

MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

P.O. Box 1644 Fort Stockton, TX 79735 Phone (432)336-0698 Fax (432)336-3407

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 AND HEARINGS

June 20, 2023

405 North Spring Drive, Fort Stockton, Texas

A quorum of the District's Board of Directors held its regular Board meeting and hearing 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 or hearing were able to register by emailing mpgcd@mpgcd.org prior to 9:30 a.m. on June 20, 2023.

On this the 20th of June 2023, a Regular Board Meeting and Hearing were 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
Larry Drgac	Precinct 3
Alvaro Mandujano, Jr	Precinct 4
Ronald Cooper	Precinct 4
Jeff Sims	City of Iraan
Vanessa Cardwell	City of Fort Stockton

Quorum Present

Members Absent: Puja Boinpally, Allan Childs, and Weldon Blackwelder

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

Others attending: Glen McCorkle, Paula McGuairt, Ed McCarthy, Eddie McCarthy, Mel Riggs, Andrew Quesada, Geoff Pike, Matt Trela, Gil Van Deventer, Kenneth Heritage, Buck Benson, Jeff Williams, Glenn Honaker, James Beach, Michael Haynes, Tyler Young, John Allison, Beverlie Franco, and Michael Thornhill

REGULAR BOARD MEETING

I Board Meeting called to order at 10:03 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 May 16, 2023.**

The draft Minutes were emailed to the Board prior to the meeting. Ronald Cooper made a motion to approve the Minutes for the meeting of May 16, 2023, as presented. Motion seconded by Jeff Sims.

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

REGULAR BOARD-Recessed at 10:06 am

PUBLIC HEARING ON PRODUCTION PERMIT APPLICATION FOR J&B HOELSCHER FARMS, LLC³

I Call to order at **10:07 a.m.** the public hearing on **Application for a Production Permit J&B Hoelscher Farms, LLC.**

Party representing application: James Hoelscher

Protestant to application: None

General Manager Ty Edwards presented the application to the board. J&B Hoelscher Farms, Inc. has made application for a Production Permit with the Middle Pecos Groundwater Conservation District for 1 well located on Property Id 6714, Legal Description 875 48-8 T&P Sec 3 approximately 2 miles west of FM 1776 on Tipton Road, in Pecos County, Texas.

The application request authorization to produce 141-acre feet a year for Irrigation Use from the Pecos Valley Aquifer. The well has been drilled and pump test has been completed. The well produced a little over 300 gpm with very little drawdown. The application is administratively complete.

II Adjourn Hearing and consider and/or act on **Application for a Production Permit for J&B Hoelscher Farms, LLC.**

President Jerry McGuairt adjourned the hearing at 10:14 a.m. Janet Groth made a motion to approve the production permit application from the Pecos Valley Aquifer as presented. Motion seconded by M.R. Gonzalez.

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

PUBLIC HEARING ON DRILLING PERMIT
APPLICATION FOR LONGFELLOW RANCH PARTNERS, LP³

I Call to order at **10:15 a.m.** public hearing on **Application for a Drilling Permit Longfellow Ranch Partners, LP.**

Party representing application: Eddie McCarthy and Brandon Sides

Protestant to application: **None**

General Manager Ty Edwards presented the application to the board. Longfellow Ranch Partners, LP has made application for a Drilling Permit with the Middle Pecos Groundwater Conservation District for **6 wells** approximately 25 miles South of Fort Stockton on US Highway 285 and 1 ½ mile North of Century Gas Plant on the North Side of Puckett Rd, in Pecos County, Texas.

The proposed wells are projected to be 300 – 1200 feet in depth and drilled into the Edwards Trinity, Dockum and Rustler Aquifers. The estimated rate of withdraw for the proposed wells is a combined total of 700-800 gallons per minute and the purpose of the wells will be for Irrigation, Domestic and Livestock Uses. The Board discussed the need to pump test and log each well to determine aquifer parameters and casing requirements. TDLR standards on well construction was discussed. The applicant agrees to log each well and complete each well to TDLR guidelines. The application is administratively complete.

II Adjourn Hearing and consider and/or act on **Application for a Drilling Permit for Longfellow Ranch Partners, LP.**

President Jerry McGuairt adjourned the hearing at 10:34 a.m. Ronald Cooper made a motion to approve the production permit application as presented with the stipulations of well construction standards to TDLR rules, geophysical logs and pump test required on all wells drilled. Motion seconded by Larry Drgac.

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

REGULAR BOARD- CONTINUED at 10:35 am

IV Consider and/or act upon Treasurer's Report for the Month Ending May 31, 2023.

General Manager Ty Edwards presented the Treasurer's report to the Board. Vanessa Cardwell made a motion to approve the Treasurer's Report ending May 31, 2023, as presented. Motion seconded by Ronald Cooper.

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

V Update on San Andres well plugging initiative.

The Board discussed the ongoing efforts with the abandoned well problems in the Imperial area. Representative Murr and Senator Blanco HB 4256 has been signed by the Governor and has become Law. This bill creates a 2-year grant program with \$10 Million available for well plugging in Pecos County.

Efforts continue at the RRC to plug several of the wells. The District is awaiting a hearing before the Commission to qualify 12 of the wells for State Plugging Funds.

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

Ty Embrey gave the Board an update on groundwater legislation. Below is a summary of Groundwater related bills that affect MPGCD.

SB 638/CSHB 1971 Springer/Ashby Relating to the governance and decision-making of GCDs in contested cases addresses the SOAH hearing process and how long of a timeline a GCD has after the SOAH judge issues their findings. SIGNED BY GOVERNOR!

SB 1047/HB 2757 Perry/Tepper Relating to funding and activities of the TX Produced Water Consortium. Allows for state funding and removes requirements for studies etc. if no state funding is received for those items. SIGNED BY GOVERNOR!

SB 1746 Perry Relating to an exemption from the requirement to obtain a permit from a GCD for certain temporary water wells, adds another 36.117 exemption from permitting. SUBBED WITH A TIME LIMIT FOR THE EXEMPTION ON THESE WELLS. SIGNED BY GOVERNOR!

SB 2213/CSHB 4256 Blanco/Murr Relating to establishing and funding a grant program to plug leaking water wells in certain counties aimed at Pecos county, reimbursement for plugging only, no administrative costs ** FINAL ENROLLED VERSION ALLOCATES 10 MILLION SIGNED BY GOVERNOR!

SB 2440 Perry Relating to requiring certain plats for the subdivision of land to include proof of groundwater supply turns the "may" into a "shall" for subdivision plats before a county to submit a groundwater availability certificate EFFECTIVE 01/01/2024
SIGNED BY GOVERNOR!

CSHB 2443 Harris Relating to the authority of certain persons to petition a GCD or change certain rules refile from last session that does not contain previously negotiated language - substituted to match consensus language previously worked on
SIGNED BY GOVERNOR!

CSHB 3059 King Relating to fees charged by a gcd increases export fees to 20 cents and starting in 2024 raises it 3 cents a year automatically - final version allows for increased fees to be used in well remediation, data and research, etc. Filed without signature.

HB 3278 Price Relating to joint planning of DFCs in GMAs accepting of public comments and the posting of that information - additional public comment at the GMA meeting as well, requires posting on information to a GMA web page but clarified intent that the GMA web page can be hosted through another GCD page as GMA 7 does it.
SIGNED BY GOVERNOR!

HB 3440 Canales Relating to the governmental bodies required to post on the internet agendas for meetings under the open meetings law. A governmental body maintains a website, they must post the notice and agenda online as well - amended in senate to include GCDs - NOTE: does not require a website, only posting if you maintain one.
SIGNED BY GOVERNOR!

HB 255 Swanson Relating to the maintenance of records and charging of fees by a notary public increases the amount allowed to charge for many services, allows for the recording of the expiration date of ID presented, and allows for an inflation adjustment every 5 years.
SIGNED BY GOVERNOR!

HB 1565 Canales Relating to the functions of the TWDB and continuation and functions of the SWIFT Advisory Committee.
SIGNED BY GOVERNOR!

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

The Board discussed the ongoing groundwater monitoring of FSH threshold water levels. All wells are working and operating accordingly. A link to the FSH threshold water levels is available on the District's webpage.

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.

- VIII **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's decision on Cockrell I on jurisdictional grounds. The Court has considered this cause on the record and concludes there was no error in the trial court's judgment.

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

Cockrell has filed motions for rehearing in both appeals, and the Court of Appeals requested briefing and responses to both motions, which have been filed. We are waiting for the Court of Appeals to announce its position in both appeals.

- IX **Briefing and take action as necessary on Cockrell Investment Partners, L.P. v. Ty Edwards, In His Capacity as General Manager, Cause No. P-8580-83-CV in 83rd District Court, Pecos County, Texas.**

A hearing in front of Judge Ables occurred on May 30, 2023 at 9:00 am. The Court ruled in favor of FSH and MPGCD by granting their Pleas to the Jurisdiction and directing the parties to try to work out the statutory fee award to the District or set a hearing on the District's fees to be reimbursed. Awaiting the Judge to sign the order.

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

- 06-13-2023 Pecos County Drought Map
- 06-16-2023 Rig Data Report
- 2023 Texas Groundwater Summit Preliminary Agenda
- PCWCID#1 Agenda 06-13-2023
- Half Dashboard update for Production numbers by Management Zone

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

Next possible meeting is set for July 25, 2023.

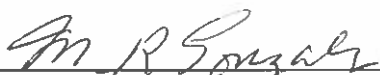
President Jerry McGuairt recessed the Regular Board meeting at 11:18 a.m. and called an Executive Session. Pursuant to Section 551.071 of the Texas Government Code, the Board will consult with its Attorney on Item 5. Any action on this matter will be taken in open session only if the action relates to an agenda item that is posted on today's agenda.

The Executive Session adjourned at 11:34 p.m.

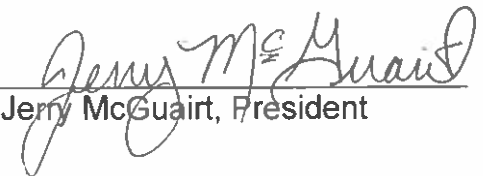
The presiding officer, President Jerry McGuairt, stated that no action, no decisions, and no votes were made in executive session.

XII **Adjourn** Board meeting.

Jeff Sims made a motion to adjourn the meeting. Motion seconded by Janet Groth motion carried unanimously. The meeting was adjourned at 11:35 p.m.



M. R. Gonzalez, Secretary/Treasurer



Jerry McGuairt, President

Date Approved 8-15-23