

# ***NOTICE OF SPECIAL BOARD MEETING***

**of the  
Lone Star Groundwater Conservation District  
at the  
Lone Star GCD – Board Room  
207 W Phillips Street, Suite 300  
Conroe, TX 77301**

**TUESDAY, JULY 14, 2009, AT 9:00 A.M.**

1. Call to Order and Declare Meeting Open to the Public.
2. Roll Call.
3. Executive Session - The Board will recess for a closed Executive Session pursuant to Texas Government Code, Sections 551.071 and 551.072, to consult with the District's attorney on any item on any notice or agenda for today's meetings or hearings 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, and to deliberate matters regarding the purchase, exchange, lease, or value of real property regarding the District Office.

No action will be taken in Executive Session.

4. Re-convene in Open Session
5. Adjourn

***NOTICE OF PUBLIC HEARING AND MEETING***  
**of the**  
**Lone Star Groundwater Conservation District**  
**at the**  
**Lone Star GCD – Board Room**  
**207 W Phillips Street, Suite 300**  
**Conroe, TX 77301**

**TUESDAY, JULY 14, 2009, AT 10:00 A.M.**

**Public Hearing on Permit Applications**

1. Call to Order and Declare Hearing Open to the Public.
2. Roll Call.
3. Receive Permit Hearing Report from General Manager and Consider Granting, Denying, or Amending Applications for the Following Operating Permits and/or Meter Exemptions:
  1. Melvin Gessner (Gessner Insurance Agency), for a proposed operating permit not to exceed 0.1 mg annually, 12729 FM 830, Willis, Commercial use;
  2. C & S Investments, for a proposed amendment to OP, increase of 0.25 mg annually, 18500 Trails End, Conroe, Public Supply (Commercial) use;
  3. David C Sellers, for a proposed operating permit not to exceed 0.4 mg annually, 12745 FM 830, Willis, Commercial use;
  4. Specialty Supply & Installation, LLC, for a proposed operating permit not to exceed 0.142 mg annually, 12511 FM 830, Willis, Commercial use;
  5. Tom Carlson (All Star Supply), for a proposed operating permit not to exceed 0.142 mg annually, 12016 FM 830, Willis, Commercial use;
  6. Quadvest, LP. 1 (Mostyn Manor), for a proposed amendment to OP, well to be drilled at 12407 Marshall Dr, Magnolia, increase of 20 mg annually, Public Supply (PWS) use;
  7. David Miller, for a proposed operating permit not to exceed 1 mg annually, 16278 FM 2090, Conroe, Public Supply (PWS) use; and
  8. Chemtec Energy Services, LLC, for a proposed operating permit not to exceed 0.142 mg annually, 11745 Cude Cemetery Rd., Willis, Commercial use;
4. Adjourn permit hearing.

***NOTICE OF SPECIAL HEARING***  
before the  
**Lone Star Groundwater Conservation District**  
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**Conroe, TX 77301**

**TUESDAY, JULY 14, 2009, AT 10:00 A.M.**

1. Call to Order and Declare Hearing Open to the Public
2. Roll Call
3. Show Cause Hearing on LSGCD Order No. SCO 09-0001, directing Canyon Crossing, LLC ("Respondent"), pursuant to District Rule 2.5, to appear before the Lone Star GCD Board of Directors and show cause why the District should not:
  - A. issue a cease and desist order indefinitely suspending all production authorization otherwise allowed under Permit No. OP-05052002A for its violations of District Rules;
  - B. 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
  - C. take all other enforcement action against Canyon Crossing, LLC that is necessary and appropriate under the laws of the State of Texas.
4. Consider, discuss, and take action on matters raised in the Canyon Crossing, LLC show cause hearing, including, but not limited to, issuing a cease and desist order described in Agenda Item No. 3.A., authorizing filing of a civil suit against Respondent in State District Court as described in Agenda Item No. 3.B., and taking all other enforcement action described in Agenda Item No. 3.C.
5. Adjourn special hearing.

**REGULAR MEETING OF THE DISTRICT**

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

3. Discuss, consider, and take action as necessary concerning approval of Meeting Minutes:
  - a) June 9, 2009, Special Board Meeting
  - b) June 9, 2009, Public Hearing on Permit Applications
  - c) June 9, 2009, Regular Board of Directors Meeting
  
4. Committee Reports:
  - A. Rules and Bylaws Development Committee – Kathy Turner Jones, Coordinator
    - 1) Brief the Board on the Committee's activities since the last regular Board meeting
  
  - B. Policy and Personnel Development Committee – Sam W. Baker, Chair
    - 1) Brief the Board on the Committee's activities since the last regular Board meeting
  
  - C. Water Awareness and Conservation Committee – Billy Wood, Chair
    - 1) Brief the Board on the Committee's activities since the last regular Board meeting
    - 2) Edu/Conservation Awareness Coordinator Report – Marjie Risk
  
  - D. Budget and Finance Development Committee – Jim Stinson, Chair
    - 1) Brief the Board on the Committee's activities since the last regular Board meeting
    - 2) Review of monthly financial reports
    - 3) Review 2<sup>nd</sup> Quarterly Investment Report for 2009.
    - 4) Consideration and possible action approving Resolution #09-006 authorizing water use fee rate schedule for 2010.
    - 5) Discuss, consider, and take action to approve Budget and Finance Committee's recommendation to renew the District's bank depository agreement with First Bank of Conroe as stipulated under Request for Proposal Bank Services RFP #2006-02.
  
  - E. Findings and Review Committee – Orval R. Love, Chair
    - 1) Brief the Board on the Committee's activities since the last regular Board meeting
  
5. Engineering Report – Mark V. Lowry
  - a) Review of monthly engineering status reports
  
6. General Counsel's Report – The District's General Counsel will brief the Board on pertinent legal issues and developments impacting the District since the last regular Board meeting.
  
7. 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.
  - a) Discuss, consider, and take action as necessary regarding office "Lease Agreement" with Montgomery County for the District Office.

8. Public Comment. (*Public comment is limited to a maximum of 3 minutes per speaker.*)
9. New Business.
10. Adjourn.

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at anytime.

*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 the meeting 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); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

#### **Certification**

I, the undersigned authority, do hereby certify that July 9, 2009, at or before 5:00 p.m., I posted and filed the above notice of meeting 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.

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Kathy Turner Jones, General Manager  
Lone Star Groundwater Conservation District