

MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

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405 North Spring Drive Fort Stockton, Texas 79735

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 REGULAR BOARD MEETING

March 21, 2023

405 North Spring Drive, Fort Stockton, Texas

A quorum of the District's Board of Directors held its regular Board meeting in person with videoconference optional for the public and less than a quorum of the Board. 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 21, 2023.

On this the 21st of March 2023, a Regular Board Meeting was held by the Middle Pecos Groundwater Conservation District at the District's office at 405 North Spring Drive, Fort Stockton, Texas, with the following members present in person:

Jerry McGuairt	President, Precinct 1
Janet Groth	Precinct 1
M.R. Gonzalez	Precinct 2
Puja Boinpally	Precinct 2
Larry Drgac	Precinct 3
Weldon Blackwelder	Precinct 3
Jeff Sims	City of Iraan
Vanessa Cardwell	City of Fort Stockton

Quorum Present

Members Absent: Allan Childs, Alvaro Mandujano, Jr., and Ronald Cooper.

District employees and consultants participating: Ty Edwards, Gail Reeves, Bill Hutchison, Anthony Bodnar, Vince Clause, Ty Embrey, Cole Ruiz, and Mike Gershon.

Others attending: Paula McGuairt, Brett Thompson, Ed McCarthy, Mark Tisdale, Ryan Reed, James Beach, Steven Sims, Zach Swick, Geoff Pike, Matt Trela, Buck Benson, and Stephanie Wong.

REGULAR BOARD MEETING

I Board Meeting called to order at 10:00 a.m. by President Jerry McGuairt and roll call was taken.

II Comments from **public and media**: No Comments

III Consider and/or act to approve **Minutes of Regular Meeting on February 21, 2023**.

The draft Minutes were emailed to the Board prior to the meeting. Jeff Sims made a motion to approve the Minutes for the meeting of February 21, 2023, as presented. Motion seconded by Vanessa Cardwell

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

IV Consider and/or act upon **Treasurer's Report for the Month Ending February 28, 2023**.

General Manager Ty Edwards presented the Treasurer's report to the Board. Puja Boinpally made a motion to approve the Treasurer's Report ending February 28, 2023, as presented. Motion seconded by Vanessa Cardwell.

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

V Update from LRE Water on **Priority #4** - Investigate Belding Area Recharge, **Priority #5** - Fine Tune *Hydrostratigraphy* and Fault Structure in Management Zone 3, **Priority #6** - Fine Tune *Hydrostratigraphy* and Fault Structure in Management Zone 2, **Priority #7** - Update Stratigraphy and Fault Structure West of Diamond Y Study Area.

Vince Clause with LRE Water presented the 2022-23 Priority Task Update. The presentation is attached to the minutes as **Attachment A**.

VI Update on **San Andres well plugging initiative** and update from **Banner Public Affairs, LLC**.

The board discussed the ongoing efforts with the abandoned well problems in the Imperial area. Representative Murr and Senator Blanco have filed HB 4256. As filed TCEQ would receive \$18 million dollars to help plug abandoned wells in Pecos County like Lake Boehmer.

Brett Thompson with Banner Public Affairs gave the Board an update on the successful meetings with staff at Department of Interior (DOI), and the Texas Congressional delegation.

OUTREACH

- Rep. Tony Gonzales letter to US Department of Interior (DOI) on behalf of MPGCD
- Sen. Cornyn staff call to DOI on behalf of MPGCD
- DOI Comments submitted by the District
- Meeting with Sean Mason, Gov. Abbott Texas DC Office
- Meeting with Peter Gallagher, Director of Orphan Wells, DOI

FUNDING OPPORTUNITIES

APPROPRIATIONS

Rep. Gonzales' office has become a champion for the funding of the MPGCD abandoned wells. Importantly, he is a Republican and his party is now in control of the House of Representatives, and he sits on the House Appropriations Committee, which controls all federal spending. We worked with his energy and environment staff and submitted the following requests this week:

- **\$2 Million MPGCD Appropriations Earmark Request** - to create MPGCD comprehensive plan and audit for well remediation and funds to cap up to 20 abandoned wells. Because this is an earmark request, if funded, it is effectively a grant directly to the District. It would not require the lengthy application and vetting process that other government grants typically do. We also received letters of support for our earmark request from Fort Stockton City Manager Frank Rodriguez and Pecos County Judge Joe Shuster which we shared with Rep. Gonzales staff. The next step will be for Rep. Gonzales, if he chooses to proceed with this request, to work with the House Appropriations Committee to secure funding.
- **DOI Appropriations Report Language Request** - Rep. Gonzales's staff also suggested we submit report language through the Interior Appropriations Bill – below is the report language we submitted. The next step will be for Rep. Gonzales' staff to work with the House Appropriations Committee to finalize the text.

The committee is concerned about reports that abandoned wells in Pecos County, Texas are unable to access funding provided to the state by the Department for this purpose. Recent samples from abandoned wells in this region show dangerous levels of hydrogen sulfide, methane and other greenhouse gases and radionuclide constituents. Without eligibility for this federal funding, Pecos County faces further contamination risk to the environment and water sources, as well as economic opportunity in the surrounding areas.

Accordingly, the committee directs the Secretary of Interior to investigate and provide a plan for funding cleanup of these wells under the management of the Middle Pecos Groundwater Conservation District and report back to the committee their findings within 6 months of the passage of this legislation. Additionally, the committee urges the Department of

Interior to find ways to prevent these gaps in abandoned well coverage from occurring in the future.

SOURCE POLLUTION FUNDING

Through our research, we've also identified that MPGCD qualifies for various federal source water protection programs due to the fact the MPGCD wells are currently contaminating the Pecos Valley aquifer and there are public water systems drawing from this aquifer. These programs could provide hundreds of thousands to millions of dollars to MPGCD for the monitoring and remediation of these wells. We are working to identify the best of these programs and will work with MPGCD to secure funding. The 11 funding sources/programs include eight from the EPA, and the remainder from other federal agencies (the United States Department of Agriculture's Natural Resource Conservation Service and US Forest Service, and the Federal Emergency Management Agency).

The federal definition of a public water system (PWS) is one that provides water for human consumption through pipes or other constructed conveyances to at least 15 service connections or serves an average of at least 25 people for at least 60 days a year. A public water system may be publicly or privately owned, and includes systems like Fort Stockton, Pecos County Water Supply, the Bridgestone Texas Proving Grounds, and even the Fort Stockton RV Park and TXDOT rest stops.

VII State legislative update (88th Legislative Session commencing January 10, 2023).

The bill filing deadline for the 88th Legislative Session has passed. Over 7800 bills (not including resolutions) were filed, which is over 400 more than last session. However, the overall bill passage rate of less than 20% will still likely hold true this session and will likely be even lower since the bill *passage* process doesn't get any more efficient just because the *filing* volume increases.

The focus will now shift to hearings on bills in committees for the next two months or so. While leadership in both chambers have laid out their priority legislation, the Lt. Governor and Senate appear to be focused narrowly on reform of the electricity market and property taxes, while the House's priorities seem a little more diffuse. The typical disagreements between the Speaker and Lt. Governor have also begun to emerge but things are still fairly cordial.

Bills of interest that have been filed since last meeting are below.

- HB 4256 (Murr)/SB 2213 (Blanco) - Relating to establishing and funding a grant program to plug leaking water wells in certain counties.
- HB 4360 (Rogers) - Relating to the inventory and inspection of certain converted wells.

- HB 4374 (Canales)/SB 2108 (Johnson) - Relating to the procedure by which a regional water planning group is required to provide notice of certain public meetings or hearings.
- HB 4444 (King) – Relating to the conservation and waste of groundwater.
- HB 4532 (Kacal)/SB 2397 (Zaffirini)/SB 2540 (Blanco) - Relating to the consideration of modeled sustained groundwater pumping in the adoption of desired future conditions in groundwater conservation districts.
- HB 4659 (Schofield) - Relating to an interim study of the financing of regional projects and facilities to convert from groundwater to surface water.
- HB 4891 (Rogers) - Relating to the adoption and achievement of desired future conditions for aquifers by groundwater conservation districts.
- HB 5016 (Kitman)/SB 2541 (Blanco) - Relating to the establishment and administration of the Water Technical Assistance Consortium by the Texas Water Development Board.
- SB 2291 (Zaffirini) - Relating to the plugging of abandoned or deteriorated water wells; authorizing a fee.
- SB 2440 (Perry) - Relating to requiring certain plats for the subdivision of land to include proof of groundwater supply.

VIII Update on **Fort Stockton Holdings, L.P. (FSH)-MPGCD Joint Study, Implementation and Threshold Water Levels.**

The Board discussed the ongoing groundwater monitoring of the FSH threshold water levels. All wells are working and operating accordingly. A link to the FSH threshold water levels is available at <https://mpgcd.half.com/Dashboard>.

Equipment has been installed in 6 additional monitor wells in Management Zone 1. A total of 23 monitoring locations including Comanche Springs are active and operating appropriately.

IX Briefing and take action as necessary on **Cockrell Investment Partners, L.P. v. MPGCD and its Board President in his official capacity, FSH 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 FSH,** Case No. 08-21-00200-CV (El Paso Court of Appeals).

The El Paso Court of Appeals has rendered an opinion affirming the District decision on Cockrell I. The Court has considered this cause on the record and concludes there was no error in the judgment.

The El Paso Court of Appeals has rendered an opinion affirming the District decision on Cockrell II. The Court has considered this cause on the record and concludes there was no error in the judgment.

Cockrell has indicated that it will file motions for rehearing in both appeals. The deadline in *Cockrell I* was extended at Cockrell's request to tomorrow, March 22nd. In *Cockrell II*, Cockrell will ask to extend the deadline of March 23rd to April 12th.

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

- Enstor Waha / Whitewater have started using the Capitan Wells to wash out salt domes in Reeves County. Will be requesting to increase production permits in the future.
- Longfellow is requesting a 9 well drilling permit to be drilled on Comanche Valley Farms. The sole intent for these wells will be for Agricultural use to water cropland for cattle operation.
- Pecos County Drought Map for March 14, 2023. Eastern half is in Moderate drought and Western half of Pecos County is Abnormally dry.
- Reeves County GCD met March 16, 2023.
- PCWCID#1 met March 14, 2023.

XI **Directors' Comments** and consider and/or act upon **agenda for next meeting.**
Next Board meeting will be April 18, 2023.

President Jerry McGuairt recessed the Regular Board meeting at 11:24 a.m. and called an Executive Session. Pursuant to Section 551.071 of the Texas Government Code, the Board will consult with its Attorney. Any action on this matter will be taken in open session only if the action relates to an agenda item that is posted on today's agenda.

The Executive Session adjourned at 12:01 p.m.

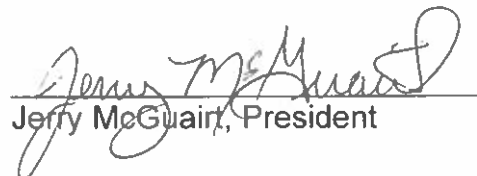
The presiding officer, President Jerry McGuairt, stated that no action, no decisions, and no votes were made in executive session. The regular session reconvened at 12:01 p.m.

XII **Adjourn** Board meeting.

Janet Groth made a motion to adjourn the meeting. Motion seconded by Weldon Blackwelder motion carried unanimously with one abstaining. The meeting adjourned at 12:02 p.m.



M. R. Gonzalez, Secretary/Treasurer



Jerry McGuairt, President

Date Approved 4-21-23