

Middle Pecos Groundwater Conservation District
Minutes of November 18, 2014

On this the 18th day of November, 2014, a regular board meeting and public hearings were 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
M. R. Gonzalez	Secretary/Treasurer, Precinct 2
John Dorris	Vice President, Precinct 3
Janet Groth	Precinct 1
Ruben Falcon	Precinct 2 (Newly elected)
Weldon Blackwelder	Precinct 3
Alvaro Mandujano, Jr.	Precinct 4
Ronald Cooper	Precinct 4
Vanessa Cardwell	City of Fort Stockton
Jeffery McMahan	City of Iraan (Newly elected)
Terry Whigham	At Large

Quorum Present.

Board members absent: Outgoing Board Members: Merrell Daggett & Evans Turpin

Others present: Paul Weatherby, Mike Gershon, Allan Standen, Gail Reeves, Ty Edwards, Harvey Gray, Melissa Mills, Bob Sadler, Brock Thompson, Jeff Williams, Ed McCarthy, Darrell Peckham, Tommy Ervin, Don Burns, Troupe Brewer, Raymond Straub, Raul Rodriguez, Alan Murphy, Gerado Rodriguez, Mr. and Mrs. Ted Dutton, and Bob Beal/Fort Stockton Pioneer.

REGULAR BOARD MEETING

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

II **Canvas November 4, 2014 Election**

Canvas of Election:

Precinct 1: Jerry McGuairt

Precinct 4: Ronnie Cooper

Precinct 2: Ruben Falcon

City of Fort Stockton: Vanessa Cardwell

Precinct 3: Weldon Blackwelder

City of Iraan: Jeffery McMahan

Vanessa Cardwell made a motion to approve the canvas of results for the November 4, 2014, Middle Pecos GCD election as conducted by the Pecos County Clerk Election Office. Motion seconded by M. R. Gonzalez. Carried unanimously.

III **Administer the Statement of Elected Officer**

The following Board Members were administered the *Statement of Elected Officer* by President Jerry McGuairt:

Precinct 1: Jerry McGuairt

Precinct 4: Ronnie Cooper

Precinct 2: Ruben Falcon

City of Fort Stockton: Vanessa Cardwell

Precinct 3: Weldon Blackwelder

City of Iraan: Jeffery McMahan

IV **Administer Oath of Office for Board Members**

The following Board Members were administered the *Oath of Office* by President Jerry McGuairt:

Precinct 1: Jerry McGuairt

Precinct 4: Ronnie Cooper

Precinct 2: Ruben Falcon

City of Fort Stockton: Vanessa Cardwell

Precinct 3: Weldon Blackwelder

City of Iraan: Jeffery McMahon

V Consider and/or act upon **MPGCD Board Reorganization**

Office of President: Ronnie Cooper nominated Jerry McGuairt. Nominations ceased. Ronnie Cooper made a motion to elect Jerry McGuairt as President. Motion seconded by Weldon Blackwelder. Motion carried.

Office of Vice President: Vanessa Cardwell nominated John Dorris. Nominations ceased. Vanessa Cardwell made a motion to elect John Dorris as Vice President. Motion seconded by Weldon Blackwelder. Motion carried.

Office of Secretary/Treasurer: John Dorris nominated M. R. Gonzalez. Nominations ceased. John Dorris made a motion to elect M. R. Gonzalez as Secretary/Treasurer. Motion seconded by Terry Whigham. Motion carried.

VI 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 public or media comments.

VII Consider and/or act upon **Minutes of October 21, 2014**

Vanessa Cardwell made a motion to accept the minutes of October 21, 2014. Motion seconded by John Dorris. Alvaro Mandujano, Jr. abstained. Motion carried without objection.

VIII Consider and/or act upon **Accounts Payable and Treasurer's Report and Line Item Transfers for the Month Ending October 31, 2014**

Vanessa Cardwell made a motion to accept the Accounts Payable and Treasurer's Report and Line Item Transfers for the Month Ending October 31, 2014. Motion seconded by Alvaro Mandujano, Jr. Motion carried.

IX Consider and/or act upon **General Manager's Quarterly Report**

Ronnie Cooper made a motion to approve the General Manager's Quarterly Report. Motion seconded by John Dorris. Motion carried unanimously.

X **Progress Reports: Well Registrations, Production Permits, Drilling Permits, Data Loggers, ongoing Water Quality Analysis, Drought Map**

- Well Registrations: Progress report in their notebooks.
- Water Quality Analysis: Continuing to gather samples. A transducer is available for around \$1,800 and it will monitor TDS and sulfate levels as well as the water level. There are selected areas in the county where this transducer will provide useful information, and we will be purchasing several of the transducers.
- Data Loggers: Ongoing operations running smooth.
- The Texas Drought Report map was presented for Board review.
- A map showing Total Dissolved Solids (TDS) levels throughout Pecos County was presented for Board review.
- You will be receiving legislative updates from time to time on groundwater legislation.

An Executive Session was called at 10:35 a.m. by President Jerry McGuairt pursuant to the Texas Open Meetings Act, Sections 551.071 of the Texas Government Code, to consult with our attorney Mike Gershon.

The executive session ended at 12:02 p.m. The Board recessed for lunch. Reconvene the regular Board meeting at 1:02 p.m. President McGuairt stated that no decisions or votes were made in executive session.

NOTE: The following is taken up out of agenda order.

PUBLIC HEARING TO ADDRESS POTENTIAL DEGRADATION OF GROUNDWATER QUALITY OF THE EDWARDS-TRINITY AQUIFER AND POSSIBLY OTHER AQUIFERS LOCATED WITHIN PECOS COUNTY BY PPC OPERATING, LLC AND/OR ITS AFFILIATES

- I Call to order.
President McGuairt announced that as Presiding Officer he would not be calling to order today's hearing on PPC Operating, LLC.

CONSOLIDATED DRILLING AND PRODUCTION PERMIT HEARING for ROBERT SADLER AND FRANK LIGON FOR A 2 WELL SYSTEM ON BLOCK 51-10, SECTION 8 IN PECOS COUNTY, TX.²

- I Call to order at 1:04 p.m. on Public Hearing on **Consolidated Drilling and Production Permit Application for Robert Sadler and Frank Ligon for a 2 well system on Block 51-10, Section 8 in Pecos County, TX.**

Permit Request: 30 acre feet/year from the Edwards Trinity Aquifer. The 2 proposed wells are located on T&P RR Co Block 51-10 Section 8 in Pecos County, TX. The wells are projected to be 600 ft in depth, and drilled into the Edwards Trinity Aquifer. The purpose of the proposed wells is for Industrial Use.

Board member Alvaro Mandujano, Jr. recused himself from proceedings due to a conflict of interest. (Disclosure Affidavit signed)

Party representing application: Bob Sadler

Protestant to application: Bob Hayter provided verbal comment on October 21, 2014. He was unable to attend today's hearing and submitted written comments along with a map depicting his well locations. His letter dated 11-17-2014 requested that it be part of the record that his family strongly protests any commercial station this close to their ranch and home.

Public comment: Ed McCarthy, on behalf of Fort Stockton Holdings, registered the following written comments:(Summarized) Based upon its real property interests and regulatory rights, FSH has legal rights, privileges and economic interests within the District's regulatory authority that may be adversely affected by the Applicants proposed permit.

Paul Weatherby presented the application to the Board. MPGCD will have 2 monitor wells in the area – one on Bob Hayter's ranch and one on the Interstate. He asked that a special condition be added to the permit application, which is that MPGCD will install a tremmie pipe to get drawdown and static levels and the transducer would be at the cost of MPGCD.

Bob Sadler: If sufficient water is obtained with the first well drilled, he may not need 2 wells. At this time, he requests that the application be approved as presented for 2 wells at 30 acre feet for the 2 well system.

II **Adjourn hearing and consider and/or act on Consolidated Drilling and Production Permit Application for Robert Sadler and Frank Ligon for a 2 well system on Block 51-10, Section 8 in Pecos County, TX.**

Weldon Blackwelder made a motion to adjourn the hearing. Motion seconded by John Dorris. Motion carried and the hearing adjourned at 1:18 p.m.

Weldon Blackwelder made a motion to approve the permit application for 30 acre feet/year from the Edwards Trinity Aquifer. The 2 proposed wells are located on T&P RR Co Block 51-10 Section 8 in Pecos County, TX. The wells are projected to be 600 ft in depth, and drilled into the Edwards Trinity Aquifer. The purpose of the proposed wells is for Industrial Use. Motion seconded by John Dorris. Motion carried with one recusal.

PRODUCTION PERMIT HEARING for DRIPPING SPRINGS RANCH²

- I Call to order at 1:23 p.m. on Public Hearing on **Production Permit Application for Dripping Springs Ranch for a 3 well system located at 9843 Highway 290 East, Sheffield, TX.**

3 well system located at 9843 Hwy 290 East, Sheffield, Texas. The purpose of this well system is for Irrigation Use and requests 915 acre feet/year from Edwards Trinity Aquifer.

Party representing application: Ted Dutton

Protestant to application: None

Public comment: Ed McCarthy, on behalf of Fort Stockton Holdings, registered the following written comments:(Summarized) Based upon its real property interests and regulatory rights, FSH has legal rights, privileges and economic interests within the District's regulatory authority that may be adversely affected by the Applicants proposed permit.

Ty Edwards presented the application to the Board. He has been farming 183 acres for years with these wells. The wells pump 880 gallons per minute. When we called Mr. Dutton about needing to get a production permit, he came in immediately. The application is administratively complete.

- II Adjourn hearing and consider and/or act on **Production Permit Application for Dripping Springs Ranch for a 3 well system located at 9843 Highway 290 East, Sheffield, TX.**

Jerry McGuairt adjourned the hearing at 1:28 p.m.

John Dorris made a motion to approve the production permit for 915 acre feet/year from Edwards Trinity Aquifer for a 3 well system located at 9843 Hwy 290 East, Sheffield, Texas. The purpose of this well system is for Irrigation Use. The motion was seconded by Vanessa Cardwell. Motion carried unanimously.

PRODUCTION PERMIT HEARING for M. R. Gonzalez²

- I Call to order at 1:28 p.m. on Public Hearing on **Production Permit Application for M. R. Gonzalez.**

Requests 15 acre feet/year from Edwards Trinity Aquifer for industrial use for one well located approximately 2 miles south of Fort Stockton on Hwy 385, in Pecos County, Texas.

Board member M. R. Gonzalez recused himself from proceedings due to a conflict of interest. (Disclosure Affidavit signed)

Party representing application: M. R. Gonzalez

Protestant to application: None

Public comment: Ed McCarthy, on behalf of Fort Stockton Holdings, registered the following written comments:(Summarized) Based upon its real property interests and regulatory rights, FSH has legal rights, privileges and economic interests within the District's regulatory authority that may be adversely affected by the Applicants proposed permit.

Paul Weatherby presented the application to the Board. The well is an exempt well that he wishes to sell water from, and he is requesting 15 acre/feet annually.

II Adjourn hearing and consider and/or act on **Production Permit Application for M. R. Gonzalez.**

Jerry McGuairt adjourned the hearing at 1:32 p.m.

Vanessa Cardwell made a motion to approve 15 acre feet/year from Edwards Trinity Aquifer for industrial use for one well located approximately 2 miles south of Fort Stockton on Hwy 385, in Pecos County, Texas. Motion seconded by Terry Whigham. Motion carried with one recusal.

PRODUCTION PERMIT HEARING for Pyote Water Systems III²

I Call to order at 1:34 p.m. on Public Hearing on **Production Permit Application for Pyote Water Systems III.**

Requests 50 acre feet/year from the Edwards Trinity Aquifer for 1 well located approximately 4 miles North of Sheffield on Hwy 349, Pecos County, Texas. The purpose of this water well is for Industrial Use.

Party representing application: No one present

Protestant to application: None

Public comment: Ed McCarthy, on behalf of Fort Stockton Holdings, registered the following written comments:(Summarized) Based upon its real property interests and regulatory rights, FSH has legal rights, privileges and economic interests within the District's regulatory authority that may be adversely affected by the Applicants proposed permit.

Paul Weatherby presented the application to the Board. The well was drilled in January 2014. Lasseter is the land owner. They want to sell brine water for a salt water injection well. If they do not get the Brine permit, they want to sell fresh water. They want to haul 1,000 barrels per day. There is not a monitor well in the area.

II Adjourn hearing and consider and/or act on **Production Permit Application for Pyote Water Systems III**

The hearing will be continued to the January 20, 2015 meeting at 10:30 a.m.

DRILLING PERMIT HEARING for STW Water Process & Technologies²

I Call to order at 1:43 p.m. on Public Hearing on **Drilling Permit Application for STW Water Process & Technologies.**

Proposed Test Well is located approximately 12 miles Southwest of Fort Stockton on Old Alpine Hwy on T&P RR Co Block 3, South East section 112 in Pecos County, Tx. The proposed well will be drilled to +/-4,000 ft into the Capitan Reef Aquifer.

Party representing application: Alan Murphy and Raul Rodriguez

Protestant to application: None

Public comment: Ed McCarthy, on behalf of Fort Stockton Holdings, registered the following written comments:(Summarized) Based upon its real property interests and regulatory rights, FSH has legal rights, privileges and economic interests within the District's regulatory authority that may be adversely affected by the Applicants proposed permit.

Paul Weatherby presented the application to the Board. This test well is in addition to the test well approved on 09-16-2014. It will be on the same section of property owned by the City of Fort Stockton. There is a signed agreement giving STW Water Process & Technologies the authority to drill. They are expecting 1,500 to 2,500 gallons per minute, and if the well good – they will come back to the Board requesting a production permit with authorization to export, and possibly for industrial use also. The well is being drilled to Texas Commission on Environmental Quality regulations for a potable water well.

II Adjourn hearing and consider and/or act on **Drilling Permit Application for STW Water Process & Technologies.**

Jerry McGuairt adjourned the hearing at 1:55 p.m.

Ruben Falcon made a motion to approve the Drilling of the Test Well located approximately 12 miles Southwest of Fort Stockton on Old Alpine Hwy on T&P RR Co Block 3, South East section 112 in Pecos County, Tx. The well will be drilled to +/-4,000 ft into the Capitan Reef Aquifer. Motion was seconded by Alvaro Mandujano, Jr. Motion carried unanimously.

REGULAR BOARD MEETING CONTINUED

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

- On 11-12-2014 MPGCD sent a letter of protest to the Environmental Protection Agency pertaining to the proposed rule redefining "waters of the U.S."
- 11-05-2014 Far West Texas Judges and Commissioners Association letter thanking Mr. Weatherby for the program he gave at the conference.
- There is a Region F water meeting on Thursday, November 20th in Big Spring. MPGCD will not be in attendance.
- 3rd Lone Star Water Summit: December 9-12, 2014 in Austin, TX: Paul will be attending on December 12th as a member of a panel on *Current and Long-Term Water Supply and Needs for Texas*

XII Consider and/or act to **address corrections and construction required to complete addition and bathrooms at District's headquarters, including but not limited to possible claims and negotiations with and/or lawsuit against contractor (Skyline C.G./Skyline Construction Group/Blas Lucero).**

We have been unable to contact Blas Lucero/Skyline Construction Group. It has been several months and he hasn't returned to correct the stalls in the bathroom. We would like to contact the Pecos County attorney to try and get the matter resolved.

A motion was not made, but the unanimous consensus of the Board was to proceed with contacting the Pecos County attorney.

XIII **Directors' comments**

- The Pecos SS hearing will be on December 2 and 3, 2014 at the Pecos County Courthouse. The hearing will begin at 10 a.m. on December 2nd.
- The next regular meeting of the Board will be on January 20, 2015.

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

- We already have 2 production permits for the January board meeting.

XV **Adjourn**

Weldon Blackwelder made a motion to adjourn the meeting at 2:20 p.m. Motion seconded by Janet Groth. Motion carried unanimously.

M. R. Gonzalez, Secretary/Treasurer

Jerry McGuairt, President

Date Approved _____