RESOLUTION ADOPTING REGULATORY WATER USE FEE FOR THE LONE STAR GROUNDWATER CONSERVATION DISTRICT PURSUANT TO RULE 8.1 OF THE RULES OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT

THE STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §
§
LONE STAR GROUNDWATER CONSERVATION DISTRICT §

WHEREAS, the Lone Star Groundwater Conservation District ("District") was created by the Legislature of the State of Texas in Acts 2001, 77th Leg., R.S., ch. 1321, p. 3246, § 1(a);

WHEREAS, pursuant to said Act, § 5(a), the directors of the District have the permitting and general management powers granted under Chapter 36 of the Texas Water Code;

WHEREAS, § 36.101 of the Texas Water Code authorizes a groundwater conservation district to make and enforce rules to provide for conserving, preserving, protecting, and recharging of the groundwater or of a groundwater reservoir or its subdivisions in order to control subsidence or prevent waste of groundwater and to carry out the powers and duties provided by the Texas Water Code;

WHEREAS, the board of directors of the District has adopted rules for the District;

WHEREAS, Rule 8.1 of the rules of the District authorizes the board of directors of the District to establish by resolution a regulatory water use fee to accomplish the purposes of the District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT AS FOLLOWS:

A regulatory water use fee of $0.05 per 1,000 gallons of groundwater produced is hereby adopted as the regulatory water use fee of the District for the remainder of calendar year 2002, such fee to be assessed as set forth in the rules of the District for the time period of September 1, 2002, through December 31, 2002; and

The regulatory water use fee so adopted shall be effective from the date of adoption and continue in effect until modified by the board of directors.

AND IT IS SO ORDERED.

PASSED AND ADOPTED this 26th day of August, 2002.

Exhibit 'C'

LONE STAR GROUNDWATER CONSERVATION DISTRICT

By: Richard Tramm
Richard Tramm, President

ATTEST:

Paula Jean Hargis
Paula Jean Hargis, Secretary/Treasurer

CERTIFICATE OF SECRETARY

THE STATE OF TEXAS

COUNTY OF MONTGOMERY

I, the undersigned, secretary of Lone Star Groundwater Conservation District, DO HEREBY CERTIFY as follows:

1. That on the 26TH day of August 2002, a regular meeting of the District Board was held at a meeting place within the District; the duly constituted members of the Board being as follows:

Richard Tramm	James Adams	Brandon Creighton
Craig Lonon	Larry Jacobs	David Kleiman
Jim Stinson	Orval Love	Paula Jean Hargis

and all of said persons were present at said meeting, except the following:
Brandon Creighton and Larry Jacobs
Among other business considered at said meeting, the attached resolution entitled:

"RESOLUTION ADOPTING REGULATORY WATER USE FEE
FOR THE LONE STAR GROUNDWATER CONSERVATION DISTRICT
PURSUANT TO RULE 8.1 OF THE RULES OF THE LONE STAR GROUNDWATER
CONSERVATION DISTRICT"

was introduced and submitted to the Board for passage and adoption. After presentation and due consideration of the resolution, and upon a motion made by C. Lonon and seconded by J. Adams, the resolution was duly passed and adopted by the Board by the following vote:

7 voted "For" 0 voted "Against" 0 abstained

all as shown in the official Minutes of the Board for the meeting held on the aforesaid date.

2. That the attached resolution is a true and correct copy of the original on file in the official records of the District; the duly qualified and acting members of the Board on the date of the aforesaid meeting are those persons shown above and, according to the records of my office, advance notice of the time, place and purpose of said meeting was given to each member of the Board; and that said meeting, and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the above entitled resolution, was posted and given in advance thereof in compliance with state law.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of said District, this the 26th of August 2002.

(Seal)
1867/00

Paula Jean Hargis, Secretary