

**MINUTES OF THE JANUARY 10, 2023
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 January 10, 2023, at 9:00 a.m. in the Conference Room in the Richard S. Bowers Water Conservation Learning Center Building at the North Plains Water Conservation Center, 6045 West County Road E., Dumas, Texas 79029-7201. The following persons were present:

Members Present at 9:05 a.m.:

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

Staff present during part or all the meeting:

Steve Walthour, General Manager;
Kirk Welch, Assistant Manager;
Kristen Blackwell, Administration Manager;
Odell Ward, Aquifer Science Manager;
Dusty Holt, Permitting Specialist/Finance Assistant;
Curtis Schwertner, Natural Resource Specialist; and
Baylee Barnes, Conservation Outreach Specialist.

Others present during part or all the meeting:

Lindsay Corbin, Court Reporter;
Marvin W. Jones, Esq.;
Brantley Jones, Esq.;
Coy Barton, CPA;
Melissa Martinez;
Tara Easterling, Texas 4H20 Ambassador;
Justin Hill, Texas 4H20 Ambassador;
Sabrina Leven, RNA Ag;
Nick DeJong, Agri Vision;
Nicole Spencer, RNA Ag;
F. Keith Good, Esq.; and,
Ellen Orr, Paralegal.

President Howard declared a quorum present and called the meeting to order at 9:05 a.m. Harold Grall gave the invocation and President Howard led the pledge.

At 9:06 a.m., President Howard recessed the regular Board Meeting and opened the public hearing concerning the District's intent to re-adopt its 2018 Management Plan. A record of the public hearing was made by Lindsay Corbin, Court Reporter. At 9:11 a.m., President Howard closed the public hearing and reconvened the regular Board meeting of the District at 9:12 a.m.

Tara Easterling and Justin Hill presented a plaque to the District for its participation in the Water Ambassadors' program.

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: (a) the review and approval of the Minutes of the regularly scheduled Board of Directors Meeting held on November 15, 2022 and the Minutes of the BLF Land Exception Hearing held on December 13, 2022; (b) the review and approval of un-audited District expenditures for November 1, 2022 through December 31, 2022, including the General Manager's expense and activity reports; and, (c) the review and approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses incurred from November 1, 2022 through November 30, 2022 in the amount of \$7,229.55.

Daniel L. Krienke moved to approve the Consent Agenda. Harold Grall seconded the motion, and it was unanimously approved by the Board.

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

The General Manager reported that the District staff had processed 60 Water Well Permits which are ready for Board consideration and approval. These permits, listed in the table below, represent completed Wells that have been inspected and are in compliance with District Rules. The inspections verify that the Wells were completed as required by the respective Permits, including proper Well location, Well classification, maximum yield, and proper installations of check valves and flow meters. Copies of the individual permits were presented to the Board.

It was noted that 402 non-exempt Well Permits had been issued by the District since January 1, 2022; that 137 Exempt Wells had been Registered since January 1, 2022; and that 240 non-exempt Well Permits had been approved by the Board since January 1, 2022.

Permit Number	Well Class	Quarter	Section	Block	Survey	N S	E W
DA-11852	B	SE/4	45	7	CSS	183 S	720 E
DA-12047	B	NE	25	7	CSS	339 N	669 E
DA-12048	B	NE	20	6	CSS	318 N	109 E
DA-12152	C	SW	8	1	FDW	539 S	183 W
DA-12176	B	SW	123	4	CSS	463 S	426 W
DA-12191	B	SE	40	6	CSS	339 S	300 E
DA-12201	D	SW/4	25	6	CSS	427 S	438 W
DA-12204	D	NE	5	6	CSS	705 N	176 E
DA-12205	D	NE	6	6	CSS	647 N	183 E
DA-12218	B	SE	2	2	B&B	111 S	450 E
DA-12227	B	SW	22	7	CSS	712 S	873 W
DA-12228	B	SW	22	7	CSS	831 S	443 W
DA-12248	B	NW	16	2	CSS	18 N	326 W
DA-12249	C	NE	16	2	CSS	245 N	464 E
DA-12257	B	SE/4	6	A 7	PSL	1394 N	107 E
DA-12307	B	SW/4	2	2	CSS	33 S	442 W
DA-12387	D	SW	10	M E Hays	CRL	254 S	138 W
HA-12042	C	NW	213	44	H&TC	448 N	18 W
HA-12165	C	SW	12	1	WACO MFG	109 S	302 W
HA-12210	C	NE	55	2	B&B	821 N	129 E

HA-12211	C	SE	55	2	B&B	112 S	575 E
HA-12212	C	SE	55	2	B&B	103 S	145 E
HA-12224	C	SW	106	48	H&TC	866 S	148 E
HA-12234	D	NE	1	A-6	PSL	103 N	38 E
HA-12279	C	NE	0	0	M	1890 N	1986 E
HA-12294	C	SE	12	5	GH&H	289 S	472 E
HA-12295	C	NE	104	48	H&TC	441 N	104 E
HA-12363	C	SE	250	44	H&TC	254 S	101 E
HA-12372	C	SW	212	44	H&TC	132 S	372 W
HN-12121	C	SE	152	45	H&TC	388 S	462 E
HN-12133	D	NE	40	R	B&B	103 N	308 E
HN-12219	C	SW	55	2	GH&H	32 S	48 W
HN-12262	D	SE	3	1	W&NW	113 S	335 E
HN-12286	D	SE/4	21	1	WCRR	320 S	849 E
HN-12297	D	NW	216	2	GH&H	535 N	872 W
HN-12346	B	SE	192	45	H&TC	621 S	116 E
HN-12348	B	NE	192	45	H&TC	20 N	121 E
HN-12349	B	SE	193	45	H&TC	439 S	169 E
HU-11732	D	SE	1	M-24	TC&RY	738 S	136 E
HU-12237	C	NE	2	M-16	AB&M	133 N	571 E
HU-12238	C	NE	2	M-16	AB&M	395 N	102 E
HU-12264	D	SW	62	5-T	T&NO	105 S	598 W
HU-12265	D	SE	62	5-T	T&NO	110 S	506 E
HU-12285	D	SW/4	61	5-T	T&NO	125 S	102 W
LI-11725	C	NE	862	43	H&TC	190 N	420 E
LI-12374	D	NE	171	43	H&TC	501 N	492 E
MO-12231	C	SW	354	44	H&TC	72 S	12 W
MO-12259	B	SW	20	0	M-2	753 S	686 W
MO-12283	C	SE/4	20	0	M-2	102 S	502 E
MO-12330	B	SE	228	3-T	T&NO	779 S	374 E
MO-12332	B	NE	267	44	H&TC	768 N	101 E
MO-12333	B	SE	280	44	H&TC	152 S	735 E
MO-12334	B	SE	280	44	H&TC	861 S	724 E
MO-12335	B	SW	267	44	H&TC	778 N	762 E
OC-12134	D	NW	136	13	T&NO	761 N	24 W
OC-12270	D	NE	914	43	H&TC	392 N	439 E
OC-12381	D	SW	122	13	T&NO	104 S	102 W
OC-12382	D	SE	122	13	T&NO	132 S	118 E
OC-12397	C	SW	24	Z	JD Foster	125 S	124 W
SH-12069	C	NW	65	3-T	T&NO	828 N	673 W

It was noted that Mark Howard had Well Permit DA-12387 listed on the Well Permit Schedule.

Daniel L. Krienke moved to approve Well Permits DA-12387 listed on the Well Permit Schedule, noting that the Well is properly equipped and otherwise complies with District Rules. Bob B. Zimmer seconded the motion, and it was approved by the majority vote of the Board with Mark Howard abstaining from the vote.

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

Action Agenda 3.m. - Closed Session.

Executive Session - Section 551.071 of the Texas Government Code.

At 9:17 a.m., Bob B. Zimmer moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.071, to obtain legal advice on matters in which the duty of attorneys to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551. Harold Grall seconded the motion, and it was unanimously approved by the Board.

Executive Session: At 9:19 a.m., the Board went into Executive Session. At 9:56 a.m., Harold Grall moved that the Board reconvene into regular session. Bob B. Zimmer seconded the motion, and it was unanimously approved by the Board.

The Board reconvened into regular session at 10:04 a.m.

Action Agenda 3.b. - Review and consider approval of District's annual financial report for the year ended September 30, 2022, from Coy Barton, CPA.

Coy Barton and Melissa Martinez of Coy Barton, C.P.A. presented the District's Annual Financial Report, which included a report on internal controls, compliance, and other matters, for the year ended September 30, 2022, and discussed the same with the Board. Harold Grall moved that the Board approve the North Plains Groundwater Conservation District Annual Financial Report for the year ended September 30, 2022. Bob B. Zimmer seconded the motion, and it was unanimously approved by the Board.

Action Agenda 3.c. - Review and consider approval of payment to Coy Barton, CPA for auditing services and preparation of the North Plains Groundwater Conservation District Annual Financial Report for the year ended September 30, 2022.

Coy Barton, C.P.A. had submitted one invoice for auditing services and preparation of the North Plains Groundwater Conservation District's Annual Financial Report for the fiscal year ended September 30, 2022, totaling \$22,000.00.

The General Manager had reviewed this invoice for the District's audit for the year ended September 30, 2022, preparation of financial statements, and SAS fraud requirements. The General Manager has determined that the invoice is consistent with the services Coy Barton, C.P.A. has performed for the District's audit and recommended payment of the invoice. A copy of the invoice was provided to the Board at the meeting.

Gene Born moved that the Board pay the invoice from Coy Barton, C.P.A. in the amount of \$22,000.00 for auditing services and preparation of the North Plains Groundwater Conservation District's Annual Financial Report for the fiscal year ended September 30, 2022. Justin Crownover seconded the motion, and it was unanimously approved by the Board.

Action Agenda 3.d. - Review and consider approval of letter of engagement for audit and non-audit services to be performed by Coy Barton, CPA for the year ending September 30, 2023.

Coy Barton, C.P.A. submitted a letter to the District, dated December 20, 2022, confirming his firm's understanding of the audit and non-audit services to be provided to the District for the year ended September 30, 2023.

The letter also outlined the responsibilities of the District's management in the auditing process for 2023.

A copy of the letter from Coy Barton, C.P.A., dated December 20, 2022, was provided to the Board at the meeting.

Justin Crownover moved that the Board approve the letter of engagement for Audit and Non-Audit Services to be performed for the District by Coy Barton, C.P.A. for fiscal year ending September 30, 2023. Harold Grall seconded the motion, and it was unanimously approved by the Board.

Action Agenda 3.f. - Consider action to re-adopt North Plains Groundwater Conservation District 2018 Management Plan.

The General Manager reported in the Board Packet that Texas Water Code (TWC) §36.1072, requires each groundwater conservation district to adopt management plan no less than every five years and to submit the plan to the Texas Water Development Board (TWDB) for approval. North Plains Groundwater Conservation District's management plan was last approved by the TWDB on April 25, 2018, and is set to expire on April 25, 2023. The TWDB rules require that a management plan must be adopted at least 90 days before the existing plan expires and be submitted to the TWDB for approval review at least 60 days before the existing plan expires, or by January 25, 2023, and February 25, 2023, respectively.

Texas Water Code requires the executive administrator of the TWDB to determine administrative completeness of desired future conditions, the explanatory report, and supporting documentation including groundwater modeling files adopted by district representatives in groundwater management areas. North Plains is part of Groundwater Management Area 1. Faced with statutory deadlines to adopt a management plan and the District had not receive the requisite information from the executive administrator, the District issued Notice on December 12, 2022, of the 2023 Management Plan Hearing to be held on January 10, 2023 at 9:00 a.m., by posting the Notice on the District's website; by providing a copy of the Notice to the county clerk of each county in the District; by publishing a copy of said Notice on the website of the Texas Secretary of State; and by publishing the said Notice in the *Amarillo Globe-News* on December 15, 2022. Additionally, the District also posted notice on December 12, 2022, of the District's intent to propose the re-adoption of the 2018 Groundwater Management Plan at its January 10, 2023, regular Board Meeting in the District office in a place convenient and readily accessible to the public at all times which remained continuously posted for at least 10 days preceding the scheduled time of said hearing in accordance with District Rules.

After the District provided notice of intent to re-adopt its current management plan, the executive administrator notified the GMA-1 by email that GMA-1's desired future conditions and supporting documentation are administratively complete on December 20, 2022. According to the executive administrator, the TWDB staff received the required requisite information from GMA-1 on January 4, 2022. In the notice, the executive administrator said that the TWDB will provide GMA-1 with modeled available groundwater values for these aquifers no later than 180 days after the date of this letter in accordance with 31 Texas Administrative Code § 356.35. The executive administrator's notice and lack of modeled available groundwater values are not timely for the District to adequately consider a new management plan.

The General Manager recommended that the Board adopt the proposed Resolution provided in the Board Packet and re-adopt the 2018 Management Plan that was presented to the Board to meet the statutory deadlines set forth in the Texas Water Code. Once the executive administrator has provided the requisite modeled available groundwater values, the District will update its current plan or adopt a new plan.

Harold Grall moved that the Board adopt the proposed Resolution re-adopting the District's 2018 Management Plan as follows:

WHEREAS, Texas Water Code Section 36.1071 requires the North Plains Groundwater Conservation District ("the District") to develop a comprehensive management plan to address specific management goals; and,

WHEREAS, the District's 2018 Management Plan adopted by the District on March 13, 2018 ("2018 Management Plan"), is set to expire on April 25, 2023; and,

WHEREAS, the District is required to address the desired future conditions adopted by the District under Section 36.108 of the Texas Water Code in its Management Plan; and,

WHEREAS, on December 20, 2022, the District received notification that the desired future conditions resolution and the explanatory report of GMA-1 submitted to the Texas Water Development Board under Subsection (d-3) of Section 36.108 of the Texas Water Code are administratively complete, but the District has not yet received its GAM run from the Texas Water Development Board; and,

WHEREAS, without the GAM run information, the District cannot timely revise its 2018 Management Plan and the District cannot publish a revised notice and hold a hearing to propose the adoption of new desired future conditions and comply with the deadline set forth in Section 36.1072 of the Texas Water Code and the administrative Rules of the Texas Water Development Board; and,

WHEREAS, the only desired future conditions which the District has available to utilize in a new management plan, to permit the District to comply with the deadline set forth in Section 36.1072 of the Texas Water Code and the administrative Rules of the Texas Water Development Board, are those desired future conditions adopted by the District on June 20, 2017, and utilized in its 2018 Management Plan; and,

WHEREAS, at the time the District receives its GAM run from the Texas Water Development Board, the District shall propose to adopt the applicable desired future conditions from the resolution and report, and hold appropriate hearings to permit it to revise the 2018 Management Plan of the District as re-adopted on January 10, 2023, with updated desired future conditions and other required information provided by the Texas Water Development Board; and,

WHEREAS, the District issued Notice on December 12, 2022, of the 2023 Groundwater Management Plan Hearing to be held on January 10, 2023 at 9:00 a.m., by posting the said Notice on the District's website; by providing a copy of the Notice to the county clerk of each county in the District; by publishing a copy of said Notice on the website of the Texas Secretary of State; and by publishing the said Notice in the *Amarillo Globe-News* on December 15, 2022; and,

WHEREAS, the District also gave notice on December 12, 2022, of the District's intent to propose the re-adoption of the 2018 Groundwater Management Plan at its January 10, 2023, regular Board Meeting; and,

WHEREAS the District held a public hearing on January 10, 2023, to receive public comment regarding the proposed re-adoption of its 2018 Groundwater Management Plan, which hearing was transcribed by Court Reporter, Shelly Burnett; and,

WHEREAS, no members of the public appeared on January 10, 2023, to offer public comment regarding the proposed re-adoption of the District's 2018 Groundwater Management Plan and no oral, or written, public comment has been received by the District as of January 10, 2023; and,

WHEREAS, Texas Water Code Section 36.1071 also requires the District to identify the performance standards and management objectives under which the District will operate to achieve its management goals; and,

WHEREAS, the Board of Directors of the North Plains Groundwater Conservation District believes that the 2018 Management Plan of the District reflects the best management of the groundwater for the District and meets the requirements of Section 36.1071 of the Texas Water Code, as applicable; and,

WHEREAS, the Board of Directors of the North Plains Groundwater Conservation District further believes that the description of activities, programs, and procedures of the District included in the 2018 Management Plan provide performance standards and management goals and objectives necessary to effect the 2018 Management Plan proposed to be adopted by the District in accordance with Section 36.1071 of the Texas Water Code.

NOW, THEREFORE, BE IT RESOLVED, AND IT IS HEREBY RESOLVED, THAT the Board of Directors of the North Plains Groundwater Conservation District does hereby re-adopt the 2018 North Plains Groundwater Conservation District Management Plan on this 10th day of January 2023.

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

Action Agenda 3.g. - Consider North Plains GCD Director Policies.

The General Manager reported that in November, the Board discussed the actual date that Board Officer rotation should occur. A copy of the Directors Policies was not then available for the Board's review.

Mr. Walthour stated that the Directors Policies clarify this issue under "ORGANIZATION OF THE BOARD OF DIRECTORS". The Board structure provides that following each election, at the regular December Board Meeting (if there is no December meeting, at its next regular meeting), after the Board canvasses the elections and declares Directors elected, the newly elected Directors shall execute a Statement of Officer and shall file the same with the custodian of records for the election. The newly elected Directors shall then be administered an "Oath of Office" by any person authorized in Texas Government Code Section 602 and the newly elected Directors shall sign the Oath of Office in duplicate originals. An original Oath of Office shall be filed with the office of the Texas Secretary of State within ten (10) days of its execution as required by Section 36.055 of the Texas Water Code and one original shall be maintained in the records of the District. There is no limit on the number of terms a director may be elected or re-elected.

The Board last reviewed its Directors Policies in 2021. Since the Board should review its policies from time to time, the General Manager recommended that the Board review the Director Policies and amend the document as the Board may desire.

Bob B. Zimmer moved that after the Board's review of its Directors Policies adopted on November 16, 2021, that no amendment is necessary. Harold Grall seconded the motion, and it was unanimously approved by the Board.

Action Agenda 3.e. - Consider action regarding BLF request for Exception under District Rules regarding Chapter 7 Groundwater Production Units ("GPU") specifically, District Rule 7.5 and 7.6.

Director, Allan Frerich, moved that the Board table this item on the Agenda. Justin Crownover seconded the motion, and it was unanimously approved by the Board.

Action Agenda 3.h. - Receive report and consider action as needed regarding agriculture water conservation demonstration programs and the North Plains Water Conservation Center.

The following report was presented to the Board in the Board Packet:

January 4, 2023 – NPGCD Water Conservation Center
Update Nicholas Kenny, P. E.

West Plot Corn

- Dynacron - Delta one (Delta 17)
- Milo 1000 (Delta 17 & 17-10)
- 8 GPM / Acre
- Planted at 32K
- Demo 1 - Corn Hybrid 1000
- Demo 2 - NIP 1000
- Demo 3 - Corn / Cotton
- Demo 4 - Corn Hybrid 17

Pioneer 1108Q (111)

West Plot Corn Crops

- West 1000

North Side Corn

- Monroe - 1000 (1000)
- 8 GPM / Acre
- Demo 1 - 75K PAV
- Demo 2 - 1000 Max Yield

North Side Cotton

- Cotton BMP
- 3 GPM / Acre
- Replicated
- Demo 1 - 1000, Timing
- Demo 2 - Corn / Cotton

East Plot Cotton

- Roundup Bell Cotton
- RACE Trial
- Monroe Trial
- Cotton Agronomy Background
- Monroe for BMP
- Demo 1 - Cotton Agronomy
- Demo 2 - NIP Variety Trial
- Demo 3 - Corn / Cotton

75K

**Water Conservation Center
2022 Demonstration Plan**

Corn

West Pivot: 27.2 Inches (4.3-inches pre-water, 6.4.-inches after September 1) South SDI: 20.8 – 22.9 Inches

Cotton

East Pivot: 14.3 Inches (3.9 Inches pre-water, 1.2-inches after September 1) North SDI: 8.5 to 10.2 Inches

The North SDI was harvested on November 7 and the East Pivot was harvested on 7-10 November. The East Pivot harvest began on the north side of the field in the RACE plots. All plots were harvested with Stan Spain's stripper / baler. Individual module weights and acres harvested were recorded to determine details from specific plots. Fiber samples were pulled from the models for ginning at the Texas Tech Lab. Cotton harvested from each plot and the whole of the field were compiled and ginned at the Moore County Gin. The gross yields are as follows:

North SDI
East Pivot

Figure 3: Cotton harvest on the East Pivot on November 7. The East Pivot yielded an average of 2.6 bales per acre.



Figure 4: First harvest passes in the East Pivot on November 7 This view is overlooking the RACE plots.

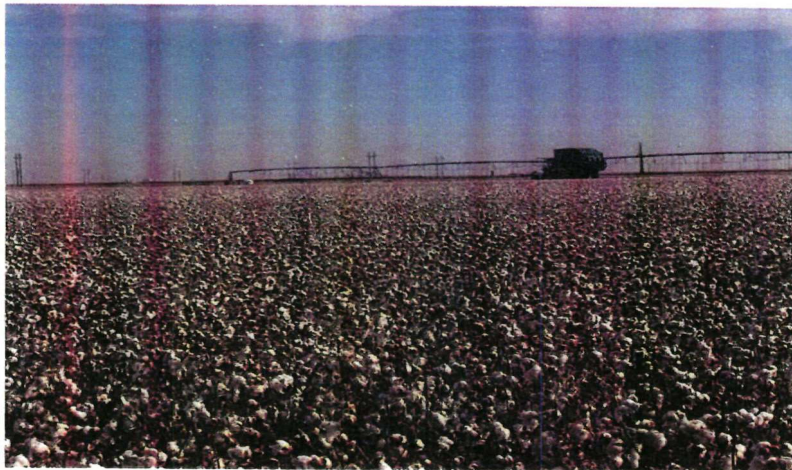


Figure 5: Cotton on the south side of the East Pivot on November 9. This area was also included in Drew Powell's Channel 7 interview at the WCC on November 9.



Pioneer Crop Clinics

The details from the 4-years of the corn cotton rotation and the 2022 WCC data will be presented at the Pioneer Crop Clinics on 9-12 January in Dalhart, Dumas, Stratford, and Spearman.

Action Agenda 3.i. - Receive report regarding 2022 Annual Production Reporting.

Mr. Walthour directed the Board to the Board Packet regarding this Agenda item. The packet reflected that approximately 2,985 production reports for 2022 were sent to 652 recipients via mail or email by December 5, 2022, with an option to report online, upon request. As of December 30, 2022, 118 production reports have been received and 103 reports have been entered. Eight (8) recipients with a total of 98 reports have been set up to report through the new online portal.

Action Agenda 3.j. - Receive report regarding the 88th Legislative Session.

The General Manager presented the following report to the Board in the Board Packet:

The 88th Legislature convenes at noon today, and has until March 10, 2023, to file bills that may be taken up during the legislative session. The last day of the regular session (Sine die) is May 29, 2023. Bill filing for the 88th Legislative Session is underway, with over 1,400 bills already filed by December 30.

Senator Perry has filed SB 156 relating to the regulation of groundwater conservation districts. SB 156 has been introduced over the past two Legislative Sessions and has gone through several amendments. The primary issues that affect the District are addressed in the bill as follows:

- Petition to change rules;
- Clarification of the management plan adoption process;
- Notice required for application for permit or permit amendment; and
- An amendment to attorney's fees to a district from mandatory to permissive.

A copy of the filed Bill was presented to the Board.

House Representative Zwiener has filed HB 57 relating to climate change planning and reporting. The proposed bill requires that not later than June 1, 2024, and before the end of each successive four-year period after that date, the commission and the office shall prepare a report on the potential impact of climate change on Texas. Groundwater is listed as one of the study elements in the report.

The Senate Water, Agriculture, & Rural Affairs Committee has released its interim report to the 88th Legislature. There are several water-related recommendations throughout the report, and discussion of the groundwater charge (Interim Charge #3) begins on page 40. Interim Charge #3 summary recommendation are as follows:

Senate Water, Agriculture and & Rural Affairs Committee Charge #3 Report

Groundwater conservation districts are the designated gatekeepers of Texas groundwater supply. The need for accurate and timely scientific data is critical when permitting groundwater. Specifically, regarding the basin of origin, if the science proves to be inaccurate, or better science enters the picture, and individual well-owners are impacted due to large water export permits, there should be a remedy for the for the landowners. Solutions could be funds to drill wells deeper to reach water or other compensatory means

for those where the taking occurred. Recommendations

- Encourage groundwater conservation districts to maximize tools such as export fees and contracts to adequately plan for mitigation.
- Texas should invest in updated groundwater availability models at the Texas Water Development Board. Additionally, the state should consider grants to groundwater conservation districts to employ the best available science at a local level.
- Encourage districts to incentivize and perform outreach to the benefits of data to individual landowner for the use of well meters.
- Continue to replenish the Agriculture Conservation grant funding for incentives for drip irrigation and other conservation technologies that have a proven record of water savings.
- Greater education to the public, including the public schools as to the importance of water conservation.

The House Natural Resources Committee is the primary legislative committee that addresses groundwater conservation districts. The committee has held several hearings this fall related to the Interim Charge #5. Much of the testimony overlapped with the Senate Water, Agriculture, & Rural Affairs Committee. Interim Charge #5 is as follows:

House Natural Resources Committee Charge #5.

Examine the state's groundwater management policy and regulatory framework. Include a review of large-scale water transfers and their impact on groundwater resources. Make appropriate recommendations for legislation or state agency action to:

- promote the achievement of planning goals under Chapter 36, Water Code, including those involving desired future conditions;
- provide adequate transparency to the permit application process;
- further the state's groundwater quality protection efforts, including an assessment of risks posed to groundwater by abandoned and deteriorated water wells and orphan oil and gas wells; and
- promote conservation and waste prevention.

Action Agenda 3.k. - Receive report related to Moore County Appraisal District errors related to appraised values regarding Sunray Wind LLC.

The following report was provided to the Board in the Board Packet:

The District contracts with the eight county appraisal districts (CAD) to provide appraised taxable values for properties within the District. Within the thousands of appraisals that occur throughout the District, there is an opportunity for a CAD to get the appraisal wrong. January 1, 2022, the Moore County Appraisal District the mineral, industrial, utility, and personal property contract with Pritchard & Abbott and switched over to Thomas Y. Pickett. In November, the Moore CAD Chief Appraiser notified the District that the CAD had erred in transferring the data values from the previous contractor to the new contractor for Valero Marketing and Supply Company's Sunray Wind LLC (Valero). Moore CAD overestimated the value of the Valero property that would render the overcharge of tax amounts to government entities in Moore County as follows:

Taxing Unit	Tax Due
Palo Duro Water District	4,938.77
Dumas ISD	440,538.99
FC&LR	21,391.39
Amarillo College	16,264.41
North Plains Groundwater	9,819.95
Moore County Hospital	80,298.47
Moore County	144,443.49
Moore County Special Road	1,802.05
Total:	\$719,497.52

The General Manager originally estimated that the total taxes the District would collect though Moore CAD was \$677,336 of our total \$2,1159,220 tax income budget based on the cumulative tax values across the District. The decrease in tax revenue related to the error will reduce the District's anticipated Moore County tax income by approximately 1.5 percent or a district wide tax income reduction by approximately 0.5 percent. The other entities that are affected by the error are considering what action they may take with Moore CAD, its contractor, or potentially Valero to reduce the impact of the appraisal error.

The General Manager requested that this item be discussed with the District's legal counsel in closed session.

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

The General Manager requested that the Board convene in an Executive Session to confer with the District's General Counsel to obtain legal advice regarding Agenda Items 3.k and 3.l. referenced above.

Action Agenda 3.m. - Closed Session.

Executive Session - Section 551.071 of the Texas Government Code.

At 10:41 a.m., Daniel L. Krienke moved to go into Executive Session in compliance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.071, to obtain legal advice on matters in which the duty of attorneys to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflicts with Chapter 551. Harold Grall seconded the motion, and it was unanimously approved by the Board.

Executive Session: At 10:41 a.m., the Board went into Executive Session. At 11:08 a.m., Daniel L. Krienke moved that the Board reconvene into regular session. Harold Grall seconded the motion, and it was unanimously approved by the Board.

The Board reconvened into regular session at 11:08 a.m.

Action Agenda 3.n. - Consider recommendation(s) regarding matters discussed in closed session.

Justin Crownover moved that the Board assess a minimum civil penalty for violation of District Rules beginning the day after the date to cure the violation(s) set forth in the District's first notice of violation submitted to each violator until January 10, 2023, for the following parties:

Beauchamp Estates, LLC for violations of District Rules 5.1.5, 4.5 and 4.6 in the amount of \$10,100.00 (\$50 per day from October 1, 2022, through January 10, 2023 = 101 days [\$50 x 101] x 2 violations);

Morning Star Dairy, LLC for violations of District Rule 5.1.5 in the amount of \$14,000.00 (\$50 per day from August 23, 2022, through January 10, 2023 = 140 days [\$50 x 140] x 2 violations);

J&JF Farms, LLC for violations of District Rules 4.6 and 5.1.5 in the amount of \$1,750.00 (\$50 per day from December 6, 2022, through January 10, 2023 = 35 days [\$50 x 35];

JS3K Land, LLC for violations of District Rules 4.6 and 5.1.5 and District Rule 4.5 in the amount of \$8,200.00 (\$50 per day from October 20, 2022, through January 10, 2023 = 82 days [\$50 x 101] x 2 violations);

Marvin L. Jackson Farms, LLC for violations of District Rules 4.5 and 4.6 in the amount of \$6,000.00 (\$50 per day from December 1, 2022, through January 10, 2023 = 40 days [\$50 x 40] x 3 violations); and

Wayne Garrett for violations of District Rule 5.2.5 and District Rules 4.5 and 4.6 in the amount of \$8,800.00 (\$50 per day from October 14, 2022, through January 10, 2023 = 88 days [\$50 x 88] x 2 violations).

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

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

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

Discussion Agenda 4.b. - Committee Reports.

No Committee reports were presented to the Board.

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

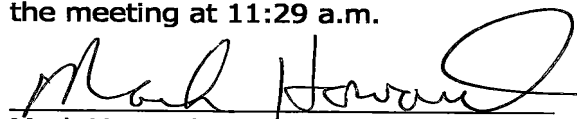
The General Manager's report was presented in the Board Packet, which included the General Manager's activity summary, the District's activity summary, permits issued in November and December 2022, Conservation Outreach Activities, Aquifer Science Activities, Well Inspections and Type Completed from December 1 through December 31, 2022, and percent of existing Wells visited December 1 through December 31, 2022.

Set Next Meeting Date and Time

The next regular meeting of the Board was scheduled for 8:30 a.m. on January 17, 2023.

Adjournment.

There being no further business to come before the meeting, President Howard adjourned the meeting at 11:29 a.m.



Mark Howard, President



Bob B. Zimmer, Secretary