

LONE STAR GROUNDWATER CONSERVATION DISTRICT

May 10, 2011

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 May 10, 2011.

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
Roy McCoy, Jr.
Ricky J. Moffatt
Jim Stinson, PE
Richard J. Tramm
Scott Weisinger, PG
W. B. Wood

All members of the Board were present with the exception of Director Baker, Director Stinson, 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; Jason Hill, General Counsel; 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 9:01 a.m. 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.

Director Baker arrives at 9:05 a.m. and Director Weisinger arrives at 9:09 a.m.

Following Executive Session, the Board reconvened in Open Session and declared it open to the public at 9:35 a.m.

No action was taken on matters discussed in Executive Session and the meeting was adjourned at 9:36 a.m.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF JUNE, 2011.

M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

May 10, 2011

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 May 10, 2011.

President Tramm called to order the Public Hearing on Permit Applications at 10:01 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
Roy McCoy, Jr.
Ricky J. Moffatt
Jim Stinson, PE
Richard J. Tramm
Scott Weisinger, PG
W. B. Wood

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

Item #1, **K&K Construction (Farrell Rd.)** – Applicant is requesting drilling authorization for a new well and 380,000 gallons for 2011 and 500,000 gallons annually thereafter. Applicant will provide water to a construction company and equipment yard. Based on technical review of information supplied by application, it is the General Manager’s recommendation to approve that which is being requested. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit application in accordance with the recommendation of the General Manager. Motion passed.

Item #2, **Texas Landscape Products Inc**, and Item #3, **Bailey Properties, LLC** – Applicants are requesting an amendment to increase allocation under their existing Operating

Permit. Based on technical review of information supplied by application, it is the General Manager's recommendation to approve that which is being requested. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit amendment in accordance with the recommendation of the General Manager. Motion passed.

Item #4, **K&K Construction (1097 East)** – Applicant is requesting an Operating Permit for an existing well. Applicant provides water to a construction office and equipment yard. Based on technical review of information supplied by application, it is the General Manager's recommendation to approve that which is being requested. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit application in accordance with the recommendation of the General Manager. Motion passed.

Item #5, **MSEC Enterprises (Montgomery Trace WS/Crown Oaks)**, and Item #8, **T&W Water (Thousand Oaks)** – Applicants are requesting drilling authorization only for a new well to be in aggregate with their current system. Based on technical review of information supplied by application, it is the General Manager's recommendation to approve that which is being requested. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit amendment in accordance with the recommendation of the General Manager. Director Weisinger abstains from Item #5, MSEC Enterprises (Montgomery Trace WS/Crown Oaks). Motion passed.

Item #6, **Ron Weiss/The Ridge Mobile Home Park** – Applicant is requesting drilling authorization for a new well and 7,000,000 gallons for 2011 and annually thereafter. Applicant will provide water to a mobile home park with approximately 40 connections. Based on technical review of information supplied by application, it is the General Manager's recommendation to approve a reduced amount of 5,250,000 gallons for 2011 and 6,000,000 gallons annually thereafter. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit amendment in accordance with the recommendation of the General Manager. Motion passed.

Item #7, **Darrell Hall** – Applicant is requesting drilling authorization for a new well and 360,000 gallons for 2011 and annually thereafter. Applicant will provide water to a real estate office, a model home and a single family dwelling. Based on technical review of information supplied by application, it is the General Manager's recommendation to approve that which is being requested. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit amendment in accordance with the recommendation of the General Manager. Motion passed.

Item #9, **Diversified Equipment** – Applicant is requesting drilling authorization for a new well and 200,000 gallons for 2011 and annually thereafter. Applicant will provide water to a construction company and equipment yard. Based on technical review of information supplied by application, it is the General Manager's recommendation to approve a reduced amount of 40,000 gallons for 2011 and annually thereafter. A motion was made by Director Eichelberger, and seconded by Director Wood to approve the above permit application in accordance with the recommendation of the General Manager. Motion passed.

President Tramm adjourned the Public Hearing on Permit Applications at 10:04 a.m.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF JUNE, 2011.

M. Scott Weisinger, PG, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

May 10, 2011

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 301, Conroe, Texas, within the boundaries of the District on May 10, 2011.

President Tramm called to order the regular Board of Directors meeting at 10:05 a.m. announcing that it was open to the public.

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

Sam W. Baker
Reed Eichelberger, PE
Roy McCoy, Jr.
Ricky J. Moffatt
Jim Stinson, PE
Richard J. Tramm
Scott Weisinger, PG
W. B. Wood

All members of the Board were present with the exception of Director Stinson, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Jason Hill, General Counsel; 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 three meeting minutes listed as one item. Upon review of the following, a motion was made by Director McCoy, seconded by Director Weisinger and unanimously carried, to approve the meeting minutes as presented:

- a) April 12, 2011, Special Board Meeting
- b) April 12, 2011, Public Hearing on Permit Applications
- c) April 12, 2011, Regular Board of Directors Meeting

COMMITTEE REPORTS:

Water Awareness and Conservation Committee – Billy Wood, Chair. Director Wood reported that the committee met yesterday, May 9th, and received a presentation from Barbara Payne with Payne Communications on the District’s “Don’t Ask, Don’t Serve” Campaign. Director Wood stated that in a tight economy, all businesses and commercial ventures are cost-conscious, which translates to being open to ways to save money. One of the efficiency measures we, the District, can suggest is only serving table water on request. Water on request not only saves water and money, it saves on staff resources as well, eliminating the need to serve and refill water glasses on each and every table. In addition, the restaurant saves the water and energy it takes to make ice and wash dishes, the labor to fill the glasses, serve the water, and wash the glasses...and so on. It is known that for every glass of water not served, the restaurant saves between 1.5 and 3 gallons of water. This is an efficiency “opportunity” that has been discussed by the National Restaurant Association and its members. The other benefit of such a program is to focus attention – both of the restaurant patrons and employees – about the importance of using finite water resources more efficiently. Ms. Jones added that the District plans to have the campaign running in June of this year. The campaign will run in approximately 300-400 of the county’s restaurants and will be backed by the Restaurant Association.

Rules and Bylaws Committee – Kathy Turner Jones, Coordinator. Ms. Jones reported that the committee had not met since last month’s meeting. There is a staff meeting scheduled for May 11th with Jason Hill and Mark Lowry to discuss possible language revisions.

Policy and Personnel Development Committee – Sam W. Baker, Chair. Director Baker stated that the committee had not met since the last Board meeting and had no report at this time. Ms. Jones added that an email has been circulated to the Board members regarding the District’s new Assistant General Manager, Paul R. Nelson, who will be starting with the District on May 16th.

Budget and Finance Development Committee – Jim Stinson, Chair. Ms. Jones reported that the committee had not met since the last Board meeting.

Review of Monthly Financial Reports. The financials were included in the packet and if there were any questions she will be happy to answer them. Ms. Jones clarified the dates on a bill received from Lloyd Gosselink, while the Board requested that the District’s General Counsel submit bills on a monthly basis.

Findings and Review Committee. Ms. Jones reported that the committee had not had an official meeting since the last Board meeting.

Update and status project report related to Regional Groundwater Update Project with HGSD and the FBSD. Mr. Lowry stated that a copy of the report was included in the packet and reminded the Board that items in bold were items that represented progress for this particular period. Mr. Lowry mentioned that a draft report of Work Order #2, which is responsible for a majority of the work developing the model, has been submitted and is being reviewed. There have been a number of corrections that have been made to data in the model, including identifying areas where the model was not performing correctly, reviewing the data and making improvements to the data, in order to get the model in better condition to faithfully reproduce

what the past pumpage stated should have been happening. A technical memo summarizing the exempt pumpage evaluation has been developed. The exempt pumping data was done primarily for the other counties involved in the study. Montgomery County's exempt pumping evaluations have been accepted, in face the same methodology was used to determine exempt pumping for the other areas. Additionally, the project panel is continuing to work on the subsidence issues and to see whether or not they can use a "subs-package" as part of the new model structure, instead of the using their old "press-model". There are twenty-six (26) different sites that are being modeled to develop the different scenarios of pumping around the various "press sites". The data will then be correlated with the subsidence or lack thereof, which has been observed at the sites. In the future they will compare what the subs-package would have predicted and determine whether or not they can actually abandon the press-model and move forward with subs-package. Mr. Lowry also stated that there will be a Joint Regional Planning Committee Meeting on June 1st to discuss the work that will be done over the summer and when the deliverables will be available. Additionally, a meeting is scheduled for this afternoon with HGSD and FBSD to discuss the Regional Groundwater Update Project.

Update and status project report related to the District's modeling study of the Catahoula Formation/Aquifer. Mr. Lowry stated that the panel is continuing to collect and evaluate the new geo-physical logs within and outside the boundaries of the Lone Star District, in order to develop the geologic framework. The panel will be delineating the Jackson, the Catahoula, the Jasper, the Burkeville, the Evangeline, and the Chicot aquifers, from the different log sets. There are a number of new electric logs that were not included in older studies but are now being pulled into this study in order to get the best data correlation. At the same time the panel is reviewing the geo-physical logs, they are also studying the water quality data from the Catahoula and Jasper aquifers, and plan to use that information to correlate the total dissolved solids content with the electric resistivity or spontaneous potential from the geo-physical logs. They are also collecting as much as information on the geo-physical log and pump test data for large capacity Catahoula formation screen wells in Huntsville, Navasota, and Lake Conroe areas to estimate the Catahoula hydraulic properties

Building and Facilities Committee – Kathy Turner Jones. Ms. Jones stated the committee had not met since last month but District staff has met with Mark Todd Architects regarding different processes for the building. She continued that there have been a few permitting issues that the District is working on getting resolved and a meeting is scheduled with the architect and Mark Bosma, Director of Montgomery County Infrastructure. The architects are currently working on a schedule and hope to have the project in the bidding phase by mid-June.

ENGINEERING REPORT:

Mark Lowry, District Consultant, stated his report was included in the packets and if there were any questions he would be happy to answer them. This month Mr. Lowry worked primarily on GRP reviews and delineating the proposed PAM sites.

Mel Lonon, District Field Operations Coordinator, was on hand to discuss the District's proposed PAM sites. Mr. Lonon explained that PAM stood for "Port-a-Measure", and is used to measure movement of the land or subsidence. Houston already has several PAM locations, two

(2) of those are located in Montgomery County. LSGCD is working on adding six (6) additional PAM sites. Mr. Lonon spent time with HGSD and USGS picking out locations that were spread throughout Montgomery County and were also acceptable with regards to access, security and visibility, all of which are required for the PAM units. The PAM unit will stay at each location for approximately a week at a time to take measurements before being moved to the next site. Currently LSGCD has seven (7) proposed sites, with one acting as an alternative, in the instance a site does not materialize. The next step is to gain approval from the entities where the sites will be located. There was discussion amongst the Board about additional placements for PAM sites, which Mr. Lonon explained was a good idea and hopefully we will be able to utilize those areas for future PAM sites, but for now the seven (7) sites seem to be ideal locations based on Harris County's research and experience with their PAM sites.

UPDATE AND STATUS REPORT ON GROUNDWATER REDUCTION PLANS (GRP) RECEIVED AND DUE TO THE DISTRICT APRIL 1, 2011 – Cori Stallings.

Cori Stallings, Permitting Director, stated that the preliminary reviews have been completed on each of the thirty-one (31) GRPs submitted. Seven (7) of which the District is preparing notifications regarding the deficiencies, as well as notifications of staff recommendations for certifications of the Board, for the GRPs that have met the requirements of Phase II(B). Ms. Jones added that the notifications that will be sent out regarding staff recommendations for certifications is part of the process to notify the permittees that they will be listed for hearings for Board approval at the June 14th Board meeting. Jason Hill, General Counsel, added that the approval process will be similar to the process used for Historic Use Permits, in which staff will make technical recommendations to the Board, and the Board will make the ultimate decision to certify the GRP or not. Mr. Hill also clarified that the Rules state that the District has ninety (90) days from the date of submittal to conduct a technical review, make a recommendation, and ultimately make a decision on the GRPs *unless* there are deficiencies which hinder staff making recommendations. If deficiencies are found, the rules state LSGCD can issue the notices of deficiencies, provide for a reasonable time for response from the permittees and staff then has another ninety (90) days to make a decision, once the supplemental information is provided.

DISCUSSION AND POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER DIRECTING THE FOLLOWING PERMITTEES, OR THEIR DESIGNATED REPRESENTATIVE, TO APPEAR AT A SHOW CAUSE HEARING FOR THAT PURPOSE AND SHOW CAUSE WHY APPROPRIATE ENFORCEMENT ACTION SHOULD NOT BE TAKEN, INCLUDING WITHOUT LIMITATION INITIATING A LAWSUIT AGAINST IT FOR FAILURE TO REMIT 2011 WATER USE FEES.

Based on legal advice received in Executive session, it is the General Manager's recommendation to order a Show Cause Hearing to be held in conjunction with the June 14, 2011 Board meeting for failure to remit 2011 water use fees for the following:

- a) J. J.'s One Stop, #HUP102
- b) Julia Shivener, #OP-05103102
- c) J. J.'s One Stop, #HUP102

- d) Kountry Mart, #OP-08102701A
- e) Lakeland Section 1 Club, #OP-07020501
- f) Quality Car Care, #HUP182
- g) Verizon, #OP-09090202

Ms. Jones stated that no action will be taken on items a, c, and d - J. J.'s One Stop and Kountry Mart.

A motion was made by Director Wood, seconded by Director Baker and unanimously carried, to proceed with the recommendations of the General Manager.

DISCUSSION AND POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER DIRECTING THE FOLLOWING PERMITTEES, OR THEIR DESIGNATED REPRESENTATIVE, TO APPEAR AT A SHOW CAUSE HEARING FOR THAT PURPOSE AND SHOW CAUSE WHY APPROPRIATE ENFORCEMENT ACTION SHOULD NOT BE TAKEN, INCLUDING WITHOUT LIMITATION INITIATING A LAWSUIT AGAINST IT FOR FAILURE TO SUBMIT 2010 PRODUCTION REPORT AND/OR FINES ASSOCIATED WITH TIMELY SUBMISSION.

Based on legal advice received in Executive session, it is the General Manager's recommendation to order a Show Cause Hearing to be held in conjunction with the June 14, 2011 Board meeting for failure to submit 2010 production report and/or fines associated with timely submission for the following:

- a) Cyber Motor Cars, #OP-05103103A
- b) Florencio & Martha Hernandez, #OP-09031601
- c) Julia Shivener, #OP-05103102
- d) Verizon, #OP-09090202

Ms. Jones stated that no action will be taken on item a – Cyber Motor Cars.

A motion was made by Director Wood, seconded by Director Moffatt and unanimously carried, to proceed with the recommendations of the General Manager.

DISCUSSION AND POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER DIRECTING THE FOLLOWING PERMITTEES, OR THEIR DESIGNATED REPRESENTATIVE, TO APPEAR AT A HEARING TO SHOW CAUSE WHY APPROPRIATE ENFORCEMENT ACTION SHOULD NOT BE TAKEN BY THE DISTRICT, INCLUDING WITHOUT LIMITATION INITIATING A LAWSUIT AGAINST THE PERMITTEES, FOR FAILURE TO REMIT FEES ASSOCIATED WITH OVERPRODUCTION OF GROUNDWATER IN 2010:

Based on legal advice received in Executive session, it is the General Manager's recommendation to order a Show Cause Hearing to be held in conjunction with the June 14, 2011 Board meeting for failure to remit fees associated with overproduction of groundwater in 2010 for the following:

- a) River of God Church, #HUP/OP-08111701
- b) Vista Verde, #HUP234

A motion was made by Director Wood, seconded by Director Baker and unanimously carried, to proceed with the recommendations of the General Manager.

GENERAL COUNSEL REPORT:

Jason Hill, General Counsel, updated the Board on pertinent legal issues and developments impacting the District since the last regular Board Meeting. Mr. Hill gave an update on a series of bills related to groundwater regulation, noting that all the bills have already moved out of the committee chambers and is on the way to either additional consideration or signature from the Governor.

House Bill 444 – authored by Representative Creighton and sponsored by Senator Nichols. The bill would provide notice to groundwater conservation districts on applications submitted to the TCEQ for Class 1 non-hazardous injection wells. This was a bill that Representative Creighton filed last session to address the hole that almost caught LSGCD off guard on the TexCom application. This bill will require the TCEQ executive director to submit the applications and draft permits that were issued in response to the applications, and would preclude any Administrative Law Judge from receiving evidence in a contested case, unless it was shown that the groundwater district where the well was located received proper notification. The bill is moving and will probably be passed.

House Bill 849 – authored by Representative Sid Miller and sponsored by Senator Fraser. This bill addresses the notification of groundwater districts to applications on Class 2 injection wells, wells regulated by the Railroad Commission to dispose of oil and gas waste. This bill would require the groundwater districts to be provided notice of the locations. The bill has made it through the House and sits in the Senate now. As it came out of the House and into the Senate it had a provision that cast doubt on whether or not a groundwater district will be able to maintain standing on permit applications under the Railroad Commission. Work is being done that would clarify that nothing in that language would implicate a Groundwater District's standing before the Railroad Commission on Class 2 applications. Traditionally, the oil and gas industry has not supported water districts getting involved on Class 2 applications. Mr. Hill commented that it is just as important to be involved, for groundwater quality protection purposes, as it is with Class 1 applications.

House Bill 1482 – A clean up bill that addresses clean up language to the District Management Plan's Adoptions and Implementations. This is a bill that was considered to be a Texas Water Conservation Association (TWCA) consensus bill; it does not make any substantive changes but rather clarifies issues regarding some of the language. It is on its way and moving through the process.

DFC Adoption Process and Appeals issue has been addressed through several legislative vehicles this session. The adoption process that exists currently to develop the DFCs is a messy process and has many procedural holes. Work is being done to revamp the adoption process,

which will involve districts on the local level more than they were involved previously. The main question that remains is regarding what to do with challenges to DFCs and how the issues are to be addressed. Mr. Hill believes there may be some type of legislative study done on how DFC challenges should be handled statutorily.

Senate Bill 332 – drafted by Senator Fraser and sponsored by Representative Chairmen Ritter of the House. This bill is the Vested Rights Groundwater Bill and seems to have found a compromise that is in the best interest of both parties. It was initially filed as an attempt to provide or describe landowner interest in groundwater beneath their land as a vested right. The bill has moved out of the Senate, has been to the House, has been subject to a hearing of the House Natural Resources Committee, and has been voted out of the House Natural Resources Committee as a substitute. The substitute language removes the word “vested” from the bill outright and instead defines that landowners own the groundwater beneath their land as though it were real property. The bill goes on to provide that landowners have a right to drill and try to find groundwater from under their property. It continues by stating that right does not provide them any minimal amount of production authorization, and goes on to say that the Districts still maintain authority to regulate production and authorization over drilling. The bill also mentions that the Districts will not be required to adopt any sort of correlative regulatory approach based on anything in the bill. Mr. Hill suspects that Senate Bill 332 is going to pass as is, though it still has to make it through the House Chamber Floor and onto Conference Committee to hear the changes.

Senate Bill 430 – authored by Senator Nichols. The bill requires the Executive Director to provide notice to groundwater conservation districts when the TCEQ discovers groundwater contamination in the area. The bill has reported out of Natural Resources Committee and is on its way to the House Floor.

Senate Bill 660 – is regarding the Water Development Board’s Sunset Bill and contains the DFC adoption language.

Senate Bill 691 – authored by Senator Estes. The bill clarifies the Statutory Permitting Exemption in Chapter 36. It makes clear that in order to receive the exemption landowners must meet: the ten (10) acre tract requirement, the 25,000 gallons per day production capacity or less, and use the water exclusively for domestic livestock or poultry purposes. There has been concern and confusion that the ten (10) acre tract requirement did not apply for domestic use purposes. This bill clarifies that it does for a statutory provision.

Senate Bill 692 – authored by Senator Estes. The bill would make clear that the exemption of wells recognized under the domestic livestock class is a reflection of the use of water and not a stamp placed on the well for all times. It seems there was confusion that wells registered exempt would always be exempt, no matter the use of water and this bill will clarify that is not the case. Additionally, it will ensure that there are no attempts to convert wells that have been considered exempt into wells used for non-exempt purposes. It is on the House Floor and will more than likely be sent to the Governor shortly.

Senate Bill 693 – authored by Senator Estes. The bill would provide for groundwater districts to develop rules that allow applicants for production permits or permit amendments, which become contested, to request to send the matter to the State Office of Administrative

Hearing. It will allow for an evidentiary hearing on the permit before an Administrative Law Judge. It is a permission statute, not a mandatory statute and only requires that if asked, the District is able to pass those costs on to the parties that request the intervention in the matter. This allows for an Administrative Law Judge to preside over the evidentiary hearing as opposed to the Board doing so. The Administrative Law Judge will then issue a proposed decision to the Board, though the Board will have the final decision on the application. This bill has been sent to the Governor for his signature.

Senate Bill 727 – is another bill clarifying changes to the Management Plan in Chapter 36 and is also on its way to the Governor.

Senate Joint Resolution 4 – proposes a Constitutional amendment that would go before the voters in November to allow for the Texas Water Development Board to issue up to 6 billion dollars worth of bonding authority. The bonds will go towards the financing of water infrastructure and water supply projects across Texas. If adopted by citizens, it would provide for low interest loans to be issued by the Board that will leverage with those bonds to build projects to help citizens comply with regulatory obligations.

GENERAL MANAGER’S REPORT:

Kathy Turner Jones, General Manager, stated that her report was included in the board packets and if anyone had any questions, she would be glad to address them. Ms. Jones pointed out that based on the permits that were approved today, we are permitted at 88,000 acre ft. and have a significant job ahead of us to get to the 64,000 acre ft. goal. Ms. Jones also mentioned that there is a GMA 14 meeting scheduled on May 24th at 1:30pm, it is open to the public. Lastly, Ms. Jones stated that the mobile lab has been at different events since the April meeting, including KidzFest, Montgomery County Fair, Sawmill Festival, and is scheduled for a few events in May with SJRA.

PUBLIC COMMENT: None

NEW BUSINESS:

There being no further business, upon a motion by Director Baker, seconded by Director Eichelberger, President Tramm adjourned the meeting at 11:06 a.m.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF JUNE, 2011.

M. Scott Weisinger, PG, Board Secretary