

LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 25, 2010

MINUTES OF SPECIAL MEETING

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 March 25, 2010.

President Tramm called the meeting to order at 3:00 p.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, with the exception of Director McCoy, and Director Weisinger, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; 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 3:02 p.m. as authorized by the Open Meetings Act, Sections 551.071 or 551.072, 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, or to deliberate the purchase, exchange, lease, or value of real property.

Director Weisinger arrives at 3:05 p.m.

Following Executive Session, the Board reconvened in Open Session and President Tramm declared the meeting open to the public at 3:30 p.m.

DISCUSS, CONSIDER, AND TAKE ACTION REGARDING AUTHORIZING PUBLICATION OF PROPOSED REVISIONS TO DISTRICT REGULATORY PLAN PHASE II(B) REGARDING EXTENSION OF DEADLINES.

President Tramm stated he would recognize public comments at this time.

Marc Winberry, Attorney, City of Conroe and Jace Houston, Deputy General Manager, Administration, SJRA - Mr. Winberry stated the City of Conroe has been engaged in discussions and negotiations with SJRA concerning the language of the GRP contract. Meetings were held earlier in the week and additional meetings are scheduled next week. Both parties have concerns regarding contract language and progress is being made in bridging that gap. After discussions earlier this week, both parties agreed it would be beneficial to request, jointly, that the “Notice of Intent” (NOI) deadline and the GRP deadline be shifted back by sixty (60) days. Mr. Houston stated that SJRA is in support of the sixty (60) day delay on both NOI and GRP deadlines.

Kathy Turner Jones, General Manager, wanted to clarify for the public that the 2016 deadline was not being discussed.

Mr. Winberry stated the City of Conroe was not talking about that deadline, but reminded the District the City has submitted a resolution that actually does include potentially an extension of that 2016 deadline and the City is not asking that request be taken off the table. At this time, based on the discussions with SJRA, the City is only requesting consideration for the sixty (60) day removal of the two deadlines.

Tom Baudat – Mr. Baudat wanted to know if this extension would mean that the other entities wanting to join the GRP would have the sixty (60) day delay as well.

Mr. Houston assured him that was correct. Mr. Houston further explained that progress was being made and the contract was evolving into something all parties would consider to be fair. Jace stated that they are at a point now where a lot of MUD Boards and other entities interested in joining only meet every couple of months. Therefore, it would not be possible to make a May 1, 2010 deadline at this time. If the District agrees to the extension, then SJRA will move its deadline.

Director Stinson made a motion, seconded by Director Wesley, to authorize District staff and Legal Counsel to publish notice of a rulemaking hearing to be held April 22, 2010 at 2:00 p.m., on proposed amendments to Phase II(B) of the District Regulatory Plan that would extend the Declaration of Intent to submit a Groundwater Reduction Plan deadline from June 1, 2010, to August 1, 2010, and that would extend the Groundwater Production Plan (GRP) submission deadline from January 1, 2011, to April 1, 2011. Motion passed.

Director Wesley stated for public clarification the second extension (GRP) is ninety (90) days rather than sixty (60).

Director Stinson stated the Board would also like to highlight that this **does not** extend the final conversion date of 2016.

Director Love stated he would like to reiterate that the Board would like this to be the final extension.

There being no further business, upon a motion by President Tramm, seconded by Director Wood and unanimously passed, the meeting was adjourned.

PASSED, APPROVED, AND ADOPTED THIS 13th DAY OF APRIL, 2010.

Sam W. Baker, Board Secretary