

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

September 17, 2024
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 September 17, 2024.

On this the 17th of September 2024, 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
Puja Boinpally	Precinct 2
Weldon Blackwelder	Precinct 3
Ronnie Cooper	Precinct 4
Alvaro Mandujano Jr	Precinct 4
Jeff Sims	City of Iraan
Allan Childs	At Large
M.R. Gonzalez	Precinct 2 Participated by zoom but did not vote

Quorum Present

Members Absent: Larry Drgac and Vanessa Cardwell

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

Others attending: John Manning, Paula McGuairt, Mel Riggs, Ryan Reed, Geoff Pike, Glenn Honaker, Eddie McCarthy, Carl Craig, Mike Thornhill, and Joh Covington.

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 August 19, 2024.**

The draft Minutes were emailed to the Board prior to the meeting. Allan Childs made a motion to approve the Minutes for the meeting of August 19, 2024, as presented. Motion seconded by Weldon Blackwelder. M.R. Gonzalez was present via zoom but did not vote. Alvaro Mandujano, Jr abstained from voting.

Motion passed. Vote: 7 FOR -0- Oppose 2 Absent 2 Abstain

IV Consider and/or act to approve **Minutes of Special Meeting on Tax Rate and Cancellation of Election August 26, 2024.**

General Manager Ty Edwards presented the Minutes for the special meeting to the board. Janet Groth made a motion to approve the Minutes for the special meeting as presented. Motion seconded by Jeff Sims. M.R. Gonzalez was present via zoom but did not vote. Alvaro Mandujano, Jr abstained from voting.

Motion passed. Vote: 7 FOR -0- Oppose 2 Absent 2 Abstain

V Consider and/or act upon **Treasurer's Report for the Month Ending August 31, 2024.**

General Manager Ty Edwards presented the Treasurer's report to the board. Ronald Cooper made a motion to approve the Treasurer's report ending August 31, 2024, as presented. Motion seconded by Puja Boinpally. M.R. Gonzalez was present via zoom but did not vote.

Motion passed. Vote: 8 FOR -0- Oppose 2 Absent 1 Abstain

VI Update and possible action on **Pecos County Groundwater Flow Model and Timeline on Tech Memos.**

Dr. Bill Hutchison gave an update on the progress of the model.

A new draft tech memo has been created for the model grid. That tech memo and all the tech memos are on the District's webpage with peer review and

feedback encouraged. Belding Farms Data processed 5600 data points from 1957 to 2023. TWDB had over 47,000 water levels from 1940 to 2024. Eco Kia transducer data from FSH joint study had over 500,000 data points for 2021-2024. LRE and the Half data management system had 15,000 groundwater data points. While calibrating the database we realized all the data from numerous studies have not been added to the database. Several discrepancies were recognized on some of the Belding Farms' wells for elevations compared to the model grid. Belding Farms corrected the coordinates on the suspected wells and LRE updated the database.

We are working on finalizing the pumping data and Spring locations and beginning to look at the recharge analysis that will need to be completed. All tech memos associated with the model can be assessed at the following google link:

https://drive.google.com/drive/folders/1HYj8JRV4omAgKPJWBta-T20hZUbtYaPS?usp=drive_link

VII Update and possible action on **San Andres efforts at RRC and TCEQ, and MPGCD v. RRC and Commissioners**, Cause No. D-1-GN-24-005222 (200th District Court, Travis County).

A prehearing conference with the Railroad Commission was held on September 26, 2023, in accordance with Tex. Nat. Res. Code § 89.041 to Determine the Proper Plugging of Twelve Wells, Pecos County, Texas; District 08. The conference was continued to allow for more briefing and introduction of evidence regarding jurisdiction. A second prehearing conference was held on February 6, 2024, which required extensive argument, witness testimony, and examination and questioning by the Judge and accompanying Technical Examiner. The Judge ruled in favor of the RRC and denied the District's request to hold a hearing on the merits. This RRC position is not a surprise, and the procedure was required to exhaust administrative remedies before seeking a judicial opinion about RRC's jurisdiction and duty to plug.

The District filed an original petition for judicial review, declaratory relief, and mandamus relief in the Travis County District Court on August 16, 2024. On September 13, 2024, the Railroad Commission filed Defendants Original Answer denying all allegations.

The District has met with TCEQ's senior management and program staff and discussed the new grant program to plug wells in Pecos County. Awaiting TCEQ rulemaking that will begin in late 2024.

VIII **Update on Fort Stockton Holdings, L.P. (FSH)-MPGCD Joint Study, Threshold Water Level Update and Drilling of New Rustler Monitor on Williams Farms.**

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>. General Manager Ty Edwards screen-shared and provided an overview of current data.

of Began work on a Rustler Monitor Well Recommendations and beginning scope of work on drilling of well and bid specs for same. Met on site with Jeff Williams and Raymond Straub to decide on a preliminary drilling location and source water.

IX **Briefing on two Petitions submitted on August 19, 2024, to Adopt or Modify Rules submitted by Cockrell Investment Partners, L.P and Belding Farms, c/o Ryan C. Reed, Attorney, and timeline for public notice, public input, and Board consideration.**

The first Petition proposes that the District's rules set export fees at the statutory maximum and establish a mitigation fund supported by export fees (a) to be used to reduce groundwater pumping, develop alternative water supplies, and maintain operability of wells affected by groundwater development and export and (b) that would allow permittees negatively affected by groundwater development and export to obtain financial compensation for the economic cost that arises from groundwater-level declines. The second Petition proposes new rules addressing unreasonable impacts from groundwater pumping and export of the Edwards-Trinity aquifer, and determines unreasonableness based on average water-level declines of monitoring wells in Management Zone 1 benchmarked to September 1, 2018. If the District detects unreasonable impacts, then the District would require public notice, increased monitoring and reporting of permittees' water levels and when pumps are lowered, suspension of new export permits, and potential cutback of permittees' groundwater production up to 50%.

District Attorney Mike Gershon updated the Board on the petitions filed and the hearing notice posted for the upcoming board meeting October 15, 2024.

X **Briefing and take action as necessary on following lawsuits:**

A. **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. 23-0742 (Texas Supreme Court)(Cockrell I);**

In Cockrell I, Cockrell timely filed its petition by review. The Court will determine whether to grant, dismiss, refuse, or deny the petition. At least one Justice requested responses to the petition for review, and subsequently, at least three Justices asked for briefing on the merits before deciding how to rule on the petition. To be clear, the Court has not yet decided whether to accept the appeal

and issue a decision. Cockrell filed its brief on September 13th and the District's and FSH's deadline to respond is November 4th.

B. Cockrell Investment Partners, L.P. v. MPGCD and its General Manager in his official capacity, and FSH, Case No. 23-0593 (Texas Supreme Court)(Cockrell II);

In Cockrell II, the Court has taken the same procedural position as in Cockrell I, and all the parties have the same briefing deadlines as in Cockrell I. Cockrell filed its brief on September 13th and the District's and FSH's deadline to respond is November 4th.

C. Cockrell Investment Partners, L.P. v. Ty Edwards, In His Capacity as General Manager, and FSH, Case No. 08-23-00178-CV (El Paso Court of Appeals)(Cockrell III);

In Cockrell III, the District Court ruled in favor of FSH and MPGCD by granting their Pleas to the Jurisdiction. Cockrell appealed and timely filed its appellate briefs, then the District and FSH's appellate briefs were timely filed. On October 13th Cockrell filed a reply brief. On May 14th the Court set for submission without oral argument for June 4, 2024. Waiting for a decision from the Court.

D. Cockrell Investment Partners, L.P. v. Middle Pecos Groundwater Conservation District, Cause No. P-8626-83-CV (83rd District Court)(Cockrell IV); and

In Cockrell IV, the lawsuit was filed on August 17th and served on September 13th by agreement. The District's answer and counterclaim were timely filed October 9th. FSH has advised that it will intervene and file plea to the jurisdiction. Cockrell filed Plaintiff's First Amended Petition on August 5, 2024.

E. Cockrell Investment Partners, L.P. v. Middle Pecos Groundwater Conservation District, Cause No. P-13031-112-CV (112th District Court)(Cockrell V).

In Cockrell V, the lawsuit was filed on August 23rd and served on September 13th by agreement. The District's answer and counterclaim were timely filed October 9th. FSH has advised that it will intervene and file plea to the jurisdiction. Cockrell filed Plaintiff's First Amended Petition on August 5, 2024

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

- Rig Data Report ending 09-14-2024 two rigs in Pecos County

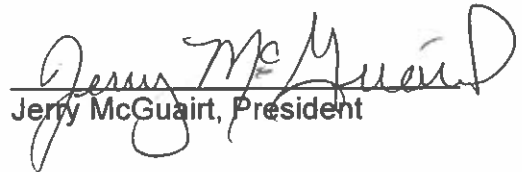
- Texas Drought Map for Pecos County 09-10-2024. Western Pecos County is in Severe Drought decreasing as you go east with no Drought in the far eastern part of Pecos County
- Notified Exporters of export fee increase to 20 cents
- Flowing well article in Livestock Weekly
- PCWCID#1 Agenda and well registration transfers

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

Next Board meeting is October 15, 2024, and a hearing notice has been posted to consider two petitions to adopt or modify district rules submitted by Cockrell Investment Partners and Belding Farms.

XIII **Adjourn** Board meeting.


M. R. Gonzalez, Secretary/Treasurer


Jerry McGuairt, President

Date Approved 10/18/24