

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 10, 2009

## 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 November 10, 2009.

President Tramm called the meeting to order at 9:35 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, with the exception of Director Baker, 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; Brian Sledge, General Counsel; 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 9:36 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.

President Tramm declared a short break before the start of the Closed Executive Session.

Director Weisinger arrives at 9:40 a.m.

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

No action was taken on matters discussed in Executive Session and the meeting was adjourned at 10:12 a.m.

President Tramm declared a 10 minute recess before beginning the Hearing on Operating Permits.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>th</sup> DAY OF DECEMBER, 2009.**

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Sam W. Baker, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 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 November 10, 2009.

President Tramm called to order the Public Hearing on Permit Applications 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, 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; Brian L. Sledge, General Counsel; 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”.*

Kathy Turner Jones, General Manager, stated the Board should disregard permit applications stricken through on the posted agenda, as they need further technical and administrative review and would be placed on December’s agenda.

Following the permit hearing report from General Manager, Kathy Turner Jones, a motion was made by Director Wesley and seconded by Director Weisinger, to approve permit amendments #3, #5, #6, #15, #19, #22, #24, and #25, in accordance with the recommendations of the General Manager.

3. Quadvest, LP. 1 (Lake Windcrest WS), for a proposed amendment to OP, increase of 40 mg annually, 32710 Edgewater Dr., Magnolia, Public Supply (PWS) use;
5. Montgomery County MUD #99, for a proposed amendment to OP, increase of 30 mg annually, Aldine Westfield, Spring, Public Supply (PWS) use;
6. Texas American Water (Piney Point), for a proposed amendment to OP, increase of 2 mg annually, Piney Pointe, Conroe, Public Supply (PWS) use;
15. Rayford Road MUD, for a proposed amendment to OP, increase of 90 mg annually, 1825 Ashton Village, Spring, Public Supply (PWS) use;
19. Bridgewood Farms, for a proposed amendment to OP, well to be drilled at 11680 Rose Rd., Conroe, increase of 0.1095 mg annually, Public Supply (PWS) use;
22. Splendora ISD, for a proposed amendment to OP, increase of 3.5 mg annually, 23411 FM 2090, Splendora, Public Supply (PWS) use;
24. Aqua Texas, Inc. (Woodland Ranch), for a proposed amendment to OP, increase of 2 mg annually, 13689 Pinewood Village, Conroe, Public Supply (PWS) use; and
25. Aqua Texas, Inc. (Greenfield Forest), for a proposed amendment to OP, increase of 2 mg annually, Greenfield Forest Water Plant, Magnolia, Public Supply use.

Ms. Jones added that the above 8 applications were all amendments to existing permits. It is recommended the Board approving increasing authorization, but that it is limited to the total usage registered as of December 31, 2009, for year ending 2009, meaning the District is only authorizing 2009 for amounts that can be demonstrated by meter reading. The General Manager further recommended that the increase initially requested for all 8 permit amendments for 2010, be approved as submitted. Motion passed.

Item #1, **A & B Concrete** - This is an existing well, drilled in March 2009, as a single family residence. Applicant had requested 100,000 gallons for 2009 and thereafter. Based on technical review, using applicant's data and information, it is the general manager's recommendation to authorize a reduced amount not to exceed 33,000 gallons for 2009 and 50,000 gallons for 2010. A motion was made by Director Stinson, seconded by Director Love to approve the permit application in accordance with the recommendation of the General Manager. Motion passed.

Item #2, **Timbergreen Home Owners** – This is an existing well drilled in 2002 that District staff found in non-compliance. Applicant has requested 1.5 million gallons for 2009 and thereafter. Based on technical review and applicant's information and usage needs, staff

recommends a reduced amount not to exceed 170,000 for 2009, and annually thereafter. Following the permit report from the General Manager, a motion was made by Director Stinson, seconded by Director Wesley to approve the permit application in accordance with the recommendation of the General Manager. Motion Passed.

Item #4, **Palm Beach Estates** - The District has received conflicting information regarding the application and wishes to postpone the application for further review. Following the permit report from the General Manager, a motion was made by Director Weisinger, seconded by Director Wesley to postpone approval until the December Permit Hearing, pending the District obtaining additional information. Motion passed.

Item #7, **George Turek** – This is an existing well supplying water for lawn irrigation that was originally applied for as a single family home. Due to increased well casing completion of greater than 5” – well is required to be permitted under District rules. The District has received comments regarding the application with some opposition. Upon a motion by Director Weisinger, seconded by Director Wood and unanimously passed, to postpone approval for 30 days which will continue at the December Permit Hearing. Motion Passed

Item #8, **Johnston’s Utilities** – This is an amendment to an existing permit. Applicant has requested an additional 25,000,000 gallons. Based on technical review, it is staff’s recommendation to approve increasing authorization, but limited to the total usage registered by meter as of December 31, 2009, for year ending 2009. The General Manager further recommends an additional 3.6 million gallons for 2010 over the 2009 authorization. A motion was made by Director Wesley, seconded by Director Stinson to approve the permit application in accordance with the recommendations of the General Manager. Motion passed.

Item #12, **Gary Emerson** – This is an existing well, drilled in 1980, supplying water to a shopping center that staff found in non-compliance. Applicant has requested 200,000 gallons for 2009 and thereafter. Based on technical review it is the General Manager’s recommendation to approve authorization, but limited to the total usage registered by meter as of December 31, 2009, for year ending 2009 and a reduced amount of 130,000 gallons for 2010. A motion was made by Director Stinson, seconded by Director Weisinger to approve the permit application in accordance with the recommendations of the General Manager. Motion passed.

Item #21, **Kathryn Sullivan** – This is an existing well, drilled in 2004, supplying water to strip center that staff found in non-compliance. Based on technical review it is the General Manager's recommendation to approve authorization but limited to the total usage registered by meter as of December 31, 2009, for year ending 2009, and a reduced amount of 200,000 gallons for 2010. A motion was made by Director Stinson, seconded by Director Love to approve the permit application in accordance with the recommendations of the General Manager. Motion passed.

Item #26, **Ray & Doris Morris** – This is an existing well, drilled in 2001, supplying water to a wedding facility (Peach Plantation) that staff found in non-compliance. Based on technical review, it is the General Manager's recommendation to approve authorization, but limited to the total usage registered by meter as of December 31, 2009, for year ending 2009 and a reduced amount of 15,000 gallons for 2010 based on comparative usage patterns and technical review. A motion was made by Director Weisinger, seconded by Director Love to approve the permit application in accordance with the recommendations of the General Manager. Motion passed.

Item #27, **Domestic Water Company** – This is an increase in authorization. Applicant has requested an additional 10,000,000 gallons. Based on technical review, it is the General Manager's recommendation to approved increasing authorization, but that it be limited to the total usage registered as of December 31, 2009, for year ending 2009 and annually thereafter. Reported pumpage as of October 31, 2009 is 32,685,799. Permitted at 38.9 million currently. A motion was made by Director Stinson, seconded by Director Weisinger to approve the permit amendment in accordance with the recommendations of the General Manager. Motion passed.

Item #28, **Bhold Investments** – This is an increase in authorization for Agricultural needs. Applicant has requested 5,000,000 gallons. Based on technical review, it is the General Manager's recommendation to approved increasing authorization, but that it be limited to the total usage registered as of December 31, 2009, for year ending 2009 and annually thereafter. Reported pumpage as of October 27, 2009, is 23,239,200. Permitted at 25.0 million currently. A motion was made by Director Stinson, seconded by Director Love to approve the permit amendment in accordance with the recommendations of the General Manager. Motion passed.

Item #29, **Larry Kruzie** – This is a new well. Applicant requested 1.25 m/g for 2009 and 2.5 mg for 2010. Water is to serve a special events center, with an estimated 320 people 100 days per year. Based on technical review, staff recommends that the 2009 permit amount be limited to the amount metered between the date of meter installation and December 31, 2009. It is further recommended that the 2010 permit authorization be reduced to a maximum of 800,000. A motion was made by Director Stinson, seconded by Director Love to approve the permit application in accordance with the recommendations of the General Manager. Motion passed.

President Tramm adjourned the Public Hearing on Permit Applications at 10:33 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>th</sup> DAY OF DECEMBER, 2009.**

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Sam W. Baker, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 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 November 10, 2009.

President Tramm called to order the regular Board of Directors meeting at 10:33 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  
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 Baker, 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; 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 five (5) meeting Minutes listed as one item. Upon review of the following, a motion was made by Director Wood, seconded by Director Love and unanimously carried, to approve the meeting minutes as presented:

- a) October 13, 2009, Board Work Session
- b) October 13, 2009, Special Board Meeting
- c) October 13, 2009, Public Hearing on Permit Applications
- d) October 13, 2009, Regular Board of Directors Meeting
- e) October 13, 2009, Public Hearing on Proposed Changes to District Rules

## COMMITTEE REPORTS:

**Rules and Bylaws Committee – Kathy Turner Jones, Coordinator.** Ms. Jones reported that the Rules and Bylaws Committee held a Board Work Session earlier this morning to discuss revisions, which were published and posted, as required by law, on or before October 21, 2009, and following public comment received, we will have a Hearing on that later today.

**Continue Board Meeting until conclusion of today’s Public Hearing on Proposed Changes to District Rules.** President Tramm stated that the Regular Board Meeting would be continued following today’s Public Hearing on Proposed Changes to District Rules.

**Hold Public Hearing on Proposed Changes to District Rules. 10:35 a.m.** – President Tramm stated that at this time the Board would convene the Public Hearing on Proposed Changes to District Rules for consideration of the proposed District Regulatory Plan Phase II(B).

### **11:05 a.m. – President Tramm reconvened the Regular Board Meeting**

**Discussion, consideration, and possible action approving amendments to the District Rules regarding adoption of Phase II(B) of the District Regulatory Plan.** A motion was made by Director Wesley, seconded by Director Wood and unanimously passed, to direct legal counsel to prepare a final draft for the DRP Phase II(B), consistent with his recommendations in today’s Work Session and Public Hearing, and to present that draft to the Board, along with an adoptive Resolution, for consideration for final action at the end of our Agenda today.

**Policy and Personnel Development Committee – Sam W. Baker, Chair.** In Director Baker’s absence, General Manager, Kathy Turner Jones, stated that the committee had not met since the last Board meeting, but a meeting is scheduled for November 11, 2009.

**Water Awareness and Conservation Committee – Billy Wood, Chair.** Director Wood stated that the committee had not met since the last Board meeting, but is planning to have a meeting soon to discuss the report that Marjie Risk, Education/Public Awareness Coordinator, is going to present regarding “Low Hanging Fruit” as it pertains to water conservation. Director Wood then asked Marjie Risk to give a report on her activities this past month.

Ms. Risk handed out a draft copy of the Annual Report for the Board’s review. Ms. Risk stated she is expecting approval on this document at the December 8, 2009, Board Meeting. Please review and have comments back to the General Manager by December 2, 2009. Ms. Risk stated she had included a water conservation letter in the Board packets. This letter was sent from LSGCD to the MUDS and PWSs and was based on a letter that Ms. Risk has worked on with the City of Conroe to be sent to all Mayors within Montgomery County. Ms. Risk reported that the newly developed LSGCD Water IQ “table tents” are at the printer and the District plans to do a pilot program in The Woodlands and has been coordinating this with Director Stinson and his staff. A water efficiency program for commercial food service facilities, primarily restaurants, is being developed. The program would involve the installation and use of water efficient spray valves that use half as much water as the older, inefficient models. The District sees that as a logical follow-up to the table tent program. To create a more professional appearance for the District, we are considering purchasing a new display for our Outreach Events—one display will be purchased, however, educational materials or other different themes of information will be created: one for general water conservation, one for water harvesting and

one for groundwater issues and subsidence. In the next few weeks the District will be receiving a 2009 program evaluation from EnviroMedia regarding the direction of our Water IQ Program. If the District and Board supports the continuation of the Water IQ Campaign for 2010, the program should be refocused to select media and outreach opportunities that provide the most message exposure and best use of District funds. Two new informational pages have been posted to the District's web site. One is on reducing wasteful practices and leak detection. The other is on land subsidence. These are basically informational Fact Sheets, but are in accordance with information required to be provided by the Management Plan and keeps the District in compliance with the requirement. Ms. Risk would like to see the District develop a series of water conservation Fact Sheets on specific topics for communities and these would be provided free of charge. The District continues to encourage the reduction of outdoor water use and participates in discussions of the development of defined watering schedules.

**Budget and Finance Development Committee – Jim Stinson, Chair.** Director Stinson reported his committee had met November 9, 2009, for review of audit proposals. The District asked for a two (2) year engagement for 2009 and 2010. Director Stinson handed out the results of the proposals the District had received. The District received four (4) proposals with the estimated fees ranging from \$6,500 to \$23,000. For the last four or five years the District has used the firm of Belt-Harris. The committee has decided to make a recommendation to the Board to select Vanwassehnova and Associates for the 2009-2010 engagement. A motion was made by Director Wood, seconded by Director Eichelberger and unanimously carried, to select the firm of Vanwassehnova and Associates as the District's auditing firm for the 2009-2010 engagement.

**Review of Monthly Financial Reports.** Director Stinson stated he has reviewed the monthly financial report and if anyone has any questions he would be glad to address them.

**Findings and Review Committee – Orval R. Love, Chair.** Director Love reported the committee had not met. The committee is waiting for the USGS report. When the report is received, the committee will meet and report back to the Board.

**Building and Facilities Committee – Kathy Turner Jones.** Ms. Jones stated the committee had not met, but Ms. Jones had met with a couple of developers to get some ideas for possibilities for the District. These are things the committee needs to look at and give direction. Ms. Jones plans to have a committee meeting either the latter part of this week or next week.

**Consider authorizing General Manager to issue Request for Web-based Mapping and Database Enhancement.** Ms. Jones stated that through time the District has spent significant dollars building and enhancing our database system. Originally, the system was designed as a "flat" data entry only system and has grown through time, module by module, to allow more functionality and user access for staff and the general public. The limits of a flat database are not in the number of records we can put in, but in how much information we can tract and functionally utilize per record or permit. As the District grows, and more permit information is required, so does the need to tract this different information. Managing our data is crucial to the District. The general public should be able to use the Internet mapping service without prior training in GIS. All functions should be intuitive, user friendly, and graphically oriented. Ms. Jones added that now is a good time as we are looking at budget needs for 2010. These will be significant dollars, but they are necessary dollars. A motion was made by Director

Wesley, seconded by Director Weisinger and unanimously passed, to issue an RFP for Web-Based Mapping and Database Enhancement.

**ENGINEERING REPORT:**

Mark Lowry, District Consultant, reported there were two engineering reports in the Board packets. One report is Mr. Lowry's and the other is Bill Thaman's from AECOM. Mr. Lowry stated he has primarily been involved with reviewing permit applications and working with staff on these issues. In addition, Mr. Lowry has been working with the District's attorneys on rule revisions with the DRP. Mr. Lowry stated he attends a series of meetings in Austin on a quarterly basis put on by TCEQ regarding Drinking Water Advisory Workgroup and Water Quality Advisory Workgroup. He attends these meetings at his own expense, but there are things that come up at these meetings that do impact this Board. One of them is there is a new rule that has been put in place that requires groundwater district boards be notified of any utility application or a certificate of convenience and necessity. Mr. Lowry has submitted an abstract to the American Water Works Association for presentation next spring and the Texas Water Conservation Association meeting in Galveston. This is an opportunity to get the District's name out front with some of the things the District has been doing.

The General Manager stated the District had actually submitted two abstracts. Mr. Lowry's was more detailed and related to the Regulatory Plan and how the conversion was being handled and some of the issues involved with that process. Mr. Lowry also recommended that Marjie Risk, Education/Public Relations Coordinator, submit one regarding conservation issues. The District won't know until the end of November whether either one is selected. If not selected for oral presentation, they might be selected for a posted presentation.

AECOM reported that staff has been doing work on Region H population projections for the City of Conroe and also how that factors into the District's Regulatory Plan, changes to the GAM, and some work on database enhancement.

**GENERAL COUNSEL'S REPORT:** Skip

**GENERAL MANAGER'S REPORT:**

Kathy Turner Jones stated that the District sent out 986 permit renewals and have received back in excess of 909. Ms. Jones added that staff is receiving good response from the permittees. GMA 14 Planning Group met at the end of October and reviewed revised water level changes developed using 2008 as the base year. GMA 14 is also talking about the draft DFC numbers that are going to be for consideration in the next 8-9 months for the Northern Gulf Coast Aquifer. Final item—we have set the date for our Christmas Party. It will be at Pappadeaux in The Woodlands, Monday, December 7, 2009, at 6:30 p.m.

**PUBLIC COMMENT:**

Tom Baudat, T&W Water Supply, stated he feels the District should get rid of an HUP permit when the permittee also has an Operating Permit for the same well.

11:38 a.m. – President Tramm stated h would declare a short recess to check on the progress of our attorneys regarding the Resolution and the District Regulatory Plan Phase II(B).

12:00 p.m. – President Tramm reconvened both the Public Hearing on Proposed Changes to District Rules and the Regular Board Meeting.

**Item #4a.5- Discussion, consideration, and possible action approving amendments to the District Rules regarding adoption of Phase IIB of the District Regulatory Plan.** Brian Sledge, General Counsel, stated that pursuant to the previous motion regarding the continuance of the District Public Hearing regarding the Regulatory Plan, he has distributed an updated version of the DRP Phase II(B) for the Board’s consideration. Additional language has been added in response to public comment, as requested at todays earlier Board Work Session and Public Hearing. Mr. Sledge also noted that it was mentioned in the Work Session and Public Hearing, and he would like to reiterate again, for the record, that the District is not going to allow the conveyance or transfer to an LVGU of any permit held by a non-LVGU. After reviewing the revised language of the DRP Phase II(B) and the adoptive Resolution, upon a motion by Director Wood, seconded by Director Eichelberger and unanimously carried, the Board passed Resolution #09-011 as presented and amended; adopting Phase IIB of the District Regulatory Plan. *Copy of Resolution #09-011 is attached hereto as Exhibit “B”.*

**NEW BUSINESS:**

None

There being no further business, upon a motion by Director Weisinger, seconded by Director Love, the meeting was adjourned at 12:20 p.m. The next regular meeting of the Board of Directors is scheduled for December 8, 2009, at 10:00 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>th</sup> DAY OF DECEMBER, 2009.**

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Sam W. Baker, Board Secretary