

**MINUTES OF THE SEPTEMBER 15, 2015  
BOARD OF DIRECTORS MEETING OF  
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session September 15, 2015 at 9:00 a.m. in the Conference Room of the North Plains Water Conservation Center, 6045 County Road E., Dumas, Texas 79029. The following persons were present:

**Members Present at 9:09 a.m.:**

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

**Staff Present during part or all of the meeting:**

Steve Walthour, General Manager;  
Dale Hallmark, Assistant General Manager/Hydrologist;  
Kirk Welch, Assistant General Manager/Outreach;  
Kristen Lane, Executive Assistant;  
Casey Tice, Compliance Coordinator;  
Paul Sigle, Agriculture Engineer;  
Odell Ward, GIS and Natural Resources Tech Lead; and  
Lynsey Meharg, Conservation Outreach Assistant.

**Others present during part or all of the meeting:**

C.C. Sysombath, City of Amarillo;  
Scott Clawson;  
Leon New;  
F. Keith Good, Attorney; and,  
Ellen Orr, Paralegal.

President Zimmer declared a quorum present and called the meeting to order at 9:09 a.m. Director Born gave the invocation. President Zimmer led the pledge.

**1 – Public Comment**

President Zimmer asked if there were persons present who desired to make public comments. No public comments were received.

**2 – Consent Agenda**

The Consent Agenda, consisting of the review and approval of the Minutes of the August 11, 2015 Board Meeting; the review and approval of District expenditures for August 1, 2015 through August 31, 2015; and considering approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses from August 1, 2015 through August 31, 2015 in the amount of \$6,044.03 was discussed by the Board. Gene Born moved to approve the Consent Agenda. Zac Yoder seconded the motion and it was unanimously approved by the Board.

**Action Agenda 3a - Consider action to adopt the District's 2015 Tax Rate.**

On August 11, 2015, the Board proposed the 2015 effective tax rate of 0.026829 per \$100 of taxable value as the 2015 tax rate after adoption of the Fiscal Year 2015-2016 budget. The District is funded through ad valorem taxes. Funds generated are calculated by multiplying the total taxable value of properties within the District and the tax rate set by the District. Before the Board meeting, the District published its notice (set forth below) concerning the 2015 proposed property tax rate for the District. The notice presents information about three tax rates. Last year's tax rate of 0.025324 is the actual rate the District used to determine property taxes last year. This year's *effective* tax rate of 0.026829 would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate of 0.028975 is the highest tax rate the District can set before taxpayers can start tax rollback procedures. In each case, these rates are calculated by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

### 2015 Property Tax Rates for North Plains Groundwater Conservation District

This notice concerns 2015 property tax rates for North Plains Groundwater Conservation District. It presents information about three tax rates. Last year's tax rate is the actual rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

	General Fund
<b>Last year's tax rate:</b>	
Last year's operating taxes	\$ 2,067,687
Last year's debt taxes	\$ 0
Last year's total taxes	\$ 2,067,687
Last year's tax base	\$ 8,164,928,722
Last year's total tax rate	0.025324/\$100
 <b>This year's effective tax rate:</b>	
Last year's adjusted taxes (after subtracting taxes on lost property)	\$ 2,068,278
÷ This year's adjusted tax base (after subtracting value of new property)	\$ 7,708,971,856
= This year's effective tax rate (Maximum rate unless unit publishes notices and holds hearings.)	0.026829/\$100
 <b>This year's rollback tax rate:</b>	
Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent health care expenditures)	\$ 2,068,278
÷ This year's adjusted tax base	\$ 7,708,971,856
= This year's effective operating rate	0.026829/\$100
x 1.08 = This year's maximum operating rate	0.028975/\$100
= This year's total rollback rate	0.028975/\$100

#### Statement of Increase/Decrease

If North Plains Groundwater Conservation District adopts a 2014 tax rate equal to the effective tax rate of 0.026829 per \$100 of value, taxes would increase compared to 2014 taxes by \$ 86,516.

#### Schedule A

##### - Unencumbered Fund Balances

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
NPGCD FUNDS HELD ACCOUNT	\$500,000

This notice contains a summary of actual effective and rollback rates' calculations. You can inspect a copy of the full calculations at 603 E 1<sup>st</sup> Street, Dumas TX 79029.

Name of person preparing this notice: Steven D. Walthour, P.G.

In preparing the tax notice, the District relied on eight counties to provide correct information regarding their tax base. Occasionally the District is notified that a change is required by one or more of the counties after the District has published notice. After the August 11, 2015 Board meeting, the District was notified that the Ochiltree County tax assessor's office had settled with a protesting taxpayer which reduced Ochiltree County's total tax base by approximately \$16,000,000. The total amount of funds that would be lost to the District based on the reduction would be less than \$4,500.00. The General Manager, after discussion with the District's General Counsel, determined not to publish a new notice of a slightly higher 2015 effective tax rate because the Board had already proposed adopting a tax rate of 0.026829 per \$100 of valuation in the original notice. The amount of funds generated by increasing the rate to the new effective rate would be de minimis.

President Zimmer asked the Vice President of the Board, Harold Grall, who is also Chairman of the Finance Committee, and all other members of the Board, if any member had heard any comments regarding the District's 2015 proposed tax rate. Each member of the Board responded that no comment had been heard by a member of the Board regarding the District's proposed 2015 tax rate.

Gene Born moved that the Board adopt the tax rate of 0.026829 as the 2015 tax rate for North Plains Groundwater Conservation District which is effectively a 0% increase in the effective tax rate. Harold Grall seconded the motion and it was unanimously approved by the Board.

***Action Agenda 3b - Approve General Manager's Request to Amend the 2014-2015 Budget.***

As the District ends its fiscal year, the General Manager has reviewed the District 2014 – 2015 Budget. These amendments will allow movement of funds without increasing the District's overall budget. To cover possible costs under specific budget items, the General Manager requested that the Board amend the 2014-2015 budget as follows:

- Amend Personnel Expense from \$1,229,598.40 to \$1,219,598.400 (\$10,000.00 decrease); and
- Amend Professional Fees Expense from \$305,000 to \$315,000 (\$10,000.00 increase).

Danny Krienke moved that the Board amend the 2014-2015 budget, to allow movement of funds without increasing the District's overall budget, as follows:

- Amend Personnel Expense from \$1,229,598.40 to \$1,219,598.400 (\$10,000.00 decrease); and
- Amend Professional Fees Expense from \$305,000 to \$315,000 (\$10,000.00 increase).

Mark Howard seconded the motion and it was unanimously approved by the Board.

***Action Agenda 3c - Consider action directing the General Manager to amend the 2015-2015 Budget based on consultation with Auditor and report any changes to the Board for review.***

The General Manager stated that at the end of each fiscal year, the Board requires that the District's Auditor to perform a financial audit of the District's operations. As a result of the audit and in consultation with the Auditor for the District, the General Manager

may be compelled to amend the District's books pursuant to fiscal policy, state and/or local law. The General Manager requested that the Board direct the General Manager to amend the 2014-2015 budget, if necessary, based upon any consultation with the District's Auditor, and report any changes made to the District's financial records to the Board for its review.

Gene Born moved that the Board direct the General Manager to amend the District's 2014-2015 budget, if necessary, based upon any consultation with the Auditor and report any changes in the District's financial records to the Board for its review. Zac Yoder seconded the motion and it was unanimously approved by the Board.

**Action Agenda 3d - Consider Approval of Water Well Permits as Active and Complete Wells.**

District staff processed 28 Water Well permits that are ready for Board consideration and approval. These permits, listed in the attached table, 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 their 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 also noted by the General Manager that Well Permit HA-7214 was a Well Permit of Director, Mark Howard.

WellNum	WellClassDesc	WellMaxYield	WellSection	WellBlock	WellSurvey	NS	EW
DA5207	C	800	428	1T	T&NO	100S	399W
DA6138	C	800	16	48	H&TC	208N	6E
DA7908	C	800	45	5	CSS	752N	757E
DA7909	C	800	44	5	CSS	608N	853W
DA7910	C	800	44	5	CSS	594N	14W
DA7911	C	800	44	5	CSS	751S	116W
DA8248	B	400	50	1	B&B	810S	239E
DA8433	C	800	80	M E Hays	CRL	8080 N	244 E
DA8434	C	800	80	M E Hays	CRL	539 S	248 E
HA6434	C	800	60	13	CSS	699N	850E
HA6560	C	800	106	4	CSS	290N	866W
HA7200	C	800	49	11	CSS	734N	206E
HA7214	C	800	2	5	GH&H	58N	847E
HA7543	C	800	19	A.1	PSL	16S	291W
HA7631	C	800	40	11	CSS	223N	692W
HA7695	C	800	105	4	CSS	653N	844E
HA7779	C	800	2	5	CSS	240S	619W
HA7873	C	800	17	5	CSS	803S	33W
HA7874	C	800	17	5	CSS	449S	847W
HA7988	C	800	53	48	H&TC	338S	10W
HA8133	C	800	35	11	CSS	856N	695W
HA8208	C	800	108	4	CSS	607S	32E
HA8209	C	800	110	4	CSS	710N	17W
HA8755	C	800	26	11	CSS	427 S	449 E
HA8756	C	800	26	11	CSS	431 S	448 W
HN8586	D	1800	26	2	WCRR	274 N	26 E
OC7027	D	1800	31	4	GH&H	635S	249E
SH8680	C	800	7	B	J M Swisher	715 N	605 E

Director Danny Krienke moved to approve Water Well Permit HA-7214 because the Well is properly equipped and otherwise complies with District Rules. Gene Born

seconded the motion and it passed by the majority vote of the Board, with Director Mark Howard abstaining from the vote.

Zac Yoder moved to approve the remainder of the Water Well Permits presented to the Board on the above Schedule because 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 3e - Receive Report from the Agriculture Committee regarding the contract with Jerry L. Funck, P.E., d/b/a Professional Water Management Associates for construction of a drip irrigation system at the North Plains Water Conservation Center.**

The General Manager stated that during the August Board meeting, the Board authorized the Agriculture Committee to work with Stan Spain to select the most responsive proposal to install a drip irrigation system at the North Plains Water Conservation Center. The District published notice requesting proposals in the *Amarillo Globe News* on July 17, 2015 and on July 24, 2015, providing information regarding the location of the proposed drip irrigation system and where a potential respondent could obtain the requisite information to complete a proposal. The proposals were due in the District offices by 5:00 p.m. on August 21, 2015.

Proposals that were filed by the deadline are as follows:

- Jerry L. Funck, P.E. doing business as Professional Water Management Associates; and
- Diversity D Inc.

A third proposal was filed late on August 31, 2015, by Eco – Drip. The representative for Eco – Drip reported that he had only heard about the WCC drip system project while at the WCC demonstration day on August 25, 2015.

On September 2, 2015, the Agriculture Committee met to review and consider proposals for installation of the drip irrigation at the North Plains Water Conservation Center. Proper notice for the meeting was published by the District in the event a quorum of the Board was present. No quorum was present. Committee members Danny Krienke (Chairman), Zac Yoder, and Harold Grall were present and Phil Haaland joined via teleconference. Also present were Stan Spain (contractor-at-risk), Leon New, Steve Walthour, Kirk Welch, Paul Sigle, Keith Good, Jerry Funck, representing Professional Water Management Associates, and Taylor Brown representing Diversity D. Leon New and Stan Spain evaluated the timely received proposals on August 29<sup>th</sup> and Keith Good was available to provide legal consultation, as needed. Mr. Haaland stated that he could not vote because he rented space to Diversity D Inc. but believed that Diversity D would do a good job installing the drip.

The Committee met individually with the timely-filed respondents, and allowed them to discuss their proposals for approximately 30 minutes each. The committee, staff and attorney asked questions regarding the two proposals. The committee found the Mr. Jerry L. Funck, P.E., doing business as Professional Water Management Associates, was the most responsive proposal and that Mr. Funck was also the most responsive to the Committee's questions during the discussions. The Committee reviewed the estimated cost of each proposal that was timely filed and the cost proposal of the late-filed respondent, Eco – Drip. All proposals were very similar in costs ranging from approximately \$100,000 to \$112,000 with Mr. Funck's proposal being the lowest. The Committee selected Professional Water Management Services to contract with Stan Spain to install the drip irrigation system. The total cost of the drip system should be approximately \$100,000, without any additions under the contract with Stan Spain, with

approximately \$35,000.00 paid for by the USDA and the remainder reimbursed by the District to Mr. Spain. Copies of the proposals were presented to the Board.

Keith Good, attorney for the District, stated that the contract of Jerry L. Funck, P.E., doing business as Professional Water Management Associates, did not address the requirement that Mr. Funck provide payment and performance bonds for the drip irrigation project, even though, the costs of the bonds were included in Mr. Funck's proposal for the drip irrigation system. Mr. Good also stated that it appears that Mr. Funck's contract meets all of the criteria required by NRCS. Further, Mr. Good stated that the contract with Jerry L. Funck, P.E. has some other gaps which needed to be addressed and that Mr. Good has drafted a letter agreement to supplement the contract. The letter agreement also addresses the installation of the leach field for the flush function of the system. Mr. Funck's proposal for this flush-function system is \$1,736.75. Further, the contract with Mr. Funck does not address the installation of electrical service to the filter station and the Ag Committee and Leon New approved this installation by the District. The cost of furnishing electrical service to the filter station is estimated to be approximately \$2,184.00. All of the foregoing items have been addressed and are clarified in the supplemental letter agreement with Mr. Funck.

***Action Agenda 3f - Receive report regarding the District's irrigated agriculture 3 4 5 Demonstration program.***

The "3-4-5" project is benefitting from good rainfall in the first year, improving the opportunities to leave water in the ground for the future. Good yields and good data to support the project are expected in the first year. Participants in the "3-4-5" project are using variable rate irrigation to simulate 3, 4, and 5 gallon per minute irrigation conditions in side-by-side, production-scale demonstrations. The "3-4-5" participants are applying the techniques and technologies used in the "200-12" program and demonstrating their applications under the selected levels of available irrigation. The District should be able to make some good comparisons that will demonstrate water management strategies at various irrigation capacities.

Early season rains delayed planting for most participants in the program, but once the crops were planted they had the advantage of a full-soil profile. The full profile is due both to rains this season and the opportunity for some cooperators to leave water in the ground last year for the first time since 2010. After the rains stopped in late August, the participants needed to irrigate to finish the crops. While participants were getting the rain, the plants were taking moisture primarily from 1, 2 and 3 feet in the soil profile. Since then, the roots are going down to 4 and 5 feet to find moisture. Crop root penetration and water extraction are monitored using advanced soil probe technology supported by gypsum soil moisture sensors. The crop of each participant is at milk stage, or later, with the majority past the dent stage.

In addition to the "3-4-5" project, the District is performing a study comparing Precision Mobile Drip Irrigation (PMDI) to LEPA. PMDI involves drip hoses being pulled across the field by the center pivot system, in order to reduce wind-loss and evaporation by applying the irrigation directly to the soil. LEPA, Low Energy Precision Application, applies the irrigation water with hoses no more than 18 inches above the soil and is reported to reach application efficiency levels of 95-percent and more. PMDI is projected to reach efficiencies approaching 98 to 99-percent.

**2015 Field Days**

The District and CPS held the North Plains Water Conservation Center Summer Field Day on August 25, 2015. The event featured the activities at the Water Conservation Center, including the "3-4-5" demonstrations, nutrition and water quality, seed variety demos, and technology. As a co-sponsor of the event, the District was responsible for the content at one of the tents. Leon New presented on the "3-4-5" project. Three other "turn-row" meetings updating the progress of the "3-4-5" across the District are

now scheduled for September as follows:

September 22, 2015 – Etter, North Plains Water Conservation Center, Harold Grall's Field;

September 23, 2015 – Perryton, Ochiltree County Expo, Danny Krienke's Field; and

September 24, 2015 – Dalhart, Rita Blanca Coliseum, Zac Yoder's Field.

### **Center Update**

DB&E and the factory dealer for the VFD came out on September 2, 2015, to determine the problem with the VFD located near the office. While the pump was running, the electric lines coming from the submersible to the VFD began falling down the wellbore. This was being caused by the tape holding the lines to the pump column coming loose. DB&E removed the pump on September 3, 2015. DB&E then tested the motor and reported that the motor was in full working condition. On September 9, 2015, DB&E began reinstalling the pump using 6 inch steel pipe.

Leon New reported to the Board about the issues that are being encountered with the East well at the Water Conservation Center between the pump and the VFD.

***Action Agenda 3g - Receive report and consider action regarding the District's development of partnerships with the USDA NRCS and Texas Water Development Board to advance groundwater conservation in the District.***

Steve Walthour presented the following report to the Board:

### **Meeting with NRCS State Conservationist Regarding Master Irrigator Program**

Danny Krienke, Darren Richardson, Bob Perry, and Kirk Welch met in Canadian Texas on August 18, 2015, to discuss working jointly on a Master Irrigator Program.

Mr. Krienke explained that the 200-12 program had proven strategies that would help leave water in the ground while maintaining economic viability. Mr. Krienke noted that some of the proven strategies were approved practices in the handbook and others like pivot monitoring and control and well kill are not identified practices.

Mr. Perry and Mr. Richardson stated that the strategies that were not approved for cost-share as practices could be funded through the CSP as an enhancement. Mr. Salinas said that he had signed-off on the District's state RCPP pre-application and that the District should get together with the NRCS staff to work through the full proposal. Mr. Salinas stated that the national office is not approving the payment per acre-inch concept, so the District's best opportunity is the RCPP for 2016. Mr. Salinas stated that they are not giving up on the "acre-inch" approach, but he expects it will take some time to get the national office convinced. This will most likely not happen before 2017. Mr. Salinas also said that the District should include both CSP and EQIP in its proposals because these are both donor programs for the RCPP.

Mr. Perry and Mr. Richardson said they would include it under the Priority Management Concern of Irrigation Water Management (IWM). Mr. Perry and Mr. Richardson also said that it could be set up where the Level of IWM, which would qualify for cost share, could require a higher level of training with the technologies and strategies. Mr. Perry and Mr. Richardson also mentioned that it would be good to focus on a specific geographic area. District representatives discussed that the North Plains District could be a great location, since the District still has water left unlike most of the South Plains and, because of the Canadian River, the District is the only "Central Ogallala" in the

state. Mr. Perry and Mr. Richardson suggested that the District should make that a part of the proposal.

Salvador Salinas stated that he had some money and asked if the District would be willing to enter into a cooperative agreement with the state office to help them with outreach. He said this would have to be matched 50/50 unless the District filed a waiver that could get the District's part reduced to 25%. He said this could amount to as much as \$75,000 per year for a three-year period. He said the funds could be used for curriculum development, production of materials, expenses for public presentations, etc. He suggested that the District work with Darren Richardson and Quenna Terry.

Mr. Salinas suggested that the District add an economic case study to the AquaSpy graph from the field that was over-watered. Mr. Salinas also recommended showing the actual economic losses that result from overwatering, including \$100/acre in fertilizer washed out of the root zone, and the \$20/acre in estimated wasted energy. Mr. Salinas felt the added visuals would help make the case for the need for more training to get the most out of the technology. From a program standpoint, it was suggested that perhaps the program could be set up as 3 years of EQIP with the following years, up to 8, being funded by CSP.

#### Public Outreach Grant for Master Irrigator Program

In August, the District applied for federal assistance for public outreach to engage agriculture irrigation producers to adopt innovative water conservation approaches to mitigate regional irrigation water supply shortages in the Ogallala Aquifer in Texas. The application was for a matching grant from the USDA for \$45,000. Quenna Terry of the NRCS completed the application for the District and submitted it through the NRCS office in Lubbock. The District had already budgeted funds for public outreach in our demonstration projects and with our proposed Master Irrigator Program. The grant is for one year but may be extended based on performance. The purpose of the program is to engage agriculture irrigation producers to adopt innovative water conservation approaches to mitigate regional irrigation water supply shortages in the Ogallala Aquifer in Texas. A copy of the application was presented to the Board.

The objectives in the application include:

- To increase education and outreach opportunities and strategies for the public and agriculture producers to conserve, protect and preserve the groundwater in the eight counties north of the Canadian River within the North Plains Groundwater Conservation District (NPGCD) boundaries.
- Development of curriculum for Master Irrigator program.
- Utilize the most technologically advanced water conservation equipment to demonstrate water saving activities for irrigation agriculture producers.
- Utilize a wide variety of media outlets, including social media, to distribute and promote educational and instructional videos.
- Accelerate producer adoption of water conservation techniques/strategies in the District in order to prolong the life of the aquifer and maintain the economic viability of the agricultural industry.
- Help agriculture producers within NPGCD area address NRCS resource concerns of water quantity and plant and soil health.

NRCS responsibilities are as follows:



- Provide staff to assist with technical and administrative aspects of agreement to meet planned goals.
- Provide advice and counsel at the request of the Sponsor.
- Review, approve and monitor Sponsor's education, outreach and marketing plans and efforts.
- Be available to meet twice times per year to conduct periodic progress checks, develop communications strategies and review marketing and education materials.
- Assist with education and outreach efforts including field days, fact sheets, videos and other documents.
- Share in the equipment and expenses associated with producer trainings, demonstrations and associated material, all to be housed at the NPGCD headquarters.
- Provide \$45,000 or 50% of the agreement costs for one year, not to exceed \$90,000.

The District's responsibilities will be:

- Select producers who have expressed interest in water conservation in the district and teach them water conservation techniques/strategies including potential benefits and use.
- Proactively conduct conservation demonstrations and training aimed at reducing irrigation, while keeping agricultural producers economically viable.
- Administer pre-test and post-tests and surveys at trainings to measure the level of assimilation of the information.
- Report the number of irrigators attending the training programs on various conservation strategies.
- Report the conservation strategies implemented by producers, including acreage by strategy.
- Analyze the on-farm and regional effect of water conservation strategies that address NRCS priorities.
- Provide the number of reports and fact sheets, videos and other materials developed, as well as the contacts achieved in the dissemination process (producer meeting attendees, mass and social media contacts).

The programs expected accomplishments and deliverables are as follows:

- Through education and outreach, irrigation agriculture producers in the NPGCD area will adopt water conservation strategies at an accelerated rate.
- Develop "Master Irrigators" program through Contractor with participants providing records associated with the conservation techniques and strategies they employed. Publicly recognized Master Irrigators for the conservation commitment and to raise awareness of their efforts among other irrigators in the district.

- Develop a groundwater production data set that can be used to determine and report real water savings.
- Increase water efficiency while extending the economic viability of irrigated agriculture.
- NRCS and NPGCD will concentrate communication to develop electronic media to expand water conservation education and benefits to the public and irrigation agriculture producers.

#### Texas Priority Area Request for Partner Proposals

On August 31, 2015, the District was notified that the Natural Resources Conservation Service (NRCS) in Texas is seeking proposals from potential partners according to the format contained in the proposal guidance document. Proposals are to be submitted to the Texas State Conservationist. For FY 2016, NRCS in Texas is focusing on proposals that address climate change and water quantity. The proposal must include sufficient detail to allow NRCS to understand the partner's priority resource concerns, objectives, and expected environmental outcomes. Incomplete proposals and those that do not meet the requirements set forth in the notice will not be considered, and notification of elimination will be mailed to the applicant. The proposal must also be accompanied by letters of support from all partners involved in the project. The Texas State Conservationist encouraged the District to file a proposal relating to the Master Irrigator Program. District staff will be working on this proposal throughout September and October. The proposal is due by early November.

#### NRCS State funding for the Regional Conservation Partnership Program

On September 4<sup>th</sup>, North Plains' staff was informed by the High Plains Underground Water Conservation District that the Joint RCPP proposal filed by High Plains was accepted for the full proposal process. The proposed project will address inefficient use of irrigation 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, improved irrigation efficiency or conversion to non-irrigated production for the life of the project. The proposed Regional Conservation Partnership Program project will build on existing programs such as EQIP, CSP and ACEP to address water conservation needs in the proposed region and establish an economic incentive for producers to participate in the proposed RCPP. Additionally, by leveraging state and local cost-share for the purchase of equipment, this project will result in measured data on applied irrigation water and allow for monetary compensation based on actual on-farm water savings. The project will also facilitate improvements in the efficient use of irrigation water through adoption of better management practices such as the use of Low Elevation Spray Application, Low Energy Precision Application, subsurface drip irrigation, soil moisture measurement and irrigation scheduling.

Secondly, the proposed project will work to address degraded plant conditions through enhanced research and development in plant breeding programs that are funded through agriculture commodity board assessment programs.

Third, an educational component will be incorporated to promote adoption of better management practices in irrigation efficiency and selection of more water efficient and drought resistant seed varieties. The partnership with the Texas Alliance for Water Conservation (TAWC), Texas Tech University and Texas A&M AgriLife Extension involves education and outreach efforts which are built around producer-led demonstrations toward water conservation. The producer-led demonstrations aid producers in their understanding of soil, water, and plant relationships. The conservation objectives involve a variety of components including innovative agricultural technology, plant and soil science, and water management strategies.

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

The General Manager reported that after this item had been placed on the Agenda, the General Manager was contacted by the Lipscomb County Tax Assessor-Collector and was informed that this matter was not applicable to the District.

**Action Agenda 3j - Consider and approve WNP 2014 tax roll for Lipscomb County Tax Assessor-Collector.**

Dale Hallmark, Assistant General Manager and District Hydrologist, made a presentation to the Board regarding the history of the District's observation well program and how the information from the programs works in conjunction with the District's GMA-1 joint planning process, management plan and Rules.

**Action Agenda 3h - Receive report regarding the District's Observation Well Program.**

On September 10, 2015, the General Manager contacted the offices of Mac Thornberry, Mike Conway and Randy Neugebauer, and invited the Congressmen, or their staffs, to the North Plains Field Days on September 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup>. District staff also invited the Deputy Under Secretary of Agriculture and the NRCS Chief to the Field Days.

Field Days.  
Congressional Delegation and USDA invited to attend the 3-4-5 Demonstration Project

On September 4, 2015, the NRCS notified the District that the District's two pre-proposal submissions for RCPs were not selected to submit full proposals. NRCS will be providing a summary of pre-proposal strengths and opportunities for improvement to assist applicants in future submissions.

RCP proposals.  
Natural Resources Conservation Services (NRCS) Regional Conservation Partnership Program (RCP) notification the district was not selected based on its two individual

The proposed project start date begins April 1, 2016 and runs through March 31, 2020. The District will be working with High Plains UWCD and the other participants to develop the full proposal.

The geographic focus of the project will be within the political jurisdictions of the High Plains Water District, Hemphill County Underground Water Conservation District, Llano Estacado Underground Water Conservation District, Mesa Underground Water Conservation District, North Plains Groundwater Conservation District, Sandy Land Underground Water Conservation District, and South Plains Underground Water Conservation District.

The TAWC will serve this project with venues for learning, as well as, a means for technological advancement in production when producer intentions are to use less water. This effort will include the use of water management tools made available to producers toward the ultimate goal of successful water management. Strategies learned through the outreach activities conducted by the TAWC will be recognized by the RCP partners as efforts toward meeting the qualifications toward cost-share programs or other incentive tools toward conservation efforts. Producers, who seek further education in water management, including TAWC events, as well as others, will be recognized for this professional development in the process of this water conservation activity. Project partners will also work with private irrigation companies in outreach efforts to promote and support the educational component of the program.

Casey Tice reported to the Board that as of August 27, 2015, all civil penalties for the late filing of 2014 Annual Production Reports have been resolved. Mr. Tice also stated that there are presently two unresolved potential groundwater overproduction issues which have been referred to the District's legal counsel.

This General Manager and General Counsel reviewed Rules 4.7, 4.10 and Rule 12.6.1 with the Board regarding the District's authority and procedures to cap a non-deteriorated Well and the recovery of District expenses from the Well Owner.

The General Manager asked for the Board's authorization to submit a letter to the violator with either a 30 or 45-day deadline to remedy the violation. Thereafter, if District staff determines that the issue has not been resolved, to permit the District to cap the well and to submit an invoice to the well owner for payment.

President Zimmer asked if any Board member did not want to allow the General Manager to enforce the capping Rules in this manner, and to permit the General Manager and his staff to use their best judgment to handle these situations. All Board members indicated that it was ok with them for the General Manager to use his best judgment to handle well capping situations.

The District's legal counsel, Keith Good, addressed the oil and gas concept of the accommodation doctrine on mineral rights severed from the surface as applied to groundwater rights severed from the surface. Mr. Good explained that under Texas law, the mineral estate is the dominate estate over the surface. The mineral owner of severed mineral rights, or his lessee, has the right to use so much of the surface as is reasonably necessary to develop the oil and gas. The "accommodation doctrine" was developed by the Texas Supreme Court, to state that if the mineral owner had alternatives which would be less damaging to the surface owner, then the mineral owner must use the alternative to "accommodate" the surface owner. Mr. Good reported that the accommodation doctrine has not been applied by Texas courts in the instance of groundwater rights severed from the surface. However, this issue is presently before the Texas Supreme Court in *Coyote Lake Ranch, LLC vs. City of Lubbock*. In this case, the surface owner (Coyote Lake Ranch, LLC) is contending that the City of Lubbock (owner of the severed groundwater rights), must follow the accommodation doctrine in developing its groundwater rights so as to protect Coyote Lake Ranch, LLC's surface.

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

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

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

By consensus, the Board set its next regular Board Meeting for 9:00 a.m. on October 6, 2015 at the Water Conservation Center. The Board also set its November regular meeting for 9:00 a.m. on November 10, 2015 at the Water Conservation Center. The Board further set its December regular meeting and its annual Christmas party on December 3, 2015.

***Discussion Agenda 4b - Committee Reports.***

None.

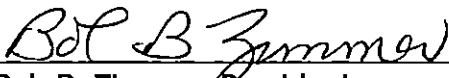
***Discussion Agenda 4a - Director Reports Regarding Meetings and/or Seminars Attended, Weather Conditions and***

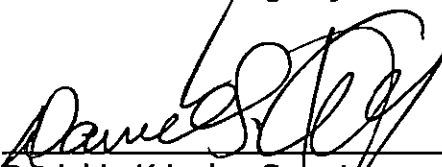
***Economic Development in Each Director's Precinct.***

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

***Agenda 6 - Adjournment.***

There being no further business to come before the meeting, Justin Crownover moved to adjourn the meeting. Zac Yoder seconded the motion and it was unanimously approved by the Board. President Zimmer declared the meeting adjourned at 11:05 a.m.

  
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Bob B. Zimmer, President

  
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Daniel L. Krienke, Secretary