

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 10, 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 November 10, 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 Directors Baker, McCoy, Stinson, and Weisinger thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Paul Nelson, Assistant General Manager, Shauna Fitzsimmons, General Counsel; District staff; and members of the public. *Copies of the public sign-in sheets are attached hereto as Exhibit "A".*

After a proper and legally sufficient announcement to the public by Director Tramm, the Board of Directors went into a Closed Executive Session at 9:03 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.

Following Executive Session, the Board reconvened in Open Session and President Tramm declared it open to the public at 9:51 a.m.

No action was taken on matters discussed in Executive Session and President Tramm adjourned the meeting at 9:51 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>th</sup> DAY OF DECEMBER, 2015.**

  
\_\_\_\_\_  
Rick Moffatt, Board Secretary



# SIGN IN SHEET

November 10, 2015  
Board Meeting

Do you wish to speak on an agenda item?	NAME	CITY, STATE, ZIP	E-Mail
NO	PHILIP TOPER	Houston TX 77042	ttoper@opaienv.com
NO	MATT CORSEY	Conroe, TX	mcorsey@sya.net
NO	Rex Camber	MONTGOMERY	
	Melisa Montague	Houston 77046	mmontague@coatsrose.com
	John Siskout	Houston 77079	
	Lina Miller (Carl Ball)	Magnolia TX	lina.mill@house.state.tx.us
NO	Kenny Eckelberg	Shenandoah, TX	KEECKEBERG@STENSHANDOAH.TX.US
	Dawn Spencer / Sh. Nicklas' office		
NO	Sandra Walker	Conroe TX 77301	

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 10, 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 November 10, 2015.

### CALL TO ORDER:

President Tramm called to order the Public Hearing on Permit Applications at 10:13 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, with the exception of Director Baker, McCoy, Stinson, and Weisinger, 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; Shauna Fitzsimmons, 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".*

Item #1, **Right to Keep and Bear Arms, LLC (Saddle River Range, LLC)** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 1,600,000 gallons for 2016 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to authorize a reduced

recommendation of 60,000 gallons for 2016 and no additional allocation for 2017 and beyond. It was noted that the 2017 permitted allocation will revert back to 500,000 gallons, as approved in May 2015.

Item #2, **Time Mart #16 / 242 Business Inc.** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 350,000 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 #3, **Scott & Judy Robinson (Pine Knob Est.)** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 759,000 gallons for 2015 and 2,300,000 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 #4, **Tam Nguyen Retreat Center** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,500,000 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 #5, **Nerro Supply, LLC (Allendale)** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,225,249 gallons for 2015 only. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #6, **Howard Tenney III (Tenney & Company, Inc.)** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 40,000 gallons for 2015 only. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is being requested.

Item #7, **T & W Water Services (Rio Vista)** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,500,000 gallons for 2015 and 4,990,000 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 #8, **Montgomery County MUD #8 (AWS Production Well)** - Applicant is requesting an amendment to an Alternative Water Source permit for an increase in production authorization in the amount of 75,000,000 gallons for 2015 only. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is being requested. It was noted that a minor amendment to the Joint GRP has been submitted by the Joint GRP Sponsor and the application is consistent with amended Joint GRP.

Item #9, **Keenan Water Supply Corp.** - 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 #10, **A&A Stone** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 100,000 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 #11, **Aqua Texas, Inc. (Greenfield Forest)** - 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 #12, **William Vasser III E-Trust / Anthony P. Vasser E-Trust** - Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 1,000,000 gallons for 2015 and 4,000,000 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 #13, **Montgomery County MUD #119** - Applicant is requesting an amendment to an Operating Permit for the registration of a new well and increase in production authorization in the amount of 25,000,000 gallons for 2015 only. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is being requested.

Samantha Reiter, Permitting Director, stated for the record that items # 6, #8, and #13 were amendments to 2015 allocations only.

A motion was made by Director Moffatt, seconded by Director Bleyl to approve item #1, Right to Keep and Bear Arms, LLC (Saddle River Range, LLC), in accordance with the General Manager's recommendations. President Tramm voted but noted for the record that he submitted a conflict of interest form per the Texas Local Government Code Chapter 171. The motion passed.

A motion was made by Director Wood, and seconded by Director Moffatt to approve items #2-13 in accordance with the General Manager's recommendations. The motion passed unanimously.

President Tramm adjourned the public hearing on permit applications at 10:17 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>TH</sup> DAY OF DECEMBER, 2015.**

  
\_\_\_\_\_  
Rick Moffatt, Board Secretary



# SIGN IN SHEET

November 10, 2015  
Board Meeting

Do you wish to speak on an agenda item?	NAME	CITY, STATE, ZIP	E-Mail
NO	PHILIP TOPER	Houston TX 77042	ttoper@apainet.com
NO	MATT CORZEY	Conroe, TX	mcorzey@sya.net
NO	Rex Camber	MONTAGUE	mcmontague@coatsrose.com
	Melisa Montague	Houston 77046	
	John Siskent	Houston 77079	
	Lisa Miller (Carl Ball)	Magnolia TX	lisa.mill@house.state.tx.us
NO	Kenneth Kelberg	Shenandoah, TX	KELBERG@STKSWATERDISTX.COM
	Dawn Spencer	Dawn Spencer, N. Nicholas, office	
NO	Sandra Walker	Conroe TX 77301	

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 10, 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 November 10, 2015.

### CALL TO ORDER:

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

### ROLL CALL:

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, McCoy, Stinson, and Weisinger, 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; Shauna Fitzsimmons, General Counsel; Mark Lowry, P.E., District Engineer; 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. Upon review of the following, a motion was made by Director Bleyl, seconded by Director Houston, and unanimously carried, to approve the meeting minutes listed below. Copies of the minutes are attached hereto as Exhibit "B"

- a) September 8, 2015, Regular Board Meeting
- b) October 12, 2015, LSGCD Board Work Session
- c) October 13, 2015, Special Board Meeting
- d) October 13, 2015, Public Hearing on Amendments to 2009 Permits
- e) October 13, 2015, Public Hearing on Permit Applications
- f) October 13, 2015, Regular Board of Directors Meeting

## COMMITTEE REPORTS:

### A. Executive Committee – Richard J. Tramm, President

- 1) Brief the Board on the Committee's activities since the last regular Board meeting – Since last month, there was a held regarding the Strategic Planning Study.
- 2) 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) - President Tramm stated that advice was received from counsel during the Executive Committee session.
- 3) Discuss, consider, and take action as necessary regarding path forward regarding the Strategic Planning Study – President Tramm stated that there was a meeting on the Strategic Planning Study and a recommendation will be presented to the Board at the December's board meeting.

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

- 1) Brief the Board on the Committee's activities since the last regular Board meeting – Director Wood stated that there was nothing new to report.
- 2) Update on water efficiency, conservation efforts and public outreach – Paul R. Nelson – Mr. Nelson stated that several events took place since the last board meeting. October 20<sup>th</sup> a presentation was given to the East 1488 Community Association with approximately 7 or 8 HOA presidents in attendance; October 22<sup>nd</sup> the Gulf Coast Efficiency Network Meeting was held at the Woodlands Township at which Andres Salazar presented on development of Springwoods Village; November 4<sup>th</sup>, a presentation to the Principal Management Group in the Woodlands. The next meeting of the Water Network Efficiency is scheduled for November 19<sup>th</sup>, at 1:30 p.m. at the District's office with Katie

Anderson from Save Water Co speaking. Mr. Nelson added that the Gulf Coast Water Conservation Symposium is scheduled for March 9, 2016.

- 3) Update on redevelopment of onsite detention project – Paul R. Nelson – There is nothing new to report.

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

- 1) Brief the Board on the Committee's activities since the last regular Board meeting – President Tramm commented that the Committee has met a couple of times over the last few months. The committee would like to recommend proposed amendments to the District Rules and District Regulatory Plan and would like to get board approval to publish notice of the proposed amendments for a hearing to be held in conjunction with the December board meeting.

- The proposed amendments detailed below:

- o Amendment to District Rules to create the availability of a Temporary Permit for water wells used to supply construction projects or to supply water for drilling of a well that is permitted by the District. Temporary Permits provisions: issued by the General Manager without the need to wait for newspaper notice and a public hearing; limited to a maximum term of one year; limited to a maximum production authorization of 5 million gallons; supply well must be plugged at the end of the permit term, unless it was transferred to the landowner and obtained the proper permits in compliance with the District Rules and District Regulatory Plan (“DRP”) prior to the end of the Temporary Permit Term; and Temporary Permit holder would provide a bond in the name of the District to cover the cost of plugging the well if the Temporary Permit holder failed to plug the well.
  - o Amendment to the DRP to remove any prohibition on the production of groundwater from the Gulf Coast Aquifer in adjacent counties as an alternative water source.
  - o Amendment to the DRP to include the petition process to allow a landowner to petition the District for additional production authorization over and above that allowed under the DRP if the petitioner could demonstrate to the satisfaction of the District Board that the increased production would enable them to produce their fair share of groundwater while nonetheless achieving the relevant DFCs on their property.
- Tramm added that a meeting of the Rules and Bylaws Committee and Stakeholders Advisory Committee is scheduled for 1:30 PM this afternoon to get stakeholder feedback on the proposed amendments.

Director Wood made a motion to approve authorization of publication of proposed amendments to the District Rules and the DRP and a public hearing to be held at 10:00 AM, December 8, 2015 to consider the same. Director Bleyl seconded the motion, and all those present were in favor.

**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 – In Director Baker absence, Director Houston presented the committees report. Houston noted a meeting of the committee was held on October 22<sup>nd</sup> to finalize review of the general manager. A draft report is under review and anticipated to be finalized prior to the December 8<sup>th</sup> board meeting.

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

- 1) Brief the Board on the Committee's activities – President Tramm stated that there nothing new to report.
- 2) 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 stated at the joint planning meeting held October 28, 2015, the representatives of the member Districts for GMA 14 approved the DFCs for purposes of preparing the explanatory report. No additional comments or revisions will be made to the DFCs, and once the explanatory report is complete, the GMA will take action to accept the explanatory report and formally approve the DFCs.

**F. Budget and Finance Development Committee – Jim Stinson, Chair**

- 1) Brief the Board on the Committee's Activities – Mr. Stinson was not present. President Tramm commented that there is nothing new to report.
- 2) Review of Monthly Financial Reports – Mr. Stinson was not present. President Tramm states that the information was in the board packet.

**G. Professional Services Review Committee – Rick Moffatt, Chair**

- 1) Brief the Board on the Committee's activities - Director Moffatt stated that there was nothing new to report at this time though he anticipated scheduling a meeting in the near future.

**CONSIDERATION AND POSSIBLE ACTION REGARDING APPLICATION FOR EARLY CONVERSION CREDITS PURSUANT TO THE EARLY CONVERSION INCENTIVE AS DESCRIBED IN ADDENDUM D OF THE LSGCD RULES – PRODUCTION OF ALTERNATIVE WATER SOURCE (AWS) FROM THE CATAHOULA RESTRICTED AQUIFER PROJECT, CORINTHIAN POINT MUD –  
Kathy Turner Jones**

Ms. Jones said the Corinthian Point MUD submitted an application for early conversion credits for an alternative water source well drilled into the Catahoula formation. It is her recommendation to approve the application. The approval does not award any specific amount number of gallons; it does not constitute any final determination. The award of credits will come after the advocate provides accurate proper records and documentation to the district. Jones added that the motion, if approved, indicates the District agrees that what the Corinthian MUD plans on doing to earn the credits meets the guidelines set forth in the rules.

The well drilled by the Corinthian MUD was completed in November 2014, the entity will have to submit meter readings on their alternative use and then show that they were able to offset some of the groundwater through the Gulf Coast well. Director Bleyl commented that he could not vote on the agenda item and recommended that it be deferred to the December board meeting.

**ENGINEERING REPORT:**

Mark Lowry, District Consultant, reported that it has been mostly a standard month, with the exception of a few extra visits. A copy of his report is included in the Board's packet.

**GENERAL MANAGER'S REPORT:**

Ms. Jones stated that she had nothing else to report or add at this time.

**GENERAL COUNSEL'S REPORT:**

Shauna Fitzsimons reported legal counsel has been busy working on litigation with the City of Conroe and the other utility plaintiffs, proposed rule amendments, as well as District staff on a number of DRP implementation needs. In addition, Ms. Fitzsimmons commented that the Joe Straus, speaker of the Texas House of Representatives, issued interim on November 4<sup>th</sup>. Included are charges that relate to groundwater and possible of interest to the District. One area of interest is a study of issues related to the access public information held outside the custody or control of a governmental entity. The assessment will include the evaluation of public information requests that are redundant in an effort to protect small government entities from financial burden. Additionally charges to the Natural Resources Committee are related to groundwater. They include the examination of the regional and state water planning process; the evaluation of the status water markets in Texas; the evaluation of status of legislation to encourage joint groundwater planning, including House Bill 200; and finally looking to determine if sufficient safety standards exist to protect groundwater contamination from the disposal injection wells.

**PUBLIC COMMENT:**

There was no public comment.

**NEW BUSINESS:**

There is no new business to report.

There being no further business, Director Moffatt made a motion to adjourn the meeting; Director Bleyl seconded the motion, therefore the meeting was adjourned at 10:41 a.m.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>th</sup> DAY OF DECEMBER, 2015.**

  
\_\_\_\_\_  
Rick Moffatt, Board Secretary



# SIGN IN SHEET

November 10, 2015  
Board Meeting

Do you wish to speak on an agenda item?	NAME	CITY, STATE, ZIP	E-Mail
NO	PHILIP TOPPER	HOUSTON TX 77042	ptopper@papi.env.com
NO	MATT CORSEY	CONROE, TX	mcorsey@sira.net
NO	PAX CAMBERN	MONTAGUE	mmontague@coatsrose.com
	Melisa Montague	Houston 77046	
	John Siebert	Houston 77079	
	Mira Miller (Cell Ball)	Magnolia TX	Mira.Miller@house.state.tx.us
NO	Kenny Siebelberg	Sherwood, TX	KSIEBELBERG@SITEWWW.DAHTX.G
NO	Levine Stenoch/Don. Nicholas	offic	
	Sandra Walker	Conroe TX 77301	

# LONE STAR GROUNDWATER CONSERVATION DISTRICT

November 23, 2015

## MINUTES OF BOARD WORKSHOP

The Lone Star Groundwater Conservation District ("District") held a "Board Workshop" open to the public, at 655 Conroe Park North Drive, Conroe, Texas, within the boundaries of the District, at 1:30 PM on November 23, 2015.

President Tramm called to order the Board Workshop at 1:37 p.m.

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 Directors Baker, Bleyl, McCoy, and Weisinger, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Kathy Turner Jones, District General Manager; Mark Lowry, District Consultant; District staff; and Brian L. Sledge, General Counsel joined by telephone.

President Tramm stated the Board Workshop is a summary presentation of proposed amendments and/or revisions to District Rules related to the adoption of Phase II (B) of the District Regulatory Plan. President Tramm then turned the meeting over to Brian Sledge, District General Counsel.

Mr. Sledge first referenced the District Rules, page 40, Rule 3.17. This proposed rule amendment referred to the addition of a Temporary Permit for construction projects and drilling supply. The rule would allow the District to grant a Temporary Permit to drill and operate a water well for the purpose of either supplying water to a construction project or supplying water for the drilling process of a permanent well. The permit application would be one which the General Manager may rule on as she deems practical and necessary based on the circumstances, without further action by the Board. A Temporary Permit shall not exceed one year from the date of approval by the General Manager; is limited to a maximum production authorization of 5 million gallons; and is required to pay a flat fee of \$500 (to cover the water use fees and application fees). Additionally, the applicant will be required to put up a performance bond of

\$50,000 payable to the District to insure closure of the well, which must be plugged no later than one year from the date of issuance of the Temporary Permit.

Director Houston questioned what would happen if a project exceeded the one year temporary permit term. Mr. Sledge stated that a regular Operating Permit may be applied for should the need arise. Ms. Jones informed the Board that the Temporary Permit is designed for the smaller projects (i.e.: drilling or construction supply wells) with strictly a temporary need. Director Moffatt asked if the temporary permit would be available only in cases where there is not an available water source, and how would the decision be made as to when a Temporary Permit is applicable. Mr. Sledge stated there were no location restrictions, aside from the fact the permittee must have authority to drill the well. He added that this type of a permit would not warrant a Certificate of Convenience & Necessity ("CCN") issue because the Temporary Permit would not be allowed for a well that can provide potable water supply because this type of permit would be strictly for a temporary construction supply well. Director Tramm commented that the application should question whether there are other sources of water available, as is typical on other District applications. He added that he feels confident given the specific requirements for this permit that the District's permitting department can handle ensuring the requirements are met and the permittee is applicable.

Mr. Sledge also noted minor conforming changes to Rule 3.1 - General Provisions Applicable to Permits and Registrations. The changes included clarification of the deadline dates for the "Notice and Application for Renewal" section. Specifically, "at least 90 days prior to the date of..." was changed to "October 1<sup>st</sup>" and "November 1<sup>st</sup>" was inserted in lieu of "...no later than 60 days prior to the date of...". Mr. Sledge stated that these were hold over changes from the last Rulemaking Hearing.

Next, Mr. Sledge discussed the changes to the District Regulatory Plan ("DRP"), beginning on page 19.

The first proposed amendment is the reinstatement of the Petition for Additional Production Authorization process (or the "petition process"), which was one of two options previously presented at multiple hearings held over the course of the last year. Mr. Sledge explained that the proposed rule on the petition process would allow an LVGU who successfully achieves their Initial Conversion Obligation ("ICO") or a new LVGU, to petition the District for a variance that would authorize the LVGU to produce groundwater in an amount greater than the amount otherwise authorized to produce pursuant to the requirements of this DRP Phase II(B), as long as the LVGU or new LVGU can demonstrate, to the satisfaction of the Board, that the request for increased production will enable the LVGU or new LVGU to produce its fair share of the groundwater beneath its land while still achieving the relevant adopted Desired Future Conditions ("DFCs") for the aquifer or subdivision of the aquifer. Mr. Sledge explained that this process is for those land owners with large tracts of land. He further stated that there will be a number of conditions, including the size of land, proof of fair share amount, evidence that additional allocation would not be detrimental to the aquifer, etc...which will be reviewed by the Board prior to the variance being granted or denied.

Director Houston expressed concern with the verbiage used in the revision related to the factors for "fair share". Mr. Sledge stated that he would review the relevant case law and come back with a recommendation.



Additionally, it was discussed that language be added which referenced that the District will review the entire Groundwater Availability Model (“GAM”) run when deciding whether or not to grant a variance. Mr. Lowry, District Consultant agreed that this was important because groundwater levels can rise temporarily and the water may not be available long term. He reminded the Board that the GAM goes until 2070 and this would ensure that DFCs will not be effected long-term. Mr. Sledge stated that he would visit with District Consultant, Bill Mullican, to ensure the language reflected the Board’s concerns.

The second proposed amendment to the DRP is regarding the “Alternative Water Source” definition. Mr. Sledge explained that this amendment would remove language which currently prohibits groundwater produced from the Gulf Coast Aquifer in an adjoining county from being brought into Montgomery County as an alternative water source. Ms. Jones clarified that the District has always allowed permittees to produce groundwater in another county for use in Montgomery County but that outside water could not be considered an alternative water source and this rule amendment would now allow for that.

There being no further discussion, Director Wood motioned to present the proposed amendments and/or revisions to the District Rules related to the adoption of Phase II(B) of the District Regulatory Plan to the Board at the December monthly meeting. Director Houston seconded the motion and the motion passed unanimously.

Director Tramm stated the Workshop was concluded. There being no further business, the Board Workshop was adjourned at 2:41 p.m.

**PASSED, APPROVED, AND ADOPTED THIS 8<sup>th</sup> DAY OF DECEMBER, 2015**

  
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Rick Moffatt, Board Secretary