

**NOTICE OF MEETINGS AND HEARINGS
OF THE BOARD OF DIRECTORS OF THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT
To be held on Tuesday, September 8, 2015
Lone Star GCD – James B. "Jim" Wesley Board Room
655 Conroe Park North Drive
Conroe, Texas 77303**

NOTICE OF MEETING

TUESDAY, SEPTEMBER 8, 2015, AT 9:00 A.M.

SPECIAL MEETING OF THE DISTRICT BOARD

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, 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.

No action will be taken in Executive Session.

4. Re-convene in Open Session
5. Adjourn Special Board Meeting

PERMIT(S) NUMBER	PERMITTEE NAME & ADDRESS	LOCATION OF WELL(S) / PURPOSE OF USE	GENERAL MANAGER'S RECOMMENDED TOTAL QUALIFYING DEMAND UNDER THE DRP
OP-07020801	Wood Trace MUD No. 1 P. O. Box 579 Spring, TX 77383	1 well located at 207 ½ Coe Road, Pinehurst, and 1 well located at 217 Coe Road, Pinehurst, Public Supply (PWS) Use	1,000,000 gallons

The GM'S RECOM. TQD is the General Manager's Recommended Total Qualifying Demand for each above-referenced application, based upon the General Manager's review of all evidence in each application file.

7. Severance of Uncontested and Contested Permit Amendments
8. Board Consideration and Action on Approval or Denial, in Whole or in Part, of Uncontested Permit Amendments Listed in the Table Above to Establish Their Total Qualifying Demand under the District Regulatory Plan (DRP)
9. Scheduling and Continuance of Contested Hearings on Permit Amendments; Possible Appointment of Hearings Examiner
10. Adjournment of Hearing on Uncontested Permit Amendments

DRAFT

**NOTICE OF PUBLIC HEARING
OF THE BOARD OF DIRECTORS OF THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT
To be held on SEPTEMBER 8, 2015
Lone Star GCD – James B. "Jim" Wesley Board Room
655 Conroe Park North Drive
Conroe, Texas 77303
NOTICE OF PUBLIC HEARING**

SEPTEMBER 8, 2015, AT 10:00 A.M.

PUBLIC HEARING ON PERMIT AND PERMIT AMENDMENT APPLICATIONS

1. Call to Order and Declare Hearing Open to the Public
2. Roll Call
3. Receive Permit Hearing Report from General Manager, Any Public Comments or Requests to Contest, and Consider Granting, Denying, or Amending Applications for the following Operating Permits and/or Meter Exemptions – Samantha Reiter
 1. Perry Maya Estates, LLC, for a proposed well to be drilled at north east corner of intersection of Roman Forest Road and Hwy 69(Hwy 59), New Caney, (Lat 30/10/24, Long -95/12/5), not to exceed 0.5 mg annually, Commercial and Irrigation use, (Driller of record: Bussell and Sons);
 2. Ameritex Pipe & Products LLC, for a proposed amendment to OP-15062501, increase of 5 mg for 2015 only, 10151 Waukegan Rd, Conroe, Industrial and Public Supply (PWS) use;
 3. Crystal Springs Water (Tower Woods), for a proposed amendment to OP-09111805, increase of 2 mg for 2015 only, 15415B Tower Woods Dr, Conroe, Public Supply (PWS) use;
 4. Caleb Salyer, for a proposed well to be drilled at 10655 FM 1097 West, Willis, not to exceed 0.1 mg annually, Commercial use, (Driller of record: Randy's Water Well Drilling);
 5. Montgomery County MUD #8 (AWS Production Well), for a proposed amendment to AWS-12011801, increase of 125 mg annually, 12649 Browning Dr., Montgomery, Public Supply (PWS) use;
 6. Montgomery County Mud #119, for a proposed amendment to OP-07022301, increase of 35 mg annually, 3003 1/5 Waterbend Cove, Spring, Public Supply

(PWS) use;

7. Simply Aquatics, Inc, for a proposed amendment to OP-11051301, well to be drilled at 18154 Breezy Dr., Montgomery, in aggregate, with a permitted allocation of 4.832 mg, Public Supply (PWS) use;
 8. Castable Precision Products, for a proposed well to be drilled at 10630 FM 1484, Conroe, not to exceed 0.5 mg annually, Public Supply use, (Driller of record: Scott Drilling); and
 9. Vernon Smith, for a proposed amendment to OP-08090901, well to be drilled at 12247 FM 1097, Willis, increase of 3.8 mg annually, Industrial and Irrigation use, (Driller of record: Johnston's Water Well);
4. Adjourn or continue permit hearing in whole or in part.

DRAFT

**NOTICE OF PUBLIC HEARING
OF THE BOARD OF DIRECTORS OF THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT**

NOTICE OF MEETING

SEPTEMBER 8, 2015, AT 10:00 A.M.

REGULAR MEETING OF THE DISTRICT BOARD

The Board of Directors may discuss, consider, and take action, including expenditure of funds, on any item or subject matter posted in this agenda.

1. Call to Order and Declare Regular Meeting Open to the Public.
2. Roll Call
3. Public Comment (*Public comment is limited to a maximum of 5 minutes per speaker*)
4. Discuss, consider, and take action as necessary concerning approval of Meeting Minutes:
 - a) August 11, 2015, Special Board Meeting
 - b) August 11, 2015, Public Hearing on Permit Applications
 - c) August 11, 2015, Regular Board of Directors Meeting
5. Discussion of conflicts of interest provisions for District directors in light of Senate Bill 2049 passed by the 84th Texas Legislature (Regular Session—2015)(effective 9/9/2015) – Brian L. Sledge
6. Committee Reports:
 - A. Executive Committee – Richard J. Tramm, President
 - 1) Brief the Board on the Committee's activities since the last regular Board meeting
 - 2) Discuss, consider, and take action as necessary regarding defense of the following lawsuit: City of Conroe et al. v. Lone Star Groundwater Conservation District (and the District's directors and general manager in their official capacities) (hereinafter "the Conroe lawsuit")
 - 3) Discuss, consider, and take action as necessary to amend the FY2015 Budget to increase the budgeted amount for Attorney's Fees in response to the Conroe lawsuit, and voluminous Public Information Act requests and other actions by the City of Conroe in calendar year 2015
 - 4) Discuss, consider, and take action as necessary to authorize the hiring of outside legal counsel to work with the District's general counsel in defending the District, its directors, and staff in the Conroe lawsuit

- 5) Discuss, consider, and take action as necessary to authorize the Executive Committee to consult with and advise the District's attorneys, staff, and consultants regarding litigation strategy, and to direct internal and external communications, in the Conroe lawsuit
- 6) Discuss, consider, and take action as necessary to affirm that the District's directors and staff were acting in good faith and within the scope of their duties or employment in all matters raised in the Conroe lawsuit
- 7) Discuss, consider, and take action as necessary regarding path forward regarding the Strategic Water Resources Planning Study in response to the Conroe lawsuit

B. Water Awareness and Conservation Committee – Billy Wood, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting
- 2) Update on water efficiency, conservation efforts and public outreach – Paul R. Nelson
- 3) Update on redevelopment of onsite detention project – Paul R. Nelson

C. Rules Development and Bylaws Committee – Richard J. Tramm

- 1) Brief the Board on the Committee's activities since the last regular Board meeting

D. Policy and Personnel Development Committee – Sam W. Baker, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting

E. Findings and Review Committee – Richard J. Tramm, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting – Richard J. Tramm
- 2) Status Update: update regarding development of a strategic plan evaluating opportunities for additional development of water resources in the District while ensuring long-term viability of the aquifers within the District, possibly including review of the adequacy of the District's groundwater monitoring program to monitor impacts to aquifers in the District of the initial conversion obligation under the District Regulatory Plan, review of the total estimated recoverable storage numbers released by the Texas Water Development Board and possible implications to groundwater management in the District, and review of related groundwater management issues, and opportunities for public input related to the development of the strategic plan – John Seifert
- 3) Groundwater Management Area 14 – Update the board on the status of the current desired future conditions development process in GMA 14 – Kathy Turner Jones

F. 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

G. Professional Services Review Committee – Rick Moffatt

- 1) Brief the Board on the Committee's activities since the last regular Board meeting

7. Engineering Report – Mark V. Lowry

- 1) Review of monthly engineering status reports

8. 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. – Kathy Turner Jones

9. General Counsel's Report – The District's legal counsel will brief the Board on pertinent legal issues and developments impacting the District since the last regular Board meeting, and legal counsel's activities on behalf of the District, including without limitation: waste injection well monitoring activities and injection well applications filed at the Railroad Commission of Texas or the Texas Commission on Environmental Quality, including District protests or other actions regarding same; District rules enforcement activities; District Regulatory Plan, District Rules, and District Management Plan development or implementation issues; groundwater-related legislative activities; joint planning and desired future conditions development activities; pending litigation involving the District; developments in groundwater case law and submission of legal briefs; contractual issues related to the District; open government, policy, personnel, and financial issues of the District; and other legal activities on behalf of the District. – Brian L. Sledge.

10. New Business

11. Adjourn

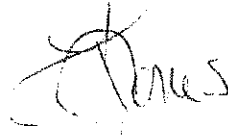
The above agenda schedules for the meetings and hearings of the District represent an estimate of the order for the indicated items and are subject to change at any time.

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 one the above meetings or hearings 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 on September 4, 2015, at or before 5:00 p.m., I posted and filed the above notices of meeting(s) and hearing(s) 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.



Kathy Turner Jones, General Manager
Lone Star Groundwater Conservation District

DRAFT

Perry Maya Estates, LLC

Attn: Salim Charolia
17819 Stebner Airline Rd, Suite D
Spring, TX 77379

Permit No. OP-15081401

Operating Permit

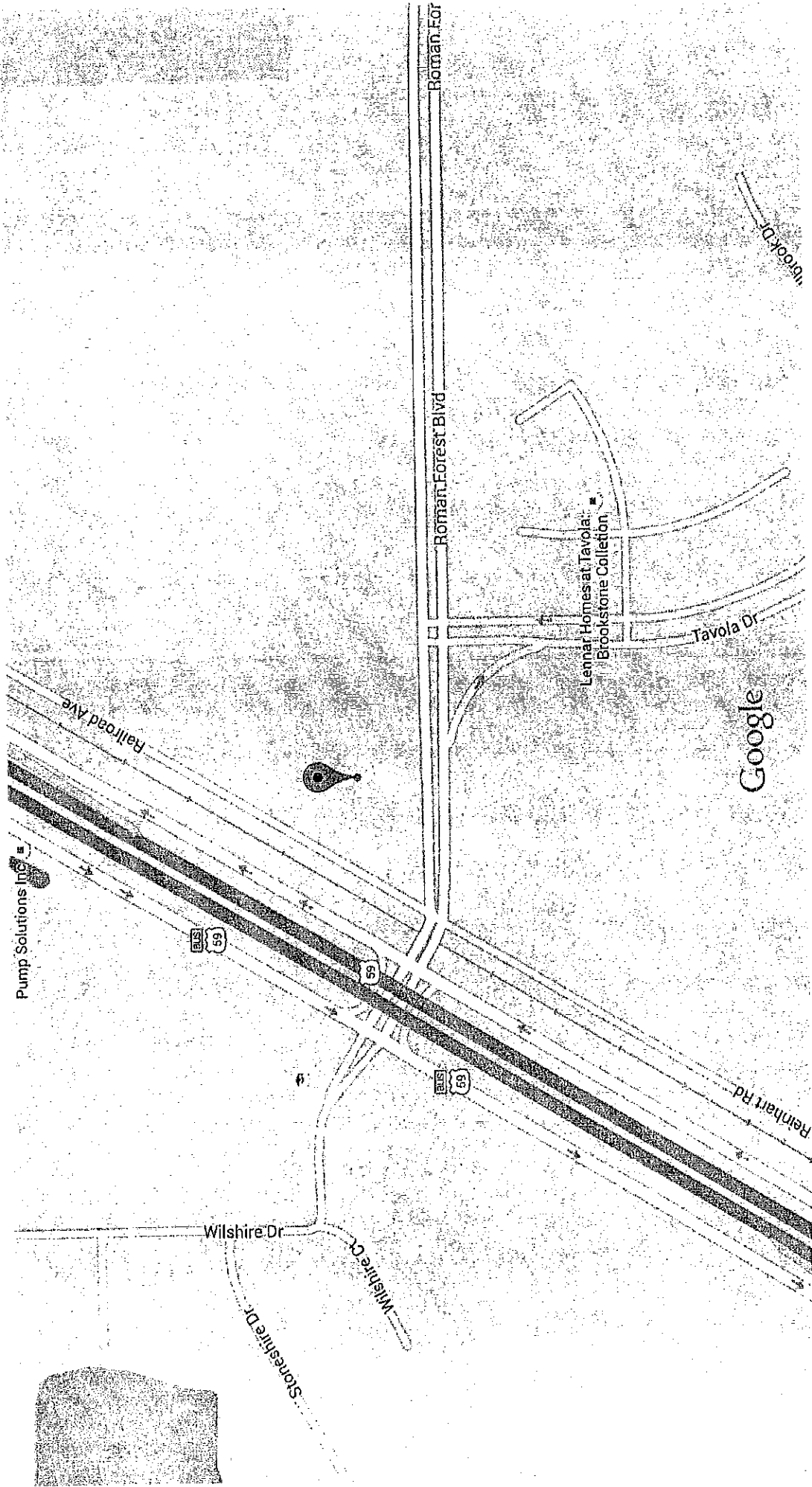
Date of Hearing:	9/8/2015	
Request (MG):	2015 = 0.000	2016 = 0.500
GM Recommendation (MG):	2015 = 0.000	2016 = 0.500
Water use:	Commercial	
Location:	North East corner of Intersection of Roman Forest Rd & Hwy 69(Hwy 59), New Caney (Lat 30/10/24, Long -95/12/5)	
Well Registration:	2015081401	
Depth (ft):	280.0	
Diameter (in):	4.0	

Information

1. Issue a permit commencing September 8, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant provides water for a convenience store & deli.
5. Applicant requests 0 gallons for 2015 and 500,000 gallons annually thereafter.
6. **District Staff Technical Review and Recommendation:** Applicant is requesting registration of and authorization to begin construction on a new well which will serve a convenience store. Applicant estimates 100 persons per day being served at the facilities which will have a deli, ice machine, and restrooms. In addition, applicant notes that there will be a landscaped area of 6,782 square feet in the front which will be maintained with water from the proposed well. Applicant has further requested an allocation of 500,000 gallons annually to meet the needs of these facilities. District staff and consultants have reviewed the information supplied by applicant as well as the usage records from like facilities and note that the amount being requested is similar. Staff recommends to the General Manager that she recommend that the Board authorize the registration of and commencement of construction on the new well, as well as the allocation of 500,000 gallons annually for 2015 and beyond as requested.
7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

8-13-15
Well # 2015081401

Google 30°10'24.5"N 95°12'05.7"W



Map data ©2015 Google 200 ft

Ameritex Pipe & Products LLC

Attn: Rocky Lorenz
P.O. Box 150
Seguin, TX 78155

Permit No. OP-15062501A

Amend Operating Permit

Date of Hearing:	9/8/2015	
Request (MG):	2015 = 5,000	2016 = No additional requested
GM Recommendation (MG):	2015 = 5,000	2016 = No additional requested
Water use:	Industrial	
Location:	10151 Waukegan Rd, Conroe	
Well Registration:	N/A	
Depth (ft):	N/A	
Diameter (in):	N/A	

Information

1. **Amend permit** - increase allocation for 2015 only. Permit Term: Commencing September 8, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests 5,000,000 additional gallons for 2015 only with no additional gallons requested for 2016.
5. Applicant currently has an OP in the amount of 3,000,000 gallons for 2015 and 9,995,000 for 2016 and annually thereafter. Amount available pending approval of this application equals 8,000,000 gallons for 2015 only.
6. Applicant's reported pumpage for 2015 equals -0- gallons. This well is currently being drilled. Allocation increase for 2015 only is for plant construction.
7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-15062501 with an allocation of 3,000,000 gallons for 2015 and 9,995,000 gallons for 2016 and beyond. Applicant is currently building a concrete batch plant and yard and the well has reportedly not yet been constructed. Applicant notes that the amount of usage for construction of the plant and compaction of the subgrade materials was underestimated initially and is requesting an additional 5,000,000 gallons per year for 2015 only. If approved, the total allocation will be 8,000,000 gallons per year for 2015 and 9,995,000 gallons for 2016 and beyond. District staff and consultants have reviewed the information supplied by applicant. Staff recommends to the General Manager that she recommend that the Board approved the increased total allocation of 8,000,000 gallons per year for 2015 only as requested. Allocation for 2016 and beyond will remain at 9,995,000 gallons per year.
8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

Crystal Springs Water (Tower Woods)

Attn: Julie Dubros, C.F.O.
P. O. Box 603
Porter, TX 77365

Permit No. OP-09111805B

Amend Operating Permit

Date of Hearing:	9/8/2015	
Request (MG):	2015 = 2.000	2016 = No additional requested
GM Recommendation (MG):	2015 = 2.000	2016 = No additional requested
Water use:	Public Supply (PWS)	
Location:	15415B Tower Woods Dr., Conroe	
Well Registration:	N/A	
Depth (ft):	N/A	
Diameter (in):	N/A	

Information

1. **Amend permit** - increase allocation for 2015 only. Permit Term: 12 months commencing January 1, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests to increase allocation by 2,000,000 gallons for 2015 only.
5. Applicant currently has an HUP in the amount of 4,943,690 gallons and an OP in the amount of 1,056,310 gallons. Amount available pending approval of this application equals 8,000,000 gallons for 2015 only.
6. Applicant's reported pumpage for 2015 year to date equals 4,215,900 gallons.
7. **District Staff Technical Review and Recommendation:** Applicant currently holds HUP263 and OP-09111805A with a combined allocation of 6,000,000 gallons per year. Water from this allocation is used to provide for the needs of 58 single family residential connections in the Tower Woods subdivision. Applicant cites prevailing dry weather conditions as well as a leak which has been located and repaired in requesting an additional allocation of 2,000,000 gallons for 2015 only. If approved, the revised total allocation for 2015 will be 8,000,000 gallons and the combined total allocation for 2016 and beyond will be 6,000,000 gallons per year. District staff and consultants have reviewed the information supplied by applicant as well as the District records and note that the usage for 2014 was recorded as just under 4,000,000 gallons. Staff recommends to the General Manager that she recommend that the Board approved the increase to a revised total allocation of 8,000,000 gallons for 2015 and 6,000,000 gallons for 2016 and beyond as requested.
8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

Caleb Salyer

10655 FM 1097 West
Willis, TX 77318

Permit No. OP-15081702

Operating Permit

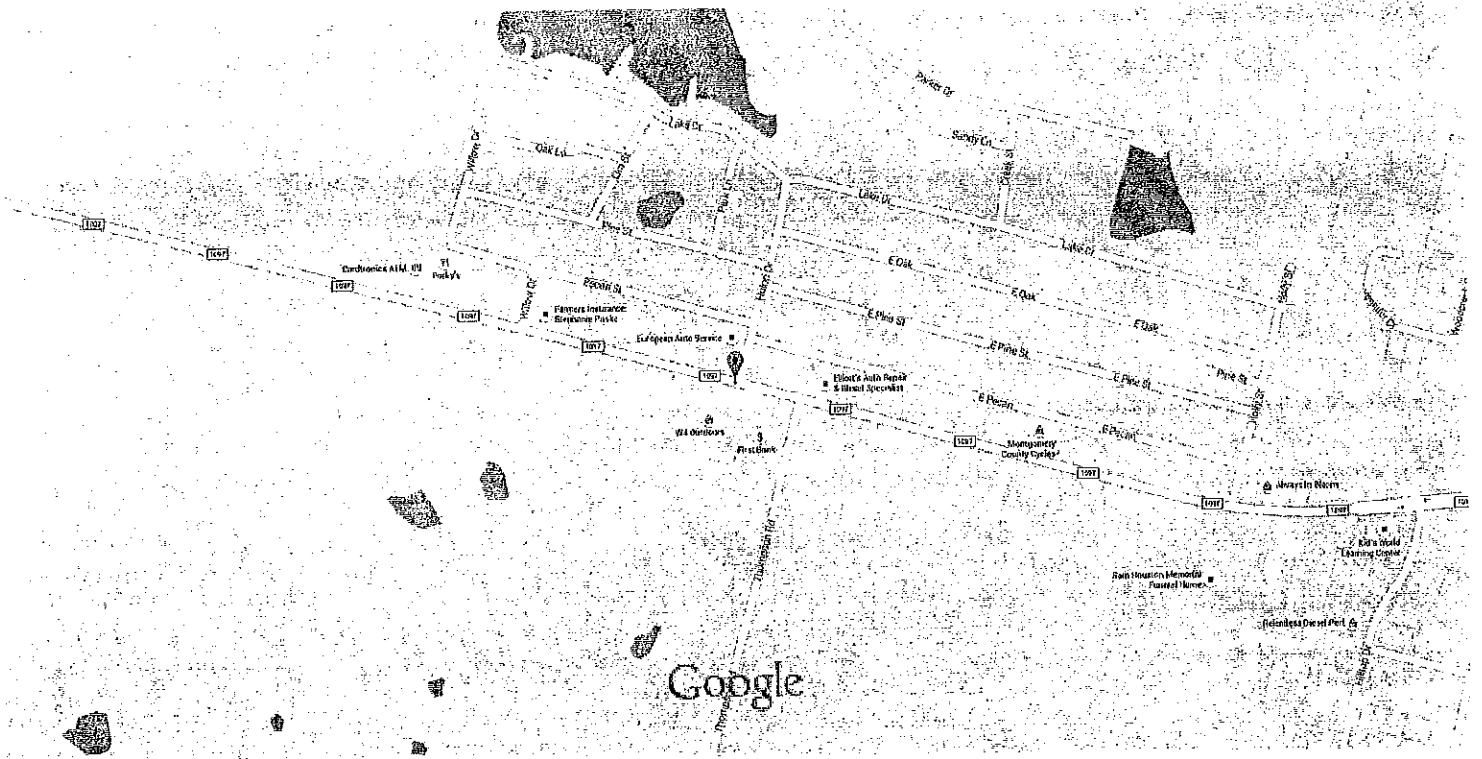
Date of Hearing:	9/8/2015	
Request (MG):	2015 = 0.020	2016 = 0.100
GM Recommendation (MG):	2015 = 0.020	2016 = 0.100
Water use:	Commercial	
Location:	10655 FM 1097 West, Willis	
Well Registration:	2015081705	
Depth (ft):	300.0	
Diameter (in):	4.0	

Information

1. Issue a permit commencing September 8, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests 20,000 gallons for 2015 and 100,000 gallons annually thereafter.
5. Applicant provides water for an insurance office.
6. **District Staff Technical Review and Recommendation:** Applicant is requesting registration of and authorization to commence construction on a new well which is intended to serve an insurance office with 10 plus employees. The facilities served include a breakroom, kitchen, and three restrooms. Applicant notes there is no outside irrigation proposed for the well. Applicant is requesting an allocation of 20,000 gallons for the remainder of 2015 and an allocation of 100,000 gallons per year for 2016 and beyond. District staff and consultants have reviewed the information supplied by applicant and usage from similar facilities and concur with applicant's request. Staff recommends to the General Manager that she recommend that the Board authorize the registration of and commencement of construction for the new well, as well as the allocations of 20,000 gallons for 2015 and 100,000 gallons for 2016 and beyond as requested.
7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.



Google 10655 FM 1097



Map data ©2015 Google 200 ft

10655 FM 1097
Willis, TX 77318

Montgomery County MUD #8 (AWS Production Well)

Attn: Hays Utility, John Wright
P O Box 1268
Montgomery, TX 77356

Permit No. AWS-12011801C

Amend Operating Permit

Date of Hearing:	9/8/2015	
Request (MG):	2015 = 125.000	2016 = 125.000
GM Recommendation (MG):	2015 = 125.000	2016 = 125.000
Water use:	Public Supply (PWS)	
Location:	12649 Browning Dr, Montgomery	
Well Registration:	N/A	
Depth (ft):	N/A	
Diameter (in):	N/A	

Information

1. **Amend permit** - increase allocation. Permit Term: 12 months commencing January 1, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests to increase allocation by 125,000,000 gallons.
5. Applicant currently has an AWS in the amount of 100,000,000 gallons. Amount available pending approval of this application equals 225,000,000 gallons.
6. Applicant's reported pumpage for 2014 equals 113,621,000 gallons.
7. **District Staff Technical Review and Recommendation:** Applicant currently holds AWS-12011801 with a current allocation of 100,000,000 gallons per year. Applicant notes that they are completing the first year of operation of the well and are seeking an increased allocation of 125,000,000 gallons. If approved, the revised total allocation will be 225,000,000 gallons from the AWS well only. District staff and consultants have reviewed the information supplied by applicant and note that the amount being requested does not exceed applicant's current total demand. However, while applicant notes in the request that a Groundwater Reduction Plan (GRP) amendment is in progress, any increase will be **conditional** upon receipt of that amendment being received, approved, and consistent with this request. Staff recommends to the General Manager that she recommend that the Board provide **conditional** approval of the requested increase to a total allocation of 225,000,000 gallons under this permit, subject to the receipt and approval of an amended GRP with this allocation included.
8. Based on technical review, staff recommends that the General Manager recommend approval to the Board to authorize 125,000,000 gallons for 2015 and annually thereafter **conditional** upon receipt of a revised GRP which is consistent with applicant's new revised allocation.

Montgomery County Mud #119

Attn: Wesley Wright
P O Box 2749
Spring, TX 77383

Permit No. OP-07022301D

Amend Operating Permit

Date of Hearing:	9/8/2015	
Request (MG):	2015 = 35.000	2016 = 35.000
GM Recommendation (MG):	2015 = 35.000	2016 = 35.000
Water use:	Public Supply (PWS)	
Location:	3003 1/5 Waterbend Cove Birnham Woods, Spring	
Well Registration:	N/A	
Depth (ft):	N/A	
Diameter (in):	N/A	

Information

1. **Amend permit** - increase allocation. Permit Term: 12 months commencing January 1, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests to increase allocation by 35,000,000 gallons.
5. Applicant currently has an OP in the amount of 120,000,000 gallons. Amount available pending approval of this application equals 155,000,000 gallons.
6. Applicant's reported pumpage for 2014 equals 93,458,000 gallons.
7. **District Staff Technical Review and Recommendation:** Applicant currently holds OP-07022301 with an allocation of 120,000,000 gallons per year. Applicant uses this allocation to serve the needs of 676 single family residential and 25 non residential connections. There are 701 connections thus far this year which includes 25 non residential connections. Usage for 2014 was reported as 93,458,000 gallons for 545 residential connections. Applicant cites increasing demand and growth in requesting an additional 35,000,000. District staff and consultants have reviewed the information supplied by applicant as well as the information in district files and note that the per connection usage for 2014 was 171,482 gallons. If the requested increase is approved, the per connection allocation based on the 676 single family connections reported in 2015 is 229,289 gallons. Staff recommends to the General Manager that she recommend that the Board approve the additional 35,000,000 to a combined total of 155,000,000 for 2015 and beyond.
8. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

Simply Aquatics, Inc

Attn: Robin Lyons
P O Box 157
Kirbyville, TX 75956

Permit No. OP-11051301C

Amend Operating Permit

Date of Hearing:	9/8/2015	
Request (MG):	2015 = None Requested	2016 = None Requested
GM Recommendation (MG):	2015 = None Requested	2016 = None Requested
Water use:	Public Supply (PWS)	
Location:	18154 Breezy Dr, Montgomery	
Well Registration:	2015072703	
Depth (ft):	1200.0	
Diameter (in):	4.0	

Information

1. **Amend permit** - add well to aggregate system. Permit Term: commencing September 8, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant currently has an HUP in the amount of 1,725,000 gallons and an OP in the amount of 3,107,000 gallons. Amount available pending approval of this application equals 4,832,000 gallons. No additional allocation is being requested at this time.
5. Applicant's reported pumpage for 2014 equals 3,220,000 gallons.
6. District Staff Technical Review and Recommendation: Based on the information supplied by the applicant, staff recommends that the General Manager recommend that the Board approve that which has been requested.
7. Based on technical review, staff recommends to the General Manager that she recommend approval of that which is being requested.

Simply Aquatics, Inc

30°21'29.0"N 95°38'37.0"W

Google



Map data ©2015 Google

2000 ft

2854

Castable Precision Products

Attn: Jennifer Hewgly
3155 Pollock Dr. #B
Conroe, TX 77303

Permit No. OP-15081701

Operating Permit

Date of Hearing:	9/8/2015	
Request (MG):	2015 = 0.200	2016 = 0.500
GM Recommendation (MG):	2015 = 0.200	2016 = 0.280
Water use:	Public Supply	
Location:	10630 FM 1484, Conroe	
Well Registration:	2015081701	
Depth (ft):	250.0	
Diameter (in):	4.0	

Information

1. Issue a permit commencing January 1, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests 200,000 gallons for 2015 and 500,000 gallons annually thereafter.
5. Applicant provides water for a manufacturing facility for employee use only.
6. **District Staff Technical Review and Recommendation:** Applicant is requesting registration of and authorization to begin construction of a new well which will serve an office/warehouse facility. The facility will have approximately 12 to 15 individuals present daily for 365 days per year with a breakroom, kitchen, and three restrooms. Applicant states that there will be no usage for manufacturing, irrigation, or pond level maintenance from the proposed well. Applicant is further requesting an allocation of 200,000 gallons for the remainder of 2015 and 500,000 gallons for 2016 and beyond. District staff and consultants have reviewed the information supplied by applicant and note that the estimated usage of office staff with restrooms and a kitchen is 25 gallons per person per day. If it is assumed that there will be a similar number of customers that use the facilities daily, that would double the usage to 280,000 gallons annually. Staff recommends to the General Manager that she recommend that the Board authorize the registration of and commencement of construction on the proposed well as well as an allocation of 200,000 gallons for 2015 and a **reduced** allocation of 280,000 gallons for 2016 and beyond.
7. Based on technical review, staff recommends to the General Manager that she recommend approval to the Board for 200,000 gallons for 2015 as requested and a **reduced** allocation of 280,000 gallons for 2016 and beyond.

Vernon Smith

P.O. Box 1680
Willis, TX 77378

Permit No. OP-08090901B

Amend Operating Permit

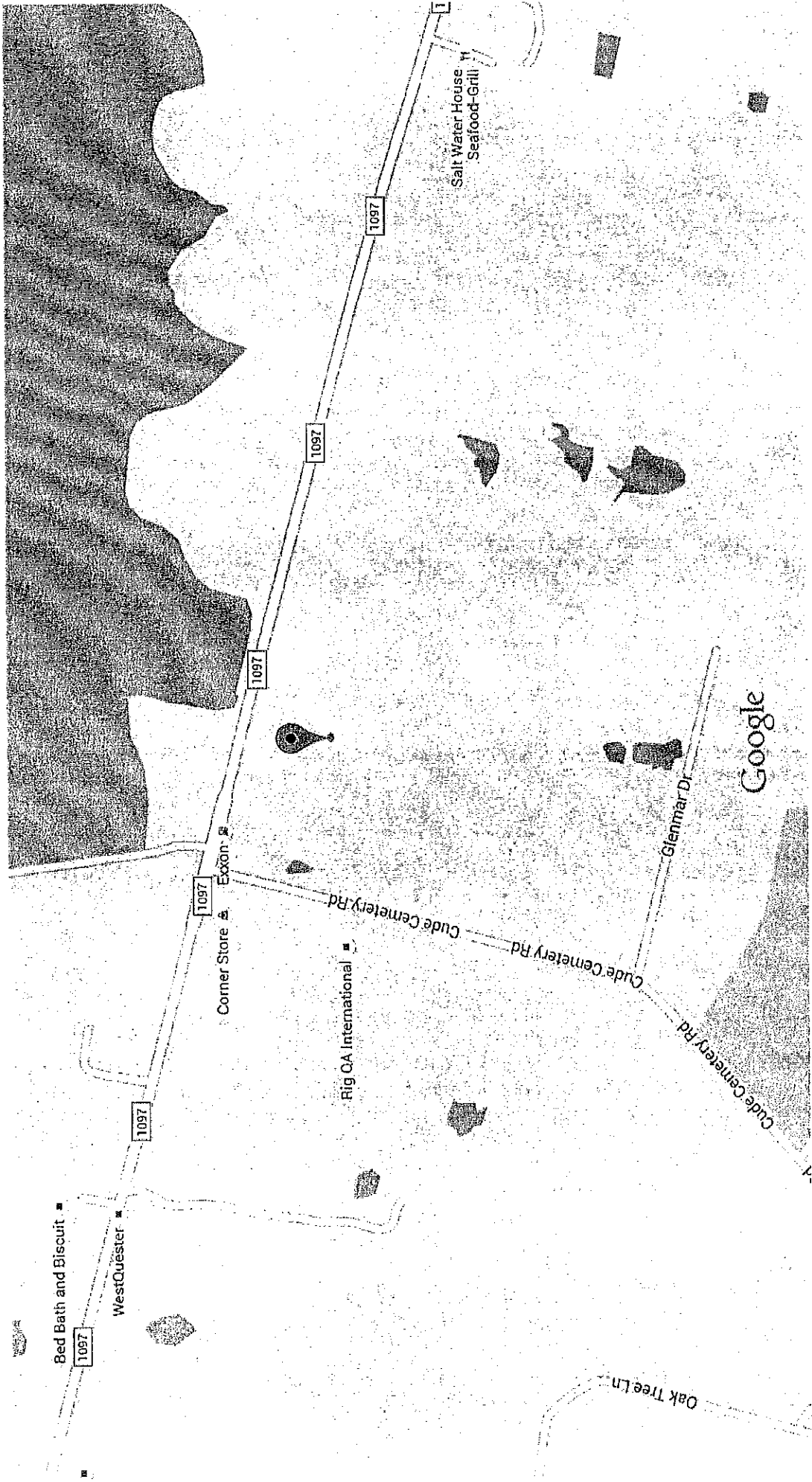
Date of Hearing:	9/8/2015	
Request (MG):	2015 =3.800	2016 = 3.800
GM Recommendation (MG):	2015 =0.500	2016 = 1.700
Water use:	Industrial	
Location:	12247 FM 1097, Willis	
Well Registration:	2015081101	
Depth (ft):	300.0	
Diameter (in):	6.0	

Information

1. **Amend permit** - add well to aggregate system and increase allocation. Permit Term: commencing September 8, 2015, with an expiration of December 31, 2015.
2. No written opposition was received regarding the proposed permit.
3. The permit application is administratively complete.
4. Applicant requests to increase allocation by 3,800,000 gallons.
5. Applicant currently has an OP in the amount of 1,500,000 gallons. Amount available pending approval of this application equals 5,300,000 gallons.
6. Applicant's reported pumpage for 2014 equals 1,906,600 gallons.
7. **District Staff Technical Review and Recommendation:** Applicant provides water to a concrete batch plant as well as a nursery and one residence. The nursery includes approximately 3 acres of landscaping plants in pots of various sizes, 0.5 acres of mulch, and 10 acres of dust control. The concrete batch plant has 10 trucks with approximately 50 loads per day. Current allocation is 1,500,000 gallons per year. Applicant cites increasing concrete sales in requesting an additional 3,800,000 gallons annually for 2015 and beyond. If approved, the revised total allocation for this system will be 5,300,000 for 2015 and beyond. District staff and consultants have reviewed the information supplied by applicant as well as the information in District files. Staff notes that if the record monthly high usage for July is repeated each month until the end of the year, the total usage for 2015 would still be only be approximately 2,000,000 gallons. Further, if that monthly high usage was repeated every month in 2016, the 2016 total would be 3,100,000 gallons. Staff recommends to the General Manager that she recommend that the Board authorize a **reduced** allocation of 500,000 gallons for 2015 and 1,700,000 gallons for 2016 and beyond.
8. Based on technical review, staff recommends to the General Manager that she recommend approval to the Board of a **reduced** amount of 500,000 gallons for 2015 and 1,700,000 gallons annually basis thereafter.



Google 30°25'30.0"N 95°32'23.0"W



Map data ©2015 Google 500 ft

**LONE STAR GROUNDWATER CONSERVATION DISTRICT
NOTICE OF HEARING
September 8, 2015**

NOTICE IS HEREBY GIVEN to all interested persons within Montgomery County, Texas:

That the Board of Directors of the Lone Star Groundwater Conservation District ("District") will hold a hearing and take action on the permits listed in this notice based on a technical review and analysis by the General Manager for purposes of establishing a permittee's "Total Qualifying Demand" under Phase II (B) of the District Regulatory Plan ("DRP"), on September 8, 2015, at 10:00 a.m., at the District's office located at 655 Conroe Park North Dr., Conroe, Texas 77303. The hearing posted in this notice may be recessed from day to day or continued where appropriate.

Total Qualifying Demand is based on a comparison of a permittee's actual groundwater pumpage and total actual demand, rather than the permit's production authorization amount. These proposed permit amendments shall be subject to the terms and conditions set forth in each permit, the District's rules, and applicable law.

If approved, the permit amendments will establish an affected permittee's Total Qualifying Demand as set forth in the DRP. The Total Qualifying Demand will be the baseline permitted amount from which the affected permittee must achieve the groundwater reduction and conversion requirements set forth in the DRP and any future groundwater reductions that may be required under future revisions to the DRP or District Rules. The Total Qualifying Demand will also serve as the limiting amount on how much of a permittee's groundwater production authorization may be sold or otherwise transferred to another person, as specifically set forth in the DRP.

The permit amendments to be considered at the hearing are as follows:

PERMIT(S) NUMBER	PERMITTEE NAME & ADDRESS	LOCATION OF WELL(S) / PURPOSE OF USE	GENERAL MANAGER'S RECOMMENDED TOTAL QUALIFYING DEMAND UNDER THE DRP
OP-03123001	Crystal Springs Water (Oak Tree) P.O. Box 603 Porter, TX 77365	1 well located at 18418 Old Houston Rd., Conroe, Public Supply (PWS) Use	4,861,200 gallons
OP-06042502	Quadvest, LP. (McCall Sound) P.O. Box 409 Tomball, TX 77377	1 well located at 1/4 mile west of Cypress Rosehill Rd. on Coe Loop, Magnolia, Public Supply (PWS) Use	6,000,000 gallons
HUP287 / OP-07092804	T & W Services (Millers Crossing) P.O. Box 2927 Conroe, TX 77305	1 well located at 9030 Miller Rd., Magnolia, Public Supply (PWS) Use	7,227,000 gallons
OP03-0074	T & W Water Services (Sun-Rise Ranch) P.O. Box 2927 Conroe, TX 77305	2 well located at Reserve A Sun-Rise Ranch, Montgomery, Public Supply (PWS) Use	7,227,000 gallons
OP-07020801	Wood Trace MUD No. 1 P. O. Box 579 Spring, TX 77383	1 well located at 207 1/2 Coe Road, Pinehurst, and 1 well located at 217 Coe Road, Pinehurst, Public Supply (PWS) Use	1,000,000 gallons

The GM'S RECOM. TQD is the General Manager's Recommended Total Qualifying Demand for each above-referenced application, based upon the General Manager's review of all evidence in each application file.

To protest or otherwise participate in the hearing on one or more of these applications, a person must comply with District Rule 12.5 and either appear at the hearing or timely submit a written Request for Contested Case Hearing that complies with District Rule 12.5 and that must be received by the District no later than 5:00 p.m. September 7, 2015. Written requests received after this deadline will not be considered to be timely filed, and will not be further processed by the District. A person who submits a written Request for Contested Case Hearing who is unable to attend the hearing on the date and time set forth above must also timely file a motion for continuance with LSGCD demonstrating good cause for the inability to appear, which may be granted or denied at the discretion of the Presiding Officer of the District's Board of Directors. For additional information about a particular permit application or the permitting process, or to obtain a Request for Contested Case Hearing form, please contact the LSGCD at 655 Conroe Park North Dr., Conroe, Texas 77303, or call (936) 494-3436. Blind persons who wish to have this notice read to them may call (936) 494-3436.

I, the undersigned authority, do hereby certify that the above NOTICE OF HEARING of the Board of Directors of the Lone Star Groundwater Conservation District, is a true and correct copy of said Notice. I have published the Notice in a newspaper of general circulation in the District, posted a true and correct copy of said Notice at the District's office and furnished another copy to the Montgomery County Clerk for posting on the bulletin board at the Montgomery County Courthouse, located in Conroe, Texas, and said Notice was published and posted on or before August 27, 2015, and remained posted continuously for at least 10 (ten) days immediately preceding the date of said Hearing.

Dated: August 20, 2015

LONE STAR GROUNDWATER CONSERVATION DISTRICT

BY: /s/ Kathy Turner Jones
General Manager

END OF AD

Kathy Turner Jones, General Manager
Lone Star Groundwater Conservation District
655 Conroe Park North Drive
Conroe, Texas 77303
(936) 494-3436
(936) 494-3438 (fax)

**LONE STAR GROUNDWATER CONSERVATION DISTRICT
NOTICE OF HEARING
September 8, 2015**

NOTICE IS HEREBY GIVEN to all interested persons within Montgomery County, Texas: That the Board of Directors of the Lone Star Groundwater Conservation District ("District") will hold a hearing and take action on the permits listed in this notice based on a technical review and analysis by the General Manager for purposes of establishing a permittee's "Total Qualifying Demand" under Phase II (B) of the District Regulatory Plan ("DRP"), on September 8, 2015, at 10:00 a.m., at the District's office located at 655 Conroe Park North Dr., Conroe, Texas 77303. The hearing posted in this notice may be recessed from day to day or continued where appropriate.

Total Qualifying Demand is based on a comparison of a permittee's actual groundwater pumpage and total actual demand, rather than the permit's production authorization amount. These proposed permit amendments shall be subject to the terms and conditions set forth in each permit, the District's rules, and applicable law:

If approved, the permit amendments will establish an affected permittee's Total Qualifying Demand as set forth in the DRP. The Total Qualifying Demand will be the baseline permitted amount from which the affected permittee must achieve the groundwater reduction and conversion requirements set forth in the DRP and any future groundwater reductions that may be required under future revisions to the DRP or District Rules. The Total Qualifying Demand will also serve as the limiting amount on how much of a permittee's groundwater production authorization may be sold or otherwise transferred to another person, as specifically set forth in the DRP.

The permit amendments to be considered at the hearing are as follows:

PERMIT(S) NUMBER	PERMITTEE NAME & ADDRESS	LOCATION OF WELL(S) / PURPOSE OF USE	GENERAL MANAGER'S RECOMMENDED TOTAL QUALIFYING DEMAND UNDER THE DRP
OP-03123001	Crystal Springs Water (Oak Tree) P.O. Box 603 Porter, TX 77365	1 well located at 18418 Old Houston Rd., Conroe, Public Supply (PWS) Use	4,861,200 gallons
OP-06042502	Quadvest, LP. (McCall Sound) P.O. Box 409 Tomball, TX 77377	1 well located at 1/4 mile west of Cypress Rosehill Rd. on Coe Loop, Magnolia, Public Supply (PWS) Use	6,000,000 gallons
HUP287 / OP-07092804	T & W Services (Millers Crossing) P.O. Box 2927 Conroe, TX 77305	1 well located at 9030 Miller Rd., Magnolia, Public Supply (PWS) Use	7,227,000 gallons
OP03-0074	T & W Water Services (Sun Rise Ranch) P.O. Box 2927 Conroe, TX 77305	2 well located at Reserve A Sun Rise Ranch, Montgomery, Public Supply (PWS) Use	7,227,000 gallons
OP-07020801	Wood Trace MUD No. 1 P. O. Box 579 Spring, TX 77383	1 well located at 207 1/2 Coe Road, Pinehurst, and 1 well located at 217 Coe Road, Pinehurst, Public Supply (PWS) Use	1,000,000 gallons

The GM'S RECOM. TQD is the General Manager's Recommended Total Qualifying Demand for each above-referenced application, based upon the General Manager's review of all evidence in each application file.

To protest or otherwise participate in the hearing on one or more of these applications, a person must comply with District Rule 12.5 and either appear at the hearing or timely submit a written Request for Contested Case Hearing that complies with District Rule 12.5 and that must be received by the District no later than 5:00 p.m. September 7, 2015. Written requests received after this deadline will not be considered to be timely filed, and will not be further processed by the District. A person who submits a written Request for Contested Case Hearing who is unable to attend the hearing on the date and time set forth above must also timely file a motion for continuance with LSGCD demonstrating good cause for the inability to appear, which may be granted or denied at the discretion of the Presiding Officer of the District's Board of Directors. For additional information about a particular permit application or the permitting process, or to obtain a Request for Contested Case Hearing form, please contact the LSGCD at 655 Conroe Park North Dr., Conroe, Texas 77303, or call (936) 494-3436. Blind persons who wish to have this notice read to them may call (936) 494-3436.

I, the undersigned authority, do hereby certify that the above NOTICE OF HEARING of the Board of Directors of the Lone Star Groundwater Conservation District, is a true and correct copy of said Notice. I have published the Notice in a newspaper of general circulation in the District, posted a true and correct copy of said Notice at the District's office and furnished another copy to the Montgomery County Clerk for posting on the bulletin board at the Montgomery County Courthouse, located in Conroe, Texas, and said Notice was published and posted on or before August 27, 2015, and remained posted continuously for at least 10 (ten) days immediately preceding the date of said Hearing.

Dated: August 20, 2015

LONE STAR GROUNDWATER CONSERVATION DISTRICT

BY: 
General Manager

LONE STAR GROUNDWATER CONSERVATION DISTRICT

SUMMARY OF THE GENERAL MANAGER'S TECHNICAL REVIEW

Total Qualifying Demand Review for Permit No.: **OP-03123001**

Applicant's Name: **Crystal Springs Water (Oak Tree)**

Total Authorization for 2009: **4,861,200**

Highest Usage Year of past 5 years: **11,172,000 (2014)**

The purpose of this *Summary of the General Manager's Technical Review* is to set forth the basis for the General Manager's recommendation on the above-referenced Total Qualifying Demand. The General Manager developed her recommendation after considering the information and documents related to this application on file at the District and the applicable criteria set forth in Chapter 36 of the Texas Water Code, the District's enabling act, and the District's Rules. If this Total Qualifying Demand review is the subject of a contested case hearing, the General Manager reserves the right to modify her recommendation, based upon additional evidence that may be admitted at the contested case hearing.

The following information is based on data from the permit file:

Permittees water system serves 102 residential connections in the Conroe area. The permittee became a LVGU in late 2014.

Permit History (since 2009):

Year	Permitted Authorization	# of Connections	Production Amount
2009	4,861,200 gallons	65	4,861,200 gallons
2010	9,500,000 gallons	70	5,952,800 gallons
2011	9,500,000 gallons	83	8,879,300 gallons
2012	9,500,000 gallons	92	7,638,700 gallons
2013	9,500,000 gallons	92	9,251,400 gallons
2014	13,500,000 gallons	92	11,172,000 gallons

District staff has reviewed the usage data from the permittee's system and notes that the system had a permitted amount of 4,861,200 gallons for 2009 and a usage of the same. Permittee amended their allocation to 9,500,000 gallons in 2010 and used 5,952,800 gallons. As a result of the information contained in the District files and using the same standards that were applied to permittees which were LVGUs in 2009, it is the General Manager's recommendation that the Total Qualifying Demand be established as 4,861,200 gallons.



655 Conroe Park North Drive • Conroe, Texas 77303
local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438
e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

September 1, 2015

Board of
Directors

Richard J. Tramm
President

Sam W. Baker
Vice-President

Jim Stinson, PE
Treasurer

Rick J. Moffatt
Secretary

John D. Bleyl, PE

Jace A. Houston

Roy McCoy, Jr.

Scott Weisinger, PG

W. B. Wood

Ms. Julie Dubros
Crystal Springs Water (Oak Tree)
P.O. Box 603
Porter, TX 77365

Re: Notice of Hearing on Establishing Final Total Qualifying Demand for Your Water Well Permit under the District Regulatory Plan

Dear Ms. Dubros:

As part of its overall effort to achieve a long-term sustainable rate of groundwater production within Montgomery County, the Lone Star Groundwater Conservation District ("District") implemented Phase II(B) of its District Regulatory Plan ("DRP"). Under the DRP, each Large Volume Groundwater User—or LVGU—is required individually or jointly with other LVGUs to reduce its groundwater production to a level that is no less than 30 percent of its Total Qualifying Demand or 10 million gallons, whichever is greater, by calendar year 2016.

Under the DRP, an LVGU's Total Qualifying Demand is based upon the final volume of groundwater that a permit holder is recognized by the District to have been authorized to produce in calendar year 2009, which may be adjusted by the District if the District determines that the permitted amount unreasonably exceeded the 2009 groundwater demand of the permit holder.

The District has completed its technical review of your water well permit(s) issued by the District for purposes of establishing your final Total Qualifying Demand. Based upon that review and comparison of your total actual water demand to your permit production authorization amount(s), I am recommending to the District's Board of Directors a Total Qualifying Demand of **4,861,200 gallons** as your 2009 final permitted authorization.

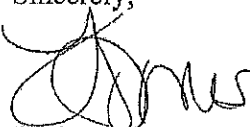
The Board of Directors will hold a Total Qualifying Demand Hearing on your permit on September 8, 2015, at 10:00 a.m., at which time action will be taken to establish the permit's Total Qualifying Demand. You are welcome to attend the hearing and provide information and comment on your permit and the recommended Total Qualifying Demand amount, but you are not required to do so. If the Board of Directors decides to pursue a different course of action from my recommendation on your permit(s), you will be notified in writing.

Therefore, unless you receive further written notice from the District, you are hereby notified that your final Total Qualifying Demand under the DRP is established as follows:

Permit(s)	Well Location	Purpose of Use	Final Total Qualifying Demand
OP-03123001	1 well located at 18418 Old Houston Rd., Conroe	Public Supply (PWS) Use	4,861,200 gallons

Your Total Qualifying Demand will be the baseline permitted amount from which you must achieve the groundwater reduction and conversion requirements set forth in the DRP and any future groundwater reductions that may be required under future revisions to the DRP or District Rules. The Total Qualifying Demand will also serve as the limiting amount on how much groundwater production authorization may be sold or otherwise transferred to another person, as specifically set forth in the DRP.

Please be advised that you may have several important regulatory obligations under Phase II(B) of the DRP, each with their own deadlines that are rapidly approaching. As the holder of a District-issued groundwater production permit, it is incumbent upon you to understand and adhere to the District's regulatory requirements. Should you have any questions regarding the subject matter in this letter, the applicable obligations or deadlines imposed by Phase II(B), please contact Samantha Reiter, Permitting Director, at (936) 494-3436.

Sincerely,

Kathy Turner Jones
General Manager

cc: Mr. Richard Tramm, Porter SUD

LONE STAR GROUNDWATER CONSERVATION DISTRICT

SUMMARY OF THE GENERAL MANAGER'S TECHNICAL REVIEW

Total Qualifying Demand Review for Permit No.: **OP-06042502**

Applicant's Name: **Quadvest, LP. (McCall Sound)**

Total Authorization for 2009: **12,000,000**

Highest Usage Year of past 5 years: **11,462,000 (2014)**

The purpose of this *Summary of the General Manager's Technical Review* is to set forth the basis for the General Manager's recommendation on the above-referenced Total Qualifying Demand. The General Manager developed her recommendation after considering the information and documents related to this application on file at the District and the applicable criteria set forth in Chapter 36 of the Texas Water Code, the District's enabling act, and the District's Rules. If this Total Qualifying Demand review is the subject of a contested case hearing, the General Manager reserves the right to modify her recommendation, based upon additional evidence that may be admitted at the contested case hearing.

The following information is based on data from the permit file:

Permittees water system serves 86 residential and 2 non-residential connections in the Magnolia area. The permittee was an LVGU in 2009 but reduced its permit to become a SVGU in 2010. The permittee became an LVGU again in 2014.

Permit History (since 2009):

Year	Permitted Authorization	# of Connections	Production Amount
2009	12,000,000 gallons	25	3,480,000 gallons
2010	6,000,000 gallons	29	6,000,000 gallons
2011	8,500,000 gallons	33	8,069,000 gallons
2012	8,500,000 gallons	33	6,086,000 gallons
2013	8,500,000 gallons	46	7,087,000 gallons
2014	13,000,000 gallons	85	11,462,000 gallons

District staff has reviewed the usage data from the permittee's system and notes that the system had a permitted amount of 12,000,000 gallons for 2009 and a usage of 3,480,000 gallons. Permittee reduced their allocation to 6,000,000 gallons in 2010 and used 4,750,000 gallons. Permittee then increased the allocation to 8,500,000 gallons in 2011 and used 8,069,000 gallons. Finally the allocation was increased again in 2014 to 13,000,000 gallons and usage was at 11,462,000 gallons. As a result of the information contained in the District files and using the same standards that were applied to permittees which were LVGUs in 2009, it is the General Manager's recommendation that the Total Qualifying Demand be established as 6,000,000 gallons due to the voluntary reduction.



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local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438
e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

September 1, 2015

Board of
Directors

Mr. Simon Sequeira
Quadvest, LP (McCall Sound)
P.O. Box 409
Tomball, TX 77377

Richard J. Tramm
President

Re: Notice of Hearing on Establishing Final Total Qualifying Demand for Your
Water Well Permit under the District Regulatory Plan

Sam W. Baker
Vice-President

Dear Mr. Sequeira:

Jim Stinson, PE
Treasurer

As part of its overall effort to achieve a long-term sustainable rate of groundwater production within Montgomery County, the Lone Star Groundwater Conservation District ("District") implemented Phase II(B) of its District Regulatory Plan ("DRP"). Under the DRP, each Large Volume Groundwater User—or LVGU—is required individually or jointly with other LVGUs to reduce its groundwater production to a level that is no less than 30 percent of its Total Qualifying Demand or 10 million gallons, whichever is greater, by calendar year 2016.

Rick J. Moffatt
Secretary

John D. Bleyl, PE

Jace A. Houston

Roy McCoy, Jr.

Scott Welsinger, PG

W. B. Wood

Under the DRP, an LVGU's Total Qualifying Demand is based upon the final volume of groundwater that a permit holder is recognized by the District to have been authorized to produce in calendar year 2009, which may be adjusted by the District if the District determines that the permitted amount unreasonably exceeded the 2009 groundwater demand of the permit holder.

The District has completed its technical review of your water well permit(s) issued by the District for purposes of establishing your final Total Qualifying Demand. Based upon that review and comparison of your total actual water demand to your permit production authorization amount(s), I am recommending to the District's Board of Directors a Total Qualifying Demand of **6,000,000 gallons** as your 2009 final permitted authorization.

The Board of Directors will hold a Total Qualifying Demand Hearing on your permit on September 8, 2015, at 10:00 a.m., at which time action will be taken to establish the permit's Total Qualifying Demand. You are welcome to attend the hearing and provide information and comment on your permit and the recommended Total Qualifying Demand amount, but you are not required to do so. If the Board of Directors decides to pursue a different course of action from my recommendation on your permit(s), you will be notified in writing.


Therefore, unless you receive further written notice from the District, you are hereby notified that your final Total Qualifying Demand under the DRP is established as follows:

Permit(s)	Well Location	Purpose of Use	Final Total Qualifying Demand
OP-06042502	1 well located at ¼ mile west of Cypress Rosehill Rd. on Coe Loop, Magnolia	Public Supply (PWS) Use	6,000,000 gallons

Your Total Qualifying Demand will be the baseline permitted amount from which you must achieve the groundwater reduction and conversion requirements set forth in the DRP and any future groundwater reductions that may be required under future revisions to the DRP or District Rules. The Total Qualifying Demand will also serve as the limiting amount on how much groundwater production authorization may be sold or otherwise transferred to another person, as specifically set forth in the DRP.

Please be advised that you may have several important regulatory obligations under Phase II(B) of the DRP, each with their own deadlines that are rapidly approaching. As the holder of a District-issued groundwater production permit, it is incumbent upon you to understand and adhere to the District's regulatory requirements. Should you have any questions regarding the subject matter in this letter, the applicable obligations or deadlines imposed by Phase II(B), please contact Samantha Reiter, Permitting Director, at (936) 494-3436.

Sincerely,


Kathy Turner Jones
General Manager

cc: Mr. Mark Smith, SJRA – GRP Division

LONE STAR GROUNDWATER CONSERVATION DISTRICT

SUMMARY OF THE GENERAL MANAGER'S TECHNICAL REVIEW

Total Qualifying Demand Review for Permit No.: **HUP287/OP-07092804**

Applicant's Name: **T & W Water Services (Miller's Crossing)**

Total Authorization for 2009: **7,227,000**

Highest Usage Year of past 5 years: **13,596,000 (2011)**

The purpose of this *Summary of the General Manager's Technical Review* is to set forth the basis for the General Manager's recommendation on the above-referenced Total Qualifying Demand. The General Manager developed her recommendation after considering the information and documents related to this application on file at the District and the applicable criteria set forth in Chapter 36 of the Texas Water Code, the District's enabling act, and the District's Rules. If this Total Qualifying Demand review is the subject of a contested case hearing, the General Manager reserves the right to modify her recommendation, based upon additional evidence that may be admitted at the contested case hearing.

The following information is based on data from the permit file:

Permittees water system serves 48 residential connections in the Magnolia area. The permittee became a LVGU in 2011.

Permit History (since 2009):

Year	Permitted Authorization	# of Connections	Production Amount
2009	7,227,000 gallons	45	7,227,000 gallons
2010	8,000,000 gallons	46	7,135,000 gallons
2011	14,000,000 gallons	46	13,596,000 gallons
2012	13,000,000 gallons	45	8,340,000 gallons
2013	13,000,000 gallons	46	9,333,000 gallons
2014	13,000,000 gallons	48	8,602,000 gallons

District staff has reviewed the usage data from the permittee's system and notes that the system had a permitted amount of 7,227,000 gallons in 2009 and a usage of the same. Permittee's usage fluctuated in subsequent years but stayed above 8,000,000 gallons for every year except 2010. As a result of the information contained in the District files and using the same standards that were applied to permittees which were LVGUs in 2009, it is the General Manager's recommendation that the Total Qualifying Demand be established as 7,227,000 gallons.



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e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

September 1, 2015

Board of
Directors

Mr. Ron Payne
T & W Water Services (Miller's Crossing)
P.O. Box 2927
Conroe, TX 77305

Richard J. Tramm
President

Sam W. Baker
Vice -President

Re: Notice of Hearing on Establishing Final Total Qualifying Demand for Your
Water Well Permit under the District Regulatory Plan

Jim Stinson, PE
Treasurer

Dear Mr. Payne:

Rick J. Moffatt
Secretary

As part of its overall effort to achieve a long-term sustainable rate of groundwater production within Montgomery County, the Lone Star Groundwater Conservation District ("District") implemented Phase II(B) of its District Regulatory Plan ("DRP"). Under the DRP, each Large Volume Groundwater User—or LVGU—is required individually or jointly with other LVGUs to reduce its groundwater production to a level that is no less than 30 percent of its Total Qualifying Demand or 10 million gallons, whichever is greater, by calendar year 2016.

John D. Bleyl, PE

Jace A. Houston

Roy McCoy, Jr.

Scott Welsinger, PG

W. B. Wood

Under the DRP, an LVGU's Total Qualifying Demand is based upon the final volume of groundwater that a permit holder is recognized by the District to have been authorized to produce in calendar year 2009, which may be adjusted by the District if the District determines that the permitted amount unreasonably exceeded the 2009 groundwater demand of the permit holder.

The District has completed its technical review of your water well permit(s) issued by the District for purposes of establishing your final Total Qualifying Demand. Based upon that review and comparison of your total actual water demand to your permit production authorization amount(s), I am recommending to the District's Board of Directors a Total Qualifying Demand of **7,227,000 gallons** as your 2009 final permitted authorization.

The Board of Directors will hold a Total Qualifying Demand Hearing on your permit on September 8, 2015, at 10:00 a.m., at which time action will be taken to establish the permit's Total Qualifying Demand. You are welcome to attend the hearing and provide information and comment on your permit and the recommended Total Qualifying Demand amount, but you are not required to do so. If the Board of Directors decides to pursue a different course of action from my recommendation on your permit(s), you will be notified in writing.

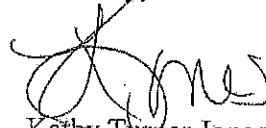
Therefore, unless you receive further written notice from the District, you are hereby notified that your final Total Qualifying Demand under the DRP is established as follows:

Permit(s)	Well Location	Purpose of Use	Final Total Qualifying Demand
HUP287/ OP-07092804	1 well located at 9030 Miller Rd., Magnolia	Public Supply (PWS) Use	7,227,000 gallons

Your Total Qualifying Demand will be the baseline permitted amount from which you must achieve the groundwater reduction and conversion requirements set forth in the DRP and any future groundwater reductions that may be required under future revisions to the DRP or District Rules. The Total Qualifying Demand will also serve as the limiting amount on how much groundwater production authorization may be sold or otherwise transferred to another person, as specifically set forth in the DRP.

Please be advised that you may have several important regulatory obligations under Phase II(B) of the DRP, each with their own deadlines that are rapidly approaching. As the holder of a District-issued groundwater production permit, it is incumbent upon you to understand and adhere to the District's regulatory requirements. Should you have any questions regarding the subject matter in this letter, the applicable obligations or deadlines imposed by Phase II(B), please contact Samantha Reiter, Permitting Director, at (936) 494-3436.

Sincerely,



Kathy-Turner Jones
General Manager

cc: Mr. Mark Smith, SJRA – GRP Division

LONE STAR GROUNDWATER CONSERVATION DISTRICT
SUMMARY OF THE GENERAL MANAGER'S TECHNICAL REVIEW

Total Qualifying Demand Review for Permit No.: **OP-07020801**

Applicant's Name: **Wood Trace MUD #1**

Total Authorization for 2009: **5,000,000**

Highest Usage Year of past 5 years: **8,979,000 (2014)**

The purpose of this *Summary of the General Manager's Technical Review* is to set forth the basis for the General Manager's recommendation on the above-referenced Total Qualifying Demand. The General Manager developed her recommendation after considering the information and documents related to this application on file at the District and the applicable criteria set forth in Chapter 36 of the Texas Water Code, the District's enabling act, and the District's Rules. If this Total Qualifying Demand review is the subject of a contested case hearing, the General Manager reserves the right to modify her recommendation, based upon additional evidence that may be admitted at the contested case hearing.

The following information is based on data from the permit file:

Permittees water system serves 142 residential connections in the Pinehurst area. Permittee was originally permitted for 5,000,000 gallons in 2007 and decreased to 1,000,000 gallons in 2012. The permittee then increased to 9,000,000 gallons in 2014. Permittee became a LVGU in 2015.

Permit History (since 2009):

Year	Permitted Authorization	# of Connections	Production Amount
2009	5,000,000 gallons	2	1,543,000 gallons
2010	5,000,000 gallons	2	532,000 gallons
2011	5,000,000 gallons	2	0 gallons
2012	1,000,000 gallons	1	0 gallons
2013	1,000,000 gallons	0	0 gallons
2014	9,000,000 gallons	81	8,979,000 gallons

District staff has reviewed the usage data from the permittee's system and notes that the system had a permitted amount of 5,000,000 gallons in 2009 and a usage of 1,543,000 gallons. However, usage fell to 0 gallons in 2011 and permittee reduced the allocation to 1,000,000 gallons in 2012. Usage has subsequently increased to 8,979,000 gallons in 2014 with a permitted amount of 9,000,000 gallons, and increased the permit to 35,000,000 gallons in 2015 with a usage thus far of 11,289,000 gallons. As a result of the information contained in the District files and using the same standards that were applied to permittees which were LVGUs in 2009, it is the General Manager's recommendation that the Total Qualifying Demand be established as 1,000,000 gallons due to the reduction in 2012.



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e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

September 1, 2015

Board of
Directors

Mr. David B. Rowe
Wood Trace MUD No. 1
P.O. Box 579
Spring, TX 77383

Richard J. Tramm
President

Re: Notice of Hearing on Establishing Final Total Qualifying Demand for Your
Water Well Permit under the District Regulatory Plan

Sam W. Baker
Vice-President

Dear Mr. Rowe:

Jim Stinson, PE
Treasurer

As part of its overall effort to achieve a long-term sustainable rate of groundwater production within Montgomery County, the Lone Star Groundwater Conservation District ("District") implemented Phase II(B) of its District Regulatory Plan ("DRP"). Under the DRP, each Large Volume Groundwater User—or LVGU—is required individually or jointly with other LVGUs to reduce its groundwater production to a level that is no less than 30 percent of its Total Qualifying Demand or 10 million gallons, whichever is greater, by calendar year 2016.

Rick J. Moffatt
Secretary

John D. Bleyl, PE

Jace A. Houston

Roy McCoy, Jr.

Scott Weisinger, PG

W. B. Wood

Under the DRP, an LVGU's Total Qualifying Demand is based upon the final volume of groundwater that a permit holder is recognized by the District to have been authorized to produce in calendar year 2009, which may be adjusted by the District if the District determines that the permitted amount unreasonably exceeded the 2009 groundwater demand of the permit holder.

The District has completed its technical review of your water well permit(s) issued by the District for purposes of establishing your final Total Qualifying Demand. Based upon that review and comparison of your total actual water demand to your permit production authorization amount(s), I am recommending to the District's Board of Directors a Total Qualifying Demand of **1,000,000 gallons** as your 2009 final permitted authorization.

The Board of Directors will hold a Total Qualifying Demand Hearing on your permit on September 8, 2015, at 10:00 a.m., at which time action will be taken to establish the permit's Total Qualifying Demand. You are welcome to attend the hearing and provide information and comment on your permit and the recommended Total Qualifying Demand amount, but you are not required to do so. If the Board of Directors decides to pursue a different course of action from my recommendation on your permit(s), you will be notified in writing.


Therefore, unless you receive further written notice from the District, you are hereby notified that your final Total Qualifying Demand under the DRP is established as follows:

Permit(s)	Well Location	Purpose of Use	Final Total Qualifying Demand
OP-07020801	-1 well located at 207 ½ Coe Road, Pinehurst -1 well located at 217 Coe Road, Pinehurst	Public Supply (PWS) Use	1,000,000 gallons

Your Total Qualifying Demand will be the baseline permitted amount from which you must achieve the groundwater reduction and conversion requirements set forth in the DRP and any future groundwater reductions that may be required under future revisions to the DRP or District Rules. The Total Qualifying Demand will also serve as the limiting amount on how much groundwater production authorization may be sold or otherwise transferred to another person, as specifically set forth in the DRP.

Please be advised that you may have several important regulatory obligations under Phase II(B) of the DRP, each with their own deadlines that are rapidly approaching. As the holder of a District-issued groundwater production permit, it is incumbent upon you to understand and adhere to the District's regulatory requirements. Should you have any questions regarding the subject matter in this letter, the applicable obligations or deadlines imposed by Phase II(B), please contact Samantha Reiter, Permitting Director, at (936) 494-3436.

Sincerely,


Kathy Turner Jones
General Manager

cc: Mr. Mark Smith, SJRA -- GRP Division

LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 11, 2015

MINUTES OF SPECIAL MEETING

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) held a “Special Meeting,” 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 August 11, 2015.

President Tramm called the meeting to order at 9:02 a.m., announcing that it was now open to the public.

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

Sam Baker
John D. Bleyl, PE
Jace Houston
Roy McCoy, Jr.
Rick J. Moffatt
Jim Stinson, PE
Richard J. Tramm
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, with the exception of Director Baker, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Paul R. Nelson, Assistant General Manager, Brian L. Sledge, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A” on the Regular Board of Directors Meeting minutes.*

After a proper and legally sufficient announcement to the public by President Tramm, the Board of Directors went into a Closed Executive Session at 9:04 a.m. 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.

Director Baker arrived at 9:52 a.m.

Following Executive Session, the Board reconvened in Open Session and President Tramm declared it open to the public at 9:55 a.m.

No action was taken on matters discussed in Executive Session and President Tramm adjourned the meeting at 9:56 a.m.

PASSED, APPROVED, AND ADOPTED THIS 8th DAY OF SEPTEMBER, 2015.

Rick J. Moffatt, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 11, 2015

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 – Board Room located at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District on August 11, 2015.

CALL TO ORDER:

President Tramm called to order the Public Hearing on Permit Applications at 10:05 a.m., announcing the meeting open to the public.

ROLL CALL:

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

Sam W. Baker
John D. Bleyl, PE
Jace Houston
Roy McCoy, Jr.
Rick J. Moffatt
Jim Stinson, PE
Richard J. Tramm
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, General Manager; Paul R. Nelson, Assistant General Manager; Brian L. Sledge, General Counsel; Mark Lowry, District Consultant; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit “A” on the Regular Board of Directors Meeting minutes.*

Item #1, **Jason Huckaby** – Applicant is requesting registration of a new well and production authorization in the amount of 300,000 gallons for 2015 and annually thereafter. Based on technical review of the information supplied, it is the General Manager’s recommendation to approve that which is being requested.

Item #2, **DMJM Enterprises LLC** – Applicant is requesting registration of a new well and production authorization in the amount of 625,000 gallons for 2015 and 7,500,000 gallons for 2016 and annually thereafter. Based on technical review of the information supplied, it is the General Manager’s recommendation to approve that which is being requested.

Item #3, **U.S. Land Corp.** – Applicant is requesting an amendment to an Operating Permit for drilling authorization for a new well and an increase in production authorization in the amount of 950,000 gallons for 2015 and annually thereafter. Based on technical review of the information supplied, it is the General Manager’s recommendation to approve that which is being requested.

Item #4, **CST Performance Products Corp. (Koalstad Rd.)** – Applicant is requesting an amendment to an Operating Permit for drilling authorization for a new well. 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 being requested.

Item #5, **Simply Aquatics, Inc** – This application was pulled from the agenda due to inaccurate information. No action was taken.

Item #6, **Montgomery County MUD #18 (AWS Production Well)** – Applicant is requesting an amendment to an Alternative Water Source permit for drilling authorization for a new well which will be drilled into the Catahoula Restricted Formation and an increase in production authorization in the amount of 200,000,000 gallons for 2016 and annually thereafter. Based on technical review of the information supplied, it is the General Manager’s recommendation to authorize conditional approval for the registration of and commencement of construction on the new well. In addition, it is the General Manager’s recommendation to authorize conditional approval for a reduced amount of 131,000,000 gallons for 2016 and annually thereafter. Approval of the construction of the well, and the requested permit allocation amendment is conditional upon receipt of a GRP amendment from the Joint GRP Sponsor to add the additional AWS well and/or amend the 2016 projected demand calculations for the GRP.

Item #7, **Lakeland Section 4 Civic Club** – Applicant is requesting an amendment to a Historic Use Permit and Operating Permit to add a secondary usage type of “lake replenishment” to the permit. 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 being requested.

The first motion was made by Director Stinson, and seconded by Director Baker to approve items #1-4, and #7 as requested, in accordance with the General Manager’s recommendations. The motion passed unanimously with Director Bleyl abstaining from item #3, Director Weisinger abstaining from items #3 and #4, and President Tramm abstaining from item #7.

The second motion was made by Director Stinson, and seconded by Director Moffatt to approve item #6, in accordance with the General Manager’s recommendation. The motion passed

unanimously with Directors Bleyl and Weisinger abstaining from item #6.

President Tramm adjourned the public hearing on permit applications at 10:14 a.m.

PASSED, APPROVED, AND ADOPTED THIS 8TH DAY OF SEPTEMBER, 2015.

Rick J. Moffatt, Board Secretary

LONE STAR GROUNDWATER CONSERVATION DISTRICT

August 11, 2015

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 August 11, 2015.

President Tramm called to order the regular Board of Directors meeting at 10:15 a.m. announcing that it was open to the public.

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

Sam W. Baker
John D. Bleyl, PE
Jace Houston
Roy McCoy, Jr.
Rick J. Moffatt
Jim Stinson, PE
Richard J. Tramm
M. Scott Weisinger, PG
W. B. Wood

All members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, General Manager; Paul R. Nelson, Assistant General Manager; Brian L. Sledge, General Counsel; Mark Lowry, District Consultant; District staff; and members of the public. **Copies of the public sign-in sheets are attached hereto as Exhibit “A”.**

PUBLIC COMMENT:

There were no public comments to report.

APPROVAL OF THE MINUTES:

President Tramm stated the Board would consider all meeting minutes listed as one item. Jim Stinson requested that the fee scenario sheets that he submitted at the July Board Meeting be included for the approval of July 14, 2015 Regular Board of Directors Meeting minutes. Such attachment has been included in those minutes. Upon review of the following, a motion was

made by Director Wood, seconded by Director Moffatt, and unanimously carried, to approve the meeting minutes listed below. *Copies of the attachment are attached hereto as Exhibit "B".*

- a) June 9, 2015, Special Board Meeting
- b) June 9, 2015, Show Cause Hearing
- c) June 9, 2015, Continuance of Public Hearing on Proposed Amendments to District Rules and District Regulatory Plan.
- d) June 9, 2015, Public Hearing on Permit Applications
- e) June 9, 2015, Regular Board of Directors Meeting
- f) July 13, 2015, Special Board of Directors Meeting
- g) July 14, 2015, Special Board Meeting
- h) July 14 2015, Continuance of Public Hearing on Proposed Amendments to District Rules and District Regulatory Plan.
- i) July 14, 2015, Public Hearing on Permit Applications
- j) July 14, 2015, Regular Board of Directors Meeting

COMMITTEE REPORTS:

A. Water Awareness and Conservation Committee - Billy Wood, Chair

- 1) Briefing on Committee Activities - Director Wood reported that the committee had not met since the last board meeting.
- 2) Update on water efficiency, conservation efforts and public outreach – Paul R. Nelson – Mr. Nelson presented a 30 second water conservation theatre ad – “Water, Simply Indispensable”, sponsored by Save Water Texas Coalition, San Jacinto River Authority (“SJRA”), Woodlands Joint Powers Agency (“WJPA”), and the District. Mr. Nelson updated the Board on presentation given at the Bentwater Town Hall Meeting about conservation in general and updates on the District’s latest developments. Mr. Nelson noted he and Ms. Jones were invited to attend the Texas Water Development Board (“TWDB”) Raincatcher Award presentation at the Conroe Chamber of Commerce. The award was presented by TWDB director Kathleen Jackson to the District and Leadership Montgomery County Class of 2014 for their joint efforts on the class project of installing rainwater harvesting sites throughout the community. Lastly, Mr. Nelson stated that the Water Efficiency Network will meet on August 27th at 1:30 PM at the District’s office. This month’s speaker will be Dr. Emily Seldomridge, Water Policy and Outreach Specialist with the Galveston Bay Foundation (“GBF”) who will update the network on the Foundation’s conservation efforts.

B. Rules Development and Bylaws Committee – Richard Tramm, President

- 1) Briefing on Committee Activities – President Tramm stated that the committee had not met since the last Board meeting.

C. Policy and Personnel Development Committee – Sam W. Baker, Chair

- 1) Briefing on Committee Activities – Director Baker stated that there was a Committee Meeting held on Monday, July 13, 2015, following the Special Board of Directors meeting regarding performance issues related to District staff and consultants. Time did not allow for all issues to be addressed and a second meeting has been scheduled for Tuesday, August 12, 2015.

D. Findings and Review Committee – Richard J. Tramm, Chair

- 1) Briefing on Committee Activities – President Tramm stated that a public Stakeholder meeting was held on July 29, 2015 to review the draft technical memo on the Strategic Study, prepared by John Seifert, LBG-Guyton, and allow for public input. The deadline for public comments was set as 4:00 pm on August 5th
- 2) Status Update: Update regarding development of a strategic plan evaluating opportunities for additional development of water resources in the District while ensuring long-term viability of the aquifers within the District, possibly including review of the adequacy of the District's groundwater monitoring program to monitor impacts to aquifers in the District of the initial conversion obligation under the District Regulatory Plan, review of the total estimated recoverable storage numbers released by the Texas Water Development Board and possible implications to groundwater management in the District, and review of related groundwater management issues, and opportunities for public input related to the development of the strategic plan. John Seifert – Mr. Seifert stated that current efforts have included drafting the memo for Task 1 and meeting with the committee to discuss and address comments. Mr. Seifert further explained that work was still be perform in review of the TERS information and investigating storage, both of which are part of Task 2. President Tramm stated that comments were submitted up until late last week to the Findings and Review Committee. Mr. Seifert stated his goal is to address the comments within the next 14-20 days. Once addressed the comments will be incorporated to the memo and the final draft will be reviewed by the committee and another Stakeholder meeting will be scheduled.
- 3) Groundwater Management Area 14 – Update the board on the status of the current desired future conditions development process in GMA 14 – Kathy Turner Jones – Ms. Jones informed the board that there will be a Public Hearing on the GMA 14 proposed DFCs on September 17, 2015 at 8:30 am. Save-the-Date e-mail notices will be sent out to the public this week.

E. Budget and Finance Development Committee – Jim Stinson, Chair

- 1) Briefing on Committee Activities – Director Stinson reported that a Budget and Finance meeting was held on August 7, 2015. Director Stinson, President Tramm, Ms. Jones, and District bookkeeper, Kay Martin were present.
- 2) Review of Monthly Financial Reports - Director Stinson reported that the financial statement indicated an actual income through July 31st of \$1.8

million compared to an annual budget of \$2.1 million, and actual expenses through July 31st are at \$1 million, compared to an annual budget of \$2.1 million.

- 3) Discuss, consider, and take action to approve Budget and Finance Committee's recommendation of bank depository for the District's public funds for a two year term with a two year renewal – Director Stinson stated that proposals for banking services were submitted by First Financial (formerly First Bank of Conroe) and Bank of America. The committee reviewed a summary of banking services prepared by the District's bookkeeper. The committee recommended that banking services continue with First Financial. Ms. Jones provided a summary and update to the committee on proposals received by the District for a new field.

F. Professional Services Review Committee – Richard J. Tramm, Chair

- 1) Selection of chair and consideration of charge – President Tramm stated that at last month's board meeting, the committee voted to re-establish the Professional Services Review Committee, consistent with the District's Professional Services Policy, and appointed the members of that committee. As Board President, and consistent with the District's Bylaws, it is President Tramm's intention to appoint Director Moffatt to Chair that committee. For the record, and to prevent any overlap in the responsibilities of the various committees, President Tramm clearly stated that the committee's charge is to review all of the outside consultants currently providing professional services to the District, and to report the results of its review along with any recommendations back to the full Board – again, consistent with our Professional Services Policy. A motion was made by Director Stinson, seconded by Rick Moffatt motioned. All members approved. President Tramm noted for Director Moffatt that the last time the committee was appointed, the Chair of the committee, Director Stinson, developed a questionnaire for each board member and each consultant to compete to assist in the committee's review, which may be an approach Director Moffatt finds helpful as he undertakes the committee work.

ENGINEERING REPORT:

Mr. Lowry stated that his report was included in the packet.

GENERAL MANAGER'S REPORT:

Ms. Jones stated the District held a meeting on July 29, 2015 with Dr. Earl Johnson. The meeting was scheduled in response to Dr. Johnson's request to discuss the facts and the general public's views about the District. Dr. Johnson states he is trying allow both sides to be heard and understood. Dr. Johnson's recently published a publication, "The Texas County Inspector", whose July 2015 issue focused on water and "setting the record straight" on water issues within

the county. All parties involved welcomed comments and are seeking a resolution that could benefit both the public as well as the District.

The group discussed a significant list of potential topics for Dr. Johnson's future publications. While the exact specifics of the major topics were general and needed "firming up", the following is a summary list of the non-legal topics:

- TERS and the Gulf Coast Aquifer – A reality check of what the TERS report means to the Gulf Coast Aquifer;
- Montgomery County, LSGCD, Region H, and Groundwater Management Area 14 – How do all the pieces fit together;
- The LSGCD Strategic Water Resources Planning Study – What does it mean for the future of groundwater management in Montgomery County;
- SWIFT – How will it help communities in Montgomery County;
- Subsidence in Montgomery County – past, present, and future;
- The 64,000 AFY question; and
- Information on the situation plaguing the Northern Trinity area and High Plains GCD

Ms. Jones also informed that there were several upcoming meetings including: the Texas Alliance of Groundwater Districts (TAGD) Groundwater Summit in San Marcos on August 25th-27th; the Greater East Montgomery County Chamber Luncheon on September 2nd, where Paul Nelson will be speaking; the Texas Water Conservation Association (TWCA) Fall meeting in San Antonio on October 14th; and the GMA 14 meeting on October 28th.

Ms. Jones concluded, if anyone questions, she would be glad to address them.

GENERAL COUNSEL'S REPORT:

Mr. Sledge stated it has been a moderately undemanding month. An application was submitted on August 10th, 2015 by the Railroad Commission for a Class II injection well located 7 miles southeast of Conroe by Temporary Offshore. This application is going through the District's normal review process and Mr. Sledge will follow up with the board once concluded. He also noted that the TCEQ is engaging on an accelerated rule making package on its aquifer storage recovery rules. Lastly, Mr. Sledge stated that before next month's board meeting Senate Bill 2049 will go into effect. Chapter 171 Conflict of Interest provisions under the local government code will apply to the Board of Directors, which means that disclosure affidavits will need to be completed where there is a legal conflict of interest in lieu of a normal abstention. Ms. Jones stated that the required forms will be mailed prior to the next board meeting. President Tramm asked that when the forms are sent, Mr. Sledge send a summary of the rules that are to be followed in association with the passed legislation. Finally, Ms. Jones questioned the time frame for filing the forms and Mr. Sledge confirmed that the Directors must simply file the proper forms before action is taken.

NEW BUSINESS:

President Tramm reported there was no new business to report.

There being no further business, upon a motion by Director Stinson, seconded by Director Moffatt, President Tramm adjourned the meeting at 10:47 a.m.

PASSED, APPROVED, AND ADOPTED THIS 8TH DAY OF SEPTEMBER, 2015.

Rick J. Moffat, Board Secretary

**Lone Star Groundwater Conservation District
Groundwater Management Study – August 2015 Activities**

Our efforts for August regarding the study have included Task 0, Task 1 and Task 2.

Task 0 – Project Communications

- Ongoing project communications
- Attend August board meeting and provide status report

Task 1 – Groundwater Production and Water Level Monitoring Assessment

- Receive comments from stakeholders before and after stakeholder meeting on July 29
- Work on addressing comments and revising technical memorandum

Task 2 TERS

- Work on database to match permitted wells with aquifers screened
- Review options for estimating aquifer storage changes resulting from pumping
- Review additional TERS data developed by TWDB

Handwritten: [Signature] 9-3-15

Aug 31, 15

ASSETS

Current Assets

Checking/Savings

First Bank (Money Market)

1,614,798.04 A-1 ✓

First Bank (Operating)

19,431.45 A-2 ✓

TexPool

264,605.00 A-3 ✓

Total Checking/Savings

1,898,834.49

Accounts Receivable

Accounts Receivable

23,619.39 B-1,2 ✓

Total Accounts Receivable

23,619.39

Other Current Assets

Allow for Bad Debts

-20,085.00 B-1,2 ✓

Other Receivable

-95.00 B-2 ✓

Prepaid Insurance

9,667.51 B-3 ✓

Total Other Current Assets

-10,512.49

Total Current Assets

1,911,941.39

Fixed Assets

Bldg & Land

Conroe Park - Land

260,187.00

Conroe Park - Building & Design

1,579,266.67

Accumulated Depr - Bldg

-155,170.00

Total Bldg & Land

1,684,283.67

Furniture & Equipment

Furniture/Fixture/Equipment

204,009.42

Accumulated Depreciation

-118,210.04

Total Furniture & Equipment

85,799.38

Total Fixed Assets

1,770,083.05

TOTAL ASSETS

3,682,024.44

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable

21,764.99 E-1 ✓

Total Accounts Payable

21,764.99

Other Current Liabilities

Flex 125 Spending Account

1,658.61 E-2

GMA 14 Interlocal Agreement

11,493.36 E-3

Total Other Current Liabilities

13,151.97

Total Current Liabilities

34,916.96

Long Term Liabilities

Onsite Conservation Future Proj

6,500.00

Total Long Term Liabilities

6,500.00

Total Liabilities

41,416.96

Handwritten: [Signature] 9/1/15

1:57 PM

09/01/15

Accrual Basis

Lone Star Groundwater Conservation District

Balance Sheet

As of August 31, 2015

	Aug 31, 15
Equity	
Invested in Capital Assets, net	877,535.47
Retained Earnings	2,160,266.25
Net Income	602,805.76 ✓
Total Equity	<u>3,640,607.48</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,682,024.44</u></u>

[Handwritten signature]
9-3-15

Lone Star Groundwater Conservation District
Statement of Revenues and Expenditures - Budget vs. Actual
August 2015

	Aug 15	Budget	Jan - Aug 15	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
Returned Check Charges	35.00		60.00		
Administrative Fee					
Application Fee		500.00	0.00	4,000.00	4,000.00
Transfer Permitted Authorizati		200.00	800.00	1,700.00	2,500.00
AWS Production Permit	150.00		250.00	500.00	500.00
AWS Groundwater Test Well	0.00	200.00	800.00	1,600.00	2,000.00
Early Conversion Credits	0.00		0.00	1,000.00	1,000.00
Emergency Permit	0.00	1,000.00	1,500.00	8,000.00	8,000.00
Existing Well Application	0.00	2,000.00	500.00	4,000.00	4,000.00
GRP Amendment Submission	1,100.00		8,750.00	16,000.00	20,000.00
Operating Permit	0.00		150.00		
Application Fee - Other		3,900.00	12,750.00	36,800.00	42,000.00
Total Application Fee	1,250.00				
Change of Ownership/Type	0.00	200.00	380.00	1,600.00	2,000.00
Publication Fees	245.00	400.00	1,880.00	3,400.00	5,000.00
Record Request	659.74		1,789.29	100.00	100.00
Well/Meter Re-Inspection Fees	0.00		125.00	250.00	250.00
Total Administrative Fee	2,154.74	4,500.00	16,934.29	42,150.00	49,350.00
Interest Income					
Lone Star GCD Fees	346.64	450.00	3,411.90	3,650.00	5,500.00
Agricultural Permits	0.00		795.48	800.00	800.00
Agricultural HUP	0.00		905.96	800.00	800.00
Agricultural OP					
Total Agricultural Permits	0.00		1,701.44	1,600.00	1,600.00
Export Fees	0.00		1,176.88	5,000.00	5,000.00
Historic Use Fee					
Historic Use Fee 2015	0.00		882,159.62	882,883.40	1,054,588.40
Total Historic Use Fee	0.00		882,159.62	882,883.40	1,054,588.40
Operating Permit Fees					
Operating Permit 2015	88.50		710,045.87	697,167.61	775,751.41
Operating Permit 2014	0.00	500.00	1,433.63	4,600.00	7,000.00
Operating Permit 2013	0.00		152.00		
Operating Permit 2012	0.00		132.00		
Operating Permit 2011	0.00		25.00		
Operating Permit Fees - Other					
Total Operating Permit Fees	88.50	500.00	711,920.50	701,767.61	782,751.41
AWS Production fees					
AWS Production Fees - 2015	0.00		121,681.80	180,000.00	220,000.00
Total AWS Production fees	0.00		121,681.80	180,000.00	220,000.00

**Lone Star Groundwater Conservation District
Statement of Revenues and Expenditures - Budget vs. Actual
August 2015**

9:24 AM
09/02/15

Accrual Basis

	Aug 15	Budget	Jan - Aug 15	YTD Budget	Annual Budget
Overpumpage of a Permit	0.00		16,712.30	12,000.00	12,000.00
Penalty/ Interest	0.00	3,750.00	15,129.50	11,250.00	15,000.00
Total Lone Star GCD Fees	88.50	4,250.00	1,750,482.04	1,794,501.01	2,090,939.81
Total Income	2,624.88	9,200.00	1,770,888.23	1,840,301.01	2,145,789.81
Gross Profit	2,624.88	9,200.00	1,770,888.23	1,840,301.01	2,145,789.81
Expense					
Educate/Public Aware Coordinate					
Payroll Expense					
Salary	0.00	5,250.00	36,810.57	42,000.00	63,000.00
Payroll Tax Liability	0.00	401.63	2,595.67	3,213.01	4,819.50
Retirement	0.00	315.00	1,736.13	2,520.00	3,780.00
Medical/Life	0.00	750.00	4,893.12	6,000.00	9,000.00
SUI	0.00		10.00	10.00	10.00
Workers Comp	15.44	12.50	103.29	100.00	150.00
Vehicle Allowance/Mileage	0.00	200.00	413.28	1,400.00	2,000.00
Total Payroll Expense	15.44	6,929.13	46,562.06	55,243.01	82,759.50
Community Aware/Public Relation					
Educational Curriculum Schools	0.00	4,166.00	422.84	33,336.00	50,000.00
Rainwater Collection Expansion	0.00	425.00	0.00	3,400.00	5,000.00
Website Modification	0.00	425.00	0.00	3,300.00	5,000.00
Media - Video Loops, etc	0.00	1,250.00	156.25	10,000.00	15,000.00
Save Water Texas	0.00	2,125.00	0.00	17,000.00	25,500.00
Educational (Book Covers)	0.00	762.61	0.00	6,100.82	9,151.26
National CineMedia	0.00	3,323.50	14,768.55	26,588.00	39,882.00
ET Weather Station Network	39.99	1,500.00	7,428.23	10,000.00	11,000.00
Communication/Public Awareness	1,445.98	1,750.00	7,526.02	13,000.00	20,000.00
Water Efficiency Network	0.00	400.00	875.00	3,400.00	5,000.00
Conservation Products	0.00	650.00	3,086.32	5,200.00	7,500.00
Total Community Aware/Public Relation	1,485.97	16,777.11	34,263.21	131,324.82	193,033.26
Supplies & Expenses					
Shipping/Freight	0.00	250.00	54.00	2,000.00	3,000.00
Printing	282.25	425.00	2,921.52	3,300.00	5,000.00
Telephone	107.10	165.00	1,378.74	1,340.00	2,000.00
Educational/Training	0.00	165.00	0.00	1,340.00	2,000.00
Signage	0.00	425.00	0.00	3,400.00	5,000.00
Office Supplies	86.33	200.00	619.92	1,700.00	2,500.00
Office Expenses - Shared	28.60		198.55		
Membership Dues/Subscriptions	0.00	83.33	750.00	666.68	1,000.00
Presentation Equipment	0.00	41.67	0.00	333.32	500.00
Mobile Lab Insurance	0.00	43.00	0.00	346.00	518.00
Mobile Lab & Bldg - Supply&Exp	0.00	333.33	379.87	2,666.68	4,000.00
Total Supplies & Expenses	484.28	2,131.33	6,302.60	17,092.68	25,518.00
Total Educate/Public Aware Coordinate	1,985.69	25,837.57	87,127.87	203,660.51	301,310.76

Lone Star Groundwater Conservation District Statement of Revenues and Expenditures - Budget vs. Actual August 2015

Accrual Basis

	Aug 15	Budget	Jan - Aug 15	YTD Budget	Annual Budget
Attorney Fees					
General Counsel Work	57,375.62	16,666.66	142,413.66	133,333.34	200,000.00
Legal Work - additional	2,062.50	333.33	10,801.85	2,666.68	4,000.00
Total Attorney Fees	59,438.12	16,999.99	153,215.51	136,000.02	204,000.00
Board Expense					
Equipment - Portable	0.00	208.33	0.00	1,666.68	2,500.00
Per Diem	3,000.00	4,000.00	38,700.00	32,000.00	48,000.00
Payroll Tax Liability - Board	0.00	308.00	2,534.36	2,468.00	3,700.00
Travel/Edu/Training/Other	318.96	1,250.00	3,235.15	10,000.00	15,000.00
Total Board Expense	3,318.96	5,766.33	44,469.51	46,134.68	69,200.00
Advertising/Public Notices					
Audit Fees	2,222.75	666.67	5,380.29	5,333.32	8,000.00
Building Expense	0.00	666.67	8,000.00	5,333.32	8,000.00
Repairs & Maintenance	134.93				
Building Maintenance	720.48	1,000.00	7,745.51	8,000.00	12,000.00
Utilities & Housekeeping	1,302.64	1,250.00	8,995.45	10,000.00	15,000.00
Telephone/Cable/Security	1,419.21	1,250.00	11,895.77	10,000.00	15,000.00
Total Building Expense	3,577.26	3,500.00	28,771.66	28,000.00	42,000.00
Computer Support					
Hosting/Internet/Backup	213.95	1,000.00	1,593.46	8,100.00	12,100.00
Repair & Support	995.00	1,200.00	10,076.47	9,600.00	14,000.00
Software	0.00	500.00	1,883.95	4,000.00	6,000.00
Supplies	0.00	170.00	273.09	1,360.00	2,000.00
Total Computer Support	1,208.95	2,870.00	13,826.97	23,060.00	34,100.00
Engineering					
District Engineer	0.00	7,083.33	36,073.64	56,666.68	85,000.00
Engineering Consult Svcs	1,470.75	2,500.00	33,818.56	20,000.00	30,000.00
GMA 14 Planning	0.00	833.33	0.00	6,666.68	10,000.00
RWS & FPG	0.00		6.69		
Well Permit Database Management	2,000.00	4,710.00	6,472.20	37,660.00	56,500.00
Total Engineering	3,470.75	15,126.66	76,371.09	120,993.36	181,500.00
Field/Technical Expense					
Field Supplies	74.30	125.00	1,805.86	1,000.00	1,500.00
Vehicle Fuel Expense	404.77	666.67	1,990.57	5,333.32	8,000.00
Vehicle Repair & Maintenance	60.93	333.33	2,519.96	2,666.68	4,000.00
Vehicle Exp - Personal Use	0.00		-1,910.19		
Vehicle (Capital Outlay)	0.00	3,333.33	0.00	26,666.68	40,000.00
Total Field/Technical Expense	540.00	4,458.33	4,406.20	35,666.68	53,500.00

Lone Star Groundwater Conservation District
Statement of Revenues and Expenditures - Budget vs. Actual
August 2015

9:24 AM
 09/02/15
 Accrual Basis

	Aug 15	Budget	Jan - Aug 15	YTD Budget	Annual Budget
Insurance					
Bonds	360.00	166.67	360.00	1,333.32	2,000.00
Building & Property Insurance	246.50	374.56	2,211.48	2,996.55	4,494.79
Errors and Omissions	252.33	250.00	1,203.14	2,000.00	3,000.00
Liability	102.58	125.00	787.68	1,000.00	1,500.00
Vehicle Insurance	179.75	333.33	1,072.48	2,666.68	4,000.00
Total Insurance	1,141.16	1,249.56	5,634.78	9,996.55	14,994.79
Manager					
Travel/Edu/Training	0.00	1,166.67	5,514.88	9,333.32	14,000.00
Vehicle Allowance	1,000.00	1,000.00	8,000.00	8,000.00	12,000.00
Total Manager	1,000.00	2,166.67	13,514.88	17,333.32	26,000.00
Memberships Dues /Subscriptions					
Miscellaneous	0.00	458.33	2,113.44	3,666.68	5,500.00
	0.00	250.00	1,214.07	2,000.00	3,000.00
Office Expenses					
Equipment Lease - Copier	307.77	333.33	2,359.54	2,666.68	4,000.00
Office Equipment	0.00	833.33	2,934.99	6,666.68	10,000.00
Office Supplies	505.51	500.00	2,961.47	4,000.00	6,000.00
Total Office Expenses	813.28	1,666.66	8,256.00	13,333.36	20,000.00
Payroll Expenses					
Salaries	42,126.04	43,333.00	298,872.83	346,668.00	520,000.00
Temporary	0.00	416.67	0.00	3,333.32	5,000.00
Payroll Tax Liability	3,431.64	3,333.00	23,947.89	26,668.00	40,000.00
Retirement	-284.71	2,333.00	9,761.01	18,668.00	28,000.00
Medical/Life Insurance	4,390.70	5,400.00	48,917.10	43,400.00	65,000.00
SUI	0.00	186.08	101.79	1,488.68	2,233.00
Workman's Comp	178.14	210.00	1,485.32	1,660.00	2,500.00
Tuition Assistance	0.00	210.00	0.00	1,660.00	2,500.00
Payroll Service Fees	565.00	584.00	4,470.91	4,664.00	7,000.00
Total Payroll Expenses	50,406.81	56,005.75	387,556.85	448,210.00	672,233.00
Post Construction Modifications					
Detention Pond Improvements	0.00	4,200.00	0.00	33,200.00	50,000.00
Total Post Construction Modifications	0.00	4,200.00	0.00	33,200.00	50,000.00
Postage Expense					
Postage Meter & Supplies	0.00	100.00	450.24	800.00	1,200.00
Postage/Shipping/Delivery Ser	0.00	541.67	1,699.59	4,333.32	6,500.00
Total Postage Expense	0.00	641.67	2,149.83	5,133.32	7,700.00
Printing Programs					
Mulligan & Associates	0.00	833.00	2,619.35	6,668.00	10,000.00
LBG - Guyton & Associates	13,679.48	1,250.00	6,344.25	10,000.00	15,000.00
Strategic Planning - Other	1,980.00	9,333.00	95,445.10	74,668.00	112,000.00
Total Strategic Planning	15,659.48	10,563.00	107,399.35	84,668.00	127,000.00

Lone Star Groundwater Conservation District
 Statement of Revenues and Expenditures - Budget vs. Actual
 August 2015

9:24 AM
 09/02/15
 Accrual Basis

	Aug 15	Budget	Jan - Aug 15	YTD Budget	Annual Budget
Hydrogeological Modeling/Protec	50.00	208.33	406.40	1,666.68	2,500.00
Well Spacing - Intera	0.00	416.67	0.00	3,333.32	5,000.00
USGS Joint Funding Agreement					
USGS - Tech Assistance/Projects	0.00	1,666.67	10,000.00	13,333.32	20,000.00
USGS - Groundwater Level Data	0.00	5,083.33	56,250.00	40,666.68	61,000.00
USGS - Water Level chg/subside	0.00	6,500.00	19,500.00	52,000.00	78,000.00
USGS - Water Quality Recont/Cat	0.00	6,656.25	39,937.36	53,250.00	79,875.00
Total USGS Joint Funding Agreement	0.00	19,906.25	125,687.36	159,250.00	238,875.00
Total Programs	15,709.48	31,114.25	233,493.11	248,918.00	373,375.00
Rebate Water Use Fees	0.00	2,500.00	77,526.25	20,000.00	30,000.00
Repairs					
Building Maintenance	199.00		199.00		
Total Repairs	199.00		199.00		
Travel/Training Staff	0.00	1,000.00	4,254.81	8,000.00	12,000.00
Total Expense	145,074.39	177,978.11	1,160,101.47	1,420,641.12	2,126,413.55
Net Ordinary Income	-142,449.51	-168,778.11	610,786.76	419,659.89	19,376.26
Other Income/Expense					
Other Expense	0.00		7,981.00		
Building & Improvements	0.00		7,981.00		
Total Other Expense	0.00		-7,981.00		
Net Other Income	-142,449.51	-168,778.11	602,805.76	419,659.89	19,376.26
Net Income					

(Handwritten signature)
 9-3-15

Explanation of variances

31-Aug-15

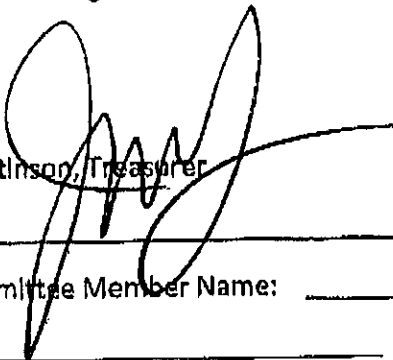
- 1** Position vacant. Marlisa Briggs resigned 7/31/15.
- 2** Copies of Sledge invoices furnished.
- 3** Additional legal due to Public Information requests.
- 4** No accruing audit fee.
- 5** Computer repair and support less than anticipated.
- 6** Mark's August bill was not rec'd until September and was not accrued.
- 7** Well permit database management less than anticipated.
- 8** \$26,667 budgeted for new vehicle. Has been ordered, but not received.
- 9** Receptionist position filled 9/1/15.
- 10** Detention pond modifications not yet started.
- 11** Quarterly billings mailed in September.
- 12** Consultant invoices paid as rec'd. Copies included in BOD packet.
- 13** Rebate water use fees-refund of 2014 unused allocation.

Lone Star Groundwater Conservation District

Budget and Finance Committee

Confirmation of Cash Disbursements and Expenditures Review

The Budget and Finance Committee members and Board members that have signed below, acknowledge that they have reviewed the Cash Disbursements, Expenditures, Source Documents and Check Register for the period range of August 1, 2015 through August 31, 2015.


Jim Stinson, Treasurer

Date
9/2/2015

Committee Member Name: _____

Signature _____ Date _____

Committee Member Name: _____

Signature _____ Date _____

Board Member Name: _____

Signature _____ Date _____

Board Member Name: _____

Signature _____ Date _____

Board Member Name: _____

Signature _____ Date _____

Conroe to take legal action against Lone Star Groundwater Conservation District

Staff Report | Posted: Thursday, August 27, 2015 8:19 pm

The City of Conroe will soon take legal action against the Lone Star Groundwater Conservation District.

In a special-called meeting Thursday, Council members voted to pursue legal action, although details on what exactly the city will sue for and under are scarce.

In the past, the city has disputed several studies that led to caps on the amount of usable groundwater, which goes into effect on Jan. 1, 2016.

Councilman Duke Coon was the lone “no” vote on the matter.

City officials will likely sue before Sept. 1, according to Mayor Pro Tem Guy Martin, who has called the whole situation “unfortunate.”

Martin, who did not want to speak about the details of the legal action, said the situation did have to do with the water use cap. The city approved having Houston-based Locke Lord LLP lead the legal action on the city’s behalf.

WATERWORKS

WATERWORKS

Compiled by Jesse Mendoza | Design by Jennifer Brahm

SURFACE WATER

Lake Conroe was built by the SJRA and the city of Houston as a surface water reservoir in 1973. The city of Houston owns two-thirds of water rights in the reservoir while the SJRA owns the remainder.

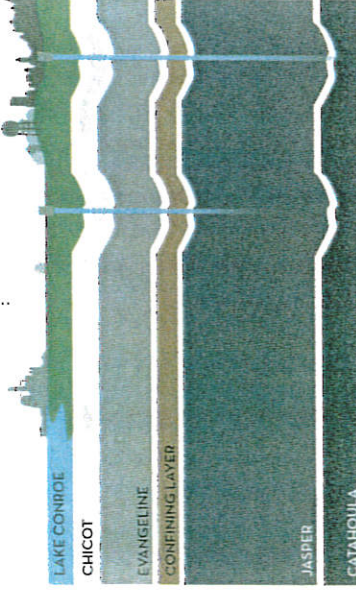
GROUNDWATER

The Gulf Coast Aquifer System includes three aquifers—the Chicot, Evangeline and Jasper. In Montgomery County the Catahoula Aquifer is considered an alternate water source and can be used to comply with LSGCD mandates.



Courtesy San Jacinto River Authority

The SJRA surface water treatment plant will distribute Lake Conroe surface water as early as September.



COUNTY WORKS TO ADOPT ALTERNATIVE WATER RESOURCES

Groundwater has historically been the only source of fresh water in Montgomery County. Alternative water systems are now being implemented to comply with Lone Star Groundwater Conservation District regulations requiring the county use 30 percent less groundwater by Jan. 1.

WHAT IS THE LONE STAR GROUNDWATER CONSERVATION DISTRICT?

The LSGCD is a conservation district created by the Texas Legislature in 2001 to preserve, conserve and protect Montgomery County groundwater supplies. It is one of nearly 100 groundwater districts throughout the state.

WHAT IS THE SAN JACINTO RIVER AUTHORITY?

The SJRA is a government agency created by the Texas Legislature in 1937 to develop, conserve and protect San Jacinto River basin water resources. The SJRA also administers the largest groundwater reduction plan in the county, which consists of 147 participants.

WHAT IS THE GROUNDWATER REDUCTION USE MANDATE?

The LSGCD has mandated that by January 2016 all large groundwater users reduce annual groundwater use to no more than 70 percent of demand, or 10 million gallons, whichever is greater.

CITY OF MONTGOMERY JOINT GRP

Montgomery partnered with Montgomery County Municipal Utility Districts Nos. 3 and 4 to form a GRP. The entities built a Catahoula water well to comply with the 2016 mandate.

TOTAL COST
\$3 MILLION
(approximate)

RESIDENT DISTRIBUTION

Montgomery residents pay for operation costs through a GRP fee line item in their regular water bill.

GRP fee in 2015
\$1.50 PER 1K GALLONS

TOTAL COST
\$479 MILLION
(approximate)

RESIDENT DISTRIBUTION

Participating residents pay for the project through a GRP fee line item in their regular water bill.

GRP fee in 2015
\$2.44 PER 1K GALLONS
(surface water users)

TOTAL COST
\$1.3 MILLION
(water well)

RESIDENT DISTRIBUTION

Participating residents pay for the project through a GRP fee line item in their regular water bill.

GRP fee in 2015
\$0.60 PER FIRST 1K GALLONS

WHAT IS A JOINT GRP?

In order to meet LSGCD mandates, large groundwater volume users can find ways to reduce groundwater individually or work with other entities as a joint groundwater reduction plan. There are 33 joint GRPs in Montgomery County.

Sources: City of Conroe, City of Shenandoah, Lone Star Groundwater Conservation District, San Jacinto River Authority/Community Impact Newspaper

THE SJRA DISTRIBUTES 100% OF SURFACE WATER IN MONTGOMERY COUNTY

CONROE WILL BE READY TO DRAW SURFACE WATER BY DECEMBER

CONROE WILL DRAW UP TO 50% SURFACE WATER

THE WOODLANDS WILL DRAW UP TO 80% SURFACE WATER

OAK RIDGE NORTH WILL DRAW UP TO 75% SURFACE WATER

SJRA GROUNDWATER REDUCTION PLAN

CONROE WILL DRAW UP TO 50% SURFACE WATER

THE WOODLANDS WILL DRAW UP TO 80% SURFACE WATER

OAK RIDGE NORTH WILL DRAW UP TO 75% SURFACE WATER

THE SJRA OPERATES 38 GROUNDWATER WELLS IN THE WOODLANDS

THE WOODLANDS WILL BE READY TO DRAW SURFACE WATER BY SEPTEMBER

CITY OF MONTGOMERY DOES NOT RECEIVE LAKE CONROE SURFACE WATER

THE JASPER AQUIFER SUPPLIES 20% OF WATER USED

PANORAMA VILLAGE USES 90% CATAHOULA AQUIFER WATER

SHENANDOAH & PANORAMA VILLAGE 100% GROUNDWATER IS OFFSET BY PANORAMA VILLAGE

ALTERNATIVE PLANS

Along with surface water from Lake Conroe, entities are exploring alternatives to groundwater such as reclaimed water use, conservation projects and use of Catahoula Aquifer water resources. The Catahoula Aquifer is located underneath the Gulf Coast Aquifer formation and is not regulated, which makes it a viable alternative to Gulf Coast Aquifer resources. However, Catahoula water use is limited because it tends to be

THE SJRA OPERATES 38 GROUNDWATER WELLS IN THE WOODLANDS

THE WOODLANDS WILL BE READY TO DRAW SURFACE WATER BY SEPTEMBER

CONROE WILL DRAW UP TO 50% SURFACE WATER

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SHENANDOAH & PANORAMA VILLAGE 100% GROUNDWATER IS OFFSET BY PANORAMA VILLAGE

Groundwater district: Conroe's pending litigation 'politically motivated'

By Stephen Green | Posted: Friday, August 28, 2015 6:35 pm

The Lone Star Groundwater Conservation District is firing back at Conroe City Council members who recently voted to pursue legal action against the district.

Kathy Jones, general manager of the LSGCD, said the group is ready to defend any allegations levied by the city.

"The LSGCD is prepared to vigorously defend our record of conserving, protecting and enhancing the groundwater resources in Montgomery County," she said. "This litigation threat led by the city of Conroe raises troubling questions. First among our questions is the city's costly use of taxpayer resources to pursue questionable, politically motivated litigation.

"We look forward to refuting the allegations and resuming our focus on ensuring a sustainable, cost-effective water supply is available for current and future needs."

The Conroe City Council overwhelmingly voted to pursue legal action at Thursday night's special-called meeting with Councilman Duke Coon as the lone "no" vote.

Coon said he voted against pursuing the lawsuit because not enough information was presented at Thursday's meeting.

On Friday, City Attorney Marcus Winberry declined to comment on the issue or provide details on what the city is specifically alleging.

Mayor Pro Tem Guy Martin didn't want to go into details Wednesday but said the city's issue deals with the LSGCD data backing up water restrictions being based on what he considered old groundwater hydrology science.

"Their conclusions are from 2003 data and deeply flawed," Martin said Wednesday. "No one else is using 12-year-old science, hydrology. We know a lot more than we did in 2003 and it's just a flawed model to put a hard cap on our groundwater."

In 2009, LSGCD required all large-volume water users in Montgomery County to reduce groundwater usage by 30 percent of 2009 figures starting Jan. 1, 2016, as part of a long-term. In response to that, the San Jacinto River Authority created the Groundwater Reduction Plan and gathered a group of large-water users. The SJRA created a plan to run pipelines to South Montgomery County, including The Woodlands, and Conroe to pump surface water from Lake Conroe to provide a blend of groundwater and surface water.

All members of the GRP, and subsequently their water users, would pay fees to fund the initial

project cost of around \$500 million. Those not receiving blended water from Lake Conroe with groundwater would be able to continue to use 100 percent groundwater without the 30 percent decrease, as that would be absorbed by those receiving water through the pipeline.

The city added a provision in its original GRP contract that would allow Conroe to pursue any legal challenges in a district court, rather than the complaint process through the Texas Commission on Environmental Quality.

Martin said the council had a meeting to begin the process before Sept. 1.