NOTICE OF HEARINGS AND MEETING OF THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT

To be held on Tuesday, May 10, 2022
Lone Star GCD – James B. "Jim" Wesley Board Room
655 Conroe Park North Drive
Conroe, Texas 77303

NOTICE OF PUBLIC HEARING ON PERMIT AND PERMIT AMENDMENT APPLICATIONS

TUESDAY, MAY 10, 2022, AT 6:00 P.M.

Held In Person with the option for Public Comment
Remotely by Publicly Accessible Videoconference
(The videoconference opens at 5:45 P.M.)

DOC# 22-0831
POSTED
05/05/2022 04:38PM
Shelby Curry
MARK TURNBULL, COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

1. Call to Order and Declare Hearing Open to the Public
2. Roll Call
3. Prayer and Pledges of Allegiance
4. Any Public Comments or Requests to Contest and General Manager Permit Hearing Report and Recommendation on Granting, Denying, or Amending Applications for the following Operating Permits and/or Meter Exemptions:

   i. TPHTL HBL, LLC (future MUD #152), for 2 proposed wells to be drilled at Approximately 635 ft NW of intersection of Lexington Blvd and Future Townsen Rd., (Lat. 30/7/22 Long. 95/20/54) and (Lat. 30/7/22 Long. 95/20/54), Spring, not to exceed 3 mg annually, Public Supply (PWS) use, (Driller of record: Weisinger Incorporated);

   ii. Clover Creek MUD, for a proposed amendment to OP-05112902, well to be drilled approximately 100 yds East of Forest Hill Dr./Cloverleaf Dr. Intersection; 30 yards South of Cloverleaf Drive, (Lat. 30/10/18 Long 95/45/30), Magnolia, in aggregate with a permitted amount of 5,478,000 gallons, Public Supply (PWS) use, (Driller of record: To be determined);

   iii. David Valdos Mendoza, for a proposed well to be drilled at 2850 Weir Rd., Cleveland, not to exceed 2.709 mg annually, Commercial use, (Driller of record: Weisinger Incorporated);

   iv. Korolev Tennis, LLC, for a proposed well to be drilled at 15214 Sunset Trail, Conroe, not to exceed 0.1095 mg annually, Commercial use, (Driller of record: Ricky Bonds Water Wells);

   v. Affordable Storage, for a proposed well to be drilled at 13780 Park Ave, Conroe, not to exceed 0.25 mg annually, Commercial use, (Driller of record: Scott Drilling);

   vi. Dos Aguas Water System, for a proposed amendment to OP-21032301, well to be drilled

approximately 600 ft east of intersection of FM 1097 and McCrorey Rd, (Lat 30/30/31 Long 95/22/44), Willis, increase of 32 mg annually, Public Supply (PWS) use, (Driller of record: Holly Water Wells); and

vii. Blue Horizon RV, for a proposed well to be drilled at 13075 FM 1485, Conroe, not to exceed 0.255 mg annually, Public Supply use, (Driller of record: Ricky Bonds Water Wells).

5. Discussion, consideration, and possible action on the following Operating Permits and/or Meter Exemptions:

i. TPHTL HBL, LLC (future MUD #152), for 2 proposed wells to be drilled at Approximately 635 ft NW of intersection of Lexington Blvd and Future Townsen Rd., (Lat. 30/7/22 Long. 95/20/54) and (Lat. 30/7/22 Long. 95/20/54), Spring, not to exceed 3 mg annually, Public Supply (PWS) use, (Driller of record: Weisinger Incorporated);

ii. Clover Creek MUD, for a proposed amendment to OP-05112902, well to be drilled approximately 100 yds East of Forest Hill Dr./Cloverleaf Dr. Intersection; 30 yards South of Cloverleaf Drive, (Lat. 30/10/18 Long 95/45/30), Magnolia, in aggregate with a permitted amount of 5,478,000 gallons, Public Supply (PWS) use, (Driller of record: To be determined);

iii. David Valdos Mendoza, for a proposed well to be drilled at 2850 Weir Rd., Cleveland, not to exceed 2.709 mg annually, Commercial use, (Driller of record: Weisinger Incorporated);

iv. Korolev Tennis, LLC, for a proposed well to be drilled at 15214 Sunset Trail, Conroe, not to exceed 0.1095 mg annually, Commercial use, (Driller of record: Ricky Bonds Water Wells);

v. Affordable Storage, for a proposed well to be drilled at 13780 Park Ave, Conroe, not to exceed 0.25 mg annually, Commercial use, (Driller of record: Scott Drilling);

vi. Dos Aguas Water System, for a proposed amendment to OP-21032301, well to be drilled approximately 600 ft east of intersection of FM 1097 and McCrorey Rd, (Lat 30/30/31 Long 95/22/44), Willis, increase of 32 mg annually, Public Supply (PWS) use, (Driller of record: Holly Water Wells); and

vii. Blue Horizon RV, for a proposed well to be drilled at 13075 FM 1485, Conroe, not to exceed 0.255 mg annually, Public Supply use, (Driller of record: Ricky Bonds Water Wells).

6. Adjourn or continue permit hearing in whole or in part.

The above agenda schedules for the meetings and hearings of the District represent an estimate of the order for the indicated items and are subject to change at any time.

NOTICE OF HEARING

TUESDAY, MAY 10, 2022, AT 6:00 P.M.

SHOW CAUSE HEARING ON ENFORCEMENT MATTERS (TO BEGIN UPON ADJOURNMENT OF THE ABOVE-LISTED PUBLIC HEARINGS)

1. Call to Order and Declare Hearing Open to the Public

2. Roll Call

3. Show Cause Hearing for **Fisherman's Cove Resort**, pursuant to District Rule 12.5

    A. Show Cause Hearing directing **Fisherman's Cove Resort**, ("Respondent"), pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:

        1) issue a cease-and-desist order pursuant to District Rule 12.6(c) failure to remit 2022 annual water use fees and/or fines associated with timely submission and failure to submit the 2021 annual water production report and/or fines associated with timely submission;

        2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

        3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

    B. Consider, discuss, and take action on matters raised in the **Fisherman's Cove Resort,** show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 3.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 3.A.2. and taking all other enforcement action described in Agenda Item No. 3.A.3.

4. Show Cause Hearing for **Kampgrounds of America**, pursuant to District Rule 12.5

    A. Show Cause Hearing directing **Kampgrounds of America**, ("Respondent"), pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of

Directors and show cause why the District should not:

1) issue a cease-and-desist order pursuant to District Rule 12.6(c) failure to submit 2021 annual water production report and/or fines associated with timely submission;

2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in the **Kampgrounds of America,** show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 4.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 4.A.2. and taking all other enforcement action described in Agenda Item No. 4.A.3.

5. Show Cause Hearing for **Aqua Texas, Inc. (Bear Branch) / Aqua Texas, Inc. (Greenfield Forest),** pursuant to District Rule 12.5

A. Show Cause Hearing directing, **Aqua Texas, Inc. (Bear Branch) / Aqua Texas, Inc. (Greenfield Forest)** ("Respondent"), pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:

1) issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2021 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;

2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorney's fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in **Aqua Texas, Inc. (Bear Branch) / Aqua Texas, Inc. (Greenfield Forest)** show cause hearing, including,

but not limited to, issuing a cease-and-desist order described in Agenda Item No. 5.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 5.A.2., and taking all other enforcement action described in Agenda Item No. 5.A.3.

6. Show Cause Hearing for **Aqua Texas, Inc. (Black Oak)**, pursuant to District Rule 12.5

   A. Show Cause Hearing directing **Aqua Texas, Inc. (Black Oak)**, ("Respondent"), pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:

      1) issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2021 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;

      2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorneys' fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

      3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

   B. Consider, discuss, and take action on matters raised in the **Aqua Texas, Inc. (Black Oak)** show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 6.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 6.A.2., and Taking all other enforcement action described in Agenda Item No. 6.A.3.

7. Show Cause Hearing for **Aqua Texas, Inc. (Laird)**, pursuant to District Rule 12.5

   A. Show Cause Hearing directing **Aqua Texas, Inc. (Laird)**, ("Respondent"), pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:

      1) issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2021 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or less than the authorized amount;

      2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water

use fees, late payment penalties, other civil penalties, and attorneys' fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in **Aqua Texas, Inc. (Laird)** show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 7.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 7.A.2., and Taking all other enforcement action described in Agenda Item No. 7.A.3.

8. Show Cause Hearing for **Aqua Texas, Inc. (Lake Conroe Village)** ("Respondent"), pursuant to District Rule 12.5

A. Show Cause Hearing for **Aqua Texas, Inc. (Lake Conroe Village)** pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:

1) issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2021 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or less than the authorized amount;

2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorneys' fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in the **Aqua Texas, Inc. (Lake Conroe Village)** show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 8.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 8.A.2., and Taking all other enforcement action described in Agenda Item No. 8.A.3.

9. Show Cause Hearing for **Aqua Texas, Inc. (Walnut Springs)** ("Respondent"), pursuant to District Rule 12.5

A. Show Cause Hearing for **Aqua Texas, Inc. (Walnut Springs)** pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show

cause why the District should not:

1) issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2021 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;

2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorneys' fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in the **Aqua Texas, Inc. (Walnut Springs)** show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 9.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 9.A.2., and Taking all other enforcement action described in Agenda Item No. 9.A.3.

10. Show Cause Hearing for **Aqua Texas, Inc. (West Lane)** ("Respondent"), pursuant to District Rule 12.5

A. Show Cause Hearing for **Aqua Texas, Inc. (West Lane)** pursuant to District Rule 12.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:

1) issue a cease-and-desist order pursuant to District Rule 12.6(c) for failure to submit the Consent Order and/or remit the overproduction fees and fines associated with the 2021 withdrawal of groundwater in an amount which exceeded the specific amount authorized for withdrawal by ten percent (10%) or greater than the authorized amount;

2) file a civil suit against Respondent in State District Court seeking enforcement of District rules and the collection of all due and owing water use fees, late payment penalties, other civil penalties, and attorneys' fees and court costs incurred by the District in the prosecution of claims against Respondent for its violations of District Rules; and

3) take all other enforcement action that is necessary and appropriate under the laws of the State of Texas.

B. Consider, discuss, and take action on matters raised in the **Aqua Texas, Inc.**

(West Lane) show cause hearing, including, but not limited to, issuing a cease-and-desist order described in Agenda Item No. 10.A.1., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 10.A.2., and Taking all other enforcement action described in Agenda Item No. 10.A.3.

11. Adjourn Show Cause Hearing on Enforcement Matters.

The above agenda schedules for the meetings and hearings of the District represent an estimate of the order for the indicated items and are subject to change at any time.

These public hearings and meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting or hearing, please contact the Lone Star GCD at 936/494-3436 at least 24 hours in advance of the meeting.

NOTICE OF REGULAR MEETING OF THE BOARD OF DIRECTORS

TUESDAY, MAY 10, 2022, AT 6:00 P.M.
(TO BEGIN UPON ADJOURNMENT OF THE ABOVE-LISTED PUBLIC HEARINGS)

Held In Person with the option for Public Comment
Remotely by Publicly Accessible Videoconference
(The videoconference opens at 5:45 P.M.)

The Board of Directors may discuss, consider, and take action, including expenditure of funds, on any item or subject matter posted in this agenda.

1. Call to Order and Declare Regular Meeting Open to the Public

2. Roll Call

3. Public Comment on any agenda item or any other matter (Public comment is limited to a maximum of 3 minutes per speaker); *See Comment Card for Other Guidelines and Procedures*

4. Executive Session - The Board will recess for a closed Executive Session pursuant to Texas Government Code and section §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 regarding any agenda item on any of the board meetings or hearings posted for today.

   No action will be taken in Executive Session.

5. Re-convene in Open Session.

6. Discuss, consider, and take action as necessary concerning approval of Meeting Minutes:

   a) April 12, 2022, Public Hearing on Permit Applications
   b) April 12, 2022, Regular Board of Directors Meeting

7. Committee Reports:

   A. Budget & Finance Committee – Jim Spigener, Chair
      1) Brief the Board on the Committee's activities since the last regular Board meeting
      2) Review of unaudited financials for the month of April 2022 – Samantha Reiter

B. Communications Committee – Harry Hardman, Chair
   1) Brief the Board on the Committee's activities since the last regular Board meeting

C. DFC & Technical Committee – Stuart Traylor, Chair
   1) Brief the Board on the Committee's activities since the last regular Board meeting

D. Legislative Committee – Harry Hardman, Chair
   1) Brief the Board on the Committee's activities since the last regular Board meeting
   2) Discussion, consideration, and possible action on any items related to legislative matters pertaining to Lone Star GCD

E. Rules, Bylaws & Policies Committee – Larry A. Rogers, Chair
   1) Brief the Board on the Committee's activities since the last regular Board meeting
   2) Discuss, consider, and take action regarding approval of Resolution #22-002 amending the District's Personnel Policy – Kristen Fancher
   3) Discuss and consider proposed draft rules and possible action approving draft rules for public comment and review – Stacey V. Reese

8. Receive information from District's technical consultants regarding subsidence studies and/or discussion regarding the same – Samantha Stried Reiter and/or District's technical consultant(s).

   a) Receive presentation on the Subsidence Study Phase 2 Draft Report – Mike Keester, RW Harden & Associates
   b) Discussion, consideration, and possible action regarding approval of the Subsidence Study Phase 2 Draft Report for public comment.

9. Groundwater Management Area 14 – update the board on the issues related to joint planning activities and development of desired future conditions in GMA 14 – Samantha Reiter and/or District's technical consultant(s).

   a) Discussion, consideration, and possible action on any items related to Lone Star GCD's proposal(s) to and/or participation in GMA 14.

10. General Manager's Report – The General Manager will brief the Board on pertinent operational and management issues that the District, its employees, or consultants have encountered since the last regular Board meeting. – Samantha Stried Reiter

11. General Counsel's Report – The District's legal counsel will brief the Board on any pertinent legal issues and developments impacting the District since the last regular Board meeting, and legal counsel's activities on behalf of the District, including without limitation: waste injection well monitoring activities and injection well applications filed at the Railroad Commission of Texas or the Texas Commission on Environmental Quality,

including District protests or other actions regarding same; District Rules enforcement activities; District Rules and regulations, and District Management Plan development or implementation issues; groundwater-related legislative activities; joint planning and desired future conditions development activities; contemplated and/or pending litigation involving the District; developments in groundwater case law and submission of legal briefs; legislation or legislative activities; contractual issues related to the District; open government, open records requests, policy, personnel, and financial issues of the District; and other legal activities on behalf of the District. – Stacey V. Reese.

12. New Business.

13. Adjourn.

The above agenda schedules for the meetings and hearings of the District represent an estimate of the order for the indicated items and are subject to change at any time.

These public hearings and meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting or hearing, please contact the Lone Star GCD at 936/494-3436 at least 24 hours in advance of the meeting.

At any time during one the above meetings or hearings and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Lone Star Groundwater Conservation District Board may meet in executive session on any of the above agenda items for consultation concerning attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gift (§551.073); personnel matters (§551.074); deliberation regarding security devices (§551.076); and deliberation regarding cybersecurity (§551.089). Any subject discussed in executive session may be subject to action during an open meeting.

Certification

I, the undersigned authority, do hereby certify that on May 6, 2022, at or before 5:00 p.m., I posted and filed the above notices of meeting(s) and hearing(s) with the Montgomery County Clerk's office and also posted a copy in the front window of the Lone Star GCD office in a place convenient and readily accessible to the general public all times and that it will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with the Texas Government Code, Chapter 551.

/s/ Samantha Stried Reiter

Samantha Stried Reiter, General Manager
Lone Star Groundwater Conservation District