

LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 14, 2023

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 10, 2023.

CALL TO ORDER:

President Spigener 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:

Jim Spigener
Stuart Traylor
Janice Thigpen
Jonathan Prykryl
Jon Paul Bouché
Garry Dent

Sevent 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.*

Director Bouché lead prayer and Secretary Thigpen lead the US and Texas pledges.

PUBLIC COMMENTS:

No comments were received.

Ms. Hein stated there are 23 permit applications before the Board today. Of these items, twelve (12) include requests for an increase in allocation, two (2) are requests to add a new well to an existing permit, two (2) are requested to add a new well and increase allocation to an existing permit, five (5)

requests for a new permits, and finally two (2) are requests to permit an existing well or wells. I would like to bring your attention to Items 8, 20, 21,22, and 23, as they required submittal of a hydrogeological report due all due to the well systems being capable of producing more than 700 GPM. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

i. Woodlands Nursery Tree Farm LLC

Applicant is requesting an amendment to an Operating Permit OP-17030101-CHEV for registration of a new Evangeline Aquifer well. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

ii. The Springs Events

Applicant is requesting an amendment to an Operating Permit OP-21082701-CHEV for an increase in production authorization in the amount of 500,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

iii. Woodlands Nursery, LLC (4598 FM1488 Rd)

Applicant is requesting an amendment to an Operating Permit OP-13102901-CHEV for an increase in production authorization in the amount of 5,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

iv. Matwalk Investments LLC

Applicant is requesting an amendment to an Operating Permit OP-19052001-CHEV for an increase in production authorization in the amount of 5,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

v. Vestex Development, LLC

Applicant is requesting registration of a new Evangeline Aquifer well and production authorization in the amount of 179,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

vi. Martin Marietta

Applicant is requesting an amendment to an Operating Permit OP-15121801-CHEV for an increase in production authorization in the amount of 2,500,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

vii. Montgomery Land Partners (Legacy Houston Development)

Applicant is requesting registration of a new Evangeline Aquifer well and production authorization in the amount of 28,492,630 gallons for 2023 and annually thereafter. Based on a technical review

of the information supplied, it is the General Manager's recommendation to approve that which is requested.

viii. Montgomery Land Partners (Legacy Houston Development)

Applicant is requesting registration of a new Jasper Aquifer well and production authorization in the amount of 100,000,000 gallons for 2023 and annually thereafter. Due to the max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

ix. Seiver Industries, LLC

Applicant is requesting registration of a new Evangeline Aquifer well and production authorization in the amount of 546,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

x. Blaketree Municipal Utility District #1

Applicant is requesting an amendment to an Operating Permit OP-07120602-CHEV for registration of a new Evangeline Aquifer well. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xi. White Oak Water Supply Corporation

Applicant is requesting an amendment to an Operating Permit OP03-0056F-CHEV for an increase in production authorization in the amount of 4,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xii. Gideon Water LLC (The Preserve Subdivision)

Applicant is requesting an amendment to an Operating Permit OP-22042701-CHEV for registration of an existing Evangeline Aquifer well. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xiii. DR Horton Texas Ltd. (future MUD #199)

Applicant is requesting amendment to an Operating Permit OP-22051901-CHEV for registration of a new Evangeline Aquifer well and production authorization in the amount of 14,750,960 gallons for 2023 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xiv. Deer Trail Water District LLC

Applicant is requesting an amendment to an Operating Permit OP-18101801-CHEV for an increase in production authorization in the amount of 6,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xv. Steven J. Gibson

Applicant is requesting registration of a new Evangeline Aquifer well and production authorization in the amount of 5,500,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xvi. Berkshire Woodland

Applicant is requesting an amendment to an Operating Permit OP-17012601-CHEV for an increase in production authorization in the amount of 2,828,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xvii. Benders Landing Estates POA

Applicant is requesting an amendment to an Operating Permit OP-16040801-CHEV for an increase in production authorization in the amount of 2,864,511 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xviii. K & K Construction, Inc. (Farrell Rd)

Applicant is requesting amendment to an Operating Permit OP-11030401-CHEV for registration of a new Evangeline Aquifer well and production authorization in the amount of 10,000,000 gallons for 2023 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xix. T.N.M. Corporation

Applicant is requesting registration of two existing Evangeline Aquifer wells and production authorization in the amount of 2,946,103 gallons for 2023 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xx. East Montgomery County MUD 14

Applicant is requesting an amendment to an Operating Permit OP-21082403-CHEV for an increase in production authorization in the amount of 146,000,000 gallons for 2023 and annually thereafter. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xxi. East Montgomery County MUD 12

Applicant is requesting an amendment to an Operating Permit OP-19060701-CHEV for an increase in production authorization in the amount of 181,000,000 gallons for 2023 and annually thereafter. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xxii. Walnut Cove Water Supply Corp.,

Applicant is requesting an amendment to an Operating Permit OP-22080301-JSPR for an increase in production authorization in the amount of 15,000,000 gallons for 2023 and annually thereafter. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

xxiii. Montgomery County MUD #185

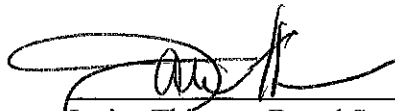
Applicant is requesting an amendment to an Operating Permit OP-21081601-CHEV for an increase in production authorization in the amount of 174,400,000 gallons for 2023 and annually thereafter. Due to the combined max gpm of the well system, a hydrogeological report was required for the proposed amendment. LSGCD technical consultants have reviewed the submitted hydrogeological report and found it meets the requirements as detailed in District Rules and guidance documents. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

Director Bouché moved to approve item #1-14, as recommended by the Permitting Director and Vice President Traylor seconded the motion. Motion passed.

ADJOURN:

Treasurer Prykryl moved to adjourn the August 8, 2023 Public Hearing on Permit Applications and Director Bouché seconded the motion. Motion passed. The meeting was adjourned at 6:03 pm.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF NOVEMBER, 2023.



Janice Fligpen, Board Secretary

**LONE STAR
GROUNDWATER CONSERVATION DISTRICT
November 14, 2023
MINUTES OF NOTICE OF RULEMAKING HEARING**

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 December 1, 2023

1. Call to Order:

President Spigner presided and called to order the Notice of Rulemaking Hearing at 6:04 PM, announcing that it was open to the public.

2. Roll Call:

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

Jim Spigner
Stuart Traylor
Janice Thigpen
Jonathan Prykryl
Jon Paul Bouché
Garry Dent

Six members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Sarah Kouba, Kirstin Hein, Justin Saenz and 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".*

3. Discussion of proposed amendment to the District Rules

Ms. Reese explained that the district received one comment on the rule for allowing someone to petition for rule changes, which the board approved for publication at the last meeting. The comment suggested removing the requirement for individuals to explain why they want a rule and how it will affect them if the rule is not adopted. However, Ms. Reese recommended not making any changes in response to this comment, as she believed that the reasons for wanting a rule and the potential impact were important information for the board to consider when deciding whether to adopt the proposed rule. She also noted the December 1st deadline for adopting the rule to comply with the legislative mandate.

4. Public comment on proposed changes to the District Rules

No public comment was given.

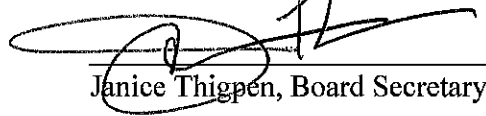
5. Discussion, consideration, and possible action approving amendments to the District Rules

Vice President Traylor moved to adopt the proposed rule as is, Treasurer Prykryl seconded the motion. No discussion, President Spigner called for a voice vote, motion carried to adopt the proposed rule as is.

6. Adjourn:

Vice President Traylor moved to adjourn, Director Bouché seconded the motion, President Spigner called for a vote to adjourn, motion carried. The Notice of Rulemaking hearing adjourned at 6:07 PM

PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF DECEMBER 2023



Janice Thigpen, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 14, 2023

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 September 12, 2023.

CALL TO ORDER:

President Spigener presided and called to order the regular Board of Directors meeting at 6:08 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:

Jim Spigener
Stuart Traylor
Janice Thigpen
Jonathan Prykryl
Jon Paul Bouché
Garry Dent

Six members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Sarah Kouba, General Manager; Kirstin Hein Permitting Director, Justin Saenz, Education & Conservation Coordinator; 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 made, two public comments were submitted via email and placed in the board’s packet.

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, Vice-President Traylor moved to approve

the meeting as presented, Treasurer Prykryl seconded the motion. President Spigner Called for a voice vote, motion passed to approve the meeting minutes as presented.

- October 10, 2023, Hearing on Permit and Permit Amendment Applications
- October 10, 2023, Regular Meeting

COMMITTEE REPORTS:

A. Executive Committee

- 1) Brief the Board on the Committee's activities since the last regular Board meeting. Nothing to report

A. Budget & Finance Committee – Jonathan Prykryl, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting. Nothing to report
- 2) Review of unaudited financials for the month of October 2023 – Sarah Kouba. Income for the month of October was \$306,973.69. Expenses were \$192,041.97, resulting in a net income of \$114,931.72. Year to date, net income as of October 31st was \$1,819,258.78. Total cash on October 31st was \$6,042,230.80.

B. External Affairs Committee

- 1) Brief the Board on the Committee's activities since the last regular Board meeting President Spigner mentioned that they are continuing to meet with their legislative consultants to stay updated on legislative matters and to stay ahead of any developments in that area.
- 2) Discuss, consider, and possible action related to a contract with an external strategic communications consultant. President Spigner mentioned the need to discuss and possibly take action related to a contract for an external communications consultant. He highlighted the importance of improving their communication with the public.

Vice President Traylor moved accept the contract for an external strategic communications consultant. Treasurer Prykryl seconded the motion.

Discussion: Director Bouché expressed her impression of Mr. Van, the communications consultant, and mentioned his deep interest in water, water law, and water rights. She highlighted his commitment to conducting a comprehensive symposium, which she appreciated. President Spigner emphasized the need for effective communication within Montgomery County, stating that the district's previous communication consultants were not attuned to the local situation. He expressed confidence in the newly selected consultant, highlighting the individual's experience and deep involvement in water-related issues, which eliminates the need to bring him up to speed.

President Spigner called for a voice vote, motion carried to accept the contact for an external strategic communications consultant.

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 mentioned that they are meeting weekly to discuss the subsidence study and will provide a full update later in the agenda. He also mentioned that USGS will be giving a presentation on water levels in January, and their consultants will be giving a presentation on tracking the Desired Future Conditions (DFC) in February.

D. Rules, Bylaws & Policies Committee – Jim Spigener, Chair

- 1) Brief the Board on the Committee’s activities since the last regular Board meeting
President Spigner mentioned that they have passed one rule as required by law but still have the rest of the rules to work on based on feedback received. They are planning a second round of rule revisions to be sent out to the public in the first part of the year, allowing people some time after the holidays to review and provide comments. He asked if the directors have had a chance to comment further.

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

A. Update the Board on status of proposed sites for Phase III of the Subsidence Study and public request for bid for Site 1 in collaboration with Porter Special Utility District.

Vice President Traylor provided an update on the coring project. He mentioned that they have a contract agreement and are looking forward to collaborating on the first phase. A pre-bid meeting was held on-site on October 30th, and they are accepting bids for the drilling phase of phase three, side one through CivCast. Questions can be submitted through CivCast or by contacting Ms. Kouba for guidance. The bidding deadline is Thursday, November 17th. They are actively working with SJRA on site #2 for the study, and the final agreement is under discussion.

- B. Discuss, consider, and possible action related to requests to use coring samples for other projects.** Vice President Traylor made a motion not to consider donating or lending their core samples for any other project or analysis until their current project is completed. He emphasized the importance of their current project and the need to ensure they have access to the samples they may need later. He mentioned that they are not trying to be selfish with the samples but want to prioritize their ongoing study. After completing their study, the core samples will likely be available for other studies. Secretary Thigpen seconded the motion. President Spigner called for a voice vote, motion carried to not consider donation or lending the core samples for any project or analysis until the project is complete.

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

President Spigner reported on the GMA 14 meeting that took place on October 26th in Brenham. He mentioned that he, Ms. Kouba, Ms. Reese, and Mr. Beach attended the meeting and that they had a productive discussion. Local officials, including commissioners, also attended the meeting, showing interest in jointly managing water resources. President Spigner noted that they received approval to develop an alternative model for use in planning, which he considers a significant development. He mentioned that the next GMA 14 meeting is scheduled for February 29th, and it will be held here at Lone Star GCD.

Ms. Reese clarified that while the scope of work for the consultants to develop an alternative model has been approved, the alternative model itself has not been approved yet. Additionally, the Gulf 2023 model, developed by Harris Galveston, has also not been approved by the Water Development Board. However, discussions with the Water Development Board have indicated that the concerns of the Groundwater Conservation Districts (GCDs) would be better addressed through an alternative model. The GMA GCDs have given the consultants the green light to begin working on this alternative model. The approval process for both the Gulf 2023 model and the alternative model is expected to follow in the future.

President Spigner clarified that the Gulf 2023 model was originally developed by a subsidence district for subsidence-related purposes. However, as a groundwater conservation district (GCD), their mission and needs differ from those of a subsidence district. Initially, the Texas Water Development Board was inclined to approve and impose the Gulf 2023 model on all districts, but the GCDs, including Montgomery County, have worked to convince them otherwise. The scope of work has been approved to develop an alternative model that will better serve the GCDs, and this approach is expected to be more advantageous for Montgomery County and other GCDs in the region. The goal is to create a model tailored to the needs of GCDs rather than using a subsidence-focused model.

GENERAL MANAGER'S REPORT:

Ms. Kouba provided an update on the drought monitor, indicating that the report as of November 6th shows 31.69% of the county in D1 (moderate drought), 70% in D0 (abnormally dry), and 29.36% with no drought. She mentioned that they are actively monitoring this data and shared the source, which is droughtmonitor.unl.edu. She also mentioned that they are in the proposal stage for software updates and will be in touch with the budget committee for discussions. Additionally, a website update is in progress. They are working on revamping applications and forms based on public feedback, including adding a checklist to assist with submittals. Ms. Kouba mentioned that they anticipate having open positions for an office manager and a permitting technician and will be posting those positions soon. Meetings for October were summarized along with Field activity.

Ms. Kouba explained the importance of upgrading the district's software. The goal of the software upgrade is to simplify processes and move towards online automation. This will allow for online applications, submissions, and permit viewing, making the experience more user-friendly. Ms. Kouba acknowledged that the project will take time but assured that it

will ultimately improve timelines, communication, and viewing capabilities for users, including helping them prepare for spacing requirements.

President Spigner thanked Ms. Kouba and Ms. Hein for all their work in getting a new software system.

GENERAL COUNSEL'S REPORT:

Ms. Reese stated she had nothing to report at this time. Ms. Reese confirmed the DFC committee would hold a special meeting to consider the quote for Phase III drilling.

EXECUTIVE SESSION:

The Board recessed at 6:34 PM into a closed Executive Session pursuant to Texas Government Code, Sections 551.074 to discuss personnel matters and annual review of the General Manager, and 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 7:13 PM

NEW BUSINESS:

Nothing to report on currently.

ADJOURN:

There being no further business, Vice-President Traylor moved to adjourn the meeting and Treasurer Prykryl seconded the motion. The meeting was adjourned at 7:15 PM.

PASSED, APPROVED, AND ADOPTED THIS 12th DAY OF December 2023.



Janice Thigpen, Board Secretary