

# **LONE STAR GROUNDWATER CONSERVATION DISTRICT**

**February 10, 2009**

## **MINUTES OF SPECIAL MEETING**

The Lone Star Groundwater Conservation District (“District”) held a “Special Meeting,” open to the public, at 207 W Phillips Street, Suite 300, Conroe, Texas, within the boundaries of the District, at 9:00 a.m. on February 10, 2009.

President Love called the special meeting to order at 9:00 a.m., announcing that it was now open to the public.

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

Sam W. Baker  
Reed Eichelberger, PE  
Orval R. Love, PE  
Roy McCoy, Jr.  
Rigby Owen, Jr.  
Jim Stinson, PE  
Richard Tramm  
Scott Weisinger, PG  
W. B. Wood

All members of the Board were present, with the exception of Directors Wood, Baker, and Stinson, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Brian L. Sledge, General Counsel; and The Honorable Keith M. Stewart.

The first item to come before the Board was administering oaths of office to newly appointed Board members. The Honorable Keith M. Stewart administered the Oath of Office to Richard J. Tramm, Reed Eichelberger, Scott Weisinger, and Rigby Owen, Jr.

After a proper and legally sufficient announcement to the public by President Love, the Board of Directors went into a Closed Executive Session at 9:05 a.m. as authorized by the Open Meetings Act, Section 551.071, Government Code, 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, Vernon's Texas Codes, Annotated.

Director Stinson arrives at 9:10 a.m.

Director Baker arrives at 9:20 a.m.

Following Executive Session, the Board reconvened an Open Meeting and declared it open to the public at 9:50 a.m.

No action was taken on matters discussed in Executive Session

Without further discussion and there being no further business, President Love adjourned the special meeting at 9:50 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 10<sup>th</sup> day of March, 2009.**

---

Sam W. Baker, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

**February 10, 2009**

## **MINUTES OF REGULAR MEETING**

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public, in the Lone Star GCD – Board Room located at 207 W. Phillips Street, Suite 300, Conroe, Texas, within the boundaries of the District, at 10:03 a.m. on February 10, 2009.

President Love called to order the regular Board of Directors meeting at 10:03 a.m. announcing that it was now open to the public.

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

Sam W. Baker  
Reed Eichelberger, PE  
Orval R. Love, PE  
Roy McCoy, Jr.  
Rigby Owen, Jr.  
Jim Stinson, PE  
Richard J. Tramm  
Scott Weisinger, PG  
W. B. Wood

All members of the Board were present except Director Wood, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Brian L. Sledge, General Counsel; Alan Potok, District Engineer, AECOM; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

### **ELECTION OF BOARD OFFICERS:**

Board President – Director Love nominated Richard Tramm for Board President and Director Owen nominated Scott Weisinger for Board President. Without further discussion a vote was taken and Director Tramm was elected, by the majority, as Board President.

At that time, Director Love turned the meeting over to the newly elected Board President.

Vice President – President Tramm nominated Orval Love for Vice President and Director Owen nominated Scott Weisinger for Vice President. Without further discussion a vote was taken and Director Love was elected, by the majority, as Board Vice President.

Secretary – Director Stinson nominated Sam Baker for Secretary. There being no further nominations for Secretary, a vote was taken and Director Baker was unanimously elected.

Treasurer – Director Love nominated Jim Stinson for Treasurer. There being no further nominations for Treasurer, a vote was taken and Director Stinson was unanimously elected.

#### **APPROVAL OF THE MINUTES:**

President Tramm stated the Board would take all four (4) meeting Minutes listed as one item. Upon review of the following, meeting Minutes of the January 13, 2009 Public Hearing on Proposed Changes to District Rules; the January 13, 2009, Public Hearing on Permit Applications; the January 13, 2009, Regular Board of Directors Meeting; and the January 30, 2009, Consensus Committee Meeting of the Rules and Bylaws Committee, a motion was made by Director Owen, seconded by Director Love and unanimously carried, to approve the meeting/hearing minutes as presented.

#### **SJRA PROGRESS REPORT:**

Director Eichelberger and General Manager for SJRA, stated that SJRA is in the final stages of the WRAP preparation to meet the March 2, 2009 deadline and he had nothing further to report.

#### **COMMITTEE REPORTS:**

**Rules and Bylaws Committee – Kathy Turner Jones, Coordinator.** Ms. Jones reported that the Consensus Committee met with the Rules and Bylaws Committee on January 30, 2009 to evaluate the effects and potential impact of proposed draft rule amendments. The meeting was to give the developing community an opportunity to discuss their concerns and suggest rules that would be less detrimental to the development community, based on realistic and responsible engineering design. Alan Potok, District Engineer, suggested the District adopt some form of regulation to manage this use by using a pan evaporation rate from Lake Conroe, which is 8.5 inches annually. At the end of each year, compare the actual numbers based on rainfall and drought to determine whether the permit has been exceeded or managed properly. The next meeting is scheduled for February 20, 2009.

**Focus Planning Committee-Orval R.Love, Chair.** Director Love stated that his committee had not met since the last Board meeting.

**Policy and Personnel Development Committee – Sam W. Baker, Chair.** Director Baker stated that the committee had not met since the last Board meeting.

**Water Awareness and Conservation Committee – Billy Wood, Chair.** In Director Wood's absence, President Tramm reported that the committee met on February 3, 2009 to discuss the Water IQ program and to create a position of Water Conservation Coordinator. The committee's recommendation is to continue with the District's existing program with EnviroMedia, so there will be no lag time, until the District's new position is filled. With spring and summer approaching, the District needs to be visible regarding promoting water conservation. The District's proposed 2009 budget with EnviroMedia is \$200,000.00. The amount will be proportionally spent, depending on the length of time required for the District to find a person for the new position. A motion was made by Director Stinson, seconded by Director Love, with Directors Owen and Weisinger opposing, to authorize the General Manager to create a position for a Water Conservation Coordinator.

**Budget and Finance Development Committee – Jim Stinson, Chair.** Director Stinson reported that his committee met January 22, 2009, to finalize the 2009 operating budget for recommendation and Board approval. Director Stinson stated that the 2009 draft budget was included in each Board packet, with anticipated revenues of \$2.1 million and expenditures of approximately \$1.7 million. Without further discussion, upon a motion by Director Love, seconded by Director Eichelberger, with Director Owen abstaining, the 2009 Operating Budget for the Lone Star Groundwater Conservation District was adopted. *Copy of Resolution #09-003 is attached hereto as Exhibit "B".*

**Review of Monthly Financial Reports.** Director Stinson informed the Board that he had reviewed the financial reports and the quarterly investment reports and would answer questions on the documents if there were any.

**Surface Water Conversion Task Force Committee – Rigby Owen, Jr; Chair.** Director Owen stated that the committee had not met since the last Board meeting.

**ENGINEERING REPORT:** Alan Potok, District Engineer, AECOM, reported that he had reviewed drawings submitted by Majestic Lake for their 40 acre lake. After reviewing, he had felt the number of gallons was excessive. The lake has to remain full, per state regulations, and he will be working on providing an evaporative formula for the District to use in calculating the amount of water permittees will need. Mr. Potok had also attended the District's Consensus Committee Workshop on January 30, 2009.

Director Owen leaves at 10:35 a.m.

**DISCUSS, CONSIDER, AND TAKE ACTION ON LETTER DATED JANUARY 12, 2009, FROM THE CITY OF HOUSTON REGARDING WRAP REQUIREMENTS.** Mr. Jun Chang, Interim Deputy Director of Public Works with the City of Houston, gave an overview of three separate options the City is considering in order to meet the District's WRAP requirements. The first option is to join SJRA's WRAP, which would not cause any reduction in groundwater pumpage until 2015, and would require over-conversion in other parts of Montgomery County. The second is to plug all wells in Montgomery County and export water from Harris County. This option would not see any effects of reduction until 2015 and would cause a significant increase of pumpage in Harris County costing the City \$40 million dollars in order to meet

additional conversion. The third and most effective option would be to reduce pumpage in Montgomery County by shutting off Wells #48 and 58 immediately. The City would no longer export water to Harris County and would pledge to not pump more than 501 million gallons indefinitely. In closing, the City has exceeded the conversion requirements set forth by the Harris-Galveston Subsidence District in Harris County which has already positively affected aquifers in Montgomery County. Therefore, the City requested that the Board consider the third option presented as it will show positive results in the aquifers as well.

Brian Sledge, District General Counsel, stated that the District would need to change the language in our WRAP requirements in order for the City of Houston to be in compliance. Director Eichelberger agrees that the District should accept scenario three. Without further discussion, upon a motion by Director Weisinger, seconded by Director Eichelberger and unanimously passed, the Board agreed to approve amending the District's Regulatory Plan Phase II in order to approve the City of Houston's WRAP proposal presented and identified in their letter to the Board.

**DISCUSS, CONSIDER, AND TAKE ACTION AS NECESSARY REGARDING REQUEST FOR EXTENSION OF THE MARCH 2, 2009, PART II WRAP SUBMITTAL DEADLINE BY WEDGEWOOD GOLF COURSE.** Mr. Ted Tripp, General Manager of Wedgewood Golf Course approached the Board and requested them to grant a 30-day extension to submit their WRAP Part II compliance plan. He stated he had met with Jace Houston, Deputy General Manager Administration for SJRA, after taking over ownership of the property on December 12, 2008. Mr. Tripp further stated that his management team was not aware of the District's requirements until after that date. He had been able to obtain some information from the previous management team's files, but was informed by the District that the information was not sufficient to meet the District's requirements. Since meeting with District staff on January 23, 2009, Wedgewood Golf Course has contracted with Bleyl & Associates to prepare Part II of the WRAP, including the District's Regulatory Plan, Part C(6). Byron Bevers, Bleyl & Associates, stated that of the golf course's three existing lakes, two did not use groundwater to stay full. A motion was made by Director Baker, seconded by Director Stinson, and unanimously passed to grant Wedgewood Golf Course the 30-day extension with a deadline of April 1, 2009 to submit Part II of the WRAP.

**GENERAL COUNSEL'S REPORT:** Brian Sledge, General Counsel, stated he had worked with the City of Houston on their WRAP request. Counsel also responded to the Texas Legislative Council regarding the preliminary draft codification of groundwater districts laws. Mr. Sledge continues to meet with SJRA regarding their WRAP progress. Mr. Sledge is also preparing for the February 23, 2009 TEXCOM Hearing in Austin. He has been in contact with the citizens group and appointed County officials. He further stated that Bill Mulligan is retiring from Texas Water Development Board.

**GENERAL MANAGER'S REPORT:** Ms. Jones stated that her major activity this past month centered on budget preparations and rule amendments. Ms. Jones pointed out that Mel Lonon, District Field Operation Coordinator, attended the Texas Ground Water Association Annual

Convention in Galveston. While there, Robert Mace of the TWDB, paid the District a very high compliment stating the LSGCD is the most proactive district in the state.

**PUBLIC COMMENT:** Jackie W. Chance, Sr. (Montgomery County WC&ID No. 1), stated amenity lakes should not be receiving their water from groundwater. Groundwater is for the public to drink, not to fill amenity ponds.

**CONSIDER ENFORCEMENT ACTION, INCLUDING WITHOUT LIMITATION LITIGATION, IMPOSITION OF CIVIL PENALTIES, AND/OR COMPROMISE AND SETTLEMENT AGREEMENTS FOR VIOLATIONS OF DISTRICT RULES FOR THE FOLLOWING:**

Upon a motion by Director Stinson, second by Director Weisinger, and unanimously carried, the Board approved to authorize the General Manager to tender a Compromise Settlement Agreement, in lieu of court action by suit for violation of District Rules, in accordance with legal advice received in Executive Session for the following:

**FAILURE TO PERMIT PRIOR TO DRILLING**

Johnston's Water Well Service

**DISCUSS AND CONSIDER COMPLIANCE BY LARGE VOLUME GROUNDWATER USERS (LVGUs) WITH THE WATER RESOURCES ASSESSMENT PLAN (WRAP) REQUIREMENTS OF PHASE II (A) OF THE DISTRICT REGULATORY PLAN AND ENFORCEMENT ACTION, INCLUDING WITHOUT LIMITATION LITIGATION AND IMPOSITION OF CIVIL PENALTIES AND/OR COMPROMISE AND SETTLEMENT AGREEMENTS.**

Brian Sledge, General Counsel, stated that the deadline for submission is before the next Board meeting. No action required on this item.

**NEW BUSINESS:** None

There being no further business, upon a motion by Director Love, seconded by Director Weisinger, the meeting was adjourned at 11:15 a.m. The next regular meeting of the Board of Directors is scheduled for March 10, 2009 at 10:00 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 10<sup>th</sup> DAY OF March, 2009.**

---

Sam W. Baker, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

February 10, 2009

## MINUTES OF PUBLIC HEARING ON PERMIT APPLICATIONS

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public, in the Lone Star GCD – Board Room located at 207 W. Phillips Street, Suite 300, Conroe, Texas, within the boundaries of the District, at 10:00 a.m. on February 10, 2009.

President Love called to order the Public Hearing on Permit Applications at 10:00 a.m., announcing that it was now open to the public.

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

Sam W. Baker  
Reed Eichelberger, PE  
Orval R. Love, PE  
Roy McCoy, Jr.  
Rigby Owen, Jr.  
Jim Stinson, PE  
Richard J. Tramm  
Scott Weisinger, PG  
W. B. Wood

All members of the Board were present except Director Wood, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Brian L. Sledge, General Counsel; Alan Potok, District Engineer, AECOM; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

Following the permit hearing report from General Manager, Kathy Turner Jones, a motion was made by Director Stinson and seconded by Director Baker, to approve permits #1 through #15, in accordance with the recommendations of the General Manager. No action was taken on Item #16, Affiliated Crown Development (Majestic Lake).

1. San Jacinto River Authority, for a proposed amendment to OP, increase of 1,034,640 mg annually, The Woodlands, Public Supply (PWS) use;
2. North American Trade Corp, for a proposed well to be drilled at 1053 Blake Rd., Conroe, not to exceed 1 mg annually, Commercial use;

3. Time Mart #16 /242 Business Inc., for a proposed operating permit not to exceed 0.6 mg annually, 16145 FM 1485, Conroe, Public Supply use;
4. Anthony Plew, for a proposed operating permit not to exceed 0.142 mg annually, 11880 FM 830, Willis, Public Supply use;
5. 177 Lake Estates HOA, for a proposed amendment to OP, increase of 1 mg annually, Keenan Cut Off & Lakeshore, Montgomery, Irrigation use (Lake Fill);
6. Michael Keiller, for a proposed amendment to OP, increase of 0.5 mg annually, 11 Los Encinos Ct, Magnolia, Public Supply use;
7. Lochness Valet Launch & RV Park Ltd, for a proposed well to be drilled at 13060 Calvary Rd, Willis, not to exceed 0.36 mg annually, Commercial use;
8. Mouhammad Salman, for a proposed operating permit not to exceed 0.142 mg annually, 15395 FM 3083, Conroe, Public Supply use;
9. Mike Manore, for a proposed operating permit, not to exceed 0.2 mg annually, 1623 Sawdust, The Woodlands, Public Supply use;
10. Conroe Lighting & Supply, for a proposed well to be drilled at 1144 Rayford Rd. #5, Spring, not to exceed 0.250 mg annually, Commercial use;
11. Lake Bonanza Water Supply Corp., for a proposed amendment to OP, increase of 12 mg annually, Cartwright Rd. Montgomery, Public Supply (PWS) use;
12. Lake Lorraine, for a proposed operating permit not to exceed 0.775 mg annually, 1541 E Pine Lake Cir. Montgomery, Public Supply (PWS) use;
13. Hallelujah Harvest Inc, for a proposed well to be drilled at 26455 Hanna, Conroe, not to exceed 0.3 mg annually, Commercial use;
14. Bailey Properties, LLC, for a proposed well to be drilled at 1900 Westview Blvd. Building 3, Conroe, not to exceed 2 mg annually, Irrigation use;
15. Walnut Cove Water Supply Corp., for a proposed operating permit not to exceed 6.8155 mg annually, Reserve J Calvary Rd, Willis, Public Supply (PWS) use; and
- ~~16. Affiliated Crown Dev. (Majestic Lake), for a proposed well to be drilled at Kings View Court, Montgomery, not to exceed 40 mg annually, Irrigation Use (Lake Fill).~~

Director Love adjourned the Public Hearing on Permit Applications at 10:03 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 10<sup>th</sup> DAY OF March, 2009.**

---

Sam W. Baker, Board Secretary