

LONE STAR GROUNDWATER CONSERVATION DISTRICT

September 10, 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 September 10, 2013.

President Tramm called the meeting to order at 9:04 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 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 President Tramm, the Board of Directors went into a Closed Executive Session at 9:05 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.

Following Executive Session, the Board reconvened in Open Session and declared it open to the public at 10:04 a.m.

No action was taken on matters discussed in Executive Session and the meeting was adjourned at 10:04 a.m.

PASSED, APPROVED, AND ADOPTED THIS 8th DAY OF SEPTEMBER, 2013.

M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

September 10, 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 September 10, 2013.

President Tramm called to order the Public Hearing on Permit Applications at 10:04 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, **Great Southern Stabilized Materials, LLC** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,500,000 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 #2, **Conroe ISD (ORHS9th)** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 5,000,000 gallons for 2013 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #3, **Texas Properties** – Applicant is requesting drilling authorization for a new well to be drilled with a production authorization in the amount of 100,000 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 #4, **JEMA Investments, LLC** – This is an existing well that applicant (new owner) is intending to place back into service. Applicant is requesting a production authorization in the amount of 100,000 gallons for 2013 and 1,400,000 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 #5, **Heavy Duty Bus Parts, Inc.** – This is an existing well that staff found in non-compliance. Applicant is requesting registration of the well and a production authorization in the amount of 100,000 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 #6, **Western Rim Property Services (Water Plant #2)** – Applicant is requesting drilling authorization for two new wells to be drilled with a production authorization in the amount of 3,000,000 gallons for 2013 and 9,500,000 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 #8, **Big Diamond (Hardin Store Rd)** – Applicant is requesting drilling authorization for a new well to be drilled with a 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 authorize a **reduced** amount of 30,000 gallons for 2013 and annually thereafter.

A motion was made by Director **Eichelberger**, seconded by Director **Baker**, and the above items were approved in accordance with the General Manager's recommendations and the motion passed.

Due to jurisdictional defeat, item # 7, **Montgomery County MUD #9 (AWS Well)** will be required to be re-noticed for hearing and will not be considered for action or discussion today.

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

PASSED, APPROVED, AND ADOPTED THIS 8TH DAY OF OCTOBER, 2013.

M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

September 10, 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 October 8, 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 except for 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”.*

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 Moffatt, and unanimously carried, to approve the meeting minutes:

- a) August 13, 2013, Special Board Meeting
- b) August 13, 2013, Public Hearing on Permit Applications
- c) August 13, 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 he and Chris Loomis of the City of Conroe have continued their efforts to visit with the boards of utility districts in Montgomery County. As they continue to meet with developers, engineers, and land developers to encourage the use of purple pipe. They are making headway in explaining that using purple pipe is an incentive to the developers, since the cost is reimbursable.

On August 19th, Mr. Nelson and Mr. Loomis met with Montgomery County MUD #8 and discussed the Districts conservation efforts. MUD #8 also described some of their efforts, which Mr. Loomis planned on sharing with the City of Conroe.

On August 20th, Mr. Nelson attended the Conroe Advisory Board. Ronda Trow with the San Jacinto River Authority (SJRA) gave a presentation regarding the surface water conversion project currently underway.

On August 21st, the District hosted a network meeting which was attended by more than 20 guests. The guest speaker was Mr. David Danielson from Texas A&M. He presented information regarding the low impact development project to save water and reduce pollution that was developed for the District. Mr. Danielson also suggested educational tools for single family residences and school buildings to adopt.

On August 22nd, Mr. Nelson met with the staff of Water Logic regarding their use of ET controllers.

Finally, on August 25th, Mr. Nelson was the guest speaker at the Woodlands Home and Garden Show at the Woodlands Marriot. Mr. Nelson was invited back to speak at the spring event.

Mr. Nelson explained that Resolution #13-007, designated September 10, 2013 as “Protect Your Groundwater Day.” It brings the water users’ attention to the importance of sustaining our groundwater resources. A motion was made by Director Eichelberger, seconded by Director Wood, and unanimously passed to proclaim September 10, 2013 as “Protect Your Groundwater Day” in Montgomery County, State of Texas.

Rules Development Committee – Kathy Turner Jones, Coordinator. Ms. Kathy Jones stated that the committee had not met and she had no formal report. Ms. Jones asked Mr. Sledge to give an update on the Rules Committee. Mr. Sledge stated another meeting of the Rules Committee needed to be scheduled soon and that he is striving to get the management plan updated.

Policy and Personnel Development Committee – Sam W. Baker, Chair. Director Baker stated that the Committee had not met since the last Board meeting but he was interested in getting a meeting scheduled within the next few months.

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

Budget and Finance Development Committee - Jim Stinson, Chair. Director Stinson stated that there was no committee report this month.

Review of monthly financial reports. Director Stinson reported that the financial statement indicated an actual income of \$1,974,000 compared to a budget of \$1,145,000 and that actual expenses were \$1,147,000 versus a budgeted estimate of \$1,490,000.

Building and Facilities Committee - Kathy Turner Jones, Coordinator. Ms. Jones reported that there was no committee report this month.

ENGINEERING REPORT:

Mark Lowry, District Consultant, stated that a copy of his report is included in the Board packet and offered to answer any questions. Mr. Lowry confirmed that the Regional Groundwater Update Project with the Subsidence Districts had been completed and the model is being reviewed by the Texas Water Development Board (TWDB). The TWDB has submitted questions on the model to USGS but Ms. Jones pointed out that the District is capped as far as funding for the model goes and any additional monies would come from Harris-Galveston Subsidence District (HGSD) per our agreement.

GENERAL MANAGER'S REPORT:

Ms. Jones informed the Board that most of her activities were included in the General Manager's Report found in their packets and mentioned some important calendar dates that were included on page 19 of that report. Additionally, Ms. Jones updated the Board on TexCom, she stated that it was still at status quo and waiting for a court date in the Third Court of Appeals.

GENERAL COUNSEL'S REPORT: Mr. Sledge stated that he is focused on updating the management plan, which must be updated by law every five years. Mr. Sledge is working with Mr. Mark Lowry and Mr. Bill Mullican to help update changes. It is his hope to have information for consideration at next month's board meeting, with a goal to get the new management plan adopted by November. House Bill 4 restructured the TWDB and the six part time Board Members were replaced by 3 full time Board Members; Bech Bruun, Carlos Rubinstein, and Mary Ann Williamson. The Texas Water Conservation Association (TWCA) is appointing a groundwater municipal panel joint committee to look at various issues related to revisions of Chapter 36 of the Water Code for the next legislative session. Ms. Jones and Mr. Sledge will be working to ensure that the District has good representation while working with the TWCA.

PUBLIC COMMENT: Ms. Jones mentioned to the public that the District is covering costs for an informational bill insert regarding Proposition 6, if any of the municipal entities are interested they can contact District staff.

NEW BUSINESS: None

There being no further business, upon a motion by Director Wood, seconded by Director Eichelberger, President Tramm adjourned the meeting at 10:44 a.m.

PASSED, APPROVED, AND ADOPTED THIS 8TH DAY OF OCTOBER, 2013.

M. Scott Weisinger, PG, Board Secretary