

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

DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas
May 11, 2023 – 9:00 a.m.

Those Present Were:

Chancy Cruse	Vice President
David Hodges	Secretary
Charles Bowers	Director
William Breeding	Director
Lee Peterson	Director
Danny Hardcastle	Director
Devin Sinclair	Director
Britney Britten	General Manager
Ashley Ausbrooks	Hydrogeologist/Program Manager
Jake Robinson	Meter Compliance Officer
Aspen Edgar	PR/Education Director
Rita Poor	Administrative Assistant

- Guests Present: The Honorable Becci Rusk, City of Panhandle; Chad Pernell, CRMWA; Drew Satterwhite, CRMWA; Floyd Hartman, City of Amarillo; Ben Oor, City of Amarillo; Producer, C.E. Williams; Producer, Dennis Babcock; Producer, Phillip Smith.

1. CALL MEETING TO ORDER

Vice President Chancy Cruse called the meeting to order at 9:03 a.m.

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

No Public Comment

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES FROM MARCH 23, 2023

Director William Breeding motioned to approve the meeting minutes from March 23, 2023, seconded by Director Danny Hardcastle. Motion passed unanimously.

4. CONSIDERATION AND POSSIBLE ACTION ON EXPENDITURES

a) March 2023:

Director Lee Peterson motioned to approve March 2023 expenditures, seconded by Director Charles Bowers. Motion passed unanimously.

- b) April 2023: General Manager, Britney Britten stated the District has spent 44% of its overall budget and are on track to be right on or under budget for the fiscal year.

Director Danny Harcastle motioned to approve April 2023 expenditures, seconded by Director Devin Sinclair. Motion passed unanimously.

5. CONSIDERATION AND POSSIBLE ACTION TO ADOPT DESIRED FUTURE CONDITIONS

Britten gave a presentation outlining the joint planning process and the main changes from the 2016 round of planning to 2021. She noted the next round of planning is underway.

Director Lee Peterson motioned to adopt desired future conditions, seconded by Director William Breeding. Motion passed unanimously.

6. CONSIDERATION AND POSSIBLE ACTION ON QUARTERLY PRODUCTION REPORTS AND OUT OF DISTRICT TRANSPORTATION REPORTS FROM THE CITY OF AMARILLO, CONOCO PHILLIPS, CRMWA, THE CITY OF BORGER, THE CITY OF FRITCH, THE CITY OF MEMPHIS, THE CITY OF CLARENDON, BRICE-LESLEY, AND GREENBELT WATER AUTHORITY

Director Charles Bowers motioned to approve all production and transportation reports, seconded by Director David Hodges. Motion passed unanimously.

7. CONSIDERATION AND POSSIBLE ACTION ON THE DONLEY COUNTY BID

a) Lot 4 & S/2 Lot 5, Block 21, Original Town Hedley BID AMOUNT: \$1,020.00

Director Devin Sinclair motioned to approve the Donley County bid, seconded by Director William Breeding. Motion passed unanimously.

8. CONSIDERATION AND POSSIBLE ACTION ON SEALED BIDS FOR DISTRICT VEHICLES

District Directors opened up the sealed bids and accepted the following:

2016 Chevy: \$17,100, winning bidder was Taylor Smith

2017 Chevy: \$16,559, winning bidder was Ted Britten

2019 Chevy: \$12,000, winning bidder was Ronnie Heck

Director Lee Peterson motioned to accept the bids mentioned above, seconded by Director Devin Sinclair. Motion passed unanimously.

9. CONSIDERATION AND POSSIBLE ACTION ON SPACING EXCEPTION FOR EXEMPT WELL

- a. Spacing Exception for a 1" domestic well to be drilled by Amarillo Home Center by 4M Drilling in Potter County.

Britten explained the proposed well is located on a plot that is 144 feet wide, making it impossible for the landowner to meet the District's minimum spacing requirement of being 75 feet or 25 yards from other property boundaries. Britten explained the landowner has tried to get easements from the surrounding landowners. The proposed well does meet the spacing requirements from all other wells in the area. She also noted the proposed well is going to be drilled in the middle of the plot and misses the minimum spacing requirement by 3 feet.

Director Lee Peterson motioned for the District to grant a spacing exception from the property boundaries for the exempt well, seconded by Director Devin Sinclair. The motion passed with 6 for and Director William Breeding voting against.

10. CONSENT AGENDA – DRILLING PERMITS

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

RECLASSIFY WELLS –

1. Trevor Friemel requests to reclassify well #656107 located in the SW4 of Section 226, Blk B-2, H&GN Survey in Carson County from an 8” to a 6”

Director Danny Hardcastle motioned to approve the reclassified well, seconded by Director Charles Bowers. Motion passed unanimously.

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

1. Austin Bamert – An 8” well to be drilled on 2432 acres by Lichtie Drilling by 4.12.23 located in the NE4 of Section 87, Blk 2, TT RR Survey (being located approx. 3 mi N of Panhandle on Hwy 207 to CR 15, W on CR 15 to CR M, W side of CR M, N side of CR 15) **CARSON COUNTY**
2. Steve Dauer – A 6” well to be drilled on 320 acres by Lichtie Drilling by 3.20.23 located in the NE4 of Section 76, Blk 7, I&GN Survey (being located approx. 5 mi W of White Deer on Hwy 60 to CR T, then approx. 1 mi S on CR T to CR 13, W side of CR T, S side of CR 13) **CARSON COUNTY**
3. Brett Friemel – A 6” well to be drilled on 320 acres by Lichtie Drilling by 4.7.23 located in the NW4 of Section 76, Blk 7, I&GN Survey (being located approx. 6 mi W of White Deer on Hwy 60 to CR S, then 1 mi S on CR S to CR 13, E side of CR S, S side of CR 13) **CARSON COUNTY**
4. Trevor Friemel – A 6” well to be drilled on 440 acres by Lichtie Drilling by 4.20.23 located in the SW4 of Section 226, Blk B-2, H&GN Survey (being located N of Groom on FM 295 to CR 4, E on CR 4 approx 1 mi to CR DD, N on CR DD approx. ¼ mi) **CARSON COUNTY**
5. Karen Higgins – An 8” well to be drilled on 160 acres by Lichtie Drilling by 5.6.23 located in the SE4 of Section 39, Blk 7, I&GN Survey (being located approx. 1 mi W of White Deer on Hwy 60 to CR X, S on CR X approx. ¾ mi, W side of CR X) **CARSON COUNTY**
6. Gregory Rapstine – A 6” well to be drilled on 320 acres by Lichtie Drilling by 5.5.23 located in the SW4 of Section 238, Blk B-2, H&GN Survey (being located approx. 4 mi SE of White Deer on CR 16, N side of CR 16) **CARSON COUNTY REPLACEMENT WELL**
7. Tim Rocha – An 8” well to be drilled on 320 acres by Lichtie Drilling by 3.22.23 located in the SE4 of Section 120, Blk 7, I&GN Survey (being located approx. 5 mi W of White Deer to CR T, then S on CR T approx. 6 mi to CR 8, W side of CR T, N side of CR 8) **CARSON COUNTY**
8. Steve Schwertner – A 4” well to be drilled on 214.87 acres by Faulk Drilling by 4.20.23 located in the NE4 of Section 40, Blk C-6, GC&SF Survey (being located approx. 1 ¼ mi N of Hwy 287 on FM 1260 to FM 2471, then E 1/2 mi on FM 2471) **DONLEY COUNTY**

9. Greg Sweatt – A 4” well to be drilled on 219 acres by Faulk Drilling by 4.15.23 located in the SW4 of Section 39, Blk 20, H&GN Survey (being located approx. 1 ¼ mi N of the Hall County line, on the W side of Hwy 287) **DONLEY COUNTY**
10. Ken Wischkaemper – An 8” well to be drilled on 837 acres by Faulk Drilling by 4.1.23 located in the SW4 of Section 65, Blk 13, H&GN Survey (Approx 9 mi E of Shamrock on I-40 to CR 26, then N on CR 26 approx. 1 mi, W side of CR 26) **WHEELER COUNTY WELL #1**
11. Ken Wischkaemper – An 8” well to be drilled on 837 acres by Faulk Drilling by 4.1.23 located in the SW4 of Section 65, Blk 13, H&GN Survey (Approx 9 mi E of Shamrock on I-40 to CR 26, then N on CR 26 approx. 1 mi, W side of CR 26) **WHEELER COUNTY WELL #2**

Director Lee Peterson motioned to approve all Drilling Permits, seconded by Director Charles Bowers. Motion passed unanimously.

11. REPORT FROM THE RULES COMMITTEE

The Rules Committee met in April and held discussion with an Operating Permit holder who had concerns with the 1-acre foot rule, and felt like their entity would not be able to comply. Britten requested they come and talk to the rules committee about it. Director Charles Bowers said the rules committee will meet again soon to discuss any changes needed.

12. REPORT FROM THE SCHOLARSHIP COMMITTEE

Director Lee Peterson discussed the rating of the top three scholarship candidates and proposed the Board raise the scholarship amounts given. The winners are as follows: 1st place, Abigail Britten; 2nd place, Binh Nguyen; 3rd place, Braylee Lewis.

At this time, Vice President Chancy Cruse asked the Directors to move to agenda item 19, 20 and 21 before the election agenda items.

13. CANVASS MAY 6 ELECTION RETURNS

The election results for Precinct 2 are as follows: David Hodges with 231 votes and Dennis Babcock with 191 votes. Precinct 2 Director is David Hodges.

The election results for Precinct 6 are as follows: Wes Stockett with 193 votes and Jimmy Osborn with 37 votes. Precinct 6 Director is Wes Stockett.

14. CERTIFICATION OF ELECTION

The elections for Precincts 4 & 8 were cancelled due to the candidates running unopposed. Precinct 4 Director is Charles Bowers and Precinct 8 Director is Marcus Hardcastle. Based on election results, the following are duly elected David Hodges for Precinct 2 and Wes Stockett for Precinct 6.

15. STATEMENT OF OFFICERS

The officers took their statement of office.

16. ADMINISTER OATH OF OFFICE TO NEWLY ELECTED DIRECTORS

- *The Honorable Becci Rusk, City of Panhandle Judge.*

The Honorable Becci Rusk of the City of Panhandle swore in David Hodges, Marcus Hardcastle, Charles Bowers and Wes Stockett.

All election related documents are attached to these official minutes.

Vice President Chancy Cruse called the meeting to recess at 10:10 a.m. and resumed at 10:22 a.m. At this time, Director Hardcastle took his seat in the audience and Directors Wes Stockett and Marcus Hardcastle joined the Board members for the meeting.

17. ELECT OFFICERS TO THE BOARD OF DIRECTORS

Director Charles Bowers nominated Chancy Cruse for President, seconded by Director Lee Peterson. Director Charles Bowers nominated Devin Sinclair for Vice President, seconded by Director William Breeding.

Director Charles Bowers nominated Lee Peterson for Secretary, seconded by David Hodges.

Director William Breeding motioned to cease nominations and appoint Cruse as President, Sinclair as Vice President and Peterson as Secretary, seconded by Director Charles Bowers. Motion passed unanimously.

18. PRESENTATION AND RECOGNITION OF SERVICE FOR PRESIDING OFFICER JIM THOMPSON AND DIRECTOR DANNY HARDCASTLE

Director Charles Bowers recognized Director Danny Hardcastle for his many years of service with the District. Director Jim Thompson was unable to attend the meeting.

19. CONSIDERATION AND POSSIBLE ACTION TO ADOPT A RESOLUTION TO APPLY FOR TWDB AGRICULTURAL CONSERVATION LOAN

Britten stated in October Director John R. Spearman, Jr. instructed the District to apply for another agricultural conservation loan, but due to the interest rates being so high, no action was taken. She said as of April 28th the loan rate was 4.8% and the District will increase this by 1% at the time of loaning out the funds bringing the fixed interest rate up to 5.8%. She noted the interest rate will change between now and the time of closing. Cruse said he would like the Board to review the rates again before closing.

Director Devin Sinclair motioned the loan amount be increased to 1.5 million dollars and loan individuals a maximum of \$200,000, seconded by Director William Breeding. Motion passed unanimously.

20. DISCUSSION AND POSSIBLE ACTION ON TWDB AGRICULTURAL CONSERVATION GRANT GUIDELINES

Britten suggested the Directors reevaluate item number 2 of the Agricultural Conservation Grant Guidelines in order to increase our number of applicants.

Director Charles Bowers motioned to take out item number 2 of the Agricultural Conservation Grant Guidelines, seconded by Director Devin Sinclair. Motion passed unanimously.

21. CONSIDERATION AND POSSIBLE ACTION ON INCREASING SCHOLARSHIP FUNDS

Director Lee Peterson suggested raising the scholarship fund amounts to 1st place, \$8,000; 2nd place, \$6,000 and 3rd place, \$4,000.

Director Danny Hardcastle motioned to accept the new scholarship fund amounts, seconded by Director William Breeding. Motion passed unanimously.

Vice President Chancy Cruse said the Directors will not move forward with the agenda, and move to agenda item 13.

22. DISCUSSION OF DISTRICT RULES

No discussion.

23. CONSIDERATION AND POSSIBLE ACTION ON APPOINTING A BUDGET COMMITTEE

The Budget Committee consists of Director Marcus Hardcastle, Director John R. Spearman, Jr., and Director Wes Stockett. Director Chancy Cruse will be an alternate.

24. CONSIDERATION AND POSSIBLE ACTION ON APPOINTING A RULES COMMITTEE

The Rules Committee consists of Director Charles Bowers, Director Devin Sinclair, and Director Marcus Hardcastle. Director Wes Stockett will be the alternate.

25. STAFF UPDATES

No update.

26. MANAGER'S REPORT

Britten stated the report shows all upcoming meetings and all educational programs scheduled through June. She said the Board can see the well registrations, permit applications, website stats and climate update.

27. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next Board of Directors meeting is set for Wednesday, June 21st at 9:00 a.m.

28. EXECUTIVE SESSION ON LISTED AGENDA ITEMS

None.

29. ADJOURN

Director William Breeding motioned to adjourn the meeting at 10:42 a.m., seconded by Director Lee Peterson. Motion passed unanimously.



Chancy Cruse



Devin Sinclair