Middle Pecos Groundwater Conservation District

Minutes of September 18, 2012

On this the 18th day of September, 2012, a public hearing and a regular board meeting was held by the Middle Pecos Groundwater Conservation District in the office located at 405 North Spring Drive, Fort Stockton, Texas, with the following members present, to-wit:

Glenn Honaker	President, Precinct 1
John Dorris	Vice President, Precinct 3
M. R. Gonzalez	Secretary/Treasurer, Precinct 2
Merrell Daggett	Precinct 2
Alvaro Mandujano, Jr.	Precinct 4
Ronald Cooper	Precinct 4
Evans Turpin	Iraan, City of
Houston McKenzie	At Large

Quorum Present..

Members absent: Janet Groth, Vanessa Cardwell and Weldon Blackwelder.

Others present: Paul Weatherby, Mike Gershon, Charles "Randy" and Erica Williams, Allan Standen, Melissa Mills, Harvey Gray, Mike Keester, Ed McCarthy, Jeff Williams, Brock Thompson, Gary Drgac, Refugio "Cuco" Rangel, Raul Rodriguez, Jerry McGuairt, Darrell Peckham, Drew Miller, Dan Pearcy, Alyson McDonald, and Cindy Demel. John Bumgarner and Greg Stanton with USGS.

PUBLIC HEARING

I Call to order at 10:02 AM by President Glenn Honaker.

II **Presentation/Public Hearing on the District's Proposed maps of 2010 Benchmark Aquifer Levels in accordance with District Rule 10.5.**

Maps are attached as Attachment 1.

Note: DFC – Desired Future Conditions
GAM – Groundwater Availability Model
GMA – Groundwater Management Area
TWDB – Texas Water Development Board
MPGCD – Middle Pecos Groundwater Conservation District

Mr. Randy Williams/Bar-W Groundwater Exploration LLC (Bar-W), MPGCD Hydrogeologist, presented a power point presentation on the draft 2010 Year-End Water-Level Conditions in MPGCD Management Zones. Maps of the 2010 year-end recovered water-levels in each of the three Management Zones were presented to the Board. The purpose of the maps is to fulfill MPGCD Rule 10.5 by providing a base-line of the Edwards-Trinity and Pecos Valley aquifer conditions in the management zones at the beginning of the 50-year Desired Future Conditions (DFC) planning period. The beginning aquifer conditions of the DFC planning period in the Management Zones will provide a base-line of comparison that MPGCD may use for determining over time whether the DFC established by Groundwater Management Areas 7 and 3 (GMAs 7 & 3) for the Edwards-Trinity and Pecos Valley aquifers are being impaired within the Management Zones.

Approximately 28 monitor wells in or in the vicinity of one of the three Management Zones has been established in the Edwards-Trinity and Pecos Valley aquifers. The monitoring wells are part of an approximately 100 well network in Pecos County and surrounding areas.

The development of the 2010 Year-End Water level Maps for each of the Management Zones is the first step in an on-going process to monitor aquifer conditions and determine if the adopted DFCs are or may be impaired. At least every 5 years and at other intervals as considered necessary, maps and pertinent gridding values of conditions may be developed in each Management Zone. In making this comparison of average draw down values a determination may be made to see if conservation measures may be warranted to avoid impairment of the DFCs or if aquifer conditions in the Management Zones are not likely to result in DFC impairment at the levels of groundwater use existing at the time of the assessment.

The measurements shown on the maps are the maximum level of recovery identified as the least number of feet below land surface that was measured in a particular well. The period to measure the recovery is through the end of February to capture water levels at the end of the high use season which normally occurs in the early months of the succeeding year.

Jeff Williams: The Groundwater Availability Model (GAM) was developed by the Texas Water Development Board for the whole state. Are you taking the same GAM and putting it into a 400 square acre or 200 square acre management zones?

Randy Williams/MPGCD Hydrogeologist: Texas Water Development Board (TWDB) is not accurate for comparing the effects of one well on another. It is contingent for gauging the effects that multiple wells in an area of multiple square miles. The process we are looking at today is to attempt to look at what the starting elevation

is so that in subsequent years MPGCD can measure what the elevation of water is and track changes and compare them to the DFC.

Ed McCarthy: For each well that is identified on the map, is the level of the contour shown for that well a measurement from a well that was taken as of or close to the same date?

Randy Williams/MPGCD Hydrogeologist: Yes.

Ed McCarthy: Within these zones being able to denote at a given time a level each year and watch how that fluctuates, that is distinguished from the DFC process where the DFC is adopted on a GMA (Groundwater Management Area) wide basis. Is the fact that these are varies of area production, you may have a greater drop in the aquifer in that area, doesn't automatically mean that the DFC has been violated since the DFC is set on a GMA wide basis, correct?

Randy Williams/MPGCD Hydrogeologist: That would be a policy question for the Board and would be based on the monitoring results based on some point in the future. The parts of the county that these Management Zones exist are part of the overall management draw down in Pecos County and are based on the average draw down in the GAM cells from the adopted DFCs. The average draw down over time in each of the zones from the DFC GAM runs is what appears in these schedules.

Jeff Williams: The GAM run and the DFCs aren't actually reflecting the actual pumping. I have personally added acres every year and am almost maxed out now; and Coyanosa has more pumping than originally. There is more farming now in Pecos County than when the DFC GAM was run. Is it conceivable that is has already been broke?

Randy Williams/MPGCD Hydrogeologist: We wouldn't know because we are just now establishing the starting point. The first comparison is scheduled for five years out. That same five years time is going on right now. Now the GMAs are already reconsidering that DFC again, because they have to do that every five years. So, if there is more use occurring in the county, then it is possible, and I would invite you to make sure that additional usage is being considered in the new DFCs that are being redeveloped.

Jeff Williams: I don't understand how these base lines are going to be used in the management plan. At some point there is drawdown, and say whatever level it might be, MPGCD is going to start cutting back. That has not been clearly stated or clarified anywhere.

Mike Gershon/MPGCD attorney: In civil terms now, the rule we are talking about is rule 10.5(f) and f says that this Board is going to look at aquifer levels at least every five years and compare them to the benchmarks and if the Board determines that quality impaired and it appears that we are trending towards impairment of the Desired Future Conditions in Pecos County for a particular aquifer then after additional rule making hearings, notice and rule making, the Board will establish a proportionate reductions accordingly. And so the Board will have to go through another public hearings rule makings process in order to make, to lay out its analysis and its proposed proportionate cutbacks that would be applied presumably on a management zone by management zone basis.

Ed McCarthy: To paraphrase what Mike said to make sure Jeff has his question answered is that right now all you have done is establish a baseline and what you do with that is to be determined as you watch the baseline if there is a fluctuation from it and if there is a problem, then you'll decide how to address the problem. Is that right?

Glenn: Right. The reason we are using a 2010 baseline is because it is in the statute set by the legislature. It is a dynamic process and we will learn more when we establish the benchmarks. What we do with them is a dynamic process. As we get more data points we will be able to see what our aquifers are doing and evaluate them better.

Ed McCarthy: We have gone through 2011, the state's worst one year drought, do we have an annual update on the maps so the Board knows where you are according to the benchmarks?

Paul Weatherby: That will be presented to the Board as part of this on-going process at the next meeting.

Mike Keester: You showed two different maps for management zone 1 with the different contours on there. It looks like from the table that most of those wells in zone 1 are in the Edwards/Trinity and when you add the 3 to 4 points, those were completed in the Pecos Valley.

Randy Williams/MPGCD Hydrogeologist: In as much as the GAM treats both aquifers equally, it is a one layer GAM, so they are not distinguished and they are not distinguished between the water levels that were resulting from the GAM runs for the DFCs.

Mike Keester: So you are just trying to equalize the actual measurements versus the GAM measurements then?

Randy Williams/MPGCD Hydrogeologist: That is our actual measurements versus the gradient flow. It is the gradient that we can establish with the actual measurements in such a way that would be comparable to what you could have established comparisons values for the management zones that are established from the GAM.

Mike Keester: The one that is being proposed for adoption is the one with the control points?

Randy Williams/MPGCD Hydrogeologist: Yes, otherwise it would appear that there was a significant drop off in the gradient, a significant change in the gradient in that area.

III Adjourn Alvaro Mandujano, Jr. made a motion to adjourn the public hearing on the benchmark water levels for 2010. Seconded by John Dorris. Motion carried and the public hearing was adjourned at 10:57 AM.

The Board recessed at 10:57 AM.

The Board reconvened at 11:57 AM.

REGULAR MEETING

I Call to order at 11:57 by President Glenn Honaker

Note: The agenda items are taken out of order

Agenda Item VII: Consider and/or act upon **2010 Benchmark Aquifer Levels in accordance with Rule 10.5.**

Glenn Honaker made a motion to table the 2010 benchmark aquifer level maps. Seconded by Alvaro Mandujano, Jr. Motion carried unanimously.

Agenda Item X: Consider and/or act upon **Order of Cancellation of Election on 11-06-2012**

Ronald Cooper made a motion to cancel the upcoming election on 11-06-2012 due to uncontested races. Seconded by John Dorris. Motion carried.

Agenda Item XI: Consider and/or act upon **GMA 7 Representative and GMA 3 Representative for MPGCD**

Merrell Daggett made a motion to appoint and designate Paul Weatherby to represent the district during joint planning in Groundwater Management Areas 3 and in 7. The alternate representative will be the district's Hydrogeologist Allan Standen. Motion seconded by Evans Turpin. Motion carried.

Agenda Item XIII: Consider and/or act upon **Public Funds Investment Policy**

M. R. Gonzalez made a motion to approve a resolution to adopt an investment policy. Seconded by Merrell Daggett. Motion carried.

Agenda Item II: Consider and/or act upon Minutes of:

A. July 23, 2012
B. July 24, 2012
C. August 9, 2012
D. August 23, 2012
E. August 27, 2012
F. September 6, 2012

Corrections that were made before signing the minutes: August 9, 23 and 27, 2012, and September 6, 2012, M. R. Gonzalez is Secretary/Treasurer not Vice President. Also on September 6, 2012, agenda item II needs a second to the motion recorded. The minutes were corrected and presented for signature.

Ronald Cooper made a motion to approve all minutes as corrected. Seconded by Evans Turpin. Motion carried.

Agenda Item IX: Consider and/or act upon **Presentation by the City of Fort Stockton regarding the Capitan Reef Aquifer Project**

Raul Rodriguez, Fort Stockton city manager, appeared before the Board at the request of Paul Weatherby, MPGCD general manager. The city of Fort Stockton would like to drill a test well into the Capitan aquifer. The water would be evaluated for quality and quantity. He said TCEQ has given approval to run the water through the current city reverse osmosis plant if the water quality is at least equal to the current water. Once it goes through the plant the data will become available. The city of Odessa has approached the city of Fort Stockton to buy the water from them, Odessa is fronting the funds to drill the test well. Cost estimates received are from $80,000 to $2,000,000. Mr. Rodriguez said he has made Odessa aware that drilling a test well does not ensure they will have access to the water.

Mr. Rodriguez was asked if the city of Fort Stockton was agreeable to exporting water out of Pecos County, and his reply was yes, but only from the Capitan Reef aquifer. Mr. Rodriguez stated that if the water quality is good enough to be feasible, then the city of Fort Stockton would like to use the water to relieve pressure on the Edwards. TCEQ limits potable water to 1,000 tds, and the Fort Stockton R.O. plant can handle 8,000 tds. He said that if the test well results are good, then the well can be turned in to a production well and the city would seek a production permit. When asked the current capacity at which the plant is running, he stated that the R.O. facility has been running at half of its capacity this summer. He said if the well is a decent producing well they could run the entire city on that water source without mixing water.

No action taken.

The Board recessed for lunch at 11:52 AM.

The Board reconvened at 1:15 PM

Agenda item III: Comments from **Public and Media (limit 5 minutes per person)**
No comments from the public or media

Agenda Item IV: **US Geological Service to Present the Conceptual Model**

John Bumgarner from USGS gave a power point presentation to the Board. The USGS provided a two volume booklet set:

1. Data Collection and Compilation for a Geodatabase of Groundwater, Surface-Water, Water-Quality, Geophysical, and Geologic Data, Pecos County Region, Texas, 1930-2011.
2. A Conceptual Model of the Hydrogeologic Framework, Geochemistry, and Groundwater-Flow System of the Edwards-Trinity and Related Aquifers in the Pecos County Region, Texas

The U. S. Geological Survey, in cooperation with Middle Pecos Groundwater Conservation District, Pecos County, City of Fort Stockton, Brewster County, and Pecos County Water Control and Improvement District #1, conducted a comprehensive, integrated analysis of available hydrogeologic data in order to develop a conceptual model of the Edwards-Trinity and related aquifers in the Pecos County region study area in west Texas. The conceptual model of the hydrogeologic framework, geochemistry, and groundwater-flow system in the 4,700 square-mile study area was developed in an effort

to better understand the groundwater system and establish a scientific foundation for resource-management decisions. Development of the conceptual model is the second phase of a three-phase groundwater-availability study being conducted in the Pecos County region by the USGS and the cooperators. The first phase was to collect groundwater, surface-water, geochemical, geophysical, and geologic data in the study area and develop a geodatabase of historical and collected data. Data compiled in the first phase of the study were used in this report to develop the conceptual model. The third phase of the study involves a numerical groundwater-flow model of the Edwards-Trinity aquifer in order to simulate groundwater conditions based on various groundwater-withdrawal scenarios.

Agenda item V Consider and/or act upon **USGS Spring Monitoring Proposal**

The proposal is for the continued operation of the spring flow gages that were installed in 2010 at Santa Rosa, Diamond Y, and Comanche Springs as a part of Phase I of the Pecos County Groundwater Availability Study and is included in the Data Acquisition and Geodatabase Compilation of Hydrogeologic Data in the Pecos County Region, Texas. The spring flow monitoring will be continued as part of the current study until February 2013. The cost proposal for USGS to continue monitoring the springs on an annual basis is $23,000.00: Santa Rosa Springs near Grandfalls, Texas $9,000; Comanche Springs at Fort Stockton, Texas $5,000; Diamond Y Springs near Fort Stockton, Texas $9,000.

Paul has talked to several land owners and entities about a cost share program, but at this time does not know if funds will be available to offset the $23,000 cost.

No action taken.

Agenda Item VI Consider and/or act upon **USGS Joint-Funding Agreement 13CSTX174000000 for 10/01/2012 – 09/30/2013**

Item tabled. No action taken.

Agenda Item VIII Consider and/or act upon **Fort Stockton Holding, LP's Motion for Rehearing** on District's adoption of certain rules on June 19, 2012.

On July 9, 2012 Mr. Ed McCarty, Jr., attorney for Fort Stockton Holdings, L.P., filed a motion for rehearing. The motion was filed on behalf of Fort Stockton Holdings, L.P., ("FSH") and pursuant to Sections 36.251, Texas Water Code, and the District's Rule 4.9, regarding to the District's rule amendments adopted June 19, 2012.

Fort Stockton Holdings, L. P. would like the District to withdraw the amendments to the rules reinstating the Historic and Existing Use process, including the extension of the deadline for filing an application for permits to September 15, 2005.

On September 11, 2012 Mr. Andrew "Drew" Miller, attorney for Pecos Pecan Company submitted reasons to overrule the motion for a rehearing.

Houston McKenzie, MPGCD Board member, stated that the deadline date of September 15, 2005 was extended to allow for applications to be finished. He stated that it wasn't extended for any one individual or company, but for everyone. A motion to extend the deadline was made and passed, and although it was a mistake to forget about the public hearing and proper notice to have it changed in the rules, it was an honest mistake.

President Honaker called an executive session at 2:33 PM for the purposes authorized under the Texas Open Meetings Act, V.T.C.A., Government Code, Chapter 551.071 to consult with attorney.

President Honaker reconvened the open meeting at 3:30 PM and stated that no decisions were made in executive session.

Houston McKenzie made a motion to grant the "Motion for a Rehearing" on the rules. Seconded by John Dorris. Motion carried and the rehearing is granted. Due to the 20-Day Notice requirement, the next meeting is being moved to October 23, 2012 at 1 PM.

Note: Houston McKenzie left at 3:39 PM. A quorum remained.

XII Consider and/or act upon **Accounts Payable and Treasurer's Report and Line Item Transfers for the Months Ending: 07-31-2012 and 08-31-2012.**

John Dorris made a motion to approve the accounts payable and treasurer's report and line item transfers for 07-31-2012. Seconded by Evans Turpin. Motion carried.

Merrell Daggett made a motion to approve the accounts payable and treasurer's report and line item transfers for 08-31-2012. Seconded by John Dorris. Motion carried.

XIV Consider and/or act upon **Progress Reports: Well Registrations, Production Permits, Drilling Permits, Data Loggers, ongoing Water Quality Analysis and Legislative Update**

- Well Registrations: Still increasing.
- Production Permits: Update on Precinct 4 well being drilled.
- Water Quality Analysis: Ongoing.
- Palmer Drought map: Map included in their notebook.

XV General Manager's report on incoming **Groundwater District-related Correspondence**

- TAGD quarterly meeting scheduled for October 30-31, 2012
- Report on Texas Water Development Board's Pre-publication Stake Holders Meeting regarding Chapter 356 Proposed Rule Changes held August 22, 2012
- Reminder of the Fort Stockton Holdings 83rd Judicial District hearing on 09-20-2012
- RigData report for September 14, 2012
- Allan Standen was introduced to the Board and Public as MPGCD's lead hydrogeologist.

XVI Consider and/or act upon **Agenda for next meeting**

- 2010 Benchmark Aquifer Levels
- USGS Joint funding regarding Spring Monitoring
- USGS Joint-Funding Agreement 13CSTX174000000 for 10/01/2012 – 09/30/2013

XVII **Adjourn** Merrell Daggett made a motion to adjourn, seconded by Evans Turpin. The motion carried, and the meeting adjourned at 3:51 PM.

M. R. Gonzalez, Secretary/Treasurer

Glenn Honaker, President

Date Approved 10/23/12

Proposed Map of 2010
Benchmark Aquifer Levels
*Management Zone 1

Bar-W GROUNDWATER EXPLORATION

Results

Within the constraints of the available data, in general the water-level contours within the bounds of the Management Zones appear reasonable. The range of water-level elevations for Management Zone 1 is approximately 2,830.95 feet to 3,117.72 feet NAD 83. The range of water-level elevations for Management Zone 2 is approximately 2,230.5 feet to 2,372.66 feet NAD 83. The range of water-level elevations for Management Zone 3 is approximately 2,252.15 feet to 2,866.15 feet NAD 83.The initial results in the southern portion of Management Zone 3 appeared to be improved from the addition of the adjacent Monitoring-Well data. The apparent overlap of water-level elevation values reported for Management Zones 1 and 3 is likely the result of the addition of proximate data from Management Zone 1 into the gridding process for the Management Zone 3 map. (Figures 4, 5 and 6)

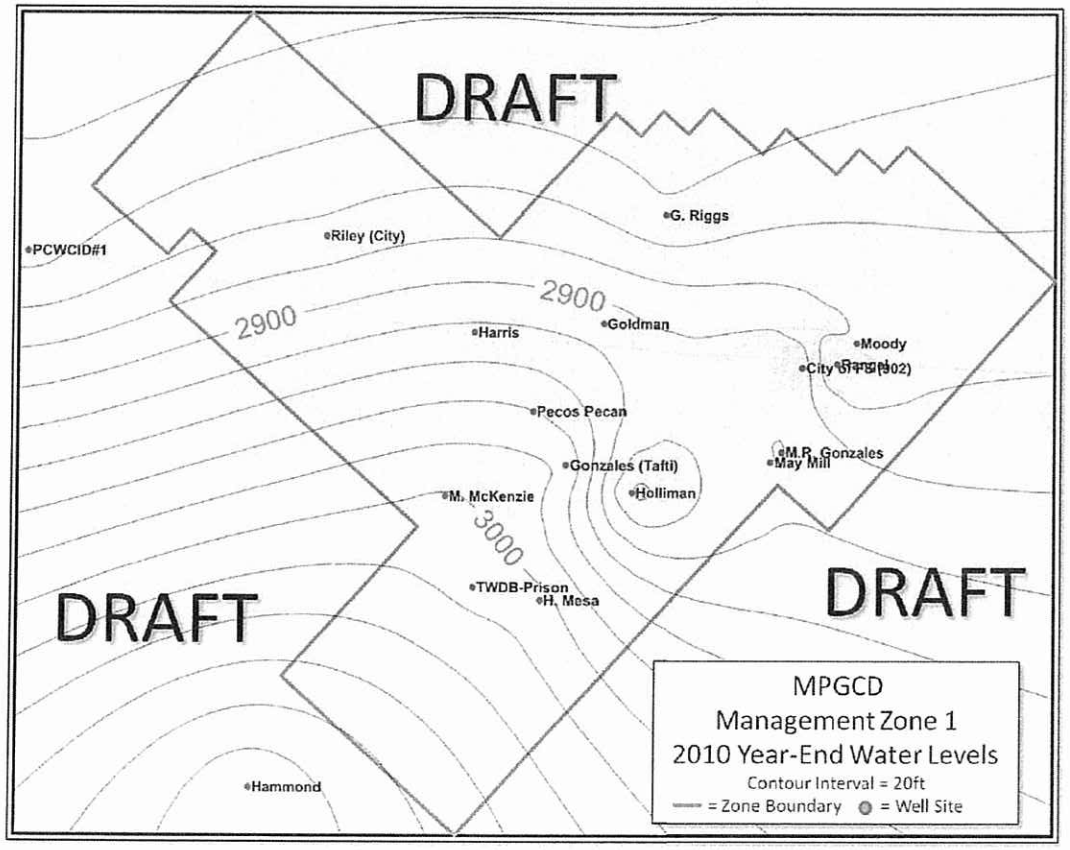

Figure 4, 2010 Year-End Water Levels in Management Zone 1

Proposed Map of 2010
Benchmark Aquifer Levels
*Management Zone 2

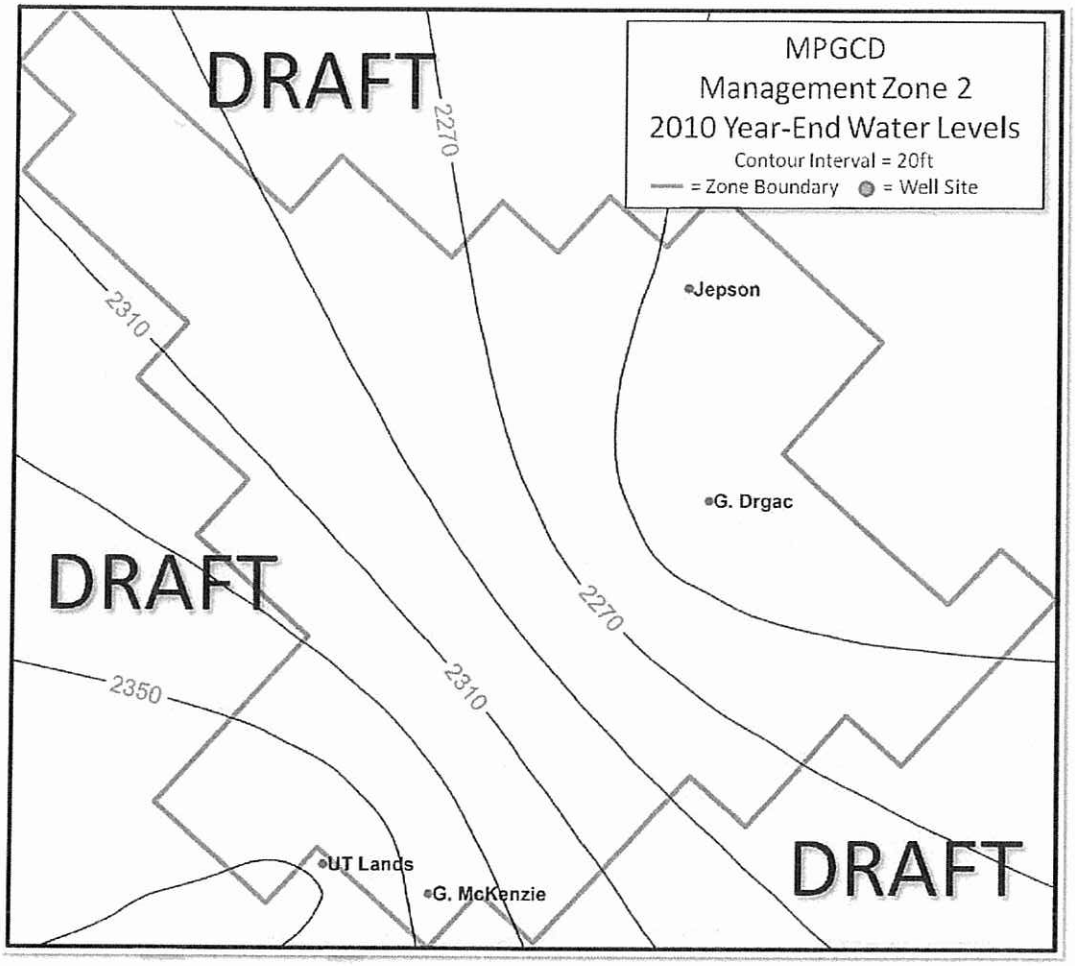

Figure 5, 2010 Year-End Water Levels in Management Zone 2

Proposed Map of 2010
Benchmark Aquifer Levels
*Management Zone 3

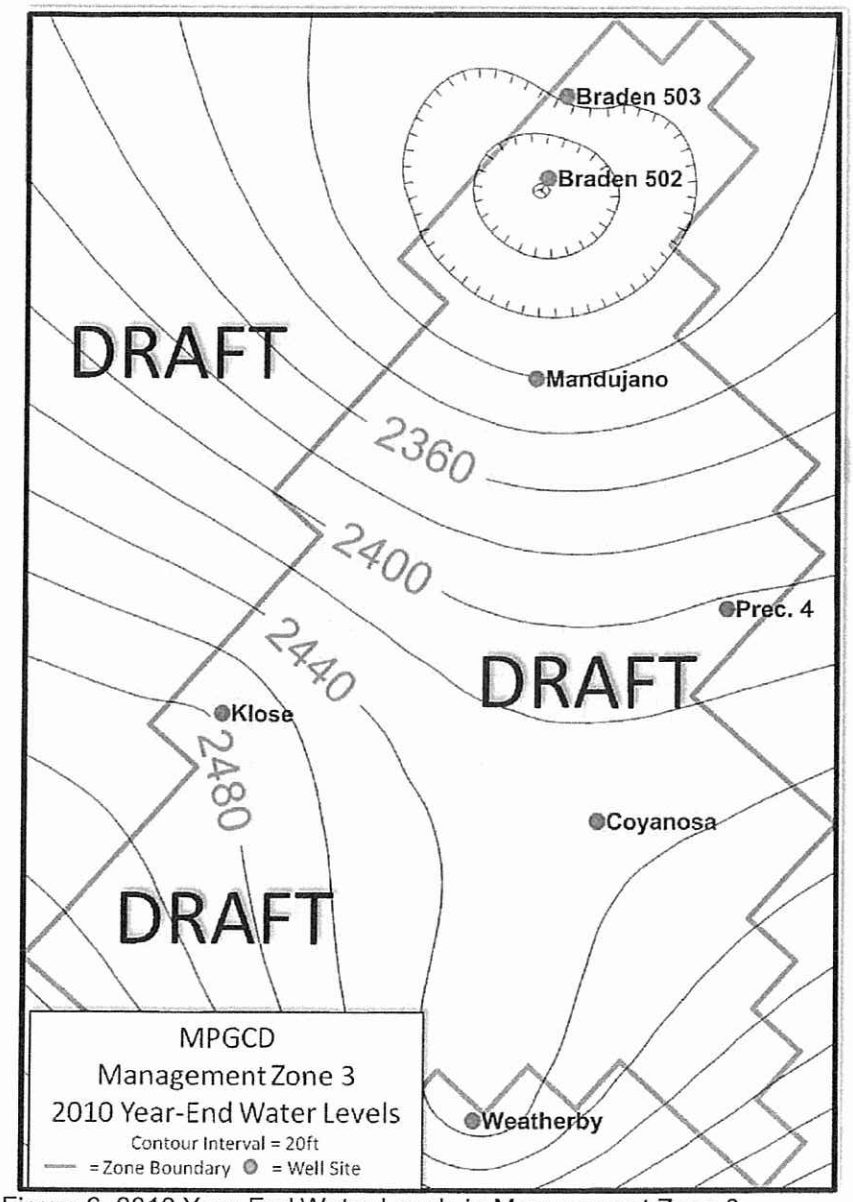

Figure 6, 2010 Year-End Water Levels in Management Zone 3