

LONE STAR GROUNDWATER CONSERVATION DISTRICT

October 11, 2022

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 October 11, 2022.

CALL TO ORDER:

President Spigener called to order the Public Hearing on Permit Applications at 6:02 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
Larry Rogers
Jonathan Prykryl
Janice Thigpen
Stuart Traylor
Jim Spigener
Kenneth Earnest

Director Prykryl was absent. Six 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; 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 Spigener called on Secretary Rogers for the opening prayer and Director Thigpen to lead the Pledge of Allegiance and the Pledge of Allegiance to the state flag.



SIGN IN SHEET

October 11, 202

| Do you wish to speak on an agenda item? | NAME | CITY, STATE, ZIP | E-Mail | Would you like to receive LSGCD updates & information? |
|---|--------------|--------------------|------------------|--|
| X | Doug Miller | Dinehurst Tx 77802 | dfwesh@gmail.com | y |
| NO | HANK WEIRICH | Magnolia Tx | hfwair@att.net | y |
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PUBLIC COMMENTS:

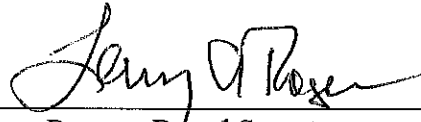
No comments were received.

President Spigener stated that the Permit Hearing would be continued until Monday, October 24th at 9am. Staff will be notifying applicants and notice will be reposted.

ADJOURN:

There being no further business, President Spigener motioned to adjourn the public hearing on permit applications and Director Bouche seconded. The meeting was adjourned at 6:03pm.

PASSED, APPROVED, AND ADOPTED THIS 15th DAY OF NOVEMBER 2022.



Larry Rogers, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

October 11, 2022

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 October 11, 2022.

CALL TO ORDER:

President Spigener 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
Larry A. Rogers
Janice Thigpen
Stuart Traylor
Jim Spigener
Kenneth Earnest

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

PUBLIC COMMENTS:

No public comments were received.

EXECUTIVE SESSION:

President Spigener announced Executive Session would be held at the end of the Board Meeting.

APPROVAL OF THE MINUTES:

President Spigener stated the Board would consider the meeting minutes as listed for approval on today's agenda. Without further discussion, upon a motion by Secretary Rogers to approve as amended and seconded by Director Earnest, the Board approved the meeting minutes as presented.

- a) September 13, 2022, Public Hearing on Permit Applications
- b) September 13, 2022, Public Hearing on DFCs
- c) September 13, 2022, Regular Board of Directors Meeting

ELECTION MATTERS:

- a) Receive Certificate of Unopposed Status from Election Agent – On behalf of Ms. Reiter, Ms. Hein explained that this document is signed by Ms. Reiter, as the District's Election Agent, noticing that the positions for Place 2, Place 4 and Place 6 Directors are running unopposed in the General & Special Elections to be held on November 8, 2022. This notice is required by statute.
- b) Discussion, consideration, and action to approve Order of Cancellation for Uncontested Positions – It was explained that the Order of Cancellation was for the unopposed positions of Place 2, Place 4 and Place 6 Directors. Approval of this document would eliminate the need to list these uncontested places on the November 8, 2022, election ballot, which would also cut down on our elections cost as an added bonus. Ms. Reiter asked the Board to consider approving the Order, which will then be signed by the Board President and Secretary and sent to the Montgomery County Elections Office. This document is also required by statute. Without further discussion, upon a motion by Director Thigpen to approve and seconded by Vice President Traylor, the Board approved the Order of Cancellation for Uncontested Positions as presented.
- c) Update on November 8, 2022, election action items – No further updates at this time.

COMMITTEE REPORTS:

A. Budget & Finance Committee – Jonathan Prykryl, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting — Ms. Hein speaking on behalf of Ms. Reiter stated that the committee has not met since the September board meeting. The committee is still waiting some budget numbers for 2023. The committee does plan to adopt the 2023 budget prior to the end of 2022.
- 2) Review of unaudited financials for the month of September 2022 – Ms. Hein reported that for the month of September 2022, income was \$245,134.62 and expenses were \$133,567.04 resulting in a net income of \$111,567.58. Year-to-date net income is \$1,149,922.78. Total cash as of September 30, 2022, was \$4,226,917.39.
- 3) Review of 3rd quarter Investment Report – Ms. Hein speaking on behalf of

Ms. Reiter stated that the quarterly investment report was included in the board packet and there is no further action at this time.

B. Communications Committee – Jim Spigener, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting
- The Communication Committee has been working on some new messaging. The committee had some messaging completed but they are not happy with it so it will be upgraded to be more impactful. This should be released hopefully by the end of the year.

C. DFC & Technical Committee – Stuart Traylor, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting
- Vice President Traylor stated that the committee met on September 29th to discuss a number of things including the scope of Phase 3 of the Subsidence Study. The committee is very close to making a recommendation but would like to visit with stakeholders in The Woodlands to discuss various options because we would like to incorporate their feedback into our recommendations, specifically regarding locations for coring and potentially an extensometer. Unless there are any objections from the board, the committee is planning to hold a few of those meetings over the next few weeks and come back with a recommendation for the board.

D. Legislative Committee – Jim Spigener, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting
- President Spigener stated the committee continues to meet with our legislative consultants and receive updates from the capital and other legislative ongoings.

E. Rules, Bylaws & Policies Committee – Larry A. Rogers, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting
- Secretary Rogers stated the committee has not met since the last board meeting but is planning on meeting prior to the November board meeting.

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

Subsidence Study Phase 3 Scope of Work -- Ms. Reiter stated there is not much to add other than what Vice President Traylor provided in the DFC Technical Committee update.

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

Ms. Reese stated that we received the MAG report from TWDB. This is the final report associated with all of the DFCs that were adopted at GMA 14. This was discussed at a prior board meeting when Ms. Reese presented a slide showing that this step indicated things were nearing the end.

GENERAL MANAGER'S REPORT:

Ms. Hein, speaking on behalf of Ms. Reiter, stated that the only update is that later this week she and the permitting staff will be meeting to discuss 2022 overpumpage and will keep the board apprised of any updates there. Ms. Reiter's report is included in the packet, and she is happy to answer any questions you may have.

GENERAL COUNSEL'S REPORT:

Ms. Reese provided an update on the UIC protest that was filed against the Denbury application for the injection well for the Railroad Commission. Denbury provided more information, updated their application and we are comfortable with the information they provided that the groundwater quality in Montgomery would not be degraded. The protest has been withdrawn.

EXECUTIVE SESSION:

The Board recessed at 6:36 PM into a closed Executive Session 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 regarding any agenda item on any of the board meetings or hearing posted for today.

RECONVENE IN OPEN SESSION:

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

NEW BUSINESS:

Due to the election on November 8th, the November board meeting is being moved to November 15, 2022. Director Bouche motioned to approve moving the November board meeting to after the election. Vice President Traylor seconded.

ADJOURN:

There being no further business, Vice President Traylor motioned to adjourn the meeting and Director Earnest seconded. The meeting was adjourned at 7:09 PM.

PASSED, APPROVED, AND ADOPTED THIS 15th DAY OF NOVEMBER 2022.



Larry Rogers, Board Secretary