LONE STAR
GROUNDWATER CONSERVATION DISTRICT

November 09, 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 November 09, 2021.

CALL TO ORDER:

President Hardman presided and called to order the regular Board of Directors meeting at 6:01 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
Larry Rogers
Jonathan Prykryl
Janice Thigpen
Stuart Traylor

Six 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 (virtual), 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:

No comments received

EXECUTIVE SESSION:

The Board will recess for 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

conflict 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 at 6:41 PM and President Hardman declared no action will be taken.

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 Traylor to approve as amended and seconded by Director Prykryl, the Board approved the meeting minutes as presented.

a) October 12, 2021, Public Hearing on Permit Applications
b) October 12, 2021, Regular Board of Directors Meeting

COMMITTEE REPORTS:

A. **Budget & Finance Committee – Jim Spigener, Chair**

1) Brief the Board on the Committee's activities since the last regular Board meeting – Meeting being planned for end of November to discuss 2022 budget adjustments.

2) Review of unaudited financials for the month of October 2021 –Samantha Reiter reported that for the month of October 2021, income was $204,447.40 and expenses were $84,721.39 resulting in a net income of $119,726.01. Year-to-date net income is $1,018,081.87 Total cash on hand was $3,063,798.42.

B. **Communications Committee – Harry Hardman, Chair**

1) Brief the Board on the Committee's activities since the last regular Board meeting -President Hardman stated the Communications Committee will go to bi-weekly meetings.

C. **DFC & Technical Committee – Stuart Traylor, Chair**

1) Brief the Board on the Committee's activities since the last regular Board meeting - Director Traylor had no updates

D. **Legislative Committee – Harry Hardman, Chair**

1) Brief the Board on the Committee's activities since the last regular Board meeting – President Hardman apprised the board that he has been in contact with the Legislators and plans to give an update before the end of the year.

E. **Rules, Bylaws & Policies Committee – Larry A. Rogers, Chair**

1) Brief the Board on the Committee's activities since the last regular Board meeting – Secretary Rogers updated that a Rules Committee Meeting was held on November 8, 2021. The committee is looking into rules, bylaws and policies. Additional data is needed and will be forthcoming at the next meeting.

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.
District Consultant Mr. Mike Keester, of LRE presented to the Board an update on the Subsidence Study Phase 2 status. He began by reiterating that this study is being done with a methodical approach and with the purpose of developing a better understanding of compaction and subsidence that may be occurring in Montgomery County.

The purpose of the study is to be able to manage and control subsidence from a local level. The District's focus is the conditions are within Montgomery County. The study has looked to apply information from previous studies and other areas to form an understanding and now can begin studying and focusing on Montgomery County's specific information.

Phase One of the study allowed comprehension of previous research and focus on applicable insight to Montgomery County. Phase two is looking for answers to questions that were developed in the previous stage and where should additional resources be allocated for obtaining specific data.

Mr. Keester added that Phase Three of the study will focus on developing site-specific data and geotechnical investigations, followed by a potential Phase Four of monitoring the identified areas found in the study.

He continued discussing Phase Two which entails evaluating the Brackish Jasper Model and emphasized the importance of this step, as it will be the basis for the GULF-2023 Model and will become the new GAM for GMA 14.th understanding of the geologic structure of the lithology of the aquifers is also being studied during Phase Two.

Task One draft report is due to the Board by the end of December, and a Task Two draft report is due in January 2022. Mr. Keester believes the study is going very well and that the consultants are on track with the previously agreed upon schedule.

The overall long-term goal is to develop robust and defensible monitoring and to develop strategic monitoring to assist with resource management and fiscal responsibility. Mr. Keester ended his presentation with the anticipated path of the study and reminded the board that while the study takes time, it is necessary to ensure all the right steps are taken and the data is studied precisely to ensure the overall goals of the study.

President Hardman requested that the consultants keep the board apprised of what is going on and thanked the consultants for their hard work. Secretary Rogers requested clear goals and objectives with targeted dates on the website for the public to access.

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 had nothing to add aside from the next GMA 14 meeting will be held January 5th, 2022, at 9:30am.

GENERAL MANAGER'S REPORT:

Ms. Reiter announced Invoices were mailed to permit holders for 2022 fees at the beginning of November, with 2022 fees already being delivered to the District. Pumpage reports for 2021 are due by February 15th. Lastly, the District has a position open, and Ms. Reiter has several good leads, and anticipates a new hire at the beginning of the year.

GENERAL COUNSEL'S REPORT:

Ms. Reese stated legislative session is now over and is moving into interim and that the different chambers will be putting out their interim charges, which will likely be sent out early next year. She will keep the District apprised of any changes.

NEW BUSINESS:

No new business.

ADJOURN:

There being no further business, Vice President Traylor motioned to adjourn the meeting and Director Thigpen seconded. The meeting was adjourned at 7:11 PM.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF DECEMBER 2021.

Larry Rogers, Board Secretary

LONE STAR
GROUNDWATER CONSERVATION DISTRICT

November 09, 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 November 09, 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
Larry Rogers
Jonathan Prykryl
Janice Thigpen
Stuart Traylor

Six 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 Bouche for the opening prayer and Director Thigpen 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. **Quadvest, LP (Rockrose Ranch)**

Applicant is requesting for 2 proposed wells to be drilled not to exceed 77 mg annually. Based on technical review of the information supplied, it is the General Manager's recommendation to approve that which is requested.

2. **Montgomery County MUD #144**

Applicant is requesting an amendment to an Operating Permit for drilling authorization only. 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 requested.

3. **Quadvest, LP (Mavera)**

Applicant is requesting registration of a new well and production authorization in the amount of 73,000,000 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.

4. **Leslie Larson (Allestec)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 85,800 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.

5. **BR Myers Holdings,LLC**

Applicant is requesting registration of a new well and production authorization in the amount of 600,000 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.

6. **Spring Creek Feed Center (well #2)**

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 25,00 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.

7. **Quadvest, LP. (Mill Creek)**

Applicant is requesting registration of a new well and production authorization in the amount of 20,000,000 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.

8. Berkshire Jones Forest

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 3,000,000 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.

9. KTC Interests, LLC

Applicant is requesting an amendment to an Operating Permit for an increase in production authorization in the amount of 400,000 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 nine applications for this month. Following Ms. Reiter's report, Director Bouche motioned to approve items #1-#9, as recommended by the General Manager. Director Thigpen seconded. Motion passed.

President Hardman adjourned the public hearing on permit applications at 6:02 PM.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF DECEMBER 2021.

Larry Rogers, Board Secretary