Special City Council Meeting August 29, 2019

`The Town Council of the Town of Pecos City met in Special City Council Meeting in the City Council Chambers on August 29, 2019 at 5:35 P.M. with the following present:

David Florez	Mayor
Oscar Ornelas	Councilman
Conrado Saldana	Councilman
Veronica Baca	Councilwoman
Seth Sorensen	City Manager
Rod Ponton	City Attorney

Item A. Mayor David Flores called the August 29, 2019 meeting to order at 5:35 pm.
Councilmember Tellez and Councilmember Orona were not present.

A. Call to Order

B. Non-Consent

1. **DISCUSS/CONSIDER**– Rod Ponton, City Attorney, asked that the Council consider approving a contract between the Town of Pecos City and a 3rd Party Castle Peak Development for the resale of water related to oil and gas production. Mr. Ponton informed the Council that Texas Legislature passed a bill stating that if oil and gas producers take water out of the ground it would make the water the property of the oil and gas companies, to which the oil and gas companies can sale and profit from without having to pay the property owners any royalties. Mr. Ponton went on to inform the Council in order to counter act against the bill the City would need to agree to enter into an agreement with a 3rd party to sale the water that is pulled up by the oil and gas producers on behalf of the property owner. Jake Feldt, Castle Peak Development President, stated that if the City agreed to enter into a contract with Castle Peak Development the City would get a 25% royalty allowance from any of the completed water sales. The On motion by Councilmember Ornelas and seconded by Councilmember Saldana., the Council voted unanimously to approve the contract between the Town of Pecos City and Castle Peak Development at a 25% royalty fee.

C. Adjournment: 5:55 PM

David Flores, Mayor

Attest:

Syra Nichols, City Secretary