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Kelly Prine

CLERK

**HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT NO. 1
BOARD OF DIRECTORS
WORK SESSION**

TUESDAY, OCTOBER 14, 2014

1:30 P.M.

**HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT OFFICE
2930 AVENUE Q, LUBBOCK TX 79411-2499**

AGENDA

- 1) The President will call the work session to order.
- 2) Review and discuss the Consent Agenda items:
 - a. Minutes of the September 9, 2014 regular meeting at Lubbock, TX.
 - b. Report on the financial status of the District from the General Manager for the month of September 2014.
 - c. Bills incurred by the District for the month of September 2014 and travel vouchers for the Board members and eligible staff.
- 3) This item intentionally left blank.
- 4) This item intentionally left blank.
- 5) Review and discuss changing the date of the November Board of Directors meeting from Nov. 11, 2014 (*Veteran's Day Holiday*) to Nov. 18, 2014.
- 6) Review and discuss selection of an appraiser to determine dry land and irrigated land values for use in the district's cost-in-water income tax depletion allowance for the 2014 tax year.

- 7) Review and discuss applications for water well permits received for the month of September 2014.
- 8) Review and discuss an agricultural water conservation fund irrigation metering grant contract between the Texas Water Development Board and HPWD.
- 9) Review and discuss new and revised management and employee policies for the district.
- 10) Review and discuss a resolution congratulating Betty Brown on her upcoming retirement and thanking her for assistance with HPWD election matters.
- 11) Review and discuss County Advisory Committee members.
- 12) Review and discuss reports on the status of other District programs and items of possible interest from the General Manager.
- 13) Adjourn Work Session.

NOTE: Work Sessions are primarily for the benefit of the Board of Directors, although they are open to the public. No public comment will be heard during Board Work Sessions. Public comment may be made at the regularly-scheduled Board of Directors meeting.

No Board action will be taken at the Work Session and any items ultimately warranting Board action will be revisited at a regularly-scheduled Board of Directors meeting.



FILED FOR RECORD

2014 OCT -9 AM 11:33

Kelly Pincen

CLERK OF DISTRICT COURT, LUBBOCK COUNTY, TEXAS

HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT NO. 1 BOARD OF DIRECTORS MEETING

TUESDAY, OCTOBER 14, 2014
2:30 P.M.

HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT OFFICE
2930 AVENUE Q, LUBBOCK TX 79411-2499

AGENDA

1. The President will call the meeting to order and establish a quorum.
2. Consent Agenda
 - a. Approval of minutes of the September 9, 2014 regular meeting at Lubbock, TX.
 - b. Adoption of report on the financial status of the District from the General Manager for the month of September 2014.
 - c. Approval of the bills incurred by the District for the month of September 2014 and travel vouchers for the Board members and eligible staff.
3. Take up any items removed from the Consent Agenda.
4. Public comment (*Only persons that complete a registration form indicating their desire to comment will be recognized.*) **Comments will be limited to three (3) minutes per person regarding agenda items only.**
5. The Board will discuss and take possible action to change the date of the November Board of Directors meeting from Nov. 11, 2014 (*Veteran's Day Holiday*) to Nov. 18, 2014.
6. The Board will discuss and take possible action to select an appraiser to determine dry land and irrigated land values for use in the district's cost-in-water income tax depletion allowance for the 2014 tax year.
7. The Board will discuss and take possible action on approval of applications for water well permits received for the month of September 2014.

8. The Board will discuss and take possible action to consider approval of an agricultural water conservation fund irrigation metering grant contract between the Texas Water Development Board and HPWD.
9. The Board will discuss and take possible action to consider new and revised management/employee policies for the district.
10. The Board will discuss and adopt a resolution congratulating Betty Brown on her upcoming retirement and thanking her for assistance with HPWD election matters.
11. The Board will discuss and take possible action on County Advisory Committee members.
12. The Board will hear reports on the status of other District programs and items of possible interest from the General Manager:
 - a. Legislative Activity
 - b. Staff Reports
 - c. Correspondence
 - d. District current work efforts
13. The Board will convene a Closed Executive Session as authorized by Chapter 551 of the Texas Government Code (*Open Meetings Act*).
14. The Board will reconvene to consider any action needed following the Closed Executive Session.
15. Adjourn.

NOTES:

Agenda items may be considered, deliberated, and/or acted upon in a different order than set forth above, which represents an estimate of the schedule at the time notice is issued. The Board of Directors may discuss, consider, and take all necessary action, including possible expenditure of funds, regarding any item on the agenda.

At any time during any meeting or hearing and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, the District Board may meet in a closed executive session on any agenda item or other lawful items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gifts (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in closed session may be subject to action during an open meeting. Closed sessions on individual agenda items will not be posted separately in any manner other than the notice provided in this paragraph, regardless of any past practice of the District.

The District is committed to compliance with the Americans with Disabilities Act (ADA). Reasonable accommodations and equal opportunity for effective communications will be provided upon request. Please contact the District office at (806) 762-0181 at least 24 hours in advance if accommodation is needed.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the above named political subdivision, is a true and correct copy of said Notice, and that a true and correct copy of said Notice was furnished via electronic transmission to the Office of Texas Secretary of State and posted on the bulletin board, located at a place convenient to the public in its administrative office at 2930 Avenue Q, Lubbock, Texas, and said Notice was posted on October 9, 2014 and remained so posted continuously for at least 72 hours immediately preceding the day of said Meeting. A true and correct copy of said Notice has been filed with the Lubbock County Clerk on October 9, 2014, a true and correct copy of said Notice was posted on the bulletin board of the Lubbock County Courthouse on October 9, 2014, and said Notice remained so posted continuously for at least 72 hours immediately preceding the day of said Meeting.

Dated this the 9th day of October, 2014.

High Plains Underground Water Conservation District No. 1

By  _____
Jason Coleman, P.E., General Manager

**HIGH PLAINS UNDERGROUND WATER CONSERVATION DISTRICT NO. 1
BOARD OF DIRECTORS REGULAR MEETING
OCTOBER 14, 2014**

The Board of Directors of the High Plains Underground Water Conservation District No. 1 (*the Board*) convened a regular meeting in the A. Wayne Wyatt Board Room of the High Plains Underground Water Conservation District office, 2930 Avenue Q, Lubbock Texas, with the following members present:

Lynn Tate, President
Mike Beauchamp, Secretary-Treasurer
Ronnie Hopper, Member
Brad Heffington, Member

(Attached to these minutes is the *Notice of Meeting of the Governing Body of the High Plains Underground Water Conservation District No. 1 [District]* calling said meeting, which was served upon the directors and publicly posted in accordance with applicable law.)

CALL TO ORDER & ESTABLISH QUORUM

President Tate called the regular Board of Directors meeting to order at 2:38 p.m. with the above-referenced directors in attendance. A quorum was present.

Vice-President James Powell previously notified the Board that he is having a medical procedure today and would not be able to attend the meeting. President Tate noted that this is an excused absence.

Visitors signing in for today's meeting were: Charles Allison, Steve Barrett, Neil Blandford, Kathy Cornett, J.O. Dawdy, B. L. Jones III, Dan Seale, Joy Shadid, Leland Stukey, and Kelly Young.

District staff members in attendance were Jason Coleman, General Manager; Kody Bessent, Legislative Affairs Director; Adeline Fox, Outreach and Education; Carmon McCain, Information/Education; Juan Peña, Permit Supervisor; Gray Sanders, Information/Technology Administrator; and Keith Whitworth, Field Staff Supervisor.

President Tate welcomed the Board members, staff, and members of the public to today's meeting.

CONSENT AGENDA

President Tate called on the Board to approve the consent agenda for today's meeting as follows:

- Approval of minutes of the September 9, 2014 regular meeting at Lubbock, TX.
- Adoption of report on the financial status of the District from the General Manager for the month of September 2014.
- Approval of the bills incurred by the District for the month of September 2014 and travel vouchers for the Board members and eligible staff.

Mr. Beauchamp made a motion to approve the consent agenda. Mr. Heffington seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved.

ITEMS REMOVED FROM CONSENT AGENDA

No items were removed from the Consent Agenda. No action was taken.

PUBLIC COMMENT

President Tate invited those present to offer public comment. *(Only persons that completed a registration form indicating their desire to comment were recognized.)* J. O. Dawdy and Kelly Young provided comments to the Board of Directors. All other persons were given an opportunity to provide comment, if desired, and the agenda item concluded.

CHANGE NOVEMBER MEETING DATE FROM NOV. 11 TO NOV. 18, 2014

President Tate called on the Board to discuss and take possible action to change the date of the November Board of Directors meeting from Nov. 11 to Nov. 18, 2014. There are two reasons for the proposed date change: 1) Nov. 11 is Veterans' Day and the HPWD office will be closed in observance of this official holiday, and 2) Nov. 18 is the last day for official canvass of election returns by governing bodies of political subdivisions. There being no discussion, Mr. Hopper made a motion to change the date of the November Board Meeting from Nov. 11 to Nov. 18, 2014. Mr. Beauchamp seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved.

SELECT AN APPRAISER TO DETERMINE DRY LAND AND IRRIGATED LAND VALUES FOR USE IN THE DISTRICT'S COST-IN-WATER INCOME TAX DEPLETION ALLOWANCE FOR THE 2014 TAX YEAR

President Tate called on the Board to discuss and take possible action to select an appraiser to determine dry land and irrigated land values for use in the district's cost-in-water income tax depletion allowance program for tax year 2014. B.L. Jones III, ARA, told the directors that the analysis would cover sales from Oct. 31, 2013 through Oct. 31, 2014 in Armstrong, Cochran, Deaf Smith, Floyd, Hale, Lamb, Parmer, and Swisher Counties within the district. The district does not conduct an analysis in each county each year as it would be too costly and too time-consuming. Hale and Lamb Counties are included each year as they provide a good representative sample of land sales within the district. The results of the analysis will be reviewed in November by Internal Revenue Service Engineer Lorinda Busby. There being no discussion, Mr. Beauchamp made a motion to select AgTexas Appraisal Services to conduct farm land sales research for use in the district's cost-in-water income tax depletion allowance program. Mr. Hopper seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved.

APPLICATIONS FOR WATER WELL PERMITS

President Tate called on the Board to discuss and take possible action on approval of applications for water well permits received during the month of September 2014.

There were eight applications from Tierra de Esperanza of Deaf Smith County for wells to be completed into the Dockum Aquifer in September 2014.

There were 36 applications for wells to be completed into the Ogallala Aquifer in September 2014. These include: one from Bailey County; six from Cochran County; two from Crosby County; two from Floyd County; seven from Hale County; three from Hockley County; five from Lamb County; five from Lubbock County; two from Lynn County; one from Parmer County; one from Randall County; and one from Swisher County.

All permit applications comply with the rules of the District. There being no questions or comments on the report, Mr. Heffington made a motion to approve applications for water well permits for the month of September 2014 as presented. Mr. Hopper seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved.

There was one water well completion in the Dockum Aquifer and 168 water well completions in the Ogallala Aquifer during September 2014.

There have been 1,138 wells completed within the district during the period Jan. 1-Sept. 30, 2014. This includes 16 wells in the Dockum Aquifer, five wells in the Edwards-Trinity Aquifer, and 1,117 wells in the Ogallala Aquifer.

AGRICULTURAL WATER CONSERVATION GRANT CONTRACT

President Tate called on the Board to discuss and take possible action to consider approval of an agricultural water conservation fund irrigation metering grant contract between the Texas Water Development Board and the High Plains Underground Water Conservation District No. 1.

This agenda item was originally presented at the Sept. 9, 2014 regular meeting; however, it was the Board's consensus not to take action on the item and to revisit it at the Oct. 14 regular meeting.

Mr. Coleman explained that HPWD and TWDB have made some minor adjustments to the draft contract since the September Board meeting.

These include:

- Removed the Interlocal agreements requiring copies of all agreements, which would be tied to reimbursements.
- Simplified the media request notification in Article V to require TWDB acknowledgement in news releases or other publications.
- A minor adjustment to Article VI relating to contract termination.

President Tate told the Board and audience that this is a voluntary program to allow producers to purchase water meters to quantify effects of water conservation strategies.

The total project cost is \$1,235,000.00. Of this, the local share of the total cost is \$617,500 (50 percent) of the metering equipment. The TWDB share of the cost is the lesser of \$617,500.00 or 50 percent of the metering equipment.

There was some discussion regarding producer participation in the program. Some of the district's County Advisory Committee members and other producers have had a lukewarm response toward the metering program. There could be greater interest if the funds may be used for newer technologies, such as AgSense, PivoTrac, and WagNet.

Mr. Bessent noted that the application deadline is Oct. 31, 2014. It may be best to apply for the grant funds now and work to introduce legislation during the upcoming session that allows producers to use the newer technologies.

There being no additional discussion, Mr. Beauchamp made a motion that HPWD submit an application for an irrigation metering grant from the TWDB agricultural water conservation fund. Mr. Heffington seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved.

REVISED EMPLOYEE POLICY MANUAL

President Tate called on the Board to discuss and take possible action to consider new and revised management/employee policies for the district.

Mr. Coleman provided a brief overview of the draft document in their notebooks.

It includes:

- A new pre-employment and selection policy.
- A new nepotism policy.
- A policy regarding business hours.
- Simplification of the district's part-time employee policy.
- A new employee evaluation policy.
- A new policy omitting meal payment for field technicians.
- An updated vehicle policy.
- An updated termination pay policy relating to accrued sick/vacation hours.
- A more detailed discipline policy.
- A new Worker's Compensation policy.
- A more detailed unlawful harassment policy.

President Tate called for comments or questions. There being none, Mr. Heffington made a motion to approve the employee policies presented at today's meeting. Mr. Hopper seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved.

ADOPTION OF RESOLUTION CONGRATULATING BETTY BROWN ON HER UPCOMING RETIREMENT AND THANKING HER FOR ASSISTANCE WITH HPWD ELECTION MATTERS

President Tate called on the Board to discuss and take possible action to adopt a resolution of congratulations and appreciation honoring Betty Brown upon her May 2015 retirement as a local government/elections specialist for Bickerstaff Heath Delgado Acosta LLP in Austin. President Tate told the Board that Ms. Brown has had a distinguished 40-year career dedicated to civil service in cities

across Texas. Her advice and expertise has helped cities and other governmental entities, such as HPWD, conduct many successful elections statewide. There being no discussion, Mr. Hopper made a motion to adopt the resolution. Mr. Beauchamp seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was unanimously approved. A copy of the resolution will be presented to Ms. Brown at the Nov. 18 regular meeting.

COUNTY ADVISORY COMMITTEE MEMBERS

President Tate called on the Board to discuss and take possible action on County Advisory Committee members. No new appointments were suggested and no action was taken on this agenda item.

REPORTS ON STATUS OF DISTRICT PROGRAMS FROM THE MANAGER

OUTREACH AND EDUCATION: Mr. Coleman asked Adeline Fox to update the Board on the district's Outreach and Education program activities.

She reported that:

- HPWD is actively participating in various community events throughout the year, such as Fair on the Square at Canyon; Southwest Dairy Day at Friona; and offering guidance to students preparing water conservation campaigns for the Distributive Education Clubs of America (DECA) chapter at Wolfforth.
- HPWD is working with public relations students in the Texas Tech College of Media and Communication. These students have selected HPWD as their class project. There are four groups of students who are conducting focus groups and developing different public awareness campaigns about the district. Ms. Fox has worked with these students throughout the semester.
- HPWD continues promotion of its new H2YOU water awareness program among high school students. Winners will receive an all-expense paid trip to Austin, where they will present their conservation campaign to their state representative and/or Texas Water Development Board staff. Scholarships will also be awarded to the top three campaign proposal winners.
- HPWD is nominating Cargill Meat Solutions of Friona for the Texas Water Conservation Advisory Council's Blue Legacy award. Cargill has dramatically altered their water use during the past few years. As an example, the plant's average water use was 1.614 million gallons per day in 2007. This has dropped to 1.246 million gallons per day in 2013.
- HPWD continues to receive positive feedback about the interactive features on its web site. People are very receptive to the interactive maps, which include the district's hydrologic atlases, observation well/depth-to-water level data, well logs, and the water well spacing guide.

President Tate noted that HPWD received a certificate of recognition from the Texas Water Development Board in recognition of completion of the district's groundwater management plan. The plan is administratively complete and is approved in compliance with Texas Water Code §36.1071 and 31 TAC 356. President Tate commended Mr. Coleman and the district staff for their work on this project.

CLOSED EXECUTIVE SESSION

President Tate announced that the High Plains Underground Water Conservation District Board of Directors will begin its closed Executive Session at 3:20 p.m. as authorized by Chapter 551.074 (*personnel matters*) of the Texas Government Code (Open Meetings Act).

President Tate announced that the closed Executive Session was completed at 4:30 p.m.

ACTION FOLLOWING EXECUTIVE SESSION

President Tate reconvened the Board Meeting at 4:30 p.m.

Mr. Heffington made a motion to adjust field technician salaries as per the manager's recommendation. Mr. Hopper seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was approved.

ADJOURNMENT

There being no other business, Mr. Beauchamp made a motion to adjourn the meeting. Mr. Heffington seconded the motion. All members voted in the affirmative as expressed by a show of hands. The motion was approved. The meeting was adjourned at 4:33 p.m.

Respectfully submitted,



Mike Beauchamp, Secretary-Treasurer

High Plains Underground Water Conservation District

	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Actual	Budget
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
Income														
Revenue														
4000 Tax Collections	75,022.63												75,022.63	2,557,500.00
4002 CD Interest	1,266.85												1,266.85	10,084.00
4004 Checking Interest	8.83												8.83	207.00
4008 Depletion Requests	100.00												100.00	22,917.00
4008 Permit Fees/Forfeits	14,150.00												14,150.00	229,167.00
4010 Grants													0.00	45,834.00
4012 Miscellaneous	2,999.65												2,999.65	4,584.00
4014 Regional Water Planning													0.00	444,584.00
Total Revenue	\$ 93,547.96	\$ -	\$ 93,547.96	\$ 3,314,877.00										
Total Income	\$ 93,547.96	\$ -	\$ 93,547.96	\$ 3,314,877.00										
Expenses														
Gross Profit	\$ 93,547.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,547.96	\$ 3,314,877.00
Capital Outlay														
6400 Office Equipment														0.00
6402 Field Equipment														0.00
6404 Building Improvements														0.00
6406 Vehicle Purchase														0.00
Total Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,000.00
Other Expenditures														
6300 Board of Directors	3,676.73												3,676.73	82,500.00
6302 Building Rent	1,450.00												1,450.00	17,400.00
6304 Dues and Subscriptions	3,498.19												3,498.19	9,000.00
6306 Election	9,958.90												9,958.90	150,000.00
6308 Public Relations and Education	9,734.90												9,734.90	333,500.00
6310 Travel and Meals	2,571.07												2,571.07	55,000.00
6312 Vehicle Maintenance and Fuel	3,854.82												3,854.82	95,000.00
6314 Regional Water Planning	415.00												415.00	510,000.00
6316 Grants													0.00	100,000.00
Total Other Expenditures	\$ 35,159.61	\$ -	\$ 35,159.61	\$ 1,352,400.00										
Purchased Services														
6200 Audit													0.00	19,500.00
6202 Appraisal/Tax Collection	1,909.55												1,909.55	40,000.00
6204 Consulting	3,750.00												3,750.00	113,000.00
6206 Legal	10,000.00												10,000.00	150,000.00
6208 Utilities	1,323.36												1,323.36	26,725.00
6210 Land Appraiser	820.00												820.00	18,000.00
6212 Telephone/Internet	2,153.90												2,153.90	32,800.00
6214 Maintenance/Building & Grounds	1,525.32												1,525.32	40,000.00
6216 Vehicle Insurance													0.00	12,500.00
6218 Other Insurance	240.00												240.00	13,000.00
Total Purchased Services	\$ 21,722.13	\$ -	\$ 21,722.13	\$ 465,525.00										
Salaries & Benefits														
6000 Salaries	76,090.19												76,090.19	980,000.00
6002 Social Security/Medicare	5,456.03												5,456.03	75,000.00
6006 Retirement	5,201.59												5,201.59	75,000.00
6008 Medical Insurance	15,666.40												15,666.40	180,000.00
Total Salaries & Benefits	\$ 102,414.21	\$ -	\$ 102,414.21	\$ 1,310,000.00										
Supplies														
6100 Field Supplies & Repair	184.04												184.04	57,500.00
6102 Office Supplies	2,834.86												2,834.86	60,000.00
6104 Postage	2,232.17												2,232.17	23,600.00
6106 Software/License	308.06												308.06	105,200.00
Total Supplies	\$ 5,559.13	\$ -	\$ 5,559.13	\$ 246,300.00										
Total Expenses	\$ 164,855.08	\$ -	\$ 164,855.08	\$ 3,616,225.00										