

LONE STAR GROUNDWATER CONSERVATION DISTRICT

October 8, 2019

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 – James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on October 8, 2019.

CALL TO ORDER:

President Melder called to order the Public Hearing on Permit Applications at 6:00 PM announcing the meeting open to the public.

ROLL CALL:

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

Jon Paul Bouché
Harry Hardman
Webb Melder
Jonathan Prykryl
Larry A. Rogers
Jim Spigener
Stuart Traylor

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; District staff; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit “A” to the Regular Board of Directors Meeting minutes.*

PRAYER AND PLEDGES OF ALLEGIANCE:

President Melder called on Director Bouché, for the opening prayer and Director Hardman to lead the Pledge of Allegiance and the Pledge of Allegiance to the state flag.

PUBLIC COMMENTS:

No comments were received.

Ms. Reiter briefed the Board on permit applications received for the month. Applications for consideration and recommended for possible approval included the below:

1. Montgomery County MUD #16

Applicant is requesting an amendment to an Operating Permit to add a new well and increase in production authorization in the amount of 22,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

2. Aqua Texas, Inc. (Timberloch Estates)

Applicant is requesting an amendment to an Operating Permit for drilling authorization only. No additional production authorization is being requested at this time. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

3. Conroe Concrete Ltd.

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 5,500,000 gallons for 2019 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

4. Dobbin Plantersville Water Supply Corporation (AWS Production Well)

Applicant is requesting an amendment to an Alternative Water Source Permit for an increase in production authorization in the amount of 25,000,000 gallons for 2019 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

5. Gabriel Rodarte

Applicant is requesting the registration of an existing well (not in operation), a new well and production authorization in the amount of 82,125 gallons for 2019 and 328,500 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

6. Woodforest Owners Association Inc

Applicant is requesting the registration of a new well and production authorization in the amount of 1,701,388 gallons for 2019, 7,732,170 gallons for 2020 and 10,200,354 gallons for 2021 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

7. Kingwood 360 Storage LLC A Delaware Limited Liability Company

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 8,000 gallons for 2019 **only**. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

8. Craig A Gorewitz

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 1,000,000 gallons for 2019 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

9. DAMC Properties, Inc.

Applicant is requesting registration of a new well and production authorization in the amount of 12,500 gallons for 2019 and 150,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation approve the registration and construction of the well and allocation for 2019 as requested, and further authorize a **reduced** allocation of 75,000 gallons for 2020 and annually thereafter.

Ms. Reiter highlighted Item #9 as this was an authorization for reduced allocation for 2020. Following Ms. Reiter's report, Director Bouché motioned to approve items #1-9, as recommended by the General Manager. Director Traylor seconded. Motion approved.

President Melder adjourned the public hearing on permit applications at 6:03 PM.

PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF NOVEMBER 2019.



Stuart Traylor, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

October 8, 2019

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 - James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on October 8, 2019.

CALL TO ORDER:

President Melder presided and called to order the regular Board of Directors meeting at 6:04 PM, announcing that it was open to the public.

ROLL CALL:

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

Jon Paul Bouché
Harry Hardman
Webb Melder
Jonathan Prykryl
Larry A. Rogers
Jim Spigener
Stuart Traylor

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; District staff; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

PUBLIC COMMENTS:

Conroe residents, Larry Sparks and Jim Murley, expressed a concern about K & K Construction. The gentleman estimated the company’s pumping between 40,000 and 60,000 gallons of water per hour, 24 hours a day since Monday September 20, 2019. Mr. Sparks shared his personal video of the pumping with LSGCD General Manager Samantha Reiter. Mr. Murley stated that the pumping is hitting and pulling water from the Chicot aquifer. Both Mr. Sparks and Mr. Murley requested that Lone Star revisit this pumping dilemma with K & K Construction.

Robert Leilich, President of The Woodlands MUD #1 and Director of the Grogan's Mill Village Association, expressed concerns of irreversible subsidence caused by excessive groundwater pumping. He discussed the Grogan's Point area having experienced flooding and damages into the millions of dollars over the last four years. Mr. Leilich stated that he had requested the TWDB deny the appeal of the Lone Star Groundwater District to increase groundwater pumping under their proposed Groundwater Management Plan.

EXECUTIVE SESSION:

After a proper and legally sufficient announcement to the public by President Melder, the Board of Directors recessed into a Closed Executive Session at 6:15 PM pursuant to Texas Government Code, Sections 551.071, to consult with the District's attorney regarding pending or contemplated litigation, settlement offers, personnel matters (§551.074), 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 Prykryl left the meeting during Executive Session.

RECONVENE IN OPEN SESSION:

Following Executive Session, the Board reconvened in Open Session and President Melder declared it open to the public at 7:08 PM.

APPROVAL OF THE MINUTES:

President Melder stated the Board would consider the meeting minutes as listed for approval on today's agenda. Without further discussion, upon a motion by Director Bouché; seconded by Director Rogers, the Board approved the meeting minutes as presented.

- a) September 10, 2019, Public Hearing on Permit Applications
- b) September 10, 2019, Regular Board of Directors Meeting

REVIEW OF UNAUDITED FINANCIALS FOR THE MONTH OF SEPTEMBER 2019:

Ms. Samantha Reiter reported that for the month of September 2019, income was \$199,170 and expenses were \$191,539 resulting in income of \$7,630.58. Year-to-date net income is \$526,884.18. Total cash was \$361,695.06.

- a) Review 3rd Quarterly Investment Report 2019

Ms. Reiter reported that at the beginning of the 3rd Quarter the money market and TexPool accounts totalled \$771,586. She stated both accounts totalled \$307,289 at the end of the 3rd Quarter.

RECEIVE INFORMATION FROM DISTRICT'S TECHNICAL CONSULTANTS REGARDING SUBSIDENCE STUDIES AND/OR DISCUSSION REGARDING SAME:

Ms. Reiter gave a brief update from Mr. Mike Thornhill, District Hydrogeologist, regarding Phase I of the Subsidence Study. The month's primary focus was on the rules and the TWDB Management Plan appeal. The remainder of the time was spent sorting and summarizing facts for the subsidence study.

GROUNDWATER MANAGEMENT AREA 14 - UPDATE THE BOARD ON THE ISSUES RELATED TO JOINT PLANNING ACTIVITIES AND DEVELOPMENT OF DESIRED FUTURE CONDITIONS IN GMA 14:

- a) Discussion, consideration, and possible action on any items related to Lone Star GCD's proposal(s) to and/or participation in GMA 14
Director Melder made a motion that LSGCD go forward on the request for the expedited DFCs but deny the request for the funds. Director Traylor seconded. Motion passed.

- b) Discussion, consideration, and possible action to re-designate LSGCD representative to GMA 14
Director Hardman made a motion that the LSGCD representative for GMA 14 return to the newly named General Manager, Samantha Stried Reiter. Director Traylor seconded. The motion passed.

DISCUSS, CONSIDER, AND TAKE ACTION AS NECESSARY CONCERNING THE DISTRICT'S MANAGEMENT PLAN AND/OR APPEAL OF TWDB'S DECISION ON THE DISTRICT'S MANAGEMENT PLAN:

Ms. Stacey V. Reese gave background and an update on the appeal of TWDB's decision on the District's Management Plan. President Melder suggested a motion to notify the TWDB that the District was pursuing mediation and also filing a lawsuit to preserve the right to appeal and take whatever necessary steps or action on this issue. Director Traylor made the motion and Director Hardman seconded. Motion passed.

RECEIVE INFORMATION AND/OR STATUS UPDATE REGARDING THE TWO STUDY GROUPS ON PROPOSED DRAFT RULES:

Ms. Stacey Reese explained that the technical consultants had completed their analysis. General Manager Reiter and Ms. Reese have been meeting with the consultants to see how this will impact proposed rule. The expectation is to finish within the next few weeks and to resume the study groups. A future public workshop is anticipated.

GENERAL MANAGER'S REPORT:

Ms. Reiter reported that much of her work had involved the proposed rules. Additional time had been spent on permit renewals for 2020. The renewals were sent out October 1st with a due date of October 31st. There is no requirement for permit holders to join a GRP because there is no reduction of pumpage mandated. Permitting staff will continue to review applications as the requirement to show demand is still in effect. The Declaration of Intent forms to renew 2020 permits were sent to all users permitted for 10 million gallons or more. These completed forms are currently being received by the District.

Upcoming meetings announced included the TWCA's Fall Conference in San Antonio, October 16-18 and the GMA 14 meeting on October 23rd at Houston-Galveston Subsidence District. On the agenda for the GMA 14 meeting is the request for the expedited DFC.

GENERAL COUNSEL'S REPORT:

Ms. Reese updated the Board on two legal cases.

Stratta/Fazzino case in which the oral case was recently heard, will have the opinion given in early 2020.

Secondly, the SJRA litigation with its participants over increased rates had a pending petition for review. The petition was granted. The Supreme Court set the case oral argument for January 2020.

Ms. Reese differentiated the District's water use fees as separate and apart from the GRP fees being litigated.

NEW BUSINESS:

None was received.

ADJOURN:

There being no further business, upon a motion made by Director Bouché and seconded by Director Spigener, the meeting was adjourned at 7:33 PM.

PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF NOVEMBER 2019.


Stuart Traylor, Board Secretary



SIGN IN SHEET

October 8, 2019
Board Meeting

Do you wish to speak on an agenda item?	NAME	CITY, STATE, ZIP	E-Mail	Would you like to receive LSGCD updates & information?
Y	Doug Miller	Pindhurst TX 77362	dmw@gsail.com	Y
N	TINA FELKAI	CONROE TX	ON FILE	N/A
N	Kenny Eichelberg	Stewartbch, TX	-	-
N	Virgil Yakum	Woodforest/Conroe	virgily@johnsondauc.com	N
N	MATT CORCEY	CONROE, TX	-	N
Y	Larry Sparks	CONROE, TX		
Y	Jim Murley	Conroe, TX 77303		
Y	Shelley Myers	The Woodlands		
N	Susan Stubbini	Houston	on file	I
Y	Robert Leibel	The Woodlands	bobleilich@att.net	Y



655 Conroe Park North, Conroe, TX 77303
Ph: (936) 494-3436 Metro: (936) 441-3437
www.lonestargcd.org

Speaker Request Form

Those wanting to comment or register support for or against a specific agenda item are asked to fill out the Speaker Request Form.

Date of Meeting: 10-8-19
Name: Larry Sparks
Address: 9432 W. Northridge Dr
City: Conroe State: TX Zip: 77303
Email: _____

IF SPEAKING FOR AN ORGANIZATION:

Name of Organization Chicot Aquifer
Speaker's Official Capacity _____

Agenda Item No.: _____

- FOR (If applicable)
- AGAINST (If applicable)

Registering Position, NOT Testifying _____

To speak on an item not listed on the agenda, please indicate area of interest:
Water Discharge at SAND
pumping water 24 hours since last
monday

Please remember to step to the lectern as soon as you are recognized by the chair; state your name before beginning your presentation. If you have written notes you wish to present to the Board, PLEASE FURNISH AN EXTRA COPY FOR DISTRICT FILES.

Please see the back of this comment card for additional procedures, practices and notes followed and/or requested by the District when making public comment.

Thank you for your cooperation.



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Date of Meeting: 10-8-19
Name: Tim Murley
Address: 9411 W. Northridge Dr
City: Conroe State: TX Zip: 77303
Email: _____

IF SPEAKING FOR AN ORGANIZATION:

Name of Organization _____
Speaker's Official Capacity _____

Agenda Item No.: _____

- FOR (If applicable)
- AGAINST (If applicable)

Registering Position, NOT Testifying _____

To speak on an item not listed on the agenda, please indicate area of interest:

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Speaker Request Form

Those wanting to comment or register support for or against a specific agenda item are asked to fill out the Speaker Request Form.

Date of Meeting: _____
Name: Robert Leilich
Address: 11 Chestnut Hill Ct
City: The Woodlands State: TX Zip: 77380
Email: bobleilich@att.net

IF SPEAKING FOR AN ORGANIZATION:

Name of Organization MU 71 - President of
Speaker's Official Capacity Woodlands

Agenda Item No.: _____

- FOR (If applicable)
- AGAINST (If applicable)

Registering Position, NOT Testifying _____

To speak on an item not listed on the agenda, please indicate area of interest: :

TWDB Grogans Point 100 homes
Harvey - some Memorial Day flood top
Subsidence Surplus of surface water

Please remember to step to the lectern as soon as you are recognized by the chair; state your name before beginning your presentation. If you have written notes you wish to present to the Board, PLEASE FURNISH AN EXTRA COPY FOR DISTRICT FILES.

Please see the back of this comment card for additional procedures, practices and notes followed and/or requested by the District when making public comment.

Thank you for your cooperation.

Thank you for this opportunity to address the Texas Water Development Board.

My name is Robert Leilich. I serve on The Woodlands Drainage Task Force, as president of The Woodlands MUD #1, and as a director of the Grogan's Mill Village Association which includes an area known as Grogan's Point. Approximately 100 higher-end homes in Grogan's Point flooded during Hurricane Harvey. Many of these same homes also flooded during the Tax Day and Memorial Day floods, some by only a matter of inches. Flood water damages to Grogan's Point alone have totaled millions of dollars over the last four years.

Letters and other data has been submitted to the Texas Water Development Board concerning subsidence in South Montgomery County. Residents in Grogan's Point (and other areas) are very concerned about irreversible subsidence caused by excessive groundwater pumping, especially when there is a surplus of surface water available to meet water demands. It is within the power of the TWDB to help stem unnecessary and avoidable groundwater pumping when so much surface water is available. Accordingly I request that the TWDB deny the appeal of the Lone Star Groundwater District to increase groundwater pumping under their proposed groundwater management plan.