# LONE STAR
# GROUNDWATER CONSERVATION DISTRICT

## JUNE 10, 2025

## 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 June 10, 2025.

**1. CALL TO ORDER:**

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

**2. ROLL CALL:**

Roll call for participating members of the Board of Directors, to wit:

Jim Spigener
Jon Paul Bouché
Janice Thigpen
Stuart Traylor
Kenneth Earnest
Jonathan Prykryl (Virtual)
John Wertz

Also present:

| Name: | Title: |
|---|---|
| Sarah Kouba | General Manager |
| Tiffany White | Director of Operations |
| Samantha Branham | Permitting Manager |
| Britny Anderson | Education & Outreach Coordinator |
| Stacey Reese | District Counsel (Virtual) |
| Chris Drabek | 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".*

**3. PRAYER AND PLEDGES OF ALLEGIANCE:**

Prayer and pledges of allegiance were done during the Hearing on Contested Enforcement Matter prior to this meeting.

**4. PUBLIC COMMENTS:**

There was a virtual comment received during the meeting from Mr. Sanathan Chandra regarding concerns of a neighboring well that he said was permitted that he would like someone to look at. He believes it will affect his well in the future as it is within the 10 foot spacing exception.

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

Ms. Kouba provided an overview of 10 applications listed. Applications numbered 1-5 included applications that have been reviewed by District Staff and are considered administratively complete. No hydrogeological reports were required for those applications, and they comply with the District's Spacing Rules. Ms. Kouba has reviewed the applications, and she recommended that the Board grant those which are requested for applications 1 -5.

Ms. Kouba provided an overview of application number 1 – Holderrieth Road Properties LLC. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 2 – Utilities Investment Co., Inc. (Peach Creek Plantation). Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application number 3 – Winn Holdings, LLC. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application number 4 – Nerro Supply, LLC (White Oak Valley). Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

Ms. Kouba provided an overview of application number 5 – Bayou Land Conservancy. Ms. Kouba provided a summary and her recommendation for the Board's consideration of the permit or permit conditions upon approval.

President Spigener called for a motion to approve. Treasurer Earnest moved to approve that which is requested for applications 1 -5. Director Wertz seconded the motion. President Spigener called for a voice vote. Motion passed.

Ms. Kouba provided an overview of application numbered 6 – Montgomery County MUD #125. Due to a required hydrogeological report, Ms. Kouba requested the Board's consideration of the permit and permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 7 – Jose Rangel & Abilene Orozco. Due to a spacing exception, Ms. Kouba requested the Board's consideration of the permit and permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 8 – Isaias Belsai Palacios Lopez & Rosa Maria Garcia Romero. Due to a spacing exception, Ms. Kouba requested the Board's consideration of the permit and permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 9 – Andres & Juana Zuniga. Due to a spacing exception, Ms. Kouba requested the Board's consideration of the permit and permit conditions upon approval.

Ms. Kouba provided an overview of application numbered 10 – Dorotea Garcia. Due to a spacing exception, Ms. Kouba requested the Board's consideration of the permit and permit conditions upon approval.

Treasurer Earnest moved to approve that which is requested for application numbered 6 - 10. Secretary Thigpen seconded the motion. President Spigener called for a voice vote. Motion passed.

**6. ADJOURN:**

Director Traylor moved to adjourn the June 10th, 2025, Public Hearing on Permit Applications and Treasurer Earnest seconded the motion. The meeting was adjourned at 6:13 p.m.

**PASSED, APPROVED, AND ADOPTED THIS 8th DAY OF JULY 2025.**

Janice Thigpen, Board Secretary

# LONE STAR
# GROUNDWATER CONSERVATION DISTRICT
## JUNE 10, 2025
## 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 June 10, 2025.

**1. CALL TO ORDER:**

The meeting was called to order at 6:13 p.m.

**2. ROLL CALL:**

Roll call for participating members of the Board of Directors, to wit:

Jim Spigener
Janice Thigpen
Jon Paul Bouché
Stuart Traylor
Kenneth Earnest
Jonathan Prykryl (Virtual)
John Wertz

Also present:

| Name: | Title: |
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| Sarah Kouba | General Manager |
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| Stacey Reese | District Counsel (Virtual) |
| Chris Drabek | 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".*

**3. PUBLIC COMMENTS:**

We received two public comments prior to the meeting.

For **Item 4** and **Item 5**, Executive session will not be held this meeting.

**6. APPROVAL OF THE MINUTES:**

President Spigener stated the Board would consider the meeting minutes for approval on the agenda. Without further discussion, Treasurer Earnest moved to accept the minutes presented, and Director Traylor seconded the motion. President Spigener called for a voice vote. Motion passed to approve the meeting minutes as presented:

- April 30 2025, Special Meeting of the Board of Directors
- May 13, 2025, Minutes of Public Hearing on Permit Applications
- May 13, 2025, Regular Meeting of the Board of Directors
- May 28, 2025, Special Meeting of the Board of Directors

**7: COMMITTEE REPORTS:**

**A. Executive Committee**

1) Brief the Board on the Committee's activities since the last regular board meeting.
President Spigener reported the Executive Committee has not met.

**B. Budget & Finance Committee**

1) Brief the Board on the Committee's activities since the last regular board meeting.
Treasurer Earnest reported that the Budget Committee has not met.

2) Review of unaudited financials for the month of March 2025
Ms. Kouba presented the financial review for May 2025.

**C. External Affairs Committee**

1) Brief the Board on the Committee's activities since the last regular Board meeting.
President Spigener reported that the External Affairs Committee met May 20th and continue to meet monthly to discuss improvements in external communications. President Spigener attended the Southwest Montgomery County Chamber Monthly Luncheon May 22nd and the 4th Annual Hurricane Preparedness Forum on May 27th with Ms. Sarah Kouba. He attended the GMA 14 Joint Planning Meeting on May 28th. President Spigener attended the Conroe Lake Conroe Chamber Monthly Luncheon June 2nd with Vice-President Bouché and Ms. Sarah Kouba. He also attended the Greater East Montgomery County Chamber Luncheon on June 4th with Ms. Sarah Kouba.

**D. DFC & Technical Committee**

1) Brief the Board on the Committee's activities since the last regular Board meeting.
Director Traylor reported that the DFC Committee continues to meet weekly. He stated that the District's Management Plan has been approved by the Texas Water Development Board (TWDB) and has been published to our website. The District is waiting for TWDB to approve the model update as complete. TWDB has posted the GMA 14 model update for public comment until June 25, 2025. The DFC Committee continues to discuss options for managing the GPS Stations in Montgomery County that belong to the District, the best practices regarding analyzing that data and exploring a more direct approach in connection to the District's commitment to studying and understanding subsidence. The District is presently in discussion with Texas A&M. President Spigener showed his gratitude for the DFC Committee. He also mentioned our Management Plan has been approved by TWDB and is on the District website.

2) Technical Consultants Update – Receive updates from Technical Consultants on ongoing projects and development of desired future conditions in GMA 14.
Mr. Chris Drabek gave an update regarding GMA 14 moving forward with development of a predictive model run file and working with the other groundwater conservation districts to gather their data, so that the District can start making runs. President Spigener showed appreciated to the District Technical Consultants.

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 updated the Board regarding Groundwater Management Area 14 (GMA 14) updates. GMA 14 met at the District office on May 28th for a successful meeting discussing factors 5 and 6, socioeconomic impacts and subsidence. Our District technical consultants put together very informative presentations for the full GMA, but also a more granular presentation specific to Montgomery County that we believed was helpful to the GMA voting members in understanding not only the challenges Montgomery County is facing with growth, but the sound reasoning behind our management policies. The GMA 14 June meeting has been cancelled, and factors 7 and 8 will now be

discussed with factor 9 in September. The date for that meeting is yet to be determined but will either be September 17th or September 23rd. The District's legal consultant, Stacey Reese, is coordinating according to the schedules of the attorneys she has contacted that have shown willingness to participate in a panel of discussion regarding their expertise in private property rights, and let the legal experts provide clarity for us, the better we can manage to the law within the factor. Ms. Kouba stated to mark your calendars for September 17th and September 23rd and as soon as we have confirmation, we will announce the date.

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

1) Brief the Board on the Committee's activities since the last regular Board meeting

President Spigener reported that the Rules Committee has not met and is still working towards rule revisions. Ms. Kouba stated the District is focused on ensuring permit holders and drillers are complaint with current rules.

**8. DISCUSSION ON POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER INITIATING A LAWSUIT FOR FAILURE TO SUBMIT 2024 PRODUCTION REPORTS AND/OR PENALTIES ASSOCIATED WITH UNTIMELY SUBMISSIONS:**

President Spigener stated that this item it to issue a show cause order directing those in violation to appear at a show cause hearing for that purpose and show cause why appropriate action should not be taken for failure to submit 2024 production reports. Ms. Sarah Kouba gave a brief overview of the number of violators.

President Spigener called for a motion to move forward with issuance of a Show Cause Order to the permittees listed. Vice President Bouché moved to issue the Show Cause Order and Director Wertz seconded the motion. President Spigener called for a voice vote. Motion passed to approve the issuance of a Show Cause Order.

**9. DISCUSSION ON POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER INITIATING A LAWSUIT FOR FAILURE TO SUBMIT PAYMENT FOR 2025 WATER USE FEES AND/OR PENALTIES ASSOCIATED WITH UNTIMELY SUBMISSIONS:**

President Spigener stated that this item it to issue a show cause order directing those in violation to appear at a show cause hearing for that purpose and show cause why appropriate action should not be taken for failure to submit payment for 2025 Water Use Fees. Ms. Sarah Kouba gave a brief overview of the number of violators.

President Spigener called for a motion to move forward with issuance of a Show Cause Order to the permittees listed. Vice President Bouché moved to issue the Show Cause Order and Treasurer Earnest seconded the motion. President Spigener called for a voice vote. Motion passed to approve the issuance of a Show Cause Order.

**10. DISCUSSION ON POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER INITIATING A LAWSUIT FOR OVERPRODUCTION OF PERMITTED ALLOCATION DURING THE 2024 CALENDAR YEAR AND/OR PENALTIES ASSOCIATED WITH UNTIMELEY SUBMISSIONS:**

President Spigener stated that this item it to issue a show cause order directing those in violation to appear at a show cause hearing for that purpose and show cause why appropriate action should not be taken for overproduction of permitted allocation during the 2024 calendar year. Ms. Sarah Kouba gave a brief overview of the number of violators.

President Spigener called for a motion to move forward with issuance of a Show Cause Order to the permittees listed. Director Wertz moved to issue the Show Cause Order and Vice President Bouché seconded the motion. President Spigener called for a voice vote. Motion passed to approve the issuance of a Show Cause Order.

**11. DISCUSSION ON POSSIBLE ACTION TO ISSUE A SHOW CAUSE ORDER INITIATING A LAWSUIT FOR VIOLATIONS ISSUED IN 2025 AND/OR PENALTIES ASSOCIATED WITH NON-COMPLIANCE OF DISTRICT RULES:**

President Spigener stated that this item it to issue a show cause order directing those in violation to appear at a show cause hearing for that purpose and show cause why appropriate action should not be taken for violations issued in 2025 and/or fines associated with non-compliance of District Rules. Ms. Sarah Kouba gave a brief overview of the number of violators.

President Spigener called for a motion to move forward with issuance of a Show Cause Order to the permittees listed. Director Traylor moved to issue the Show Cause Order and Vice President Bouché seconded the motion. President Spigener called for a voice vote. Motion passed to approve the issuance of a Show Cause Order.

**12. GENERAL MANAGER'S REPORT:**

Ms. Kouba stated that top priorities for the District in May have included continued preparations for Groundwater Management Area 14 (GMA14) for this joint planning cycle, maintaining a pulse on the legislative session that just wrapped up in Austin, and enforcements violations of district rules, and for late, or missing water use fees for 2025, and/or missing or incomplete production reports from 2024. The District continues working through the proposal of the rebuild of the district software database and the development of sustainable software, the finishing stages of completing the new district website, draft rule development, continued sharpening of applications and processes, new staff training and development, the implementation of conservation educational programs, and community involvement and informational outreach strategies. Ms. Kouba asked that the public take note that meter readings are to be assessed and documented monthly. At this time, the district allows for submission of the production report documenting your monthly readings to be submitted at minimum on an annual basis, but that production report annual submission allowance is not to be confused with a disregard of monthly readings. The district will be issuing violations for all production reporting that does not include all monthly readings for 2025, and this is without exception. To Ms. Kouba's understanding, the Permitting Team has been issuing verbal warnings for years to habitual offenders that force the district to average their water usage due to this violation of district rules. We see an onslaught of allocation increase applications from October through December due to permit holders not adequately analyzing their usage monthly to determine if demand has changed, or to ensure there has not been a failure in the infrastructure determined by this monthly review of their readings. Again, all production reports that do not provide meter readings for all months within the proceeding calendar year will be in non-compliance and subject to violation of district rules for 2025's meter readings. The district has implemented an inspection process at the drilling stage to confirm the location on the application matches the staked location (within the allowable buffer, not to encroach on spacing requirements), the HP, the casing size, and the flow testing. Our District Field staff contact the driller listed on the application, and in the event the driller is still to be determined, the field staff contact the permit holder at time of approval to coordinate this inspection. Our inspectors are working diligently to work around your drilling timeline (within reason). This is not a rule change, this is simply ensuring compliance of your approval at the front end of the drilling versus post the completion of drilling. Ms. Kouba states that it has come to her attention that some drillers are refusing to return the call for our field staff and drilling prior to our confirmation of location. Please note that should our field staff find adequate reasoning by their own discretion to question the casing size, or the HP, they reserve the right to request the pump be removed for verification. That will be a much more tedious and expensive process than showing the field staff prior to installation. Additionally, should the field staff identify the drilled location is not within the allowable buffer, or is encroaching on spacing requirements, violations will be issued at the maximum of the penalty range as a deterrent to ensure all adhere to district protocol for inspection. Again, this field inspection to ensure compliance is to be a helpmeet to prevent violations. If you are following the registration and/or the operating permit process in compliance, this should not be a hindrance. For drillers, property owners, or permit holders that have chosen not to follow District Rules by ensuring a proper permit or registration is issued prior to drilling or have chosen to drill outside of the permit or registration approval (whether location, size, capacity, etc.) violations will be issued accordingly. A reminder that our rules are in place to protect the aquifer, and to protect unreasonable impacts on neighboring wells, a responsibility Ms. Kouba states she takes seriously. The District needs to know where these wells are, when they are drilled, and we need to know they were drilled in compliance with our rules. This district is doing all we can to ensure your rights to use your groundwater are protected. The District is consistently challenging premature restrictions both regionally and statewide, but this is a partnership. Do not drill in Montgomery County without proper authorization. Our staff are here to help you, and they work hard to do all possible to get you through the permitting or registration process as timely as possible. Follow the rules, and we'll work with you. Additionally, Ms. Kouba made a correction to a statement made at the last GMA 14 meeting regarding her expressed concern of rising cost of surface water from the San Jacinto River Authority (SJRA), which would create additional challenges toward the progressive move to conjunctive use throughout our county. This comment was due to a committee announcement at the GRP Review Committee Meeting at SJRA in May, that an increase in the raw surface water associated with the changing of the water source from the Conroe Division to the City of Houston. It is now understood that the increase in price of City of Houston's raw surface water will not result in a GRP rate increase because the additional costs will be addressed in the budget for the GRP division and absorbed through previous payments from GRP participants. Ms. Kouba thanked Mr. Aubrey Spears, General Manager of SJRA, for clearing up that error and ensuring our communication to the public remains aligned. Ms. Kouba then went on to list prior and future meetings and what is discussed, and scheduled events/upcoming travel. President Spigener stated that the attention to discipline

around the rules of the District is to make sure that we can provide the highest practicable use of the water that we have. If we are going to manage this properly, we need to make sure everyone is following the rules. He then shows appreciation to Ms. Sarah Kouba for correcting a previous statement she had made. Ms. Kouba gave an example of a permittee who is having issues in the well application process due to records we received previously not being accurate, and if they were, this would not have happened. The more accuracy we can have regarding the GPS coordinates, the better we can help manage.

**13.GENERAL COUNSEL'S REPORT:**

Ms. Reese stated she has no updates for the board at this time.

**14. NEW BUSINESS:**

No new business

**15. ADJOURN:**

There being no further business Director Traylor moved to adjourn the meeting and Director Wertz seconded the motion. President Spigener called for a voice vote, motion passed, meeting adjourned at 6:48 PM.

**PASSED, APPROVED, AND ADOPTED THIS 8th DAY OF JULY 2025.**

Janice Thigpen, Board Secretary