LONE STAR GROUNDWATER CONSERVATION DISTRICT

Resolution No. 10-008

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT AUTHORIZING THE GENERAL MANAGER TO GRANT AN EXCEPTION TO CERTAIN REQUIREMENTS AND ELEMENTS TO BE INCLUDED IN A GROUNDWATER REDUCTION PLAN UPON APPLICATION BY CERTAIN LARGE VOLUME GROUNDWATER USERS UNDER PHASE II(B) OF THE DISTRICT REGULATORY PLAN IN LIMITED CIRCUMSTANCES INVOLVING PRODUCTION OF GROUNDWATER FOR NON-POTABLE PURPOSES.

WHEREAS, the Lone Star Groundwater Conservation District (the "District") was created by the Legislature of the State of Texas by the Act of May 17, 2001, 77th Leg., R.S., ch. 1321, 2001 Tex. Gen. Laws 3246, as amended (the "Enabling Act"), as a groundwater conservation district operating under Chapter 36, Texas Water Code, and the Enabling Act; and

WHEREAS, Section 36.101 of the Texas Water Code authorizes a groundwater conservation district to make and enforce rules to provide for conserving, preserving, and protecting the groundwater resources subject to the District's regulatory jurisdiction, enhancing recharging of those groundwater reservoirs and their subdivisions, controlling subsidence, preventing waste of groundwater, and otherwise carrying out the powers and duties provided by Chapter 36 of the Texas Water Code; and

WHEREAS, the Board of Directors of the District (the "Board") initially adopted the Rules of the Lone Star Groundwater Conservation District (the "District Rules") on August 26, 2002; and

WHEREAS, on November 10, 2009, the Board adopted Phase II(B) of the District Regulatory Plan as part of its multi-phased regulatory plan designed to reduce total annual groundwater production within Montgomery County to a level that does not exceed, on average, the total sustainable yield of the Gulf Coast Aquifer; and

WHEREAS, Phase II(B) of the District Regulatory Plan requires each Large Volume Groundwater User ("LVGU") in the District to submit a Groundwater Reduction Plan ("GRP") demonstrating how that User will meet its Initial Conversion Obligation by 2016, thus having reduced its groundwater production to no more than 70 percent of its Total Qualifying Demand; and

WHEREAS, Phase II(B) of the District Regulatory Plan, as originally drafted, contemplated that all LVGUs would be required to meet the Initial Conversion Obligation by securing an Alternative Water Source in addition to reducing groundwater production, but, as ultimately adopted, Phase II(B) authorizes the implementation of conservation measures in lieu

of, or in addition to, securing an Alternative Water Source as a means for LVGUs to meet their Initial Conversion Obligation; and

WHEREAS, the Board finds that certain elements required under Phase II(B) of the District Regulatory Plan for a completed, acceptable GRP may not be applicable to groundwater reduction strategies relying solely on certain types of conservation measures; and

WHEREAS, the Board finds that those LVGUs who may use certain conservation measures as the sole groundwater reduction strategy in their GRP should be able to demonstrate their plan to implement those conservation measures to the District and submit a fully compliant GRP without the burden of including inapplicable elements in their GRP when they submit it to the District on or before April 1, 2011;

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

I. Each of the affirmations set forth above are true and correct.

II. Only those Large Volume Groundwater Users that are not a public water system or currently serving water to any residential or other potable uses, and thus have sole control of the volumes to be used by *all* users of the water within their systems, shall be eligible to apply to the District for an exception from some requirements of the Groundwater Reduction Plan as identified by Phase II(B) of the District Regulatory Plan.

III. An eligible Large Volume Groundwater User may apply to the District for a GRP exception by timely submitting to the District a GRP Requirements Exception Request that explains in sufficient detail the nature and consequences of its planned conservation strategies, the specific required elements of the GRP for which the LVGU is seeking an exception, and an explanation why those elements are inapplicable to the LVGU's groundwater reduction strategy.

IV. The District General Manager, upon reviewing an LVGU's GRP Requirements Exception Request, may approve, deny, or partially approve the GRP Requirements Exception Request, and may specify those GRP elements requested by the LVGU, or any other elements determined to be appropriate by the General Manager, found in Phase II(B) of the District's Regulatory Plan with which the LVGU is no longer required to comply.

V. Any eligible applicant for a GRP Requirements Exception Request may appeal the General Manager's denial or partial denial of their GRP Requirements Exception Request to the District Board of Directors.

VI. The filing of a GRP Requirements Exception Request in no way exempts an LVGU from its obligation to submit a fully compliant GRP to the District on or before April 1, 2011.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 14th day of September, 2010.

LONE STAR GROUNDWATER CONSERVATION DISTRICT

By: _____
Richard J. Tramm, Board President

ATTEST:

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Sam W. Baker, Board Secretary