

**MINUTES OF THE APRIL 11, 2017
BOARD OF DIRECTORS MEETING OF
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session April 11, 2017, at 9:00 a.m. in the Conference Room of the North Plains Water Conservation Center, 6045 West County Road E, Dumas, Texas 79029-7201. The following persons were present:

Members Present at 9:00 a.m.:

Harold Grall, President;
Daniel L. Krienke, Vice-President
Gene Born, Director;
Zac Yoder, Director; and
Mark Howard, Director.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Dale Hallmark, Assistant General Manager/Hydrologist/Producer Services;
Kirk Welch, Assistant General Manager/Outreach;
Pauletta Rhoades, Finance/Administration Manager ;
Kristen Blackwell, Executive Assistant;
Patsy Long, Receptionist;
Paul Sigle, Agricultural Engineer;
Alyssa Holguin, Conservation Outreach Assistant; and,
Curtis Schwertner, Natural Resource Specialist.

Others present during part or all of the meeting:

Leon New;
Dr. Steve Amosson
F. Keith Good, Attorney; and,
Ellen Orr, Paralegal.

President Grall declared a quorum present and called the meeting to order at 9:00 a.m. Director, Mark Howard, gave the invocation and President Grall led the pledge.

The District recognized Patsy Long for five years of service.

1 – Public Comment

No public comments were received.

2 – Consent Agenda

The Consent Agenda was discussed by the Board and consisted of: the review and approval of the Minutes of the regular February 13, 2017 Board Meeting; the review and approval of un-audited District expenditures for February 1, 2017 through March 31, 2017, including the General Manager's expense and activity report; the review and approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from February 1, 2017 through March 31, 2017, in the amount of \$12,877.89; and the review and consideration of the Moore County Tax Collection Contract for 2017-2018.

Daniel L. Krienke moved to approve the Consent Agenda. Mark Howard seconded the motion and it was unanimously approved by the Board.

Action Agenda 3a - The Board received a report from Dr. Steve Amosson regarding the Master Irrigator Program.

The General Manager presented the following report to the Board:

In 2016, the Board established a project advisory committee that designed a four-session program that totaled five days of training. The project advisory committee identified speakers and topics. The program contained the following: Session I - Irrigation Scheduling; Session II - Agronomics; Session III - Systems; and Session IV - Special Topics. Sessions were held at least a week apart under the principle "the mind can't absorb any more than the butt can withstand". The first two sessions occurred in April and the final two were held in July to minimize conflicts with producer cropping schedules.

Registration was limited to 25 persons because of space limitations and to ensure that participants could easily interact with speakers. The course filled with 22 participants who were located within the boundaries of the District and three participants who were from outside of the District boundaries. All counties within the District were represented with at least one participant. A survey was conducted to establish a baseline for the group which indicated that 62,000 irrigated acres were represented; 14% had drops above 18", 68% had drops between 12" and 18", 17% had drops between 12" and 18" with bubblers or drag hoses, with the remaining 1+% in SDI.

Results of this survey were presented in the final project report. Comparing the results of the District and participant baseline surveys reflect that program participants were already employing a greater level of conservation practices which was consistent with the expectation that early adopters would initially be attracted to the training.

Participant evaluations of topics and speaker effectiveness were conducted after the second and final sessions. Participants were asked to rate topics and speakers using a 5-point Likert scale where 1 = poor and 5 = excellent. In addition, the final evaluation asked them to rate the entire course and give any suggestions for improvement. All topics and speakers rated above 4.0 in the evaluations, except the topic and speaker associated with the use of on-farm weather stations. The value of the overall training was rated 4.77 on the 5-point scale by participants. All respondents indicated they had learned something in the training that they planned on implementing into their operation. There were a number of comments and suggestions by the participants concerning the training. The comment most often received from the participants was that the training would be more attractive if it were offered in late winter or spring.

All Master Irrigator graduates that applied and submitted eligible applications received funding through the NRCS EQIP cost-share agreement. A total of 17 contracts were funded for a total cost-share commitment of \$467,472. NRCS was able to obtain additional funding in excess of the \$400,000 committed and it will not count against funding allocated for future program graduates.

Results of the participant evaluations and observations from others who either attended sessions or reviewed the 2016 agendas were provided to the PAC. Considering all the information, the PAC determined the agenda for the 2017 training. The major changes included: streamlining the program to four days; deleting weather stations from the training, while adding variable frequency drives; and moving the program to begin in March and end in April in order to be more "producer friendly" with respect to timing and to be well in front of NRCS deadlines for submitting funding applications to the EQIP program.

In 2017, the course was moved to March and April to take advantage of greater producer availability and to correspond with NRCS EQIP deadlines. This year, 26 producers were accepted in the program, but three producers cancelled the day of the first session. Of

the 23 producers, 19 have indicated they are EQIP eligible. A new NRCS engineer from Lubbock will also attend the sessions. Promotion for the program included the use of social media (Facebook, twitter, Instagram), save the date cards mailed, Pioneer Crop Production Clinics, direct mailing of brochure, email campaign to graduates, email campaign to producers in database, news releases, High Plains Irrigation Conference, follow-up email campaigns, radio interviews, and paid advertising in newspapers and radio.

2017 Session Dates

- Session 1: Agronomics March 22, 2017
- Session 2: Irrigation Scheduling March 29, 2017
- Session 3: Systems April 5, 2017
- Session 4: Systems & Special Topics April 12, 2017

Master Irrigator Project Advisory Committee

Danny Krienke, North Plains Groundwater Conservation District; Leon New, Irrigation Engineer; Steve Amosson, Texas A&M AgriLife; Charles Hillyer, Texas A&M AgriLife; Scott Strawn, Texas A&M AgriLife; Shawn Carter, Crop Production Services; Cameron Turner, Texas Water Development Board; Keith Sides, USDA-NRCS; David Reinart, Better Harvest; Stan Spain, Spain Farms; Bryce Howard, Farmer.

Dr. Steve Amosson presented the 2016 Master Irrigator Final Project Report to the Board.

Action Agenda 3b - Consider approving Agriculture Committee proposal to enter a contract between the District and Dr. Steve Amosson for services related to the Master Irrigator Program.

The General Manager reported that the Master Irrigator project is off to a very successful start. An agreement with Natural Resource Conservation Service (NRCS) to provide 1.6 million dollars of EQIP cost-share funding over a four-year period (\$400,000 per year) was obtained to support the effort. In 2016, the Board contracted through Texas AgriLife with Dr. Amosson. Dr. Amosson anticipates retiring at the end of 2017 and has requested that the District contracts for further participation in the program directly with him as an independent contractor.

Dr. Amosson's scope of work includes:

1. Provide leadership to the Project Advisory committee in the reviewing training evaluation results, revising the training agenda and overall direction of the project.
2. Revise, administer and analyze the participant baseline surveys on current conservation practices employed.
3. Revise, administer and analyze the participant surveys on the effectiveness of topics speakers and training.
4. Serve as the moderator for all four sessions of the training.
5. Conduct and present economic analysis of selected conservation/strategies being discussed at the trainings.
6. Design a methodology and hopefully analyze data concerning the costs and benefits of conservation strategies employed by participants receiving NRCS cost-share funding.

7. Provide input and coordinate with District staff in the development and implementation of all project related materials such as registration brochures, presentations, etc.

The Ag Committee originally proposed that the Board enter into a contract with Dr. Amosson based on the set monthly rate. However, during development of the contract, Dr. Amosson provided two contract options: Version A is based on a set monthly rate of compensation, as previously considered by the committee and Version B is based on an hourly rate of compensation. Both contract versions were presented to the Board. The General Manager reported that the Ag Committee recommended that the Board enter into the proposed contract with Dr. Amosson based on an hourly rate of compensation. Mr. Walthour stated that the District has budgeted funds to cover Dr. Amosson's participation and has received grant funding to cover at least a portion of his contract.

Zac Yoder moved to enter into the Independent Contractor Professional Services Agreement with Dr. Steve Amosson with compensation on an hourly basis as was presented to the Board. Danny Krienke seconded the motion and it was unanimously approved by the Board.

Action Agenda 3c - Consider approval of Water Well Permits as active and complete Wells.

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) 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 20 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	Qtr	Sec	Blk	Sur	NS	EW
HA-2003	B	SW	50	48	H&TC	457 S	12 W
HN-7966	C	NW/4	56	2	GH&H	311 N	392 W
HN-9475	D	SE/4	156	2	GH&H	106 S	875 E
HN-9646	C	NE/4	168	2	GH&H	450 N	442 E
HN-9647	C	SE/4	168	2	GH&H	423 S	122 E
HU-9292	B	NW/4	84	5-T	T&NO	446 N	462 W
HU-9293	B	NW/4	84	5-T	T&NO	356 N	217 W
HU-9294	B	NW/4	84	5-T	T&NO	613 N	109 W
HU-9472	D	SW/4	62	5-T	T&NO	608 S	101 W
HU-9473	D	SW/4	62	5-T	T&NO	104 S	100 W
MO-7845	C	SE/4	214	3-T	T&NO	129S	613E
MO-9130	B	SW/4	128	3-T	T&NO	896 S	160 W
SH-7867	B	SE/4	40	3-B	GH&H	100.5 S	892 E
SH-8366	C	NE/4	35	1-C	GH&H	444 N	103 E
SH-9341	C	SW/4	9	1-C	GH&H	439 S	436 W
SH-9370	B	NE/4	50	2-B	GH&H	102 N	778 E
SH-9371	B	SE/4	50	2-B	GH&H	872 S	418 E
SH-9372	B	NE/4	50	2-B	GH&H	811 N	173 E
SH-9378	D	SE/4	40	3-T	T&NO	541 S	837 E
SH-9379	D	NW/4	40	3-T	T&NO	247 N	772 W

Daniel L. Krienke moved to approve all of the Well Permits on the above schedule noting that the Wells are properly equipped and otherwise comply with District Rules. Mark Howard seconded the motion and it was unanimously approved by the Board.

Action Agenda 3d - Receive report and consider action related to District Legislative initiatives and the 85th Legislative Session.

The General Manager presented the following report to the Board:

Mr. Walthour stated that the District has been tracking several bills that generally affect all groundwater conservation districts through the 85th Legislative Session. In addition to those general pieces of legislation, the District is also tracking the following:

- HB 1603 Price, Four (R) Relating to certain powers and duties of the Palo Duro River Authority of Texas. Allows the authority to develop their groundwater and wind energy.
- HB 2803 Larson, Lyle(R) Relating to the nonsubstantive revision of certain local laws concerning water and wastewater special districts, including conforming amendments. (North Plains enabling act codification).
- SB 1268 Seliger, Kel(R) Relating to the taxing power of the North Plains Groundwater Conservation District. Bill History:03-03-17 S Filed.

The General Manager requested that the Board authorize the District staff to work to address concerns, or, if necessary, to oppose the following bills in their current form:

- HB 3028 Burns, DeWayne(R) Relating to groundwater ownership and rights. HB 3028 has 11 sections, that address fair share and groundwater ownership. Section 1 defines fair share as a as a reasonable quantification, based on the best available science, of the amount of groundwater in place beneath each tract of land overlying an aquifer, subdivision of an aquifer, or geologic formation that may be produced. The science has not developed well enough to do this in the District.
- HB 3037 Workman, Paul(R) Relating to the definition of groundwater management areas to coincide with major and minor aquifers and the joint planning process in those areas. This would expand North Plains participation from one GMA to 3 GMAs. Creates additional layers of groundwater management.
- HB 4045 Cortez Relating to the regulation and permitting of groundwater. Allows a landowner of 1000 contiguous acres to shop adjacent GCDs.
- HB 4122 Kacal Relating to the transference of certain territory from one groundwater conservation district to another. Companion: SB 1814 - Allows a landowner of 1000 contiguous acres to shop adjacent GCDs.
- SB 1392 Perry, Charles(R) Relating to groundwater conservation districts. Bill History:03-07-17 S Filed SB 1392 is a 27-page omnibus bill with 33 sections relating to GCDs, making various substantive changes. These include the addition of management requirements for "common reservoirs", requirements for the adoption of common management rules, further specification regarding the treatment of groundwater rights, and amendments to rulemaking, GCD management plans and goals, joint planning the appeal of DFCs, permit applications, spacing and production regulation, export permits, fees and taxes, board action and repealing various sections of the Water Code.

The Texas Alliance of Groundwater Districts' position on most of the Bills the District is tracking was presented to the Board.

Gene Born moved that the Board accept the General Manager's recommendations regarding the foregoing Bills. Zac Yoder seconded the motion and it was unanimously approved by the Board.

Action Agenda 3e - Receive report regarding Leon New receiving the Blue Legacy Award.

It was reported that during Texas Water Day activities at the Capitol on March 22, 2017, Leon New was presented the Blue Legacy Award for Agriculture, Non-producer. The awards are presented by the Water Conservation Advisory Council (WCAC) recognizing outstanding commitment and action in water conservation. First, as an extension agent with Texas A&M AgriLife, and now, as the District Conservationist for North Plains Groundwater Conservation District, Leon New has worked directly alongside thousands of agricultural irrigators over the past 50 years and has had arguably the greatest impact any one person can have on irrigation efficiency and water conservation in the Texas High Plains. Throughout his career, Mr. New has been dedicated to helping farmers increase crop production from less water by advancing irrigation technology and water conservation best management practices. One of the many letters submitted in support of his nomination stated it best: "When you consider the word 'Legacy' and what it means, it is only natural for Leon New to win this award."



Onstage when Leon accepted the award were: Karen Guz, chairman of the WCAC, Danny Krienke, NPGCD Board Vice-President, Harold Grall, NPGCD Board President, and Bech Bruun, chairman of the Texas Water Development Board.

Action Agenda 3f - Receive report regarding the current and proposed future agriculture water conservation programs and other water conservation education activities.

3-4-5 Project

Leon New presented an update regarding the 3-4-5 Project.

The General Manager provided the following report regarding the current and proposed future agriculture water conservation programs and other water conservation education activities:

Limited Applied Irrigation Assistance Program (USDA-NRCS RCPP)

Project Description:

This project will address inefficient irrigation practices and moisture management concerns within the Ogallala Aquifer by encouraging agricultural water users to leave water in the ground through adoption of on-farm water conservation strategies or improved irrigation efficiency. The proposed project will build on existing programs such

as EQIP, CSP and AWEF to address water conservation needs in the proposed region and establish an economic incentive for producers to participate in the project. Additionally, by leveraging state and local cost-share for the purchase of equipment, this project will result in enhanced adoption of conservation equipment such as flow meters, soil moisture probes and chemigation valves.

The RCPP priority areas include High Plains UWCD, Hemphill County UWCD, Llano Estacado UWCD, Mesa UWCD, North Plains GCD, Sandy Land UWCD, and South Plains UWCD. The project's resource concerns and practices are split into two priorities, high and medium priorities. High priorities include structures for water control (587, flow meters and chemigation valves) and irrigation water management (449, soil moisture probes). Medium priorities include irrigation systems, sprinkler (442), micro irrigation systems (441), irrigation pipeline (430) and well decommissioning (351).

Project Update:

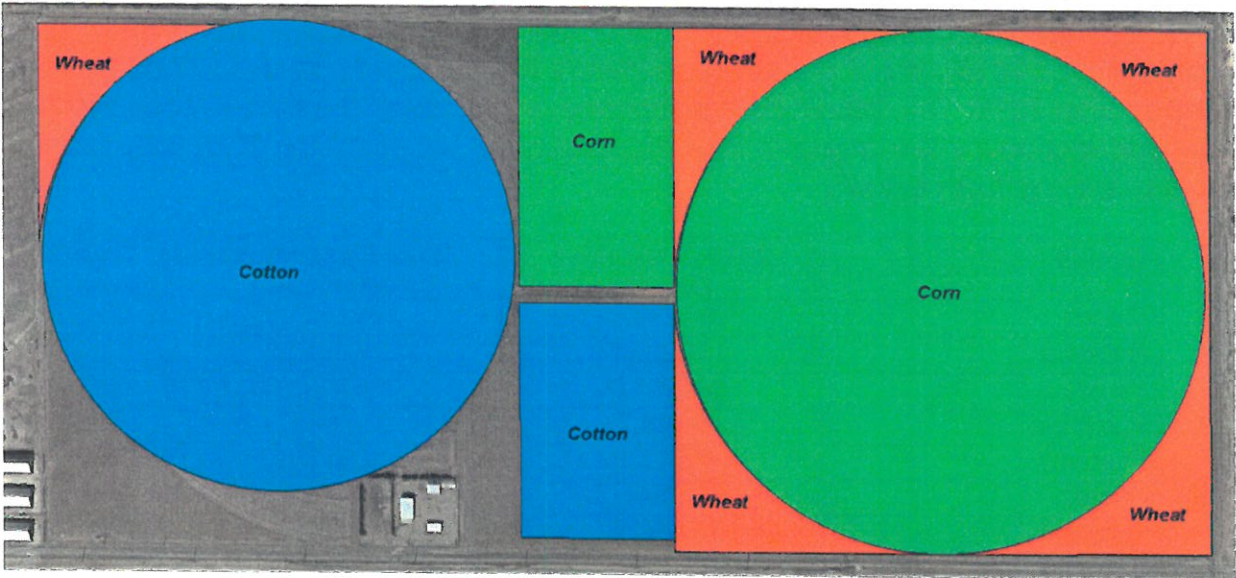
As of March 10th, NRCS has received 14 contracts from 13 producers, totaling \$83,206.00 within the District. Approximately \$155,000 remains in this fund for the current year.

County	Number of Contracts	Cost
Hansford	1	\$ 4,226.00
Hutchinson	3	Pending
Lipscomb	6	\$ 36,854.00
Ochiltree	1	Pending
Hartley	1	\$ 35,082.00
Sherman	1	\$ 1,409.00
Moore	1	\$ 5,635.00
Total	14	\$ 83,206.00

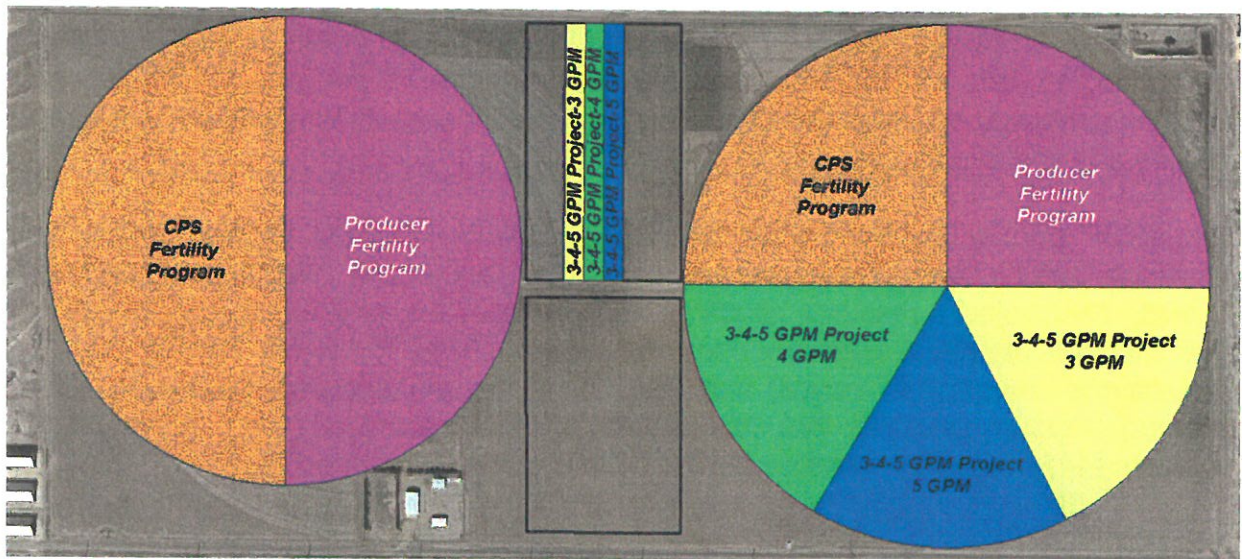
North Plains Water Conservation Center

For the 2017 season, Crop Production Services (CPS) will plant both irrigated corn and cotton at the North Plains Water Conservation Center. Corn will be planted on the east circle and north drip and cotton will be planted on the west circle and south drip. Last fall, wheat was planted in the corners. About 128.5 acres of irrigated corn, 106 acres of irrigated cotton, and 33 acres of dryland wheat will be planted at the Center.

2017 Cropping Plan for the North Plains Water Conservation Center.



The planned demonstrations and studies for the North Plains Water Conservation Center.



Water Festival

The conservation outreach group is preparing for the 11th annual children’s water festival to be presented by the District. Some minor adjustments are being made to the program based on feedback from surveys of teachers and students, and to make sure the festival program is optimized to convey the necessary information. The annual “Save the Planet’s Water Festivals” are scheduled for May 16 in Perryton, May 17 in Dalhart and May 18 in Dumas. Since its inception, over 6,000 students have participated in the festivals, and past fourth grade participants are now coming back to volunteer to provide this valuable experience to others.

Each year, three Festivals are held in Dalhart, Dumas and Perryton, Texas with an attendance of 800 -1000 students and teachers. The festivals are a full day of water conservation and natural resource educational activities for the District’s fourth grade students. Students visit multiple hands-on activity stations during the three festivals where they learn about topics including, the Ogallala aquifer, watershed protection, the history of water in the region and much more. The festivals feature a finale presentation from Kevin Barnes, the Green Magician. Barnes has presented his Green Earth Magic Show to young people all over the country including 19 years at the Orange County Children’s Water Education Festival in Irvine, CA, the largest children’s water festival in the country.

Action Agenda 3g - Receive report regarding groundwater production reporting for 2016.

The General Manger reported, as of April 4, 2017, the District has entered and processed 2677 annual production reports out of 2869. Based on the data shown in the table, we can see that 2016 annual production numbers will be approximately 177,000 acre-feet higher than 2015. The District has not entered or processed the final 192 reports, so we are anticipating a 7% increase in total production (as shown on the 2016 Final Estimated Production set forth below).

County	2016 Production Entered	2016 Final Estimated Production	2015 Production
Dallam	285,216.52	305,113.03	294,439.94
Hansford	161,205.97	172,451.59	145,223.19
Hartley	361,493.05	386,710.56	338,467.01
Hutchison	58,786.22	62,887.11	57,926.36
Lipscomb	41,541.16	44,439.04	38,886.46
Moore	181,056.12	193,686.47	156,390.53
Ochiltree	75,248.50	80,497.78	78,771.30
Sherman	274,660.60	293,820.74	252,249.70
Total	1,439,208.14	1,539,606.	1,362,354.

It was reported that on April 4, the District received a pre-review copy of the TWDB Modeled Available Groundwater using the desired future conditions adopted by district representatives in Groundwater Management Area 1 in the current round of joint planning. The Executive Administrator will issue the report and a copy will be posted to the agency website in approximately 30 days. The pre-review copy was presented to the Board.

Based on the pre-review copy of the TWDB report, the Districts current 2016 Final Estimated Production is in line with Table 1. Modeled Available Groundwater for the Ogallala and Rita Blanca Aquifers in GMA 1 summarized county for each decade (2020 to 2060) and the year 2062. values are in acre-feet per year shown below:

County	Aquifer	2020	2030	2040	2050	2060	2062
Dallam	Ogallala/Rita Blanca	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 / Rita Blanca	2,246,371	1,928,064	1,706,426	1,486,081	1,281,464	1,244,603

The draft TWDB report shows Modeled Available Groundwater for the Dockum Aquifer in GMA 1 summarized by county for each decade (2020 To 2060) and the Year 2062. Values are in acre-feet per year.

County	2020	2030	2040	2050	2060	2062
Dallam	14,192	14,188	14,186	14,184	14,184	14,184
Moore	4,801	4,532	4,493	4,417	4,289	4,261
Hartley	11,602	10,766	10,524	10,560	10,815	10,895
Sherman	127	127	127	127	95	93
Total	30,722	29,613	29,330	29,288	29,383	29,433

The General Manager noted that the District’s estimated groundwater production has not been fully reviewed and the TWDB report is still preliminary. The District’s estimates will likely change and the TWDB Executive Administrator may find a problem with their report up on final review.

Action Agenda 3h - Receive report regarding Aquifer Science activities.

Dale Hallmark, Assistant General Manager/Hydrologist reported to the Board that District staff have completed annual water level measurements and compiled that data prior to creating aquifer maps. District staff has recently upgraded the equipment in the District’s water level recording monitor wells from 2G to 3G capabilities. Mr. Hallmark stated that District staff and the District’s service providers are presently working on an issue with the wells’ telemetry or SIM cards that causes communication to be sporadic. It is anticipated that this issue will be resolved soon.

Mr. Hallmark stated that District staff have experienced delays in collecting annual water quality sampling due to recent rains but the collection should be able to be continued soon, as well.

Mr. Hallmark informed the Board that the annual Hydrology report is on schedule to be completed in May and presented to the Board at the June Board Meeting.

The Hydrologist/Assistant General Manager gave an updated report on the District's Aquifer Science programs.

Action Agenda 3i -Consider compliance matters before the District.

The General Manager presented the following report regarding compliance matters before the District:

Civil action procedures continue against a producer who defaulted on a settlement agreement for late filing by Legal Counsel.

A driller who had defaulted on a settlement agreement for drilling test holes without a permit has paid the District's assessed civil penalties for the default and Test Hole Permit Violation.

An Owner of a property that was denied an exception to the Rules to install flow meters at all Wells on the GPU is progressing towards re-configuring Wells and installing flow meters.

A Water waste issue was reported which involved an oil company dumping water into a bar ditch which drained onto a producer's property. District staff resolved this matter by having the oil company re-direct Water flow so that the Water would remain on the oil company's property.

An issue arose regarding a Water Well that was drilled in Dallam County in 2012 on one-quarter Section, which the driller assumed to be in a non-District area at the time. The current Owner has been sent appropriate paper work to receive a permit and obtain property line easements. The Driller is assisting the Owner with these processes.

As of April 4, 2017, there were three (3) outstanding 2016 Production Reports not yet filed. Two (2) of these reports are expected to be filed within the next few days. One (1) was reported by a tenant in the past but reporting now appears to be the Owner's responsibility. District staff has been unable to contact the Owner by phone and the Owner has no known email address.

The General Manager reported that on April 11, 2017, only one (1) 2016 Annual Production Report was outstanding.

Discussion Agenda 4a - Director Reports.

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

Discussion Agenda 4c - 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 activity summary.

Discussion Agenda 4b - Committee Reports.

None, except as stated herein

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

By consensus, the Board set the next regular meeting at 9:00 a.m. on June 20, 2017.

Agenda 6 - Adjournment.

Director, Gene Born, moved to adjourn the meeting. Mark Howard seconded the motion and it was unanimously approved by the Board. President Grall declared the meeting adjourned at 11:45 a.m.



Harold Grall, President



Daniel L. Krienke, Vice President