

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

December 12, 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 December 12, 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  
Janice Thigpen  
Jonathan Prykryl  
Kenneth Earnest  
Garry Dent

Five 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 via Zoom; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

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

### PUBLIC COMMENTS:

No comments were received.

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

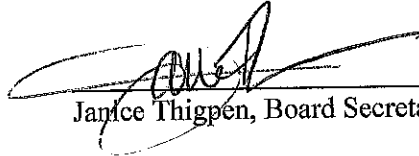
- VIII. City of Conroe, for a proposed amendment to OP02-001P-JSPR, 2 wells to be drilled at 11798 Interstate 45 N Willis, and 10289 Ferrell Rd., Willis, increase of 1051.2 mg annually, Public Supply (PWS) use, hydrogeological report submitted with application; (Driller of record: TBD);
- IX. 3083 Investments, LLC (Leisure Lane RV Park), for a proposed amendment to OP-16111801B-CHEV, well to be drilled at 15406 FM 3083, Grangerland, increase of 3.2 mg annually, Public Supply (PWS) and Irrigation use, (Driller of Record: To Be Determined);
- X. HWY 105 Asset LLC, for a proposed Evangeline well to be drilled at Approx. 1,100 feet east from intersection of Hwy 105 and Goode City Lane, Cleveland (Lat 30/1830 Long 95/11/29), not to exceed 18.25 mg annually, Public Supply (PWS) use, Driller of record: TBD);
- XI. Quadvest, LP. (Benders Landing), for a proposed amendment to OP04030801K-CHEV, well to be drilled at 27219 W Balsam Fir Cir, Spring, Public Supply (PWS) & Irrigation use, hydrogeological report submitted with application, (Driller of Record: Johnston Water Wells);
- XII. Quadvest, LP. (Decker Farms), for a proposed amendment to OP-21110301A-CHEV, well to be drilled at 26511 1/2 Gertrudis Dr, Magnolia, Public Supply (PWS) use, (Driller of Record: Johnston Water Wells);
- XIII. Greater Harris County 911 Emergency Network, for a proposed well to be drilled at 22419 Inwood Forest Drive, Montgomery, not to exceed 0.1 mg annually, Commercial use (Driller of record: B&R Water Well Drilling LLC);
- XIV. LHC Development, LLC, for a proposed amendment to OP-22031501-JSPR, increase of 0.1 mg annually, 17965 Hwy 75 N, Willis, Commercial & Irrigation use;
- XV. East Montgomery County MUD #5, for a proposed amendment to OP-14061303G-CHEV, increase of 300 mg annually, 1875 Ft West of intersection of Roman Forest Blvd and I69, (lat. 30/10/20 Long 95/12/37), New Caney, Public Supply (PWS) use, hydrogeological report submitted with application;
- XVI. Forestar (USA) Real Estate Group, Inc. (Future EMC MUD 13), for 2 proposed Evangeline wells to be drilled at intersection of Bowdoin/Champion Rd: East 2,531 feet, then south 212 feet, (Lat 30/14/11) and intersection of Bowdoin/Champion Rd, East 2531 feet, then south 160 feet (Lat 30/14/12 Long 95/13/35), Splendora, not to exceed 433.475 mg annually, Public Supply (PWS) use, hydrogeological report submitted with application; (Driller of record: Bussell & Sons, LLC);
- XVII. East Montgomery County Mud 3, for a proposed amendment to OP03-0020F-JSPR, increase of 32.5 mg annually, 20135 Gene Campbell Blvd, New Caney, Public Supply (PWS) use, hydrogeological report submitted with application;

- XVIII. East Montgomery County Mud 3, for a proposed amendment to OP03-0020F-CHEV, increase of 32.5 mg annually, East of Nichols Rd at East Third of Gene Campbell Rd, (Lat 30/10/16 Long 95/16/55), New Caney, Public Supply (PWS) use, hydrogeological report submitted with application;
- XIX. Church of God - 7th Day The Way, for a proposed amendment to OP-15062401C-JSPR, increase of 0.1 mg annually, 11429 FM 830 Rd, Willis, Public Supply use; and
- XX. Tri-County Behavioral Healthcare, for a proposed amendment to OP-16101901-CHEV, increase of 0.88 mg annually, 233 Sgt. Ed Holcomb Blvd. S., Conroe, Irrigation and Impoundment Irrigation use.

**ADJOURN:**

Director Dent moved to adjourn the December 12, 2023 Public Hearing on Permit Applications and Treasurer Prykryl seconded the motion. Motion passed. The meeting was adjourned at 6:07 pm.

**PASSED, APPROVED, AND ADOPTED THIS 9<sup>th</sup> DAY OF JANUARY, 2024.**

  
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Janice Thigpen, Board Secretary

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

**December 12, 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 December 12, 2023.

### **CALL TO ORDER:**

President Spigener presided and called to order the regular Board of Directors meeting at 6:07 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  
Janice Thigpen  
Jonathan Prykryl  
Kennith Earnest  
Garry Dent

Five 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 via Zoom; 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, one public comment was 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, Treasurer Prykryl moved to approve the

meeting as presented, Director Dent seconded the motion. President Spigner called for a voice vote, motion passed to approve the meeting minutes as presented.

- November 14, 2023, Hearing on Permit and Permit Amendment Applications
- November 14, 2023, Regular Meeting
- December 1, 2023 Special 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

- 1) Brief the Board on the Committee's activities since the last regular Board meeting. Treasurer Prykryl stated the budget committee has prepared a budget for FY 24. Ms. Kouba gave the unaudited financial report:
  - i. Total income for November 2023: \$295,147.15
  - ii. 2024 invoice amount: \$1,618,404.10
  - iii. Gross profit: \$1,913,551.25
  - iv. November 2023 expenses: \$143,638.72
  - v. Net ordinary income: \$1,769,912.53
  - vi. Net income for November 2023: \$151,508.43
  - vii. Year-to-date net income as of November 30th: \$1,968,196.72
  - viii. Total cash as of November 30th: \$6,500,371.55

- 2) Discuss, consider, and possible action regarding approval of Resolution #23-007 adopting FY 2024 Operating and Capital Outlay Budgets. The recommendation is to table Resolution 23-007, which adopts the fiscal year 2024 budget as is. The Budget Committee has been unable to meet and discuss proposed suggestions for the budget due to illness and external circumstances. The proposed budget amendments will be reviewed with the Budget Committee, and a recommendation for budget amendment will be made at the January meeting.

Treasurer Prykryl Moved to table Resolution #23-007 until the January regular meeting, Director Dent seconded the motion. President Spigner called for a voice vote and the motion passed.

### B. External Affairs Committee

- 1) Brief the Board on the Committee's activities since the last regular Board meeting President Spigner gave an update on the Montgomery County Water Symposium held on December 6th. The event aimed to discuss the county's water future, focusing on groundwater and surface water issues. Approximately 75 attendees and five speakers participated in the

symposium, generating positive feedback. It was not related to the work of Hank Vat's company for the District.

**C. DFC & Technical Committee**

1) Brief the Board on the Committee's activities since the last regular Board meeting  
Director Earnest provided an update on the Land Committee's recent meeting. They are finalizing the contract with the awarded bidder, Alsay, for the drilling project. They are also coordinating with SJRA on the second site in The Woodlands

2) Discuss, consider, and possible action as necessary concerning approval of joint-funding agreement with USGS for the period of 01.01.24 through 12.31.24.  
Ms. Kouba presented an update on the annual contract with USGS for water level monitoring in Montgomery County. The technical team and DC committee have reviewed the proposed contract, and there are no changes to the number of sites, and the cost has remained the same as the previous year. Ms. Kouba recommended that the board approve the contract with USGS.

Director Earnest moved to approve the contract with USGS, Treasurer Prykryl second the motion. Discussion was held: President Spigner mentioned that the District had reduced its contract with USGS several years ago. Ms. Kouba added that the technical team had reviewed the contract and had discussions with USGS to ensure confidence in the number of wells they were monitoring and the quality of the data provided. President Spigner acknowledged that the data received from USGS can be used by Lone Star GCD.

President Spigner called for a voice vote, motion passed to approve the contract with USGS.

**D. Rules, Bylaws & Policies Committee**

1) Brief the Board on the Committee's activities since the last regular Board meeting  
President Spigner provided an update on the rule revisions, stating that the District is still working on them and will likely have them finalized in early 2024. He mentioned that they wanted to take their time and consider all the feedback they received to ensure the rules are well-crafted. Ms. Reese added that they are aiming to have draft rules rolled out by March but will have a better idea of the timeline at the beginning of the year.

**DISCUSS, CONSIDER AND POSSIBLE ACTION AS NECESSARY REGARDING YEAR-END PROFESSIONAL SERVICES REVIEW**

MCB Technologies: Ms. Kouba informed the board that MCB Technologies, the District's IT provider, has requested a contract price increase, which is the first increase in 11 years. She recommended that the board approve the contract price increase and allow Legal to continue negotiating the contract details. President Spigner asked if the increase was significant, to which Ms. Kouba responded that it was a very reasonable change and fair, given the long timeline without any

increases. Secretary Thigpen moved to approve the contract, Treasurer Prykryl second. No discussion, President Spigner called for a voice vote, motion passed.

- 1) KT Groundwater. Ms. Kouba stated that RW Harden informed Ms. Reese that Mike Keester, who is currently with RW Harden, is leaving the firm to start his own company called KT Groundwater. She recommended that the board approve a contract with KT Groundwater, as their rates are confirmed to be the same or less than RW Harden's. Additionally, she recommended terminating the contract with RW Harden and initiating a 30-day notice for them to cease work and billing for any remaining work completed but not yet paid. President Spigner emphasized Mike Keester's importance as their primary contact for subsidence issues.

Director Dent moved to approve the contract with KT Groundwater and terminate the contract with RW Harden. Director Earnest Seconded the motion. President Spigner called for a voice vote. Motion passed.

- 2) Brooks & Watson: Ms. Kouba informed the board that Brooks Watson and Company have updated their contract price for 2024, marking the second price increase in two years. The increase for 2024 is an additional \$2,500. Ms. Kouba stated that she will be researching comparable services for the 2025 budget. Despite the increases, she recommended approving the contract for 2024 and conducting further research for future years. The reasoning provided for the price increase was inflation, though Ms. Kouba expressed a desire for more detailed explanations in the future.

Treasurer Prykryl moved to approve the contact with the increase for 2024. Secretary Thigpen seconded the motion. Not discussion, President Spigner called for a voice vote, motion passed.

- 3) Update on Halff & Hydros: Ms. Kouba provided an update on the district's software contracts. The long-term contract with Halff has been terminated, and a short-term contract with Halff will be in effect until April 1, 2024, to facilitate the transition to the new software programming with HYDROS. The pricing for the HYDROS contract has already been approved by the board, and the contract is in the term agreement stage, currently under review by Legal and Ms. Kouba. President Spigner expressed gratitude to the team for their hard work on this software upgrade. He mentioned that the upgrade is essential for the district and will improve efficiency, save time, and benefit customers by enabling more online and automated processes.

- 4) Following contracts are continuing and have no changes, Fancher PLLC, Jay Brown, Phoenix and signs Stacy Reese, Law, Advanced Groundwater Solutions and Studio One Three Media. No changes to those contracts

**Receive information from District's technical consultants regarding subsidence studies and/or discussion regarding the same**

- 1) 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. Ms. Reese provided an update on the contract with Alsay, the awarded bidder, stating that the contract has been submitted to them, and they are expecting them to sign it soon. President Spigner inquired about the likelihood of having a drilling rig on site in January, to which Ms. Kouba explained that the mobilization date is set for February, which is an ambitious timeline, but they are excited about it. President Spigner praised the DFC committee, Sarah, Stacy, and Porter SUD for their cooperation and partnership in working towards the project's goals.

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

Ms. Kouba state the next GMA Meeting will be host by Lone Star GCD in February.

**GENERAL MANAGER'S REPORT:**

Ms. Kouba provided a Drought Monitor update, indicating that the December 7th report showed significant improvement in drought conditions, with only 2.09% of the county in abnormally dry conditions and the majority, approximately 97%, not experiencing drought. She mentioned that she might not provide further Drought Monitor updates unless there is a need for it.

She also mentioned ongoing activities related to software updates, website improvements, application consolidation, and open positions for Director of Operations and Permitting Technician. Ms. Kouba shared that the district was approached by Keith Ellison from the Aquifer Conservation Alliance regarding the costs of elections in Montgomery County and the potential for future participation or advocacy. President Spigner discussed the topic of funding for elections and how it impacts various entities, including groundwater districts. He explained that elections in some counties are funded by a set price, which can be burdensome for smaller districts with limited budgets. The Aquifer Conservation Alliance is exploring the possibility of funding elections as a percentage of an entity's budget, which could reduce costs for some districts. President Spigner emphasized that this is still in the research phase and that there is no commitment or obligation to participate at this time. The goal is to explore ways to make election funding more equitable and cost-effective for all entities involved.

Ms. Kouba provided a field ops report for November, sharing that there were a total of 110 field inspections conducted across various locations in Montgomery County. She also highlighted the mobile lab's outreach efforts, where approximately 107 people were reached at an event hosted by Agrilife Extension.

Ms. Kouba mentioned that there are currently 22 permit applications under review, with 20 applications scheduled for the December permit hearing. She expressed appreciation for the permitting team's efforts in managing the workload efficiently.



She provided statistics on well registrations, well reports, and travel activities for November, including attending meetings and events related to the district's work and outreach.

President Spigner read a thank you note from the Texas 4-H Water Ambassador that expressed gratitude for the district's sponsorship of the 4-H Water Ambassador Program, which has supported aspiring young water leaders for several years. He mentioned that 30 young people were able to participate in the program thanks to the district's sponsorship. Mr. Saenz added that they are working on bringing the Water Ambassadors to Montgomery County in the summer of 2024 for Tier 2 of the program.

**GENERAL COUNSEL'S REPORT:**

Ms. Reese stated she had nothing to report at this time.

**EXECUTIVE SESSION:**

The Board recessed at 6:43 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 7:37 PM

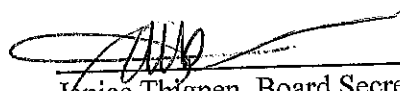
**NEW BUSINESS:**

Nothing to report on currently.

**ADJOURN:**

There being no further business Treasurer Prykryl moved to adjourn the meeting and Director Dent seconded the motion. President Spigner called for a voice vote, motion carried. The meeting was adjourned at 7:39 PM.

**PASSED, APPROVED, AND ADOPTED THIS 9th DAY OF JANUARY 2024.**

  
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Janice Thigpen, Board Secretary