

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 12, 2014

## 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 August 12, 2014.

President Tramm called the meeting to order at 9:02 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 Baker  
John D. Bleyl, PE  
Jace Houston  
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, 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, District Assistant General Manager; Brian L. Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit "A".*

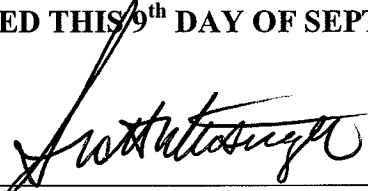
After a proper and legally sufficient announcement to the public by Treasurer Stinson, the Board of Directors went into a Closed Executive Session at 9:03 a.m. pursuant to Texas Government Code, Sections 551.071, to consult with the District's attorney regarding pending or contemplated litigation, settlement 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 Baker arrived at 9:31 a.m.

Following Executive Session, the Board reconvened in Open Session and President Tramm declared it open to the public at 10:00 a.m.

No action was taken on matters discussed in Executive Session and President Tramm adjourned the meeting at 10:01 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 9<sup>th</sup> DAY OF SEPTEMBER, 2014.**

A handwritten signature in black ink, appearing to read "M. Scott Weisinger", written over a horizontal line.

M. Scott Weisinger, PG, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 12, 2014

## 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 August 12, 2014.

### CALL TO ORDER:

President Tramm called to order the Public Hearing on Permit Applications at 10:01 a.m., announcing the meeting open to the public.

### ROLL CALL:

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

Sam W. Baker  
John D. Bleyl, PE  
Jace Houston  
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"*

Item #1, **Jack McClanahan** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 170,000 gallons for 2014 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 #2, **Fish Creek Storage Limited** - Applicant is requesting registration of a new well and production authorization in the amount of 100,000 gallons for 2014 and 180,000 gallons for 2015 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, **Lenert Investments, LLC (Magnolia RV Park)** - Applicant is requesting registration of a new well and production authorization in the amount of 500,000 gallons for 2014 and 2,000,000 gallons for 2015 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 #4, **Herman Gehrels** - Applicant is requesting registration of a new well and production authorization in the amount of 150,000 gallons for 2014 and 250,000 gallons for 2015 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 150,000 gallons for 2014 & annually thereafter.

Item #5, **East Montgomery County MUD #7** - Applicant is requesting registration of a new well and production authorization in the amount of 73,000,000 gallons for 2014 and 2015 and 146,000,000 for 2016 and annually thereafter. The SJRA GRP Administrator has been notified by email and has not submitted any comments on the request. Based on technical review of the information supplied, it is the General Manager's recommendation to authorize conditional approval for that which is being requested. Approval of the well registration, construction of the well, and the requested permit allocation is conditional upon receipt of a signed participant contract between applicant and the SJRA GRP.

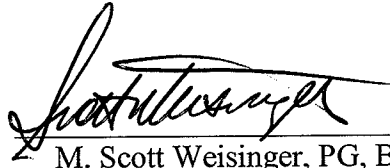
The first motion was made by Director Stinson, and seconded by Director Bleyl to approve items #1, 2, 3 and 5 in accordance with the General Manager's recommendations. The motion passed unanimously, with Director Weisinger abstaining from voting on item #5.

The second motion was made by Director Baker and seconded by Director Weisinger to approve item #4 with a reduced amount, in accordance with the General Manager's recommendations, and the motion passed unanimously.

The Board heard from Debra Lopez, daughter of applicant Herman Gehrels. Ms. Lopez stated that they are concerned that the reduced allocation will not be enough water for their business, home & RV. The Board advised Ms. Lopez that if she can obtain historical usage data to show previously usage then District staff will review and they could amend the permit before 2015. It was decided that the permit would be approved pursuant to the General Manager's recommendation.

President Tramm adjourned the public hearing on permit applications at 10:11 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 9<sup>TH</sup> DAY OF SEPTEMBER, 2014.**

A handwritten signature in black ink, appearing to read "M. Scott Weisinger", written over a horizontal line.

M. Scott Weisinger, PG, Board Secretary



# LONE STAR GROUNDWATER CONSERVATION DISTRICT

**AUGUST 12, 2014**

## **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 August 12, 2014.

### **CALL TO ORDER:**

President Tramm called to order the regular Board of Directors meeting at 10:11 a.m. announcing that it was open to the public.

### **ROLL CALL:**

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

Sam Baker  
John D. Bleyl, PE  
Jace Houston  
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, P.E., District Engineer; 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 Houston, seconded by Director Baker, and unanimously carried, to approve the meeting minutes:

- a) July 8, 2014, Special Board Meeting
- b) July 8, 2014, Public Hearing on Permit Applications

c) July 8, 2014, Regular Board of Directors Meeting

Additionally, General Manager Kathy Turner Jones asked to make a clarification from the last board meeting. Ms. Jones stated there were questions at the end of the meeting about the District's June 27<sup>th</sup> press release and she wanted to make clear that John Seifert did not review the press release before it went out, but he did review it and make comments after it went out.

**COMMITTEE REPORTS:**

**Water Awareness and Conservation Committee - Billy Wood, Chair**

Briefing on Committee Activities - Director Wood reported that the committee had not met since the last board meeting.

Briefing on Public Outreach Efforts - Marlisa Briggs, Education/Public Awareness Coordinator – Mrs. Briggs' presentation highlighted the following public outreach efforts:

- Mobile Education Lab Aquifer Model Update
- Website Redesign Progress Report
- Conservation Outreach Coalition Update
- Sponsorship of Texas AgriLife Water Smart Conference
- Chambers of Commerce Board Meetings
- Ongoing e-blasts, press releases and social media communications
- Monthly Dock Lines article
- La Trattoria Tour/Recommendations

Discussion, consideration and possible action in support of Alliance for Water Efficiency's opposition letter to US Senate Majority Leaders opposing Amendment #1046 filed by Representative Paul Gosar to R.R. 4923, the FY 2015 Energy and Water Appropriations Bill – Marlisa Briggs

Mrs. Briggs presented a letter drafted by the Alliance for Water Efficiency, in opposition to Amendment #1046. AWE has requested the District's support. After discussion, in accordance with the General Manager's recommendation, no action was taken on this federal issue.

Update on Conservation Efforts – Paul Nelson, Assistant General Manager - Mr. Nelson briefed the Board on additional conservation activities, including

- Recommendations provided to La Trattoria following tour
- Lake Conroe Watershed Protection Plan update
- City of Conroe's Water Conservation Advisory Committee update
- July NHA Environment Committee Meeting – served as guest speaker, giving an update on the District
- July Gulf Coast/Montgomery County Water Efficiency Network meeting. Director Rick Moffatt and staff gave a presentation about the planning and implementation of the Southern Montgomery County MUD's reuse project.



The August meeting will feature a presentation by Michael Bloom on Low Impact Development (LID), and will take place at H-GAC.

### **Rules Development Committee – Brian Sledge**

Briefing on Committee Activities – Mr. Sledge reported that the Rules Development Committee had not met since the last meeting, but will meet prior to the next board meeting.

Update and Status Project Report Related to Development of Well Spacing Relationships – Mr. Sledge reported that the hydrologists have completed their recommendations on Catahoula well spacing relationships and will be providing a report to the committee in the near future. Additionally the committee will discuss the GRP Phase II(B) amendments and will report back at the next board meeting.

### **Policy and Personnel Development Committee – Sam W. Baker**

Briefing on Committee Activities – Director Baker reported that the committee had not met since the last Board meeting, and therefore there was no report. However, he did note that the committee will try to meet before the September board meeting.

### **Findings and Review Committee – Paul R. Nelson**

Briefing on Committee Activities – Mr. Nelson reported the Findings and Review Committee last met on July 29, and had been discussing the possibility of fracking in Montgomery County. The committee desired to establish base line data as a starting point. The TCEQ currently conducts extensive water quality testing in the county. Therefore, the committee is recommending hiring Anthony Bennett Consulting to analyse the current available data, and provide a report to the District. Director Wood made a motion to contract with Anthony Bennett Consulting for the services provided, and Director Houston seconded the motion. After discussion, all directors present, with the exception of Director McCoy, were in favor, and the motion passed as presented.

Director Weisinger requested that staff monitor the situation of fracking in Montgomery County and let the board know, in advance, of when fracking should begin to take place in the county.

### **Budget and Finance Development Committee - Jim Stinson, Chair**

Briefing on Committee Activities - Director Stinson reported that the committee had not met since the last board meeting, therefore there was no committee report.

Review of Monthly Financial Reports - Director Stinson reported that the financial statement indicated an actual income of \$1.8 million compared to projected \$1.9 million, and expenses are at \$1.1 million, compared to projected expenses of \$1.3 million.

Consider and act on Resolution #14-005 reviewing and approving Investment Policy and Investment Strategies as required annually by the Public Funds Investment Act of Texas – Director Stinson deferred this item until the next board meeting.

### **Building and Facilities Committee - Kathy Turner Jones, Coordinator**

Briefing on Committee Activities – Ms. Jones reported that the committee had not met since the last board meeting.

Update and Possible Action Regarding Construction and Redesign of Existing Detention Pond – Ms. Jones reported that the redesign phase is complete and came in at \$9,000-\$10,000 under budget. Ms. Jones has received a scope from former Texas A&M students on the next phases, and the next step is to schedule a committee meeting to review the proposal. Once the committee meets, it will report back to the board.

### **DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION RELATED TO AUGUST 7, 2014 BOARD WORK SESSION – RICHARD TRAMM**

President Tramm thanked all board members, and members of the public, who attended the August 7, 2014, work session. He noted that no action is needed on this item, but provided a summary of the discussion points:

- 1) Groundwater science, basics of confined and unconfined aquifers, groundwater availability modelling, groundwater availability policy determinations, and total aquifer storage.
- 2) Establishment of desired future conditions for aquifers, groundwater management areas, the District Management Plan, the District Rules and Regulatory Plan, the state and regional water plans, and the interplay between them.
- 3) Strategic planning regarding near-term and long-term management Rick Moffatt, General Manager of Southern Montgomery County MUD, briefly described their reclaimed water system. Following his comments, Director Stinson made a motion to approve the application as presented; Director Weisinger seconded the motion, and Director Moffatt abstained. All those present were in favor, and the item passed unanimously as presented. Following the vote, Director Weisinger spoke on behalf of the LSGCD Board, applauding Mr. Moffatt's efforts on utilizing an alternative water source.

He also charged the Findings and Review Committee to create a strategic plan and bring that back to the board.

**CONSIDERATION AND POSSIBLE ACTION AUTHORIZING RESOLUTION #14-006 APPROVING MAJOR AMENDMENT TO PORTER SPECIAL UTILITY DISTRICT'S JOINT GROUNDWATER REDUCTION PLAN**

Ms. Jones reported that the Porter SUD is requesting approval of a major amendment to its joint Groundwater Reduction Plan (GRP). One proposed change is to accommodate the District's rule change regarding 2016 permitted allocation, which was made in November 2013.

A second proposed change is to the Porter SUD's primary strategy for reaching its 2016 conversion obligation. They are moving from a surface water treatment facility as their primary to purchasing permitted allocation and early conversion credits from Montgomery County MUD 18, which has existing Catahoula wells. MUD 18 is utilizing water from its Catahoula wells to provide the majority of their public water, and therefore as a result, will have excess permitted capacity in their existing Jasper wells. This excess capacity will be transferred to Porter SUD.

In addition, Porter SUD has modified the completion schedule for their surface water plant to realistically reflect changes that have occurred. The final proposed change is documenting the addition of some GRP members and the removal of others (due to low volume).

Director Stinson made a motion to accept the resolution as presented. Director Moffatt seconded the motion, and all those present were in favor. Directors Tramm and Moffatt abstained from this item. *A copy of Resolution #14-006 is attached hereto as Exhibit "B".*

**CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE GENERAL COUNSEL TO PROVIDE COMMENT ON THE RAILROAD COMMISSION OF TEXAS' PROPOSED AMENDMENTS TO 16 T.A.C. § RULES 3.9, RELATING TO DISPOSAL WELLS, AND 3.46, RELATING TO FLUID INJECTION INTO PRODUCTIVE RESERVOIRS, IN ORDER TO ADDRESS THE ISSUE OF INSUFFICIENT SURFACE CASING THROUGH THE BASE OF THE USEABLE QUALITY WATER FOR SUCH WELLS.**

Mr. Sledge briefed the board on this particular issue that relates to waste injection wells. No action was taken.

**ENGINEERING REPORT:**

Mark Lowry, District Consultant, reported that most of his activity during the month was routine, and a copy of his report is included in the Board's packet. The only item out of the ordinary was working with the scope of work for Anthony Bennett Consulting.

**GENERAL MANAGER'S REPORT:**

Ms. Jones noted that the majority of items have been covered throughout the board meeting, and directed the Board to her written report in their board packets for additional activities.

**GENERAL COUNSEL'S REPORT:**

Mr. Sledge noted that he had covered the majority of his items during previous reports in the meeting. He also discussed legislative items, including the election of State Senator Brandon Creighton, former LSGCD board member.

**PUBLIC COMMENT:**

Mr. Mike Stoecker, Stoecker Development, made comment asking that the board facilitate a meeting of a number of hydrologists that represent different interests in order to share facts and information on groundwater availability research. He also asked about the cost-effectiveness of Mr. Moffatt's reuse project.

**NEW BUSINESS:**

Director Weisinger asked that the board discuss possible action as a result of Mr. Stoecker's public comment. President Tramm noted that it will be addressed in a future board meeting.

There being no further business, Director Baker made a motion to adjourn the meeting; President Tramm seconded the motion, therefore the meeting was adjourned at 11:07 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 9TH DAY OF SEPTEMBER, 2014.**



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M. Scott Weisinger, PG, Board Secretary