

**MINUTES OF THE APRIL 8, 2014
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 8, 2014, at 4:00 p.m. in the Conference Room of the Hampton Inn, 2010 South Dumas Avenue, Dumas, Texas 79029. The following persons were present:

Members Present:

Gene Born; President
Phil Haaland; Director;
Danny Krienke, Director;
Harold Grall, Director;
Bob Zimmer, Secretary; and,
Justin Crownover, Director.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Dale Hallmark, Assistant General Manager and Hydrologist;
Kirk Welch, Assistant General Manager/Outreach
Kristen Lane, Executive Assistant;
Casey Tice, Compliance Coordinator;
Laura West, Production Monitoring Coordinator;
Pauletta Rhoades, Finance and Administration Coordinator; and,
Paul Sigle, Agricultural Engineer.

Others present during part or all of the meeting:

C. C. Sysombath;
Scottie Willis;
Sabrina Leven;
Ashley Handy;
Dwight Brandt;
Oscar Vasquez, Jr.
Edasmus Steill;
Louise Steill;
Russell Fangman;
Mark Howard;
Scott Clawson;
Sheldon Snyder;
Tom Moore;
Casey Kimbrall;
Amy Haschke;
Marty Jones, Esq.
Zac Yoder;
Haley Rader, Attorney; and,
Ellen Orr, Paralegal.

President Born declared a quorum present and called the meeting to order at 4:07 p.m.

Director Harold Grall gave the invocation and President Born led the pledge.

President Born asked if there were persons present who desired to make public comment. No public comment was made.

The General Manager stated that the District had hired to new persons, Carrie Bryant and Bethany Ruttman.

Brian Bezner arrived to participate in the meeting at 4:10 p.m.

Danny Krienke moved to approve items 2a through 2c of the Consent Agenda consisting of the review and approval of the Minutes of the regular Board of Directors Meeting of March 11, 2014; the Desired Future Conditions Stakeholders Meeting of March 19, 2014; the Desired Future Conditions Stakeholders Meeting of March 25, 2014; the Desired District Conditions Stakeholders Meeting of March 26, 2014; the review and approval of District expenditures for March 1, 2014 through March 31, 2014, including the General Manager's Expense and Activity Report; and the approval of payment of professional services and out-of-pocket expenses to Lemon, Shearer, Phillips & Good, P.C. in the amount of \$14,100.41 for March 1, 2014, through March 31, 2014. Justin Crownover seconded the motion and the motion passed unanimously.

The City of Dalhart must replace an existing well to provide water for its public water supply. Dalhart is wanting to file an application for permit. Brandt Engineers is filing it various permit requests that are required by the Texas Commission on Environmental Quality. However, Dalhart has not yet filed its permit application with the District. In review of the preliminary permit application, the General Manager requests a confirmation by the Board of the District's interpretation of District Rule 12.1.A. The General Manager requested that Brandt Engineers provide written documentation relating to the matter.

On March 18, 2014, Brandt Engineers, representing the City of Dalhart, provided the requested documentation in the form of a variance request regarding Rules 12.1.A allowing the City of Dalhart to construct a Class C replacement Well 275 yards away from another City of Dalhart Well. In the request, the existing Well would be plugged and the replacement Well would be drilled approximately 41 yards away from the existing Well location. The existing well was drilled in 1955, in Dallam County, before the county was part of the District. Brandt Engineers' correspondence and existing Well registration were presented to the Board.

After analyzing Brandt Engineer's request, the General Manager believes that there is no need for the variance based on District Rule 12.1 A:

"A replacement Well, in order to be considered as such, must be drilled within fifty (50) yards of the old Well and not elsewhere. It must not be located toward any other Well or Authorized Well Site unless the new location complies with the spacing requirements in effect on the date the Well being replaced was drilled. The replacement Well is considered to be a new Well for which application must be made under Rule 8 and must comply with the requirements of Rule 3. Immediately upon completion of a replacement Well, the Well being replaced shall be:

- 1. plugged and abandoned; or*
- 2. properly equipped as a domestic or livestock well in such a manner that it cannot produce more than 25,000 gallons of Water per day; or*
- 3. closed in accordance with District Rule 21."*

The General Manager requested that the Board confirm the following interpretation of the District Rule 12.1 A, as it applies to the facts presented above by the City of Dalhart:

- Dalhart must file for a permit to drill the proposed replacement well.
- The proposed replacement well must be drilled within 50 yards of the existing well.

- The replacement well can be located toward another well or authorized well site because there were no spacing requirements in effect that would require a replacement well to be drilled away from other wells on the date the well being replaced was drilled.
- The existing well must be properly plugged and abandoned; equipped as a domestic or livestock well; or closed in accordance with the District Rule 21.

The General Manager stated that provided that the City of Dalhart can comply with this interpretation of the Rule, as it applies to the facts presented by the City of Dalhart, there is no need for a variance or rule exception.

Phil Haaland moved that the Board confirm the following interpretation of Rule 12.1 A as it applies to the facts presented by the City of Dalhart:

- Dalhart must file for a permit to drill the proposed replacement Well;
- The proposed replacement Well must be drilled within 50 yards of the existing Well;
- The replacement Well can be located toward another Well or authorized Well site because there were no spacing requirements in effect that would require a replacement Well to be drilled away from other Wells on the date the Well being replaced was drilled;
- The existing Well must be properly plugged and abandoned; equipped as a domestic or livestock Well; or closed in accordance with the District Rule 21; and,

if the City of Dalhart can comply with this interpretation of the Rule, as it applies to the facts presented by the City of Dalhart, there is no need for a variance or rule exception. Bob Zimmer seconded the motion and it was unanimously approved by the Board.

The General Manager reported that the District held three District Stakeholders meetings regarding the District's Desired Future Conditions. The minutes from the stakeholder meetings were presented to the Board as well as the presentation made to the stakeholders, and the adopted Desired Future Conditions from the last round of joint planning.

Based on those meetings, and review of presently established DFCs, the General Manager recommended that the Board propose that the GMA-1 Joint Planning Committee proposes the same DFCs established in the last round of joint planning by GMA-1.

Danny Krienke moved that the Board propose that GMA-1 Joint Planning Committee proposes the same DFCs established in the last round of joint planning by GMA-1. Brian Bezner seconded the motion and it was unanimously passed by the Board.

The General Manager recommended that the Board table Agenda Item 3c, consider approval of the District's Employee Manual, until the next regular meeting of the Board.

Bob Zimmer moved to table Agenda Item 3c, consider approval of the District's Employee Manual, until the next regular meeting of the Board. Harold Grall seconded the motion and it was unanimously approved by the Board.

The 2013 Annual Production Reports were due by the end of business on March 3, 2014. The normal due date is March 1st; however, since March 1st was on a weekend the District rules move the due date to the first business day. As of April 1, the District has received all but 29 reports. Staff is working to get those reports filed. The General Manager stated that the preliminary numbers indicated that there was a general reduction in groundwater production between five to nine percent and that it appears that on-farm production of groundwater is down slightly. Bob Zimmer requested that

the District staff provide a report reflecting separate groundwater production statistics for agricultural use, CAFOs, industrial and municipal users. The General Manager stated that an Executive Session with legal counsel would be required later in the meeting to address compliance issues.

At the February 11, 2014 Meeting of the Board of Directors, the Board directed the General Manager to secure the judges and polling places for the May 10, 2014 Director's Elections in Precinct One and Precinct Two. On March 18, 2014, the General Counsel for the District, drafted Orders and Notices which were required to be issued on behalf of the District in order to hold the May 10, 2014 Director's Elections in Precinct One and Precinct Two.

General Counsel recommended that the Board review and ratify the March 18, 2014 election documents issued on behalf of the District, consisting of: the Order of Appointment of Early Ballot Board Judges and Alternates; the Order Appointing Early Voting Clerk for Ballots by Mail and Deputy Early Voting Clerk for Ballots by Mail for North Plains Groundwater Conservation District Director's Election in Precincts One and Two (Pauletta Rhoades as Early Voting Clerk for Ballots by Mail and Melissa Mead as Deputy Early Voting Clerk for Ballots by Mail for both Precincts One and Two); the Notification of Appointment as Alternate Early Voting Ballot Board Judge issued to Kathy Selby; the Combined Notification of Appointment of Early Voting Ballot Board Judge and Writ of Election for Early Voting Ballot Board Judge issued to Jennifer White; the Combined Notification of Appointment as Judge and Writ of Election issued to Lisa Wyatt; the Notification of Appointment as Alternate Judge issued to Rebecca Amyx; Combined Notification of Appointment as Early Voting Ballot Board Judge and Writ of Election for Early Voting Ballot Board Judge issued to Frank Figueroa; Combined Notification of Appointment as Judge and Writ of Election issued to Frank Figueroa; Notification of Appointment as Alternate Early Voting Ballot Board Judge issued to Doris Mozelle Shepherd; and Notification of Appointment as Alternate Judge issued to Doris Mozelle Shepherd, all of the foregoing regarding the May 10, 2014 Director's Elections in Precincts One and Two.

Justin Crownover moved that the Board ratify the March 18, 2014 election documents issued on behalf of the District, consisting of: the Order of Appointment of Early Ballot Board Judges and Alternates; the Order Appointing Early Voting Clerk for Ballots by Mail and Deputy Early Voting Clerk for Ballots by Mail for North Plains Groundwater Conservation District Director's Election in Precincts One and Two (Pauletta Rhoades as Early Voting Clerk for Ballots by Mail and Melissa Mead as Deputy Early Voting Clerk for Ballots by Mail for both Precincts One and Two); the Notification of Appointment as Alternate Early Voting Ballot Board Judge issued to Kathy Selby; the Combined Notification of Appointment of Early Voting Ballot Board Judge and Writ of Election for Early Voting Ballot Board Judge issued to Jennifer White; the Combined Notification of Appointment as Judge and Writ of Election issued to Lisa Wyatt; the Notification of Appointment as Alternate Judge issued to Rebecca Amyx; Combined Notification of Appointment as Early Voting Ballot Board Judge and Writ of Election for Early Voting Ballot Board Judge issued to Frank Figueroa; Combined Notification of Appointment as Judge and Writ of Election issued to Frank Figueroa; Notification of Appointment as Alternate Early Voting Ballot Board Judge issued to Doris Mozelle Shepherd; and Notification of Appointment as Alternate Judge issued to Doris Mozelle Shepherd, all of the foregoing regarding the May 10, 2014 Director's Elections in Precincts One and Two. Danny Krienke seconded the motion and it was unanimously approved by the Board.

Steve Walthour presented a report to the Board regarding the District's Agriculture Conservation Programs and the North Plains Water Conservation Center.

District staff and consultant have completed the 2013 Annual Report and copies will be available at the Board Meeting. Work has begun on the 2014 year.

NRCS CIG

The current balance of the CIG is listed below. The District is currently on track to meet the budget by the end of the grant.

		NPGCD		TTU		Total Cost	
		Cost	Percent Remaining	Cost	Percent Remaining	Cost	Percent Remaining
a.	Personnel	\$		\$	100.00%	\$	100.00%
b.	Fringe Benefits	\$		\$	100.00%	\$	100.00%
c.	Travel	\$		\$	100.00%	\$	100.00%
d.	Equipment	\$		\$ 140.12	98.76%	\$ 140.12	98.76%
e.	Supplies	\$ 76,339.96	29.18%	\$		\$	
f.	Contractual	\$		\$ 48,536.36	55.88%	\$ 124,876.32	42.66%
g.	Construction	\$		\$ 30,833.33	53.28%	\$ 30,833.33	53.28%
h.	Other	\$ 81,200.00	39.72%	\$		\$	
i.	Total Direct Cost	\$ 157,539.96	35.03%	\$ 8,333.33	66.67%	\$ 89,533.33	46.93%
j.	Indirect Costs (15%)	\$		\$ 87,843.14	61.60%	\$ 245,383.10	47.93%
k.	Total	\$ 157,539.96	35.03%	\$ 13,176.47		\$ 13,176.47	
				\$ 101,019.61	61.60%	\$ 258,559.57	48.86%

North Plains Water Conservation Center

Bob Zimmer, Leon New, Steve Walthour and Paul Sigle met with Farris Hightower, Region Manager for Lindsay, to discuss the irrigation systems for the Center. Reinke personnel met with Danny Kreinke, Leon New, Steve Walthour and Paul Sigle on April 1, 2014. The District is currently creating a request for proposal regarding the irrigation equipment for the center.

Harold Grall 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 from its attorney regarding pending compliance matters. Danny Krienke seconded the motion and it was unanimously approved by the Board.

Executive Session: At 4:41 p.m., the Board went into Executive Session to seek legal advice from its attorney. At 4:57 p.m., Director Harold Grall moved that the Board reconvene into regular session. Brian Bezner seconded the motion and it was unanimously approved by the Board.

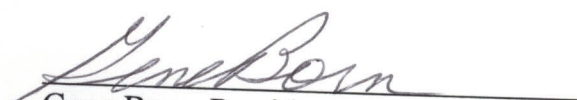
District Directors reported to the Board regarding meetings and/or seminars attended, weather conditions and economic development in each Director's precinct.

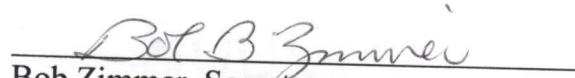
Steve Walthour presented the General Manager's Report, including information concerning upcoming meetings and conferences and the General Manager's activity summary.

No Committee reports were presented.

By consensus, the Board set its next Board Meeting at 9:30 a.m. on May 13, 2014.

Phil Haaland moved to adjourn the meeting. Justin Crownover seconded the motion and the motion was unanimously approved. President Born declared the meeting adjourned at 5:08 p.m.


Gene Born, President


Bob Zimmer, Secretary