LONE STAR
GROUNDWATER CONSERVATION DISTRICT

JANUARY 13, 2026

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 and held in person in the Lone Star GCD – James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on January 13, 2026.

1. CALL TO ORDER:

President Spigener called to order the Public Hearing on Permit Application at 6:00 p.m. announcing the meeting open to the public.

2. ROLL CALL:

Roll call for participating members of the Board of Directors, to wit:

Kenneth Earnest
Jim Spigener
Janice Thigpen
Jon Paul Bouché
Jonathan Prykryl (Virtual)
Kenneth Earnest
John Wertz

Also present:

Name:	Title:
Sarah Kouba	General Manager
Tiffany White	Director of Operations
Samantha Branham	Permitting Manager
Brenda Lozano	Media & Outreach Coordinator
Rebekah Schlichting	Education & Outreach Coordinator
Stacey Reese	District Counsel (Virtual)
James Beach	District Technical Consultant (Virtual)
Mike Keester	District Technical Consultant (Virtual)
Chris Drabek	District Technical Consultant (Virtual)
and members of the public	

Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A"

3. PRAYER AND PLEDGES OF ALLEGIANCE:

Vice President Bouche led the prayer. Director Wertz led the United States and Texas pledges.

4. ANY PUBLIC COMMENTS OR REQUESTS TO CONTEST FOR THE OPERATING PERMITS and/or EXEMPTIONS:

No public comments or requests to contest were received.

5. DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION ON THE FOLLOWING OPERATING PERMITS and/or EXEMPTIONS:

Ms. Kouba provided an overview of 6 applications listed. Applications numbered 1-6 included applications that have been reviewed by District Staff and are considered administratively complete. No hydrogeological reports were required for those applications, and they comply with the District's Spacing Rules. Ms. Kouba has reviewed the applications, and she recommended that the Board grant those which are requested for applications 1-6.

Ms. Kouba provided an overview of application numbered 1 – Milburn Pennybags, LLC. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 2 – Quadvest, LP (Marble Creek). Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 3 – BTL Inheritance Trust U/T/A 12/29/2021. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 4 – 11715 Sleepy Hollow Rd., LLC. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 5 – Continental Oil & Gas Services, LLC. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 6 – Midway RV & Boat Storage, LLC. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

President Spigener called for a motion to approve. Treasurer Earnest moved to approve that which is requested for applications number 1-6. Director Wertz seconded the motion. President Spigener called for a voice vote. Motion passed.

6. ADJOURN:

Vice President Bouché moved to adjourn the January 13th, 2026 Public Hearing on Permit Applications and Director Wertz seconded the motion. The meeting was adjourned at 6:04 p.m.

PASSED, APPROVED, AND ADOPTED THIS 10th DAY OF FEBRUARY 2026.

Janice Thigpen, Board Secretary

LONE STAR
GROUNDWATER CONSERVATION DISTRICT
JANUARY 13, 2026
MINUTES OF REGULAR MEETING

The Board of Directors of the Lone Star Groundwater Conservation District ("District") met in regular session, open to the public and held in person in the Lone Star GCD – James B. "Jim" Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on January 13, 2026.

1. CALL TO ORDER:

The meeting was called to order at 6:04 PM.

2. ROLL CALL:

Roll call for participating members of the Board of Directors, to wit:

Jim Spigener
Janice Thigpen
Jon Paul Bouché
Kenneth Earnest
Jonathan Prykryl (Virtual)
John Wertz

Also present:

Name:	Title:
Sarah Kouba	General Manager
Tiffany White	Director of Operations
Samantha Branham	Permitting Manager
Rebekah Schlichting	Education & Outreach Coordinator
Brenda Lozano	Media & Outreach Coordinator
Stacey Reese	District Counsel (Virtual)
James Beach	District Technical Consultant (Virtual)
Chris Drabek	District Technical Consultant (Virtual)
Mike Keester	District Technical Consultant (Virtual)
and members of the public	

Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".

3. PUBLIC COMMENTS:

The District received three public comments prior to the Board meeting. Mr. Keith Arrant made a public comment regarding MUD 199 and violations received stating they had exceeded the allowable production in gallons per minute. Mr. Arrant explained that he had submitted an application in late 2025 to have things amended but has yet to make it to an agenda item. Ms. Kouba stated that Mr. Arrant can schedule a meeting with her to discuss these issues.

For **Item 4** and **Item 5**, Executive session will not be held during this meeting.

6. APPROVAL OF THE MINUTES:

President Spigener stated the Board would consider the meeting minutes for approval on the agenda. Without further discussion, Treasurer Earnest moved to accept the minutes presented, and Director Wertz seconded the motion.

President Spigener called for a voice vote. Motion passed to approve the meeting minutes as presented:

- December 9, 2025, Rulemaking Hearing
- December 9, 2025, Public Hearing on Permit and Permit Amendment Applications
- December 9, 2025, Regular Meeting of the Board of Directors

7: COMMITTEE REPORTS:

A. Executive Committee

1) Brief the Board on the Committee's activities since the last regular board meeting.
President Spigener stated the Executive Committee has not met and there is no update at this time.

B. Budget & Finance Committee

1) Brief the Board on the Committee's activities since the last regular board meeting.
Treasurer Earnest stated that the Budget Committee has not met and there is no update at this time.

2) Review of unaudited financials for the month of December 2025
Ms. Kouba presented the financial review for December 2025, as well as the Quarterly Investment Report for 2025.

C. External Affairs Committee

1) Brief the Board on the Committee's activities since the last regular Board meeting.
President Spigener reported that the External Affairs Committee is meeting monthly to discuss public relations and execution and framework for the District's rainwater harvesting scholarship program. He stated he and Ms. Kouba met with Mr. Brett Ligon and his team on January 2nd. The District has also been sharpening their email blasts as much as possible for the community to stay informed on District happenings.

D. DFC & Technical Committee

1) Brief the Board on the Committee's activities since the last regular Board meeting.
Treasurer Earnest reported that the DFC Committee has met weekly to continue discussions and considerations on balancing the 9 factors, various model scenarios and balance in response to the 9 factors discussion using the GMA 14 models. He states that the DFC Committee has a recommendation on the DFC for the Board to consider and will be discussed during Agenda Item 10 which includes a presentation by the Districts Technical Consultants. The Texas Water Development Board (TWDB) staff have recommended approval of the GMA model but have not formally approved it yet. The committee is hoping to have it approved and formalized by TWDB during the upcoming GMA 14 meeting which is scheduled for January 28th. Additionally, the committee is continuing discussions of developmental plans towards at least one additional GPS station around Lake Conroe and a District in-house software for a timely evaluation of the subsidence data.

2) Technical Consultants Update – Receive updates from Technical Consultants on ongoing projects and development of desired future conditions in GMA 14.
Ms. Kouba stated that an email was received from GMA 14 regarding TWDB reaching out to Mr. John Martin, the GMA 14 Chair, to say that they are approving the GMA 14 updated model and that they will formalize it at the GMA 14 meeting.

3) Groundwater Management Area 14 Update – update the Board on the Issues related to joint planning activities and development of desired future conditions in GMA 14.
Ms. Kouba reported that the next GMA 14 meeting will be held at the District's office on Wednesday, January 28th at 10 a.m. The District plans to provide a presentation and the Board's recommendation for proposed DFCs and related runs to GMA 14 as soon as tomorrow morning so the full GMA group can review it prior to the January 28th meeting. If the GCD's do not adopt proposed DFCs at the January meeting, there has been discussion of a February meeting with a tentative date. The deadline to adopt proposed DFCs is May 1st, 2026.

4) Discussion and possible action regarding DFCs and joint planning with GMA 14.

Ms. Kouba stated that the DFC is still evaluating potential drawdown metrics and associated runs. There is no request for action currently, but they are looking forward to presenting in January.

E. Rules, Bylaws & Policies Committee

1) Brief the Board on the Committee's activities since the last regular Board meeting

President Spigener reported that the Rules Committee has not met and there is no update at this time.

8. DISCUSSION AND POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER DIRECTING PERMITTEES, WELL OWNERS, DRILLERS, DESIGNATED REPRESENTATIVES, OR RESPONSIBLE PARTIES IDENTIFIED IN ATTACHEMENT A TO APPEAR AT A SHOW CAUSE HEARING FOR THAT PURPOSE AND SHOW CAUSE WHY APPROPRIATE ENFORCEMENT ACTION SHOULD NOT BE TAKEN:

Ms. Kouba stated that there are four permittees listed that have open violations which have not been resolved within the District deadlines, one being listed twice for different permits. Ms. Kouba is requesting the Board issue a show cause order to the permittees that are listed in Attachment A. President Spigener called for a motion to allow Ms. Kouba to issue show cause to the permittees in violation. Director Prykryl moved to allow Ms. Kouba to issue show cause. Vice President Bouché seconded the motion. President Spigener called for a voice vote. Motion passed.

9. DISCUSS, CONSIDER, AND POSSIBLE ACTION ON RENEWAL OF CONTRACT:

Ms. Kouba stated that the contract is a renewal with the Districts IT company MCB Technologies. There is an increase in cost for required cyber securities improvements for the District. President Spigener called for a motion to renew the contract with MCB Technologies. Secretary Thigpen moved to approve the contract renewal. Treasurer seconded the motion. President Spigener called for a voice vote. Motion passed.

10. PRESENTATION ON DFCs AND DISCUSS, CONSIDER, AND POSSIBLE ACTION REGARDING DFCs AND JOINT PLANNING WITH GMA 14:

Ms. Kouba reported that the DFC Committee has a unanimous recommendation regarding DFCs for Montgomery County. The Districts Technical Consultants prepared a presentation to show the model run scenarios that they evaluated, data and logic used by the DFC Committee and technical consultants to develop those model runs and how the committee arrived at their recommendation for the full Board to consider. Ms. Kouba stated that the Board's action on which DFCs they would like for Montgomery County will be shared with GMA 14 and will give her guidance on how to vote at GMA 14. The District's technical consultant Mr. James Beach then presented the technical consultant's presentation regarding the Desired Future Conditions for 4th Round of Joint Planning. The presentation discusses the joint planning summary, modeling approach, modeling results, DFC Committee recommendation, and the next steps. President Spigener asked Mr. Beach, even though the DFC Committee did the work on the new model, did we get input from other consultants. Mr. Beach said they made sure they talked to the consultants for other districts, and Ms. Kouba was in contact with all the GCDs to get their pumping data. President Spigener also asked if GMA 14 was happy with the model, to which Ms. Kouba explained that they approved for it to be submitted. President Spigener called for a motion. Treasurer Earnest made a motion to approve the recommendation for DFC with the minimum 70% median available drawdown remaining in 2080 utilizing the scenario 2026.14-3 to take to GMA 14. Vice President Bouché seconded the motion. President Spigener called for a voice vote. Motion passed.

11. DISCUSS, CONSIDER, AND POSSIBLE ACTION REGARDING LETTER RECEIVED FROM AND ACTION REQUESTED BY MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 89:

Ms. Kouba stated that she is asking the Board to consider a formal response for the letter requesting action by Montgomery County MUD 89. Secretary Thigpen made a motion to have the Districts Legal Counsel Ms. Reese and District General Manager Ms. Kouba to work on a formal response to the letter from Montgomery County MUD 89 and take all actions necessary to get the response finalized and sent out. Director Wertz seconded the motion. President Spigener called for a voice vote. Motion passed.

12. GENERAL MANAGER'S REPORT:

Ms. Kouba reports that in December the Districts top priorities included continued evaluations with the DFC Committee and the Districts Technical Consultants for the GMA 14 joint planning cycle, adoption of the 2026 budget, fee schedule, District rules, updating District applications to reflect the updated District rules and rees, training new outreach staff, finalizing design of the rainwater barrel harvesting program and scholarship, reinforcing permit compliance for historic use vs operating permits to support the Districts new software migration, conducting community outreach and strategic planning for the Districts GPS stations to aid analyzation of subsidence. Ms. Kouba then gave an overview of her previous and upcoming meeting and travel events since the last Board meeting. Ms. Kouba then introduced the new Education and Outreach Coordinator, Ms. Rebekah Schlichting, and asked that she give her presentation on the new rainwater harvesting barrel and scholarship program. Ms. Schlichting gave a high-level presentation overview of the 'Rain for Tomorrow Conservation Initiative' program that she and the Media and Outreach Coordinator, Ms. Brenda Lozano, have put together. Ms. Schlichting and Ms. Lozano then showed one of the rainwater harvesting barrels that the District will be offering with this initiative and explained the impact they can have in the community. Ms. Kouba stated they have worked with local high schools to get them involved in the scholarship program, which is being called was of the large local sponsorships in the county, and that it will make a huge impact with regard to getting students and their families involved in water conservation. She then gave praise to the team for putting this program together so quickly. Vice President Bouché asked if there was a projection on how many barrels will be used in this program and how many barrels the District would allow. Ms. Kouba stated that there isn't a way to know how many people will participate, but that two barrels per household is all that the District will subsidize and explained how the program will work. President Spigener then stated that there could be a culture change of conservation since the program is approaching high school aged kids and believes that this program will be very significant. Treasurer Earnest asked how the program will be advertised. Ms. Kouba stated that initially it will be by way of the scholarship program to spread awareness and have the students basically become advocates. President Spigener recognized Ms. Kouba who is the first person since the founding of the District that has taken tangible results towards conservation. Secretary Thigpen asked if the schools were excited about the program. Ms. Kouba stated that they were and that they gave good feedback on what was feasible. Ms. Kouba then gave a brief overview of how the online enrollment will work.

13. GENERAL COUNSEL'S REPORT:

Ms. Reese stated that there was no update at this time.

14. NEW BUSINESS:

No new business.

15. ADJOURN:

There being no further business Director Wertz moved to adjourn the meeting and Treasurer Earnest seconded the motion. President Spigener called for a voice vote, motion passed, meeting adjourned at 7:54 PM

PASSED, APPROVED, AND ADOPTED THIS 10th DAY OF FEBRUARY 2026.

Janice Thigpen, Board Secretary