

**MINUTES OF THE APRIL 12, 2016
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 12, 2016, at 9:00 a.m. in the Conference Room of the North Plains Water Conservation Center, 6045 County Road E., Etter, Texas. The following persons were present:

Members Present at 9:08 a.m.:

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;
Odell Ward, GIS and Natural Resources Tech Lead;
Paul Sigle, Agriculture Engineer; and,
Curtis Schwertner, Natural Resource Specialist.

Others present during part or all of the meeting:

C. C. Sysombath;
Jonathan Gresham;
Leon New;
Shawn Carter;
F. Keith Good, Attorney; and,
Ellen Orr, Paralegal.

Harold Grall, Vice-President, declared a quorum present and called the meeting to order at 9:08 a.m. Director Mark Howard gave the invocation. Vice-President Grall led the pledge.

1 – Public Comment

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

2 – Consent Agenda

The Consent Agenda was discussed by the Board and consisted of: the review and approval of the Minutes of the regular March 8, 2016 Board Meeting; the review and approval of un-audited District expenditures for March 1, 2016 through March 31, 2016, 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 from March 1, 2016 through March 31, 2016 in the amount of \$5,888.25; and the review and approval of Moore County Appraisal District and Hansford County Appraisal District collection contracts. Danny Krienke moved to

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

Action Agenda 3a - Consider Bank of America Leasing and Capital, LLC request for the District to refund 2015 Tax Penalty and Interest Paid on Properties in Moore County.

In March, the District received a request from Bank of America Leasing and Capital, LLC (BOA) to waive the tax penalty and interest on delinquent taxes and refund BOA \$435.47 related to two Moore County Properties. BOA claims that they did not receive their 2015 tax statement and they made several attempts to obtain the statement. From the correspondence, BOA knew the amount of the taxes before January 26, 2016, because they had recovered the information off of the Moore County website. Moore County sent the tax statements out in November of 2015.

Under Section 31.01(g) of the Tax Code, except as provided by Section 31.01(f), failure to send or receive the tax bill required by Section 31.01, including a tax bill that has been requested to be sent by electronic means under Section 31.01(k), does not affect the validity of the tax, penalty, or interest, the due date, the existence of a tax lien, or any procedure instituted to collect a tax.

The General Manager requested that Caroline Prempeh of BOA provide documentary evidence to the District to show that Section 31.01(g) does not apply to BOA and why BOA could not pay the tax by the due date.

The General Manager recommended that the Board deny BOA's request to refund the tax penalty and interest on delinquent taxes for Property IDs 81519 and 21411 in Moore County.

Danny Krienke moved that the Board deny BOA's request to refund the tax penalty and interest on delinquent taxes for Property IDs 81519 and 21411 in Moore County. Zac Yoder seconded the motion and it was unanimously approved by the Board.

Action Agenda 3b - Board review and determination that wells constructed during 150-day construction period, but not equipped to produce water are properly located and constructed according to the permit.

In April 2015, the District modified District Rule 2.3.2 to provide: if a proposed Well is constructed, as defined above, within the 150-day (or extended) construction period, but not equipped to produce Water, the General Manager shall, after termination of the construction period, submit the Well Permit to the Board for review and determination by formal vote if the Well is properly located and constructed according to the Permit and these Rules. Thereafter, when the Well is equipped to produce Water, the Permit shall then be reviewed by the Board to determine if the Well, as equipped, complies with the Rules.

The General Manager reported that since April 2015, District staff has worked to complete the Well approval process under the old program and is now implementing District Rule 2.3.2 that the Board approved in 2015.

The General Manager provided the schedule of Well permits listed below to the Board for review and determination by formal vote, if the Wells are properly located and constructed according to the Permit and the District's Rules:

District Well Number	Date Expired	Well Class	Permitted Location		Location Drilled		Owner
DA-3239	7/15/2009	C	-102.55005	36.4507	-102.549962	36.451138	Lesley Smith
DA-4433	11/21/2011	C	-102.573389	36.087056	-102.574028	36.086883	Winings Family LTD
DA-6401	10/6/2013	B	-102.985893	36.301872	-102.985887	36.301877	RLF Alpha Farm LLC
DA-7053	1/27/2014	C	-102.982525	36.146612	-102.982548	36.146557	Froese Custom Harvest
DA-8354	12/27/2014	C	-102.358808	36.154543	-102.358841	36.154492	John Martens
HA-4717	3/26/2012	C	-102.88999	36.0213	-102.890020	36.021280	Natural Prairie Land LLC
HA-5359	4/13/2013	C	-102.40235	35.97955	-102.402367	35.979595	Hartley Farms LLC
HA-5774	7/20/2013	C	-102.795222	35.924167	-102.79514	35.924171	Four Star Middlewater Ltd
HN-4285	9/26/2011	C	-101.50985	36.344066	-101.509938	36.344123	Jerry Williams
HN-4512	1/16/2012	B	-101.623028	36.178722	-101.623788	36.175322	Royce Mathews
HN-5504	5/10/2013	D	-101.49931	36.19474	-101.49933	36.194723	Ag Partners
HU-6938	12/21/2013	C	101.463775	35.89661	-101.4638	35.896555	WC Womble
HU-8269	12/14/2014	B	-101.57357	35.825418	-101.57369	35.825325	City of Borger
LI-5076	4/28/2013	D	-100.21259	36.318815	-100.212425	36.318837	C T Duke Family Trust
SH-5326	3/29/2013	B	-101.88476	36.30038	-101.884835	36.300403	Kenquint LLC
SH-5410	4/29/2013	C	-101.72333	36.15967	-101.723372	36.159657	Montecarlo Inc
SH-6700	11/4/2013	C	-101.90225	36.497139	-101.90231	36.497038	Joyce Allard
SH-6864	12/7/2013	C	-101.991222	36.061556	-101.99116	36.061575	Meil Family Living Trust
SH-7677	6/29/2014	C	-101.991582	36.27056	-101.9916	36.270552	Johnny Ewers

Danny Krienke moved that the Board approve the Well Permits listed above because each Well is properly located and constructed according to the Permit and District Rules. Zac Yoder seconded the motion and it was unanimously approved by the Board.

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

According to District Rule 2.13, after the site inspection is complete and it is determined that the Well (and all Wells within the Groundwater Production Unit) 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 20 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. The yellow highlighted permits are Wells which were permitted prior to January 15, 2013, and unless it was drilled on breakout ground, may be metered at the Well, or at the pivot. Copies of the individual permits were presented to the Board.

Well	Class	Sec	Blk	Sur	NS	EW
HA-5773	C	36	12	CSS	450 N	445 E
HA-7581	C	Joseph Beaty	NONE	NONE	953 S	165 W
HA-8292	D	6	1	WCRR	732 S	799 W
HA-8499	D	1	A-6	PSL	962 N	58 E
HA-8598	D	1	ME Cole	NONE	751 N	784 E
HA-8599	C	MWhitley	NONE	NONE	149 N	272 W

HA-8631	C	MWhitley	NONE	NONE	952 N	1592 W
HA-8706	D	Joseph Beaty	NONE	NONE	444 S	447 E
HA-8907	C	6	A-2	PFS	517 N	103 E
HA-9197	C				67 N	17 W
HU-6901	D	David Luce	NONE	NONE	1178 N	1242 W
HU-8266	C	David Luce	NONE	NONE	1511 N	1644 W
HU-8267	B	WM Cole	NONE	NONE	1412 S	2148 W
HU-8268	B	WM Cole	NONE	NONE	768 S	2318 E
LI-6668	B	28	10	HT&B	800 S	728 E
MO-5603	B	330	44	H&TC	428 S	416 W
MO-5604	B	330	44	H&TC	462 S	457 E
OC-5407	A	212	43	H&TC	342 S	606 E
SH-6569	C	54	1-C	GH&H	225 N	126 W
SH-8391	B	310	1-T	T&NO	538 N	629 W

Justin Crownover moved to remove Well Permit HA-9197 from the Well Permit Schedule and to approve the remaining Well Permits on the above schedule noting that the Wells are properly equipped and otherwise comply with District Rules. Mark Howard seconded the motion and it was unanimously approved by the Board.

President Bob Zimmer arrived to participate in the meeting at 9:22 a.m.

Action Agenda 3d - Receive report regarding groundwater production reporting for 2015.

Well owners had until March 1, 2016, at 5:00 p.m. to hand-deliver or mail their 2015 Annual Production Reports to the District. On or about April 6, 2016, the District had fully processed and checked the amounts of all but 60 outstanding reports. Groundwater production for 2015 appears to be at least 25 percent lower than 2014 production and about 33 percent lower than 2011 production.

County	Production Reported	GPU Acres	Average Production	Average GPU Acres	GPU Count(1)
DALLAM	291,248	431,676	504	747	578
HANSFORD	148,419	228,265	370	569	401
HARTLEY	330,798	417,470	698	881	474
HUTCHINSON	56,447	90,427	467	747	121
LIPSCOMB	39,332	73,401	351	655	112
MOORE	155,803	221,157	421	598	370
OCHILTREE	76,385	134,638	283	499	270
SHERMAN	250,017	343,315	466	639	537
Subtotal	1,348,448	1,940,350	471	678	2,863
Non Reported	28,260	40,680	471	678	60
Estimated Total	1,376,708	1,981,030	471	678	2,923

- 1) GPUs that are in multiple counties are counted in each county.
- 2) Non Reported Estimate is based on the average District-wide Production Reports for 60 outstanding reports and is subject to change.

Below is a table of groundwater withdrawals from the Ogallala, Dockum and Rita Blanca aquifers within the District from 2007 to 2014. The data for Dallam County from 2007 to 2012 is skewed because a portion of the county (PGMA Areas) was not within the District's jurisdiction before 2012.

County	Year							
	2007	2008	2009	2010	2011	2012	2013	2014
Dallam	268,667	313,451	317,441	302,561	374,733	371,965	399,272	393,624
Hansford	106,887	142,694	152,686	129,984	234,903	218,793	201,914	211,634
Hartley	312,449	364,560	387,305	401,506	519,684	458,696	458,998	442,058
Hutchinson	34,973	52,846	53,869	42,023	73,747	72,230	69,716	73,992
Lipscomb	32,710	30,832	30,242	33,826	52,003	55,572	42,519	48,791
Moore	148,159	191,409	200,220	178,336	271,684	234,688	228,297	209,907
Ochiltree	53,658	75,527	65,840	62,269	114,392	109,213	98,280	106,278
Sherman	220,530	275,128	285,571	261,608	407,265	348,012	346,685	361,336
Total	1,178,033	1,446,447	1,493,174	1,412,113	2,048,411	1,869,169	1,845,681	1,847,620

District staff is currently drafting invoices for those areas that were previously in the Dallam County Priority Groundwater Management Area. Those invoices are scheduled to be mailed by May 1st. For 2015, the Board has set the Production Fee amount for \$1.00 per acre-foot for agricultural producers and \$5.00 per acre-foot for all other producers within these areas.

Action Agenda 3e - Receive report and consider action regarding Groundwater Management Area 1 and Panhandle Regional Water Planning.

Groundwater Management Area 1

The General Manager reported that the GMA-1 Joint Planning Committee (JPC) is scheduled to meet on April 20 and April 28 to consider the DFC options in regard to the nine factors required under Section 36.108 of the Texas Water Code. It is anticipated that the JPC will propose a DFC for adoption and develop a DFC summary for public review and input. A public comment period of 90 days begins once the DFC proposal, the summary, and supporting documentation is delivered to the four GMA-1 districts. Each district will review the DFC proposal, the summary and supporting documentation and hold a public hearing to receive additional public comment. Each district will prepare a summary of its hearing process and findings for consideration by the GMA-1 JPC. The JPC can adopt the DFC, or propose a different DFC after it has considered the district summaries and any additional comments. Final adoption of a DFC may occur in September, 2016, if the JPC adopts the initial DFC proposals. The JPC will prepare an Explanatory Report and submit the same and the newly adopted DFCs to the Texas Water Development Board within sixty days after adoption. The General Manager also discussed the GAM run with the Board.

Panhandle Regional Water Planning

The General Manager reported that the 2016 Panhandle Regional Water Plan has been approved by the Texas Water Development Board and will be included in the 2017 State Water Plan which should be adopted later this summer. The Panhandle Regional Water Planning Committee is releasing a request for qualifications to firms to begin the next round of water planning that will culminate in the 2022 State Water Plan.

Agenda 3f -

Receive report regarding webinar Texas High Plains Initiative for Innovative Irrigation Management and Conservation – Northern Plains Results.

On March 24th at 1:00 p.m. Central Time, the Natural Resources Conservation Service (NRCS), in partnership with the North Plains Groundwater Conservation District, broadcasted a webinar on the Texas High Plains Initiative for Innovative Irrigation Management and Conservation - Northern Plains Results. The NRCS and the Texas Water Development Board partnered with the District to fund the agriculture irrigation water conservation demonstrations from 2011 through 2014, which included 11 farms in the District. Participants learned about experiences, results, and lessons reaped from the on-farm, field-scale demonstrations in which farmers examined different cropping systems, plant genetics, soil moisture monitoring equipment, crop physiology monitoring techniques, and irrigation system control and monitoring equipment.

Director Krienke, Director Grall, and Leon New participated in the Northern Plains portion of the Texas High Plains Initiative Conservation Innovation Grant (CIG) 69-3A75-11-184 and discussed the results of the project during this webinar. The purpose of the CIG project was to demonstrate strategic irrigation system and crop system management technologies and practices that would result in water savings and best practices that are applicable nationwide to regions facing similar groundwater resource issues. The webinar was a part of a series that highlights activities and results of expiring Conservation Innovation Grants.

Agenda 3g -

Receive report regarding Master Irrigator Program.

It was reported that after more than a year of planning and preparation, the first class of the Master Irrigator Program is scheduled to convene on April 13, 2016. The District staff has been working closely with project coordinator, Steve Amosson and the Project Advisory Committee, to make final preparations. During the last few weeks, District staff, and Steve Amosson, have finalized all speakers and developed a flyer/brochure for the program. District staff has been marketing the project through mailings, press releases and social media. As of April 12, 2016, 24 parties had applied. District staff has also finalized presentation materials and acquired sponsorships for food, refreshments and materials. The Natural Resource Conservation Service will provide \$400,000 per year for four years to support the program. Graduates of the Master Irrigator Program will receive priority consideration for those funds through a special Environmental Quality Improvement Program (EQIP).

Master Irrigator Session Dates:

April 13, 2016;
April 20, 2016;
July 13 and 14, 2016; and,
July 20, 2016.

Master Irrigator Project Advisory Committee

The following individuals comprise the Committee:

Danny Krienke, North Plains Groundwater Conservation District; Leon New, Irrigation Engineer; Steve Amosson, Texas A&M AgriLife; Charles Hillyer, Texas A&M AgriLife; Scott Strawn, Texas A&M AgriLife; Shawn Carter, Crop Production Services; Cameron Turner, Texas Water Development Board; Keith Sides, USDA NRCS; David Reinart, Better Harvest; Stan Spain, Spain Farms; Bryce Howard, Farmer.

Agenda 3h - Receive report regarding District 3-4-5 Irrigation Demonstration Program.

Leon New presented a report to the Board on 3, 4, 5 GPM Production Maximization Corn Demonstration Project 2015 which is attached hereto as Exhibit "A" and incorporated herein for all purposes.

Agenda 3i - Receive report regarding Installation of Drip Irrigation at the Water Conservation Center.

In March, the District and its cooperating producer began installing 40 acres of subsurface drip irrigation (SDI) at the North Plains Water Conservation Center located southeast of Etter, Texas. The District selected Professional Water Management Associates (PWMA) through a competitive proposal process to install the SDI based on specifications developed by irrigation engineer, Leon New. Jerry Funck of PWMA supervised the installation of the project. Both Mr. Funck and Mr. New are recognized throughout the Texas High Plains and nationally for their expertise in agriculture irrigation delivery systems. The District shared the costs of the SDI installation with grants from the USDA NRCS; the Texas Water Development Board; and a loan and the income from its partners that hold the irrigation lease at the Center. The addition of SDI to the two center pivots already in use at the Center expands the District's capabilities to demonstrate agriculture conservation management practices.

It was further reported that as of April 6th, the drip tape was plowed into the ground and the filter station was connected to the main line. Jerry Funck has some more work to complete on the filter station and a subcontractor will complete the tie-in from the filter station to the drip. NRCS agents have been on site to check the installation. On April 5th, NRCS engineers conducted a review of the current work.

Agenda 3j - Plan Dedication of the Richard S. Bowers Water Conservation Learning Center.

In March, the North Plains District Board of Directors voted unanimously to dedicate the District's office and learning center at the North Plains Water Conservation Center to Richard S. Bowers. The Richard S. Bowers Conservation Learning Center dedication is planned for June 14, 2016 at the North Plains Water Conservation Center about 9 miles north of Dumas, Texas. Mr. Bowers passed away on November 14, 2015, leaving a distinguished career dedicated to public service and leadership in water conservation for over 35 years. Mr. Bowers became the general manager of the Panhandle Groundwater Conservation District, located in White Deer in 1979. He accepted the general manager's position at North Plains Groundwater Conservation District in 1987. That same year the District purchased the property where the current North Plains Water Conservation Center operates today. Mr. Bowers managed, lived and raised his family in the District for twenty years before moving to Burnet to assume the general manager position at the Central Texas Groundwater Conservation District in 2007. In August 2011, he officially retired. Even after his retirement, in 2014 he served as interim general manager for the Upper Trinity Groundwater Conservation District in Springtown, Texas.

Richard Bowers served as president of numerous organizations throughout his career including the Texas Water Conservation Association, Texas Alliance of Groundwater Districts, and National Groundwater Management Districts Association, as well as chairing the Tarleton State University Hydrology Advisory Council.

The General Manager has divided responsibility for the dedication with each of the three teams of the District's staff. The Administration Team is responsible for the invitations and developing the agenda, the Conservation Outreach Team will be