

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 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 on February 10, 2009.

President Tramm called the 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.  
Jim Stinson, PE  
Richard Tramm  
Scott Weisinger, PG  
James B. Wesley  
W. B. Wood

All members of the Board were present, with the exception of Director Baker, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Jason Hill, Attorney; Mark Lowry, District Consultant; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

After a proper and legally sufficient announcement to the public by President Tramm, the Board of Directors went into a Closed Executive Session at 9:05 a.m. 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 Baker arrives at 9:25 a.m.

Following Executive Session, the Board reconvened an Open Meeting and declared it open to the public at 10:05 a.m.

No action was taken on matters discussed in Executive Session

Without further discussion and there being no further business, President Tramm adjourned the special meeting at 10:05 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 14<sup>th</sup> DAY OF APRIL, 2009.**

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Sam W. Baker, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 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 on March 10, 2009.

President Tramm called to order the Public Hearing on Permit Applications at 10:15 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.  
Jim Stinson, PE  
Richard J. Tramm  
Scott Weisinger, PG  
James B. Wesley  
W. B. Wood

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Jason Hill, Attorney; Mark Lowry, District Consultant; 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 Love and seconded by Director Stinson, to approve permits #1 through #21, with the exception of #2, #3, #11, #13, #16, and #19, in accordance with the recommendations of the General Manager. The six (6) that were excluded will be continued to the April 14, 2009 Board Meeting to allow consultants additional time to review permits for technical compliance.

1. Consumers Water Company (Lakewood Colony), for a proposed operating permit not to exceed 0.872 mg annually, 17950 Southridge, Porter, Public Supply (PWS) use;

2. City of Conroe Parks Department, for a proposed operating permit not to exceed 1.2672 mg annually, 2500 S. Loop 336 E., Conroe, Irrigation use;
3. Moslyn Manor Development Company, Ltd., for a proposed well to be drilled at 40703 Manor Drive, Magnolia, not to exceed 7.2 mg annually, Irrigation use;
4. Nelok Partners, for a proposed amendment to OP, increase of 0.15 mg annually, 27895 Robinson Rd, Conroe Commercial use;
5. James H. Kim, for a proposed operating permit not to exceed 0.2 mg annually, 27630 FM 1485, New Caney, Public Supply (PWS) use;
6. Southern Star Concrete, for a proposed operating permit not to exceed 7 mg annually, 16801 Jetoma, Conroe, Industrial use;
7. Ernesto Rios, for a proposed well to be drilled at 11508 FM 1488, Magnolia, not to exceed 0.1095 mg annually, Commercial use;
8. Consumers Water Company (Spring Forest), for a proposed operating permit not to exceed 4.751 mg annually, 29830 E. Hawthorne, Spring, Public Supply (PWS) use;
9. M. Brad Chapin (Woodlands 242 Self Storage), for a proposed operating permit not to exceed 0.5 mg annually, 8515 Hwy 242, Conroe, Commercial use;
10. Rayford Medical Park, for a proposed well to be drilled at 1100 Rayford Road, Spring, not to exceed 1.1 mg annually, Commercial use;
11. Ridge Lake Shores POA, for a proposed amendment to OP, increase of 8 mg annually, Ridge Lakes Shores, Montgomery, Irrigation use;
12. Mike Lucas, for a proposed well to be drilled at 12555 Cude Cemetery, Willis, not to exceed 3 mg annually, Commercial use;
13. 1601 Sawdust, LLC, for a proposed well to be drilled at 1601 Sawdust Rd, The Woodlands, not to exceed 9.5 mg annually, Irrigation use;
14. Commercial Coating Services Int., Inc., for a proposed operating permit not to exceed 1.06 mg annually, 10655 Jefferson Chemical Road, Conroe, Commercial use;
15. Grand Lakes Estates POA, for a proposed well to be drilled at South Side of Grand Lakes Pkwy 400' North FM 2978, Montgomery, not to exceed 1.8 mg annually, Irrigation use;
16. Legends Trace Interests, Ltd, for a proposed well to be drilled at 29110 Birnham Woods Dr, Spring, not to exceed 22 mg annually, Irrigation use;
17. Sequeira Properties, for a proposed amendment to OP, increase of 1 mg annually, 26926 FM 2978, Magnolia, Commercial use;
18. Mr. Jack Cool, LLC (Office), for a proposed operating permit not to exceed 0.2 mg annually, 8408 Hwy 242, Conroe, Commercial use;
19. Brian Krueger, for a proposed well to be drilled at 9323 Carraway Ln, Magnolia, not to exceed 1 mg annually, Irrigation use;

20. Mr. Jack Cool LLC (Church), for a proposed operating permit not to exceed 0.3 mg annually, 8448 Hwy 242, Conroe, Public Supply use; and
21. Crown Ranch Development, LTD, for a proposed amendment to OP, increase of 0.5 mg annually, 26000 Crown Ranch Blvd, Montgomery, Commercial use.

Director Weisinger abstained from item #12.

President Tramm adjourned the Public Hearing on Permit Applications at 10:20 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 14<sup>th</sup> DAY OF APRIL, 2009.**

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Sam W. Baker, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

**March 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 on March 10, 2009.

President Tramm called to order the regular Board of Directors meeting at 10:20 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.  
Jim Stinson, PE  
Richard J. Tramm  
Scott Weisinger, PG  
James B. Wesley  
W. B. Wood

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Jason Hill, Attorney; Mark Lowry, District Consultant; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A”.*

### APPROVAL OF THE MINUTES:

President Tramm stated the Board would consider all four (4) meeting Minutes listed as one item. Upon review of the following:

- a) February 10, 2009, Public Hearing on Permit Applications
- b) February 10, 2009, Special Board of Directors Meeting
- c) February 10, 2009, Regular Board of Directors Meeting
- d) February 20, 2009, Consensus Committee Meeting of the Rules and Bylaws Committee

a motion was made by Director Wood, seconded by Director Weisinger and unanimously carried, to approve the meeting minutes as presented.

### **SJRA PROGRESS REPORT:**

Director Eichelberger, and General Manager for SJRA, stated that SJRA has met the WRAP deadline. The WRAP was delivered, on time, March 2, 2009, the Lone Star GCD. Director Eichelberger held up one of the three large 3-ring notebook binders used in their submission to illustrate to the public the enormous amount of information that was assimilated into the joint wrap submission. It is now in the hands of the staff for approval and the attorneys for compliance.

### **COMMITTEE REPORTS:**

**Rules and Bylaws Committee – Kathy Turner Jones, Coordinator.** Ms. Jones reported that the Consensus Committee met on February 20, 2009, with the development community. The meeting was very productive with discussion back and forth on the different aspects of amenity ponds and the proposed rule amendments the District has under review. The committee and members of the public were presented with draft revisions for review. Following discussion, it was decided that the Rules & Bylaws Committee would hold a committee meeting to discuss comments and suggestions received from the Consensus Committee. The Rules & Bylaws Committee is looking to schedule a time within the next two weeks to allow sufficient time to develop final recommendations prior to the April 14, 2009 Board Meeting.

Discussion, Consideration, And Possible Action Approving Resolution #09-004, Amending Adopted Rules for the Lone Star GCD. Without further discussion, upon a motion by Director Love, seconded by Director Weisinger and unanimously carried, Resolution #09-004, Amending Phase II (A) of the District's Regulatory Plan as a rule of the District, was approved. *Copy of Resolution #09-004 is attached hereto as Exhibit "B".*

**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.** Director Wood stated that the committee had not met since the last Board meeting, but the committee is scheduled to meet on March 11, 2009.

**Budget and Finance Development Committee – Jim Stinson, Chair.** Director Stinson reported that the committee will be meeting prior to the next Board Meeting to review the District's audit and will be presenting the audit at the April 14, 2009 Board Meeting for review.

Review of Monthly Financial Reports. Director Stinson informed the Board that he had reviewed the financial reports and would be glad to answer any questions.

Review and Possible Action to Amend Bank Signature Authorization. Director Stinson stated that due to new officers and replacement of officers and board members, the District is in need of updating bank signature authorizations. Upon a motion by Director Weisinger, seconded by Director Love and unanimously carried, the Board of Directors amended the bank signature authorization.

**ENGINEERING REPORT:** The General Manager stated that Mark Lowry will be serving as an independent contractor consultant for the District working with the District Engineers overseeing project management. The District has asked Mr. Lowry to develop a technical compliance checklist for staff assistance in reviewing permit applications for water impoundments.

Mr. Lowry commented to the Board that he had reviewed projected population and water demand figures that are working its way to the Region H pipeline right now. A Public Meeting has been scheduled for May where these numbers will be considered. TWDB has looked at the Texas State Data Center numbers, which in many cases, the 2007 Data Center numbers are higher than the projected 2010 population out of the 2006 Plan. The TWDB has decided, for certain areas, they are going to provide the regional planning groups with revised numbers.

**COMMITTEE ASSIGNMENTS-Richard J. Tramm, Chair:** President Tramm introduced Mr. James B. (Jim) Wesley as the new representative for the City of Conroe. Mr. Tramm further stated that committee assignments had been distributed prior to the Board Meeting. *Copy is attached hereto as Exhibit "C".*

**GENERAL COUNSEL'S REPORT:** Jason Hill, Attorney, stated the legislative session continues. Bill filing deadline is Friday, March 13, 2009. Currently there are only a couple of bills that would affect the District, but after Friday, that might significantly change. At next month's Board Meeting the District will have a better idea of what issues may be out there regarding the District.

Since the last Board Meeting, Mr. Hill commented he has been working with interested parties on refining the District's approach regarding amenity ponds and the impoundment of groundwater. Mr. Hill believes the District is on track and should have something for the Board to consider at the April 14, 2009, Board Meeting. Also, he has worked closely with the City of Houston on the Phase II (A) revisions that the District has just adopted.

**GENERAL MANAGER'S REPORT:** USGS is working diligently on the Recharge Study. Their target is early fall in having preliminary numbers to the District as USGS realizes it is a priority of the District. They have just completed the water level measurements and the District should be getting maps late this month or in April. Ms. Jones further stated she would be glad to answer questions.

**PUBLIC COMMENT:** None

Director Weisinger stated the City of Houston needs to be commended as a great custodian of water.

**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 Baker, second by Director Wesley, and unanimously carried, the Board approved to authorize the General Manager and Staff to tender a Compromise Settlement Agreement, in lieu of civil penalty for violation of District Rules, in accordance with legal advice received in Executive Session for the following:

**OVERPUMPAGE VIOLATIONS**

Azim, Inc	HUP027	Keystone Natural Resources, Inc	OP-04080603
Bentwater POA (Park In the Meadows)	HUP029	Lake Loraine	HUP115
Bridgewood Farms	HUP033	Magnolia ISD (Magnolia Parkway Elementary)	OP-07051501
Crystal Springs (Lake Louise)	HUP261/OP-07102601	Maverick Tube LLC	HUP131/OP-08081201
Drifters Ice House	OP-07030102	Michael Keiller	OP-05022301A
Duraquest	OP03-0076A	North Water District Lab Services	HUP155
E.B.J.V. (Duncan Ln.)	HUP306	Paradise Food Mart	OP-05012801
E.B.J.V. (Elks Lodge)	HUP067	Porter Church of Christ	OP-07112001
E.B.J.V. (Exxon Rd./Union Pacific)	HUP303	Storage 105, Inc	OP-04033001A
E.B.J.V. (Old Humble Pipeline)	HUP305	T&W Water Services (Sun Rise Ranch)	OP03-0074B
East Montgomery County Improvement District	HUP068	The Woodlands Community Service Corp.	OP-04090101A
First Baptist Church	OP-04051801A	Thomas Ball (DBA Ball Winch LLC)	OP-05032401
Grand View POA	OP-06031302	Travis Bishop	OP-07062801
Keystone Natural Resources (FM 1314)	OP-07062103		

Upon a motion by Director Wood, seconded by Director Love, and unanimously carried, the Board approved to authorize the General Manager and Staff to tender a Compromise Settlement Agreement in lieu of civil penalty for permittees for non payment of water use fees with a deadline to submit to avoid suspension of their permit.

**NON PAYMENT OF WATER USE FEES**

Quality Car Care	HUP182	Dustin Townsend	OP-08050201
American Tree Farm	HUPAG1500009A	Jopa Sports	OP-04121401A
Canyon Crossing	OP-05052002A	Porter Stabilized Materials, LP	OP-04122201
Chris Hopper	OP-08072101	Tire & Truck Masters	OP-04082701A
Cyber Motor Cars	OP-05103103A	Texas National MUD	OP-04080602A

Upon a motion by Director Stinson, seconded by Director Weisinger, and unanimously carried, the Board approved to authorize the General Manager and Staff to tender a Compromise Settlement Agreement in lieu of civil penalty for Montgomery County Animal Shelter for failure to permit and meter.

**FAILURE TO PERMIT AND METER**

Montgomery County Animal Shelter - 8535 Hwy 242, Conroe

**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 for LVGUs not in compliance or potentially not in compliance with such requirements.**

Jason Hill stated, of the four WRAP submittals that were due March 2, 2009, the District has received all but the one that has asked for an extension. Staff and consultants are currently in the process of reviewing these submissions. Without further discussion, a motion was made by Director Stinson, seconded by Director Love, and unanimously carried to authorize the General Manager to work directly with Large Volume Groundwater Users as necessary during staff's review of WRAPs submitted under Phase II (A) and, when appropriate, issue Notices of Violations to Large Volume Groundwater Users that have not complied with the Phase II(A) WRAP submission requirements.

**NEW BUSINESS:** None

Ms. Jones wanted to remind everyone of the District's participation in Earth Day, April 18, 2009, at The Woodlands High School. EnviroMedia will also be participating.

There being no further business, upon a motion by Director Love, seconded by Director Stinson, the meeting was adjourned at 10:45 a.m. The next regular meeting of the Board of Directors is scheduled for April 14, 2009, at 10:00 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 14<sup>th</sup> DAY OF April, 2009.**

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Sam W. Baker, Board Secretary