

Middle Pecos Groundwater Conservation District
Minutes of February 18, 2014

On this the 18th day of February, 2014, public hearings and 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:

Jerry McGuairt	President, Precinct 1
John Dorris	Vice President, Precinct 3
M. R. Gonzalez	Secretary/Treasurer, Precinct 2
Weldon Blackwelder	Precinct 3
Ronald Cooper	Precinct 4
Vanessa Cardwell	City of Fort Stockton
Terry Whigham	At Large

Quorum Present. (Note: John Dorris arrived at 10:20 a.m.)

Member Absent: Janet Groth, Merrell Daggett, Alvaro Mandujano, Jr., & Evans Turpin

Others present: Paul Weatherby, Mike Gershon, Allan Standen, Gail Reeves, Ty Edwards, Melissa Mills, John Litchenberger, Ed McCarthy, Brock Thompson, Mike Thornhill, Tom Dans, James Cravens, Taylor Staten, Ken Ortega, Butch Gantreauz, Michael McCulloch, Val & Tom Beard, and Polly Taylor with the Fort Stockton Pioneer.

REGULAR BOARD MEETING

I Call to order at 10:03 a.m. by Board President Jerry McGuairt

II Comments from **public and media** (limit 5 minutes per person)
Members of the public may address the Board for a limited time concerning any subject whether or not it is on the agenda. The Board is not allowed to take action on any subject presented that is not on the agenda, nor is the Board required to provide a response.

No comments from the public

III Consider and/or act upon **Minutes of January 21, 2014**
Vanessa Cardwell made a motion to accept the minutes as presented.
Seconded by M. R. Gonzalez. Vote: For 6 Absent 5. Motion carried.

IV Consider and/or act upon **Minutes of February 11, 2014**
Ronald Cooper made a motion to accept the minutes as presented.
Seconded by Terry Whigham. Vote: For 6 Absent 5. Motion carried.

The following agenda items taken up out of sequence:

- X Consider and/or act upon Budget Amendment
Ronnie Cooper made a motion to approve the Budget Amendments as presented.
Motion seconded by Vanessa Cardwell. Vote: For 6 Absent 5. Motion carried.
- V Consider and/or act on **Accounts Payable and Treasurer's Report and Line Item Transfers for the Month Ending January 31, 2014**
Vanessa Cardwell made a motion to approve the Accounts Payable and Treasurer's Report (there were no line item transfers) for the month ending January 31, 2014. Motion seconded by Weldon Blackwelder. Vote: For 6 Absent 5. Motion carried.

John Dorris arrived after agenda item #V and before agenda item#XI.

- XI Consider and/or act upon **Rule 11.9.3 reference hydrogeological report requirements and set rule-making hearing**
Ronnie Cooper made a motion to approve *Rule 11.9.3 reference hydrogeological report requirements* with the following amendments: 1) remove the ?? on the 4th and 6th pages; and 2) add Bromide (Br) to the list of water analysis constituents under #9. Set the rule hearing date as March 18, 2014, at 10 a.m. The motion was seconded by Vanessa Cardwell. Vote: For 7 Absent 4. Motion carried.

HEARINGS AND BOARD ACTION ON PRODUCTION PERMIT APPLICATIONS

Production Permit for Staten Ranch LLC

- I Call to order at 10:0 a.m. by President McGuairt.

Party representing application: Mr. Staten

Protestant to application: None

Public comment: None

Application request: 10 acre feet/year from the Pecos Valley Aquifer for a 3 well system located approximately 2.3 miles west of Ranch Road 1776 on Tipton Rd, in Pecos County, Texas. The purpose of this well system is for domestic, livestock, wildlife, irrigation, and industrial use.

Manager Paul Weatherby presented the application to the Board, and recommended that it be approved.

II Adjourn hearing and consider and/or act on **Production Permit Application for Staten Ranch LLC.**

The hearing was adjourned at 10:45 a.m., and the regular meeting was called to order.

Weldon Blackwelder made a motion to approve the production permit as presented for 10 acre feet/year from the Pecos Valley Aquifer for a 3 well system located approximately 2.3 miles west of Ranch Road 1776 on Tipton Rd, in Pecos County, Texas. The purpose of this well system is for domestic, livestock, wildlife, irrigation, and industrial use. Motion seconded by John Dorris. Motion passed without opposition or abstention.

Production Permit for Martin Ibarra

I Call to order at 10:45 a.m. by President McGuairt.

Party representing application: None

Protestant to application: None

Public comment: None

Application request: 1 well located at 1900 State St, Ft. Stockton in Pecos County, Texas. The purpose of this water well is for Industrial Use and requests 10 acre feet/year from the Edwards Trinity Aquifer.

Manager Paul Weatherby presented the application to the Board, and recommended that it be approved.

II Adjourn hearing and consider and/or act on **Production Permit Application for Martin Ibarra.**

The hearing was adjourned at 10:46 a.m., and the regular meeting was called to order.

Weldon Blackwelder made a motion to grant 2 acre feet/year for one well located at 1900 State St, Ft. Stockton in Pecos County, Texas. The purpose of this water well is for Industrial Use from the Edwards Trinity Aquifer. The motion was seconded by John Dorris. Vote: For 5 Against 2 Absent 4. No action taken.

Terry Whigham made a motion to grant 10 acre feet for one well located at 1900 State St, Ft. Stockton in Pecos County, Texas. The purpose of this water well is for Industrial Use from the Edwards Trinity Aquifer. The motion was seconded by M. R. Gonzalez. Vote: For 2 Against 5 Absent 4. No action taken.

Ronnie Cooper made a motion to grant 5 acre feet/year for one well located at 1900 State St, Ft. Stockton in Pecos County, Texas. The purpose of this water well is for Industrial Use from the Edwards Trinity Aquifer. The motion was seconded by John Dorris. Vote: For 5 Against 2 Absent 4. No action taken.

The hearing is reopened by President McGuairt, and will be continued at the March 18, 2014, meeting and will be heard at 10:30 a.m.

Production Permit for Pecos SS, LLC

- I The Public Hearing on **Production Permit Application for Pecos SS, LLC. will be continued to March 18, 2014.**
- II Adjourn hearing and consider and/or act on **Production Permit Application for Pecos SS, LLC.**

Hearing will be continued on March 18, 2014. No action taken.

Production Permit for Jack McIntyre

- I The Public Hearing on the **Production Permit Application for Jack McIntyre was called to order at 1:10 p.m.**

Party representing application: None

Protestant to application: None

Public comment: None

Application request: 24 acre feet/year for one well approximately 4 miles west on Hwy 285 from the intersection of FM 1776 and Hwy 285 and 4 miles north of Hwy 285, in Pecos County, Texas. The purpose of this well is for Industrial, Domestic, and Livestock Use from the Pecos Valley Aquifer.

Board members requested proof of ownership, and signatures of all family members owning interest in the property.

The hearing will be continued on March 18, 2014 at 10:45 a.m.

- II Adjourn hearing and consider and/or act on **Production Permit Application for Jack McIntyre.**

Hearing will be continued on March 18, 2014. No action taken.

Drilling Permit for Aquifer Group, LLC

- I The Public Hearing on **Drilling Permit Application for Aquifer Group, LLC. will be continued on March 18, 2014.**

- II Adjourn hearing and consider and/or act on **Drilling Permit Application for Aquifer Group, LLC.**

The regular board meeting was reopened.

Hearing will be continued on March 18, 2014. No action taken.

- VI Consider and/or act upon **Barilla Solar, LLC Application for Tax Abatement**

Vanessa Cardwell made a motion to accept the Barilla Solar, LLC application for a tax abatement as presented. The motion was seconded by M. R. Gonzalez. Vote: For 4 Against 3 Absent 4. No action taken.

The item will be on the March agenda.

- VII Consider and/or act upon **Barilla Solar, LLC Tax Abatement Agreement**

Tabled until March agenda.

- VIII Consider and/or act upon **Mileage Rate**

Ronnie Cooper made a motion to set the mileage rate at 56¢ per mile. Motion seconded by Weldon Blackwelder. Vote: For 6 Against 1 Absent 4. Motion passed.

- IX Consider and/or act upon **Hydrogeological Study for Pecos County**

MPGCD Hydrogeologist Allan Standen gave a presentation:

- Build hydro-stratigraphic dataset of aquifer and selected oil and gas formation surfaces for Pecos County referenced to land surface.
- Create net saturated sand maps for the Trinity and Dockum aquifers.
- Create cross-sections illustrating water level surface relative to aquifer surfaces.

- Build a hard copy library of all geological well data, referenced to state well grid and large scale maps, 24" by 30", illustrating depths to aquifer and
- Oil/gas surfaces
- Study all aquifers and determine how production is distributed geographically in the Pecos Valley.
- Delivery date of study to the District is March 1, 2015.

Ronnie Cooper made a motion, and John Dorris seconded the motion to accept Allan Standen's proposal.

Pursuant to Section 551.074 of the Texas Government Code, the Board will now convene in a closed session regarding the Texas Open Meetings Act exemption covering the Board's deliberation of personnel matters. Any action on this matter will be taken in open session. The time is 2:40 p.m.

Open session reconvened at 2:48 p.m. and a certified agenda was prepared and kept in accordance with the Texas Open Meetings Act.

Vote: For 7 Against 0 Absent 4. Motion passed.

XII **Review Brackish Water Issues**

The Board was presented a press release issued January 16, 2014 from the office of the Lieutenant Governor David Dewhurst regarding interim charges for Natural Resources, and announcements of water-related appointments.

XIII **Consider and act upon Depository Contract with Pecos County State Bank**

John Dorris made a motion that MPGCD set policy and strategy to invest District funds in Demand Deposit accounts, Certificates of Deposit and other interest-bearing bank accounts at Pecos County State Bank in compliance with the Public Funds Investment Act for the next 12 months. Motion seconded by Weldon Blackwelder. Motion carried.

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

- The U. S. Drought Monitor Map was presented to the Board.
- Well Registrations are increasing.
- Production Permits: There are upcoming permits.
- Drilling Permits: Replacement wells approved.
- Water Quality Analysis: Had report of violation against Genesis and the Railroad Commission is imposing fines. There has been no sign of water contamination. We should have an update at the March meeting.

XV Consider and/or act upon **General Manager's Correspondence and Report**

- Investment Funds: Funds will be converted to a Certificates of Deposit and to the Money Market account.
- Cactus Sign: Signs will be posted at the roadway entry points into Pecos County designating the boundaries of the Middle Pecos GCD.
- Recurrent Energy has requested that the Pecos County Commissioners' Court establish a Reinvestment Zone as part of the county's consideration of the Application for Tax Abatement on February 24, 2014.
- A letter of support was offered as support for the City of Laredo's application for a Bureau of Reclamation WaterSMART Basin Project grant.
- Texas Water Development Board is having a work session in Lubbock on February 24 to provide an overview of the process for implementing the State Water Implementation Fund for Texas (SWIFT).

XVI **Directors' comments**

Weldon Blackwelder announced that Houston McKenzie will be having his annual Bull Sale on the date scheduled for the next regular board meeting date and that a quorum may be difficult to achieve.

XVII Consider and/or act upon **agenda for next meeting**

- March 17th: Begin at 1 p.m. and have a workshop on the outcome of the USGS study, and how it will affect the granting of drilling and production permits. Other business can also be scheduled on March 17th.
- March 18th: Begin at 9 a.m. The rule hearing will be at 10 a.m., Martin Ibarra hearing will be at 10:30 a.m., and Jack McIntyre hearing will be at 10:45 a.m., and other business that remains.

XVIII **Adjourn**

Ronnie Cooper made a motion to adjourn at 3:40 p.m. Motion seconded by Weldon Blackwelder. Motion carried.

M. R. Gonzalez, Secretary/Treasurer

Jerry McQuairt, President

Date Approved _____