

**MINUTES OF THE JUNE 9, 2020
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 June 9, 2020 at 9:30 a.m. at the law offices of the Lemon Law Firm, 315 South Main Street, Perryton, Texas 79070. Due to the restrictions of COVID-19, the meeting was held through Zoom Meeting in Perryton, Texas. The following persons participated in the Zoom Meeting:

Members Present at 9:30 a.m.:

Daniel L. Krienke, President
Mark Howard, Secretary;
Gene Born, Director;
Harold Grall, Director;
Justin Crownover; and
Zac Yoder, Director.

Staff Present during part or all of the meeting:

Steve Walthour, General Manager;
Dale Hallmark, Assistant General Manager — Hydrologist/Production Services;
Kirk Welch, Assistant General Manager — Outreach;
Kristen Blackwell, Executive Assistant;
Odell Ward, Program Coordinator — GIS/Monitor Wells;
Curtis Schwertner, Natural Resource Specialist;
Shari Stanford, Permitting and Meter Program Coordinator; and
Paige Glazner, Conservation Outreach Assistant.

Others present during part or all of the meeting:

Nich Kenny;
Mandi Boychuk, Natural Prairie & Northside Farmland;
F. Keith Good, General Counsel for the District;
Ellen Orr, Paralegal; and
Kelsie Orr.

President, Daniel L. Krienke declared a quorum present and called the meeting to order at 9:30 a.m. Director, Gene Born, gave the invocation and President Krienke led the pledge.

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: the review and approval of the Minutes of the regularly scheduled March 10, 2020 Meeting of the Board of Directors; the review and approval of the Growers' Information Meeting held on March 10, 2020; and the review and approval of the Minutes of the Property Committee Meeting held on March 10, 2020; the review and approval of un-audited District expenditures for March 1, 2020 through May 31, 2020, including the General Manager's expense and activity report; the review and approval of payment to Lemon, Shearer, Phillips & Good, P.C. for professional services and out-of-pocket expenses incurred from March 1, 2020 through May 31, 2020, in the amount of \$12,871.85; the review and approval of the Hansford County Tax Collection contract for 2020-2021; the review and adoption of an Order allowing Discounts from the Lipscomb County ad valorem tax due if paid before

January, 2020; and the review and approval of the Sherman County Appraisal District proposed 2021 budget.

President Krienke inquired whether the General Manager had reviewed the contracts which were listed in the Consent Agenda and if the contracts were in order for the Board's approval. Mr. Walthour replied that he had review the contracts and that they were in order for the Board's approval.

Gene Born moved to approve the Consent Agent. Harold Grall seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.a. - Receive report and consider action as needed regarding agriculture water conservation demonstration programs.

Steve Walthour stated that a report was in the Board packet that was submitted to the Board members regarding what was going on with the field this year. Mr. Walthour reported that Kirk Welch is here to answer any questions that the Board might have.

President Krienke inquired whether there were any questions, or comments.

Mr. Welch stated that Nich Kenny didn't have the log-in information for the meeting. Mr. Welch stated the he had just sent Mr. Kenny the log-in information and that he may be available in a few minutes to make some comments and answer questions once he gets logged on.

President Krienke stated that this item does not require Board action -- it is a report received.

Action Agenda 3.b. - Consider final compliance approval of water well permits as active and complete wells.

The General Manager stated that Mark Howard has some permits on the schedule of well permits so he may abstain from voting for the approval of his own permits as active and complete wells.

The report in the Board packet provided to the Board regarding the consideration of final compliance approval of water well permits as active and complete wells is as follows:

The General Manager reported that District Rule 2.13 provides, after the site inspection is complete, and it is determined that the Well (and all Wells within the Groundwater Production Unit) is/are in compliance with the Rules of the District, and the Well Permit application, the General Manager shall submit the Well Permit to the Board for final compliance approval.

The General Manager reported that the District staff had processed 22 Water Well Permits which are ready for Board consideration and approval. These permits, listed in the table below, represent completed Wells that have been inspected and are in compliance with District Rules. The inspections verify that the Wells were completed as required by the respective Permits, including proper Well location, Well classification, maximum yield, and proper installations of check valves and flow meters. Copies of the individual permits were presented to the Board.

WELL	CLASS	QUARTER	SECTION	BLOCK	SURVEY	N/S	E/W
DA-10430	D	NE/4	10	None	WH Pardue	543 N	620 E
DA-10543	C	SW/4	10	None	WH Pardue	506 S	876 W
DA-10847	B	NW/4	29	48	H&TC	843 N	110 W
DA-9490	C	SE/4	1	7	CSS	202 S	592 E

HA-10783	D	SW/4	296	44	H&TC	425 S	328 W
HA-10784	D	SW/4	336	44	H&TC	879 S	115 W
HN-11195	D	NE/4	188	2	GH&H	825 N	113 E
HN-9570	C	SW/4	21	1	WCRR	881S	437W
HU-10791	D	NE/4	NONE	NONE	J J HALL	1173 N	538 E
HU-10816	D	SE/4	NONE	NONE	J J HALL	1474 S	384 E
HU-10836	D	SE/4	106	5-T	T&NO	649 S	99 E
HU-10837	D	NE/4	129	5-T	T&NO	399 N	314 E
HU-10884	D	NE/4	107	5-T	T&NO	843 N	853 E
MO-10537	B	NE/4	9	0	ML Anglin	105 N	107 E
OC-10781	D	SE/4	913	43	H&TC	407 S	908 E
OC-10877	C	SW/4	938	43	H&TC	559 S	16 W
OC-11229	D	N CTR	24	4	GH&H	562 N	879 E
SH-10661	B	NW/4	8	1	PSL	213 N	906 W
SH-10819	B	SE/4	132	1-T	T&NO	477 S	104 E
SH-10963	C	NE/4	155	1-C	GH&H	659 N	41 E
SH-10964	C	NW/4	146	1-C	GH&H	56 N	86 W
SH-11164	B	SW/4	219	1-C	GH&H	102 S	105 W

President Krienke stated that the numbers are in your packet and he would consider a motion to approve all of the permits with the exception of the two permits that relate to Mark Howard. This would be the motion.

Justin Crownover moved to approve all of the permits with the exception of the two permits that relate to Mark Howard (Well Permits HA-10783 and HA-10784). Harold Grall seconded the motion and it was unanimously approved by the Board.

Justin Crownover moved to approve the Well permits of Mark Howard (Well Permits HA-10783 and HA-10784). Harold Grall seconded the motion and was approved by the majority vote of the Board with Mark Howard abstaining from the vote.

Action Agenda 3.c. - Consider General Manager's request to amend the District's 2019 – 2020 Budget.

President Krienke stated that the Board had this request in its packet and inquired whether the General Manager would like to briefly review the request.

The material in the Board packet presented to the Board is as follows:

The General Manager has reviewed the District 2019 – 2020 Budget to cover possible costs under specific budget items. General Manager requests the Board amend the 2019 - 2020 Budget as follows:

Budget Item description	Current Budget Amount	Increase or (Decrease)	Proposed Budget Amount	Explanation
Contracted Services	\$126,000.00	\$25,000.00	\$151,000.00	Increased to pay anticipated additional GMA-1 costs and collection costs.
Personnel	\$1,201,666.00	\$50,000.00	\$1,251,666.00	Increased to address authorized compensation increases and to cover unanticipated budget short fall related to changing pay periods in 2019.
Administration	148,500.00	(-25,000.00)	123,500.00	Decreased -Reduced travel and other administrative expenses.
Capital Outlay	\$300,000.	(-50,000.00)	\$250,000.00	Decreased – Reduced likelihood of contracting for capital projects in this fiscal year.
Conservation Outreach	\$495,000.00	(-25,000.00)	\$470,000.00	Decreased – Reduced because programs such as WaterWise are not going to be completed this fiscal year.

Conservation Demonstration Project	\$244,000.00	\$25,000.00	\$269,000.00	Increased to subcontracted services for additional funds complete demonstrations this year.
Total overall 2019-2020 budget change		0		No change in overall budget

The above proposed budget amendments reflect no change in the District's overall budget.

Mr. Walthour stated that he tried to do this at the middle of the year on things where we may need to move money around. This year, I have asked for some money to be moved – the contracted services which is primarily for our GMA-1 work; personnel - I'm moving some money to that budget to cover some of the costs of some raises that occurred after the budget was prepared last year and that was authorized by the Board. I'm sure that we are not going to use all of that for the year but at this point I need to do that with changes. You can see that I'm taking \$25,000 out of administration because we are not spending money there; we're not going to as many meetings and seminars this year where part of that money is located; in our capital outlay- I took \$50,000 out of that to help pay for other things because the likelihood of us actually doing a capital project between now and October 1 is getting slimmer by the day – it requires us to do a bunch of contracting. Conservation-outreach – this has to do with our programs like water wise and I took some money from that this year because we didn't do it and those types of programs. Lastly, I moved \$25,000 to the conservation demonstration project primarily to cover some of our filming cost and some of the other things that the Board added to that program. The total budget, as amended, will result in a net change of zero dollars for this year.

President Krienke stated that you have heard the changes that are requested for the budget – at this time we will need a motion.

Gene Born moved the Board amend the 2019 -2020 budget as follows:

- Increase Contracted Services from \$126,000.00 to \$151,000.00;
- Increase Personnel budget from \$1,201,666.00 to \$1,251,666.00;
- Decrease Administration budget from \$148,500.00 to \$123,500.00;
- Increase capital expenses budget from \$300,000.00 to \$250,000.00;
- Decrease Conservation Outreach budget from \$495,000.00 to \$470,000.00; and
- Increase Conservation Demonstration Project budget from \$244,000.00 to \$269,000.00.

Justin Crownover seconded the motion and it was unanimously approved by the Board.

Action Agenda 3.d. - Discuss development and schedule committee meetings regarding the 2020-2021 District Budget.

Mr. Walthour reported that in the Board packet there are preliminary values that the staff has received from all of the counties, except Sherman County. Sherman has not yet provided its values. For the preliminary values, some of them are reduced from 10 to 12 percent. Dallam County generally hits its preliminary value every year that they do it – it doesn't take a 10 percent discount off of it when is is doing preliminaries. As you can see, the numbers are generally down – the one number that is way down is Lipscomb County – it is one-half, we have been reported that it is one-half of what it was the previous year. So, I don't know what is going to happen. I suspect that these will be significantly down because of the oil and gas industry – some of those things that are