

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

DISTRICT OFFICE - Windmill Room
201 W. Third Street, White Deer, Texas
March 28, 2024– 9:00 a.m.

Those Present Were:

Chancy Cruse	President
Devin Sinclair	Vice President
Charles Bowers	Director
William Breeding	Director
John R. Spearman, Jr.	Director
David Hodges	Director
Wes Stockett	Director
Marcus Hardcastle	Director
Britney Britten	General Manager
Ashley Ausbrooks	Hydrogeologist/PM
Jake Robinson	Meter Specialist

- Guests Present: Monique Norman; Attorney; Benjamin Orr, City of Amarillo; Drew Satterwhite, CRMWA; Chad Pernel, CRMWA; Barrett Pierce, Gerald Berry, Tim Rocha, Trevor Friemel, Lance Williams, Ryan Berry, Nick Bamert, Craig Cowden, Mike Friemel, Michael Newhouse, Corey Gaither, Jim Cabbell, Zach Berry, Dennis Babcock, Kelvin Ollinger, Wes Williams, and Roger Wade.

1. CALL MEETING TO ORDER

President Chancy Cruse called the Regular Meeting to order at 9:07 a.m.

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

Ryan Berry of Carson County asked the Board to be put on the next regular meeting agenda to present his reasons for his petition to change District Rules 1(r) and 4.2(f)(5) to increase the annual maximum allowable production.

Public comment was given by Corey Gaither, Mike Newhouse, and Roger Wade of Donley County. All expressed support for the current rules and stated that increased the production allowable would have a negative effect on the aquifer in Donley County.

3. CONSIDERATION AND POSSIBLE ACTION ON MINUTES FROM JANUARY 11, 2024

a. Regular Meeting

Director Breeding motioned to approve the January 2024 Regular Meeting minutes, seconded by Director Sinclair. The motion passed unanimously.

b. Rules Hearing

Director Sinclair motioned to approve the January 2024 Hearing Meeting minutes, seconded by Director Bowers. The motion passed unanimously.

4. CONSIDERATION AND POSSIBLE ACTION ON EXPENDITURES

a. January 2024

Director Spearman motioned to approve the January 2024 expenditures, seconded by Director Stockett. The motion passed unanimously.

b. February 2024

Director Breeding motioned to approve the February 2024 expenditures, seconded by Director Hodges. The motion passed unanimously.

5. CONSIDERATION AND POSSIBLE ACTION RELATING TO PETITIONS TO CHANGE RULES 1(r) and 4.2(f)(5) to increase the annual maximum allowable production to 1.5 acre-feet/acre/year, from the current 1 acre-foot/acre/year, which has been in place since 2004 and was about 1.07 acre-feet/acre/year from 1998 to 2004.

- The following petitions will be considered and acted on:

- a. Ryan Berry
- b. Nick Bamert
- c. BLB Holdings
- d. ACB Holdings
- e. Gerald Berry
- f. Brett Friemel
- g. Mike Friemel/Friemel & Sons, LLC
- h. Timothy Rocha
- i. Dennis Babcock
- j. Trevor Friemel
- k. Kelvin Ollinger
- l. Jason Sides

Attorney Monique Norman, stated that the statutes in place for petitioning the Board require the Board to provide the reasons for denying a petition which she read from the Board of Directors Rules Petition Order.

A copy of the order and all petitions are attached to these official minutes.

Director Breeding motioned to deny the petitions to change Rules 1(r) and 4.2(f)(5) to increase the annual maximum allowable production to 1.5 acre-feet/acre/year, seconded by Director Bowers. The motion passed unanimously.

6. PRESENTATION AND DISCUSSION OF AVERAGE PERMITTED ANNUAL PRODUCTION FROM 2020-2023

General Manager Britney Britten stated that the preliminary results for the average permitted annual production from 2020-2023 was a compliance rate of 93%. A total of 44 of the 614 Operating Permits within the District were over the annual maximum allowable production of 1 acre-foot/acre/year. She noted that the District has recently made database updates to track acreage changes which requires manual updates and may result in some minor changes to these results. Britten stated that District staff are making every effort to update and correct reports before they are sent out to Operators and in cases where meters are currently inoperable, staff are working with Operators to obtain production data.

7. CONSIDERATION AND POSSIBLE ACTION RELATED TO DISTRICT ENFORCEMENT POLICY WHEN THE LEGAL RIGHT TO CONTROL OR PRODUCE GROUNDWATER HAS BEEN CHANGED ON AN OPERATING PERMIT

General Manager Britten stated that the Rules Committee has looked at lease and property changes and has considered how usage should be transferred with Operating Permits. Attorney Monique Norman stated that due to the nature of groundwater usage the recommended default would be pro rata share similar to how appraisal districts operate. Norman noted that this likely will result in District staff looking at these few instances on a case-by-case basis. She stated that this can also be addressed in private agreements with land leases and transfers, but District regulations are still applicable and property transfers would not prevent fines from being assessed in cases of overproduction.

No Action Taken.

8. 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 – NONE

DRILLING PERMITS FOR WELLS PUMPING LESS THAN 25,000 GALLONS A DAY OR 17.5 GPM – NONE

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

1. ACB Holdings/Austin Bamert – An 8” well to be drilled on 2,432 ac by Lichtie Drilling by 1.20.24, located in the SE4 of Section 34, Blk 2, TTRR Survey (being located at the intersection of FM 2385 & CR P, N side of FM 2385, W side of CR P) **CARSON COUNTY**
2. Dennis Babcock – A 6” well to be drilled on 320 ac by Lichtie Drilling by 3.7.24, located in the NW4 of Section 97, Blk B-3, H&GN Survey (being located NW of Groom at the intersection of CR AA & CR 3) **CARSON COUNTY**
3. Carl Olson – An 8” well to be drilled on 993 ac by Hydro Resources by 1.23.24, located in the SW4 of Section 56, Blk 7, I&GN Survey (being located NE of Panhandle on Hwy 60 to CR R, N on CR R approx. ½ mi) **CARSON COUNTY**
4. Jason Sides – An 8” well to be drilled on 1400 ac by Lichtie Drilling by 1.19.24, located in the SW4 of Section 160, Blk B-3, H&GN Survey (Approx 3 mi W of Groom on I-40 to CR X, 1 mi N on CR X, W side of CR X) **CARSON COUNTY REPLACEMENT WELL**
5. David Smith – An 8” well to be drilled on 151 ac by Hydro Resources by 3.1.24, located in the NE4 of Section 48, Blk 2, TT RR Survey (being located approx. 6 mi S of Panhandle on Hwy 207 to CR 5, E on CR 5 approx. 1 mi to CR O, N on CR O 1 ½ mi ,W side of CR O) **CARSON COUNTY EASEMENTS ON FILE**
6. Williams Family Land, LLC – An 8” well to be drilled on 845 ac by Hydro Resources by 1.24.24, located in the NW4 of Section 41, Blk T, AB&M Survey (being located approx. 3 mi SW of Panhandle to CR K, N on CR K approx. 5 mi, W side of CR K) **CARSON COUNTY**
7. Caprock Dairy – An 8” well to be drilled on 2049.24 ac by Hydro Resources by 3.4.24, located in the NE4 of Section 123, Blk 3, I&GN Survey (being located approx. 2 ½ mi S of the Roberts Co line on FM 282, W side of FM 282) **GRAY COUNTY**
8. HH&CS, LLC – An 8” well to be drilled on 625 ac by Hydro Resources by 3.5.24, located in the NE4 of Section 142, BLK M-2, BS&F Survey (being located NE of

Pampa on Hwy 60 to CR B, E on CR B approx. 2 ½ mi) **GRAY COUNTY REPLACEMENT WELL**

9. Reliant Holdings/Scott Vanderburg – A 4” well to be drilled on 242 ac by Hydro Resources by 3.4.24, located in the NE4 of Section 43, Blk 3, I&GN Survey (being located approx. 2 ½ mi E of the Hwy 60, Loop 171 intersection, N side of Hwy 60) **GRAY COUNTY WELL #1**
10. Reliant Holdings/Scott Vanderburg – An 8” well to be drilled on 242 ac by Hydro Resources by 3.4.24, located in the SE4 of Section 43, Blk 3, I&GN Survey (being located approx. 2 ½ mi E of the Hwy 60, Loop 171 intersection, N side of Hwy 60) **GRAY COUNTY WELL #2**
11. Dana R Terry – An 8” well to be drilled on 324 ac by Hydro Resources by 1.26.24, located in the NW4 of Section 97, Blk 3, I&GN Survey (being located at the intersection of the Roberts/Gray County line & Hwy 70, S side of the county line Rd, W side of Hwy 70) **GRAY COUNTY**
12. City of Amarillo/Amarillo Botanical Gardens – A 2” well to be drilled on 32.76 ac by K-Ran Drilling by 2.16.24, located in the SW4 of Section 26, Blk 9, BS&F Survey (being located in Amarillo City Limits at the intersection of Hagy Blvd & Streit Dr) **POTTER COUNTY**
13. Tascosa Golf Club – A 4” well to be drilled on 663.38 ac by Currie Drilling by 3.19.24, located in the NE4 of Sec 11, Blk 9, BS&F Survey (being located approx. 2 mi S of the intersection of Loop 335 & N Western St, W side of Western) **POTTER COUNTY REPLACEMENT WELL**
14. Seaboard Foods – A 3” well to be drilled on 15 ac by Howard Drilling by 2.13.24, located in the SE4 of Section 53, Blk R, AB&M Survey (being located at the Ochiltree County line and Pats Creek Rd, W side of Pats Creek Rd) **ROBERTS COUNTY EASEMENT ON FILE**
15. Rodger Gleason – A 4” well to be drilled on 1600 ac by Etter Water Well y 3.11.24, located in the SE4 of Section 45, Blk 13, H&GN Survey (being located approx. 8 mi E of Shamrock on I-40, S side of I-40) **WHEELER COUNTY WELL #1**
16. Rodger Gleason – A 4” well to be drilled on 1600 ac by Etter Water Well y 3.11.24, located in the SE4 of Section 45, Blk 13, H&GN Survey (being located approx. 8 mi E of Shamrock on I-40, S side of I-40) **WHEELER COUNTY WELL #2**
17. Blake Glover – A 4” well to be drilled on 320 ac by First Priority Drilling by 1.10.24, located in the NW4 of Section 87, Blk 23, H&GN Survey (being located approx. 2mi

E of the Gray Co line at the intersection of FM 1443 & CR Z, W side of FM 1443, N side of CR Z) **WHEELER COUNTY**

18. Gary Hutchens – A 3” well to be drilled on 1680 ac by K-Ran Drilling by 3.6.24, located in the NE4 of Section 99, Blk 23, H&GN Survey (Being located approx. 5 mi E of McLean on I-40 to FM 1443, N on FM 1443 approx. 3 mi to CR X, E on CR X approx. 2 ½ mi, S side of CR X) **WHEELER COUNTY**

Director Spearman motioned to approve drilling permits for wells pumping more than 17.5 gallons per minute, seconded by Director Sinclair. The motion passed with 7 for and 1 against.

9. CONSIDERATION AND POSSIBLE ACTION TO CONVEY PREVIOUSLY STRICKEN PROPERTY TO THE CITY OF AMARILLO
 - a. 209 N. Madison Street, Lots 1 & 2, Block 133, Glidden & Sanborn Addition

Director Sinclair motioned to convey the previously stricken property to the City of Amarillo, seconded by Director Stockett. The motion passed unanimously.

10. CONSIDERATION AND POSSIBLE ACTION ON GMA 1 DESIRED FUTURE CONDITIONS COST STRUCTURE

Director Bowers motioned to approve the GMA 1 Desired Future Conditions Cost Structure, seconded by Director Breeding. The motion passed unanimously.

11. CONSIDERATION AND POSSIBLE ACTION TO AMEND THE 2023-2024 BUDGET TO INCLUDE A CAPITAL OPERATING EXPENSE

Britten stated by District bylaws, the Board needs to amend the budget prior to approving an unbudgeted item. However, Britten said the overall expenses would not exceed the budgeted amount. Line item adjustments will be made at the end of the fiscal year.

Director Sinclair motioned to amend the 2023-2024 Budget to include Capital Operating Expenses, seconded by Director Breeding. The motion passed unanimously.

12. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE PURCHASE OF 308 OMOHUNDRO, WHITE DEER, TEXAS

General Manager Britten stated that the purchase of 308 Omohundro would allow for future expansion of the District. She noted that if the board approves the purchase, she will wait to get the proper documents signed until she knows the title is clean. A copy of the contract was presented to the Directors in their meeting books.

Director Breeding motioned to approve the purchase of 308 Omohundro, White Deer, Texas contingent upon a clean title, seconded by Director Bowers. The motion passed unanimously.

13. STAFF UPDATES

None.

14. MANAGER'S REPORT

General Manager Britten presented her report to the Board of Directors in the Board Packets, which included past and upcoming meetings, District public education events, District well statistics, and a weather update. Britten elaborated by stating that the 2024 Water Conservation Symposium held by the District was a success with 200 attendees, which was lower than expected due to area wildfires the day prior. Britten also noted that the District is entering their 24th Precipitation Enhancement season this April and that we should expect drier conditions due to the transition from El Nino to La Nina this year.

15. CONSIDERATION AND POSSIBLE ACTION TO SET FUTURE MEETING DATES

The next Regular Board of Directors meeting is scheduled for Thursday, May 2, 2024, at 9:00 a.m.

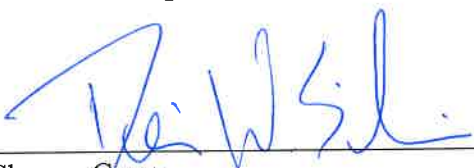
16. EXECUTIVE SESSION ON LISTED AGENDA ITEMS

The Board recessed into Executive Session under Texas Open Meetings Act Chapter 551 Government Code 551.071 Consultation with Attorney at 9:15 a.m.

The Board reconvened into open session at 9:48 a.m.

17. ADJOURN

Director Sinclair motioned to adjourn the Regular Meeting at 10:41 a.m., seconded by Director Spearman. The motion passed unanimously.



Chancy Cruse



Lee Peterson