# LONE STAR
# GROUNDWATER CONSERVATION DISTRICT

## January 12, 2021

# 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 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 January 12, 2021.

**CALL TO ORDER:**

President Hardman 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:

Jon Paul Bouché
Harry Hardman
Jonathan Prykryl
Larry A. Rogers
Jim Spigener
Stuart Traylor

All 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; District staff; 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.*

**PRAYER AND PLEDGES OF ALLEGIANCE:**

President Hardman called on Director Traylor for the opening prayer and Director Prykryl to lead the Pledge of Allegiance and the Pledge of Allegiance to the state flag.

**PUBLIC COMMENTS:**

No comments were received.

Ms. Reiter briefed the Board on permit applications received for the month. Applications for consideration and recommended for possible approval included the below:

1. **Aqua Texas, Inc. (Woodlands Pkwy)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 7,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

2. **Aqua Texas, Inc. (Huntington Est.)**

Applicant is requesting an amendment to an Historic Use Permit for an increase in production authorization in the amount of 4,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested via issuance of an Operating Permit.

3. **Aqua Texas, Inc. (West Lane)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 5,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

4. **Aqua Texas, Inc. (Frontier, Arrowhead)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 9,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

5. **Aqua Texas, Inc. (Lake Creek Forest)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 10,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

6. **Aqua Texas, Inc. (Pine Vista)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 3,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

7. **Aqua Texas, Inc. (White Oak Ranch)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 11,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**8. Aqua Texas, Inc. (Indigo Ranch)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 3,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**9. Aqua Texas, Inc. (Lake Conroe Forest & Tejas Creek)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 3,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**10. Aqua Texas, Inc. (Legends Ranch Estates)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 5,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**11. Aqua Texas, Inc. (Carriage Hills)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**12. Aqua Texas, Inc. (Crystal Forest)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**13. Aqua Texas, Inc. (Lake Conroe Village)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 3,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**14. Aqua Texas, Inc. (Shadow Bay)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 2,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**15. Aqua Texas, Inc. (Greenfield Forest)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 20,000,000 gallons for 2020 and annually thereafter. Based on

technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**16. Aqua Texas, Inc. (Deerwood Sub.)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 8,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**17. Aqua Texas, Inc. (Clear Creek Forest)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 5,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**18. 15248 Saddlewood Drive**
Applicant is requesting registration of a new well and production authorization in the amount of 1,300,000 gallons for 2021 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**19. Mohammedi Mullamitha**
Applicant is requesting registration of a new well and production authorization in the amount of 200,000 gallons for 2021 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**20. Montgomery County E.S.D. #10 (Magnolia Fire Station #187)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 74,450 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**21. MSEC Enterprises (Montgomery Trace WS/Crown Oaks)**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 25,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**22. Montgomery County MUD #94**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 15,000,000 gallons for 2020 and annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

**23. Montgomery County MUD #119**
Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 65,000,000 gallons for 2020 and 107,000,000 gallons for 2021 and

annually thereafter. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

Ms. Reiter reported that there were twenty-three applications for this month. Following Ms. Reiter's report, Director Bouché motioned to approve items #1-#23, as recommended by the General Manager. Director Prykryl seconded. Motion passed.

President Hardman adjourned the public hearing on permit applications at 6:03 PM.

**PASSED, APPROVED, AND ADOPTED THIS 9th DAY OF FEBRUARY 2021.**

Larry A. Rogers, Board Secretary

# LONE STAR
# GROUNDWATER CONSERVATION DISTRICT

## January 12, 2021

## MINUTES OF REGULAR MEETING

The Board of Directors of the Lone Star Groundwater Conservation District ("District") met in regular session, open to the public, 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 January 12, 2021.

**CALL TO ORDER:**

President Hardman presided and called to order the regular Board of Directors meeting at 6:03 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
Harry Hardman
Jonathan Prykryl
Larry A. Rogers
Jim Spigener
Stuart Traylor

All 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; District staff; and members of the public. *Copies of the public sign-in sheets and comment cards received are attached hereto as Exhibit "A".*

**PUBLIC COMMENTS:**

Mr. Matt Corley, of the San Jacinto River Authority, made public comment via ZOOM. While sharing his computer screen, he proceeded to give highlights from a PowerPoint presentation, *2020 Static Well Level Report/The Woodlands Division.* He mentioned that the static well levels are taken biannually, in February and October. Evangeline static well levels from 1990-2020, indicated an inverse relationship between static well levels and groundwater pumpage amount. In 2015 the pumpage dropped off significantly, due to the introduction of surface water. He identified the Upper Jasper static water levels from 2010-2020, which reported a good rebound to static water levels. In the years 2015-2017, the water supply used was 65% surface water.

Throughout the years, SJRA has reduced the surface water and groundwater blend to 50/50 beginning in mid-2017. In 2019, GRP budget restraints caused a further reduction to 35% surface water blend and a dip in the static well water levels occurred during the production year. There are currently three PAM sites in The Woodlands that offer subsidence data and information. PAM #13 acts as a basis of reference for groundwater levels, as it is the oldest with the most data available. There is a newly installed CORS site in SJRA Lift Station No. 27 located in The Woodlands and offers daily information on water levels. *A copy of his full presentation is attached hereto as Exhibit "B".*

Mr. Simon Sequeira, Quadvest owner, referred to his letter sent to the board outlining some issues of concern and requested the LSGCD Board to review the following:

1. Whether combining well records in the Chicot, Evangeline, and Jasper aquifers into one group for a statistical analysis is an appropriate use of the best available science,
2. Whether it is arbitrary and capricious to limit all non-subsidence district areas of GMA 14 to less subsidence than is acceptable within the subsidence districts, and
3. Whether some areas of GMA 14 are to be limited in availability simply because of low levels of future demand without considering the fair share rights of the owners in those areas or the capacity of the reservoir to produce water when there is potential demand

*A copy of the Sequeira letter of December 11, 2020 is attached hereto as Exhibit "C".*

President Hardman mentioned that his letter and concerns had been forwarded to the District's technical consultants.

Ms. Betty Born Avery, Director of Conroe MUD #1, voiced her apprehension regarding GMA 14's lack of comparison between the historical perspectives of Harris County and its drawdowns, and the absence of Harris County in many of the presentations. Also, of concern was a seemingly one-sided view of Montgomery County and the lack of comparison with the TCEQ and the number of water wells. She mentioned the subsidence issue in the northwest area of Harris County, and requested awareness of aquifer recharge.

**EXECUTIVE SESSION:**

After a proper and legally sufficient announcement to the public by President Hardman, the Board of Directors recessed into a Closed Executive Session at 6:29 PM pursuant to Texas Government Code, Sections 551.071, to consult with the District's attorney regarding pending or contemplated litigation, settlement offers, personnel matters (§551.074), 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.

**RECONVENE IN OPEN SESSION:**

Following Executive Session, the Board reconvened in Open Session and President Hardman declared it open to the public at 7:16 PM.

**APPROVAL OF THE MINUTES:**

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

a) December 8, 2020, Special Board Meeting
b) December 8, 2020, Public Hearing on Permit Applications
c) December 8, 2020, Regular Board of Directors Meeting

**REVIEW OF UNAUDITED FINANCIALS FOR THE MONTH OF DECEMBER 2020:**

Ms. Samantha Reiter reported that for the month of December 2020, income was $401,831 and expenses were $138,434 resulting in a net income of $263,397. Year-to-date net income is $2,156,593. Total cash was $2,163,265.

a) Review 4th Quarterly Investment Report 2020
Ms. Reiter referred directors to the report in their packet.

**DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION TO REVIEW AND/OR FORM BOARD COMMITTEES AND APPOINTMENT OF COMMITTEE CHAIRS:**

President Hardman requested that this item be tabled until February's meeting.

**PRESENTATION BY UNITED STATES GEOLOGICAL SURVEY (USGS) REGARDING GROUNDWATER STUDIES AND PROGRAMS FOR MONTGOMERY COUNTY:**

Mr. Jason Ramage, hydrologist for USGS, joined the ZOOM meeting for his presentation. His discussion focused on the groundwater-level altitudes and changes in the Evangeline and Jasper aquifers during 2020. He pointed out that the Chicot and Evangeline aquifers are hydraulically connected, meaning that withdrawals from one aquifer can affect heads in the other aquifer.

He summarized 1-year (2019-2020) changes as the following:

- Chicot approximately 41% declines in the 1 to 10 ft. range
- Evangeline approximately 49% declines in the 1 to 10 ft. range
- Jasper approximately 49% declines in the 1 to 10 ft. range.

He summarized 5-year (2015-2020) changes as the following:

- Chicot approximately 57% rises in the 1 to 10 ft. range
- Evangeline approximately 27% rise in the 1 to 10 ft. range and approximately 24% decline in 1-10 ft. range
- Jasper approximately 65% greater than 10 ft. rise

A significant decline of 99% occurred in the water level altitudes in the Jasper aquifer over the period of 2000-2020. Mr. Ramage used a USGS published report for the basis of

his presentation. This report can be accessed via the following link: https://pubs.usgs.gov/sir/2020/5089/sir20205089.pdf

Ms. Reiter explained that USGS is handling the Gulf 2023 model, that at a later date they could return to the District and present their results.

**RECEIVE LEGISLATIVE COMMITTEE REPORT:**

President Hardman apprised the Board that he had a very positive and substantive meeting with Senator Nichols and his legislative counsel. President Hardman and the committee discussed some of the important pending House and Senate bills of which Senator Nichols is very much aware. Continued open communication about the District's concerns with the vice-chairs of the Natural Resource Committee; Senator Creighton and Representative Metcalf; is anticipated.

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

a) Discussion, consideration, and possible action to approve Subsidence Study Phase 2 Scope of Work.

Ms. Reiter discussed the DFC Committee meeting in which the path forward for Phase 2 and overall study were identified. A revision process is underway to finalize the scope of work for the board's review; before it goes out for public comment.

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

a) Discussion , consideration, and possible action on any items related to Lone Star GCD's proposal(s) to and/or participation in GMA

Ms. Reiter discussed two goals for the next GMA 14 meeting on January 20th. First, the feasibility of achieving the DFC. Second, the final factor of establishing a DFC, which focuses on other relevant information pertaining to the DFCs.

Ms. Reiter apprised the group of her assignment from the September GMA 14 meeting to take a poll of the cost of water in Montgomery County. Ms. Jennifer Thayer spear-headed that poll and accomplished that task.

**DISCUSSION OF POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER DIRECTING THE FOLLOWING PERMITTEES, OR THEIR DESIGNATED REPRESENTATIVE TO APPEAR AT A SHOW CAUSE HEARING:**

1) CWE Utilities – HUP057A/OP03-0015C
2) CWE Utilities (Garden West) – OP-14081801

Ms. Reiter was unable to make a connection with the CEO of CWE Utilities until the day of this meeting. It is hoped that a resolution of this matter can be achieved. This agenda item will take no action at this time.

**GENERAL MANAGER'S REPORT:**

Ms. Samantha Reiter's communicated with the Board that she was notified that James Beach is no longer employed at WSP, is in the process of forming his own company. A contract is pending with the District.

Ms. Jennifer Thayer provided an update on the District's 2019-2020 Groundwater Education program. Due to COVID-19 and the subsequent school shutdown, the District reached out to the Resource Action Program where the district achieved a 30% discount on the Water Wise materials. Total enrollment for the school year was 688 students: about half the number of previous years. She is currently looking into an education hybrid product to serve all students including those students using online classes. Typically, the water class is taught in the spring as an enhancement to the science curriculum.

**GENERAL COUNSEL'S REPORT:**

Ms. Reese apprised the Board on three topics. The Fazzino case has been continued until late spring or early summer. Ms. Reese has reviewed the Strategic Water Planning study and discovered that both subsidence and socio-economic implications had been addressed and found acceptable. This study was conducted by LBG-Guyton and Associates and approval by The City of Conroe, Woodlands Water and SJRA as these entities were represented on the District's Board of Directors. Quadvest did not oppose the findings of the study. Thirdly, was TWCA's bill which Ms. Reese worked on through the Groundwater Committee; to address which DFC to use in the case of a water district's DFC when ruled unacceptable. The bill references the DFC which has been the most recently adopted.

**NEW BUSINESS:**

No new business.

**ADJOURN:**

There being no further business, Director Traylor motioned to adjourn the meeting and Director Bouché seconded. The meeting was adjourned at 8:01 PM.

**PASSED, APPROVED, AND ADOPTED THIS 9th DAY OF FEBRUARY 2021.**

Larry A. Rogers, Board Secretary