

**PANHANDLE GROUNDWATER
CONSERVATION DISTRICT
BOARD OF DIRECTOR'S REGULAR MEETING**

DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas
August 18, 2022– 9:00 a.m.

Agenda

Those Present Were:

Jim Thompson	President
Chancy Cruse	Vice President
Charles Bowers	Director
William Breeding	Director
Lee Peterson	Director
Devin Sinclair	Director
John R. Spearman	Director
David Hodges	Secretary
Britney Britten	General Manager
Aspen Edgar	PR/Education Director
Ashley Ausbrooks	Hydrogeologist
Corey Clay	Meteorologist
Darby Taylor	Intern/Field Technician

- Guests Present: Michael Kitten, Amarillo EDC; Paul Finch, Tyson; Paul Simpson, Amarillo EDC; Jason McCoy, Tyson; Damen Ratliff, City of Amarillo; Buzz Pishkur, City of Amarillo

1. CALL MEETING TO ORDER

President Thompson called the regular meeting to order at 9:14 a.m.

2. PUBLIC COMMENT – Please limit comments to 3 minutes.

No comments

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES FROM JULY 28, 2022

Devin Sinclair made a motion to approve both the tax abatement and regular meeting minutes from July 28, 2022, seconded by Lee Peterson. Motion passed unanimously.

4. CONSIDERATION AND POSSIBLE ACTION ON JULY 2022 EXPENDITURES

President Thompson stated the District is well under budget for the fiscal year.

John R. Spearman made a motion to approve the July 2022 expenditures, seconded by William Breeding. Motion passed unanimously.

5. REPORT FROM BUDGET COMMITTEE AND CONSIDERATION AND POSSIBLE ACTION ON THE 2022-2023 BUDGET

Director Cruse gave a short update on the budget committee's meeting and said they looked at a few different budget options that were calculated using various tax rates. Britten said the District came in under budget last fiscal year and is projecting to come in under budget again this year. Director Breeding asked if our tax rate being too high was the reason for coming in under budget. Britten explained when the District increased its tax rate by 7.9% two years ago, that we never increased our expenses to account for the extra income, so that, along with supply chain issues have attributed to coming in under budget. She also noted that the committee proposed an increase to the Rainwater Harvesting Rebate line item from \$50,000 to \$100,000, and they proposed an additional \$50,000 in special projects to go toward special science-related projects. In addition to the increases, the committee decided to propose the budget with a tax rate equal to the no-new-revenue tax rate which will generate a little less revenue than the 2021-2022 tax year.

Charles Bowers made a motion to approve the budget for the 2022-2023 fiscal year, seconded by William Breeding. Motion passed unanimously.

6. CONSIDERATION AND POSSIBLE ACTION ON SETTING THE PROPOSED 2022-2023 TAX RATE

Britten stated the 2022-2023 no-new-revenue tax rate is \$.009361/\$100 valuation, and the voter-approval tax rate is \$0.010116/\$100 valuation. She explained the no-new-revenue tax rate is the rate that will generate about the same amount of revenue from one year to the next based on certified property values from each county. The voter approval rate can only be proposed and adopted if we hold an election in each county for the constituent's approval. She said the budget that was adopted in the last agenda item was calculated based on the no-new-revenue tax rate, and that is the rate she and the budget committee recommend proposing. She said the process is that the board will set the proposed tax rate today, and then after proper posting requirements the board will adopt the proposed tax rate next month.

Charles Bowers made a motion to adopt the proposed tax rate at \$0.009361/\$100 valuation for the 2022-2023 tax year, seconded by Lee Peterson. Motion passed unanimously.

7. CONSIDERATION AND POSSIBLE ACTION ON GMA 1 JOINT PLANNING REPRESENTATIVE DESIGNATION AND ALTERNATE

Director Danny Hardcastle is the current GMA 1 representative and would like to step down. Britten said each cycle is a 5-year planning cycle with meetings normally held in Amarillo or virtually. She said this is the process the District goes through to set the Desired Future Conditions and noted that directors may resign at any time during the planning cycle.

William Breeding made a motion to designate Lee Peterson as the GMA 1 Joint Planning Representative, with Devin Sinclair as an alternate, seconded by Chancy Cruse. Motion passed unanimously.

8. CONSIDERATION AND POSSIBLE ACTION ON TWDB AGRICULTURAL LOAN GUIDELINES

Britten said before the District applied for a new loan, she thought it would be beneficial to go over the current guidelines and make any necessary changes. She stated the proposed version includes the addition of rainwater harvesting systems, and a representative from the Texas Water Development Board (TWDB) confirmed the systems would be eligible for the agricultural loan as long as they are used exclusively for agricultural use. Director David Hodges agreed that prioritizing rainwater harvesting systems strictly for agricultural use would be a good use of the loan funds. Katie Hodges, District Office Manager, presented figures on average costs of sprinklers and drip irrigation systems for the last agricultural loan. The Board discussed the possibility of raising the amount producers could apply for, but it was decided to leave that number at \$150,000. Britten also said the interest rate would be one of the determining factors if the District would apply for another loan again or not.

Lee Peterson made a motion to adopt the guidelines and include the rainwater harvesting incentive, seconded by Devin Sinclair. Motion passed unanimously.

9. CONSIDERATION AND POSSIBLE ACTION ON TWDB AGRICULTURAL GRANT PROGRAM GUIDELINES

Britten said the grant from TWDB will be used to fund telemetry systems. In the grant proposal submitted by the District, the plan is for TWDB to provide a 50/50 cost share with the producers. TWDB will provide \$75,000. Britten said each system runs about \$2,000 a piece. Director Chancy Cruse suggested putting a 1-year cap on the number of systems installed in order to serve more people. Britten said the District will spend \$10,000 of its own funds on educational meetings over the next 5-years for operators who are interested in participating in the program.

Lee Peterson motioned to limit producers to one system per user for the first calendar year. He included that they must attend an educational meeting prior to receiving funds from the grant. The motion was seconded by David Hodges. Motion passed unanimously.

10. CONSIDERATION AND POSSIBLE ACTION TO NOMINATE CANDIDATES PLACED ON THE BALLOT FOR ELECTION TO THE ARMSTRONG COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS

William Breeding motioned to give seven votes to Lucas Minkley and six votes to Phil Fletcher, seconded by Chancy Cruse. Motion passed unanimously.

11. CONSENT AGENDA – DRILLING PERMITS

The following items are part of the Consent Agenda. All Well Permit requests have been thoroughly reviewed by staff, are administratively complete and the General Manager is recommending issuance.

RECLASSIFY WELLS –

- a. Terry Canada requests to reclassify well #552503 located in the NW4 of Section 42, Block 23, H&GN Survey in Gray County from a 6” to a 1”
- b. David Riggs requests to reclassify well #660504 located in the NE4 of Section 259, Block B-4, H&GN Survey in Armstrong County from an 8” to a 4”

Lee Peterson motioned to reclassify wells on items a and b, seconded by Devin Sinclair. Motion passed unanimously.

DRILLING PERMITS FOR WELLS PUMPING MORE THAN 25,000 GALLONS A DAY OR 17.5 GPM –

- a. Terry Canada – a 5” well to be drilled on 1280 acres by First Priority Drilling by 7.23.22 in the SW4 of Sec 42, Blk 23, H&GN Survey (being located approx. 1 ½ miles S of I-40 on County line Rd, E of McLean) GRAY COUNTY

Charles Bowers made a motion to approve the drilling permit for item a, seconded by John R. Spearman. Motion passed unanimously.

12. CONSIDERATION AND POSSIBLE ACTION ON ANNUAL REVIEW OF THE DISTRICT’S WATER QUALITY NETWORK

- Ashley Ausbrooks, GIT, District Hydrogeologist

Ausbrooks presented an overview for the water quality 2 (WQ2) season. The District established the biennial program in 1987. For the 2022 WQ2 season, District staff conducted sampling of 156 of 178 network wells in Carson, Gray, and Donley counties. Ausbrooks went in depth and explained testing results for Chloride, Fluoride, Iron, Nitrate, PH, Sulfate, Manganese and Sodium. Ausbrooks emphasized that constituents whose wells included any of these chemical compounds that tested over the drinking water standards, were sent a letter of notification.

13. STAFF UPDATES

- a) Darby Taylor overview of Internship at the District

District Intern, Darby Taylor, presented her internship experience to the Board. Britten said Taylor has transitioned into a part-time Field Technician role for the District.

14. MANAGER’S REPORT

Britten stated Comptroller Hegar is coming to the Panhandle to discuss our precipitation enhancement program, water in our area and the economic impacts as part of his annual Good for Texas Tour on Tuesday, September 20th.

15. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next Board Meeting is set for Thursday, September 15th at 9:00 a.m.

16. EXECUTIVE SESSION ON ANY LISTED AGENDA ITEM

None

17. ADJOURN

Lee Peterson made a motion to adjourn at 11:12 a.m., seconded by William Breeding. Motion passed unanimously.



Jim Thompson



David Hodges