drill one well or 10 on a section, or whichever that's within the Rules. There was more than one request, so I told these particular farmers this: I would like for you to get together, if you are truly interested in lowering the annual allowable, please make a formal request to the District. Once you have made a formal request, I will request for the Board to have an open public meeting in the East and see how many people show up, and if the Board views that there is a considerable amount of positive interest in lowering the annual allowable, then the Board can make a decision if they would like to move forward on changing the Rules. They made the comment that they are figuring

out that most of them don't pump more than a foot. One of them made the comment, I finally got to the point (he's older -- he's about my age) I realize I do think that we ought to save something for the future. If most people aren't pumping much over a foot, why not lower it and send a message to the state that we can manage this ourselves and we can take care of it and we don't need help from downstate -- we can be positive about it. There is a considerable amount of farmers concerned a little bit because they have watched their meters enough years that they believe they can survive with a lower pumping limit. One gentleman talked to me and said, well, I've got one of the landlocked small acreages, like that quarter half section and he said that he could still figure out how to make it work on a foot and a quarter. So, there is a fair amount of talk starting up in Hutchinson and Hansford Counties, I know, thinking about this. I don't know if anybody else is hearing anything, but that's where the lower pumping limit discussion got started.

Mr. Walthour stated that his intent with this study is to gather data and review and look at any kind of model that we can to see if considering lowering any production limit is needed, or whether it would help. The answer could be that we go through all this and lowering the production limit could have some unintended consequences until we actually understand and get a really good set of data and information to make decisions on. If you have a group of people showing up requesting that the production limit be lowered for whatever reason, you would still want to go through this process to make sure that any data or information we collect would help you determine if it's actually going to affect the aquifer to the extent that it would slow pumping down, or slow groundwater withdrawals down. It also will allow us to at least look at possibly some data that we can plug into some sort of socio-economic study on declining water levels and the effects on lower pumping limits. That's the purpose of this is not my intent to come to you and have a recommendation to change our Rules at all, my intent is to get you enough data to see how our production is going today and how our regulatory scheme is working today, and in the future.

President Zimmer stated, just know I told them, if anyone else calls you, I'm not interested in bringing anything to the Board unless we get a formal request. Mr. Zimmer asked the Board members present what they thought.

Gene Born stated that it sounded good to him.

Mark Howard stated that he didn't hear what Bob said.

Mr. Zimmer responded that he told them that he was not interested in bringing anything to the Board about changing the existing Rules without a formal request.

Mr. Howard stated that what he had been hearing over here is mostly there's a lot of fear and frustration out there and people are worried that, you know, dairies weren't complying with the Rules. I think we need to make sure that everyone knows that they are. I believe that Steve is monitoring to the point we can always say that everybody is in compliance that operates in this District. Gathering the other data that you are talking about --- I've seen this before, but I agree with you that you have got to have a formal request to start thinking about some changes, but I haven't found anybody asking for that to change over here. I'm sure there are a few folks that are, but the ones that I have asked directly has said no, don't change production, but they do want to make sure everybody is in compliance.

Zac Yoder stated that he hasn't heard anyone complain about lowering the production limit, the only complaint that he has heard lately, is that they don't want to deal with production reporting because they don't use anywhere near the limit.

Justin Crowover said that he was like Mark, let's make sure everybody is following the Rules. I understand the concerns --you know when we're trying to drill wells and have problems-- how are you going to deal with 100-gallon wells. I think at the end, you know, we say we're getting some traction, but when you look at it from the amount of

producers, we're talking about seven people -- so seven people that are voicing their opinion versus however many producers we have in the in the District that are not -- so I don't consider that a lot. I just consider that some people voicing concerns. I'm ok with looking at it, it's just the way I think about it.

Harold Grall stated, Bob, I just want to say that I like our approach here. We want to be able to make informed decisions and we need to collect data to do so. I would like to just tamp down the emotion on this thing -- I think it could get to be a real emotional topic. If we have the data to support what we are doing and that our Rules are working, then we should just leave things alone.

Justin Crownover stated that something else that he would say that he doesn't want to pick on the industry. The dairy guys have been getting a lot of flak, but ultimately, I can tell you, I'm neighbors to a couple of dairies. One of them that is out there is doing berries and then the one that's out is doing a lot of no till and is switching to the narrow rows and trying to conserve water and make good decisions and be good stewards. I think Harold is right, I think the information that we have is just outside looking in and perception and sometimes they think big means bad, but it's not necessarily that way. I think if we can get the information, we can be supportive of an industry that's --- I can tell you this --- I've never sold land for what I sold land for and if any of you in the room of property owners, there's a lot of good things that come from that, and also just the other industries that are supported. We can thank God we live in a community that has opportunities like this and not in a community that's without industry and hopeless. I think we ought to be supportive and just look for information, so that we can give people good information to make decisions on because today, I think a lot of it's just being scared.

Mr. Grall stated for the record the dairies in my immediate area are making a huge economic impact and they don't ask for any help incentive wise. They are just saying -- -we want to do this -- we want to be in your community and there's a lot of supporting industry that comes along with that. I think we just need to be really careful how we react to this.

Mr. Walthour stated, for me to do this, I want to put a new person on staff focused on just reading meters. When we go do a site inspection, we do a bunch of stuff. But just reading meters, and taking water level measurements through this year, at least. The meter reading thing will give us some information on timing when water is being used throughout the area to the extent that it's affecting --- and I think it should help, or at least answer some of the questions on things like --- is everyone reporting all the water they're using. I think that will be a good compliance thing in the future. If they're not, then we need to do something different, or I need to do something different -- we have Rules to take care of those type of issues if we run across that. I anticipate that almost everyone that we measure is probably reporting as accurately as they can and that's what my anticipation is. I doubt that I find anyone who is a cheater. For the purpose of the study is just to get an idea of how water is being used with this new industry in here. Even the growers that are here are changing their water practices. There have been people here for years that have changed their practices and farming and all and is that water being distributed over a different period of time.

Mr. Zimmer stated that one of the answers he gave to one of the guys when it was stated that dairies looked like they were irrigating two or three crops a year --- how are they making that work? I told them, I think they are doing the same thing the rest of you farmers are doing, they are getting enough acres to draw from that they still fit the annual allowable. I think that is the top answer, right there -- if they use more water, that they have the acres to cover it just like any other farmer is doing. I agree with Justin.

Justin Crownover stated that one other thing that he would say when you are talking to these guys, things that they're not paying attention to, or understanding, is when you look at whenever they go out there and they are harvesting silage, they've got a full

profile under that – they’re taking the plant off -- then when they come back in and do their planting, if you watch what they’re doing, they’re planting the corn crop based on the water that they need to raise a good corn crop and then they are putting a Sudan or silage-type product in on the other side and that crop has a lot of give to it and a lot of forgiveness ---if we get blessed with rains, then they’re able to scoot over and water it and if they’re not, then they don’t. I don’t think they’re paying attention --- they really ought to be in awe of what those guys are doing because, not that I know a lot, but you can just tell when you are out driving by these sprinklers you can’t tell exactly what they are nozzled for, but I can tell you there are not any more 3,200-gallon pivots, or there are not a lot of them. There are not a lot of 2,400-gallon pivots, or half-milers. But when you look at it, I think those guys are really trying and they’re utilizing water systems that are out there that this area has adopted to be more efficient with their water because they know they have to do so.

Daniel L. Krienke stated that he agreed with what everybody has said. To the extent of a Rule change at this time, I think we need to do the study and I support what Steve suggested. We do have another item here talking about doing a management plan. We do have a management plan that will have to be looked and Rules with the next DFC process. I believe that this information will help support what we do with our next Management Plan and DFC process. So, I am in favor of that and I move that we authorize Steve to hire one more staff member to do the study. Harold Grall seconded the motion and further Board discussion ensued regarding the permanency of the employment position; what information the study would provide the District; if grassland was being broken out and wells drilled thereon, or in wells were being drilled to sustain production. The entire Board discussion can be viewed on the March 9, 2021 video recording of the Board meeting. President Zimmer called for a vote on the motion and it was unanimously approved by the Board.

Action Agenda 3.f. - Receive report and consider action as needed regarding Groundwater Management Area 1 Joint Planning.

General Manager, Steve Walthour, reported to the Board that there isn’t any action to take on this agenda item. We had to reschedule our meeting until March 18, 2021. I have noticed that in one of the Bills that has been filed, has added something else dealing with the DFC process next time around. The meeting on the 18th will be via Zoom and Bob and I will be participating in that meeting.

Action Agenda 3.g. - Receive Investment Report for October 1, through December 31, 2020.

Steve Walthour presented the following report:

This quarterly investment report for the period from October 1, 2020 through December 31, 2020 reflects the North Plains Groundwater Conservation District investment transactions for all District funds subject to the District’s Public Funds Investment Policy. A copy of the report was presented to the Board.

The report described in detail the District’s investment position as of December 31, 2020; 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 the relevant provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code (the “Act”).

Standard of Care

The Board directs 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:

Preservation and safety of principal. Liquidity, and 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.

Investments

The District may invest in obligations of, or guaranteed by, governmental entities as provided in Section 2256.009(a) of the Act. The District's Board has authorized Perryton National Bank (PNB) as its primary depository and First State Bank as secondary depository as follows:

Bank Accounts	Account Name	Account Number	12/31/20	Interest Rate
Perryton National Bank	Main Account	337	\$ 1,740,785.30	0.01%
Perryton National Bank	Default Reserve	116	\$ 11,225.00	Non-Interest Bearing
Perryton National Bank	Interest & Sinking	256	\$ 100.00	Non-Interest Bearing
First State Bank	Late Filer Fees	9005805	\$ 13,335.80	Non-Interest Bearing
Perryton National Bank	Ag Loan - Interest & Sinking	531	\$ 100.00	Non-Interest Bearing
Perryton National Bank	Ag Loan - Default Reserve	566	\$ 108,059.00	Non-Interest Bearing
Perryton National Bank	Ag Loan - Main	515	\$ 100.00	Non-Interest Bearing

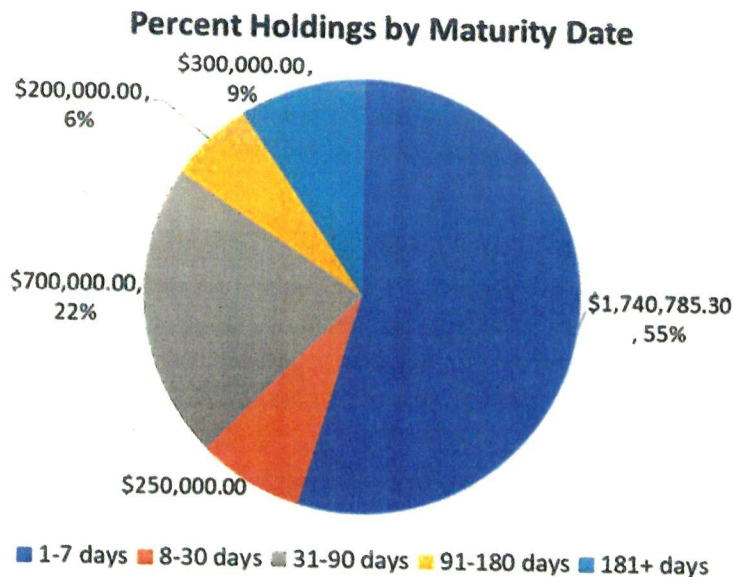
Perryton National Bank is the District's primary financial institution that provides the District's main operating account. The main operating account and CDs at Perryton National Bank exceed the FDIC insurance coverage so the bank pledges funds that are secured by securities more than FDIC insurance for all District funds deposited with the bank. The District is currently holding pledged securities with an original face value of \$3,195,000. Texas Water Development Board funds of \$900,000 are deposited in the Perryton National Bank Main Account. The Default Reserve Account, the Interest & Sinking Account, the Ag Loan Interest & Sinking Account, the Ag Loan Default Reserve Account, and the Ag Loan-Main Account are non-interest-bearing accounts used to service Texas Water Development Board Loans for Water Conservation Center agriculture equipment construction and Ag Loans for Equipment to qualified agriculture growers. By contract these accounts are required to be non-interest bearing. The District holds \$208.83 in petty cash at its offices. The First State Bank Account is used by the District to secure funds of well owners that filed their 2019 production reports late. Funds in the account will be refunded to the late filers if they turn in their 2020 Production Report by January 15, 2021. Afterward, all remaining funds are swept from the account and are deposited in the District's operating account at Perryton National Bank.

The District primarily secures its funds in certificate of deposits (CDs) issued by a state or national bank domiciled in Texas, a savings and loan association domiciled in Texas and is guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor. The maximum allowable maturity of any authorized investment is two (2) years. The District's Board has approved a list of depositories for the District to purchase CDs.

All interest from the CDs are paid by check to the District and deposited into the District's Perryton National Bank main operating account. On December 31, 2020, the District had two CDs that were set to renew within the next 30 days, four CDs set to mature between 31-90 days, two CDs set to renew within between 91-180 days, and three CDs set to mature after 180 days. The largest amount of the District's investments is held in both the main operating account and CDs with a maturity date from 31-90 days. A summary of district funds by dollar amount, number of days until maturity, and weighted average maturity (WAM) is as follows:

Security Description	Investment Amount	Mat. in Days	WAM
Perryton National Bank Main Account	\$1,740,785.30	1	0.55
First Bank Southwest CD 10000222	\$100,000.00	181	5.67
First State Bank - Spearman CD 45152	\$150,000.00	23	1.08
Dalhart Federal Savings & Loan CD 602-	\$150,000.00	47	2.21
Happy State Bank CD 11297	\$150,000.00	46	2.16
Western State Bank CD 20855	\$250,000.00	49	3.84
First State Bank CD 21046	\$100,000.00	93	2.91
Dalhart Federal Savings & Loan CD 602-	\$100,000.00	123	3.85
Happy State Bank CD 12046	\$100,000.00	219	6.86
Perryton National Bank CD 21457	\$100,000.00	235	7.36
First National Bank CD 82818	\$100,000.00	16	0.50
Interstate Bank SSB CD 9361-13004190	\$150,000.00	86	4.04
Total	\$3,190,785.30		41.05

The Perryton National Bank Main Account. The Default Reserve Account, the Interest & Sinking Account, the Ag Loan Interest & Sinking Account, the Ag Loan Default Reserve Account, the Ag Loan-Main Account and the Late Filer Fees Account are non-interest-bearing accounts and are not included in this analysis. The WAM is used to illustrate the average amount of days it takes District investments to mature. The Perryton National Bank Account is the main operating account used by the District. Funds within this account are available within one day and are shown in the 1-7-day maturity date in the pie chart below. The District is currently operating on a 41.05-day WAM. The following pie chart represents the percent of holdings in investments based on the days to maturity:



This chart shows a snapshot of what percent of District's money is being held in longer investments versus money on hand. Fifty-five percent of the District's investments are held in the main operating with less than seven days maturity, whereas nine percent of the District's investments are held in CD's with a maturity date of over 180 days. The final three pieces of the pie are investments that are held for a period of 8-30 days, 31-90 days, and 91-180 days. The highest interest rates the District receives on CD's is 2.00 percent.

As of December 31, 2020 (last trading day of month), the US Department of Treasury Yield Curve Rates for one month is 0.08 percent and the one year is 0.10 percent. Treasury Yield Curve Rates are commonly referred to as "Constant Maturity Treasury" rates, or CMTs. Yields are interpolated by the Treasury from the daily yield curve. This curve, which relates the yield on a security to its time to maturity is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market. These market yields are calculated from composites of indicative, bid-side market quotations (not actual transactions) obtained by the Federal Reserve Bank of New York at or near 3:30 PM each trading day.

District Loan Obligations

The District entered into two loan agreements with the Texas Water Development Board. The first loan agreement was executed in October 2014 for \$620,000.00 to equip the North Plains Water Conservation Center. The loan is for ten years with an 0.11 percent annual fixed interest rate. Five years are remaining on the loan. The account number the remaining loan amount as of September 30, 2020 and the remaining number of payments are as follows:

Loan	Account #	September 30, 2020	Notes
TWDB	21743	\$248,000.00	4 annual payments + 0.11% interest

The schedule of loan payments including interest is as follows:

Amount	Year
62,273	2021
62,205	2022
62,136	2023
62,068	2024

The second loan agreement was executed in November 2019 for \$1,000,000.00 to loan agriculture producers' funds to update existing irrigation systems for conservation and

efficiency purposes. The loan is for ten years with a 1.59 percent annual fixed interest rate. The board has elected to add an additional 1% interest rate to loan amounts to producers to cover the District's costs for administering the program. The account number the remaining loan amount as of September 30, 2020 and the remaining number of payments are as follows:

Loan	Account #	September 30, 2020	Notes
TWDB	21781	\$900,000.00	9 annual payments + 1.59% interest

The schedule of loan payments including interest is as follows:

Amount	Year
114,310	2021
112,720	2022
111,130	2023
109,540	2024
107,950	2025
106,360	2026
104,777	2027
103,180	2028
101,590	2029

Action Agenda 3.i. - Receive report and consider action related to 87th Texas Legislative Session and Issues.

The General Manager presented the following report:

HB 2035 caught my interest because it is related to water research conducted by the University of Texas Bureau of Economic Geology. These Bills were just filed in the last week and they're probably not even on our list.

The legislature is looking --- at least somebody in the legislature is looking at having the BEG to start doing a study regarding the relationship between surface water and groundwater and the integration of surface water and groundwater. Once you think about that, we've kept those separate in the past, and it looks like the legislature is looking at having that study done -- I'll send you those links.

HB 2652, which is Larson's, relating to an Advisory Board to study the surface and groundwater interactions. There's a companion Bill SB 1039. That Advisory Board is supposed to study the extent to which surface water and groundwater interact and challenges arising interaction or surface water and groundwater and approaches to mitigating challenges arising in the state from interaction surface water and groundwater. I think that if you were going to pick a starting point to modify how the state currently deals with groundwater and surface water --- this would be your starting part between HB 2652 and HB 2095.

HB 2851, which is not on your list, I have it on my list here, Lucio filed a Bill relating to the consideration of modeled sustainable groundwater and the adoption of desired feature condition in groundwater conservation districts. What this Bill does is require the Water Development Board to estimate how much water you could pump in a district not in perpetuity -- which means you would not affect groundwater, or affect spring flows, or other flows. There's only one person that has that Bill out there. I don't know if it's going to get wings on the other side, but that is something that we are definitely going to watch.

HB 2905 -- this is a good Bill for us dealing with public-private partnerships to design, develop, finance, construction and receive financial assistance for certain water related projects.

2905, may in fact assist us, in the future in opening the door for us seeking public-private partnerships to do stuff, if we actually get to the point of having someone build us some sort of water source into the District. We will watch that.

SB 946 – Eckhardt - relating to the criteria considered by groundwater conservation districts before granting or denying a permit. This amends Water Code Section 36.113(d). It adds that wells are exempt _____ or district rules, which means in 36.113(d) – there is a list of things that this Board and every groundwater conservation district does to determine whether or not a well is not going to unreasonably effect its next-door neighbor. We've really focused on other permitted Wells --- this actually --- the exempt question --- we would need to look more at the exempt Wells, livestock and domestic Wells, as well as those Wells that have exempt status like oil and gas rig supply Wells -- -- whatever that would mean. Eckhardt is carrying that and there's not a second on that yet.

SB 1023 - Gutierrez - relating to the authority of a governmental entity to impose regulations governing the use of building products, materials, methods that relates to water conservation. This is an exemption that is added to essentially exempt us out of imposing that section. I don't know what it is what it means at this point, but I saw it and I will be going over that with Keith later.

In the other Bills that we had been involved --- I think that was the list I had printed out --- I will send you a copy of those. There are some other new Bills.

HB 1821 related to climate change – but that would be something that would end up in a management plan and not affecting our Rules

Under political subdivisions, the only new Bill since last time we talked about this, is the Bill by Morales related to required newspaper publication of notices of governmental entities which apply to populations of 30,000, which exceeds any of our populations. One of the things that I did list, if you look at the legislature itself, there are keen on figuring out how to do more of this remote video conferencing for board meetings. I would anticipate that at the end of this--- there's even a notice out there --- we are still required to post in newspapers, but we are finding it harder and harder to find a newspaper, even the *Amarillo-Globe News*, I would venture to say, is taken by a very small segment of our area. I think that we'll see more focus on putting these meetings, recording these meetings, and noticing these meetings on our website. It is already somewhat required but I think that you're going to see some more of that in the future.

There are some other items on here but those are really the big ones that we've been following.

SB 152 that we have been following. Tom has checked in and we haven't seen any changes. We haven't got anything back from Senator Perry's office on that. As soon as we get that, I'll share that with the Board. You may wish to call an Executive Session on that later, but we don't have anything on that yet.

Mr. Walthour inquired of Mr. Forbes, when was the legislative Bill filing deadline.

Mr. Forbes responded, this Friday. Mr. Forbes stated, that doesn't mean that there can't be new Bills filed, but you have to get a vote. If it's a House Bill, the House has to give you permission to file the Bill --- the same in the Senate. That happens pretty regularly in the Senate, but it is more out of the ordinary to happen in the House. So, for all intents and purposes, the Bills that are going to be able to be passed will be filed by the end of the day on Friday.

Mr. Forbes stated, I do have a question you know -- regarding Senate Bill 152 --- I'm thinking that the conversations that you all have been having in the Panhandle who are active in the Farm Bureau must be having some real effect on that Bill because I've been in touch with Senator Perry's office, and his key staff person who's managing that Bill, and she just doesn't have anything to tell me -- she says I don't have any language back from the legislative council yet and I'll get it to you as soon as I get it. That tells me that there's been some pretty significant discussions going on and I think that our interests have been reflected. I'm interested to know if you all are still in touch with the

Farm Bureau people that you know up in the Panhandle and are making it clear about what our needs are because it seems like it's had a pretty good effect.

Mr. Zimmer stated, I did. I went to an NRCS workgroup meeting Hutchinson County last week. They asked me to speak at the end of the meeting. I threw out what I knew about Farm Bureau and as it turned out, the guy sitting next to me, a person across the table said, well he's President of Hutchinson County Farm Bureau. So, I looked at him, and he had sat there just quiet as a mouse the whole time I was talking. I asked him if I said anything that was not true, or if I had misrepresented anything, or if I had laid the facts out as they were. He responded, yes, you did it pretty correct on the nose and that he was not going to say anything else. I told a couple of people that they needed to try to let King and Four Price know. I will tell you about two weeks ago I talked to Four Price's office in Amarillo and was informed that there was a strong possibility that Four Price might try to see that it never left Committee.

Mr. Forbes stated, that's good news and good information for me because I can follow up with him see if there is any new news on that front with him.

Mr. Good stated that he received a memorandum from Victoria Whitehead, who is general counsel for High Plains Groundwater Conservation District. The Memo was from Senator Perry's office -- from Katherine, and it summarized Senate bill 152. It stated Committee Substitute language: it says petitions for rulemaking change that to the Texas Water Conservation Association language which more closely mirrors state agency rulemaking procedures. I was thinking about the petition process when they were talking about receiving formal request for Rule changes earlier. Further, it states - notification for a new permit: the substitute language limits it to GCDs with spacing rules, removes the certified mail requirement, and exempts emergency well replacement wells, unless those are also the lessee, or if a GCD posts permits in its office space and on an accessible website, So, then there must be some inroads there, but like Mr. Forbes stated, there certainly has not been anything formally filed.

Mr. Forbes request that Mr. Good send him a copy of the Memo from Katherine.

Mr. Walthour reported that the legislative session is over on May 31st which is a Monday.

Mr. Forbes, stated, one other thing Steve, that might be of interest is, as I said at last month's meeting, things have been very slow just because of the pandemic and then with blizzard we had -- I was in a meeting with Representative Landgraf from Odessa last week, and he's really part of the Speaker's leadership team -- I was talking with Senator Hughes the other day on Friday, and he was saying the same thing that -- that it seems like really the energy of the legislature has been now focused on ERCOT and the failures of the electric grid, weatherization issues and for gas pipelines and for power plants and all of that --- in fact, yesterday, there was package of seven or eight Bills that were filed in the House and there are less that 80 days left in the Session --- so I think what we're going to see is lots of energy --- lots of attention being spent on electric utilities, the Public Utility Commission, the Railroad Commission and ERCOT. Therefore, the legislature just really has not been moving very fast. So far, that's the way things are working and have worked since the blizzard. Obviously, I'll keep you posted about that but if we're not interested in having anything pass, this is pretty good environment for us.

Mr. Walthour reported that right now, compared to two years ago, the number of groundwater-related Bills that might affect us is really low. The later they wait to file, the later that it takes to get stuff through legislative counsel and the less opportunity for it to actually get through the legislature. That's why we are concerned about SB 152, because the Chairman of Committee that is sponsoring the Bill got it out of the gate as soon as he could. I would anticipate that that is definitely going to be on the list. I will send you a link to all of the Bills I discussed today.

Mr. Howard stated that he had a question for Tom. Tom, are you getting the feeling that the legislators are getting wary of water bills that don't come through the TWCA consensus process?

Mr. Forbes responded, no. Well, the members who are really engaged in water issues you know -- Perry's one, Larson's one, Four Price is one and Kel Seliger is one -- they are interested and there are people, especially from some of the urban areas, that aren't really familiar and don't interact with TWCA very much. So, having said that, I think that TWCA carries a lot of weight because anytime you have a known group of experts, and I think TWCA is recognized as serious people who are interested in water conservation - - so when they speak, their opinion is important. I don't know if that really answers your question, Mark, but I don't think that TWCA is widely known among members who aren't focused on water issues. When a big water issue comes up, they tend to ask their colleagues, like Larson, like Perry, and Four is one, what does this really mean and what's the real effect.

Mr. Howard, responded, I think what I'm picking up around the edges of the water friends we have and work with were really unaware that SB 152 didn't go through the consensus process and that that bothered them. I think we need to really pay attention to what we continue to do in that organization and when you want something stopped it really needs to start there, was the feeling I got out of this ordeal.

Mr. Forbes stated, the reverse is also true. It seems like 152 --- this came from Farm Bureau -- just somebody in some group of bodies --- so Farm Bureau got interested in this and started pushing along and I think you're right, in the sense that the wider consensus and approval you can get -- it would have been good for Farm Bureau to have gone to TWCA and say this is something we're interested in --- can we look at it together --- we may not agree, but can we at least have a conversation about it. Nobody at the legislature wants to be blindsided and I think Perry was a little blindsided on this. I don't think he expected that to find the opposition that you all provided some real leadership for.

Mr. Walthour stated that Farm Bureau did take this SB 152 to TWCA. That's why the TWCA elected to talk about the petition process and put that out as a change. The TWCA groundwater committee couldn't reach any type of consensus on the rest of that Bill. TWCA doesn't really do things like file opposition to Bills. For the most part, if they see something that can be repaired -- so the petition process was definitely a no starter -- they worked on it and the rest of it didn't get through the TWCA groundwater committee—it never made it to the board to vote on it --- they've got some pretty stringent standards --- so when someone is reporting to one of the senators, or to a house member that this has been reviewed by TWCA -- apparently that doesn't mean the TWCA is ok with it because it definitely was not. I know that for a fact because I sit on the groundwater committee and this petition process that they came up with is really a good petition process. It comes down to this, guys, when we talk about formally changing Rules and this and that, the way we've done things in the past --- someone asked a Board member or me and we put it on the agenda and we figure out how to go forward with it. Having a process --- if SB 152 dies, then the next time we do rulemaking, I think that we will probably look at the recipe on how someone can petition to ask for a change in the Rules. I don't see a problem. I know that Representative Tracy King, who is the Democrat on the House Natural Resource Committee -- he holds the chairmanship and from what I can tell from all of those guys and gals setting around both tables in the Senate, and in the House Natural Resource equivalent, he is the senior legislator interested in water. I met him in '96 and he's been involved in the water issues in the House and on that committee, I think almost every Session since 1996. So, we've got a friend there.

Mr. Forbes stated that he's a strong member and, he has obviously been able to straddle the party lines because he's a Chairman, he's a Democrat and obviously, on the Speaker's team. He is a very good friend and a terrific guy!

Mr. Walthour stated that it takes both sides of the legislature to get a Bill to go.

Mr. Good stated, Steve, back on your comments about the petition for rulemaking process, I think I reported to you all about conferring with Victoria Whitehead, at High Plains, High Plains is in favor of that process. So, you are certainly on track with High Plains in your thought process there.

Action Agenda 3.h. -

Receive report regarding developing future water resources.

The General Manager stated that he and Harold had spoken to Texas Cattle Feeders and Ports-to-Plains regarding this matter. Texas Cattle Feeders Texas is wanting to help us move this along. I'm putting together a short paper on what we are asking for and I'll provide that to them. Tom and I are scheduled to get together later this week, or the first part of next week to discuss our scheduling and how we get the feds to support this study.

Action Agenda 3.j. -

Receive report and consider action regarding compliance matters before the District

Mr. Walthour stated that he did not need a closed session for this item. The General Manager stated that the three that were on here were the three from the last meeting. I want to thank Zac and Mark on both of those. Freich was in compliance yesterday. On Jordan Pool, he had someone working those properties and once we figured that out --- Mark, you talked to Jordan, and he had everything in place and, in fact, we met his man yesterday to make sure everything was done right. I appreciate you both helping us. I don't have any other compliance matters at this point.

Discussion Agenda 4.c. -

General Manager's Report.

Steve Walthour presented a report to the Board, which included the General Manager's activity summary, the District's activity summary, permits issued by the District in February 2021, post-drill well inspections as of February 28, 2021 and capped well and random inspection compliance 2020 as of February 28, 2021, and upcoming meetings and conferences.

Mr. Walthour stated that the first week of The Master Irrigation that he was going to need to assist his wife with the closing of accounts since his brother-in-law had passed away a few months ago. Mr. Walthour stated that he would not be completely out-of-pocket, but he would be out of the office.

Mr. Walthour reported that he would put together a plan for the production study that was discussed and would circulate it to the Board for any suggestions before the study is started. Mr. Walthour reported that it seemed to him, after discussing this today, that there are a lot of different perspectives across the District. If we are going to do this study, we need to assure that we at least recognize those perspectives when doing it and be safe.

Also, I would recommend that we not meet in April and potentially meet in May.

Discussion Agenda 4.- Discuss Items for Future Board Meeting Agendas and Set Next Meeting Date and Time.

President Zimmer asked if the Board would like to skip the April Board meeting and hold a meeting in May and then skip June and hold the next meeting in July so there would be time for the annual committees to meet and make their recommendations to Steve and to get ready for the tax preparation and all of that.

By consensus, the Board set its next regular Board meeting via Zoom at 9:00 a.m. on April 13, 2021. By consensus, the Board also set its May Board meeting on May 11, 2021 at 9:00 a.m. via Zoom, if a Board meeting is necessary. The Board also discussed skipping its June meeting, if possible.

Action 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.


General Counsel presented a report to the Board regarding the case of *Mountain Pure, LLC vs. Neches and Trinity Groundwater Conservation District* currently pending in the Supreme Court of Texas.

Discussion Agenda 4.b. - Committee Reports.


Except as previously stated herein, no other Committee reports were presented to the Board.

Agenda 6. - Adjournment.

There being no further business to come before the meeting, Harold Grall moved to adjourn the meeting. Daniel L. Krienke seconded the motion and it was unanimously approved by the Board. President Zimmer declared the meeting adjourned at 10:56 a.m.



Bob B. Zimmer, President



Zac Yoder, Secretary