LONE STAR
GROUNDWATER CONSERVATION DISTRICT

May 14, 2024

MINUTES OF SPECIAL MEETING

PUBLIC MEETING COMBINED WITH GROUNDWATER MANAGEMENT AREA 14 JOINT PLANNING COMMITTEE MEETING

The Board of Directors of the Lone Star Groundwater Conservation District ("District") attended a public meeting in conjunction with the Groundwater Management Area 14 Joint Planning Committee Meeting, at The Barnhill Center, 111 W Main St. Brenham, TX, 77833.

The Joint Planning Meeting was called to order at 1:00 PM.

RECOGNIZE AND ESTABLISH QUORUM OF LONE STAR GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS PRESENT:

Directors Present:
Jim Spigener
Jance Thigpen

President Spinger announced the absence of a quorum.

ADJOURN:

The meeting was adjourned at 1:01 PM.

PASSED, APPROVED, AND ADOPTED THIS 11th DAY OF June 2024.

Janice Thigpen, Board Secretary

LONE STAR
GROUNDWATER CONSERVATION DISTRICT

May 14, 2024

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 May 14, 2024.

CALL TO ORDER:

President Spigener called to order the Public Hearing on Permit Applications at 6:00 PM announcing the meeting open to the public.

ROLL CALL:

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

Jim Spigener
Janice Thigpen
Jonathan Prykryl
Jon Paul Bouché
Garry Dent

Five members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Sarah Kouba, General Manager; Tiffany White, Director of Operations; Kirstin Hein, Permitting Director; Justin Saenz, Education & Conservation Coordinator; Stacey Reese, District Counsel; Chris Drabek, District Technical Consultant, *(virtual)*; Mike Keester, District Technical Consultant *(virtual)*; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

Director Bouché led prayer and Director Dent lead the United States and Texas pledges.

PUBLIC COMMENTS:

No comments were received.

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

President Spigner asked if there were any requests to contest. Ms. Kouba confirmed there were no requests to contest any application listed.

Ms. Kouba provided an overview of the five applications listed. Applications numbered 1-4 included applications that are considered administratively complete and have been reviewed by District Staff. No hydrogeological reports were required for those items and they comply with the District's Spacing Rules. The General Manager has reviewed these applications, and it is her recommendation that the Board grant those which is requested for Items 1-4.

Director Bouché moved to approve that which is requested for Items 1-4. Secretary Thigpen seconded the motion. President Spigener called for a voice vote. Motion passed.

i. Heidelberg Materials Southwest Agg LLC (Lessee Porter Ready Mix), for a proposed new operating permit not to exceed 6.635 mg annually, and for proposed well to be drilled at 17146 N Hwy 75, Willis, Industrial and Commercial Use, District Aquifer: Chico/Evangeline (CHEV), (Driller of record: Scott Drilling Inc.); and
ii. DGOGMagnoliatx07122023, LLC, for a proposed new operating permit not to exceed 0.6 mg annually, and for a proposed well to be drilled at 24911 Nichols Sawmill Rd., Magnolia, Commercial Use, District Aquifer: Chicot/Evangeline (CHEV), (Driller of record: To be determined); and
iii. Onsite Diesel, for a proposed amendment to OP-22030701-CHEV for increase of 0.04 for annual allocation not to exceed 0.10 mg annually for well located at 12110 FM 2432, Willis, Commercial Use, District Aquifer: Chicot/Evangeline (CHEV); and
iv. King Ranch Ag & Turf, for a proposed amendment to OP03-0008C-CHEV for increase of 0.02 for annual allocation not to exceed 0.1075 mg annually for well located at 1650 North Loop 336 East, Conroe, Commercial Use, District Aquifer: Chicot/Evangeline (CHEV); and

Ms. Kouba provided an overview of application number 5. Due to the volume of water requested, Ms. Kouba requested the Board's consideration of the permit or permit conditions upon approval. The applicant was requesting a new public water supply permit to serve 1069 residential connections and 60 commercial connections. The annual allocation for the permit would be 208,700,000 gallons. A hydrogeological report due to the well system capable of producing more than 700 GPM. Ms. Kouba confirmed this application has gone through the District review process and all submitted modeling, parameters, and results have met all requirements as defined by the District's Hydrogeological Report Guidelines and District Spacing Rule Requirements

Director Bouché asked Ms. Kouba if application 5 was administratively complete. Ms. Kouba stated that they had met the requirements of the District Rules, and Ms. Kouba was bringing Item 5 to the attention of the Board due to the volume of water requested in the application.

Director Bouché made the motion to approve that which is requested for application number 5 and Director Dent seconded. President Spigener called for a voice vote. Motion passed.

v. Lennar Homes of Texas Land and Construction, Ltd. dba Friendswood Development Co. (East Montgomery County MUD 13A), for a proposed new operating permit not to exceed 208.7 mg annually, and for 2 proposed wells to be drilled at ½ mile east of intersection of Harrington Dr and SH 242, Conroe, (Lat 30/13/8 Long -95/13/58), and ½ mile east of intersection of Harrington Dr and SH 242, Conroe (Lat 30/13/9 Long -95/13/57), hydrogeological report submitted with application, Public Water Supply (PWS) and Irrigation Use, District Aquifer: Chicot/Evangeline (CHEV), (Driller of record: To be determined).

ADJOURN:

Director Bouché moved to adjourn the May 14th, 2024, Public Hearing on Permit Applications and Director Dent seconded the motion. Motion passed. The meeting was adjourned at 6:07 pm.

PASSED, APPROVED, AND ADOPTED THIS 11th DAY OF JUNE 2024.

Janice Thigpen, Board Secretary

LONE STAR
GROUNDWATER CONSERVATION DISTRICT

May 14, 2024

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 May 14, 2024.

CALL TO ORDER:

President Spigener presided and called to order the regular Board of Directors meeting at 6:07 PM, announcing that it was open to the public.

ROLL CALL:

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

Jim Spigener
Jonathan Prykryl
Janice Thigpen
Jon Paul Bouché
Garry Dent

Five members of the Board were present, thus constituting a quorum of the Board of Directors. In attendance at said meeting were Sarah Kouba, General Manager; Tiffany White, Director of Operations; Kirstin Hein, Permitting Director; Justin Saenz, Education & Conservation Coordinator; Stacey V. Reese, District Counsel; Chris Drabek, District Technical Consultant *(virtual);* Mike Keester, District Technical Consultant *(virtual)*; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

PUBLIC COMMENTS:

President Spigener recognized that two comments had been received prior to the start of the meeting and were distributed to the Board of Directors.

President Spigener recognized Mr. Jonathan Smith, General Manager for Porter Special Utilities District (Porter SUD) for public comment to the Board. Mr. Smith stated that Porter SUD has partnered with Phase III of the District's Subsidence Study as the owners of Site 1 (Copeland Lane Site). After site wrap up last week, Mr. Smith thanked the Board, District staff, and Districts consultants for the project running smoothly. He also gave special recognition to Chris Drabek, for his work through the project and working through situations with Porter SUD. Mr. Smith is also

looking forward to the results of the study.

President Spigener also thanked Porter SUD for their collaboration on this process and participation in this critical science for the county.

APPROVAL OF THE MINUTES:

President Spigener stated the Board would consider the meeting minutes as listed for approval on the agenda. Without further discussion, Director Dent moved to accept the minutes as presented, Director Bouché seconded the motion. President Spigner called for a voice vote. Motion passed to approve the meeting minutes as presented.

- April 9, 2024, Special Meeting
- April 9, 2024, Public Hearing on Permit and Permit Amendment Applications
- April 9, 2024, Regular Meeting of the Board of Directors

COMMITTEE REPORTS:

A. **Executive Committee**

1) Brief the Board on the Committee's activities since the last regular board meeting. President Spigner mentioned that the executive committee met on April 22nd to discuss internal protocol.

A. **Budget & Finance Committee**

1) Brief the Board on the Committee's activities since the last regular board meeting. No updates since the last Board of Directors meeting.

2) Review of unaudited financials for the month of April 2024
Ms. Kouba presented the financial review for April 2024. The income for the month was $296,393.65, with expenses totaling $158,573.01, resulting in a net income of $137,820.64. The year-to-date net income as of April 30th, 2024, amounted to $447,435.99. Additionally, the total cash on hand as of April 30th, 2024, was $7,496,112.84.

B. **External Affairs Committee**

1) Brief the Board on the Committee's activities since the last regular Board meeting President Spigner met on April 18th, April 29th, and May 6th regarding public relations. Also met on May 1st on protocol to outline external presentations.

C. **DFC & Technical Committee**

President Spigener updated the Board of Directors of the reinstatement of Director Dent to the DFC and Technical Committee.

1) Brief the Board on the Committee's activities since the last regular Board meeting.
Director Dent provided an update for ongoing weekly DFC and Technical

Committee meetings. He also thanked Mr. Smith and Porter SUD for their collaboration with Site 1. Director Dent informed the board that the site demobilization is complete and final inspection was completed May 8th, 2024. The next steps for Site 1 are waiting on the lab results for the process and consultant review. For Site 2, the SJRA Pam 13 location, the environmental study was completed and the District is awaiting the results.

President Spigener asked if there was a contract for the second site. Ms. Kouba confirmed that there were previous contract discussions with SJRA but there was a pause until the completion of the Environmental Study.

2) Technical Consultants Update – Receive updates from Technical Consultants on ongoing projects and development of desired future conditions in GMA 14. President Spigener asked if there were any updates. Mr. Keester, stated that he had no updates at this time. Mr. Drabek stated that there were no updates at this time.

3) Groundwater Management Area 14 Update – update the Board on the Issues related to joint planning activities and development of desired future conditions in GMA 14. Ms. Kouba brought the Board's attention to several letters received by GMA 14 before the May 14th meeting where local legislative representatives stated the importance of choosing a meeting location within the counties bound by the GMA 14 and broadcasting the meeting for transparency.

   President Spigener asked when the recording of the May 14th meeting will be available. Ms. Kouba stated that it was her understanding that there were issues during the recording from Washington County, but Hank Vatt, District Public Relations Consultant, also recorded the meeting. Ms. Kouba stated that she did not have an estimate for when the recording would be available, but that it would be posted to the District's website for the public. Ms. Kouba also thanked Commissioner Kirk Hannath for the made effort to live stream the meeting.

4) Discuss, consider and possible action concerning GULF 2023 model update. President Spigener brought attention to the cost of the Gulf 2023 Model update as provided to the Board. Ms. Reese, provided background for the Board including that the scope of work was approved last fall by the GMA 14 and that tasks and costs were divided between the GMA 14 member's consultants. Ms. Reese provided additional information as discussed during the earlier GMA 14 meeting including that one of the GMA 14 member's consultants had asked to be removed from the project and would be no longer participating in the model update, the other GMA 14 members stated that they understood that Lone Star would only be working on the elements that Lone Star previously agreed, but there was discussion if Lone Star could take on additional items to cover those items not completed.

   Ms. Kouba added that a previous resolution that was discussed during the meeting where all items not previously agreed for completion by Lone Star were removed from the project schedule. After discussion, the entire list was added back to the resolution with the understanding that Lone Star will review to see which items would be covered by Lone Star. Ms. Kouba also provided background information

from an earlier April meeting with the consultants from GMA 14 and Zack Holland, General Manager for Bluebonnet GCD., After the meeting, Ms. Kouba requested the Lone Star GCD technical consultants to prepare the attached estimate in advance discussions during the May 14th GMA 14 meeting result in the Lone Star GCD Board of Directors to consider additional committments.

Director Dent asked if there was any discussion on cost sharing for the model update? Ms. Kouba confirmed that there was no discussion of cost sharing on this item, but there was discussion of cost sharing on a different item on the agenda.

Ms. Reese and Ms. Kouba stated that the next meeting will be August 29th at the Lone Star GCD office.

Secretary Thigpen asked what verification or confirmation on protection that the work done on the model will be approved? Ms. Reese confirmed there was no guarantee, but that not accepting the model updates would go against previous statements and the resolution approved today during the GMA 14 meeting confirmed support today of the model update. Ms. Reese clarified that the model update would still require a second resolution approving the model update from GAM 14 before the final submittal of the model update. Ms. Reese confirmed that the other GMA 14 members would like to review the model updates before the model updates are submitted to TWDB.

Ms. Kouba stated only one member of the GMA 14 expressed concern about the District taking the lead of the tasks. Ms. Kouba confirmed that this is the District acting to try work for the benefit of Montgomery County but the results would benefit the entire GMA 14. President Spigener confirmed Ms. Kouba's statement.

President Spigener acknowledged the efforts of Ms. Kouba and Ms. Reese on the discussions today and the other members GMA 14 that were supportive of the District's efforts to update the model.

Director Bouché expressed concern on the action given previous experience with GMA 14 during a similar process in the last planning period. President Spigener stated that he understood why there was lack of trust, and restated that the GMA 14 meeting had a general agreement that they would go forward of the model action. Ms. Kouba stated that there were also still options that could be done to bridge the gap between those that are not confident on the model updates or remove updates for those counties that were not confident on the model update. Ms. Kouba also stated that Brazoria GCD confirmed that their consultant was still willing to work on the process and work with the District's consultants.

Director Dent asked if the process could include communications with the other GMA 14 members to define what concerns exist and ensure those concerns are addressed? President Spigener confirmed that all other GMA 14 members will have a chance to review and to discuss limits or concerns in the process.

President Spigener and Ms. Kouba gave recognition that the GMA 14 worked

together during the meeting and moved forward on the Model update.

Director Dent moved that Lone Star GCD absorb the costs of the model updates. Treasurer Prykryl seconded the motion. President Spigener called for a voice vote. Motion passes.

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

1) Brief the Board on the Committee's activities since the last regular Board meeting
Ms. Kouba mentioned the District is internally working on potential rule revisions and management plan update. Additionally, they are working on sharpening processes to ensure compliance with current rules by permit holders. This is an ongoing process and the District expects movement this year.

GENERAL MANAGER'S REPORT:

Ms. Kouba provided operational updates, including progress on the sharpening internal processes and simplifying the application process. Ms. Kouba also thanked all participating partners for the Phase III Site 1 with Porter SUD including InterTech, Alsay.

Ms. Kouba asked Mr. Saenz to provide an update on the outreach activities during April, including the Montgomery County Kids Days and Conroe's KidzFest. Mr. Saenz stated there were approximately 2,500 kids and 1000 adults present for the Montgomery County Kids Days. Participants were able to learn more through the Lone Star Mobile Lab and the interactive event of the Duck Races. The Lone Star Mobile Lab was also at the City of Conroe Kids Fest. This event enabled discussions on water conservation tips for adults and providing informational material. Mr. Saenz thanked Gary Irving and Blake Ferri for assisting with both events. President Spigener asked how many adults were present, Mr. Saenz provided that there was usually a parent per child at the KidzFest, and there was at minimum one adult chaperone per 10 kids at the Montgomery County Kids Days.

Ms. Kouba also shared upcoming travel plans, field operation updates, and pending permit and exempt well approvals.

Jim Spigener provided an update that Mr. John Yoars passed away. President Spigener expressed sympathy for the loss to the community and appreciation for Mr. Yoars' activism towards water conservation in Montgomery County.

EXECUTIVE SESSION:

The Board recessed at 6:59 PM into a closed Executive Session pursuant to Texas Government Code, Sections 551.074 to discuss personnel matters and annual review of the General Manager, and 551.071 to consult with the District's attorney regarding pending or contemplated litigation, settlement offers, or on matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, Chapter 551, Government Code regarding any agenda item on any of the Board meetings or hearing posted for today.

RECONVENE IN OPEN SESSION:

Following Executive Session, the Board reconvened in Open Session and President Spigener declared it open to the public at 7:34 PM

DISCUSS, CONSIDER AND POSSIBLE ACTION ON SOFTWARE CONTRACT AGREEMENT.

Ms. Reese provided an update to the Board that, as approved during the April 9th Special Meeting, she was able to facilitate an agreement between Collier Consulting regarding termination of the contract. The District will receive a refund from Collier Consulting after execution of the agreement. Director Bouché moved to approve the revised software contract agreement. Treasurer Pykryl. seconded the motion. No discussion. President Spigner called for a voice vote, motion passed.

DISCUSS, CONSIDER AND POSSIBLE ACTION ON ONE-TIME RELOCATION PACKAGE FOR GENERAL MANAGER.

President Spigener provided a background on previous discussion on the application. Director Bouché moved to approve the one-time relocation package for the General Manager, Director Dent seconded the motion. No discussion. President Spigner called for a voice vote, motion passed.

GENERAL COUNSEL'S REPORT:

Ms. Reese stated she has an electronic version of the materials she presented during the GMA 14 meeting and will be making those materials available on the District website.
Ms. Kouba thanked Ms. Reese for the effort in preparation of the GMA 14 meeting and creation of the referenced materials.

NEW BUSINESS:

No new business

ADJOURN:

There being no further business Treasurer Prykryl moved to adjourn the meeting and Director Dent seconded the motion. President Spigener called for a voice vote, motion carried. The meeting was adjourned at 7:41 PM.

PASSED, APPROVED, AND ADOPTED THIS 11th DAY OF JUNE 2024.

Janice Thigpen, Board Secretary