

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 14, 2012

## MINUTES OF SPECIAL MEETING

Lone Star Groundwater Conservation District (“District”) held a “Special Meeting,” open to the public, at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on August 14, 2012.

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 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 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 9:02 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 9:30 a.m.

Following Executive Session, the Board reconvened in Open Session and declared it open to the public at 9:45 a.m.

No action was taken on matters discussed in Executive Session and the meeting was adjourned at 9:46 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 11<sup>th</sup> DAY OF SEPTEMBER, 2012.**

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M. Scott Weisinger, PG, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

**August 14, 2012**

## 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 14, 2012.

President Tramm called to order the Public Hearing on Permit Applications at 10:00 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 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”.*

Item #1, **City of Conroe** – Applicant is requesting an amendment to OP for additional production authorization in the amount of 131,750,000 gallons for 2012 and annually thereafter. Based on technical review of the information supplied, it would be my recommendation to approve that which is being requested.

Item #2, **Jacob’s Reserve HOA** – Applicant is requesting an amendment to OP for additional production authorization of 300,000 gallons for 2012 only. Based on technical review

of the information supplied, it would be my recommendation to approve that which is being requested.

Item #3, **Crystal Springs (Timberland Estates)** – Applicant is requesting an amendment to OP for drilling authorization for a new well and an increase in production authorization in the amount of 3,000,000 gallons for 2012 and annually thereafter. Based on technical review, it would be my recommendation to approve that is being requesting.

A motion was made by Director Stinson, seconded by Director Eichelberger to approve the above permit amendments in accordance with the General Managers recommendations.

Item #4, **Montgomery County MUD 8** – Applicant is requesting drilling authorization for a well into the Catahoula formation as well as production authorization in the amount of 1,156,310,000 (1.156 billion gallons) for 2013 and annually thereafter. Based on technical review of the information supplied by the applicant, it has been determined applicant has requested production authorization for 2045 demands. District Staff and consultants have further reviewed the information provide and have directed the District’s hydrogeology consultants to include the applicants 2045 demand as noted in modeling efforts currently underway by the District. However, District policy has been to allow only the 2016 demand in calculating permit amounts for Alternative Water Source supplies. For all of the above reasons, it would be my recommendation that the Board authorize the drilling of the well, as well as a reduced amount of 880 million gallons for 2013 and annually thereafter. Upon a motion made by Director Stinson, seconded by Director Baker the above permit amendments were approved in accordance with the General Managers recommendations. Director McCoy and Director Bleyl abstained from voting.

President Tramm adjourned the Public Hearing on Permit Applications at 10:03 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 11<sup>th</sup> DAY OF SEPTEMBER, 2012.**

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M. Scott Weisinger, PG, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 14, 2012

## 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 – Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on August 14, 2012.

President Tramm called to order the regular Board of Directors meeting at 10:03 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 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, 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”.*

### 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 Wood, seconded by Director Bleyl and unanimously carried, to approve the meeting minutes as presented:

- a) July 10, 2012, Special Board Meeting
- b) July 10, 2012, Public Hearing on Permit Applications
- c) July 10, 2012, Regular Board of Directors Meeting

### COMMITTEE REPORTS:

**Water Awareness and Conservation Committee – Billy Wood, Chair.** Director Wood stated that the committee had not met since last month and at the request of Chairman Wood, Paul R. Nelson, Assistant General Manager, gave an update on conservation activities since the last Board meeting.

**Briefing on conservation efforts.** Mr. Nelson reported that he had been in touch with Ms. Pam Cobb, the communications director for the City of Conroe and had given her a CD with copies of 6 of the District's water conservation videos. These videos are now being aired every half hour on Suddenlink Cable's public service channel. The videos will run throughout the broadcast day. In addition, he reported that he was also working on getting these broadcasted in The Woodlands.

Mr. Nelson discussed progress on the Water Efficiency Network and reported that a meeting of the network will be held at the Spring Creek Nature Center on Monday, August 23<sup>rd</sup>. The main subject to be discussed at that meeting will be the "water alert" system that the City of Houston has developed, alerting customers via smart phone or computer of excess water used based on information from the city's electronic water meters. Keynote speakers for the two months to follow include a representative of Region H as well as Chris Loomis with the City of Conroe.

Other brief updates; the mobile lab is scheduled to be present at the Toyota Bass Classic on September 28<sup>th</sup> for the three day event. Results from the last 12 months of our presence at 50 local movie theatre screens; it is estimated that more than 2.3 million people attended these theatres during that time frame. The table tent program continues, upon coming across those that have quit the program, Mr. Nelson has contacted and encouraged them to get back on the program. It is unknown what percentage of all restaurants are participating in the table tent program; however there are currently 70 individual restaurants utilizing it. The spray nozzle program has not continued, as the District is out of spray nozzles. Previously the City of Conroe and the Joint Powers Agency purchased these from the District, which allowed the District to order bulk amounts.

**Rules and Bylaws Committee – Kathy Turner Jones, Coordinator.** Ms. Jones reported that the committee met on July 11<sup>th</sup> and August 6<sup>th</sup>. The committee is continuing to work on draft rules and amendments to incorporate the GRP process and rules into the District's existing rules. A follow up meeting is to be scheduled as soon as possible at the end of August or the first of September, in an effort to continue on the path forward.

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

**Findings and Review Committee – Paul R. Nelson, Coordinator.** Mr. Nelson stated that the committee had met on July 25<sup>th</sup>. At that meeting, a presentation on the initial findings of the Catahoula formation study was provided by James Beach with LBG Guyton. The draft is currently being circulated to the expert panel. They intend to release the draft report to the District sometime in September. The District's September 11<sup>th</sup> regular Board meeting will include the presentation to the Board and the public, with a comment period to follow.

Director McCoy mentioned that some questions and comments had been raised following the “expert presentation” by hydrologists. Has the District responded or do you intend to respond to those prior to the September 11<sup>th</sup> meeting? Ms. Jones responded by stating that a letter had been sent in response to those written comments and questions. At the time those comments and questions addressed a completed model and what was actually presented back in April, were 36 models. The experts were still working on a final model to present to the public in late summer, and at that time will receive final comments. Mark Lowry also added that the expert panel took each and every comment individually and discussed them, so they have been considered as the model has evolved and developed over the summer.

Brian Sledge reiterated that it was impossible for us to respond, because the comments addressed “the” model; the predicate for all the comments were that we had “a” model. But in reality what we had were 36 models that LBG Guyton had put together. We are still developing the final model. However, we did take all their comments into consideration and started honing in on what to focus the final model on.

Update and status project report related to Regional Groundwater Update Project w/ HGSD and the FBSD – Paul R. Nelson. Mark Lowry mentioned that there was a progress report included in the packet. All of the tools have been developed and this part of the process is looking at various scenarios. They are having some difficulty, with the first two scenarios. Scenario 1 assumed that everything that has been converted would continue but the future conversions were all nullified. This meant that the future conversions did not happen. Scenario 2 assumed implementation of every plan of regulatory conversion that is on the books. For whatever reason there have been some problems with the modeling and trying to make those two conversions work. Part of the issue is the subsidence package. If the subsidence package works then there will be projections of subsidence in Montgomery County. Right now, there is not. So they are still working on those first two scenarios.

Update and status project report related to the District’s modeling study of the Catahoula Formation/Aquifer – Paul R. Nelson. Mr. Nelson stated that a presentation on the initial findings of the Catahoula formation study was provided by James Beach with LBG Guyton. The draft is currently being circulated to the expert panel. They intend to release to the District sometime in September. The Districts September 11<sup>th</sup> regular Board meeting will include the presentation to the Board and the public, with a comment period to follow.

### **Budget and Finance Development Committee – Jim Stinson, Chair.**

Consider and act on Resolution #12-004 amending FY 2012 Operating and Capital Outlay Budget. Director Stinson stated that upon review of the capital budget review, there was an administrative error discovered in the building construction budget for what is referred to as the Collier bid. There was expenditure for that item in the budget in the amount of \$605,000 that should have been \$784,580. It was an administrative oversight in transferring the balance. After visiting with our auditor, he recommended that we adopt a revised budget that would reflect the new number. In addition, we recognize that we had budgeted \$30,000 for a new vehicle purchase which is not going to be done this year, so we are recommending that item be reversed from the budget. Essentially we are recommending that you approve the revised budget with \$30,000 out of the operating budget and \$179,607 added to the capital budget. A motion was made by Director Wood, seconded by Director Baker, and unanimously carried to approve Resolution #12-004 amending FY 2012 Operating and Capital Outlay Budget.

**Building and Facilities Committee – Kathy Turner Jones.** Ms. Jones stated that the committee has not met since the last Board meeting. Following the July board of directors meeting, staff has met with local legal counsel regarding the sanitary sewer line in trespass on the District's property and our path forward to resolve. Following discussion based on legal advice received in executive session, an item will be listed on the September 11<sup>th</sup> agenda to authorize the general manager and staff to proceed with legal proceedings to recover losses and damages and possible civil suit.

In addition, Ms. Jones stated that a meeting of the Facilities and Building Committee will be scheduled in the next few weeks to discuss possible construction of a covered structure to house the District's mobile lab on-site.

### **ENGINEERING REPORT:**

Mark Lowry mentioned that a detailed report has been included in the packets. The majority of time spent was focused on the Houston Area Groundwater liaison and the Catahoula model liaison. In addition, the watering recommendations and evaporation numbers from the San Jacinto River Authority were evaluated. He also met with USGS on the aquifer recharge study results and future issues with USGS.

### **GENERAL COUNSEL REPORT:**

Brian Sledge updated the Board on pertinent legal issues and developments impacting the District since the last regular Board Meeting. Mr. Sledge mentioned that most of their time over the last month has been spent working with the Rules and By-Laws Committee and working with technical consultants in order to stay on top of the development of the current models. In addition they have received the pre-published Chapter 356 rules which implement all of the changes made last session with Chapter 36 and the desired future conditions process. They will be having a meeting at the TWDB in Austin on August 22<sup>nd</sup>. Comments were sent to the TWDB on the changes ahead of time, pursuant to their instructions to do so.

Lastly, they have had visits with some of the legislative staff and committees on what they have planned for the fall. The House does not appear to have any further meetings on groundwater. However, it's been mentioned that the Senate will be meeting in September. There are some changes going on after the elections, we expect that there may be some changes in committee chairs over the next few months. He will keep the district up to date on those changes.

### **GENERAL MANAGER'S REPORT:**

Ms. Jones stated that the General Manager's report was included in the packets and if anyone had any questions she would be glad to address them. Ms. Jones also reminded the Board of the upcoming Texas Groundwater Summit at the end of August, in the event that they



are interested in attending. Last, the next Region H meeting is scheduled for September 5<sup>th</sup> at the SJRA offices.

**PUBLIC COMMENT:** None.

**NEW BUSINESS:** None.

There being no further business, upon a motion by Director Baker, seconded by Director Stinson, President Tramm adjourned the meeting at 10:33 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 11<sup>th</sup> DAY OF SEPTEMBER, 2012.**

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M. Scott Weisinger, PG, Board Secretary