

# BOARD MEETING

## SEPTEMBER 12, 2023

LSGCD



#### NOTICE OF HEARINGS AND MEETINGS OF THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT To be held on Tuesday, September 12, 2023 Lone Star GCD – James B. "Jim" Wesley Board Room 655 Conroe Park North Drive Conroe, Texas 77303

### NOTICE OF PUBLIC HEARING ON PERMIT AND PERMIT AMENDMENT APPLICATIONS

#### TUESDAY, SEPTEMBER 12, 2023, AT 6:00 P.M.

Held In Person with the option for Public Comment Remotely by Publicly Accessible Videoconference (The videoconference opens at 5:45 P.M.)

- 1. Call to Order and Declare Hearing Open to the Public
- 2. Roll Call
- 3. Prayer and Pledges of Allegiance
- 4. Any Public Comments or Requests to Contest and General Manager Permit Hearing Report and Recommendation on Granting, Denying, or Amending Applications for the following Operating Permits and/or Meter Exemptions:
  - Shea Homes Houston, LLC (Woodhavyn), for a proposed Evangeline aquifer well to be drilled at Approximately 0.51 miles southwest of the intersection of Decker Hills Dr. and Dobbin-Huffsmith Rd., (Lat 30/10/46 Long. 95/38/3), Magnolia, not to exceed 11.835498 mg annually, Public Supply (PWS) and Irrigation use, (Driller of Record: To Be Determined);
  - ii. Quadvest, LP. (Indigo Lakes), for a proposed amendment to OP03-0024-CHEV, increase of 45.48159 mg annually, 20615 Sapphire Cir., Magnolia, Public Supply (PWS) and Irrigation use;
  - Meadows At Imperial Oaks HOA, for a proposed amendment to OP-14111201-CHEV, increase of 7.6 mg annually, 2905 Woodland Glen Ln., Conroe, Irrigation use;
  - iv. Mike Simpson (Conroe Taxidermy), for a proposed amendment to OP-10120801-CHEV, increase of 0.525 mg annually, 11845 Clark Ln, Conroe, Commercial use;
  - v. Splendora Pipe Services, for a proposed amendment to OP-11100704-CHEV, increase of 6 mg annually, 26670 Midline, Cleveland, Industrial and Irrigation use;
  - vi. James B. Pope, for a proposed amendment to OP-22031701-CHEV, increase of



0.414 mg annually, 15973 Rabon Chapel Rd., Montgomery, Commercial and Irrigation use;

- vii. RAMARSR, Inc. (Alliance Concrete Ready Mix & Material, Inc.), for a proposed Evangeline aquifer well to be drilled at 19152 Circle Lake Dr., Pinehurst, not to exceed 4 mg annually, Industrial use, (Driller of record: Ricky Bonds Water Well);
- viii. Alpha and Omega Church Inc., for a proposed Evangeline aquifer well to be drilled at 15935 FM 1485, Conroe, not to exceed 0.08 mg annually, Commercial use, (Driller of record: J&S Drilling, LLC);
  - ix. Aqua Marine Pools of Houston, for a proposed amendment to OP-20110401-CHEV, increase of 0.024 mg annually, 13600 Exxon Road, Conroe, Commercial use;
  - x. Sterling & Marianne Combs, for a proposed amendment to OP-07100401-CHEV, increase of 0.366 mg annually, 27112 FM 2978, Magnolia, Commercial use;
  - xi. C & R Water Supply Inc (Bridgepoint Water System), for a proposed amendment to OP-04102601-JSPR, increase of 8.5 mg annually, Public Supply (PWS) use, Willis;
- Xii. C & R Water Supply Inc (Clear Water Cove), for a proposed amendment to OP-07081005-JSPR, increase of 6.5 mg annually, 101 Clearwater West, Montgomery, Public Supply (PWS) use;
- xiii. C & R Water Supply Inc (Creekside Acres), for a proposed amendment to OP-07081006-CHEV, increase of 5 mg annually, Public Supply (PWS) use, Willis;
- xiv. C & R Water Supply, Inc. (Timberline Estates), for a proposed amendment to OP03-0059-CHEV, increase of 2 mg annually, Public Supply (PWS) use, Willis;
- xv. Forest Lane Food Mart, for a proposed amendment to OP-09041501-JSPR, increase of 0.19 mg annually, 11730 FM 1097 W., Montgomery, Public Supply use;
- xvi. Capri Isle Water System, for a proposed amendment to OP-19061201-JSPR, Willis, increase of 3 mg annually, Public Supply (PWS) use;
- xvii. KTC Interests, LLC, for a proposed amendment to OP-13092301-CHEV, increase of 0.4 mg annually, 29607 Robinson Rd., Conroe, Public Supply use;
- xviii. High Meadow Estates POA, for a proposed amendment to OP-16041501-CHEV, increase of 1 mg annually, 6915 Texas Trace Way, Montgomery, Irrigation use; and
  - xix. TJC23CNS, LLC, for a proposed Evangeline aquifer well to be drilled at 12606 Hwy 105, Conroe, not to exceed 2 mg annually, Industrial use, (Driller of Record: B & Water Well Drilling LLC);
- 5. Discussion, consideration, and possible action on the following Operating Permits and/or Meter Exemptions:
  - i. Shea Homes Houston, LLC (Woodhavyn), for a proposed Evangeline aquifer well to be drilled at Approximately 0.51 miles southwest of the intersection of Decker Hills Dr. and Dobbin-Huffsmith Rd., (Lat 30/10/46 Long. 95/38/3), Magnolia, not to exceed 11.835498 mg annually, Public Supply (PWS) and Irrigation use,



(Driller of Record: To Be Determined);

- Quadvest, LP. (Indigo Lakes), for a proposed amendment to OP03-0024-CHEV, increase of 45.48159 mg annually, 20615 Sapphire Cir., Magnolia, Public Supply (PWS) and Irrigation use;
- Meadows At Imperial Oaks HOA, for a proposed amendment to OP-14111201-CHEV, increase of 7.6 mg annually, 2905 Woodland Glen Ln., Conroe, Irrigation use;
- iv. Mike Simpson (Conroe Taxidermy), for a proposed amendment to OP-10120801-CHEV, increase of 0.525 mg annually, 11845 Clark Ln, Conroe, Commercial use;
- v. Splendora Pipe Services, for a proposed amendment to OP-11100704-CHEV, increase of 6 mg annually, 26670 Midline, Cleveland, Industrial and Irrigation use;
- vi. James B. Pope, for a proposed amendment to OP-22031701-CHEV, increase of 0.414 mg annually, 15973 Rabon Chapel Rd., Montgomery, Commercial and Irrigation use;
- vii. RAMARSR, Inc. (Alliance Concrete Ready Mix & Material, Inc.), for a proposed Evangeline aquifer well to be drilled at 19152 Circle Lake Dr., Pinehurst, not to exceed 4 mg annually, Industrial use, (Driller of record: Ricky Bonds Water Well);
- viii. Alpha and Omega Church Inc., for a proposed Evangeline aquifer well to be drilled at 15935 FM 1485, Conroe, not to exceed 0.08 mg annually, Commercial use, (Driller of record: J&S Drilling, LLC);
  - ix. Aqua Marine Pools of Houston, for a proposed amendment to OP-20110401-CHEV, increase of 0.024 mg annually, 13600 Exxon Road, Conroe, Commercial use;
  - x. Sterling & Marianne Combs, for a proposed amendment to OP-07100401-CHEV, increase of 0.366 mg annually, 27112 FM 2978, Magnolia, Commercial use;
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- xii. C & R Water Supply Inc (Clear Water Cove), for a proposed amendment to OP-07081005-JSPR, increase of 6.5 mg annually, 101 Clearwater West, Montgomery, Public Supply (PWS) use;
- xiii. C & R Water Supply Inc (Creekside Acres), for a proposed amendment to OP-07081006-CHEV, increase of 5 mg annually, Public Supply (PWS) use, Willis;
- xiv. C & R Water Supply, Inc. (Timberline Estates), for a proposed amendment to OP03-0059-CHEV, increase of 2 mg annually, Public Supply (PWS) use, Willis;
- xv. Forest Lane Food Mart, for a proposed amendment to OP-09041501-JSPR, increase of 0.19 mg annually, 11730 FM 1097 W., Montgomery, Public Supply use;
- xvi. Capri Isle Water System, for a proposed amendment to OP-19061201-JSPR, Willis, increase of 3 mg annually, Public Supply (PWS) use;
- xvii. KTC Interests, LLC, for a proposed amendment to OP-13092301-CHEV, increase of 0.4 mg annually, 29607 Robinson Rd., Conroe, Public Supply use;



- xviii. High Meadow Estates POA, for a proposed amendment to OP-16041501-CHEV, increase of 1 mg annually, 6915 Texas Trace Way, Montgomery, Irrigation use; and
  - xix. TJC23CNS, LLC, for a proposed Evangeline aquifer well to be drilled at 12606 Hwy 105, Conroe, not to exceed 2 mg annually, Industrial use, (Driller of Record: B & Water Well Drilling LLC);
- 6. Adjourn or continue permit hearing in whole or in part.

The above agenda schedules for the meetings and hearings of the District represent an estimate of the order for the indicated items and are subject to change at any time.

These public hearings and meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting or hearing, please contact the Lone Star GCD at 936/494-3436 at least 24 hours in advance of the meeting.

At any time during one the above meetings or hearings and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Lone Star Groundwater Conservation District Board may meet in executive session on any of the above agenda items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gift (§551.073); personnel matters (§551.074); deliberation regarding security devices (§551.076); and deliberation regarding cybersecurity (§551.089). Any subject discussed in executive session may be subject to action during an open meeting.

#### Certification

I, the undersigned authority, do hereby certify that on September 8, 2023, at or before 5:00 p.m., I posted and filed the above notices of meeting(s) and hearing(s) with the Montgomery County Clerk's office and also posted a copy in the front window of the Lone Star GCD office in a place convenient and readily accessible to the general public all times and that it will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with the Texas Government Code, Chapter 551.

/s/ Sarah Kouba

Sarha Kouba, General Manager Lone Star Groundwater Conservation District



### NOTICE OF REGULAR MEETING OF THE BOARD OF DIRECTORS

#### **TUESDAY, SEPTEMBER 12, 2023, AT 6:00 P.M.** (TO BEGIN UPON ADJOURNMENT OF THE ABOVE LISTED PUBLIC HEARINGS)

#### Held In Person with the option for Public Comment Remotely by Publicly Accessible Videoconference (The videoconference opens at 5:45 P.M.)

The Board of Directors may discuss, consider, and take action, including expenditure of funds, on any item or subject matter posted in this agenda.

- 1. Call to Order and Declare Regular Meeting Open to the Public
- 2. Roll Call
- 3. Public Comment on any agenda item or any other matter (Public comment is limited to a maximum of 3 minutes per speaker); *See Comment Card for Other Guidelines and Procedures.*
- 4. Executive Session The Board will recess for a closed Executive Session pursuant to Texas Government Code, section § 551. 074 and section §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 regarding any agenda item on any of the board meetings or hearings posted for today.

No action will be taken in Executive Session.

- 5. Re-convene in Open Session.
- 6. Discuss, consider, and take action as necessary concerning approval of Meeting Minutes:
  - a) August 8, 2023, Hearing on Permit and Permit Amendment Applications
  - b) August 8, 2023, Regular Meeting
  - c) August 9, 2023, Show Cause Hearing
  - d) August 28, 2023, Special Meeting
- Presentation of 2023 4-H Water Ambassadors Sponsorship Recognition to Lone Star GCD– JD Haines, 4-H Water Ambassador (Teir 2), Justin Saenz, Education and Conservation Outreach Coordinator
- 8. Committee Reports:
  - A. Executive Committee Jim Spigener, Chair



- 1) Brief the Board on the Committee's activities since the last regular Board meeting.
- B. Budget & Finance Committee Jonathan Prykryl, Chair
  - 1) Brief the Board on the Committee's activities since the last regular Board meeting.
  - 2) Review of unaudited financials for the month of August 2023 Sarah Kouba
  - Receive audit presentation for fiscal year 2022 Jon Watson, CPA, Brooks Watson & Co., PLLC
- C. External Affairs Committee Jim Spigener, Chair
  - 1) Brief the Board on the Committee's activities since the last regular Board meeting
- D. DFC & Technical Committee Stuart Traylor, Chair
  - 1) Brief the Board on the Committee's activities since the last regular Board meeting
- E. Rules, Bylaws & Policies Committee Jim Spigener, Chair
  - 1) Brief the Board on the Committee's activities since the last regular Board meeting
- 9. Receive information from District's technical consultants regarding subsidence studies and/or discussion regarding the same Jim Spigener, Board President, and/or District's technical consultant(s).
- 10. Groundwater Management Area 14 update the board on the issues related to joint planning activities and development of desired future conditions in GMA 14 Jim Spigener, Board President and/or District's technical consultant(s).
- 11. General Manager's Report The General Manager will brief the Board on pertinent operational and management issues that the District, its employees, or consultants have encountered since the last regular Board meeting. Sarah Kouba, General Manager
- 12. General Counsel's Report The District's legal counsel will brief the Board on any pertinent legal issues and developments impacting the District since the last regular Board meeting, and legal counsel's activities on behalf of the District, including without limitation: waste injection well monitoring activities and injection well applications filed at the Railroad Commission of Texas or the Texas Commission on Environmental Quality, including District protests or other actions regarding same; District Rules enforcement activities; District Rules and regulations, permitting and District Management Plan development or implementation issues; groundwater-related legislative activities; joint planning and desired future conditions development activities; contemplated and/or pending litigation involving the District; developments in groundwater case law and submission of legal briefs; legislation or legislative activities; enforcement matters; contractual issues related to the District; open government, open records requests, policy, personnel, election matters and financial issues of the District; and other legal activities on behalf of the District. Stacey V. Reese.

13. New Business.



14. Adjourn.

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/s/ Sarah Kouba

Sarah Kouba, General Manager Lone Star Groundwater Conservation District

### Shea Homes Houston, LLC (Woodhavyn)

Attn: Robert Santini 7906 N. Sam Houston Pkwy W., Suite 250 Houston, TX 77064

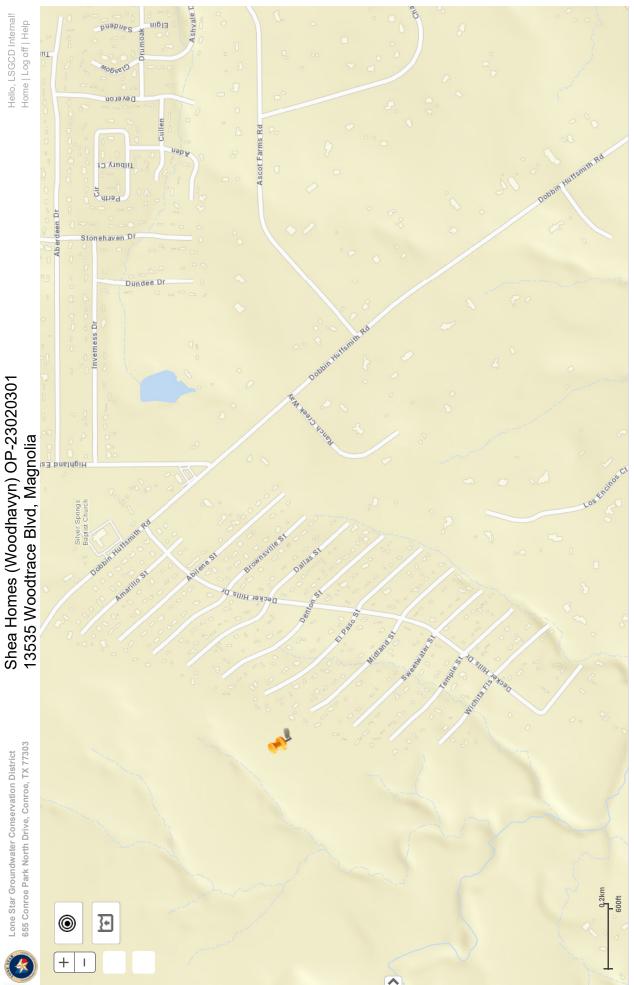
| Operating Permit        |   |
|-------------------------|---|
| Date of Hearing:        | 9/12/2023   |
| Request (MG):           | 11.835498   |
| GM Recommendation (MG): | 11.835498   |
| Water use:              | Public Supply (PWS) & Irrigation  |
| Location:               | Approximately 0.51 miles southwest of the intersection of Decker Hills Dr. and<br>Dobbin-Huffsmith Rd., Magnolia<br>(Lat. 30/10/46 & Long. 95/38/3) |
| Well Registration:      | 2023020302  |
| Depth (ft):             | 900.0   |
| Diameter (in):          | 10.0  |

#### Information

- 1. Issue a permit commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant provides water for the Woodhavyn subdivision.
- 5. Applicant requests 11,835,498 gallons in the Evangeline for 2023 and annually thereafter.
- 6. District Staff Technical Review and Recommendation: Applicant is requesting registration of and authorization to begin construction on one new Evangeline well which will serve a newly developing area. Applicant is further requesting the issuance of OP-23020301-CHEV with an allocation of 11,835,498 gallons in the Evangeline for 2023 annually. Applicant will use allocation during the pump test, step test, construction of water lines, utilities, developing residential connections and irrigation connections. Applicant is estimating buildout construction of 708 homes, 350 multifamily, 9 irrigation connections of 33.35 acres at the end of ten years. Staff recommends to the General Manager that she recommend the Board approve the registration and construction of the proposed well(s), and further approve the requested allocation of 11,835,498 gallons in the Evangeline for 2023 annually.
- 7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

Permit No. OP-23020301

Lonestar GCD



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### Quadvest, LP. (Indigo Lakes)

Attn: Mark Urback 26926 FM 2978 Magnolia, TX 77354

| Amend Operating Permit  |                                  |
|-------------------------|----------------------------------|
| Date of Hearing:        | 9/12/2023                        |
| Request (MG):           | 45.481590                        |
| GM Recommendation (MG): | 45.481590                        |
| Water use:              | Public Supply (PWS) & Irrigation |
| Location:               | 20615 Sapphire Cir., Magnolia    |
| Well Registration:      | N/A                              |
| Depth (ft):             | N/A                              |
| Diameter (in):          | N/A                              |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2022 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 45,481,590 gallons in the Chico/Evangeline.
- 5. Applicant currently has an HUP in the amount of 77,864,000 gallons in the Chico/Evangeline and an OP in the amount of 30,509,000 gallons Chico/Evangeline. Amount available pending approval of this application equals 153,854,590 gallons Chico/Evangeline.
- 6. Applicant's reported pumpage for 2023 equals 65,482,000 gallons in the Chico/Evangeline.
- 7. District Staff Technical Review and Recommendation: Applicant currently holds HUP118 and OP03-0024G with a Chico/Evangeline aggregate allocation of 108,373,000 gallons annually. Applicant uses the water for public water supply and irrigation connections. Applicant is requesting an increase in the permit allocation of 45,481,590 gallons in the Chico/Evangeline for 2023 and annually thereafter. If approved the revised aggregate allocation will be 153,854,590 gallons in the Chico/Evangeline for 2023 annually thereafter. Applicant has an estimated 1,055 single family dwellings at buildout, POA and irrigation connections. Applicant is requesting an increase due to connection demand. District staff have reviewed the information submitted by applicant. Staff recommends to the General Manager that she recommend the Board approve the requested allocation increase of 45,481,590 gallons in the Chico/Evangeline for 2023 annually thereafter.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### **Meadows At Imperial Oaks HOA**

Permit No. OP-14111201A

Attn: Jeff Garner, LMS LP 1650 Hwy 6 South, Ste. 245 Sugar Land, TX 77478

| Amend Operating Permit  |                                |
|-------------------------|--------------------------------|
| Date of Hearing:        | 9/12/2023                      |
| Request (MG):           | 7.600                          |
| GM Recommendation (MG): | 7.600                          |
| Water use:              | Irrigation                     |
| Location:               | 2905 Woodland Glen Ln., Conroe |
| Well Registration:      | N/A                            |
| Depth (ft):             | N/A                            |
| Diameter (in):          | N/A                            |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 7,600,000 gallons in the Evangeline.
- 5. Applicant currently has an OP in the amount of 5,400,000 gallons in the Evangeline. Amount available pending approval of this application equals 13,000,000 gallons in the Evangeline.
- 6. Applicant's reported pumpage for 2023 equals 2,000 gallons.
- 7. District Staff Technical Review and Recommendation: Applicant currently holds OP-14111201 with an allocation of 5,400,000 gallons for the Evangeline. Applicant uses the water from this allocation impoundment irrigation. Applicant is requesting an additional 7,600,000 gallons for the Evangeline annually. If approved the annual allocation will be 13,000,000 gallons for the Evangeline annually. Applicant provides impoundment irrigation to existing 8.7 acres of surface area and is adding an additional 7.4 surface area. District staff have reviewed the information supplied and recommend to the General Manager that she recommend the Board approve the requested increase of 7,600,000 gallons for the Evangeline annually.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### Mike Simpson (Conroe Taxidermy)

Attn: Beverly Nichols 11845 Clark Lane Conroe, TX 77385

| Amend Operating Permit  |                          |
|-------------------------|--------------------------|
| Date of Hearing:        | 9/12/2023                |
| Request (MG):           | 0.525                    |
| GM Recommendation (MG): | 0.525                    |
| Water use:              | Commercial               |
| Location:               | 11845 Clark Lane, Conroe |
| Well Registration:      | N/A                      |
| Depth (ft):             | N/A                      |
| Diameter (in):          | N/A                      |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 525,000 gallons in the Chicot.
- 5. Applicant currently has an OP in the amount of 325,000 gallons in the Chicot. Amount available pending approval of this application equals 850,000 gallons in the Chicot.
- 6. Applicant's reported pumpage for 2023 equals 337,900 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-10120801A with an allocation of 325,000 gallons in the Chicot annually. Applicant uses the water produced under this allocation to supply the needs of a taxidermy studio as well as a tannery. Applicant is requesting an additional 525,000 gallons for the Chicot annually. If approved the annual allocation will be 850,000 gallons for the Chicot annually. Applicant stated they have increased employees from 35 to 50. They pressure wash and process a maximum of 60 skins a week and have plans to double their processing in the next 5 years. District staff have reviewed the information supplied and recommend to the General Manager that she recommend the Board approve the requested increase of 525,000 gallons for the Chicot annually.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### **Splendora Pipe Services**

Attn: Fredirico Garcia 26670 Midline Rd Cleveland, TX 77328

| Amend Operating Permit   |  |
|--------------------------|--|
| 9/12/2023                |  |
| 6.000                    |  |
| 6.000                    |  |
| Industrial & Irrigation  |  |
| 26670 Midline, Cleveland |  |
| N/A                      |  |
| N/A                      |  |
| N/A                      |  |
|                          |  |

- 1. **Amend permit -** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 6,000,000 gallons in the Evangeline.
- 5. Applicant currently has an OP in the amount of 9,000,000 gallons in the Evangeline. Amount available pending approval of this application equals 15,000,000 gallons in the Evangeline.
- 6. Applicant's reported pumpage for 2023 equals 6,750,000 gallons.
- 7. District Staff Technical Review and Recommendation: Applicant currently holds OP-11100704B with an allocation of 9,000,000 gallons for the Evangeline. Applicant uses the water from this allocation to provide for a pipe yard fabrication facility. Applicant is requesting an additional 6,000,000 gallons for the Evangeline annually. If approved the annual allocation will be 15,000,000 gallons for the Evangeline annually. Applicant provides for the sanitary needs of 175 employees, trucking staff, 7 days a week. Applicant also states during production, as the water hits the heated pipe, it quickly evaporates during the 1750 degree temper to 250 degree quench fabrication process of the steel pipe products. The amount of water used daily depends on the size of pipe being fabricated. District staff have reviewed the information supplied and recommend to the General Manager that she recommend the Board approve the requested increase of 6,000,000 gallons for the Evangeline annually.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### James B. Pope

207 Lakeview Cir Montgomery, TX 77356

|                         | Amend Operating Permit            |
|-------------------------|-----------------------------------|
| Date of Hearing:        | 9/12/2023                         |
| Request (MG):           | 0.414                             |
| GM Recommendation (MG): | 0.414                             |
| Water use:              | Commercial & Irrigation           |
| Location:               | 15973 Rabon Chapel Rd, Montgomery |
| Well Registration:      | N/A                               |
| Depth (ft):             | N/A                               |
| Diameter (in):          | N/A                               |

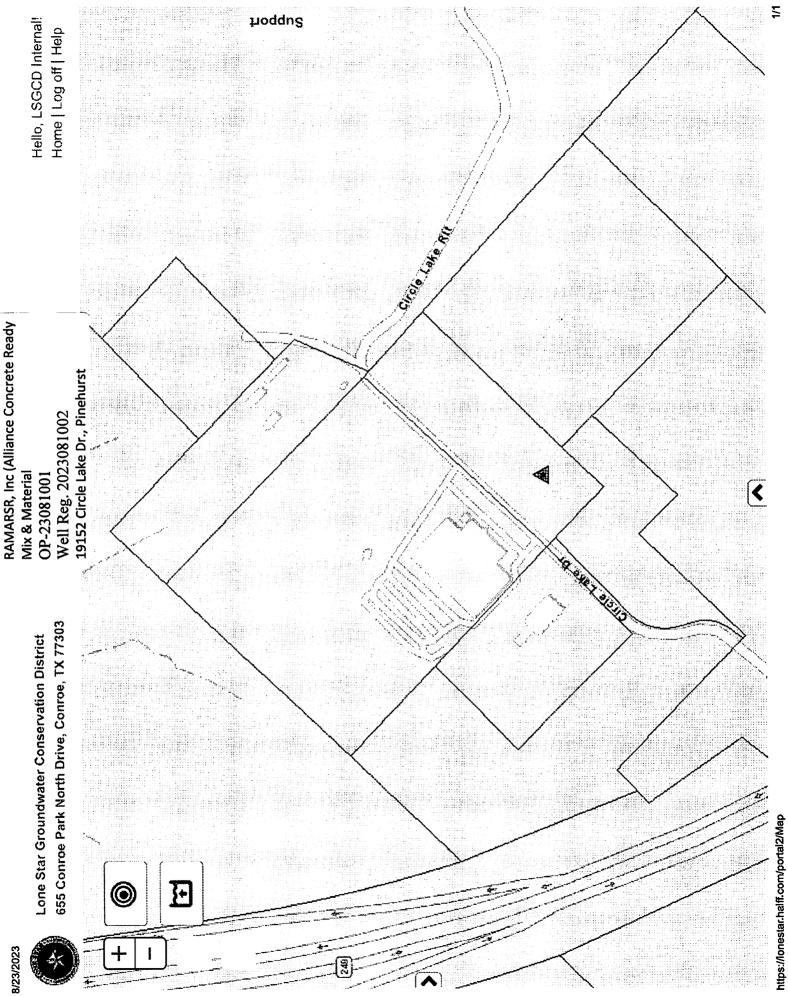
- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 414,000 gallons in the Evangeline.
- 5. Applicant currently has an HUP in the amount of 0 gallons in the Evangeline and an OP in the amount of 286,000 gallons in the Evangeline. Amount available pending approval of this application equals 700,000 gallons in the Evangeline.
- 6. Applicant's reported pumpage for 2023 equals 460,180 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds HUPAG15001D-CHEV and OP-22031701-CHEV with an aggregate allocation of 286,000 gallons for the Evangeline. Applicant is requesting an additional 414,000 gallons for the Evangeline annually. If approved the annual allocation will be 700,000 gallons for the Evangeline annually. Applicant provides for 4 warehouse/office building connections, 1 residential dwelling, and irrigation of 1 acre. Applicant states demand was unknown because this is the first full year since the water use type change from Ag to commercial. District staff have reviewed the information supplied and recommend to the General Manager that she recommend the Board approve the requested increase of 414,000 gallons for the Evangeline annually.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### RAMARSR, Inc. (Alliance Concrete Ready Mix & Material, Inc.)

Attn: Mohammad S Madhupurwala PO Box 561 Magnolia, TX 77353 Permit No. OP-23081001

|                         | Operating Permit                 |
|-------------------------|----------------------------------|
| Date of Hearing:        | 9/12/2023                        |
| Request (MG):           | 4.000                            |
| GM Recommendation (MG): | 4.000                            |
| Water use:              | Industrial                       |
| Location:               | 19152 Circle Lake Dr., Pinehurst |
| Well Registration:      | 2023081002                       |
| Depth (ft):             | 270.0                            |
| Diameter (in):          | 4.0                              |

- 1. Issue a permit commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests 4,000,000 gallons for 2023 and annually thereafter.
- 5. Applicant will provide water a concrete/ready mix facility.
- 6. District Staff Technical Review and Recommendation: Applicant is requesting authorization to begin construction of a new well which will serve the RAMARSR, Inc (Alliance Concrete Ready Mix) plant. Applicant is further requesting the issuance of OP-23081001 with an allocation of 4,000,000 gallons for 2023 and beyond in the Evangeline aquifer. Applicant states the allocation will be used for fifteen employees per day, daily washout of 10 concrete trucks and the and the production concrete/ready mix preparation of approximately 10,000 yards per month. District staff recommends to the General Manager that she recommend the Board approve the registration and construction of the proposed well, and the allocation of 4,000,000 gallons for 2023 and beyond as requested.
- 7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

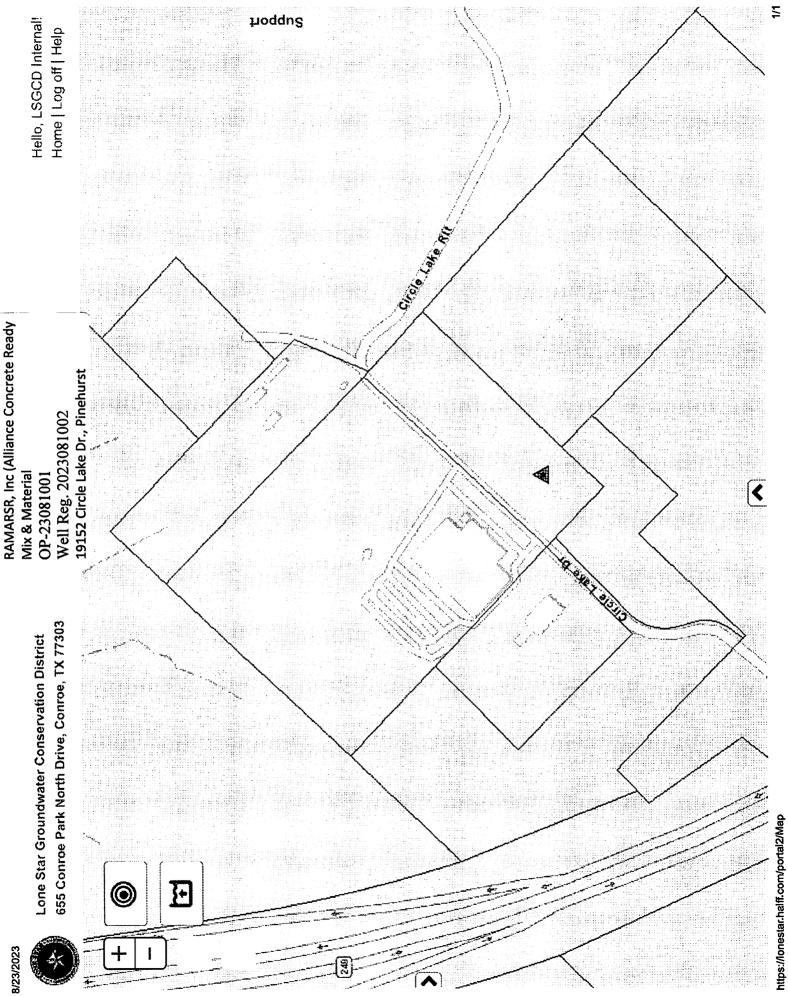


### Alpha and Omega Church Inc.

Attn: John H Cobb, Jr. 15935 FM 1485 Conroe, TX 77354

| Operating Permit        |                       |
|-------------------------|-----------------------|
| Date of Hearing:        | 9/12/2023             |
| Request (MG):           | 0.080                 |
| GM Recommendation (MG): | 0.080                 |
| Water use:              | Commercial            |
| Location:               | 15935 FM 1485, Conroe |
| Well Registration:      | 2023082103            |
| Depth (ft):             | 250.0                 |
| Diameter (in):          | 4.5                   |

- 1. Issue a permit commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests 80,000 gallons for 2023 and annually thereafter.
- 5. Applicant will provide water for a church facility, including a fire tank.
- 6. **District Staff Technical Review and Recommendation:** Applicant is requesting authorization to begin construction of a new well which will serve the Alpha and Omega Church Inc. Applicant is further requesting the issuance of OP-23082101 with an allocation of 80,000 gallons for 2023 and beyond in the Evangeline aquifer. Applicant states the allocation will be used for the church services, with approximately 40 members and also provide water for a 10,000 gallon fire tank. District staff recommends to the General Manager that she recommend the Board approve the registration and construction of the proposed well, and the allocation of 80,000 gallons for 2023 and beyond as requested.
- 7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.



### **Aqua Marine Pools of Houston**

Attn: Mikaela Naras 25730 I45 North Spring, TX 77386

| Amend Operating Permit  |                        |
|-------------------------|------------------------|
| Date of Hearing:        | 9/12/2023              |
| Request (MG):           | 0.024                  |
| GM Recommendation (MG): | 0.024                  |
| Water use:              | Commercial             |
| Location:               | 13600 Exxon Rd, Conroe |
| Well Registration:      | N/A                    |
| Depth (ft):             | N/A                    |
| Diameter (in):          | N/A                    |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 24,000 gallons.
- 5. Applicant currently has an OP in the amount of 12,000 gallons. Amount available pending approval of this application equals 36,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 11,400 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-20110401 with an annual allocation of 12,000 gallons in the Evangeline aquifer. The water from this permit provides for an office for a swimming pool construction office. The usage for 2023 thus far is 11,400 gallons. Applicant is requesting an additional 24,000 gallons annually due to increased business at office and the washing of vehicles/equipment on a quarterly basis. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 24,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### **Sterling & Marianne Combs**

27112 FM 2978 Magnolia, TX 77354

|                         | Amend Operating Permit  |
|-------------------------|-------------------------|
| Date of Hearing:        | 9/12/2023               |
| Request (MG):           | 0.366                   |
| GM Recommendation (MG): | 0.366                   |
| Water use:              | Commercial              |
| Location:               | 27112 FM 2978, Magnolia |
| Well Registration:      | N/A                     |
| Depth (ft):             | N/A                     |
| Diameter (in):          | N/A                     |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 366,000 gallons.
- 5. Applicant currently has an OP in the amount of 142,500 gallons. Amount available pending approval of this application equals 508,500 gallons.
- 6. Applicant's reported pumpage for 2023 equals 173,260 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-07100401 with an annual allocation of 142,500 gallons in the Evangeline aquifer. The water from this permit provides water for a welding machine shop. The usage for 2023 thus far is 173,260 gallons. Applicant is requesting an additional 366,000 gallons annually due to increased business resulting in an increase in employees and the installation of evaporative coolers added to the shop and warehouse. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 366,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### C & R Water Supply Inc (Bridgepoint Water System)

Attn: Melanie White P. O. Box 187 Willis, TX 77378 Permit No. OP-04102601G

| Amend Operating Permit  |                         |
|-------------------------|-------------------------|
| Date of Hearing:        | 9/12/2023               |
| Request (MG):           | 8.500                   |
| GM Recommendation (MG): | 8.500                   |
| Water use:              | Public Supply (PWS)     |
| Location:               | 14172 Hillshire, Willis |
| Well Registration:      | 2016062701              |
| Depth (ft):             | 440.0                   |
| Diameter (in):          | 8.0                     |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 8,500,000 gallons.
- 5. Applicant currently has an HUP in the amount of 6,000,000 gallons and an OP in the amount of 3,500,000 gallons. Amount available pending approval of this application equals 18,000,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 5,634,000 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds HUP236 and OP-04102601F with a combined allocation of 9,500,000 gallons and one well in the Jasper aquifer. Water from this well currently serves 110 single family connections and 7 commercial connections. The usage for 2023 thus far is 5,634,000 gallons. Applicant is requesting an additional 8,500,000 gallons annually due to the increase in connections in the new development section, including 480 single family homes, 3 multi-family homes, 1 commercial development with unknown use type at this time, and the construction of a senior high school. District staff have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 8,500,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### C & R Water Supply Inc (Clear Water Cove)

Attn: Melanie White P. O. Box 187 Willis, TX 77378 Permit No. OP-07081005H

| Amend Operating Permit  |                                 |
|-------------------------|---------------------------------|
| Date of Hearing:        | 9/12/2023                       |
| Request (MG):           | 6.500                           |
| GM Recommendation (MG): | 6.500                           |
| Water use:              | Public Supply (PWS)             |
| Location:               | 101 Clearwater West, Montgomery |
| Well Registration:      | N/A                             |
| Depth (ft):             | N/A                             |
| Diameter (in):          | N/A                             |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 6,500,000 gallons.
- 5. Applicant currently has an HUP in the amount of 12,425,800 gallons and an OP in the amount of 16,074,200 gallons. Amount available pending approval of this application equals 35,000,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 11,111,301 gallons.
- 7. District Staff Technical Review and Recommendation: Applicant currently holds HUP297 and OP-07081005F with a combined allocation of 28,500,000 gallons and one well in the Jasper aquifer. Applicant uses the water from this well to serve 741 single family connections, 2 multi-family connections and 13 commercial connections. The usage for 2023 thus far is 11,111,301 gallons. Applicant is requesting an additional 6,500,000 gallons annually due to the increase in connections in the new development section. District staff have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 6,500,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### C & R Water Supply Inc (Creekside Acres)

Attn: Melanie White P. O. Box 187 Willis, TX 77378 Permit No. OP-07081006G

| Amend Operating Permit  |                                    |  |
|-------------------------|------------------------------------|--|
| Date of Hearing:        | 9/12/2023                          |  |
| Request (MG):           | 5.000                              |  |
| GM Recommendation (MG): | 5.000                              |  |
| Water use:              | Public Supply (PWS)                |  |
| Location:               | Creek Vista Lane (FM 2432), Willis |  |
| Well Registration:      | N/A                                |  |
| Depth (ft):             | N/A                                |  |
| Diameter (in):          | N/A                                |  |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 5,000,000 gallons.
- 5. Applicant currently has an HUP in the amount of 1,485,200 gallons and an OP in the amount of 13,514,800 gallons. Amount available pending approval of this application equals 20,000,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 7,628,000 gallons.
- 7. District Staff Technical Review and Recommendation: Applicant currently holds HUP299 and OP-07081006F with a combined allocation of 15,000,000 gallons and one well in the Evangeline aquifer. Water from this well currently serves 145 single family connections and 18 commercial connections. The usage for 2023 thus far is 7,628,000 gallons. Applicant is requesting an additional 5,000,000 gallons annually due to the increase in connections in the new development section, including 30 single family homes, 75 commercial development with unknown use type at this time. District staff have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 5,000,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### C & R Water Supply, Inc. (Timberline Estates)

Attn: Melanie White P.O. Box 187 Willis, TX 77378 Permit No. OP03-0059L

| Amend Operating Permit  |                          |  |
|-------------------------|--------------------------|--|
| Date of Hearing:        | 9/12/2023                |  |
| Request (MG):           | 2.000                    |  |
| GM Recommendation (MG): | 2.000                    |  |
| Water use:              | Public Supply (PWS)      |  |
| Location:               | 13310 Cedar Lane, Willis |  |
| Well Registration:      | N/A                      |  |
| Depth (ft):             | N/A                      |  |
| Diameter (in):          | N/A                      |  |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 2,000,000 gallons.
- 5. Applicant currently has an OP in the amount of 20,000,000 gallons. Amount available pending approval of this application equals 22,000,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 9,447,000 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP03-0059L with an allocation of 20,000,000 gallons and one well in the Evangeline aquifer. Water from this well currently serves 190 single family connections. The usage for 2023 thus far is 9,447,000 gallons. Applicant is requesting an additional 2,000,000 gallons annually due to the increase in 25 single family connections in the new development section. District staff have reviewed the information supplied by the applicant. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 2,000,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### **Forest Lane Food Mart**

Attn: Melanie White P.O. Box 187 Willis, TX 77378

| Amend Operating Permit  |                             |  |
|-------------------------|-----------------------------|--|
| Date of Hearing:        | 9/12/2023                   |  |
| Request (MG):           | 0.190                       |  |
| GM Recommendation (MG): | 0.190                       |  |
| Water use:              | Public Supply               |  |
| Location:               | 17730 FM 1097 W, Montgomery |  |
| Well Registration:      | N/A                         |  |
| Depth (ft):             | N/A                         |  |
| Diameter (in):          | N/A                         |  |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 190,000 gallons.
- 5. Applicant currently has an OP in the amount of 610,000 gallons. Amount available pending approval of this application equals 800,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 302,000 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-09041501B with an annual allocation of 610,000 gallons in the Jasper aquifer. The water from this permit provides water for a convenience store and 1.5 acres of landscaping. The usage for 2023 thus far is 302,000 gallons. Applicant is requesting an additional 190,000 gallons annually due to increased business resulting in an increase in employees to 5 and an increase in customers to approximately 400 per day due to new development in the area. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 190,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### Capri Isle Water System

Attn: Joanne Cox P O Box 219 Conroe, TX 77305

|                         | Amend Operating Permit  |
|-------------------------|---|
| Date of Hearing:        | 9/12/2023   |
| Request (MG):           | 3.000   |
| GM Recommendation (MG): | 3.000   |
| Water use:              | Public Supply (PWS)   |
| Location:               | 0.64 miles southwest of the intersection of<br>Calvary Rd and Lake Conroe Bay Rd., Willis |
| Well Registration:      | 2019061202  |
| Depth (ft):             | 440.0   |
| Diameter (in):          | 6.0   |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 3,000,000 gallons.
- 5. Applicant currently has an OP in the amount of 9,950,000 gallons. Amount available pending approval of this application equals 12,950,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 6,897,300 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-19061201 with an allocation of 9,950,000 gallons and one well in the Jasper aquifer. Applicant uses the water from this well to serve 216 single family connections. The usage for 2023 thus far is 6,897,300 gallons. Applicant is requesting an additional 3,000,000 gallons annually due to the increase in connections. District staff have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 3,000,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### **KTC Interests, LLC**

Attn: Connie May P.O. Box 430 Mt Enterprise, TX 75681

| Amend Operating Permit  |                             |  |
|-------------------------|-----------------------------|--|
| Date of Hearing:        | 9/12/2023                   |  |
| Request (MG):           | 0.400                       |  |
| GM Recommendation (MG): | 0.400                       |  |
| Water use:              | Public Supply               |  |
| Location:               | 29607 Robinson Road, Conroe |  |
| Well Registration:      | N/A                         |  |
| Depth (ft):             | N/A                         |  |
| Diameter (in):          | N/A                         |  |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 400,000 gallons.
- 5. Applicant currently has an OP in the amount of 1,400,000 gallons. Amount available pending approval of this application equals 1,800,000 gallons.
- 6. Applicant's reported pumpage for 2023 equals 826,100 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-13092301B with an annual allocation of 1,400,000 gallons in the Evangeline aquifer. The water from this permit provides water for a sporting complex, including dust control for 14 baseball fields, concession stands, restrooms and a fire tank holding 8,000,000 gallons. This facility services approximately 5,000 people per week for 40 weeks a year. The usage for 2023 thus far is 826,100 gallons. Applicant is requesting an additional 400,000 gallons annually due to an increase in people in attendance for athletic events and the addition of the fire tank. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 400,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### **High Meadow Estates POA**

Attn: Christy Johnson 525 Woodlands Square Blvd, Ste 250 Conroe, TX 77384

|                         | Amend Operating Permit                                  |
|-------------------------|---|
| Date of Hearing:        | 9/12/2023   |
| Request (MG):           | 1.000   |
| GM Recommendation (MG): | 1.000   |
| Water use:              | Irrigation  |
| Location:               | High Meadow Estates Lot 1 Block 1 Section 1, Montgomery |
| Well Registration:      | N/A   |
| Depth (ft):             | N/A   |
| Diameter (in):          | N/A   |

- 1. **Amend permit** increase allocation. Permit Terms: commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant requests to increase allocation by 1,000,000 gallons.
- 5. Applicant currently has an OP in the amount of 2,801,090 gallons. Amount available pending approval of this application equals 3,801,090 gallons.
- 6. Applicant's reported pumpage for 2023 equals 376,220 gallons.
- 7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-16041501B with an allocation of 2,801,090 gallons and one well in the Evangeline aquifer. Applicant uses the water from this well to maintain 274,925 square feet of landscaping area in the front entrance of the subdivision and surrounding landscaping for the Recreation Center. The usage for 2023 thus far is 6,897,300 gallons. Applicant is requesting an additional 1,000,000 gallons annually due to the increase in landscaping of 112.011 square footage being irrigated formerly irrigated by The City of Conroe. District staff have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend the Board approve the allocation increase of 1,000,000 gallons annually as requested.
- 8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

### TJC23CNS, LLC

Attn: John Genet 12606 Hwy 105 Conroe, TX 77306

|                         | Operating Permit      |
|-------------------------|-----------------------|
| Date of Hearing:        | 9/12/2023             |
| Request (MG):           | 2.000                 |
| GM Recommendation (MG): | 2.000                 |
| Water use:              | Industrial            |
| Location:               | 12606 Hwy 105, Conroe |
| Well Registration:      | 2023081401            |
| Depth (ft):             | 225.0                 |
| Diameter (in):          | 4.0                   |

- 1. Issue a permit commencing September 12, 2023 in perpetuity (unless amended or revoked).
- 2. No written opposition was received regarding the proposed permit.
- 3. The permit application is administratively complete.
- 4. Applicant provides water for temporary concrete plant.
- 5. Applicant requests to increase allocation by 2,000,000 gallons in the Evangeline.
- 6. District Staff Technical Review and Recommendation: Applicant is requesting registration of and authorization to begin construction of a new well which will serve a concrete batch plant. Applicant is requesting an allocation of 2,000,000 gallons in the Evangeline for 2023 annually based on projected loads. Applicant's batch plant is a temporary plant to supply TXDot with concrete for construction of Hwy 105 for three years. Plant will produce approximately 80,000 yards a year. District staff and consultant have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend the Board approve the request for registration and construction of the new well, as well as an allocation of 2,000,000 gallons in the Evangeline annually as requested.
- 7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

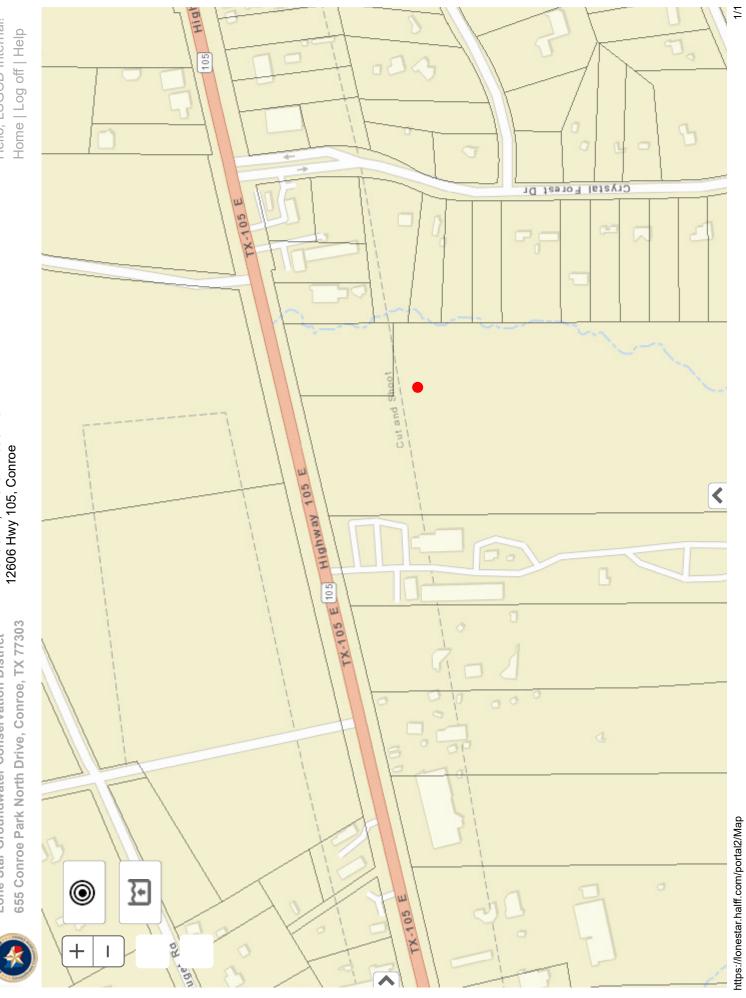


Lonestar GCD

TJC23CNS, LLC OP-23082401 12606 Hwy 105, Conroe

Lone Star Groundwater Conservation District

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### LONE STAR GROUNDWATER CONSERVATION DISTRICT

### August 8, 2023

### 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 and held in person in the Lone Star GCD – James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on August 8, 2023.

#### CALL TO ORDER:

President Spigener called to order the Public Hearing on Permit Applications at 6:01 PM announcing the meeting open to the public.

#### **ROLL CALL:**

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

Jim Spigener Stuart Traylor Janice Thigpen Jonathan Prykryl Jon Paul Bouché Kenneth Earnest Garry Dent

Sevent members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A" to the Regular Board of Directors Meeting minutes.* 

Director Bouchè lead prayer and Secretary Thigpen lead the US and Texas pledges.

#### **PUBLIC COMMENTS:**

No comments were received.

Ms. Hein stated there are 12 permit applications listed for consideration. She brought attention to item #1 (Mill Creek) requesting a spacing exception under District Rule 3.4 and items # 9, 10, 11,

and 12 as they required a hydrogeological report to be submitted. It is the Permitting Director's recommendation to approve that which is requested.

#### August 2023 Permit Hearing GM Recommendations:

#### 1. Quadvest, L.P. (Mill Creek)

Applicant is requesting an amendment to an Operating Permit OP-19071801-JSPR for registration of a new Jasper Aquifer well and an increase in production authorization in the amount of 85,000,000 gallons for 2023 and annually thereafter. Due to required documentation to request exemption from spacing rules, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 2. Union Processing Systems, LLC

Applicant is requesting an amendment to an Operating Permit OP-19051601-CHEV for an increase in production authorization in the amount of 2,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 3. Tom Weir dba DNB Enterprises Inc.

Applicant is requesting an amendment to an Operating Permit OP-18090902-CHEV for an increase in production authorization in the amount of 4,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 4. Texcon Ready Mix

Applicant is requesting an amendment to an Operating Permit OP-06042502E-CHEV for an increase in production authorization in the amount of 5,698,170 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 5. CSWR-Texas Utility Operating Company, LLC

Applicant is requesting an amendment to an Operating Permit OP-11051301-JSPR for registration of a new Jasper Aquifer well. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 6. Church of God - 7th Day The Way

Applicant is requesting an amendment to an Operating Permit OP-15062401-CHEV for an increase in production authorization in the amount of 40,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 7. Covenant Christian School

Applicant is requesting an amendment to an Operating Permit OP-2022003-JSPR for an increase in production authorization in the amount of 2,000,000 gallons for 2023 and annually thereafter. Based

on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 8. The Carriage House

Applicant is requesting an amendment to an Operating Permit OP-14061302-CHEV for an increase in production authorization in the amount of 800,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 9. Aqua Texas, Inc. (Black Oak)

Applicant is requesting an amendment to an Operating Permit OP-16092601-CHEV for registration of a new Evangeline Aquifer well and production authorization in the amount of 59,400,000 gallons for 2023 and annually thereafter. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 10. East Montgomery County MUD 4

Applicant is requesting an amendment to an Operating Permit OP-07022201-CHEV for registration of a new Evangeline Aquifer well and production authorization in the amount of 40,000,000 gallons for 2023 and annually thereafter. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### 11. Aqua Texas, Inc. (Hidden Forest)

Applicant is requesting an amendment to an Operating Permit OP-06112802-JSPR for registration of a new Jasper Aquifer well and production authorization in the amount of 10,000,000 gallons for 2023 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

#### **12. HMW Special Utility District (Coe Country)**

Applicant is requesting an amendment to an Operating Permit OP-06122901-CHEV for registration of a new Evangleine Aquifer well. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

Director Bouché moved to approve item #1-12, as recommended by the Permitting Director and Treasurer Prykryl seconded the motion. Motion passed.

#### **ADJOURN:**

Vice President Traylor moved to adjourn the August 8, 2023 Pubic Hearing on Permit Applications and Treasurer Prykryl seconded the motion. Motion passed. The meeting was adjourned at 6:03 pm.

#### PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF SEPTEMBER, 2023.

Janice Thigpen, Board Secretary

### LONE STAR GROUNDWATER CONSERVATION DISTRICT August 8, 2023 MINUTES OF REGULAR MEETING

The Board of Directors of the Lone Star Groundwater Conservation District ("District") met in regular session, open to the public and held in person in the Lone Star GCD – James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on August 8, 2023.

#### 1. Call to Order

President Spigener called to order the Regular Meeting of the Board of Directors at 6:03 PM announcing the meeting open to the public.

#### 2. Roll Call:

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

Jim Spigener Stuart Traylor Janice Thigpen Jonathan Prykryl Jon Paul Bouché Kenneth Earnest Garry Dent

Seven members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A" to the Regular Board of Directors Meeting minutes.* 

#### 3. Public Comment

No Public Comment

#### 4. Discuss, consider, and take action as necessary concerning approval of Meeting Minutes:

- a) July 11, 2023, Hearing on Permit and Permit Amendment Applications
- b) July 11, 2023, Regular Meeting

Vice President Traylor moved to accept the minutes as presented, Treasurer Prykryl seconded the motion, motion passed to approve the meeting as presented.

#### 5. Receive annual report presentation for 2022-2023 Water Education Program – Joe Thrasher, Tinker LLC

Joe Trasher with Tinker LLC gave a final report for the 2022-2023 School year. Discussion was held on the topic of growing the program to reach more schools and youth, Mr. Saenz explained the budget will be the limiting factor in growing the program.

### 6. Discussion, review, and action as necessary to approve the 2022 Annual Report for the Lone Star Groundwater Conservation District

Mr. Saenz informed the group that only minimal changes were made to the report, mainly in response to feedback received. He suggested featuring the new General Manager's photo in place of the previous

General Manager's to present a fresh image of the district as they engage with stakeholders and legislators in this new chapter. Secretary Thigpen moved to approve the 2022 Annual Report with the discussed changes for printing, Director Earnest seconded the motion. All were in favor and the motion passed to approve the 2022 Annual Report with discussed changes for printing.

#### 7. Committee Reports:

#### A. Executive Committee

#### 1) Brief the Board on the Committee's activities since the last regular Board meeting.

President Spigener introduced Sarah Kouba as the new General Manager for the Lone Star Groundwater Conservation District, sharing details of the interview process and expressing full support from the Board of Directors and office staff. He highlighted Ms. Kouba's extensive work experience, and Ms. Kouba herself expressed her enthusiasm for her new role within the district. President Spigener provided an employee update, mentioning the hiring of an Executive Assistant who started on Monday and the upcoming interview process for a Field Operations Technician scheduled for Friday. Director Bouché expressed gratitude towards Ms. Hein for her outstanding contributions during the transition period, and President Spigener echoed those sentiments, thanking Ms. Hein for her efforts in navigating challenges such as over-pumping, enforcement, and daily office management. President Spigener also extended appreciation to Ms. Reese and the District Consultant for their work during the busy month of July. Furthermore, President Spigener reported on the meetings he attended on behalf of the District, including the North Harris Water Authority, East County Chamber of Commerce, and Porter Special Utility District. He concluded by thanking the office staff, including Ms. Havran, Ms. Milstead, and Mr. Irving, for their dedicated efforts.

#### B. Budget & Finance Committee

#### 1) Brief the Board on the Committee's activities since the last regular Board meeting.

Treasurer Prykryl presented the committee's discussion regarding Phase Three of the Subsidence Study and the necessary budget allocation. They approved a budget of \$1.5 million for fiscal year 2023 and recommended utilizing funds from the money market account to prevent budget deficits. Treasurer Prykryl stressed the need for responsible handling of these funds, considering they come from ratepayers, and advocated for a careful and thoughtful approach to their utilization. The discussion also touched upon the noticeable cost disparity between water well drillers and oil and gas drillers, with the latter being better equipped and experienced in drilling cores at the required depth for Phase Three of the Subsidence Study.

#### 2) Review of unaudited financials for the month of July 2023

Ms. Hein disclosed that for the month of July, the income totaled \$431,806.80, with total expenses at \$98,352.18, resulting in a net income of \$333,454.162. As of July 31, 2023, the year-to-date income exceeded \$1.5 million, and the organization had a total cash balance of \$5.6 million. President Spigener provided context regarding the financial situation, highlighting that despite having \$5.6 million, they could not even afford to install two extensometers, let alone six. While they are approaching the point where they can afford two, he emphasized that this investment is substantial, underscoring the limitations of the available funds.

## 3) Discuss, consider, and take action on Resolution #23-005 authorizing water use fee rate schedule for 2024

Ms. Hein presented an update on the Water Use Rate Schedule, emphasizing that it's an annual process. District staff met with the Budget Committee to review this year's budget and anticipate next year's budget, considering various scenarios for water use fees in the upcoming year. Treasurer Prykryl reported that the Budget Committee's recommendation is to approve the resolution included in the packet and to maintain all water use fees at the same level as the

previous year. Director Bouché moved the accept the Budget Committee's Recommendation to keep the water use rate the same with no changes. Director Earnest seconded the motion. All were in favor and the motion passed.

#### C. External Affairs Committee

#### 1) Brief the Board on the Committee's activities since the last regular Board meeting

President Spigener mentioned that they are currently out of the legislative session, and during the session, they dedicated a significant amount of time in Austin, engaging with various legislators. It was a hectic period, but now things have quieted down, and he expressed his satisfaction with the current calmness.

#### D. DFC & Technical Committee

#### 1) Brief the Board on the Committee's activities since the last regular Board meeting

Vice President Traylor discussed the recent updates to the Subsidence Study. He mentioned that the district is currently exploring two potential sites. While they are still considering options for the second site, Porter SUD has granted permission to use one of their sites after their July 31st board meeting. The first sampling site is likely to be in collaboration with Porter SUD, though they are finalizing the specifics and planning to release an updated RFO soon. Regarding the second site, there are several options within the district, and they are working with their consultants to determine the most suitable location. One advantage of the Porter SUD site is that it already has a well, eliminating the need to establish a new one, which Vice President Traylor noted as a positive development. President Spigener noted that he couldn't recall the exact details provided by the consultant, but having to drill a pilot hole and conduct the necessary logs themselves would potentially cost an additional \$300,000. Therefore, the offer from Porter SUD to use their site will result in significant cost savings for the district. Ms. Reese emphasized the importance of recognizing and acknowledging anyone who provides assistance or financial support. She mentioned that all district materials should include recognition for such contributors. Specifically, when adding something to the website, She suggested coordinating with Porter SUD to ensure their logo and appropriate recognition are included, emphasizing their collaboration on the project.

#### E. Rules, Bylaws & Policies Committee

#### 1) Brief the Board on the Committee's activities since the last regular Board meeting

President Spigener provided updates on recent meetings, mentioning the receipt of over 150 individual comments during the 30-day extension period for feedback. These comments covered various aspects, including rule changes and language improvements, and the team is currently reviewing and categorizing them. Their plan is to host a stakeholder meeting, likely in early September. Ms. Reese clarified that they have a specific rule change deadline of December 1st, but they aim to propose other changes alongside the reviewed comments to streamline the process. At the stakeholder meeting, they won't have draft rules available, but they will have worked through the comments and will be prepared to hear stakeholder input. The actual draft rules are expected to be available later, probably in October, followed by a 30-day comment period and a subsequent hearing.

# 8. Receive information from District's technical consultants regarding subsidence studies and/or discussion regarding the same – Jim Spigener, Board President, and/or District's technical consultant(s).

No update from the District's Technical consultants at this time. President Spigener commended Mr.

Keester on a job well done at the North Harris Water Authority meeting presenting our Subsidence Study and what our needs are and what we intend to accomplish. Extensive discussion was held on partnerships for the Subsidence Study: President Spigener and other participants delved into several critical aspects related to the district's groundwater management and potential collaborations with external partners. They explored the idea that core samples collected within a five-mile radius of certain sites hold higher reliability, making data collection more accurate. One intriguing point raised was the possibility of relocating core sampling sites, such as Porter SUD's location, just a mile southward with the financial support they might offer. However, they acknowledged that such a decision might warrant input from the DFC committee and careful consideration of any potential implications. The conversation also touched on the cautious approach to accepting external support, emphasizing the need to scrutinize any attached conditions or motives. They collectively prioritized the importance of maintaining unbiased, precise data over cost savings. Furthermore, the discussion emphasized the vital role of public education in helping the community understand the complexities of groundwater management. President Spigener expressed confidence in the district's committees, consultants, and administrative support, asserting that they are well-positioned to establish new standards in addressing groundwater issues while adhering to the law and safeguarding private property rights. Throughout their conversation, President Spigener conveyed gratitude to the board for their unwavering commitment and cooperation in facing the challenges associated with responsible groundwater management.

# 9. Groundwater Management Area 14 – update the board on the issues related to joint planning activities and development of desired future conditions in GMA 14 – Jim Spigener, Board President and/or District's technical consultant(s).

President Spigener shared updates on the recent developments in cooperation with the Bluebonnet Groundwater District and the Gulf 2023 model. He mentioned that their consultants had a productive meeting with the Bluebonnet Groundwater District, where they reached alignment on actions regarding the G2023 model. They have formulated a plan for the model's modification, which will undergo review by the Texas Water Development Board (TWDB) to ensure it meets necessary criteria. Bill Hutchinson, a hydrogeologist, has been cooperative and helpful in this process. President Spigener acknowledged the contributions of various team members, including James Beach, Chris Drabek, and Mike Keester, in determining the agenda and required changes to make the Gulf 2023 Model suitable for groundwater conservation districts (GCDs) within Groundwater Management Area 14 (GMA 14). Furthermore, they are focused on involving the entire GMA 14 in the process to ensure that any modifications are beneficial and usable for all. This alignment marks significant progress, and President Spigener commended the cooperation among team members and Bluebonnet Groundwater District for achieving such coordination, which he considered a remarkable accomplishment. It was noted that such collaborative efforts have been rare in GMA 14, making this cooperation all the more notable.

# 10. District's Staff Report – The Permitting Director and Education and Outreach Conservation Coordinator will brief the Board on pertinent operational and management issues that the District, its employees, or consultants have encountered since the last regular Board meeting.

Ms. Hein provided a brief update, mentioning that the financial audit is nearing completion, with only the final invoice for the 2022 election pending. She anticipated receiving the draft audit report in the following week. She also highlighted the current drought conditions in the area, sharing a map in the report to illustrate the preconditions for drought. Additionally, Ms. Hein noted that several entities have initiated drought reductions to address the current weather conditions, emphasizing the importance of ongoing education on this matter. Ms. Hein mentioned the recent addition of Lillie Guichard to the district and encouraged potential candidates to apply for the remaining open positions listed on the district's website. Lastly, she reminded everyone about the upcoming showcase hearing on August 9th at 9:00 AM and the Texas Groundwater Summit scheduled for the end of the month.

Mr. Saenz provided an update on various communication initiatives within the district. He mentioned that professional photos have been taken and will be used for the website and the annual report. Additionally, they plan to increase their presence on social media platforms to engage with constituents more effectively. One exciting development was the revival of the district's YouTube channel, which

had not seen activity for a decade. They plan to post content regularly to improve visibility on social media platforms. Mr. Saenz also mentioned the use of drought maps and weekly forecasts on social media to keep the public informed about local conditions. They have implemented weekly watering recommendations based on data from Texas A&M AgriLife Extension ET weather stations. Regarding networking at events, they introduced digital business cards that can be easily accessed on smartphones, allowing for seamless information exchange and customization to suit specific communication needs. President Spigener expressed his appreciation for Mr. Saenz's work, highlighting the significant impact he has had on improving communication efforts within the district and expecting more positive outcomes in the future.

#### 11. General Counsel's Report -

Nothing to report on at this time.

- 12. The Board recessed to Executive Session at 7:06 PM.
- 13. The Board Re-convened in Open Session at 8:46 PM

#### 14. New Business.

No New Business to report.

#### 15. Adjourn.

Vice President Traylor moved to adjourn, Director Earnest seconded the motion. Motion passed and the Regular Meeting of the Board of Directors adjourned at 8:47 PM

#### PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF SEPTEMBER, 2023.

Janice Thigpen, Board Secretary

### LONE STAR GROUNDWATER CONSERVATION DISTRICT

### August 9, 2023

### MINUTES OF SHOW CAUSE HEARING ON ENFORCEMENT MATTERS

The Board of Directors of the Lone Star Groundwater Conservation District ("District") met in regular session, open to the public, held in person in the Lone Star GCD – James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on August 9, 2023.

#### CALL TO ORDER:

President Spigener called to order the Show Cause Hearings at 9:00 AM.

#### **ROLL CALL:**

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

James Spigener Janice Thigpen Jon Paul Bouché Garry Dent

Four members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Stacey V. Reese, District Counsel; Kirstin Hein, Permitting Director; District staff; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A"*.

Director Bouchè lead prayer and Secretary Thigpen lead the US and Texas pledges.

Ms. Hein stated that items #4, #7, #8, #9, #14, #15, #16, #17, #18, #19, #20, #21, #22, #23 would be removed from the list as they have come into compliance. Director Bouché moved to remove #4, #7, #8, #9, #14, #15, #16, #17, #18, #19, #20, #21, #22, #23 from the agenda as they have come into compliance. Director Dent seconded. The motion passed to remove the state items from the agenda.

#### 5. Show Cause Hearing for Richard Gysler & Cailean McAlister pursuant to District Rule 12.5

President Spigener announced a Show Cause Hearing pursuant to District Rule 12.5, directing **Richard Gysler & Cailean McAlister** to appear before the Lone Star Groundwater Conservation District Board of Directors and show cause why proposed enforcement action should not be pursued by the District. He asked if anyone was present to represent the permittees, none of which were present.

Ms. Hein stated that the respondents had been requested to appear before the Lone Star Groundwater Conservation District to show cause why the District should not take action for failure to submit the 2022 annual water production report. The following actions were voted on by the Board:

- 1. issue a cease-and-desist order pursuant to District Rule 12.6(c) failure to submit 2022 annual water production report and/or fines associated with timely submission.
- 2. file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and
- 3. take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

Director Bouché moved to approve District staff to initiate further enforcement actions. Secretary Thigpen seconded the motion. The motion passed.

#### 6. Show Cause Hearing for City of Shenandoah, pursuant to District Rule 12.5

President Spigener announced a Show Cause Hearing pursuant to District Rule 12.5, directing **City of Shenandoah** to appear before the Lone Star Groundwater Conservation District Board of Directors and show cause why proposed enforcement action should not be pursued by the District. He asked if anyone was present to represent the permittees, none of which were present.

Ms. Hein stated that the respondents had been requested to appear before the Lone Star Groundwater Conservation District to show cause why the District should not take action for failure to submit the 2022 annual water production report. The following actions were voted on by the Board:

- 1. issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2022 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;
- 2. file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and
- 3. take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

Ms. Reese provided an update on Shenandoah, as they are willing to pay the fines related to water overproduction but still needs to address water use fees. Their attorney is in touch to discuss a consent order's terms. The permitting director recommended a 30-day extension for Ms. Reese to negotiate the consent order with Shenandoah's legal counsel. If no agreement is reached in this timeframe, Ms. Reese would have authorization to proceed with fee collection as discussed in the show cause hearing. This approach balances negotiation and enforcement options.

Director Bouché moved to extend the terms and the consent order for 30 days to give our general counsel the authority to make changes to the terms of the consent order at her discretion and authorize, if they do not come into compliance at that time, then we give the General Counsel authorization to move forward with collection. Director Dent seconded. Motion passed.

#### 10. Show Cause Hearing for Jo Mark 1 Ltd., pursuant to District Rule 12.5

President Spigener announced a Show Cause Hearing pursuant to District Rule 12.5, directing **Jo Mark 1 Ltd** to appear before the Lone Star Groundwater Conservation District Board of Directors and show cause why proposed enforcement action should not be pursued by the District. He asked if anyone was present to represent the permittees, none of which were present.

Director Bouché moved the table Jo Mark 1 Ltd until we can ascertain if the District office received the Certified Mail Signature Card was received. Director Dent seconded. Motion passed to table Jo Mark 1 Ltd.

#### 12. Show Cause Hearing for Ernan Puebla (32855 Karen Dr.), pursuant to District Rule 12.5

President Spigener announced a Show Cause Hearing pursuant to District Rule 12.5, directing **Ernan Puebla (32855 Karen Dr.)**, to appear before the Lone Star Groundwater Conservation District Board of Directors and show cause why proposed enforcement action should not be pursued by the District. He asked if anyone was present to represent the permittees, none of which were present.

Ms. Hein stated that the respondents had been requested to appear before the Lone Star Groundwater Conservation District to show cause why the District should not take action for failure to submit the 2022 annual water production report. The following actions were voted on by the Board:

- 1. issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2022 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;
- 2. file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and
- 3. take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

Director Bouché moved to approve District staff to initiate further enforcement actions. Director Dent seconded the motion. The motion passed

## **13.** Show Cause Hearing for SCI, Texas Funeral Services, Inc. dba Forest Park The Woodlands Funeral Home and Cemetery, pursuant to District Rule 12.5

President Spigener announced a Show Cause Hearing pursuant to District Rule 12.5, directing **SCI, Texas Funeral Services, Inc. dba Forest Park The Woodlands Funeral Home and Cemetery** to appear before the Lone Star Groundwater Conservation District Board of Directors and show cause why proposed enforcement action should not be pursued by the District. He asked if anyone was present to represent the permittees, none of which were present.

Ms. Hein stated that the respondents had been requested to appear before the Lone Star Groundwater Conservation District to show cause why the District should not take action for failure to submit the 2022 annual water production report. The following actions were voted on by the Board:

1. issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2022 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;

- 2. file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and
- 3. take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

Director Bouché moved to give SCI, Texas Funeral Services, Inc. 30 days to come into compliance and at the end of the 30 days if there's still not in compliance so we can move forward with giving general counsel authorization for collection. Director Dent seconded. Motion passed.

The Board of Directors recessed at 9:20am for five (5) minutes to allow Ms. Hein to review the Certified Mail for Jo Mark 1 Ltd.

The Board of Directors reconvened at 9:25am.

Treasurer Prykryl joined the meeting virtually.

Ms. Hein Notified the Board that the Show Cause for Jo Mark 1 Ltd. was still in transit. Director Bouché moved to table Jo Mark 1 Ltd. and reissue a Show Cause for the September Meeting. Director Dent seconded the motion. Motion passed.

#### 11. Show Cause Hearing for Johnston Water Utility, LLC, pursuant to District Rule 12.5

President Spigener announced a Show Cause Hearing pursuant to District Rule 12.5, directing **C Johnston Water Utility, LLC**, to appear before the Lone Star Groundwater Conservation District Board of Directors and show cause why proposed enforcement action should not be pursued by the District. He asked if anyone was present to represent the permittees. Mr. Marty Jones was present to represent the permittees in this matter.

Ms. Reese explained the key points before the board concerning Johnston Water Utility case involves determining whether Johnston Water submitted a timely petition contesting the enforcement action under Rule 13.4.1. The board also needs to consider Johnston Water's motion for continuance. Once these issues are resolved, they can proceed with the show cause hearing under Rule 2.5, which may or may not include the right to cross-examine witnesses based on the petition's timing and compliance with rules. Timeliness and compliance with the relevant rules are crucial aspects of the case.

Ms. Hein provided a summary of the timeline and key dates related to Johnston Water Utility's case, particularly regarding the receipt of the Notice of Violation (NOV) and the subsequent submission of a petition. Ms. Reese emphasized that the first issue to be decided is whether the petition was timely filed under Rule 13.4.1 point one. If it's determined to be timely, they will proceed with the show cause hearing; otherwise, the hearing will follow Rule 12.5. Additionally, Ms. Reese mentioned that there is a second issue related to a motion for continuance filed by Mr. Jones, representing Johnston Water. This motion is based on Mr. Jones' claim of needing to be present in person for cross-examination due to personal issues and difficulties in traveling. Motion was withdrawn as Mr. Jones was present.

Mr. Jones acknowledged that the petition was filed late according to the rules. He explained that they were hired to represent Johnston Water after the last possible date for filing the petition, and Mr. Johnston, their client, was not familiar with the procedures involved. Despite the late filing, Mr. Jones expressed their intention to present the points they'd like to make through the petition, and he offered two

packages of exhibits. Exhibit 1 included the petition they filed for the board's review, whether it would be considered as part of a petition hearing or not. Exhibit 2 eliminated the petition and included only the exhibits they would offer as part of a show cause hearing. Mr. Jones emphasized that they acknowledged the late filing but wanted the board to understand that they proceeded with the petition based on their client's circumstances and intentions.

Ms. Reese clarified that if the board determines that the petition was not timely filed, they would follow the procedures outlined in Rule 12.5 for a show cause hearing. However, there would be no cross-examination of witnesses, and Johnston Water Utility would have waived its right to a contested enforcement action due to Mr. Jones's acknowledgment of the late filing.

Mr. Jones responded by pointing out that both the Administrative Procedure Act (APA) and the Government Code grant the right to appear, present evidence, and cross-examine witnesses in a show cause hearing of this type. He argued that denying them this opportunity would be a denial of procedural due process.

Ms. Reese countered by explaining that they are providing due process, but it's a different level of due process, and it follows the procedures set forth in their rules. She emphasized that Mr. Jones and Johnston Water Utility representatives were present, their evidence had been submitted and would be considered, and if the board followed the procedures under Rule 13.4.1, even though the petition was not timely filed, they would not be violating their own rules.

Director Bouché moved that the Board find that the petition was not in compliance with rule 13.4.1 and filed in a timely fashion. Secretary Thigpen seconded the motion. Motion passed.

Ms. Hein stated that the respondents had been requested to appear before the Lone Star Groundwater Conservation District to show cause why the District should not take action for failure to submit the 2022 annual water production report. The following actions were voted on by the Board:

- 1. issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2022 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;
- 2. file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and
- 3. take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

Mr. Jones argued that public water suppliers, like Johnston Water, face unique challenges compared to other water users. He highlighted that these suppliers are obligated by law to provide continuous and adequate service to their customers and cannot cut off water service to customers, even if they are approaching the limits of their permits. This situation arises from Water Code Chapter 13, which places a statutory duty on public water suppliers to ensure water availability. Mr. Jones also pointed out that Johnston Water had submitted an application to amend its permit when it realized it was approaching its limits, but the application took an extended period to be processed and granted. Had it been processed and granted in a timely manner, they would not have been in violation. He further argued that imposing a fine or penalty on the public water supplier, in this case, was not an effective solution because the customers were the ones responsible for exceeding their water usage. Public water suppliers cannot control their customers' water use, and imposing penalties on the supplier does not address the root issue. Instead, he suggested calling it a "surcharge for overproduction" so that it can be included in the rates and the customers who are responsible for overproduction bear the consequences. Mr. Jones emphasized that revoking the permit was not a viable option, as it would conflict with the Public Utilities Commission (PUC) regulations, and Johnston Water Utility cannot stop providing water to its customers.

Ms. Hein explained that Johnston Water had applied to increase its allocation in August, but the application was not administratively complete until June 2nd, 2023. The Board approved it on June 13th, 2023. She clarified that the application had to meet specific requirements outlined in the rules to be considered administratively complete and, therefore, eligible for a hearing before the Board. During the application process, there was communication between Johnston Water and district staff regarding the demand calculations for the requested water volume. The district had difficulties making sense of the demand calculations and requested additional information to support the requested amount. Johnston Water subsequently realized that it had initially requested more water than it actually needed and reduced the requested amount accordingly. Ms. Hein emphasized that the district had followed its rules and processes consistently in handling Johnston Water's application. She also pointed out that according to the rules, an approved permit amendment applies prospectively and cannot be applied retroactively. Additionally, she mentioned that Johnston Water received reductions in penalties, and the fine was cut in half as a final effort to resolve the matter without revoking the permit.

President Spigner clarified that the district did not want to revoke anyone's permit.

Director Bouché moved that Board would not seek revocation or suspension of a permit in the show cause hearing, Secretary Thigpen seconded. Motion passed.

Ms. Reese clarified several important points. She acknowledged the discussion about potentially changing the term "penalty" to allow utilities to pass on costs to customers but emphasized that the current discussion focuses on existing rules. She also stressed the need for consistent rule application to all permit holders, without providing preferential treatment to any group. Ms. Reese highlighted that the district's rules align with the Water Code and Chapter 36. These rules allow the district to request specific information to justify groundwater demands and additional documentation to prevent waste and ensure beneficial use. Furthermore, she addressed claims of substantive due process violations. She pointed out that an exhibit submitted as evidence does not serve as conclusive proof. The reference to Quadvest's petition was withdrawn as Quadvest signed a consent order and paid the penalty.

President Spigener expressed his distress at being accused of causing financial burdens to taxpayers through intentional application delays.

Secretary Thigpen expressed her disbelief the permittee had the notion the Board would consider revoking a permit. Ms. Reese clarified that while the rules grant authority for permit revocation, it was not the intent of the board to revoke the permit, as indicated by the agenda for the meeting.

President Spigener reiterated the board's commitment to fair and equitable treatment for all permit holders. He emphasized that no preferential treatment had been given, citing the significant reduction in penalties Johnston Water received, which was consistent with the rules. Overall message from the board was that revocation was not the goal, and they aimed to maintain fairness and consistency in their dealings with permit holders.

Director Bouché moved that the Board issue a compliance order pursuant to Rule 12.6 giving Johnston water the 30 days to comply with the terms of the June 9th 2023 consent order. If Johnston Water Utility does not sign and pay the penalties within the 30 days and authorize general counsel to file a civil suit seeking enforcement of district rules and the collection of all the knowing water use fees, late penalties. Other civil penalties, attorneys fees, court costs incurred by the District and the prosecution of claims against Johnston Water Utility for its violations of District rules and to not authorize the General Counsel to seek any injunction or otherwise seek to revoke or suspend the permit of any amount. Of authorized to be produced under the permanent in this lawsuit. Treasurer Prykryl seconded. Motion passed.

Director Bouché moved to adjourn, Directo Dent seconded the motion. The regular Board of Directors' meeting adjourned at 10:07 am.

#### PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF SEPTEMBER 2023.

Janice Thigpen, Board Secretary

### LONE STAR GROUNDWATER CONSERVATION DISTRICT August 28, 2023 MINUTES OF SPECIAL BOARD OF DIRECTORS MEETING

The Board of Directors of the Lone Star Groundwater Conservation District ("District") met in regular session, open to the public and held in person in the Lone Star GCD – James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on August 28, 2023

#### 1. CALL TO ORDER:

President Spigener presided and called to order the regular Board of Directors meeting at 6:03 PM, announcing that it was open to the public.

#### 2. ROLL CALL:

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

Jim Spigener Stuart Traylor Janice Thigpen Jonathan Prykryl (Virtual) Jon Paul Bouché Garry Dent

Seven members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Kirstin Hein, Justin Saenz, Stacey V. Reese, District Counsel; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A"*.

- 3. Vice President Traylor lead the Prayer and Secretary Thigpen recited the pledges of Allegiance.
- 4. Discussion, review, and possible action on instituting a Temporary Drought Buffer and possible action to adopt Resolution #23-006 enacting a Temporary Drought Buffer.

President Spigener began by addressing the pressing issue of drought conditions in Montgomery County. He highlighted that the Rule Committee had convened to discuss the evolving drought situation and that they had reviewed a critical report from the Texas Water Development Board (TWDB). This report revealed a significant and concerning development: the entire county was now categorized under drought level 3 (D3).

Recognizing the gravity of this situation and the potential hardships it posed to the community, the board proposed a resolution aimed at implementing a Temporary Drought Buffer for the year 2023. This proposed resolution included two key components. Firstly, it suggested a retroactive 10% increase in permitted pumping levels for all water users, applicable for the entire calendar year. This measure was intended to provide immediate relief to water consumers grappling with the drought's impact.

Secondly, the board contemplated another adjustment. If, at any point, 25% of Montgomery County entered into a more severe drought condition, specifically reaching drought level 4 (D4), the resolution proposed to raise the pumping allocation further. This increase would be adjusted to 15%, offering greater relief to water users facing even more dire circumstances.

Director Dent expressed his support for the initial 10% increase and endorsed the idea of a potential 15% adjustment if the county were to escalate to D4 conditions. His viewpoint was echoed by Vice President Traylor and Director Bouché, both of whom favored this approach.

President Spigener underscored the importance of actively managing water resources during this challenging period and stressed the significance of addressing overpumping concerns. He emphasized that those customers who diligently adhered to drought contingencies would be favored if overpumping became a problem.

To further encourage proactive water conservation measures, Director Dent suggested sending notices to water providers and customers, raising awareness about the need for water conservation and adherence to drought contingencies.

In response to questions posed by Ms. Reese and Ms. Kouba regarding the TWDB reporting process, it was clarified that the TWDB's reports are derived from data sources like the U.S. Drought Monitor, which provides a county-wide assessment of drought conditions.

President Spigener sought reassurance on the reliability of obtaining the 25% figure through the current reporting method, to which Ms. Reese confirmed their confidence in the data.

President Spigener called for a motion. Secretary Thigpen moved to accept Resolution 23-006 in action the Temporary Drought Buffer with the annual production limitations for all permits this temporary increase to 10% for calendar year 2023 [January 1, 2023 to December 31, 2023]. If 25% or greater of Montgomery County enters into D4 Drought conditions as reported by the TWBD and U.S. Drought Monitor on or before the end of calendar year 2023 [December 31, 2023], the annual production limitations for all permits will be temporarily increased by 15% for the calendar year [January 1, 2023 to December 31, 2023]. Director Bouché seconded the motion.

Motion passed to accept Resolution 23-006 in action the Temporary Drought Buffer with the annual production limitations for all permits this temporary increase to 10% for calendar year 2023 [January 1, 2023 to December 31, 2023]. If 25% or greater of Montgomery County enters into D4 Drought conditions as reported by the TWBD and U.S. Drought Monitor on or before the end of calendar year 2023 [December 31, 2023], the annual production limitations for all permits will be temporarily increased by 15% for the calendar year [January 1, 2023 to December 31. 2023].

#### 5. Adjourn:

Director Dent moved to adjourn, Vice President Traylor seconded the motion, President Spigener called for a vote and the motion passed. The Special Board of Directors meeting adjourned at 2:10 PM

#### PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF SEPTEMBER, 2028

Janice Thigpen, Board Secretary

#### Lone Star Groundwater Conservation District Balance Sheet As of August 31, 2023

Accrual Basis

|  | Aug 31, 23                  |
|--|-----------------------------|
| ASSETS   |                             |
| Current Assets   |                             |
| Checking/Savings   | 5 913 273 16                |
| First Bank (Money Market)<br>First Bank (Operating)        | 5,813,372.16<br>83,776.28   |
| TexPool  | 49,061.89                   |
| Total Checking/Savings                                     | 5,946,210.33                |
| Accounts Receivable<br>Accounts Receivable                 | 24,813.17                   |
| Total Accounts Receivable                                  | 24,813.17                   |
| Other Current Assets                                       |                             |
| Allow for Bad Debts  | -9,717.13                   |
| Prepaid Insurance  |                             |
| TWCA premium   | 8,999.70                    |
| Prepaid Dishonesty & Public Bond                           | 1,340.87                    |
| Total Prepaid Insurance                                    | 10,340.57                   |
| Total Other Current Assets                                 | 623.44                      |
| Total Current Assets                                       | 5,971,646.94                |
| Fixed Assets   |                             |
| Bldg & Land  |                             |
| Conroe Park - Land   | 260,187.00                  |
| Conroe Park - Building & Design<br>Accumulated Depr - Bldg | 1,593,552.27<br>-462,212.04 |
|  |                             |
| Total Bldg & Land  | 1,391,527.23                |
| Furniture & Equipment<br>Furniture/Fixture/Equipment       | 353,692.94                  |
| Accumulated Depreciation                                   | -293,184.09                 |
| Total Furniture & Equipment                                | 60,508.85                   |
| Total Fixed Assets   | 1,452,036.08                |
| TOTAL ASSETS   | 7,423,683.02                |
| LIABILITIES & EQUITY                                       |                             |
| Liabilities  |                             |
| Current Liabilities  |                             |
| Accounts Payable<br>Accounts Payable                       | 189,523.42                  |
| Total Accounts Payable                                     | 189,523.42                  |
|  | 107,525,72                  |
| Other Current Liabilities<br>Deposits Payable              | 54,00                       |
| Accrued Expenses   | 01.00                       |
| Accured Expenses   | 67,171.53                   |
| Accrued Expenses - Other                                   | -255,190.46                 |
| Total Accrued Expenses                                     | -188,018.93                 |
| Accrued Vacation Time                                      | 22,339.97                   |
| Deferred Revenue   | 492,467.13                  |
| Direct Deposit Liabilities                                 | 0.03                        |
| ICMA 401(a)-EE portion                                     |                             |
| Total Direct Deposit Liabilities                           | 0.03                        |

Page 1

#### Lone Star Groundwater Conservation District Balance Sheet

Accrual Basis

| Dulunov      | ыn  |      |
|--------------|-----|------|
| As of August | 31, | 2023 |

|  | Aug 31, 23   |
|--|--------------|
| Payroll Liabilities                    | 2,211.57     |
| <b>Total Other Current Liabilities</b> | 329,053.77   |
| Total Current Liabilities              | 518,577.19   |
| Total Liabilities                      | 518,577.19   |
| Equity                                 |              |
| Invested in Capital Assets, net        | 1,518,850.65 |
| Retained Earnings                      | 3,645,723.73 |
| Net Income                             | 1,740,531.45 |
| Total Equity                           | 6,905,105.83 |
| TOTAL LIABILITIES & EQUITY             | 7,423,683.02 |

|  |   |                                    |  | -   |   |
|--|---|------------------------------------|--|---|---|
| 09/06/23 Statement of Re<br>Accrual Basis  | if Revenues and Expenditures - Budget vs. Actual<br>August 2023 | id Expenditures<br>August 2023     | : - Budget vs                                  | . Actual                                  |   |
|  | Aug 23  | Budget                             | Jan - Aug 23                                   | YTD Budget                                | Annual Budget                             |
| Ordinary Income/Expense<br>Income<br>Administrative Fee  |   | 2                                  |  |   |   |
| Application Fee<br>AWS Production Permit<br>AWS Groundwater Test Well<br>Early Conversion Credits                                | 00.0<br>00.0  | 250.00<br>125.00                   | 0.00<br>0.00<br>-5,395.50                      | 2,000.00<br>1,000.00                      | 3,000.00<br>1,500.00                      |
| Emergency Permit<br>Existing Well Application<br>Operating Permit  | 0.00<br>0.00<br>8,100.00  | 125.00<br>1,833.33                 | 1,500.00<br>225.00<br>51,501.52                | 1,000.00<br>14,666.64                     | 1,500.00<br>22,000.00                     |
| temporary Permit<br>Application Fee - Other  | 00.0  | 412.50                             | 450.00   | 3,300.00                                  | 4,950.00                                  |
| Total Application Fee  | 8,350.00  | 2,745.83                           | 49,031.02                                      | 21,966.64                                 | 32,950.00                                 |
| Administrative Fees - Other<br>Change of Ownership/Type<br>Record Request<br>Returned Check Fee<br>Well/Meter Re-inspection Fees | 0.00<br>450.00<br>0.00<br>0.00                                  | 333.33<br>125.00<br>4.16<br>166.66 | 5,850.00<br>5,850.00<br>50.00<br>50.00<br>0.00 | 2,666.64<br>1,000.00<br>33.28<br>1,333.28 | 4,000.00<br>1,500.00<br>50.00<br>2,000.00 |
| Total Administrative Fee   | 8,800.00  | 3,374.98                           | 54,939.36                                      | 26,999.84                                 | 40,500.00                                 |
| Interest Income<br>Lone Star GCD Fees  | 712.31  | 416.66                             | 5,042.66                                       | 3,333.28                                  | 5,000.00                                  |
| Agricultural Permits<br>Agricultural HUP 2023<br>Agricultural OP 2023  | 62.05<br>76.33  | 95.38<br>112.95                    | 496.40<br>610.64                               | 763.04<br>903.60                          | 1,144.57<br>1,355.43                      |
| Total Agricultural Permits   | 138.38  | 208.33                             | 1,107.04                                       | 1,666.64                                  | 2,500.00                                  |
|  | 0.00  | 50.00                              | 0.00   | 400.00                                    | 600.00                                    |
| Historic Use Fee<br>Historic Use Fee 2023  | 96,570.42   | 125,000.00                         | 771,170.87                                     | 1,000,000.00                              | 1,500,000.00                              |
| Total Historic Use Fee   | 96,570.42   | 125,000.00                         | 771,170.87                                     | 1,000,000.00                              | 1,500,000.00                              |
| Operating Permit Fees<br>Operaing Permit 2023<br>Operating Permit 2022   | 135,851.21<br>0.00  | 116,666.66                         | 1,214,326.93<br>1,062.23                       | 933,333.28                                | 1,400,000.00                              |
| ۶<br>-   |   |                                    |  |   | 1 100 000 00                              |

4 Lone Star Groundwater Conservation District

Page 1

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1,400,000.00

933,333.28

1,215,389.16

116,666.66

135,851.21

Total Operating Permit Fees

09/06/23 2:24 PM

Statement of Revenues and Expenditures - Budget vs. Actual August 2023 Lone Star Groundwater Conservation District

| Accrual Basis  | Augu   | August 2023                                    |  |  |  |
|--|--|--|--|--|--|
|  | Aug 23                                       | Budget   | Jan - Aug 23   | YTD Budget   | Annual Budget  |
| Board Expense<br>Meeting/Conference<br>Per Diem<br>Payroll Tax Liability - Board<br>Board Meeting Expense          | 205.25<br>4,500.00<br>346.25<br>564.19       | 416.66<br>5,250.00<br>458.33<br>500.00         | 5,235.62<br>33,500.00<br>2,472.14<br>4,628.29        | 3,333.28<br>42,000.00<br>3,666.64<br>4,000.00        | 5,000.00<br>5,000.00<br>5,500.00<br>6,000.00             |
| Total Board Expense  | 5,615.69                                     | 6,624.99                                       | 45,836.05  | 52,999.92  | 79,500.00  |
| Advertising/Public Notices<br>Audit Fees<br>Building Expense<br>Building Maintenance<br>Utilities & Housekeeping   | 42.00<br>9,750.00<br>988.00<br>4,633.26      | 500.00<br>812.50<br>2,916.66<br>4,333.33       | 343.30<br>9,750.00<br>38,141.10<br>3999.85           | 4,000.00<br>6,500.00<br>23,333.28<br>34,666.64       | 6,000.00<br>9,750.00<br>35,000.00<br>52,000.00           |
| Total Building Expense   | 5,621.26                                     | 7,249.99                                       | 78,140.95  | 57,999.92  | 87,000.00  |
| Computer Support<br>Hosting/Internet/Backup<br>Repair & Support<br>Software  | 610.00<br>1,945.00<br>184.00                 | 2,333.33<br>2,166.66<br>416.66                 | 4,820.60<br>14,035.33<br>6,710.24                    | 18,666.64<br>17,333.28<br>3,333.28                   | 28,000.00<br>26,000.00<br>5,000.00                       |
| Total Computer Support   | 2,739.00                                     | 4,916.65                                       | 25,566.17  | 39,333.20  | 59,000.00  |
| Engineering<br>District Engineer<br>Engineering Consult Srvs<br>GMA 14 Planning<br>Well Permit Database Management | 0.00   | 10,416.66<br>16,666.66<br>4,166.66<br>8,333.33 | 80,714.25<br>159,632.30<br>7,384.99<br>11,631.21     | 83,333.28<br>133,333.28<br>33,333.28<br>66,666,64    | 125,000.00<br>200,000.00<br>50,000.00<br>100,000.00      |
| Total Engineering  | 0.00   | 39,583.31                                      | 259,362.75   | 316,666.48   | 475,000.00   |
| Field/Technical Expense<br>Field Supplies<br>Vehicle/MobileLab Repair &Maint<br>Vehicle-Capital expense            | 0.00<br>389.18<br>16.19<br>0.00              | 291.66<br>541.66<br>250.00<br>416.66           | 1,091.37<br>3,198.82<br>836.53<br>0.00               | 2,333.28<br>4,333.28<br>2,000.00<br>3,333.28         | 3,500.00<br>6,500.00<br>3,000.00<br>5,000.00             |
| Total Field/Technical Expense  | 405.37                                       | 1,499.98                                       | 5,126.72   | 11,999.84  | 18,000.00  |
| Insurance<br>Bonds<br>Building & Property Insurance<br>Errors and Omissions<br>Liability<br>Vehicle Insurance      | 36.59<br>402.83<br>188.00<br>70.42<br>228.75 | 83.33<br>416.66<br>216.75<br>98.16<br>259.58   | 343.91<br>3,469.66<br>1,414.00<br>665.84<br>1,797.00 | 666.64<br>3,333.28<br>1,734.00<br>785.28<br>2,076.64 | 1,000.00<br>5,000.00<br>2,601.00<br>1,178.00<br>3,115.00 |

Page 3

12,894.00

8,595.84

7,690.41

1,074.48

926.59

Total Insurance

2:24 PM 09/06/23 Accrual Basis

Statement of Revenues and Expenditures - Budget vs. Actual Lone Star Groundwater Conservation District

August 2023

| ees                   | *                     |              |
|-----------------------|-----------------------|--------------|
| Rebate Water Use Fees | Travel/Training Staff | Depreciation |

Total Expense

Net Ordinary Income

Net Income

| Aug 23                 | Budget                         | Jan - Aug 23             | YTD Budget                         | Annual Budget                      |
|------------------------|--------------------------------|--------------------------|------------------------------------|------------------------------------|
| 0.00<br>120.15<br>0.00 | 1,250.00<br>666.66<br>4,166.66 | 0.00<br>3,144.67<br>0.00 | 10,000.00<br>5,333.28<br>33,333.28 | 15,000.00<br>8,000.00<br>50,000.00 |
| 95,040.44              | 245,708.10                     | 1,339,571.83             | 1,965,664.80                       | 2,948,500.0                        |
| 218,226.77             | 21,675.18                      | 1,740,531.45             | 173,401.44                         | 260,100.0                          |
| 218,226.77             | 21,675.18                      | 1,740,531.45             | 173,401.44                         | 260,100.0                          |

#### Lone Star Groundwater Conservation District Reconciliation Summary First Bank (Money Market), Period Ending 08/31/23

|   | Aug 31, 2                 | 23  |
|---|---------------------------|---|
| Beginning Balance<br>Cleared Transactions<br>Checks and Payments - 1 item<br>Deposits and Credits - 9 items | -110,000.00<br>448,649.01 | 5,474,723.15<br>.00<br>.01<br>38,649.01<br>5,813,372.16<br>5,813,372.16 |
| <b>Total Cleared Transactions</b>   | 338,649.                  | .01   |
| Cleared Balance   |                           | 5 <b>,813,37</b> 2,16   |
| Register Balance as of 08/31/23   | <u> </u>                  | 5,813,372.16  |
| Ending Balance  |                           | 5,813,372.16  |

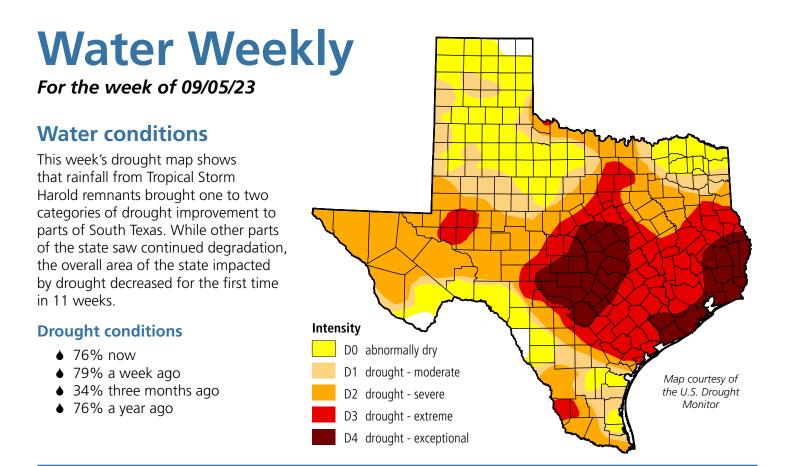
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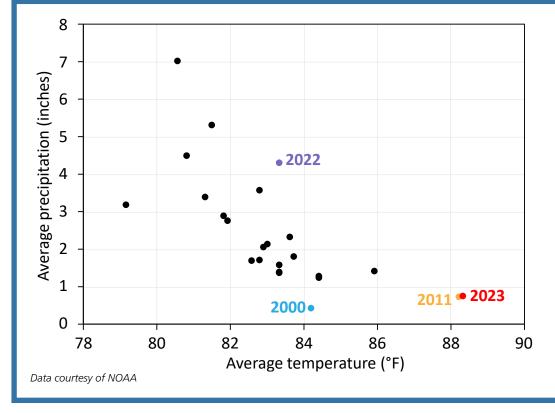
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Lone Star Groundwater Conservation District Reconciliation Detail First Bank (Money Market), Period Ending 08/31/23

| Balance | 5,474,723.15<br>-110,000.00  | -110,000.00               | 25,563.80                                  | 270,789.22 | 283,536.26 | 361,844.45 | 434,216.02 | 441,206.75 | 443,056.75 | 443,549.01 | 448,649.01 | 448,649.01                 | 338,649.01                 | 5,813,372.16    | 5,813,372.16                    | 5,813,372.16   |
|---------|--|---------------------------|--|------------|------------|------------|------------|------------|------------|------------|------------|----------------------------|----------------------------|-----------------|---------------------------------|----------------|
| Amount  | -110,000.00  | -110,000.00               | 25,563.80                                  | 245,225.42 | 12,747.04  | 78,308.19  | 72,371.57  | 6,990.73   | 1,850.00   | 492.26     | 5,100.00   | 448,649.01                 | 338,649.01                 | 338,649.01      | 338,649.01                      | 338,649.01     |
| <br> 당  | ×  |                           | ×  | Х          | ×          | x          | X          | х          | X          | X          | ا<br>×     | I                          |                            | ļ               | ļ                               | ļ              |
| Name    |  |                           |  |            |            |            |            |            |            |            |            |                            |                            |                 |                                 |                |
| Num     | <b>1 item</b><br>2743  |                           | ) items                                    |            |            |            |            |            |            |            |            |                            |                            |                 |                                 |                |
| Date    | ing Balance<br>eared Transactions<br>Checks and Payments - 1 item<br>Journal 08/25/23 2743 | Total Checks and Payments | Deposits and Credits - 9 items<br>08/01/23 | 08/03/23   | 08/08/23   | 08/10/23   | 08/17/23   | 08/23/23   | 08/25/23   | 08/31/23   | 08/31/23   | Total Deposits and Credits | Transactions               |                 | of 08/31/23                     |                |
| Type    | Beginning Balance<br>Cleared Transactions<br>Checks and Paymer<br>General Journal 08/25/23 | Total Chec                | <b>Deposits :</b><br>Deposit               | Deposit    | Total Depo                 | Total Cleared Transactions | Cleared Balance | Register Balance as of 08/31/23 | Ending Balance |

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### August temperature and precipitation

With a statewide average temperature of 88.3°F and precipitation of 0.76 inches, 2023 was the hottest and third driest August for Texas since 2000. Only August 2011 (0.74 inches) and 2000 (0.47 inches) were drier, while August 2022 (4.33 inches) was the fourth wettest.

Written by Dr. Mark Wentzel — Dr. Mark Wentzel is a hydrologist in the TWDB's Office of Water Science and Conservation.

Bryan McMath, Government Relations | bryan.mcmath@twdb.texas.gov | 512-463-7850 Media Relations | MediaRelations@twdb.texas.gov | 512-463-5129

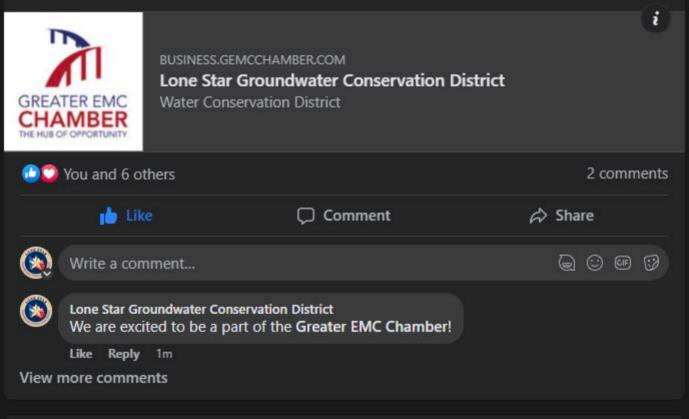
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LONE STAR GOURNDWATER CONSERVATION DISTRICT RECOMMENDS IMMEDIATELY IMPLEMENTING DROUGHT CONTINGENCIES

# Lone Star Gourndwater Conservatio District recommends immediately implementing drought contingencie

(f)

By: Woodlands Online Staff | Published 08/29/2023



THE WOODLANDS, TX - The Lone Star Groundwater Conservation District has recommended the immediate of implementing drought contingencies.

According to a statement, Montgomery County is currently facing D3 Extreme Drought conditions due high temperatures and shortage of rainfall.

"Lone Star GCD urges all residents of Montgomery County to stay well-infor recommended directives offered by their respective local water suppliers. It i consumption, implement drought contingency strategies, communicate conarea(s), and follow the Texas Commission on Environmental Quality (TCEQ) contingency guidelines," said the District in a statement.

Set sail for Pirate 'n Mermaid In recognition of extreme conditions as reported by the TWDB and U.S. Drought Wonton, and in partne the implementation of drought contingency strategies by permit holders and residents, the Lone Star C Directors convened on Monday, August 28, 2023, held a Special Board of Dire 9/6/23, 8:43 AM

approved to adopt Resolution No. #23-006, which authorizes a Temporary Di

"Exceeding your permitted allocation amount, commonly referred to as over terms stipulated in your permit, and a violation of District Rules. The approv

temporary increase above the annual allocation. Per Resolution No. #23-006

all permits is temporarily increased by 10% retroactive to January 1, 2023, entingobaccooper School 2765 or more of the County be declared Drought Level D4 (by the TWDB and U.S. Drought Monitor) on or bef December 31, 2023, the cap of the Temporary Drought Buffer will be increased from 10% to 15% above t permitted annual allocation retroactive to January 1, 2023, ending December 1, 2023. Permittees who cl utilize the Temporary Drought Buffer under Lone Star GCD Resolution 23-006 are still required to pay a fees for additional water pumped over their Annual Production Limitations. Any permit holder who exc applicable Temporary Drought Buffer will be in violation of District Rules and subject to penalties." stat District.

Lone Star GCD remains steadfast in its commitment to safeguarding our water resources and ensuring t being of our community. By taking collective action, adhering to guidelines, and exhibiting prudent wat practices, we can collectively surmount the challenges posed by this extreme drought. Should you requi clarifications or assistance pertaining to your permit allocation, please do not hesitate to reach out to the directly at 936-494-3436.

For further updates and information, please visit the official website of Lone St (http://www.lonestargcd.org).

LSGCD is led by a seven-member elected board of directors, whose primary interests groundwater in Montgomery County while protecting the property rights and economic who own the groundwater.

## Comments • o



Add a comment...



STACEY SMITH, DDS

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# Lone Star Groundwater Conservation District sets temporary drought buffer

Montgomery County

by <u>MiCo</u> August 29, 2023

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The Lone Star Groundwater Conservation District approved a motion Aug. 28 during a routine board meeting to enact a temporary drought buffer for the rest of 2023. (Community Impact staff) The Lone Star Groundwater Conservation District approved a motion Aug. 28 during a routine board meeting to enact a temporary...

Original Article: <u>https://communityimpact.com/houston/conroe-montgomery/weather/2023/08/29/lone-star-groundwater-conservation-district-sets-temporary-drought-buffer/</u>

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HOUSTON / CONROE - MONTGOMERY / WEATHER

# Lone Star Groundwater Conservation District sets temporary drought buffer



By <u>Cassandra Jenkins</u> | 4:19 PM Aug 29, 2023 CDT Updated 5:07 PM Aug 29, 2023 CDT

f 💥 🛅 🖪



The Lone Star Groundwater Conservation District approved a motion Aug. 28 during a routine board meeting to enact a temporary drought buffer for the rest of 2023. (Community Impact staff)

The Lone Star Groundwater Conservation District approved a motion Aug. 28 during a routine board meeting to enact a temporary drought buffer for the rest of 2023.

### What's happening?

According to a news release Aug. 28, the conservation district recommended the immediate action of implementing drought contingencies. According to Sarah Kouba, <u>the general manager of the LSGCD</u>, the contingency affects permitted wells—those wells capable of producing more than 25,000 gallons of water per day, according to the district's website—rather than residents.

Here's what permittees need to know:

• The buffer allows a temporary increase above the annual allocation.

- The annual production limitations for all permits is temporarily increased by 10%, retroactive until Dec. 31.
- Permittees who choose to utilize the drought buffer are still required to pay all water use fees for additional water pumped over their limitations.
- Any permitholder who exceeds the temporary drought buffer will be in violation of district rules and subject to penalties.

#### **Quote of note**

"While this doesn't really affect residents at this stage, we do encourage everyone to be prudent and frugal with your water right now," Kouba said. "Yellow grass is better than tapping into our resources. When we get to this level [D3], that means it's time for everybody to do their part. It's not just the permittees."

#### How we got here

The groundwater district's board decided to implement the drought buffer due to the county facing extreme drought conditions due to persistent high temperatures and a shortage of rainfall. According to the Texas Water Development Board and the U.S. Drought Monitor, the drought has intensified for many parts of the state.

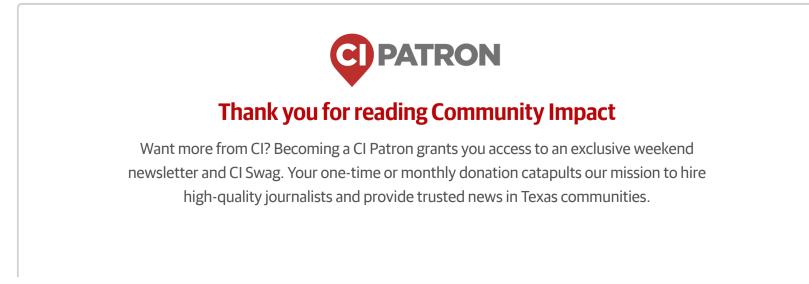
- The area of the state impacted by drought reached its largest value since August 2022.
- Exceptional drought now covers 12% of the state.
- Drought conditions are at 79% statewide.
- Montgomery County is facing a D3, or extreme drought. The highest level is a D4, exceptional drought.

#### **Keep in mind**

The LSGCD is not responsible for setting water restrictions; Kouba said those will come from individual water providers.

#### By <u>Cassandra Jenkins</u> Reporter, Conroe/Montgomery

Cassandra joined *Community Impact* in November 2022. Covering Conroe and Montgomery County, she reports on local government, education, business, transportation and dining. Cassandra graduated from Lamar University in May 2019 where she spent four years at the student-run newspaper as editor in chief. Before joining CI, she spent time at The Port Arthur News, a local, daily newspaper in The Golden Triangle. She also operated as a freelance travel and magazine writer for numerous publications. Outside of the newsroom, she



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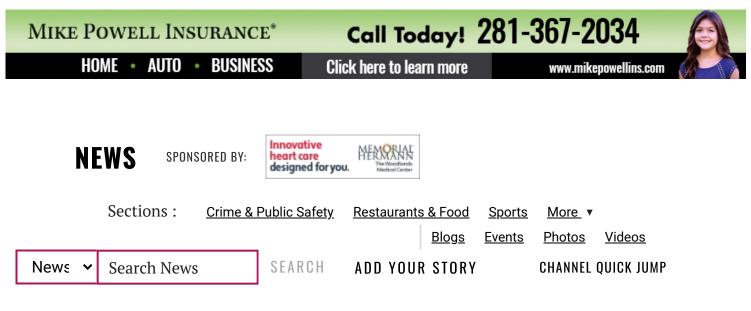
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#### Lone Star Groundwater Conservation District sets temporary drought buffer | Community Impact

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#### NEWS / GOVERNMENT & POLITICS /

LONE STAR GROUNDWATER CONSERVATION DISTRICT TO HOLD 'GROUNDWATER VOICES: PUBLIC FEEDBACK SESSION ON DISTRICT RULES

# Lone Star Groundwater Conservatio District to hold 'Groundwater Voices Public Feedback Session on District Rules

By: Lone Star Groundwater Conservation District | Published 09/07/2023





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THE WOODLANDS, TX – The Lone Star Groundwater Conservation District (Lone Star GCD) is excited "Groundwater Voices: Public Feedback Session on District Rules." This event is scheduled for Septembe from 3:00 p.m. to 5:00 p.m. at the James B "Jim" Wesley Board Room, located at the Lone Star GCD Dist 655 Conroe Park North, Conroe, Texas, 77303. paci

#### CALL (832

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Designed as a platform for our constituents and stakeholders of Montgomery County, this session prov invaluable opportunity to directly relay your comments on the district's current rules to the Board of D primary goal is to gather comprehensive feedback and gain a deeper understanding of the public's persy FEATURED NEV the current regulations.

The session will start with opening remarks by the Board President and the I Sarah Kouba. The next segment will include a short presentation by Lone Sta consultants summarizing common concerns received during the open comm Following the presentation, a dedicated segment for public comments will en insights or feedback will be allotted up to three minutes. This structured app voices are heard, while also adhering to the event's schedule.

### Howard Hughes To Host Fall

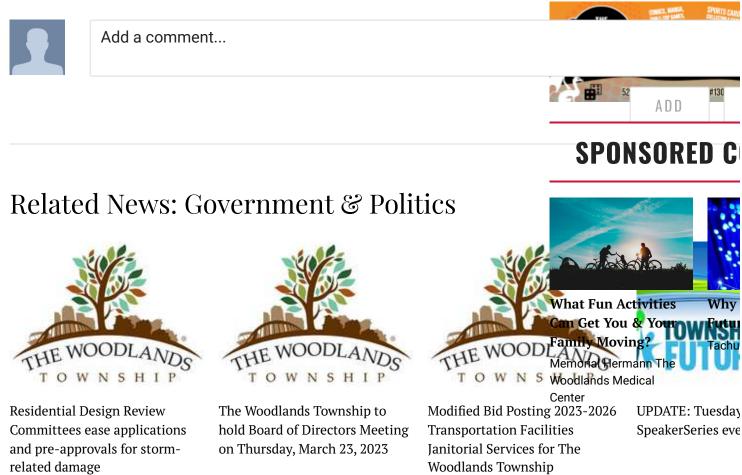
It's crucial for attendees to recognize the Board's role during this session. While every Board membre w actively and attentively listening and may ask questions, Board members wils abortain framediscussions The Board's primary objective is to listen, understand, and absorb the feedback shared.

Lone Star GCD Board President Jim Spigener commented on why the district GCD is holding this workshop on our rules in the spirit of transparency, cust improvement. We look forward to the comments and dialog from all."

To facilitate a seamless event experience, those planning to attend are kindly through the Lone Star GCD website at <u>http://LoneStarGCD.org</u>. This event **Will intoyFbe hetChinWoodlam**, will not be an opportunity to participate by Zoom. To help facilitate open and honest communication, t will not be live-streamed or recorded.

**About LSGCD**: LSGCD is led by a seven-member elected board of directors, whose primary interests are and conserve groundwater in Montgomery County while protecting the property rights and economic in the citizens who own the groundwater.

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#### Jason Afinowicz

Principal and Vice President | Water Resource Planning Practice Leader at Freese and Nichols

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Jason Afinowicz • 3rd + Principal and Vice President | Water Resource Planning Practice Leader at Freese... • • •

I've been hearing for years about the way "water is the new oil" but I never imagined this is what they meant! S Thanks to Texas Alliance of Groundwater Districts and Lone Star Groundwater Conservation District for the thoughtful speaker gifts at this year's Summit! #txgroundwater2023

