

**MINUTES OF THE AUGUST 13, 2013
BOARD OF DIRECTORS MEETING OF
NORTH PLAINS GROUNDWATER CONSERVATION DISTRICT**

The Board of Directors of North Plains Groundwater Conservation District met in regular session August 13, 2013, at 9:30 a.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
Daniel L. Krienke, Director;
Bob Zimmer, Secretary;
Phil Haaland, Director;
Harold Grall, Director;
Brian Bezner, Director; 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/District Outreach;
Pauletta Rhoades, Administrative Assistant; and,
Paul Sigle, Agricultural Engineer.

Others present during part or all of the meeting:

C.C. Sysombath;
Sabrina Leven;
Ashley Handy;
Mark Howard;
Scott Clawson;
Russell Williams;
Amy Haschke;
Casey Kimbrell;
Marty Jones;
Tom Moore;
F. Keith Good, District General Counsel; and,
Ellen Orr, Paralegal.

President Born declared a quorum present and called the meeting to order at 9:35 a.m.

Director Bob Zimmer 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.

Danny Krienke moved to remove item 2d from the Consent Agenda and to approve the remaining items listed on the Consent Agenda consisting of the approval of the Minutes of the June 11, 2013 Board of Directors Meeting; the un-audited District expenses presented to the Board from June 1, 2013 through July 31, 2013, including the General Manager's Expense and Activity Report; the approval of payment of professional services and out-of-pocket expenses to Lemon, Shearer, Phillips & Good, P.C. in the amount of \$7,627.08 for June 1, 2013, through July 31, 2013; and the approval of an Order allowing Discounts for the Lipscomb County Appraisal District for persons paying taxes due on or before the end of January, 2014. Bob Zimmer seconded the motion and it was unanimously approved by the Board.

The Board reviewed Chapter 4 – (Well construction and required equipment) and Chapter 5 (Water flow meters and alternative measuring method) of the drafted proposed Rules from the Board's July 9, 2013 Board meeting.

The Board discussed setting a deadline for all wells to be metered within the boundaries of the District.

Danny Krienke moved to remove the "drop-dead" date from proposed Rule 5.1.5. Bob Zimmer seconded the motion and it was unanimously approved by the Board.

The Board discussed Chapter 6 - Allowable annual production and reporting /Chapter 2 - Applications, permits and registrations, including:

- Who is required to report production?
- How should the groundwater conservation reserve be administered? Is it tied to the property? When does the reserve amount expire?
- Are there methods to streamline the permitting process?

A Schedule of Well Permits was presented to the Board for its review. The General Manager withdrew the Schedule of Well Permits for staff review.

COUNTY	OWNER	WELL	METER LOCATION	C L	MAX	QT R	SEC	BLK	SUR	YARDS N S	YARDS E W
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DALLAM	KERWIN SCHMIDT	DA-3876	WELL	B 400	NE	21	6	CSS	502N	200E
DALLAM	BEZNER L & R LTD	DA-3959	WELL	C 800	SE	65	5	CSS	118S	130E
DALLAM	HIDDEN VALLEY FARMS	DA-4120	WELL	B 400	NE	2	2	CSS	303N	593E
DALLAM	KATHERINE ALVER	DA-4202	WELL	C 800	NW	6	48	H&TC	106N	104W
DALLAM	DELBERT BECKER	DA-5289	WELL	B 400	SW	78	0	ME HAYS	671S	30W
DALLAM	BUDDY WARREN FAMILY ENTERPRISES	DA-5339	WELL	C 800	NW	29	1	B&B	234N	656W
DALLAM	SCHARTZ LAND	DA-5586	WELL	D 1800	NE	47	2	B&B	505N	330E
DALLAM	MELLEMA FARMS	DA-5600	WELL	C 800	SE	19	1	CSS	762S	30E
DALLAM	MELLEMA FARMS	DA-5601	WELL	C 800	SW	20	1	CSS	18.5S	631W
DALLAM	STEVEN YODER	DA-5602	WELL	C 800	NE	17	7	CSS	104N	117E
DALLAM	S&A PROPERTIES	DA-5627	WELL	B 400	NW	4	1	WT WHEATLY	478N	849W
DALLAM	DYKE ROGERS	DA-5658	WELL	D 1800	SE	51	47.5	H&TC	436S	547E
DALLAM	DYKE ROGERS	DA-5659	WELL	D 1800	NW	52	47.5	H&TC	100N	156W
DALLAM	DYKE ROGERS	DA-5660	WELL	D 1800	NE	51	47.5	H&TC	855N	837E
DALLAM	DYKE ROGERS	DA-5661	WELL	D 1800	NE	51	47.5	H&TC	105N	776E
DALLAM	DYKE ROGERS	DA-5662	WELL	D 1800	NW	51	47.5	H&TC	400N	393W
DALLAM	DYKE ROGERS	DA-5663	WELL	D 1800	SW	51	47.5	H&TC	415S	443W
DALLAM	JAY WILLARD	DA-5731	WELL	C 800	SE	23	7-T	T&NO	108S	150E
DALLAM	JAY WILLARD	DA-5732	WELL	C 800	SE	23	7-T	T&NO	441S	458E
DALLAM	M&J WILLARD LTD	DA-5733	WELL	C 800	NW	21	7-T	T&NO	710N	719W
HARTLEY	SKYWARD DAIRY	HA-4876	WELL	C 800	SE	127	48	H&TC	428S	468E
HARTLEY	COVER FARMS	HA-4958	WELL	D 1800	NE	56	21	CSS	761N	275E
HARTLEY	TAYLOR FARMS	HA-5048	PIVOT	C 800	SE	17	13	CSS	247S	246E
HARTLEY	CARGILL CATTLE FEEDERS	HA-5129	WELL	B 400	SW	64	2	B&B	711S	115W
HARTLEY	LARSEN FARMS	HA-5133	WELL	C 800	SW	27	A-1	PSL	165S	1905W

HARTLEY	LARSEN FARMS	HA-5134	WELL	C 800	SW	27	A-1	PSL	223S	1000W
HARTLEY	LARSEN FARMS	HA-5158	WELL	C 800	NW	27	A-1	PSL	71N	1414W
HARTLEY	LARSEN FARMS	HA-5276	WELL	C 800	SW	27	A-1	PSL	66N	2288W
HARTLEY	LARSEN FARMS	HA-5189	WELL	C 800	SW	16	11	CSS	439S	442W
HARTLEY	LARSEN FARMS	HA-5190	WELL	C 800	SW	16	11	CSS	135S	107W
HARTLEY	LARSEN FARMS	HA-5191	WELL	C 800	NE	16	11	CSS	635N	853E
HARTLEY	LARSEN FARMS	HA-5192	WELL	C 800	NW	16	11	CSS	236N	851W
HARTLEY	LARSEN FARMS	HA-5193	WELL	C 800	NW	16	11	CSS	880N	499W
HARTLEY	LARSEN FARMS	HA-5194	WELL	C 800	NW	16	11	CSS	832N	108W
HARTLEY	LARSEN FARMS	HA-5195	WELL	C 800	SW	24	11	CSS	421S	435W
HARTLEY	LARSEN FARMS	HA-5196	WELL	C 800	SW	25	11	CSS	257S	851E
HARTLEY	JTJ FARMS	HA-5249	WELL	C 800	NW	51	2	B&B	288N	109W
HARTLEY	JTJ FARMS	HA-5250	WELL	C 800	NE	51	2	B&B	107N	158E
HARTLEY	LARSEN FARMS	HA-5270	WELL	C 800	NW	17	11	CSS	41N	276W
HARTLEY	LARSEN FARMS	HA-5271	WELL	C 800	NW	17	11	CSS	856N	634W
HARTLEY	LARSEN FARMS	HA-5272	WELL	C 800	NW	17	11	CSS	637N	30W
HARTLEY	LARSEN FARMS	HA-5273	WELL	C 800	SW	24	11	CSS	35S	734W
HARTLEY	LARSEN FARMS	HA-5274	WELL	C 800	SW	27	A-1	PSL	182S	136W
HARTLEY	LARSEN FARMS	HA-5275	WELL	C 800	SE	25	11	CSS	33S	166E
HARTLEY	LARSEN FARMS	HA-5277	WELL	C 800	SW	27	A-1	PSL	381S	531W
HARTLEY	LARSEN FARMS	HA-5278	WELL	C 800	SE	25	11	CSS	436S	447E
HARTLEY	LARSEN FARMS	HA-5341	WELL	C 800	SE	2	11	CSS	435S	439E
HARTLEY	LARSEN FARMS	HA-5342	WELL	C 800	SW	2	11	CSS	440S	426W
HARTLEY	LARSEN FARMS	HA-5343	WELL	C 800	NE	3	11	CSS	427N	452E
HARTLEY	LARSEN FARMS	HA-5346	WELL	C 800	NE	18	11	CSS	437N	457E
HARTLEY	FARWELL ABSTRACT	HA-5367	WELL	B 400	NW	2	0	ME COLE	103N	102W
HARTLEY	LARSEN FARMS	HA-5372	WELL	C 800	SE	3	11	CSS	855S	676E

HARTLEY	LARSEN FARMS	HA-5373	WELL	C 800	NW 1	11	CSS	835N	661W
HARTLEY	LARSEN FARMS	HA-5376	WELL	C 800	NW 3	11	CSS	210N	840W
HARTLEY	LARSEN FARMS	HA-5377	WELL	C 800	NW 3	11	CSS	852N	645W
HARTLEY	LARSEN FARMS	HA-5378	WELL	C 800	SE 17	11	CSS	868S	685E
HARTLEY	LARSEN FARMS	HA-5379	WELL	C 800	NW 18	11	CSS	856N	639W
HARTLEY	LARSEN FARMS	HA-5380	WELL	C 800	SW 1	11	CSS	437S	440W
HARTLEY	LARSEN FARMS	HA-5381	WELL	C 800	SE 3	11	CSS	445S	463E
HARTLEY	LARSEN FARMS	HA-5382	WELL	C 800	SW 3	11	CSS	448S	412W
HARTLEY	LARSEN FARMS	HA-5383	WELL	C 800	SE 4	11	CSS	461S	459E
HARTLEY	LARSEN FARMS	HA-5384	WELL	C 800	NE 1	11	CSS	429N	453E
HARTLEY	LARSEN FARMS	HA-5385	WELL	C 800	NW 1	11	CSS	421N	434W
HARTLEY	LARSEN FARMS	HA-5387	WELL	C 800	NW 3	11	CSS	442N	414W
HARTLEY	LARSEN FARMS	HA-5388	WELL	C 800	NE 4	11	CSS	435N	469E
HARTLEY	LARSEN FARMS	HA-5389	WELL	C 800	SW 20	11	CSS	452S	438W
HARTLEY	LARSEN FARMS	HA-5390	WELL	C 800	SW 19	11	CSS	446S	433W
HARTLEY	LARSEN FARMS	HA-5391	WELL	C 800	SE 18	11	CSS	441S	457E
HARTLEY	LARSEN FARMS	HA-5392	WELL	C 800	SW 18	11	CSS	442S	418W
HARTLEY	LARSEN FARMS	HA-5393	WELL	C 800	NW 18	11	CSS	440N	415W
HARTLEY	TIM SCHAFER	HA-5412	WELL	C 800	NW 109	48	H&TC	437N	418W
HANSFORD	MACK MCLAIN	HN-4974	WELL	D 1800	SW 22	1	CIF	33S	0W
HANSFORD	NEED IT MORE	HN-5184	WELL	D 1800	SE 121	4-T	T&NO	101S	104W
MOORE	CITY OF DUMAS	MO-5155	WELL	A 100	NE 246	3-T	T&NO	805N	121E
OCHILTREE	NEED IT MORE	OC-5227	WELL	D 1800	SE 135	4-T	T&NO	108S	629E
OCHILTREE	NEED IT MORE	OC-5229	WELL	D 1800	SE 135	4-T	T&NO	543S	121E

President Born recessed the meeting at 11:03 a.m. and reconvened the meeting at 11:08 a.m.

Phil Haaland moved that the Board approve the letter of engagement presented to the Board with Barton, Brandon & Company for audit and non-audit services. Harold Grall seconded the motion and it was unanimously approved by the Board.

Assistant General Manager, Dale Hallmark, discussed with the Board the bids which the District had received for conducting a District-wide stratigraphy and 3-D modeling project.

Phil Haaland moved that the District accept the bid of Aquaveo, Inc. for \$235,810.00 to conduct a District-wide stratigraphy and 3-D modeling project over a two-year period. Danny Krienke seconded the motion and it was unanimously approved by the Board.

The General Manager presented a proposed District Director Policies for the Board's review. Bob Zimmer stated that he would like for the Policies to include a provision stating that each Director, if desired by the Director, shall be offered training and encouraged to enrich the Director's ability to represent the District in a public forum.

Phil Haaland moved to adopt the Director Policies as amended. Danny Krienke seconded the motion and it was unanimously approved by the Board.

The Finance and Budget Committee met before the Board meeting and discussed the rerate notice. The Texas Municipal League Intergovernmental Employee Benefits Pool (TML) forwarded to the District a re-rate notice and benefit verification form for Employee Health Benefits guaranteed until October 1, 2014. A re-rate notice is used to set new rates for employee and dependent coverage. TML new rates for Fiscal Year 2013-2014 will increase 22% for medical coverage for the upcoming year are as follows:

	Current Rate	New Rate
Employee	\$ 313.02	\$ 381.88
Spouse	\$415.78	\$507.26
Child	\$211.38	\$257.88
Family	\$598.34	\$729.98

The District pays the medical, vision, and dental premiums for the employee only. The District also pays the assessed monthly administration fee of \$3.70 a month for each employee either on the HRA/or/FSA plan.

The rerate notice, benefit verification form, continuation of coverage, administrative agreement, section 125 FSA renewal, and the HRA renewal forms were presented to the Board.

The General Manager recommended that the Board approve the rerate notice, benefit verification form, continuation of coverage administrative agreement, Section 125 FSA renewal and the HRA Renewal Forms.

Harold Grall moved that the Board approve the rerate notice, benefit verification form, continuation of coverage administrative agreement, Section 125 FSA renewal and the HRA Renewal Form presented to the Board. Bob Zimmer seconded the motion and it was unanimously approved by the Board.

The Finance and Budget Committee met before the Board Meeting to discuss the General Manager's proposed budget. The General Manager projects that the District's income from all sources in FY 2013-2014 will be \$2,633,603.97 if the District elects to maintain the same effective tax rate. Assuming all budgeted funds are expended in FY 2013-2014, the District will use \$164,751.00 from its reserves if the District elects to maintain the same effective tax rate. The general manager recommends the board use the excess funds collected from all sources in FY 2012-2013 to assist in funding the FY 2013-2014 and maintain the District's effective tax rate. FY 2013-2014 will mark the end of the current TWDB Grant and USDA Conservation Innovation Grant contracts and these funding sources will not be available in FY 2014-2015.

The General Manager's estimated income for FY 2012-2013 compared to proposed income for FY 2013-2014 is as follows:

	Estimated 2012- 2013 EOY Income	2012-2013 Budget Income	Proposed 2013-2014 Budget Income
Taxes	1,986,877.72	1,789,754.30	2,037,249.00
Tax Penalty & Interest	11,038.32	8,005.16	9,112.15
Delinquent Taxes	12,953.46	12,953.46	12,953.46
Texas A&M Lease	-8,800.00	8,800.00	8,800.00
Refunds	-17,664.83	2,520.00	2,520.00
Fees for District Services	419,425.00	200,000.00	200,000.00
Other Income	274,247.85	36,000.00	150,000.00
TWDB Grant	70,000.00	80,000.00	30,000.00
Investment Income	13,678.15	12,000.00	14,000.00
CIG Grant	166,000.00	166,000.00	166,000.00
Resale	186.00	0.00	0.00
	2,743,826.80	2,317,067.90	2,633,603.97

In 2012-2013, the District amended its budget to cover unanticipated costs for repairing an irrigation well and replacing an office water supply well at the North Plains Research Field. Other unanticipated expenses include replacing the District's computer server, and remodel of the District's Board room into offices. For 2013-2014, the General Manager proposes funding for an additional

irrigation well at the Research Field, funding for additional capital expenditures, and maintenance of the Conservation Demonstration Project. The General Manager's proposed expense budget for FY 2013-2014 compared to the FY 2012-2013 is as follows:

Category	2012-2013 Budget	Proposed 2013-2014 Budget	Proposed Increase/Decrease	Explanation
Director's Expense	\$81,000.00	\$101,160.00	\$20,160.00	Proposed change based on
Personnel	\$1,014,000.00	\$1,057,845.00	\$43,845.00	Proposed change based on increase to Employee Health Insurance and accounting for an additional employee.
Administrative	\$128,000.00	\$122,000.00	(\$6,000.00)	Reduced to remove Office rental space
Contracted Services	\$86,000.00	\$86,000.00	\$0.00	Based on 2012-2013 Actual Expenses
Professional Fees	\$201,000.00	\$188,000.00	(\$13,000.00)	Non Legislative Year
Technology, Communications,	\$120,000.00	\$125,000.00	\$5,000.00	Based on 2012-2013 Actual Expenses
Repairs, Maintenance & Supplies	\$115,000.00	\$115,000.00	\$0.00	Based on 2012-2013 Actual Expenses
Capital Outlay	\$305,000.00	\$200,000.00	(\$105,000.00)	Purchase of a new irrigation well at research field and Building improvements
Observation Well & Network Hydrology	\$320,000.00	\$380,000.00	\$60,000.00	To cover aquifer wide stratigraphic study
Conservation Outreach	\$126,000.00	\$141,355.00	\$15,000.00	Additional public outreach media expenses for conservation programs and district activities
Conservation Demonstration	\$282,350.00	\$282,350.00	\$0.00	Based on 2012-2013 Actual Expenses
Total	\$2,778,350.00	\$2,798,355.00	\$20,005.00	

The General Manager recommended that the Board adopt the budget for 2013-2014 Fiscal Year as follows:

Category	Proposed Budget
Director's Expense	\$101,160.00
Personnel	\$1,057,845.00
Administrative	\$122,000.00
Contracted Services	\$86,000.00
Professional Fees	\$188,000.00

Technology, Communications, Utilities

	\$125,000.00
Repairs, Maintenance & Supplies	\$115,000.00
Capital Outlay	\$200,000.00
Observation Well Network & Hydrology	\$380,000.00
Conservation Outreach	\$141,000.00
Conservation Demonstration Project	\$282,350.00
Total	\$2,798,355.00

Phil Haaland moved that the Board adopt the 2013-2014 Budget presented above and authorize the District to use from its reserves any funds necessary to fully address the budget expense items. Danny Krienke seconded the motion and it was unanimously approved by the Board.

The General Manager stated that 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 concerning the 2013 property tax rates for the 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.

2013 Property Tax Rates for North Plains Groundwater Conservation District

This notice concerns 2013 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.

Last year's tax rate:

Last year's operating taxes		\$ 2,011,515
Last year's debt taxes		\$ -
Last year's total taxes		\$ 2,011,515
Last year's tax base	9	\$7,731,839,537
9/4/2013 Last year's total tax rate		0.026016/\$100

General Fund

This year's effective tax rate:

Last year's adjusted taxes	
(after subtracting taxes on lost property)	\$ 2,037,249
÷ This year's adjusted tax base	
(after subtracting value of new property)	\$9,671,847,318
= This year's effective tax rate	0.021063/\$100
(Maximum rate unless unit publishes notices and holds hearings.)	

This year's rollback tax rate:

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)	\$ 2,037,249
÷ This year's adjusted tax base	\$9,671,847,318
= This year's effective operating rate	0.021063/\$100
x 1.08 = This year's maximum operating rate	0.022748/\$100
= This year's total rollback rate	0.022748/\$100

Statement of Increase/Decrease

If North Plains Groundwater Conservation District adopts a 2013 tax rate equal to the effective tax rate of 0.021063 per \$100 of value, taxes would increase compared to 2012 taxes by \$12,787.

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
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 1st Street, Dumas TX 79029.

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

Title: General Manager

Date prepared: August 5, 2013

After review of the budget, the board may vote to propose a tax increase. If the motion passes, the Board must schedule two (2) public hearings. The second hearing must not be held earlier than the third day after the date of the first hearing. After the dates for the two (2) hearings have been set, the District will publish a first quarter page ad "Notice of Public Hearing on Tax Increase" in a newspaper of general circulation within the District. After holding the two (2) public hearings, the District must follow a strict timetable. The meeting to vote on the tax rate must take place no less than three (3) days and no more than fourteen (14) days after the second public hearing. The District must post an Open Meetings Notice with the Secretary of State

and the County Tax Assessor Offices within the District at least 72 hours prior to adopting the tax rate.

The General Manager recommended that the Board propose no tax increase.

Danny Krienke moved that the Board propose the 2013-2014 effective tax rate and hold a hearing on the same at the Board's regular September meeting. Bob Zimmer seconded the motion and it was unanimously approved by the Board.

The General Manager stated that on February 18, 2013 the Texas House of Representatives adopted House Resolution 221 (H.R. 221) presented by District 87 Representative, Four Price for the purpose of recognizing and commending the District for being named a recipient of the 2012 Texas Environmental Excellence Award. H.R. 221 explains that the District received the award in recognition of the "200-12 Reduced Irrigation on Corn Demonstration Project" which demonstrates "exemplary stewardship of the state's natural resources." The resolution recognizes each of the employees and members of the Board of Directors by name for their contributions to the District's mission. H.R. 221 was signed by Rep. Price as well as, Speaker of the House, Joe Straus and Chief Clerk of the House, Robert Haney.

The General Manager reported that on July 23, 2013 Danny Krienke, Steve Walthour and Dale Hallmark attended the Region A Panhandle Water Planning Group meeting at the PRPC Board Room in Amarillo. Agenda items included an appointment to fill the vacant Water District's seat vacated by Tom Baliff and discussion on GMA #1's membership on PWPG. Other items included reviewing population and municipal demands, TWDB revision to the mining demand and the Groundwater Modeling Process and Development. The Group discussed Water Management Strategies, Drought Planning and Legislative Items related to the 83rd Legislature. There was discussion on developing a timeline for the Regional Water Plan's Development and Adoption.

Bob Zimmer, Gene Born, Danny Krienke, Steve Walthour and Dale Hallmark attended the GMA 1 meeting at the PRPC Board Room in Amarillo on July 23, 2013. Discussion items included Legislation enacted by the 83rd Session of the Texas Legislature and the TWDB's role in this round of joint planning. Bill Mullican gave a presentation on the changes in the DFC process resulting from passing Senate Bill 660. Each groundwater district gave a presentation status report on their processes and changes to Management Plans and Rules necessary to achieve the DFC's. Bob Zimmer gave the Presentation for the North Plains Groundwater Conservation District. The Joint Planning group asked Bill Mullican to create a timeline for the process to proposed DFCs by 2016. Administration services for the group will remain with the PRPC and Danny Krienke was appointed as GMA 1 representative to the Panhandle Water Planning Group.

The General Manager presented a report to the Board on the following programs:

200-12

The 2013 200-12 Demonstration Project is in full swing. All eleven producers have corn ranging from 6 leaf growth stage to pollination as of July 18th. On July 11th, district's staff, consultants, board members, and producers met with HydroBio's senior agricultural engineer, Barrett Mooney, for a training session. PivoTrac® is installed at all demonstration sites and is fully functional. AquaSpy® has completed the installation of all soil moisture probes. All probes appear to be fully functional. Better Harvest has collected plant samples and began making fertilizer recommendations.

EPIC

The Extension Agents are continuing to monitor their demonstration sites. There is a concern with the Ochiltree County corn demonstration site. On July 22nd, a small airplane performing aerial application hit the center pivot at Noon Vela field. The damage was primarily to one of the towers. The damage was fixed before the crop started showing signs of stress.

TWDB Grant

The Texas Water Development Board Agricultural Water Conservation Grant quarterly report was filed on July 24, 2013. The report was for the period of March 1, 2013 through May 31, 2013. As of the end of the quarter, there is \$37,026.68 left within the budget. \$33,842.61 of the remaining budget is allocated to subcontractor services, and the remaining \$3,184.07 is allocated to salaries, fringe, and travel.

CIG Grant

The NRCS Conservation Innovation Grant quarterly report was filed on July 24, 2013. The report was for the period of April 1, 2013 through June 30, 2013. The request was for a total of \$75,614.53, leaving a remaining of \$308,779.55 within the budget.

Public Outreach

Public outreach efforts for the 200-12 Project have focused on producer and public education events and media relations to capitalize on opportunities to get the information out. Four field days are scheduled to bring the information to producers and others and give them an opportunity to hear and then see the practices first-hand in the field. The field day schedule is as follows:

Aug. 20: Hutchinson County Irrigation Field Day, Morse Community Building, Morse.

Aug. 21: North Plains Irrigation Field Day, North Plains Research Field, Etter.

Aug. 22: Ochiltree County Irrigation Field Day, Veterans Building (Expo Grounds), Perryton.

Aug. 23: Dalhart Irrigation Field Day, Rita Blanca Coliseum, Dalhart.

The District will host producer field tours in September for cooperators and others who are interested in going to see more of the demonstration fields up-close.

200-12 Cooperator David Ford and NPGCD General Manager, Steve Walthour appeared on an episode of the RFDTV syndicated program "Out on the Land" on July 30 and 31st. "Out on the Land" is hosted by former NRCS Texas State Conservationist, Dr. Larry Butler and focuses on the conservation and stewardship practices of American land owners. Another television segment focusing on the conservation strategies of the 200-12 Project is scheduled to air in October. Public Broadcasting Syndication (PBS) program "This American Land" will feature Ford and NPGCD board member Harold Grall. North Plains Groundwater Conservation District also hosted a documentary film crew to provide information for a future documentary exploring the history and current status of the Ogallala aquifer. The district is also working with Al Jazeera America on a segment to air as part of the new network's program "Real Money."

Upcoming presentations of 200-12 Project information include:

Oct. 10-11, National Ground Water Association, Groundwater and Food Prod. Conference, Dallas, TX

Dec. 3-5, Amarillo Farm and Ranch Show, Amarillo, TX **Jan. 28, 2014,** Colorado Farm Show, Greeley Colorado.

By consensus of the Board, action Agenda item 3m was turned over to the Ag Committee for the Committee's review and recommendation to be presented to the Board at a subsequent meeting.

The General Manager presented a report to the Board regarding compliance matters before the District. Final reminder notices for unresolved overproduced properties were sent out on July 12th with a due date of August 1st. As of August 1, 2013 (108) out of the original (114) overproduced properties were resolved by payment of fees, re-pooling, recalculating production with more accurate metering methods or correcting acreage. All but two of the producers have cured their compliance matters with the District. 2013 Conservation Reserve Reports were sent to (898) producers for (2592) Properties as of August 9, 2013.

The General Manager recommended that the Board issue a Show Cause Order to Don Oppliger, d/b/a Don Oppliger Farms for overproduction provided the overproduction fee is not paid.

Bob Zimmer moved that the Board issue a Show Cause Order to Don Oppliger, d/b/a Oppliger Farms for overproduction to appear before the District on September 10, 2013 at 9:30 a.m. and show cause why Oppliger's operating authority or permit should not be suspended, cancelled, or otherwise limited and/or why such Oppliger should not be subject to injunction or civil penalties as set forth in the District's Rules for failure to comply with the Rules. Justin Crownover seconded the motion and it was unanimously approved by the Board.

Bob Zimmer moved to go into Executive Session to deliberate regarding the purchase, exchange, lease, or value of real property in compliance with Texas Open Meetings Act, Chapter 551 of the Texas Government Code, §551.072. Justin Crownover seconded the motion and it was unanimously approved by the Board.

Executive Session: At 12:32 p.m., the Board went into Executive Session to deliberate regarding the purchase, exchange, lease, or value of real property. At 1:12 p.m., Director Phil Haaland moved that the Board reconvene into regular session. Brian Bezner seconded the motion and it was unanimously approved by the Board.

Brian Bezner moved to direct the Property Committee to move forward with the real property acquisition. Phil Haaland 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.

By consensus, the Board set its next regular Board meeting on September 10, 2013.

Phil Haaland moved to adjourn the meeting. Justin Crownover seconded the motion and it was unanimously approved by the Board. President Born declared the meeting adjourned at 1:25 p.m.

Gene Born, President

Bob Zimmer, Secretary