

## Middle Pecos Groundwater Conservation District

Minutes of December 16, 2008

On this the 16<sup>th</sup> day of December, 2008, a Regular Session of the Middle Pecos Groundwater Conservation District, of Pecos County, Texas, met in the Courtroom of the Pecos County Courthouse, Fort Stockton, Texas located at 103 West Callaghan with the following members present, to-wit:

Glenn Honaker	President, Precinct 1
John Dorris	Vice President, Precinct 3
Brad Newton	Secretary/Treasurer, Fort Stockton
Jack McIntyre	Precinct 1
M. R. Gonzalez	Precinct 2
Merrell Daggett	Precinct 2
Lynn Holland	Precinct 3
Alvaro Mandujano, Jr.	Precinct 4
Houston McKenzie	At Large

Directors not present: Bart Reid and Evans Turpin

Others Present: Paul Weatherby/General Manager, Melissa Mills/Office Manager, Bob Varmette/Fort Stockton Pioneer, Dr. Jim Duke, Jeff Williams, Gary Bryant and Greg Huber.

**Call to Order.** The meeting was called to order at 1:06 pm by President Glenn Honaker.

**I. Consider and/or act upon minutes of November 18, 2008.** Merrell Daggett made a motion to approve the minutes, seconded by Brad Newton and the motion carried unanimously.

**II. Comments from Public and Media (limit 5 minutes per person).** There were no comments from the public.

**III. Consider and/or act upon the Accounts Payable and Treasurer's Report.**

Brad Newton made a motion to approve the account payable and Treasurer's report which was seconded by John Dorris. An additional motion made by Lynn Holland and seconded by John Dorris to approve a bill received from Lloyd Gosselink, Attorneys at Law that was not reflected in the Accounts Payable list previously presented. A third bill from Turner Collie Braden, Inc. (Invoice#10032281 for \$2,350.41) required discussion. After discussions, a motion was made by John Dorris and seconded by M. R. Gonzalez to pay Turner Collie Braden, Inc. \$866.00 for the cumulative rainfall map, and not to pay for services listed as #2 and #3 totaling \$1,484.41. Paul Weatherby will discuss the balance with Turner Collie Braden, Inc/Randy Williams. All three motions received a unanimous vote.

A question was asked regarding last months Executive Session matter. Glenn Honaker reported that our lawyer drew up a document, Glenn approved the document, and the law firm has mailed the document to the party. The document will then need to be approved and signed or rejected by the party, and returned to the law firm. We have not heard back from the law firm at this time.

Paul Weatherby reported the SandRidge tax abatement approved by the MPGCD Board that was forwarded to SandRidge has not been accepted by them at this time. A counter offer was sent to us, and once we reviewed it and spoke with our law firm, it was decided to let it stand as we originally agreed. SandRidge was notified, and the document is currently making its way through their bureaucracy. We have not received the initial installment of \$25,000 but we are setting up monitors and getting ready to monitor.

**IV. Consider and/or act upon West Texas Regional Groundwater Association Resolution**

Lynn Holland made a motion to approve the annual resolution with West Texas Regional Groundwater Association for legislative representation. Seconded by John Dorris. Motion carried unanimously.

**V. Consider and/or act upon Recommendation regarding Banks Environmental Data**

Paul Weatherby reported that he had received favorable remarks about Banks Environmental Data from several water districts. On Thursday, December 18<sup>th</sup> he and Melissa Mills will travel to Colorado City to see the program and decide if it is truly what we need.

Item tabled until next meeting.

**VI. Consider and/or act upon Mileage Rate of .55¢**

John Dorris made a motion to rescind the mileage rate from .585¢ back to .55¢ effective January 1, 2009. Motion seconded by Merrell Daggett, carried unanimously.

**VII. Consider and/or act upon R C & D Sponsorship**

Mr. Greg Huber with the Pecos Valley Resource Conservation and Development spoke to the Board about the RC&D program. Services they offer are technical development, grant search for available grant money, contamination clean up, etc. They have helped us with the artesian well in Imperial, and hope to be involved with the well capping process among other ventures.

Brad Newton made a motion to participate at the \$100 Corporate Sponsorship level, which was seconded by John Dorris. Motion passes unanimously.

The board recessed from the regular meeting at 1:42 pm.

The board convened at 1:43 into a Public Hearing.

**VIII. Consider and/or act upon Public Hearing: La Escalera Ranch Drilling/Production Permit**

La Escalera would like to take an abandoned gas well and convert it into a water producing well. All the proper applications and notices have been properly completed and they are seeking approval for 800 acre feet of water.

Lynn Holland made a motion to approve the drilling/production request for 800 acre feet of water. Motion seconded by John Dorris. Motion passes unanimously.

Public Hearing adjourned at 1:52 pm.

Reconvened into regular session at 1:52 pm.

**IX. Consider and/or act upon Resolution/Policy of Fixed Asset Policy**

The development and adoption of a standardized policy and procedure will allow for the Middle Pecos Groundwater Conservation District to comply with Generally Accepted Accounting Principals.

Highlights of the resolution are:

1. Assets which are intended to be held or used for a period of two years or more and which the purchase price exceeds \$2,000.00 are required to be recorded as a capital outlay and inventoried. There will be an annual reconciliation of inventory records to a physical count.
2. Land and buildings shall be recorded regardless of the cost.
3. Capital Assets of the Middle Pecos Groundwater Conservation District are depreciated using the straight line method over the useful estimated life of the asset.
4. Inventory tracking will be kept on items over \$100 in value.

M. R. Gonzalez made a motion to approve the resolution/policy of fixed assets, which was seconded by John Dorris. Motion passes unanimously.

**X. Consider and/or act upon Progress Reports**

Manager Paul Weatherby:

- Stated that current well registrations are 2,691.
- Reported that the Woodward well does not have signs of contamination.
- Plugging of the artesian well in Imperial will require a ramp to be built

**XI. Consider and/or act upon District Correspondence**

- Texas Water Development Board will be in Pecos County on December 17-19<sup>th</sup> to get annual measurements. Bill Johnson will be going with them.

- Paul Weatherby notified the board of his appointment to the Economic Development Board. He is an alternate on 4A, and a member on 4B.
- There are currently 3 bills before the legislature dealing with water. 2 bills are considering injection wells near fault lines and fresh water supplies.
- HB43 deals with permitting requirements, including permits for water transport.
- Paul Weatherby went over the guidelines for having a closed session.

**XII. Consider and/or act upon Agenda for next meeting**

Hearings for SandRidge, Paul Weyerts and Arlie Weatherman. Presentation of the 2007/2008 audit. Adopt the holiday schedule.

**XIII. Adjourn:** Alvaro Mandujano, Jr. made a motion to adjourn, seconded by Brad Newton. The motion carried, and the meeting adjourned at 2:24 pm.

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Brad Newton, Secretary/Treasurer

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Glenn Honaker, President

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Date Approved