

MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

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Email: mpgcd@mpgcd.org Website: www.middlepecosgcd.org

Directors

Jerry McGuairt, President Janet Groth, Vice President M. R. Gonzalez, Secretary/Treasurer
Alvaro Mandujano, Jr. Vanessa Cardwell Ronald Cooper
Weldon Blackwelder Allan Childs Jeff Sims Puja Boinpally Larry Drgac

Employees

Ty Edwards, General Manager
Office: Gail Reeves Field Technician: Anthony Bodnar

MINUTES OF THE REGULAR BOARD MEETING AND PERMIT HEARINGS HELD BY VIDEOCONFERENCE AND TELECONFERENCE

March 23, 2021

In accordance with Governor Abbott's declaration of the COVID-19 public health threat and action to temporarily suspend certain provisions of the Texas Open Meetings Act, a quorum of the District's Board of Directors held its regular Board meeting and hearings by videoconference and call-in. The public was invited to join this meeting and hearings by way of videoconference and toll-free call-in. Members of the public wishing to make public comment during the meeting were able to register by emailing mpgcd@mpgcd.org prior to 9:30 a.m. on March 23, 2021. A copy of the agenda packet was made available on the District's website at the time of the meeting.

On this the 23rd of March 2021, a Regular Board Meeting was held by the Middle Pecos Groundwater Conservation District with the following members present:

Jerry McGuairt	President, Precinct 1
Janet Groth	Vice President, Precinct 1
M. R. Gonzalez	Prec. 2, Sec./Treasurer
Puja Boinpally	Precinct 2
Ronnie Cooper	Precinct 4
Alvaro Mandujano, Jr.,	Precinct 4
Vanessa Cardwell	City of Fort Stockton
Jeff Sims	City of Iraan

Quorum Present.

Members Absent: Weldon Blackwelder, Larry Drgac, Allan Childs, Jr.

District employees and consultants participating: Ty Edwards, Mike Gershon, Gail Reeves, Dr. Bill Hutchison, Allan Standen, Jim Burton, Rocky Rives.

Others attending: Schuyler Wight, Rita Childs, Geoff Pike, Ryan Reed, Buck Benson, Zachary Swick, Ed McCarthy, Mike Thornhill, Mark Tisdale, Mel Riggs, Mike Keester, James Beach, Carlos Rubenstein, Van Kelley, Glen Honaker, Brock Thompson, James Cravens, Robert Mace, and Mike Thornhill.

REGULAR BOARD MEETING

- I Call to order regular Board Meeting and roll call at 10:00 a.m. by President Jerry McGuairt.
- II Comments from **public and media**: No comments.
- III Consider and/or act upon **Financial Audit for the Year ending 09-30-2020**.

Rocky Rives with Smith and Rives, PC Certified Public Accountants presented the audit to the Board and answered all questions. The opinion rendered is an unmodified opinion which is the best that can be rendered. The financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the MPGCD, as of September 30, 2020, and the respective changes in financial position thereof for the year ended in conformity with the "GAAP" (generally accepted accounting principles), including those principles generally accepted for government entities in the United States of America. There are no findings that require disclosure or corrective action in the audit report.

Ronnie Copper made a motion to approve the Financial Audit for year ending 09-30-2020 as presented. Motion seconded by Vanessa Cardwell.

Motion passed. Vote: 8 FOR. -0- Oppose 3 Absent 0 Abstain.

The Regular Meeting recessed at 10:14 a.m.

PUBLIC HEARING ON PRODUCTION PERMIT APPLICATION FOR ARC ASSET PROPERTIES (Old M&W Yard)

- I Call to order at 10:14 a.m. the Public Hearing on **Application for a Production Permit for ARC Asset Properties**.

Party representing application: Rita Childs

Protestant to application: None

Public Comment: None

President McGuairt declared the application uncontested.

General Manager Ty Edwards presented the application to the board. ARC Assets Properties has purchased the old M&W Yard on the west side of Fort Stockton adjacent to Childs Dirt Contractors Corporation. The Old M&W Yard has an existing well (MPGCD#2005011410). The applicant is requesting 10 ac/ft a year for Industrial Use from the Edwards Trinity Aquifer. The well is currently equipped with a 3 hp-30 gpm pump and two above ground storage tanks.

II Adjourn Hearing and consider and/or act on Application for a Production Permit for ARC Asset Properties.

President Jerry McGuairt adjourned the hearing at 10:22 a.m. Vanessa Cardwell made a motion to approve the production permit application for 10 ac/ft a year for Industrial Use from the Edwards Trinity Aquifer for MPGCD # 2005011410. Motion seconded by Janet Groth.

Motion passed. Vote: 8 FOR. -0- Oppose 3 Absent 0 Abstain.

PUBLIC HEARING ON PRODUCTION PERMIT
APPLICATION FOR ARC ASSET PROPERTIES (West Yard)

I Call to order at 10:22 a.m. the public hearing on Application for a Production Permit for ARC Asset Properties.

Party representing application: Rita Childs

Protestant to application: None

Public Comment: None.

President McGuairt declared the application uncontested.

General Manger Ty Edwards presented the application to the board. ARC Assets Properties owns another property 1 mile west of Fort Stockton at 4005 West I-10 (West Yard). The property has 1 water well (MPGCD# 2019011013) and is requesting 10 ac/ft a year for Industrial Use from the Edwards Trinity Aquifer. This well is equipped with an overhead tank for filling water trucks.

II Adjourn Hearing and consider and/or act on Application for a Production Permit for ARC Asset Properties.

President Jerry McGuairt adjourned the hearing at 10:26 a.m. Vanessa Cardwell made a motion to approve the production permit application for 10 ac/ft a year for Industrial Use from the Edwards Trinity Aquifer for MPGCD # 2019011013. Motion seconded by Janet Groth.

Motion passed. Vote: 8 FOR. -0- Oppose 3 Absent 0 Abstain.

REGULAR BOARD MEETING – CONTINUED

IV Consider and/or act to approve Minutes of Regular Meeting on February 16, 2021.

Janet Groth made a motion to approve the minutes of the regular meeting for February 16, 2021, as presented. Motion seconded by Vanessa Cardwell.

Motion passed. Vote: 6 FOR. -0- Oppose 3 Absent 2 Abstain.

V Consider and/or act upon Treasurer's Report and line-item transfers for the Month Ending February 28, 2021.

General Manager Ty Edwards presented the Treasurer's report and line-item transfer request to the board. Ronnie Cooper made a motion to approve the Treasurer's Report and line-item transfer for the month ending February 28, 2021 as presented. Motion seconded by Jeff Sims.

Motion passed. Vote: 8 FOR. -0- Oppose 2 Absent 0 Abstain.

VI Consider and/or act upon General Manager's 2020 Annual Report.

Ty Edwards presented the General Manager's 2020 Annual Report to the Board.

Janet Groth made a motion to accept the 2020 Annual Report with the Annual Financial Audit. Motion seconded by M.R. Gonzalez.

Motion passed. Vote: 8 FOR. -0- Oppose 2 Absent 0 Abstain.

VII Presentation from Schuyler Wight regarding plugging and drilling a San Andres Well in the Imperial area.

Mr. Wight gave a presentation on the process he went through to control and plug C-19—a free flowing artesian well in the San Andres Formation. Mr. Wight explained a very practical approach to plugging these types of wells. Mr. Wight did advise the board he would like to drill a new San Andres well for agricultural use.

VIII Update on FSH-MPGCD Joint Study and Implementation.

The FSH-MPGCD Joint Study is ongoing. All the equipment has been installed for Phase 1 of the project. We are needing one more trip from Eco Kia to complete a few remaining items. Once that is complete, we will move into phase 2 and that will involve looking for new monitor wells in the Belding area and starting the process of drilling a Rustler Monitor well.

IX Update on MPGCD Groundwater Flow Model.

Work is ongoing with the Technical Memos, the permits, and historical uses. The work may be completed by the end of 2021, or the beginning of 2022. The Half Data Management System is going to help the process tremendously.

X Briefing and take action as necessary on Cockrell Investment Partners, L.P. v. MPGCD and its Board President in his official capacity, Fort Stockton Holdings, L.P. and Republic Water Company of Texas, L.P., Case No. 08-21-00017-CV (El Paso Court of Appeals) and/or Cockrell Investment Partners, L.P. v. MPGCD and its General Manager in his official capacity, and Fort Stockton Holdings, L.P., Cause No. P-8277-83-CV (Pecos County District Court).

MPGCD attorney, Mike Gershon: We are going through standard appellate timelines with Cockrell Investment Partners, LP (Cockrell) case in the 112th District. This is regarding the old permit application case. This case has been appealed to the El Paso Court of Appeals. We are waiting on the transcripts to wrap up the record so that briefing deadlines can be set.

In the permit renewal case, a hearing is set for March 31, 2021 at 9 am on the 83rd District Court's You Tube Page.

Cockrell attorney, Ryan Reed: Agreed with Mike Gershon's summary—no other comment.

FSH attorney, Ed McCarthy, Jr.: Also agreed with the summary. No additional comment.

XI Progress Reports: Well Registrations, Production Permits, Drilling Permits, Data Loggers, Drought Monitor Map, Water Quality Analysis and General Manager's Correspondence.

- D&O Insurance Policy Update on Administrative Appeals
- Well Registrations: Total Well Registrations are 3,295 as of 3-23-2020. Exempt 2,334 Non-Exempt 961.
- Drought Map as of 03-16-2021 was provided to the Board. Pecos County is moderate drought and shows some of Eastern Pecos County showing no drought at all.
- Legislative: Lloyd Gosselink, Attorneys at Law, has provided us a Groundwater Conservation Districts Bill Tracking Report as of 03-12-2021. Also provided is an Open Government Bill Tracking Report as of 03-12-2021.
- GMA 7 did meet on March 18, 2021 and approved proposed DFCs for Pecos County. A public Comment Period has begun and runs through June 18, 2021 and will hold a public hearing on the proposed DFCs on June 15, 2021.
- Registration is open for the Texas Groundwater Summit to be held on August 31-September 2, 2021.

XII Executive Session pursuant to Texas Government Code §§ 551.071 and/or 551.074 on **personnel matters** regarding District Secretary.

President Jerry McGuairt recessed the regular Board meeting at 11:33 a.m. An Executive Session was called at 11:33 a.m. Pursuant to Section 551.074 of the Texas Government Code, the Board convened in a closed session regarding the Texas Open Meetings Act exemptions covering the Board's deliberation of personnel matters regarding this agenda item. Any action on this matter will be taken in open session. A certified agenda will be prepared and kept in accordance with the Texas Open Meetings Act with respect to the personnel matter and that no action was taken in executive session.

The Executive Session adjourned at 11:43 a.m.

The regular session reconvened at 11:44 a.m. The presiding officer, President Jerry McGuairt, stated that no action, no decisions, and no votes were made in executive session.

XIII Directors' Comments and consider and/or act upon **agenda for next meeting**.

No Directors' comments.

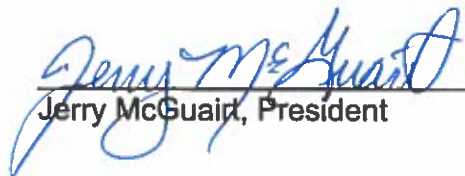
Next Agenda: Possible drilling permit for Schuyler Wight on a San Andres Well. Next meeting will be on April 20, 2021.

XIV Adjourn Board meeting.

Jeff Sims made a motion to adjourn the meeting. Motion seconded by Vanessa Cardwell. Motion carried unanimously. The meeting adjourned at 11:45 a.m.



M. R. Gonzalez, Secretary/Treasurer



Jerry McGuairt, President

Date Approved 4-20-21