

LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 12, 2013

MINUTES OF PUBLIC HEARING ON PERMIT APPLICATIONS

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public, in the Lone Star GCD – Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on March 12, 2013.

President Tramm called to order the Public Hearing on Permit Applications at 10:08 a.m., announcing that it was now open to the public.

The roll was called of the members of the Board of Directors, to wit:

Sam W. Baker
John D. Bleyl, PE
Reed Eichelberger, PE
Roy McCoy, Jr.
Rick J. Moffatt
Jim Stinson, PE
Richard J. Tramm
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Paul R. Nelson, Assistant General Manager; Mark Lowry, District Consultant; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

Item #1, **K & K Construction, Inc.** – Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 150,000 gallons for 2013 and annually thereafter. Based on technical review of information supplied, it is the General Manager’s recommendation to approve that which is being requested.

Item #2, **Paul G. Hurst** – This is an existing well that staff found in non-compliance. Applicant is requesting registration of the well and production

authorization in the amount of 1,481,000 gallons for 2013 and 241,000 gallons for 2014 and annually thereafter. Based on technical review of information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #3, **The Epicenter** – Applicant is requesting drilling authorization for a new well to be drilled with a production authorization in the amount of 500,000 gallons for 2013 and annually thereafter. Based on technical review of information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #4, **Aqua Pure (Ranch Crest)**, Item #6, **Quadvest, LP. (Lakes of Magnolia)** and Item #7, **Quadvest, LP. (Decker Oaks)** – Applicants are requesting amendments to their Operating Permits for drilling authorization for a new well each. No additional production authorization is being requested for either application at this time. Based on technical review of information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #5, **Albert Johnson** – Applicant is requesting an amendment to its Operating Permit for an increase in production authorization in the amount of 288,000 gallons for 2013 and annually thereafter. Based on technical review of information supplied, it is the General Manager's recommendation to approve that which is being requested.

Upon a motion made by Director Stinson, seconded by Director Bleyl, items #1 thru #7 were approved in accordance with the General Manager's recommendations. Motion passed.

President Tramm adjourned the public hearing on permit applications at 10:09 a.m.

PASSED, APPROVED, AND ADOPTED THIS 9TH DAY OF APRIL, 2013.

Samantha Reiter, Assistant Secretary for
M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 12, 2013

MINUTES OF REGULAR MEETING

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public, in the Lone Star GCD –James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on March 12, 2013.

President Tramm called to order the regular Board of Directors meeting at 10:10 a.m. announcing that it was open to the public.

The roll was called of the members of the Board of Directors, to wit:

Sam W. Baker
John D. Bleyl, PE
Reed Eichelberger, PE
Roy McCoy, Jr.
Rick J. Moffatt
Jim Stinson, PE
Richard J. Tramm
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Paul R. Nelson, Assistant General Manager; Mark Lowry, District Consultant; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

APPROVAL OF THE MINUTES:

President Tramm stated the Board would consider all meeting minutes listed as one item. The General Manager pointed out that there was an error in the ending and beginning times for the Public Hearing on Permit Applications and the Regular Hearing minutes. Upon review of the following, a motion was made by Director Wood, seconded by Director Weisinger and unanimously carried, to approve the meeting minutes:

- a) February 12, 2013, Special Board Meeting
- b) February 12, 2013, Public Hearing on Permit Applications
- c) February 12, 2013, Regular Board of Directors Meeting

COMMITTEE REPORTS:

Water Awareness and Conservation Committee – Billy Wood, Chair. Director Wood reported that the committee had not met since the last board meeting. He asked Paul R. Nelson, to give an update the Board on conservation activities since the last Board meeting.

Briefing on conservation efforts. Mr. Nelson advised the Board that on February 19th, the Gulf Coast Water Conservation Seminar was held at the Lone Star College Community Building. The seminar was held in lieu of the February meeting of the Water Efficiency Network and over 150 people registered and attended. Mr. Nelson stated that there were both local and national speakers there, with a focus on innovative ways of setting water rates that will both promote conservation and provide the income to fund operation and maintenance and necessary capital projects by the water provider.

On February 26th, Mr. Nelson stated that he had attended an “all day” Low Impact Development Work Shop at Rice University. The work shop focused on the use of low impact innovations such as swales, roof gardens and rain collection as means to reduce the volume of detention required for development, as well as provide ways to reduce pollutants that are discharged to the storm sewer systems. Mr. Nelson also stated that the District is working with the county to promote these concepts through their regulations rather than using the more standard land use/development requirements.

Lastly, Mr. Nelson informed the Board that the next meeting of the Water Efficiency Network will be held at the Lone Star GCD facilities at 1:30 pm on Wednesday, March 27th. Mr. Doug Goodwin, a licensed irrigator, will make a presentation on the latest innovations and technology in the field of landscape irrigation.

Receive and take action to proclaim March 10-16, 2013 as “National Groundwater Awareness Week” in Montgomery County, State of Texas. (Resolution #13-002) A motion was made by Director Eichelberger, seconded by Director Baker and unanimously carried to proclaim March 10-16, 2013 as “National Groundwater Awareness Week”. Ms. Jones and Mr. Nelson pointed out that a news release about National Groundwater Awareness week had appeared in the local newspapers and on the District’s social media sites.

Recognition of TWDB 2012 Texas Rain Catcher Award commending LSGCD’s excellence thru application of rainwater harvesting systems, promoting the technology, and educating the public – Billy Wood. Director Wood informed the Board that the Lone Star GCD had been selected by the Texas Water Development Board to receive its 2012 Texas Rain Catcher Award in the governmental category. The award was presented at the Water Development Board’s monthly meeting held on February 28th, with himself, President Tramm and Kathy Turner Jones in attendance. Mr. Wood expressed his gratitude to the Water Development Board for recognition of the District’s efforts and stated that the District’s project demonstrated that rainwater can be used to create a beautiful landscape, while preserving our valuable natural resources. Mr. Woods further stated that this award reflected positively on the District’s leadership to support and encourage incorporating water efficiency improvements in new construction design and that he hopes that others will be inspired to implement similar practices.

Rules Development Committee – Kathy Turner Jones, Coordinator. Ms. Jones reported that the Rules and Development Committee had not met since the February 12th Board meeting and had no report.

Policy and Personnel Development Committee – Sam W. Baker, Chair. Director Baker stated that the committee had not met since the last board meeting and had no report.

Findings and Review Committee – Paul R. Nelson, Coordinator. Mr. Nelson reported that the committee met on March 1st with Mike Turco, USGS, presenting a summary of the results of the final report entitled USGS Scientific Investigation Report 2013-5024-“Estimated Rates of Groundwater Recharge in the Chico, Evangeline Aquifers by Using Environmental Tracers in Montgomery County”.

Consider, discuss, and take possible action on committee recommendation regarding acceptance of USGS Scientific Investigation Report 2013-5024—“Estimated Rates of Groundwater Recharge to the Chicot and Evangeline Aquifers by Using Environmental Tracers in Montgomery County”. Mr. Nelson introduced Mr. Turco, who provided the Board with a presentation of the results of the study. After discussion, a motion to approve the Findings and Review Committee’s recommendation to accept the Report was made by Director Stinson, seconded by Director Bleyl and unanimously carried. Ms. Jones added that a fact sheet was being prepared that would explain recharge and the study results to the public and that the study would be posted to the District’s web site.

Update and status project report related to Regional Groundwater Update Project w/HGSD and the FBSD – Mark Lowry. Mr. Lowry told the Board that there was one final model being run that would reflect the changes made to the Fort Bend and Harris Galveston Subsidence District’s regulatory plans and that after that model was completed the study would be essentially done. He also stated that a presentation of the findings of the update project would be made to the Board, probably in the May/June timeframe.

Budget and Finance Development Committee - Jim Stinson, Chair. Mr. Stinson reported that a committee meeting was held on March 7th and that the preliminary audit was reviewed at that meeting. Comments were made and those are being addressed. Mr. Stinson then stated that he anticipated having the final audit presented to the Board for their consideration at the April meeting.

Review of monthly financial reports. No report this month.

Building and Facilities Committee - Kathy Turner Jones, Coordinator. Ms. Jones stated that the committee had not met since the last Board meeting.

Update and possible action regarding construction of onsite storage facility for mobile lab at District office, relocation of sewer line, and detention pond design. Ms. Jones stated that due to recent high winds and rains, as well as several panels being damaged during shipment, construction of the District’s metal storage building is behind schedule. The damaged panels have been re-ordered and are expected to be installed on Friday the 15th; electrical is expected to be completed this week. Ms. Jones further stated that Lakeway Construction has indicated that the building is 95% complete, with hopes that it be at 100% next week. She also indicated that

she had asked Lakeway to notify the District when city inspections were to take place, so that staff could be on site during those reviews.

Next Ms. Jones updated the Board on the current progress rerouting the sanitary sewer line. Survey work for the easement description is in progress. Discussions with our attorneys have resulted in the easement language that was discussed last month and Jason Hill has attempted contact with the property owners in an effort to move that language forward. We are waiting for a response, and expect to have feedback in time to prepare action to consider at the next Board meeting.

ENGINEERING REPORT:

Mark Lowry, District Consultant, stated that his report was included in the board packets. He then discussed the addition of an additional formula on the Texas AgriLife Extension Service web site. This new formula calculates the water demands for “normal” growth of turf versus the original formula which calculated demands for “maximum” growth for places such as golf courses. The normal growth calculation will provide a more appropriate value for the average homeowner or other persons not attempting to have maximum output of turf.

Mr. Lowry then told the Board that he had attended a meeting with the Texas Water Development Board along with District staff to discuss the results of the Houston Area Groundwater Model.

CONSIDERATION AND POSSIBLE ACTION REGARDING APPLICATION FOR EARLY CONVERSION CREDITS PURSUANT TO THE EARLY CONVERSION INCENTIVE AS DESCRIBED IN ADDENDUM D OF THE LSGCD RULES – SURFACE WATER CONVERSION FROM BEAR BRANCH RESERVOIR FOR CLUB AT CARLTON WOODS, THE WOODLANDS DEVELOPMENT CO.

The Woodlands Development Company has submitted an application for Early Conversion Credits for a project whereby they will use surface waters produced from Bear Branch Reservoir to reduce groundwater production from the Gulf Coast Aquifer system in advance of the 2016 groundwater conversion deadline. Within the application, the applicant states the project was completed and online in February 18th of this year.

The project has been reviewed by staff and is eligible for an early conversion incentive credit as stipulated in the Rules. It is the General Manager’s recommendation to recognize the Woodlands Development Company’s commitment to preserving aquifer levels by implementing an alternative source of water (AWS) and support a two-to-one ration early conversion credit for AWS water metered beginning February 18, 2013. A motion was made by Director Eichelberger, seconded by Director Stinson and unanimously carried to approve the recommendation by the General Manager.

DISCUSSION AND POSSIBLE ACTION TO ACCEPT 2012 ANNUAL REPORT FOR THE LONE STAR GROUNDWATER CONSERVATION DISTRICT—Paul R. Nelson

Mr. Nelson informed the Board that no comments on the draft copy of the annual report had been

received and that the report would be forwarded to the vendor for printing upon approval. A motion to approve was made by Director Eichelberger and seconded by Director Baker. The motion carried unanimously.

GENERAL COUNSEL REPORT: No report.

GENERAL MANAGER'S REPORT:

Ms. Jones informed the Board that the District has received the majority of the pumping reports that were due on February 15th and that all but 19 of the 900-plus reports had been turned in. This speaks highly of the permitting section and also demonstrates the benefits of the accessibility of the on-line reporting system. We are encouraging its use more and beginning to require it of all new permittees as well as those that have been in violation. We are moving forward to require all LVGU to submit on a monthly basis. Ms. Jones stated that the use of the system will help control any over pumpage and will be a reminder that the permittee is approaching permit limits.

Ms. Jones added, that there had been some initial minor issues with users establishing password access, but that this was being addressed by the software developer and would be resolved. Ms. Jones stressed that the District appreciates public comment and wants the system to be user friendly and become the method of choice for permit holders.

Lastly, Ms. Jones informed the Board that there would be a meeting of the Region H Planning meeting held at SJRA's facilities on April 3rd at 10:00 am.

PUBLIC COMMENT: None.

NEW BUSINESS: None

There being no further business, upon a motion by Director Baker, seconded by Director Wood, President Tramm adjourned the meeting at 11:05 a.m.

PASSED, APPROVED, AND ADOPTED THIS 9th DAY OF APRIL, 2013.

Samantha Reiter, Assistant Secretary for
M. Scott Weisinger, PG, Board Secretary