

LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 11, 2013

MINUTES OF SPECIAL MEETING

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) held a “Special Meeting,” 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 July 09, 2013.

President Tramm called the meeting to order at 9:00 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, with the exception of Director Baker, Director Stinson and Director Weisinger 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; Brian Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

After a proper and legally sufficient announcement to the public by President Tramm, the Board of Directors went into a Closed Executive Session at 9:07 a.m. pursuant to Texas Government Code, Sections 551.071, to consult with the District's attorney regarding pending or contemplated litigation, settlement offers, or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, Chapter 551, Government Code.

Director Stinson and Director Baker arrived at 9:12 a.m. and 9:33a.m. respectively.

Following Executive Session, the Board reconvened in Open Session and declared it open to the public at 10:30 a.m.

No action was taken on matters discussed in Executive Session and the meeting was adjourned at 10:10 a.m.

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

M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 11, 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 June 11, 2013.

President Tramm called to order the Public Hearing on Permit Applications at 10:17 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 with the exception of Director Weisinger, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, General Manager; Paul R. Nelson, Assistant General Manager; Brian L. Sledge, General Counsel; 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, **Is Zen Center Inc.** and Item #4, **Far Hills Utility District** – Applicants are requesting amendments to their existing Operating Permits for drilling authorization for a new well each. No additional production authorization is being requested for either applicant 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 #2, **Oakhurst Community Association** – Applicant is requesting drilling authorization for a new well to be drilled with a production authorization in the amount of

2,600,000 gallons for 2013 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #3, **Georgia Harris** – Applicant is requesting drilling authorization for a new well to be drilled with a 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 #5, **Shameem Aslam (Express Grocery Store)** – 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 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 #6, **Shoreline Storage** – Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 540,000 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 #7, **R.V. Lopez** – 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 1,000,000 gallons for 2013 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve the registration of the well and authorize a reduced amount of 900,000 gallons for 2013 and annually thereafter.

Item #8, **David Hurd** - Applicant is requesting drilling authorization for a new well to be drilled with a production authorization in the amount of 250,000 gallons for 2013 and 400,000 gallons for 2014 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to authorize a reduced amount of 100,000 gallons for 2013 and annually thereafter.

A motion was made by Director Wood, seconded by Director Baker, and items #1 and #4 were approved in accordance with the General Manager's recommendations and the motion passed.

Next, a motion was made by Director Moffatt, seconded by Director Bleyl, and items #2, #3, #5, and #6 were approved in accordance with the General Manager's recommendation and the motion passed.

Lastly, upon a motion made by Director Eichelberger, seconded by Director Bleyl, and items #7 and #8 were approved in accordance with the General Manager's recommendations and the motion passed.

President Tramm adjourned the public hearing on permit applications at 10:20 a.m.

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

M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 11, 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 July 09, 2013.

President Tramm called to order the regular Board of Directors meeting at 10:05 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, General Manager; Paul R. Nelson, Assistant General Manager; Brian L. Sledge, General Counsel; 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. Upon review of the following, a motion was made by Director Bleyl, seconded by Director Eichelberger, and unanimously carried, to approve the meeting minutes:

- a) May 14, 2013, Special Board Meeting
- b) May 14, 2013, Public Hearing on Permit Applications
- c) May 14, 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 Nelson to update the Board on conservation activities since the last Board meeting.

Briefing on conservation efforts. Mr. Nelson advised the Board that on May 13th and May 31st, the San Jacinto River Authority utilized the Mobile Lab. Both of these uses were with grade schools and one was in conjunction with the Forest Service.

On Friday, May 17, Mr. Nelson attended the Texas Water Star Conference at the Thomas Glacier Senior Education Center in west Harris County. Mr. Nelson told the Board that the conference was sponsored by the Texas AgriLife Extension Service and focused on irrigation controllers, ET, soil conditions and other factors that play important roles in water consumption and plant growth. Mr. Nelson also stated that he found that the Center was utilizing captured rainwater for its restrooms. Water is collected from the roof and directed to an underground tank, which is plumbed to the public restrooms. Mr. Nelson said that this information would be helpful in our efforts to promote the use of rainwater for these purposes in Montgomery County. Director Stinson added that this practice was going to be pursued in the restrooms of several public parks in the Woodlands.

Mr. Nelson then reported that he and President Tramm had attended a symposium on development challenges in East Montgomery County held from 8 am until noon on May 30. Both Mr. Nelson and Mr. Tramm spoke to water issues and challenges during the session.

Also on May 30, Mr. Nelson hosted the May meeting of the Water Efficiency Network, held in the meeting rooms of the Woodlands Township. Mr. Nelson indicated that more than 30 persons attended, including 6 new members, and that Mr. Bob Dailey of the Woodlands Township and the Woodlands Joint Powers Agency gave a presentation on the on-going water conservation efforts in the Woodlands; including Astroturf on the football and soccer fields, covering swimming pools and rainwater in the restrooms at parks.

Mr. Nelson then informed the Board that Director Bleyl and Kathy Turner Jones would be presenting a resolution to the City Council of Conroe encouraging the city to promote and support the use of water efficient methods, reuse, and low impact development in projects inside the city and its ETJ. That resolution (Resolution #13-003) was approved by the Board during its April 2013 meeting.

Director Stinson added that the Woodlands Joint Powers Agency had conducted a highly successful rain barrel sale, indicating a growing interest in water conservation and heightens awareness. He added that the Woodlands had adopted a defined irrigation schedule in January, which was in an initiation period from January through June. Beginning June 1, there is now a surcharge applied to customers that do not comply with the defined irrigation schedule.

Rules Development Committee – Kathy Turner Jones, Coordinator. Kathy Jones reported that the Rules and Development Committee had not met since the May 14th meeting Board meeting and there was no report. She further stated that now that the legislative session is essentially completed, she will be scheduling a meeting soon; probably within the next 2 weeks.

Update and status project report related to Intera Study on well spacing calculations—Kathy Jones/Mark Lowry Ms. Jones reminded the Board that this scope of work was approved by them in October and that Intera is studying well spacing in the Catahoula and other areas. The study is still in the preliminary draft stage and has been reviewed by Mr. Mark Lowry. However, additional review by staff and the District's attorney is required. The study will be brought to the Committee upon completion of those reviews.

Policy and Personnel Development Committee – Sam W. Baker, Chair. Director Baker stated that the Committee had not met since the last Board meeting.

Findings and Review Committee – Paul R. Nelson, Coordinator. Mr. Nelson reported that the committee had not met since the last Board meeting.

Update and status project report related to Regional Groundwater Update Project w/HGSD and the FBSD – Mark Lowry. Mr. Lowry told the Board that the project was essentially complete and that due to the volume of work, the decision had been made to prepare a summary report with some 800 pages of studies attached as appendices. Mr. Lowry and staff have reviewed the summary and commented. The report will be posted to the Harris-Galveston a web site and will be added to ours as well.

Budget and Finance Development Committee - Jim Stinson, Chair. Director Stinson reported that the Committee had not met since the last Board meeting.

Review of monthly financial reports. Director Stinson reported that the financial statement indicated an actual income of \$1,700,000 compared to a budget of \$1,759,000 and that actual expenses were \$690,000 versus a budgeted estimate of \$929,000.

Building and Facilities Committee - Kathy Turner Jones, Coordinator. Ms. Jones stated that the relocation of the sanitary sewer line had been completed, with the final connection being made Thursday and notice was given in accordance with the agreement between the owners.

Ms. Jones then told the Board that she would be scheduling a meeting of the Committee soon to discuss the ideas and concepts brought forth by the Texas A&M graduate students with regard to the building grounds and the partial filling of the detention pond. She stated that the dirt to fill the pond would be available soon and that she wanted to start the process of developing actual plans for those projects that are accepted before that dirt is moved.

ENGINEERING REPORT:

Mark Lowry, District Consultant, reported that most of his activity during the prior month was focused on permit applications and GMA 14 support. He also reviewed and commented on a proposed legislative bill relating to the prohibiting of rain harvesting/barrels and drought-resistant landscaping by POA's and HOA's. A copy of his report was included in the Board packets.

GENERAL MANAGER’S REPORT:

Discussion and possible action related to approving interlocal agreement for governmental functions and services related to Joint Planning in GMA 14. The General Manager referred the Board to the two-page summary of the GMA process that had been handed out to members. She also referred to the Interlocal Agreement and two proposed scopes of work contained in the Board packets. Ms. Jones then gave a summary of the importance of the establishment of DFC’s, the significant changes in that process since the last time the DFC’s were established and the timelines involved with the TWDB and the Region H Planning Group. She then referenced the two Scopes of Work to accomplish the DFC work submitted by Freese and Nichols and Mullican & Associates. After discussion of the funding mechanisms possible with the Districts and non-GMA member counties, a motion was made by Director Bleyl to approve the Interlocal Agreement, to grant authority to the General Manager to negotiate contracts with Freese and Nichols and Mullican & Associates, and the expenditure of \$10,000 as the District’s maximum share of the contracts necessary to accomplish the establishment of the DFC’s. The motion was seconded by Director Stinson and passed unanimously.

Discuss, consider and possible action related to approve “Scope of Work” with Bill Mullican, P.G. of Mullican & Associates for professional services to manage and update the District’s 2008 Management Plan as required by the Texas Water Code 36.1072(e). The General Manager informed the Board that the District had received notice from the Texas Water Development Board that the District’s Management Plan was due for renewal by December of 2013. Ms. Jones explained the deadlines and the need to move forward in an expedited manner and recommended entering into a contract with Bill Mullican & Associates to accomplish the task. A motion to approve the contract was made by Director Eichelberger, seconded by Director Stinson, and unanimously carried.

PUBLIC COMMENT: Mr. Jim Oates, owner of a wholesale nursery, appeared before the Board to ask for an emergency permit to drill a well and to provide the reasons for his request. President Tramm stated that Mr. Oates’ circumstances did not meet the standards to qualify for the issuance of an emergency permit and told Mr. Oates that should circumstances change and those standards were met, he could again approach the Board.

NEW BUSINESS: None

There being no further business, upon a motion by Director Baker, seconded by Director Wood, President Tramm adjourned the meeting at 11:28 a.m.

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

M. Scott Weisinger, PG, Board Secretary