

LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 6, 2023

MINUTES OF PUBLIC HEARING ON PERMIT APPLICATIONS

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public and held in person in the Lone Star GCD – James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on March 6, 2023.

CALL TO ORDER:

President Spigener called to order the Public Hearing on Permit Applications at 6:04 PM announcing the meeting open to the public.

ROLL CALL:

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

Jon Paul Bouché - Absent
Jonathan Prykryl
Janice Thigpen
Stuart Traylor
Jim Spigener
Kenneth Earnest - Absent

Four members of the Board were present, thus constituting a quorum of the Board of Directors. Also, in attendance at said meeting were Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit “A” to the Regular Board of Directors Meeting minutes.*

PUBLIC COMMENTS:

No comments were received.

First, let me note that Item 2 (East Montgomery County MUD 12) has been pulled from consideration due to a change in the application. Of the remaining 9 permits for consideration, 2 are applications for new wells, 2 are HUP’s requesting changes. This requires a new operating

permit to be tied to the historical use permit. 5 included requests for an increase in allocation. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested

1. Ninfa Villanueva

Applicant is requesting registration of a new Evangeline Aquifer well and production authorization in the amount of 2,600,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

~~**2. East Montgomery County MUD-12**~~

~~Applicant is requesting an amendment to an Operating Permit OP-19060701-CHEV for an increase in production authorization in the amount of 70,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.~~

3. Bill Ellison

Applicant is requesting registration of a new Jasper Aquifer well and production authorization in the amount of 47,910,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

4. HMW Special Utility District (Armadillo Woods/Magnolia Oaks)

Applicant is requesting registration of a new Chicot/Evangeline Aquifer operating permit in aggregation with existing HUP085-CHEV and production authorization in the amount of 18,290,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

5. Crystal Springs Water (Waukegan Way)

Applicant is requesting an amendment to an Operating Permit OP-18081501-CHEV for an increase in production authorization in the amount of 10,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

6. CSWR-Texas Utility Operating Company, LLC (Goode City)

Applicant is requesting an amendment to an Operating Permit OP-04082001-CHEV for an increase in production authorization in the amount of 1,300,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

7. CSWR-Texas Utility Operating Company, LLC (Deerwood)

Applicant is requesting an amendment to an Operating Permit OP-09022601-CHEV for an increase in production authorization in the amount of 1,900,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

8. Montgomery County MUD #137

Applicant is requesting an amendment to an Operating Permit OP-14061701-CHEV for an increase in production authorization in the amount of 70,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

9. Montgomery County MUD #96

Applicant is requesting an amendment to an Operating Permit OP-13102401-CHEV for an increase in production authorization in the amount of 20,000,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

10. Settlers Crossing Water System

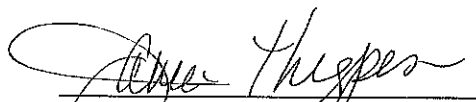
Applicant is requesting registration of a new Chicot/Evangeline Aquifer operating permit in aggregation with existing HUP196-CHEV and production authorization in the amount of 845,000 gallons for 2023 and annually thereafter. Based on a technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

Vice President Traylor motioned to approve item #1 and #3-10, as recommended by the General Manager. Treasurer Prykryl seconded. Motion passed.

ADJOURN:

There being no further business, President Spigener motioned to adjourn the public hearing on permit applications. The meeting was adjourned at 6:07 pm.

PASSED, APPROVED, AND ADOPTED THIS 11th DAY OF April 2023.



Janice Thigpen, Board Secretary



SIGN IN SHEET

March 06, 2023

Do you wish to speak on an agenda item?	NAME	CITY, STATE, ZIP	E-Mail	Would you like to receive LSGCD updates & information?
No	Kim Wright	Conroe	Kim@smcmud.com	Yes
No	JOE ATKINSON	26206 MAPLEWOOD SPRING, TX 77386	PJATKIN36@Yahoo.com	Yes
NO	TERRY DAVIS	SPRING, TX 77386	TERRYDAVIS817@HOTMAIL.COM	YES
N	Doug Miller	Pindurst tx 77362	dfisher@gmail.com	Y
No	John Yoaves	The Woodlands 77380	—	Yes

LONE STAR GROUNDWATER CONSERVATION DISTRICT

March 6, 2023

MINUTES OF REGULAR MEETING

The Board of Directors of the Lone Star Groundwater Conservation District (“District”) met in regular session, open to the public and held in person in the Lone Star GCD – James B. “Jim” Wesley Board Room located at 655 Conroe Park North Drive, Conroe, Texas, and remotely via the publicly accessible webinar/telephone conference call within the boundaries of the District on March 6, 2023.

CALL TO ORDER:

President Spigener presided and called to order the regular Board of Directors meeting at 5:30 PM, announcing that it was open to the public.

ROLL CALL:

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

Jon Paul Bouché – Virtual
Janice Thigpen
Stuart Traylor
Jonathan Prykryl
Jim Spigener
Kenneth Earnest - Virtual

Four members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Samantha Reiter, General Manager; Stacey V. Reese, District Counsel; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

PUBLIC COMMENTS:

No public comments were received.

EXECUTIVE SESSION:

The Board recessed at 5:33 PM into a closed Executive Session 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 regarding any agenda item on any of the board meetings or hearing posted for today.

RECONVENE IN OPEN SESSION:

Following Executive Session, the Board reconvened in Open Session and President Spigener declared it open to the public at 5:47 PM

DISCUSS, CONSIDER, AND TAKE ACTION AS NECESSARY CONCERNING VACANCY ON BOARD:

President Spigener stated that due to an unfortunate situation, we did not have a board member elected to position 7. The board has been working diligently to appoint a new board member. A process was put in place. The executive committee met and reviewed resumes. Six resumes were received and sorted based on qualifications and background. Garry Dent is the committee's recommendation. Without further discussion, upon a motion by Secretary Thigpen and seconded by Treasurer Prykryl, the Board approved the committee's recommendation. Ms. Reiter will reach out to Mr. Dent to inform him of his board appointment. Mr. Dent will be sworn in at next month's board meeting. He will remain on the board until the next scheduled election in November of 2024.

APPROVAL OF THE MINUTES:

President Spigener stated the Board would consider the meeting minutes as listed for approval on today's agenda. Without further discussion, upon a motion by Vice-President Traylor and seconded by Treasurer Prykryl, the Board approved the meeting minutes as presented.

- a) February 14, 2023, Public Hearing on Permit Applications
- b) February 14, 2023, Regular Board of Directors Meeting

COMMITTEE REPORTS:

A. Budget & Finance Committee – Jonathan Prykryl, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting — Director Prykryl stated that there was nothing new to report.
- 2) Review of unaudited financials for the month of February and March 2023 – Ms. Reiter reported that due to the short time between board meetings, the financials for February and March will be presented at the April board meeting

B. External Affairs Committee – Jim Spigener, Chair

- 1) Brief the Board on the Committee's activities since the last regular Board meeting – President Spigener stated that the committee will be meeting in the coming weeks and continues to actively communicate with the District's legislative consultants on legislative updates. There are many bills being presented and Ms. Reese stated that the bill filing deadline is March 10th. The committee spoke about a few key bills

that were filed. Ms. Reese stated she would go through all of them and scale down the key important ones and share those at the next board meeting.

- 2) Discussion, consideration, and possible action on any items related to communications and/or legislative matters pertaining to Lone Star GCD – President Spigener stated he had nothing to report at this time.

C. DFC & Technical Committee – Stuart Traylor, Chair

- 1) Brief the Board on the Committee’s activities since the last regular Board meeting – Vice President Traylor stated that the committee has not met and does not have a meeting scheduled currently, though he suspects they will have one to receive an update after the GMA meeting tomorrow.

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

- 1) Brief the Board on the Committee’s activities since the last regular Board meeting – President Spigener stated that the committee will be meeting at the end of March to review proposed changes that District staff have been tracking. As a reminder this review is occurring in part due to the requirement from the District’s Management Plan that we review our rules regularly to ensure they are working. The rules were put in place September of 2020 with minor amendments occurring in June 2022. The committee is seeking input and feedback to make improvements going forward.

- 2) Discussion and possible action regarding accepting written public comments on District rules and future rule meetings and/or workshops.

-Ms. Reese shared that the board wanted to open up our current rules for public comment for 60 days. The rules committee has met and spoken about some areas that they would like to improve upon. We are also soliciting input from the public so that we can take that into consideration as the committee is having these meetings. After the public comment period which is about sixty days, at that point in time the legislature would have almost finished for the year and we will know what is going to become law and what is not going to become law and take that info consideration. Over the summer we are going to look at what written comments we got, what do we know that we want to look at and what is the legislature making us do. Draft rules would come out in early fall, assuming there will be changes. New rules would be adopted before the end of the year. President Spigener stated that after the 60 days he wanted to open the process up and conduct a stakeholder meeting.

President Spigener formally announced opening the rules up for public comment for sixty days starting March 15, 2023. Upon a motion by President Spigener and seconded by Treasurer Prykryl, the Board approved the opening of the rules for public comment for sixty days.

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

Ms. Reiter stated she had nothing additional to report on at this time, as the consultants' focus has remained on the GULF 2023 model review though we anticipate shifting back following the GMA 14 meeting tomorrow.

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

Ms. Reiter stated that the GMA 14 Joint Planning Group will be meeting tomorrow, March 7th in Brazoria county to discuss the release of the GULF 2023 model and have open communications between the GCD voting members and the TWDB representatives. LSGCD technical consultants will be in attendance as well as Ms. Reese.

Discussion, consideration, and possible action on any items related to Lone Star GCD's proposal(s) to and/or participation in GMA 14 - No action to be taken at this time.

GENERAL MANAGER'S REPORT:

Ms. Reiter stated her report is in the packet. We are currently working on violations and overpumpage violations. These will need to be handled differently this year due to perpetual permits being issued in 2022. The goal is to get these out by the beginning of April.

GENERAL COUNSEL'S REPORT:

Ms. Reese stated she had nothing to report on. She is working on a summary of the proposed legislation that can be discussed and next month's board meeting.

NEW BUSINESS:

Nothing to report on currently.

RECESS TO PERMIT HEARING:

The board recessed at 6:04 to the permit hearing.

RECONVENE RECESS:

The board reconvened the regular board meeting at 6:07.

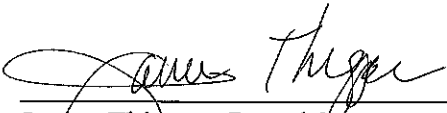
EXECUTIVE SESSION:

The Board recessed at 6:08 PM into a closed Executive Session 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 regarding any agenda item on any of the board meetings or hearing posted for today.

ADJOURN:

There being no further business, Vice-President Traylor motioned to adjourn the meeting and Treasurer Prykryl seconded. The meeting was adjourned at 6.49 PM.

PASSED, APPROVED, AND ADOPTED THIS 11th DAY OF April 2023.



Janice Thigpen, Board Secretary