

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 08, 2022

## 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 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 June 08, 2022.

### CALL TO ORDER:

President Hardman called to order the Public Hearing on Permit Applications at 6:03 PM announcing the meeting open to the public.

### ROLL CALL:

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

Jon Paul Bouché  
Harry Hardman  
Larry Rogers  
Jonathan Prykryl  
Janice Thigpen  
Stuart Traylor  
Jim Spigener (Virtual)

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.*

### PRAYER AND PLEDGES OF ALLEGIANCE:

President Hardman called on Director Bouche for the opening prayer and Secretary Rogers to lead the Pledge of Allegiance and the Pledge of Allegiance to the state flag.

**PUBLIC COMMENTS:**

No comments were received.

Ms. Reiter briefed the Board on permit applications received for the month and reported that there were five applications received for this month. Applications for consideration and recommended for possible approval included the below:

**1. Quadvest, LP. (Sweetwater Ridge)**

Applicant is requesting registration of a new well and production authorization in the amount of 21,000,000 gallons for 2022 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**2. Shadyside Land Company, LLC**

Applicant is requesting registration of two existing wells and production authorization in the amount of 11,130,000 gallons for 2022 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested

**3. Bo Mauch**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 329,100 gallons for 2022 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**4. T&W Water Services (Deer Pines) dba Blue Topaz Utilities**

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

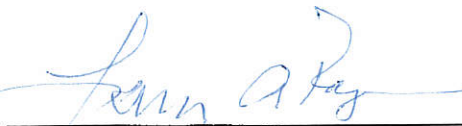
**5. Pulte Homes of Texas, L.P. (Mavera)**

Applicant is requesting registration of two new wells and production authorization in the amount of 8,431,627 gallons for 2022 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

Following Ms. Reiter's report, Director Bouche motioned to approve items #1-5, as recommended by the General Manager. Secretary Rogers seconded. Motion passed.

President Hardman adjourned the public hearing on permit applications at 6:06 PM.

**PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF July 2022.**



Larry Rogers, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

June 8, 2022

## MINUTES OF PUBLIC HEARING ON RULEMAKING

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public, but 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 June 08, 2022.

### CALL TO ORDER:

President Hardman called to order the Public Hearing on Rulemaking at 6:07 PM announcing the meeting open to the public.

### ROLL CALL:

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

Harry Hardman  
Stuart Traylor  
Larry A. Rogers  
Jon Paul Bouché  
Jonathan Prykryl  
Jim Spigener (Virtual)  
Janice Thigpen

All 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.*



## PRESENTATION AND DISCUSSION OF PROPOSED AMENDMENTS TO THE DISTRICT RULES:

Ms. Reese recapped the process taken for the proposed rule revisions. She explained that the Rules, Bylaws, & Policies Committee reviewed the rules adopted on September 8, 2020, and made recommendation for changes at the May 10, 2022 board meeting. The Board approved the proposed changes for publication and public comment at the May 10, 2022, board meeting. The district did not receive any written comments on the proposed changes. Ms. Reese clarified that the hearing today is to adopt the resolution approving the proposed rule changes.

Ms. Reese gave a brief presentation which outlined the 17 proposed changes to District rules. She explained that a majority of the proposed changes are to add clarifying language, while two of the proposed changes are substantive.

One specific clarifying language she described pertained to Rule 3.2. That rule states that there is a 50-foot distance requirement from the property line spacing for all wells. Further, the well may be drilled within 30 feet of specified location but must still comply with 50-foot property line spacing.

One of the substantive proposed changes was to Rule 3.4 regarding the exception to spacing rules. Specifically, an applicant requesting an exception to the spacing rules must certify there is no other location for the proposed well that complies with the rules. Additionally, an exempt well owner is not required to provide a hydrogeological report as part of his/her application for an exception to the spacing rules.

Another proposed change was to Rules 6.1-6.2 pertaining to Management Zones. Ms. Reese explained that the changes to this rule was to reflect language that was taken directly out of Chapter 36 – specifically to add “geographic or” to Rule 6.1-6.2. The rule now reads: “For better management of the groundwater resources and if the District determines that conditions in or use of an aquifer differ substantially from one geographic area of the District to another, the Board, by resolution, may create specific Management Zones within the District. Management Zones will be developed using the best available data and science, including without limitation, information received in Hydrogeological Reports and other hydrogeologic and scientific studies. Management Zone(s) may be based on geographic or hydrogeologically defined areas, geological strata, aquifers, or aquifer subdivisions, in whole or in part, within which the District may:...”.

*A copy of the presentation on proposed rule revisions is attached hereto as Exhibit “B”.*

**PUBLIC COMMENTS:**

There were no public comments.

**DISCUSSION, CONSIDERATION AND POSSIBLE ACTION APPROVING AMENDMENTS TO THE DISTRICT RULES.**

Following Ms. Reese's report, Director Hardman motioned to approve Resolution #22-003 approving amendments to District Rules, as recommended by Ms. Reese. Secretary Rogers seconded. Motion passed.

**ADJOURN:**

President Hardman adjourned the public hearing on rulemaking at 6:11 PM.

**PASSED, APPROVED, AND ADOPTED THIS 12<sup>th</sup> DAY OF JULY 2022.**



Larry A. Rogers  
Larry A. Rogers, Board Secretary



# HEARING ON PROPOSED CHANGES TO RULES



JUNE 8, 2022



## PROCESS AND REVIEW

- The Rules, Bylaws, & Policies Committee reviewed rules adopted on September 8, 2020, and made recommendations for changes at the May 10, 2022 board meeting.
- The Board approved the proposed changes for publication and public comment at the May 10, 2022 board meeting.
- The District did not receive any written comments on the proposed changes.
- The hearing tonight on proposed changes to the rules was properly noticed.
- Potential action: adopt resolution approving proposed changes to rules.



# PROPOSED CHANGES

## List of 17 proposed changes

- A majority of the proposed changes are to add clarifying language and are self-explanatory.
- Two of the proposed changes are substantive.





## RULES 3.2, 3.4 (SPACING)

### **Rule 3.2: 50-foot property line spacing for all wells**

- Well may be drilled within 30 feet of specified location but must still comply with 50-foot property line spacing.

### **Rule 3.4: Exceptions to spacing rules**

- An applicant requesting an exception to the spacing rules must certify there is no other location for the proposed well that complies with the rules.
- An exempt well owner is not required to provide a hydrogeological report as part of his/her application for an exception to the spacing rules.





## RULES 6.1-6.2 Management Zones

Management Zone. Before instituting a proportional adjustment, the District may designate an Aquifer of the District or another geographic or hydrogeologically defined area, geological strata, aquifer, or aquifer subdivisions as a Management Zone and shall hold a hearing in accordance with Rule 13.2 on the proposed proportional adjustment.

- (a) For better management of the groundwater resources and if the District determines that conditions in or use of an aquifer differ substantially from one geographic area of the District to another, the Board, by resolution, may create specific Management Zones within the District. Management Zones will be developed using the best available data and science, including without limitation, information received in Hydrogeological Reports and other hydrogeologic and scientific studies, Management Zone(s) may be based on geographic or hydrogeologically defined areas, geological strata, aquifers, or aquifer subdivisions, in whole or in part, within which the District may:





# QUESTIONS

**Questions**

**Discussion**







# LONE STAR GROUNDWATER CONSERVATION DISTRICT

**June 8, 2022**

## MINUTES OF REGULAR MEETING

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 June 08, 2022.

### CALL TO ORDER:

President Hardman presided and called to order the regular Board of Directors meeting at 6:12 PM, announcing that it was open to the public.

### ROLL CALL:

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

Jon Paul Bouché  
Harry Hardman  
Jonathan Prykryl  
Larry A. Rogers  
Janice Thigpen  
Stuart Traylor  
Jim Spigener (Virtual)

Seven members of the Board were present, thus constituting a quorum of the Board of Directors. 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".*

### PUBLIC COMMENTS:

No public comments were received.

### EXECUTIVE SESSION:

The Board recessed at 6:27 PM into a closed Executive Session pursuant to Texas Government Code, Sections 551.071, to consult with the District's attorney regarding pending or contemplated litigation, settlement offers, or on matters in which the duty of the attorney to the

governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, Chapter 551, Government Code regarding any agenda item on any of the board meetings or hearing posted for today.

**RECONVENE IN OPEN SESSION:**

Following Executive Session, the Board reconvened in Open Session and President Hardman declared it open to the public at 8:05 PM

**APPROVAL OF THE MINUTES:**

President Hardman stated the Board would consider the meeting minutes as listed for approval on today's agenda. Without further discussion, upon a motion by Vice-President Traylor to approve as amended and seconded by Director Prykryl, the Board approved the meeting minutes as presented.

- a) May 10, 2022, Public Hearing on Permit Applications
- b) May 10, 2022, Show Cause Hearing of Enforcement Matters
- c) May 10, 2022, Regular Board of Directors Meeting

**COMMITTEE REPORTS:**

**A. Budget & Finance Committee – Jim Spigener, Chair**

- 1) Brief the Board on the Committee's activities since the last regular Board meeting-- Treasurer Spigener had nothing to report at this time.
- 2) Review of unaudited financials for the month of April 2022-- Ms. Reiter reported that for the month of May 2022, income was \$225,441.57 and expenses were \$119,769.80 resulting in a net income of \$105,586.02. Year-to-date net income is \$813,586.02. Total cash on hand was \$4,086,084.84
- 3) Receive audit presentation for fiscal year 2021 – Jon Watson, CPA Brooks Watson & Co., PLLC – Mr. Watson presented an overview of the audit process. The district received an 'unmodified' outcome which is measured as the highest level of assurance. The audit was overall very positive with some room for improvement. Ms. Reiter explained staff is working to ensure the District's financial practices are tightened up to be as close to perfect as possible.

**B. Communications Committee – Harry Hardman, Chair**

- 1) Brief the Board on the Committee's activities since the last regular Board meeting -- President Hardman stated there was nothing to report other than they continue to work with Mach 1 and will provide timely updates when they are available.



**C. DFC & Technical Committee – Stuart Traylor, Chair**

- 1) Brief the Board on the Committee's activities since the last regular Board meeting  
-The DFC Committee met and received a draft proposed scope of work for Subsidence Study Phase 3. The committee has asked technical team to clarify some questions and finalize details regarding the scope before presenting to the full board. We are currently ahead of schedule and are hopeful we will have a presentation at the July board meeting.

**D. Legislative Committee – Harry Hardman, Chair**

- 1) Brief the Board on the Committee's activities since the last regular Board meeting  
– President Hardman apprised the board that the legislative team continues to meet with legislators.

**E. Rules, Bylaws & Policies Committee – Larry A. Rogers, Chair**

- 1) Brief the Board on the Committee's activities since the last regular Board meeting  
– Director Rogers reported that there is nothing additional at this time.

**RECEIVE INFORMATION FROM DISTRICT'S TECHNICAL CONSULTANTS REGARDING SUBSIDENCE STUDIES AND/OR DISCUSSION REGARDING THE SAME:**

- a) Receive presentation on the Subsidence Study Phase 2 Draft Report -

Ms. Reiter stated there is no action to be taken at this time per the DFC Committee report.

**GROUNDWATER MANAGEMENT AREA 14 - UPDATE THE BOARD ON THE ISSUES RELATED TO JOINT PLANNING ACTIVITIES AND DEVELOPMENT OF DESIRED FUTURE CONDITIONS IN GMA 14:**

Ms. Reiter did not have anything new to report. She added that she received word that Larry French retired from TWDB on May 31<sup>st</sup>. Natalie Ballew is taking his place in the interim. Ms. Reiter was not sure what that meant for the DFC review but is hoping it is still on track and we will have information sometime in June.

**GENERAL MANAGER'S REPORT:**

Ms. Reiter stated that her report is included in your packets.

**GENERAL COUNSEL'S REPORT:**

Ms. Reese stated the only update is the Enforcement actions from last month. There were three. Two have become compliant and one was a transfer of ownership that she and staff are currently working on.

**NEW BUSINESS:**

No new business.

**ADJOURN:**

There being no further business, Vice-President Traylor motioned to adjourn the meeting and Secretary Rogers seconded. The meeting was adjourned at 8:10 PM.

**PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF JULY 2022.**

A handwritten signature in blue ink, appearing to read "Larry Rogers", is written over a horizontal line.

Larry Rogers, Board Secretary